

ModernGraham Valuation

Company Name:

Sealed Air Corp

Company Ticker SEE

Date of Analysis

4/19/2018



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.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$7,423,080,019	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.35	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	153.48%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	16.33	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	51.51	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	1.35	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	6.62	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	\$2.72
MG Growth Estimate	15.00%
MG Value	\$104.54
MG Value based on 3% Growth	\$39.37
MG Value based on 0% Growth	\$23.08
Market Implied Growth Rate	3.92%

MG Opinion

Current Price	\$44.35
% of Intrinsic Value	42.42%
Opinion	Undervalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$18.44
Graham Number	\$6.91
PEmg	16.33
Current Ratio	1.35
PB Ratio	51.51
Current Dividend	\$0.64
Dividend Yield	1.44%
Number of Consecutive Years of Dividend Growth	2

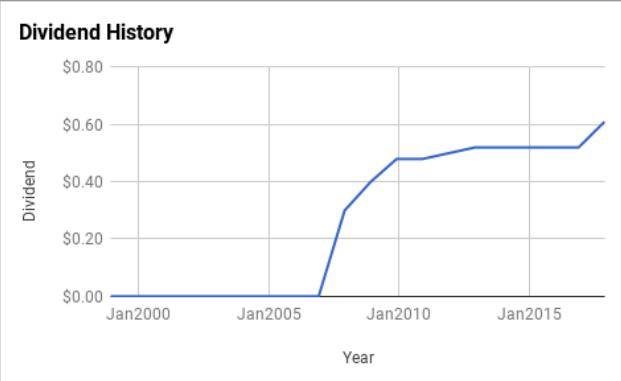
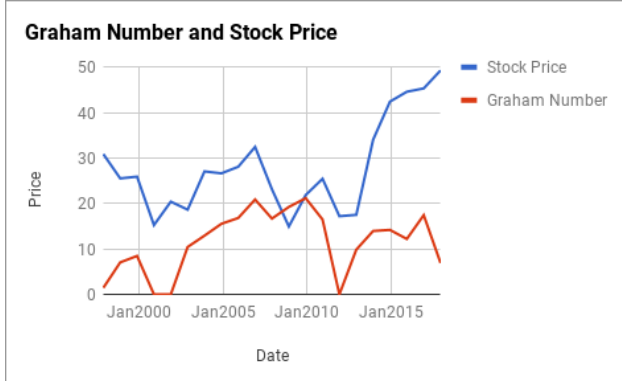
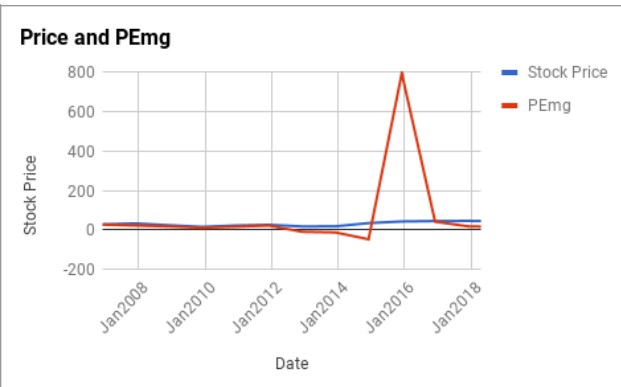
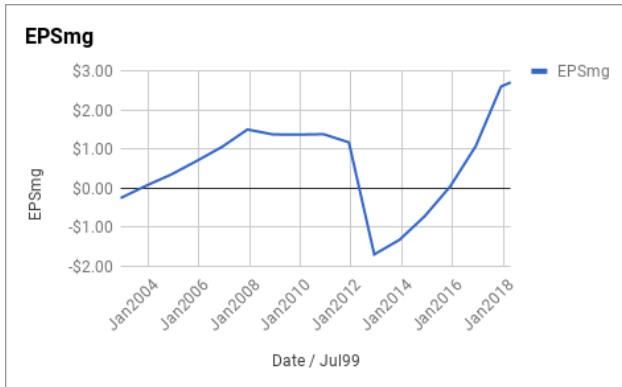
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.35	Next Fiscal Year Estimate	\$2.72
Dec2017	\$4.29	Dec2017	\$2.61
Dec2016	\$2.46	Dec2016	\$1.08
Dec2015	\$1.62	Dec2015	\$0.05
Dec2014	\$1.20	Dec2014	-\$0.71
Dec2013	\$0.58	Dec2013	-\$1.32
Dec2012	-\$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	Balance Sheet Information 12/1/2017	
Dec2000	\$0.97	Total Current Assets	\$1,866,400,000
Dec1999	\$0.84	Total Current Liabilities	\$1,378,200,000
Dec1998	\$0.01	Long-Term Debt	\$3,230,500,000
		Total Assets	\$5,280,300,000
		Intangible Assets	\$2,023,400,000
		Total Liabilities	\$5,128,000,000
		Shares Outstanding (Diluted Average)	176,900,000





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

- [Sealed Air Corp Valuation – November 2016 \\$SEE](#)
- [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

- [Packaging Corp of America Valuation – Initial Coverage \\$PKG](#)
- [AptarGroup Inc Valuation – Initial Coverage \\$ATR](#)
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- [International Paper Co Valuation – March 2017 \\$IP](#)
- [Schweitzer-Mauduit International Inc Valuation – Initial Coverage \\$SWM](#)
- [KapStone Paper and Packaging Corp Valuation – Initial Coverage \\$KS](#)
- [Sonoco Products Co Valuation – Initial Coverage \\$SON](#)
- [Silgan Holdings Inc Valuation – Initial Coverage \\$SLGN](#)
- [Clearwater Paper Corp Valuation – Initial Coverage \\$CLW](#)
- [Intertape Polymer Group Valuation – Initial Coverage \\$TSE:ITP](#)