

# ModernGraham Valuation

Company Name:

Public Storage

Company Ticker PSA

Date of Analysis

1/28/2019



## 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	\$35,967,888,219	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.06	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	130.08%	Pass
5. Earnings Growth	PEmg < 20	30.47	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	4.04	Fail
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	1.06	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	62.87	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	\$6.79
MG Growth Estimate	7.99%
<b>MG Value</b>	<b>\$166.23</b>
MG Value based on 3% Growth	\$98.45
MG Value based on 0% Growth	\$57.71
Market Implied Growth Rate	10.98%

### MG Opinion

Current Price	\$206.86
% of Intrinsic Value	124.44%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

## Stage 3: Information for Further Research

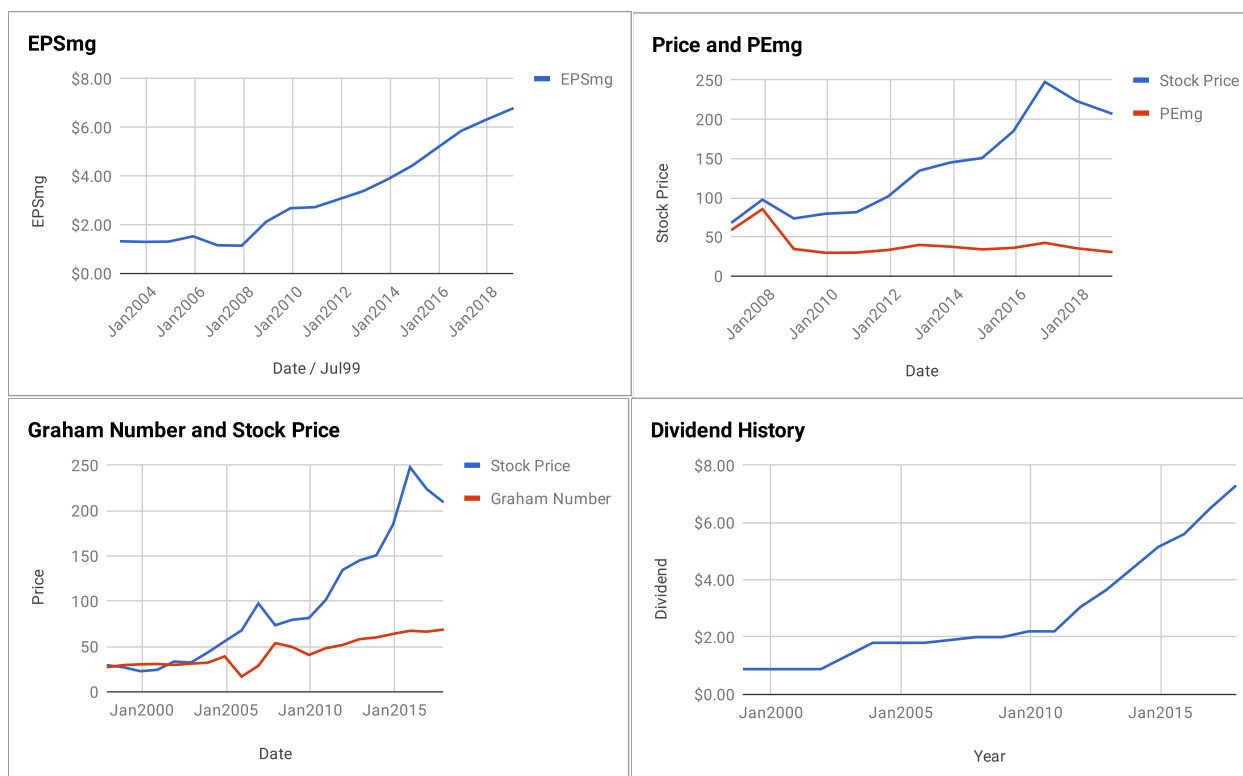
Net Current Asset Value (NCAV)	-\$8.00
Graham Number	\$68.70
PEmg	30.47
Current Ratio	1.06
PB Ratio	4.04
Current Dividend	\$8.00
Dividend Yield	3.87%
Number of Consecutive Years of Dividend Growth	8

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$7.42	Dec2017	\$6.79
Dec2016	\$6.73	Dec2016	\$6.30
Dec2015	\$6.81	Dec2015	\$5.85
Dec2014	\$6.07	Dec2014	\$5.14
Dec2013	\$5.25	Dec2013	\$4.43
Dec2012	\$4.89	Dec2012	\$3.87
Dec2011	\$3.90	Dec2011	\$3.39
Dec2010	\$3.29	Dec2010	\$3.05
Dec2009	\$2.35	Dec2009	\$2.72
Dec2008	\$3.47	Dec2008	\$2.68
Dec2007	\$4.18	Dec2007	\$2.13
Dec2006	\$1.17	Dec2006	\$1.14
Dec2005	\$0.33	Dec2005	\$1.16
Dec2004	\$1.97	Dec2004	\$1.53
Dec2003	\$1.38	Dec2003	\$1.31
Dec2002	\$1.28	Dec2002	\$1.30
Dec2001	\$1.14	Dec2001	\$1.32
Dec2000	\$1.39	<b>Balance Sheet Information</b>	
Dec1999	\$1.41	<b>9/1/2018</b>	
Dec1998	\$1.52	Total Current Assets	\$432,525,000
	\$1.30	Total Current Liabilities	\$409,973,000
		Long-Term Debt	\$1,417,945,000
		Total Assets	\$10,747,940,000
		Intangible Assets	\$209,317,000
		Total Liabilities	\$1,827,918,000
		Shares Outstanding (Diluted Average)	174,348,000





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

[Public Storage Valuation – March 2018 \\$PSA](#)  
[Public Storage Valuation – July 2016 \\$PSA](#)  
[24 Companies in the Spotlight This Week – 3/28/15](#)  
[Public Storage Annual Valuation – 2015 \\$PSA](#)  
[17 Companies in the Spotlight This Week – 3/22/14](#)

Other  
ModernGraham  
posts about related  
companies

[Macerich Co Valuation – January 2019 \\$MAC](#)  
[HCP Inc Valuation – January 2019 \\$HCP](#)  
[Apartment Investment and Management Co Valuation – January 2019 \\$AIV](#)  
[Simon Property Group Inc Valuation – January 2019 \\$SPG](#)  
[Crown Castle International Corp Valuation – January 2019 \\$CCI](#)  
[Welltower Inc Valuation – January 2019 \\$WELL](#)  
[Boston Properties Inc Valuation – January 2019 \\$BXP](#)  
[AvalonBay Communities Inc Valuation – December 2018 \\$AVB](#)  
[Weyerhaeuser Co Valuation – December 2018 \\$WY](#)  
[Alexandria Real Estate Equities Inc Valuation – November 2018 \\$ARE](#)