

ModernGraham Valuation

Company Name:

Ventas, Inc.

Company Ticker VTR

Date of Analysis

2/15/2019



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	\$23,220,325,302	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.28	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	40.27%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	36.30	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.28	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	0.28	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-12.51	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		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.79
MG Growth Estimate	3.95%
MG Value	\$29.43
MG Value based on 3% Growth	\$26.02
MG Value based on 0% Growth	\$15.25
Market Implied Growth Rate	13.90%

MG Opinion

Current Price	\$65.14
% of Intrinsic Value	221.35%
Opinion	Overvalued
MG Grade	D+

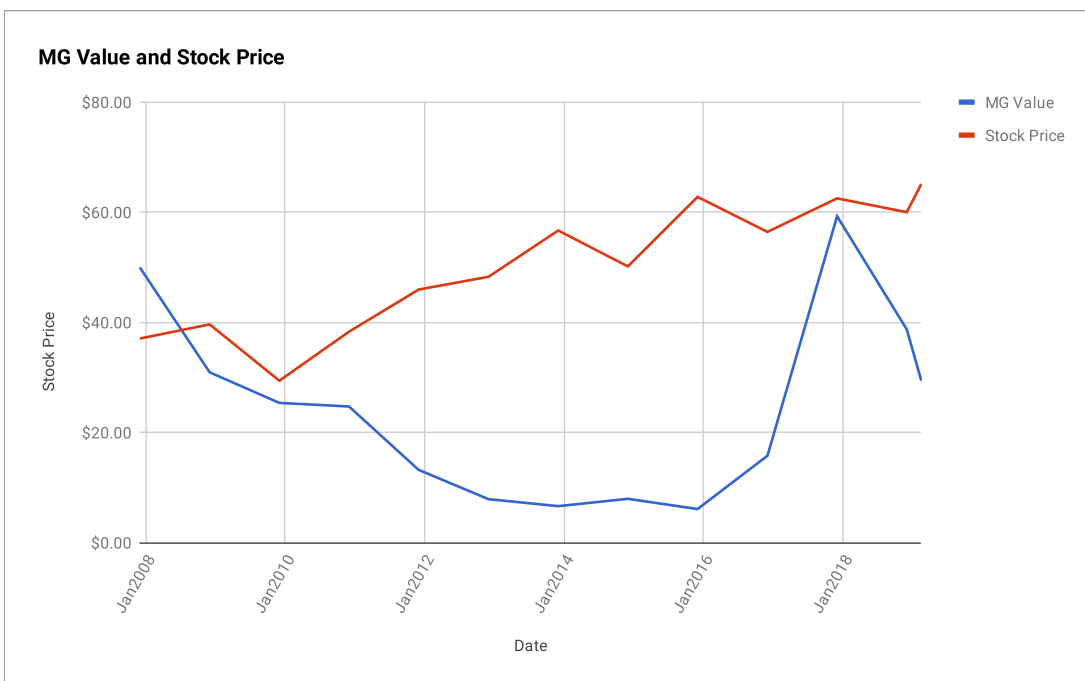
Stage 3: Information for Further Research

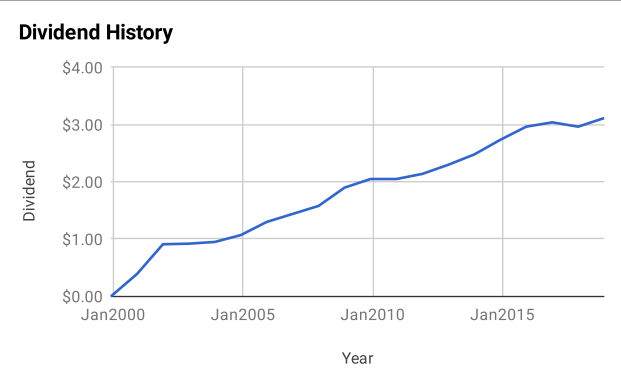
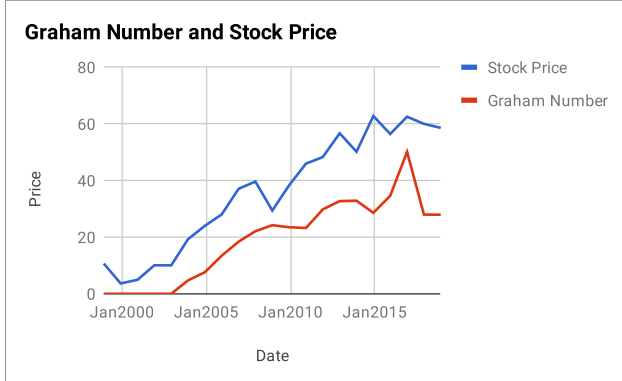
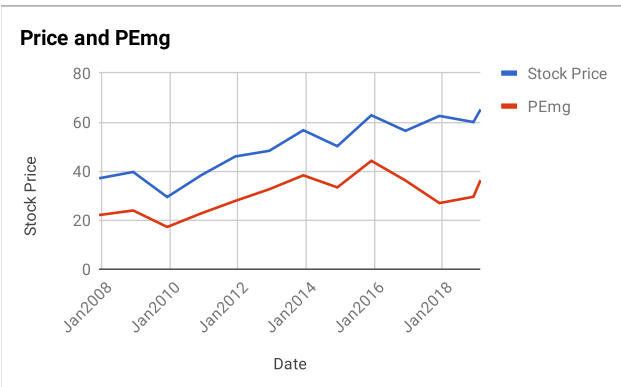
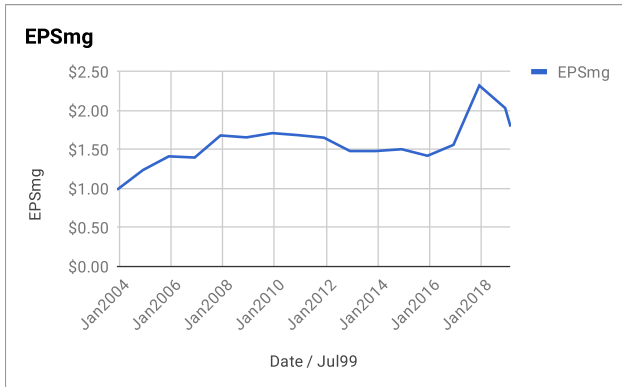
Net Current Asset Value (NCAV)	-\$33.29
Graham Number	\$27.93
PEmg	36.30
Current Ratio	0.28
PB Ratio	2.28
Current Dividend	\$3.16
Dividend Yield	4.86%
Number of Consecutive Years of Dividend Growth	2

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	\$1.21	Next Fiscal Year Estimate	\$1.79
Dec2018	\$1.14	Dec2018	\$2.03
Dec2017	\$3.78	Dec2017	\$2.32
Dec2016	\$1.86	Dec2016	\$1.56
Dec2015	\$1.25	Dec2015	\$1.42
Dec2014	\$1.60	Dec2014	\$1.50
Dec2013	\$1.54	Dec2013	\$1.48
Dec2012	\$1.23	Dec2012	\$1.48
Dec2011	\$1.58	Dec2011	\$1.65
Dec2010	\$1.56	Dec2010	\$1.69
Dec2009	\$1.74	Dec2009	\$1.71
Dec2008	\$1.59	Dec2008	\$1.66
Dec2007	\$2.25	Dec2007	\$1.68
Dec2006	\$1.25	Dec2006	\$1.40
Dec2005	\$1.36	Dec2005	\$1.41
Dec2004	\$1.43	Dec2004	\$1.24
Dec2003	\$2.03	Dec2003	\$0.98
Dec2002	\$0.93	Balance Sheet Information 12/1/2018	
Dec2001	\$0.73	Total Current Assets	\$327,754,000
Dec2000	-\$0.96	Total Current Liabilities	\$1,185,902,000
Dec1999	\$0.63	Long-Term Debt	\$10,733,699,000
		Total Assets	\$22,584,555,000
		Intangible Assets	\$2,559,126,000
		Total Liabilities	\$12,312,961,000
		Shares Outstanding (Diluted Average)	360,000,000





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 – April 2018 \\$VTR](#)
- [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 – February 2019 \\$SLG](#)
- [Regency Centers Corp Valuation – February 2019 \\$REG](#)
- [Host Hotels & Resorts Inc Valuation – February 2019 \\$HST](#)
- [Vornado Realty Trust Valuation – January 2019 \\$VNO](#)
- [Public Storage Valuation – January 2019 \\$PSA](#)
- [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](#)