

ModernGraham Valuation

Company Name:

Sealed Air Corp

Company Ticker SEE

Date of Analysis

12/2/2016



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	\$8,850,823,274	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.04	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	20.33%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	45.30	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	16.41	Fail

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	1.04	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	43.34	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		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.02
MG Growth Estimate	15.00%
MG Value	\$39.19
MG Value based on 3% Growth	\$14.76
MG Value based on 0% Growth	\$8.65
Market Implied Growth Rate	18.40%

MG Opinion

Current Price	\$46.12
% of Intrinsic Value	117.67%
Opinion	Overvalued
MG Grade	D

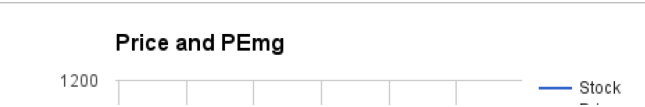
Stage 3: Information for Further Research

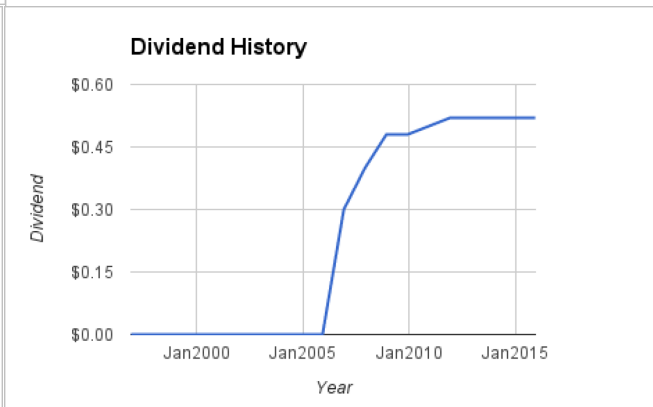
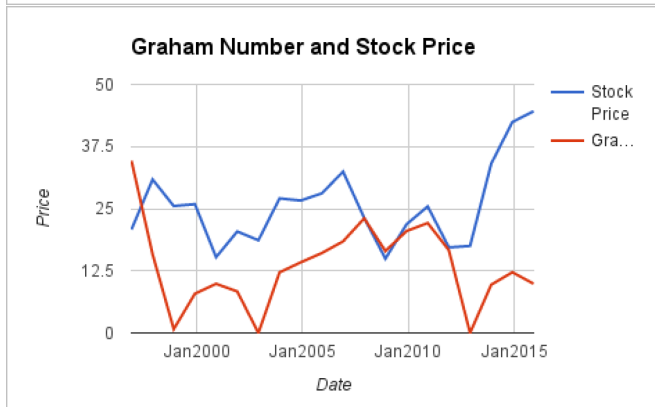
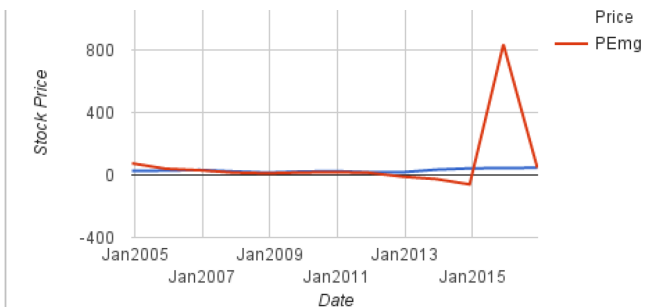
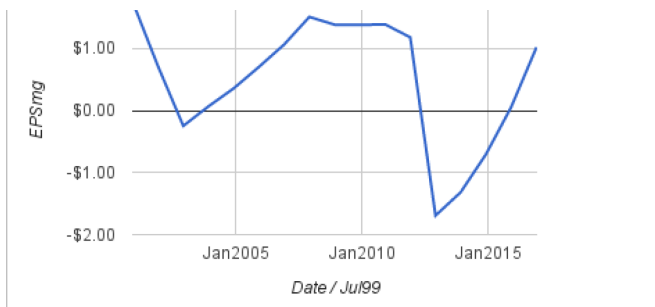
Net Current Asset Value (NCAV)	-\$23.78
Graham Number	\$12.09
PEmg	45.30
Current Ratio	1.04
PB Ratio	16.41
Current Dividend	\$0.58
Dividend Yield	1.26%
Number of Consecutive Years of Dividend Growth	1

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	\$2.27	Next Fiscal Year Estimate	\$1.02
Dec2015	\$1.62	Dec2015	\$0.05
Dec2014	\$1.20	Dec2014	-\$0.71
Dec2013	\$0.58	Dec2013	-\$1.32
Dec2012	-\$7.32	Dec2012	-\$1.69
Dec2011	\$0.80	Dec2011	\$1.18
Dec2010	\$1.44	Dec2010	\$1.39
Dec2009	\$1.35	Dec2009	\$1.38
Dec2008	\$0.99	Dec2008	\$1.38
Dec2007	\$1.89	Dec2007	\$1.51
Dec2006	\$1.47	Dec2006	\$1.06
Dec2005	\$1.35	Dec2005	\$0.70
Dec2004	\$1.13	Dec2004	\$0.36
Dec2003	\$1.00	Dec2003	\$0.07
Dec2002	-\$2.15	Dec2002	-\$0.25
Dec2001	\$0.61	Dec2001	\$0.71
Dec2000	\$0.97	Dec2000	\$1.74
Dec1999	\$0.84	Balance Sheet Information 9/1/2016	
Dec1998	\$0.01	Total Current Assets	\$2,376,100,000
Dec1997	\$1.20	Total Current Liabilities	\$2,283,800,000
Dec1996	\$15.53	Long-Term Debt	\$4,000,700,000
		Total Assets	\$7,605,800,000
		Intangible Assets	\$3,655,300,000
		Total Liabilities	\$7,053,000,000
		Shares Outstanding (Diluted Average)	196,700,000





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

- [30 Companies in the Spotlight This Week – 5/23/15](#)
- [Sealed Air Corporation Annual Valuation – 2015 \\$SEE](#)
- [17 Companies in the Spotlight This Week – 5/10/14](#)
- [Sealed Air Corporation \(SEE\) Annual Valuation – 2014](#)

Other ModernGraham posts about related companies

- [WestRock Co Valuation – August 2016 \\$WRK](#)
- [Bemis Company Inc Valuation – July 2016 \\$BMS](#)
- [Owens-Illinois Inc Valuation – June 2016 \\$OI](#)
- [Bemis Co Inc Valuation – January 2016 Update \\$BMS](#)
- [WestRock Co Valuation – January 2016 Update \\$WRK](#)
- [International Paper Co Valuation – December 2015 Update \\$IP](#)
- [Bemis Company Inc. Analysis – September 2015 Update \\$BMS](#)
- [WestRock Co. Analysis – Initial Coverage \\$WRK](#)
- [International Paper Company Analysis – September 2015 Update \\$IP](#)
- [Ball Corporation Analysis – 2015 Update \\$BLL](#)