

ModernGraham Valuation

Company Name:

Company Ticker VNO
Date of Analysis

Vornado Realty
Trust

3/31/2018



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$12,785,910,589	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end		
4. Earnings Growth		-9.04%	Fail
5. Moderate PEmg Ratio	PEmg < 20	31.06	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.97	Fail

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior	Pass
2. Dividend Record	Currently Pays Dividend	Pass
3. Earnings Growth	EPSmg greater than 5 years ago	Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	2.17
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$31.42
MG Value based on 0% Growth	\$18.42
Market Implied Growth Rate	11.28%

MG Opinion

Current Price	\$67.30
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

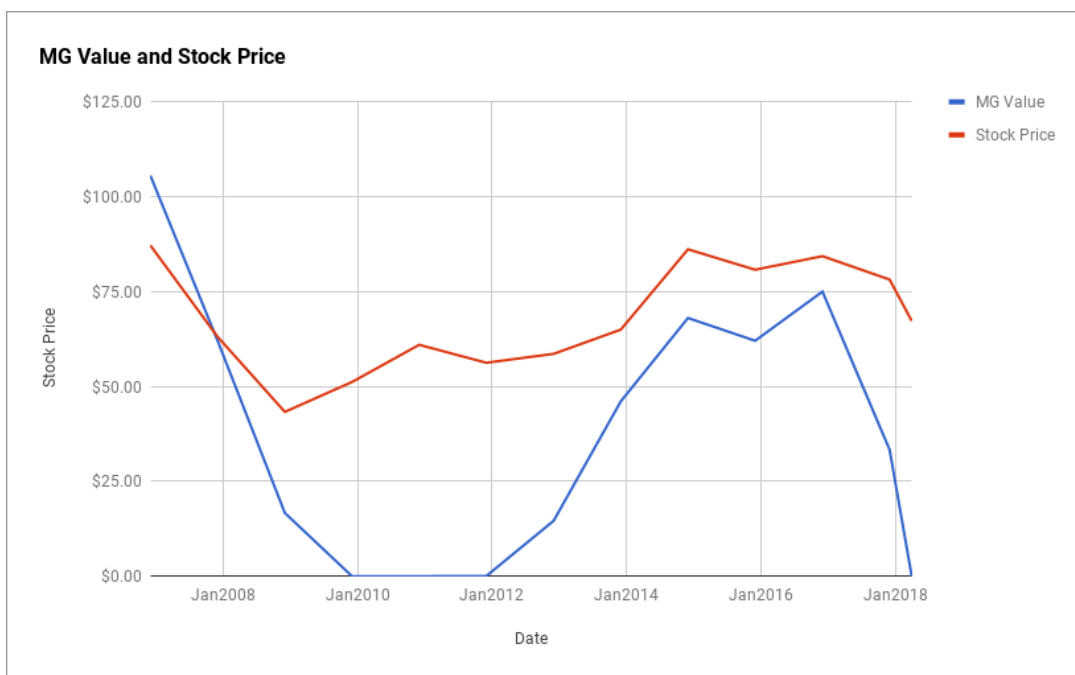
Stage 3: Information for Further Research

Graham Number	\$19.69
PEmg	31.06
PB Ratio	2.97
Dividend Yield	3.89%
Number of Consecutive Years of Dividend Growth	1

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.95	Next Fiscal Year Estimate	\$2.17
Dec2017	\$0.85	Dec2017	\$2.85
Dec2016	\$4.34	Dec2016	\$3.71
Dec2015	\$3.59	Dec2015	\$3.33
Dec2014	\$4.15	Dec2014	\$3.18
Dec2013	\$2.09	Dec2013	\$2.58
Dec2012	\$2.94	Dec2012	\$2.67
Dec2011	\$3.23	Dec2011	\$2.49
Dec2010	\$3.24	Dec2010	\$2.22
Dec2009	\$0.28	Dec2009	\$1.96
Dec2008	\$2.10	Dec2008	\$2.96
Dec2007	\$3.17	Dec2007	\$3.47
Dec2006	\$3.34	Dec2006	\$3.53
Dec2005	\$3.49	Dec2005	\$3.47
Dec2004	\$4.33	Dec2004	\$3.28
Dec2003	\$3.73	Dec2003	\$2.64
Dec2002	\$1.87	Dec2002	\$2.06
Dec2001	\$2.42	Balance Sheet Information 12/1/2017	
Dec2000	\$2.16	Long-Term Debt & Capital Lease Obligation	\$9,729,487,000
Dec1999	\$1.90	Total Assets	\$17,397,934,000
Dec1998	\$1.56	Intangible Assets	\$159,260,000
		Total Liabilities	\$13,060,282,000
		Shares Outstanding (Diluted Average)	191,261,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other ModernGraham posts about the company

[Vornado Realty Trust Valuation – July 2016 \\$VNO](#)
[30 Companies in the Spotlight This Week – 5/23/15](#)
[Vornado Realty Trust Annual Valuation – 2015 \\$VNO](#)
[16 Companies in the Spotlight This Week – 5/24/14](#)
[Vornado Realty Trust 2014 Annual Valuation \\$VNO](#)

Other ModernGraham posts about related companies

[Public Storage Valuation – March 2018 \\$PSA](#)
[Macerich Co Valuation – March 2018 \\$MAC](#)
[HCP Inc Valuation – March 2018 \\$HCP](#)
[Apartment Investment & Management Co Valuation – March 2018 \\$AIV](#)
[Crown Castle International Corp Valuation – March 2018 \\$CCI](#)
[GGP Inc Valuation – March 2018 \\$GGP](#)
[Starwood Property Trust Inc Valuation – March 2018 \\$STWD](#)
[Simon Property Group Inc Valuation – March 2018 \\$SPG](#)
[Welltower Inc Valuation – March 2018 \\$WELL](#)
[Boston Properties Inc Valuation – March 2018 \\$BXP](#)