

ModernGraham Valuation

Company Name:

Sealed Air Corp

Company Ticker

SEE

Date of Analysis

2/19/2019



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	\$6,636,362,622	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	-261.02%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	16.84	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	-18.93	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	48.89	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	\$2.51
MG Growth Estimate	15.00%
MG Value	\$96.66
MG Value based on 3% Growth	\$36.40
MG Value based on 0% Growth	\$21.34
Market Implied Growth Rate	4.17%

MG Opinion

Current Price	\$42.28
% of Intrinsic Value	43.74%
Opinion	Undervalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$24.63
Graham Number	\$0.00
PEmg	16.84
Current Ratio	1.04
PB Ratio	-18.93
Current Dividend	\$0.64
Dividend Yield	1.51%
Number of Consecutive Years of Dividend Growth	3

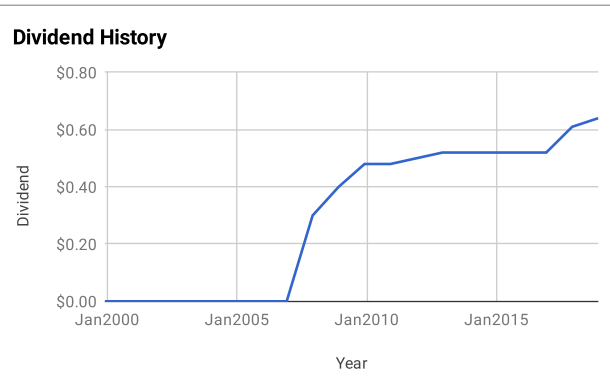
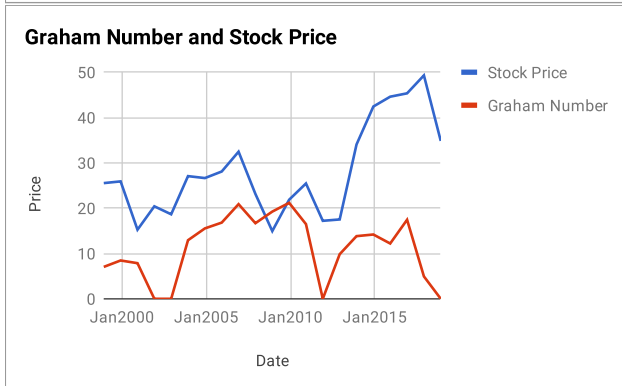
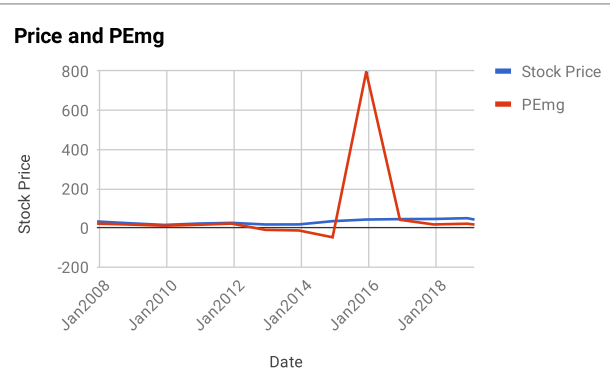
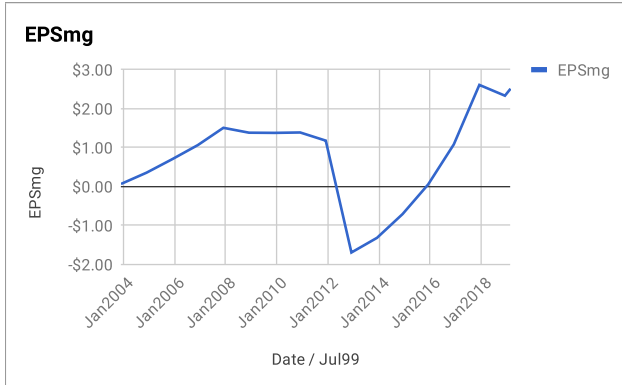
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$2.69		\$2.51
Dec2018	\$1.20	Dec2018	\$2.33
Dec2017	\$4.29	Dec2017	\$2.61
Dec2016	\$2.46	Dec2016	\$1.08
Dec2015	\$1.62	Dec2015	\$0.05
Dec2014	\$1.20	Dec2014	-\$0.71
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	Balance Sheet Information	
Dec2001	\$0.61	12/1/2018	
Dec2000	\$0.97	Total Current Assets	\$1,554,800,000
Dec1999	\$0.84	Total Current Liabilities	\$1,488,600,000
		Long-Term Debt	\$3,236,500,000
		Total Assets	\$5,050,200,000
		Intangible Assets	\$2,049,300,000
		Total Liabilities	\$5,398,800,000
		Shares Outstanding (Diluted Average)	156,100,000





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 – April 2018 \\$SEE](#)
- [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](#)

Other ModernGraham posts about related companies

- [Packaging Corp of America Valuation – January 2019 \\$PKG](#)
- [Schweitzer-Mauduit International Inc Valuation – September 2018 \\$SWM](#)
- [KapStone Paper and Packaging Corp Valuation – August 2018 \\$KS](#)
- [Sonoco Products Co Valuation – August 2018 \\$SON](#)
- [Silgan Holdings Inc Valuation – August 2018 \\$SLGN](#)
- [Clearwater Paper Corp Valuation – July 2018 \\$CLW](#)
- [Intertape Polymer Group Valuation – July 2018 \\$TSE-ITP](#)
- [Bemis Co Inc Valuation – June 2018 \\$BMS](#)
- [Owens-Illinois Inc Valuation – June 2018 \\$OI](#)
- [International Paper Co Valuation – June 2018 \\$IP](#)