# **ModernGraham Valuation**

## **Company Name:**

Alexandria Real **Estate Equities Inc** 



Company Ticker Date of Analysis

11/28/2018

## 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.

	Adequate Size of the Enterprise	Market Cap > \$2Bil	\$13,231,149,935	Pass
:	2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.48	Fail
;	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		
	5. Earnings Growth	beginning and end	-71.23%	Fail
(	6. Moderate PEmg Ratio	PEmg < 20	113.72	Fail
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.75	Pass

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	0.48	Fail
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-10.83	Fail
3.	Earnings Stability	Positive EPS for 5 years prior		Fail
4.	Dividend Record	Currently Pays Dividend		Pass
5.	Earnings Growth	EPSmg greater than 5 years ago		Fail
		Score		

Score

Suitability

Defensive No Nο Enterprising

### Stage 2: Determination of Intrinsic Value

EPSmg	\$1.08
MG Growth Estimate	-3.06%
MG Value	\$2.58
MG Value based on 3% Growth	\$15.68
MG Value based on 0% Growth	\$9.19
Market Implied Growth Rate	52.61%

MG Opinion

Current Price \$122.97 % of Intrinsic Value 4762.03%

Opinion Overvalued

MG Grade

### Stage 3: Information for Further Research

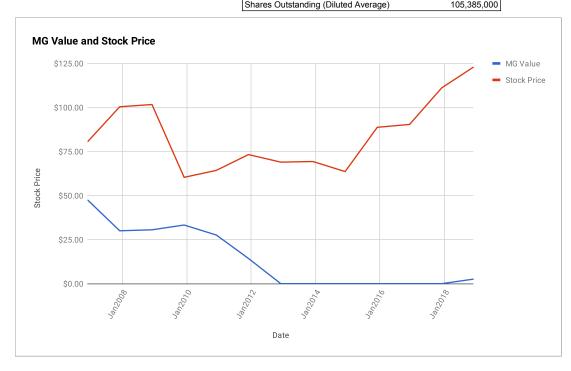
Net Current Asset Value (NCAV)	-\$59.02
Graham Number	\$55.44
PEmg	113.72
Current Ratio	0.48
PB Ratio	1.75
Current Dividend	\$3.45
Dividend Yield	2.81%
Number of Consecutive Years of Dividend	_
Growth	7

Morningstar

Useful Links: ModernGraham tagged articles

> Google Finance MSN Money Yahoo Finance Seeking Alpha **GuruFocus SEC Filings**

EPS History		EPSmg History	
Next Fiscal Year	•••		***
Estimate	• •	Next Fiscal Year Estimate	\$1.08
Dec2017	\$1.58	Dec2017	\$0.56
Dec2016	-\$1.99	Dec2016	\$0.26
Dec2015	\$1.63	Dec2015	\$1.39
Dec2014	\$1.01	Dec2014	\$1.36
Dec2013	\$1.60	Dec2013	\$1.64
Dec2012	\$1.09	Dec2012	\$1.82
Dec2011	\$1.73	Dec2011	\$2.26
Dec2010	\$2.19	Dec2010	\$2.53
Dec2009	\$2.72	Dec2009	\$2.64
Dec2008	\$2.86	Dec2008	\$2.56
Dec2007	\$2.63	Dec2007	\$2.44
Dec2006	\$2.25	Dec2006	\$2.34
Dec2005	\$2.22	Dec2005	\$2.33
Dec2004	\$2.33	Dec2004	\$2.29
Dec2003	\$3.10	Dec2003	\$2.16
Dec2002	\$1.76	Dec2002	\$1.68
Dec2001	\$1.64	Balance Sheet Information	9/1/2018
Dec2000	\$1.77	Total Current Assets	\$483,216,000
Dec1999	\$1.46	Total Current Liabilities	\$1,008,178,000
Dec1998	\$1.58	Long-Term Debt	\$5,684,004,000
		Total Assets	\$14,105,566,000
		Intangible Assets	\$0
		Total Liabilities	\$6,702,953,000
		Shares Outstanding (Diluted Average)	105,385,000





#### 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 Alexandria Real Estate Equities Inc Valuation – February 2018 \$ARE Alexandria Real Estate Equities Inc. Analysis – Initial Coverage \$ARE

Other ModernGraham posts about related companies <u>LaSalle Hotel Properties Valuation – September 2018 \$LHO</u>

Cousins Properties Inc Valuation – September 2018 \$CUZ

Cominar Real Estate Investment Trust Valuation – September 2018 \$TSE:CUF.UN

CareTrust REIT Inc Valuation – August 2018 \$CTRE

Lamar Advertising Co Valuation - August 2018 \$LAMR

Uniti Group Inc Valuation - August 2018 \$UNIT

Kite Realty Group Trust Valuation - August 2018 \$KRG

Kilroy Realty Corp Valuation - August 2018 \$KRC

<u>Crombie Real Estate Investment Trust Valuation – August 2018 \$TSE-CRR.UN</u>

<u>Charles River Laboratories International Inc Valuation – August 2018 \$CRL</u>