

# ModernGraham Valuation

Company Name:

Ventas, Inc.

Company Ticker

VTR

Date of Analysis

4/16/2018



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

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$17,339,717,824	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.32	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. 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	45.29%	Pass
5. Earnings Growth	PEmg < 20	22.78	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.61	Pass
7. Moderate Price to Assets			

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.32	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-13.00	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.14
MG Growth Estimate	6.30%
<b>MG Value</b>	<b>\$45.09</b>
MG Value based on 3% Growth	\$30.98
MG Value based on 0% Growth	\$18.16
Market Implied Growth Rate	7.14%

### MG Opinion

Current Price	\$48.68
% of Intrinsic Value	107.97%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$35.30
Graham Number	\$31.55
PEmg	22.78
Current Ratio	0.32
PB Ratio	1.61
Current Dividend	\$3.12
Dividend Yield	6.40%
Number of Consecutive Years of Dividend Growth	1

### Useful Links:

[ModernGraham tagged articles](#)  
[Google Finance](#)  
[Yahoo Finance](#)  
[GuruFocus](#)

[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$1.45	Dec2017	\$2.14
Dec2016	\$3.78	Dec2016	\$2.32
Dec2015	\$1.86	Dec2015	\$1.56
Dec2014	\$1.25	Dec2014	\$1.42
Dec2013	\$1.60	Dec2013	\$1.50
Dec2012	\$1.54	Dec2012	\$1.48
Dec2011	\$1.23	Dec2011	\$1.48
Dec2010	\$1.58	Dec2010	\$1.65
Dec2009	\$1.56	Dec2009	\$1.69
Dec2008	\$1.74	Dec2008	\$1.71
Dec2007	\$1.59	Dec2007	\$1.66
Dec2006	\$2.25	Dec2006	\$1.68
Dec2005	\$1.25	Dec2005	\$1.40
Dec2004	\$1.36	Dec2004	\$1.41
Dec2003	\$1.43	Dec2003	\$1.24
Dec2002	\$2.03	Dec2002	\$0.98
Dec2001	\$0.93	Dec2001	\$0.42
Dec2000	\$0.73	<b>Balance Sheet Information 12/1/2017</b>	
Dec1999	-\$0.96	Total Current Assets	\$408,791,000
Dec1998	\$0.63	Total Current Liabilities	\$1,276,510,000
	\$0.39	Long-Term Debt	\$11,276,062,000
		Total Assets	\$23,954,541,000
		Intangible Assets	\$1,041,137,000
		Total Liabilities	\$13,088,315,000
		Shares Outstanding (Diluted Average)	359,169,000





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

[Ventas Inc Valuation – August 2016 \\$VTR](#)  
[Ventas Inc. Analysis – 2015 Update \\$VTR](#)  
[19 Companies in the Spotlight This Week – 7/26/14](#)  
[Ventas Inc. Annual Valuation – 2014 \\$VTR](#)

Other  
ModernGraham  
posts about related  
companies

[SL Green Realty Corp Valuation – April 2018 \\$SLG](#)  
[Regency Centers Corp Valuation – Initial Coverage \\$REG](#)  
[Host Hotels & Resorts Inc Valuation – April 2018 \\$HST](#)  
[Vornado Realty Trust Valuation – April 2018 \\$VNO](#)  
[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](#)