

ModernGraham Valuation

Company Name:

Company Ticker SPG

Date of Analysis

1/10/2019

Simon Property
Group Inc



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	\$55,105,744,241	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.51	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	195.02%	Pass
5. Earnings Growth	PEmg < 20	26.84	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	13.65	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	0.51	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-17.11	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	\$6.41
MG Growth Estimate	7.96%
MG Value	\$156.47
MG Value based on 3% Growth	\$92.90
MG Value based on 0% Growth	\$54.46
Market Implied Growth Rate	9.17%

MG Opinion

Current Price	\$171.97
% of Intrinsic Value	109.91%
Opinion	Fairly Valued
MG Grade	C-

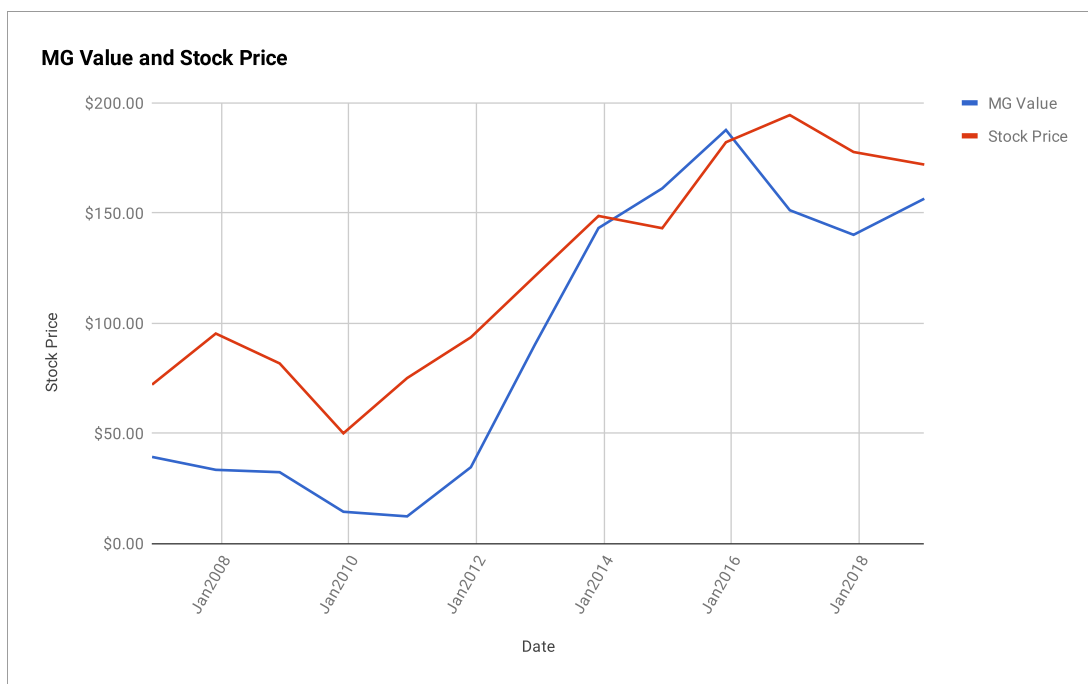
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$83.30
Graham Number	\$44.34
PEmg	26.84
Current Ratio	0.51
PB Ratio	13.65
Current Dividend	\$7.15
Dividend Yield	4.16%
Number of Consecutive Years of Dividend Growth	7

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	\$7.45	Next Fiscal Year Estimate	\$6.41
Dec2017	\$6.24	Dec2017	\$5.71
Dec2016	\$5.87	Dec2016	\$5.31
Dec2015	\$5.88	Dec2015	\$4.87
Dec2014	\$4.52	Dec2014	\$4.19
Dec2013	\$4.24	Dec2013	\$3.72
Dec2012	\$4.72	Dec2012	\$3.19
Dec2011	\$3.48	Dec2011	\$2.31
Dec2010	\$2.10	Dec2010	\$1.76
Dec2009	\$1.05	Dec2009	\$1.65
Dec2008	\$1.87	Dec2008	\$1.92
Dec2007	\$1.95	Dec2007	\$1.90
Dec2006	\$2.19	Dec2006	\$1.86
Dec2005	\$1.82	Dec2005	\$1.64
Dec2004	\$1.44	Dec2004	\$1.50
Dec2003	\$1.65	Dec2003	\$1.46
Dec2002	\$1.99	Dec2002	\$1.31
Dec2001	\$0.85	Balance Sheet Information 9/1/2018	
Dec2000	\$1.08	Total Current Assets	\$1,418,448,000
Dec1999	\$0.97	Total Current Liabilities	\$2,802,649,000
Dec1998	\$1.06	Long-Term Debt	\$23,678,264,000
		Total Assets	\$31,079,693,000
		Intangible Assets	\$0
		Total Liabilities	\$27,182,192,000
		Shares Outstanding (Diluted Average)	309,294,000





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**

[Simon Property Group Inc Valuation – March 2018 \\$SPG](#)
[Simon Property Group Inc Valuation – June 2016 \\$SPG](#)
[Simon Property Group Annual Valuation – 2015 \\$SPG](#)
[10 Companies in the Spotlight This Week – 12/28/13](#)
[ModernGraham Valuation: Simon Property Group \(SPG\)](#)

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[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](#)
[LaSalle Hotel Properties Valuation – September 2018 \\$LHO](#)
[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](#)