

ModernGraham Valuation

Company Name:

Prologis Inc

Company Ticker PLD

Date of Analysis

5/20/2018



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	\$33,743,240,892	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.66	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	-195.28%	Fail
5. Earnings Growth	PEmg < 20	32.46	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.23	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	0.66	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-40.30	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.95
MG Growth Estimate	15.00%
MG Value	\$75.00
MG Value based on 3% Growth	\$28.25
MG Value based on 0% Growth	\$16.56
Market Implied Growth Rate	11.98%

MG Opinion

Current Price	\$63.24
% of Intrinsic Value	84.32%
Opinion	Fairly Valued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$24.42
Graham Number	\$27.27
PEmg	32.46
Current Ratio	0.66
PB Ratio	2.23
Current Dividend	\$1.76
Dividend Yield	2.78%
Number of Consecutive Years of Dividend Growth	4

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		Next Fiscal Year Estimate	
Dec2017	\$1.13	Dec2017	\$1.95
Dec2016	\$3.06	Dec2016	\$2.16
Dec2015	\$2.27	Dec2015	\$1.52
Dec2014	\$1.64	Dec2014	\$0.95
Dec2013	\$1.24	Dec2013	\$0.09
Dec2012	\$0.64	Dec2012	-\$0.75
Dec2011	-\$0.18	Dec2011	-\$1.47
Dec2010	-\$0.51	Dec2010	-\$1.71
Dec2009	-\$5.90	Dec2009	-\$1.65
Dec2008	-\$0.37	Dec2008	\$0.78
Dec2007	-\$0.68	Dec2007	\$1.50
Dec2006	\$2.96	Dec2006	\$2.45
Dec2005	\$2.30	Dec2005	\$2.04
Dec2004	\$2.85	Dec2004	\$1.80
Dec2003	\$1.39	Dec2003	\$1.27
Dec2002	\$1.41	Dec2002	\$1.26
Dec2001	\$0.75	Dec2002	\$1.24
Dec2000	\$1.41	Balance Sheet Information	
Dec1999	\$1.35	3/1/2018	
Dec1998	\$1.94	Total Current Assets	
	\$1.26	\$458,099,000	
		Total Current Liabilities	
		\$692,853,000	
		Long-Term Debt	
		\$9,460,177,000	
		Total Assets	
		\$29,671,485,000	
		Intangible Assets	
		\$0	
		Total Liabilities	
		\$13,991,410,000	
		Shares Outstanding (Diluted Average)	
		554,123,000	





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:

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ModernGraham
posts about the
company

[Prologis Inc Valuation – February 2017 \\$PLD](#)
[Prologis Inc. Valuation – October 2015 Update \\$PLD](#)
[28 Companies in the Spotlight This Week – 11/1/14](#)
[Prologis Inc. Annual Valuation – 2014 \\$PLD](#)

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[Realty Income Corp Valuation – April 2018 \\$O](#)
[Ventas Inc Valuation – April 2018 \\$VTR](#)
[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](#)