

Analyst: Sung Nam

## Excel Maritime Carriers Ltd (EXM)

Market Price:	\$2.77	EBITDA/Share:	\$2.38	Net Asset/Share:	\$18.72
DCF Net Book Value:	66.082%	DCF EBITDA Multiple:		8.603%	
Percentage of Cash Flow:	8.802%	EVA Analysis:		2.647%	

**Opinion**

Net tangible asset is \$18.72 a share, while the market price is only \$2.77. If we purchase 100% of the equity, and pay off debt by selling assets, I can lock in a huge net book value at a fraction of the value. In other words, I can purchase \$1.66 BB in assets after liabilities, for only \$232 MM. The main issue is cash burn from operating the business, which will eat away at our value. If there is a positive FCF, then EXM is a great takeover candidate. Read an article from SeekingAlpha that explains the discounted value of the ships (48 total) is priced into the market price, so the book value is not a reliable source of information. The below calculations are assuming a full market recovery.

Assets: \$3.031 BB  
 Liabilities: \$1.278 BB  
 Net Book: \$1.80 BB

Equity Price: \$0.232 BB  
 Debt Outstanding: \$1.100 BB  
 Enterprise Value: \$1.323 BB

**Payoff debt by selling \$1.1 BB in assets. Then:**

Assets: \$1.931 BB  
 Liabilities: \$0.178 BB  
 Net Book: \$1.80 BB

Equity price: \$0.232 BB  
 Debt Outstanding: \$0.00 BB  
 Enterprise Value: \$0.232 BB

**Financial Analysis**

**Cashflow:** Net income margin is relatively steady at 30%. FCF is positive as long as there are no non-cash item.

**Debt and Liquidity:** \$1.10 BB in debt. EBITDA is about \$100-\$200 MM, so can cover interest payments.

**Sales growth:** Sales are forecasted to be negative 20% in 2011 and we carried that through for 5 years.

**LBO candidate?:** Not a strong LBO candidate since it doesn't generate enough cash to support heavy debt. We believe it is a likely takeover candidate due to the cheap asset value.

**Valuation Peers**

According to the Financial Times, analysts placed a median price at \$2.50, near \$4.00 based off the model. 0 Buys, 7 Hold, 2 Sell.

Excel Maritime Carriers Ltd. (Excel) is a provider of worldwide sea borne transportation services for dry bulk cargo, including among others, iron ore, coal and grain, referred to as major bulks, and steel products, fertilizers, cement, bauxite, sugar and scrap metal, referred to as minor bulks. The Company's fleet consists of 40 vessels and, together with seven Panamax vessels under bareboat charters, it operates 47 vessels, consisting of five Capesize, fourteen Kamsarmax, 21 Panamax, five Handymax and two Supramax vessels. In addition, the Company has also assumed five joint venture vessel-owning companies, six shipbuilding contracts for six Capesize vessels. Its subsidiaries include Maryville Maritime Inc. (Maryville), Point Holdings Ltd. and Bird Acquisition Corp.

<b>Company Name:</b> Excel Maritime Carriers Ltd		Market Capitalization:	\$232,180,000.00	<b>Income Statement</b>	
Ticker Symbol:	EXM	Total Debt:	\$1,154,040,000.00	Revenue:	\$401,140,000.00 100.0%
<b>Last Price:</b>	<b>\$2.77</b>	Total Cash:	\$66,030,000.00	Cost of Goods Sold:	-\$83,040,000.00 -20.7%
Net Cash/Share:	-12.98031496	Net Cash/(Debt):	-\$1,088,010,000.00	Gross Profit:	\$484,180,000.00 120.7%
Net Cash to Last Price:	-468.60%	Enterprise Value:	\$1,320,190,000.00	EBITDA:	\$199,870,000.00 49.8%
Shares Outstanding:	83,820,000	<b>EV/Share:</b>	<b>\$15.75</b>	Net Income:	\$94,590,000.00 23.6%
Industry:	Shipping & Ports	EBITDA:	\$199,870,000.00	<b>Balance Sheet</b>	
Sector:	Industrials	EV/EBITDA Multiple:	6.61	Cash:	\$65,920,000.00
Institutional Ownership:	#VALUE!	<b>DCF Valuation: Net Tangible Asset</b>		Short Term Investment:	\$120,000.00
Mutual Fund Ownership:	#VALUE!	<b>Current Market Price:</b>	<b>\$2.77</b>	A/R:	\$7,960,000.00
Insider Ownership:	#VALUE!	<b>DCF Enterprise Valuation:</b>	<b>\$35.00</b>	PP&E:	\$3,115,460,000.00
Retail Ownership:	#VALUE!	Appreciation/ (Depreciation) Over Period:	1163.60%	Assets:	\$3,031,820,000.00
Float:	#VALUE!	<b>App./ (Dep) Per Annum Over 5 Year Holding Period:</b>	<b>66.08%</b>	A/P:	\$11,930,000.00
<b>Technicals</b>		Beta:	2.85	Deferred Tax:	\$0.00
52 week low:	\$1.63	Risk Free (5 Year Treasury):	2.11%	Other Liabilities:	\$112,170,000.00
Today from 52 week low:	69.94%	Average Growth Rate Used:	-20.00%	Short term Debt:	\$107,370,000.00
52 week high:	\$6.63	Discount Rate Used:	0.00%	Long Term Debt:	\$1,046,670,000.00
Today from 52 week high:	139.35%	Terminal Value EV/EBITDA Ratio:	6.61	Liabilities:	\$1,278,140,000.00
50 day Moving Average:	\$2.21	Net Tangible Asset:	\$1,569,310,000.00	Retained Earnings:	\$691,670,000.00
200 day Moving Average:	\$3.43	<b>DCF Valuation: EBITDA Multiple</b>		Paid-In Capital:	\$1,061,130,000.00
<b>Profitability Margins</b>		EBITDA in 5 Years:	\$142,329,805.86	Treasury Stock:	-\$190,000.00
Debt to Equity:	65.81%	Today's EV/EBITDA Multiple:	6.61	Stockholder's Equity:	\$1,753,680,000.00
Return on Assets:	8.50%	Implied Enterprise Value:	\$940,123,011.93	<b>Cash Flow</b>	
Return on Capital:	8.87%	Net Cash at 5 years:	-\$583,867,311.98	Net Income:	258,830,000.00
Return on Equity:	14.70%	Implied Equity Value:	\$356,255,699.95	Depreciation/Amortization:	125,280,000.00
<b>Analyst/Consensus</b>		<b>Implied Equity Value/Share:</b>	<b>\$4.18</b>	Change in Working capital:	-21,210,000.00
Analyst Sales Growth FY1:	-23.10%	Return over 5 Years:	51.08%	Cash from Operating Activities:	158,500,000.00
Analyst Sales Growth FY2:	-14.40%	<b>Annualized Return (Zero reinvestment rate):</b>	<b>8.60%</b>	Capital Expenditures:	-92,850,000.00
SN Valuation Estimate FY1:	-20.00%	<b>Waterfall Analysis Enterprise Value</b>		Cash from Investing Activities:	-92,850,000.00
SN Valuation Estimate FY2:	-20.00%	High range:	\$1,672,066,000.00	Total Cash Dividends Paid:	0.00
Analyst Earnings Estimate FY1:	-\$0.41	High range/share:	\$19.95	Issuance (Retirement) of Stock:	4,930,000.00
Analyst Earnings Estimate FY2:	-\$0.80	Mid range:	\$1,320,190,000.00	Issuance (Retirement) of Debt:	-111,850,000.00
SN Valuation Earnings Est. FY1:	\$2.42	Mid range/share:	\$15.75	Cash from Financing Activities:	-99,830,000.00
SN Valuation Earnings Est. FY2:	\$2.00	Low range:	\$1,008,288,000.00	<b>Multiples</b>	
<b>Multiples</b>		Low range/share:	\$12.03	Market Value to Book:	0.13
Market Value to Book:	0.13	<b>SN Valuation Mutliples</b>		EV to Book:	0.75
EV to Book:	0.75	Enterprise Value:	\$1,320,190,000.00	P/E Ratio:	2.45
P/E Ratio:	2.45	4 Year Sum EBITDA:	\$855,390,000.00	Trailing P/E Ratio:	2.45
Trailing P/E Ratio:	2.45	EV/4 Year Sum EBITDA:	1.54	Forward P/E Ratio:	N/A
Forward P/E Ratio:	N/A	Enterprise Value:	\$1,320,190,000.00	Net Tangible Asset/Share:	\$18.72
Net Tangible Asset/Share:	\$18.72	4 Year Sum Operating Cash Flow:	\$678,380,000.00	<b>Competitors</b>	
Average EV to EBITDA:	6.97	EV/4 Year Sum EBITDA:	1.95	Average EV to EBITDA:	6.97
Company EV to EBITDA:	6.61	Implied Enterprise Value in 5 Years:	\$937,879,471.81	Company EV to EBITDA:	6.61
Average EV to EBIT:	13.50	Net Cash at 5 years:	-\$583,867,311.98	Average EV to EBIT:	13.50
Company EV to EBIT:	4.09	Implied Equity Value:	\$354,012,159.83	Company EV to EBIT:	4.09
		<b>Implied Equity Value/Share:</b>	<b>\$4.22</b>		
		Return over 5 Years:	52.47%		
		<b>Annualized Return (Zero reinvestment rate):</b>	<b>8.80%</b>		

**SN VALUATION**

**Competitors/Industry**

**Name:**

**Excel Maritime Carriers Ltd**

**Ticker:**

**EXM**

Ticker	Name of Company	Stock Price	Market Cap	Cash	Debt	Net Cash	Enterprise Value	EV/Market Cap	EBITDA	EV/EBITDA	EBIT	EV/EBIT
<b>EXM</b>	Excel Maritime Carriers Ltd	\$2.77	232,180,000	59,730,000	1,154,040,000	-1,094,310,000	1,326,490,000	571.320%	199,870,000	6.64	259,600,000	5.11
<b>UPS</b>	United Parcel Service Inc	\$71.55	70,180,000,000	5,640,000,000	10,846,000,000	-5,206,000,000	75,386,000,000	107.418%	8,150,000,000	9.25	5,523,000,000	13.65
<b>FDX</b>	Fedex Corp	\$85.13	27,070,000,000	1,960,000,000	1,685,000,000	275,000,000	26,795,000,000	98.984%	4,640,000,000	5.77	2,265,000,000	11.83

Pro Forma Income Statement

Name: Excel Maritime Carriers Ltd

Ticker: EXM

	Historical				Forecasted				
	12 months ending 2007-12-31	12 months ending 2008-12-31	12 months ending 2009-12-31	12 months ending 2010-12-31	2011	2012	2013	2014	2015
Revenue	177.51	696.06	756.60	685.65	548.52	438.82	351.05	280.84	224.67
COGS	46.92	153.28	177.56	190.23	142.01	114.99	92.20	73.60	58.92
<b>Gross margin</b>	<b>130.59</b>	<b>542.78</b>	<b>579.04</b>	<b>495.42</b>	<b>406.51</b>	<b>323.83</b>	<b>258.85</b>	<b>207.24</b>	<b>165.75</b>
SG&A	12.59	32.92	42.99	35.75	29.10	23.33	18.62	14.90	11.92
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	27.86	98.75	123.41	125.28	88.40	71.18	58.73	47.28	37.02
Interest expense/(income)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	-6.99	353.27	3.64	0.00	28.63	13.95	12.19	10.00	7.86
Other operating expense	6.83	13.51	11.38	11.24	8.93	7.11	5.70	4.56	3.65
<b>Operating Income</b>	<b>90.30</b>	<b>44.32</b>	<b>397.62</b>	<b>323.15</b>	<b>251.44</b>	<b>208.26</b>	<b>163.61</b>	<b>130.50</b>	<b>105.31</b>
Interest income/(expense)	-8.92	-90.70	-57.74	-63.79	-43.88	-36.66	-29.29	-23.34	-18.70
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	-0.07	1.58	0.41	0.24	0.33	0.23	0.18	0.15	0.12
<b>Income before tax</b>	<b>81.31</b>	<b>-44.80</b>	<b>340.29</b>	<b>259.60</b>	<b>207.23</b>	<b>171.37</b>	<b>134.14</b>	<b>107.00</b>	<b>86.49</b>
Tax	0.48	0.78	0.66	0.77	-0.34	0.46	0.37	0.30	0.24
<b>Income after tax</b>	<b>80.83</b>	<b>-45.58</b>	<b>339.63</b>	<b>258.83</b>	<b>207.57</b>	<b>170.91</b>	<b>133.77</b>	<b>106.71</b>	<b>86.25</b>
Minority Interest	0.00	0.14	0.15	-1.00	-0.44	-0.39	-0.32	-0.25	-0.20
Equity in affiliates	0.87	-10.48	0.00	0.00	-0.83	-0.40	-0.35	-0.29	-0.22
<b>Net income</b>	<b>81.70</b>	<b>-55.91</b>	<b>339.78</b>	<b>257.83</b>	<b>206.31</b>	<b>170.12</b>	<b>133.09</b>	<b>106.17</b>	<b>85.82</b>
*Figures are in millions (\$)									
Revenue Growth	N/A	292.12%	8.70%	-9.38%	-20.00%	-20.00%	-20.00%	-20.00%	-20.00%
Tax Rate	0.59%	-1.74%	0.19%	0.30%	-0.17%	-0.35%	-0.01%	-0.06%	-0.15%
<u>Margins</u>									
COGS	26.43%	22.02%	23.47%	27.74%	25.89%	26.20%	26.26%	26.21%	26.22%
<b>Gross margin</b>	<b>73.57%</b>	<b>77.98%</b>	<b>76.53%</b>	<b>72.26%</b>	<b>74.11%</b>	<b>73.80%</b>	<b>73.74%</b>	<b>73.79%</b>	<b>73.78%</b>
SG&A	7.09%	4.73%	5.68%	5.21%	5.31%	5.32%	5.30%	5.31%	5.31%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest expense/(income)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	-3.94%	50.75%	0.48%	0.00%	5.22%	3.18%	3.47%	3.56%	3.50%
Other operating expense	3.85%	1.94%	1.50%	1.64%	1.63%	1.62%	1.62%	1.62%	1.62%
<b>Operating Income</b>	<b>50.87%</b>	<b>6.37%</b>	<b>52.55%</b>	<b>47.13%</b>	<b>45.84%</b>	<b>47.46%</b>	<b>46.61%</b>	<b>46.47%</b>	<b>46.87%</b>
Interest income/(expense)	-5.03%	-1.28%	-7.63%	-9.30%	-8.00%	-8.35%	-8.34%	-8.31%	-8.33%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	-0.04%	0.23%	0.05%	0.04%	0.06%	0.05%	0.05%	0.05%	0.05%
<b>Income before tax</b>	<b>45.81%</b>	<b>-6.44%</b>	<b>44.98%</b>	<b>37.86%</b>	<b>37.78%</b>	<b>39.05%</b>	<b>38.21%</b>	<b>38.10%</b>	<b>38.50%</b>
Tax	0.27%	0.11%	0.09%	0.11%	0.10%	0.11%	0.11%	0.11%	0.11%
<b>Income after tax</b>	<b>45.54%</b>	<b>-6.55%</b>	<b>44.89%</b>	<b>37.75%</b>	<b>37.84%</b>	<b>31.16%</b>	<b>24.39%</b>	<b>19.45%</b>	<b>15.72%</b>
Minority Interest	0.00%	0.02%	0.02%	-0.15%	-0.08%	-0.09%	-0.09%	-0.09%	-0.09%
Equity in affiliates	0.49%	-1.51%	0.00%	0.00%	-0.15%	-0.09%	-0.10%	-0.10%	-0.10%
<b>Net income</b>	<b>46.03%</b>	<b>-8.03%</b>	<b>44.91%</b>	<b>37.60%</b>	<b>37.61%</b>	<b>38.77%</b>	<b>37.91%</b>	<b>37.80%</b>	<b>38.20%</b>

Time Period	1	2	3	4	5
FCFF	240.26	179.79	122.61	77.99	42.50
<b>Net Asset = Terminal Value</b>			<b>EBITDA Multiple = Terminal Value</b>		
Sum of Present Value of Cash flow	663.15				663.15
Year 5 Net Tangible Assets	2,270.69				695.62
Cash Burn Over Period	0				0
Enterprise Value	2,933.84				1,358.77
<b>Price/Share</b>	<b>\$35.00</b>				<b>\$16.21</b>

	As of 2007-12-31	As of 2008-12-31	As of 2009-12-31	As of 2010-12-31	2011	2012	2013	2014	2015
Cash	243.67	109.79	100.10	65.92	260.63	401.94	493.76	547.21	570.05
Short term investment	0.60	0.00	0.00	0.12	0.12	0.12	0.12	0.12	0.12
<b>Cash and Short term</b>	<b>244.27</b>	<b>109.79</b>	<b>100.10</b>	<b>66.04</b>	<b>260.75</b>	<b>402.06</b>	<b>493.88</b>	<b>547.33</b>	<b>570.17</b>
Accounts Receivable	1.12	6.22	3.78	7.96	7.96	7.96	7.96	7.96	7.96
Other receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Receivables</b>	<b>1.12</b>	<b>6.22</b>	<b>3.78</b>	<b>7.96</b>	<b>7.96</b>	<b>7.96</b>	<b>7.96</b>	<b>7.96</b>	<b>7.96</b>
Deferred Income Tax	0.40	4.26	2.23	4.54	4.54	4.54	4.54	4.54	4.54
Total Inventory	2.21	4.71	4.48	8.19	8.19	8.19	8.19	8.19	8.19
Prepaid Expenses	1.56	2.02	3.08	3.75	3.75	3.75	3.75	3.75	3.75
Other Current Assets	3.17	0.05	34.43	6.72	6.72	6.72	6.72	6.72	6.72
<b>Current Assets</b>	<b>252.73</b>	<b>127.05</b>	<b>148.10</b>	<b>97.20</b>	<b>291.91</b>	<b>433.22</b>	<b>525.04</b>	<b>578.49</b>	<b>601.33</b>
PP&E, Gross	602.43	3,061.89	3,022.61	3,115.46	3,215.46	3,315.46	3,415.46	3,515.46	3,615.46
Change in Depreciation	27.86	98.75	123.41	125.28	88.40	71.18	58.73	47.28	37.02
Accumulated Depreciation	73.79	166.55	289.96	415.24	503.64	574.82	633.55	680.83	717.85
PP&E, Net	528.64	2,895.34	2,732.65	2,700.22	2,711.82	2,740.64	2,781.91	2,834.63	2,897.61
Goodwill	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intangibles	0.00	264.26	224.31	184.37	184.37	184.37	184.37	184.37	184.37
Long term investments	15.69	5.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other long term assets	26.94	24.95	24.97	49.89	49.89	49.89	49.89	49.89	49.89
<b>Long Term Assets</b>	<b>645.46</b>	<b>3,356.31</b>	<b>3,271.89</b>	<b>3,349.72</b>	<b>2,946.08</b>	<b>2,974.90</b>	<b>3,016.17</b>	<b>3,068.89</b>	<b>3,131.87</b>
<b>Total Assets</b>	<b>824.40</b>	<b>3,316.81</b>	<b>3,130.18</b>	<b>3,031.82</b>	<b>3,237.99</b>	<b>3,408.11</b>	<b>3,541.21</b>	<b>3,647.38</b>	<b>3,733.20</b>
Accounts Payable	4.69	7.08	5.60	11.93	11.93	11.93	11.93	11.93	11.93
Accrued Expense	6.65	33.36	18.67	13.61	13.61	13.61	13.61	13.61	13.61
Other current Liabilities	5.47	54.05	58.22	39.83	39.83	39.83	39.83	39.83	39.83
<b>Total Current Liabilities</b>	<b>16.81</b>	<b>94.49</b>	<b>82.49</b>	<b>65.37</b>	<b>65.37</b>	<b>65.37</b>	<b>65.37</b>	<b>65.37</b>	<b>65.37</b>
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	39.18	220.41	134.68	107.37	107.37	107.37	107.37	107.37	107.37
Long term Debt	368.58	1,256.71	1,121.77	1,046.67	1,046.67	1,046.67	1,046.67	1,046.67	1,046.67
Capital Lease Obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Interest Earning Debt</b>	<b>407.76</b>	<b>1,477.12</b>	<b>1,256.45</b>	<b>1,154.04</b>	<b>1,154.04</b>	<b>1,154.04</b>	<b>1,154.04</b>	<b>1,154.04</b>	<b>1,154.04</b>
Deferred Income tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Minority Interest	0.00	14.93	5.30	10.47	10.47	10.47	10.47	10.47	10.47
Other liabilities	0.00	691.80	304.97	48.26	48.26	48.26	48.26	48.26	48.26
<b>Total Liabilities</b>	<b>424.57</b>	<b>2,278.34</b>	<b>1,649.21</b>	<b>1,278.14</b>	<b>1,278.14</b>	<b>1,278.14</b>	<b>1,278.14</b>	<b>1,278.14</b>	<b>1,278.14</b>
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	0.20	0.46	0.80	0.85	0.85	0.85	0.85	0.85	0.85
Additional Paid-in capital	193.90	944.21	1,046.61	1,061.13	1,061.13	1,061.13	1,061.13	1,061.13	1,061.13
Dividends Paid					0.00	0.00	0.00	0.00	0.00
Retained Earnings	205.98	94.06	433.85	691.67	897.98	1,068.10	1,201.20	1,307.37	1,393.19
Treasury Stock	-0.19	-0.19	-0.19	-0.19	-0.19	-0.19	-0.19	-0.19	-0.19
Other Equity	-0.07	-0.07	-0.09	0.21	0.21	0.21	0.21	0.21	0.21
<b>Total Equity</b>	<b>399.82</b>	<b>1,038.47</b>	<b>1,480.98</b>	<b>1,753.67</b>	<b>1,959.98</b>	<b>2,130.10</b>	<b>2,263.20</b>	<b>2,369.37</b>	<b>2,455.19</b>
<b>Liability + Equity</b>	<b>824.39</b>	<b>3,316.81</b>	<b>3,130.19</b>	<b>3,031.81</b>	<b>3,238.12</b>	<b>3,408.24</b>	<b>3,541.34</b>	<b>3,647.51</b>	<b>3,733.33</b>
<b>Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shares Outstanding</b>	<b>20.03</b>	<b>46.23</b>	<b>79.92</b>	<b>85.13</b>					

	12 months ending 2007-12-31	12 months ending 2008-12-31	12 months ending 2009-12-31	12 months ending 2010-12-31	2011	2012	2013	2014	2015
Net Income	81.70	-56.05	339.63	258.83	206.31	170.12	133.09	106.17	85.82
Depreciation	27.86	98.75	123.41	125.28	88.40	71.18	58.73	47.28	37.02
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Cash Items	-4.73	202.53	-318.20	-204.40	0.00	0.00	0.00	0.00	0.00
Change in Working capital	3.90	18.67	2.41	-21.21	0.00	0.00	0.00	0.00	0.00
Accounts Receivable		-5.10	2.44	-4.18	0.00	0.00	0.00	0.00	0.00
Other Receivables		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory		-2.50	0.23	-3.71	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses		-0.46	-1.06	-0.67	0.00	0.00	0.00	0.00	0.00
Accounts Payable		2.39	-1.48	6.33	0.00	0.00	0.00	0.00	0.00
<b>Cash from Operating Activities</b>	<b>108.73</b>	<b>263.90</b>	<b>147.25</b>	<b>158.50</b>	<b>294.71</b>	<b>241.30</b>	<b>191.83</b>	<b>153.45</b>	<b>122.84</b>
Capital Expenditures	-126.82	-85.61	-9.64	-92.85	-100.00	-100.00	-100.00	-100.00	-100.00
Long term investment					0.00	0.00	0.00	0.00	0.00
Intangibles	3.21	-699.67	7.36	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Investing Activities</b>	<b>-123.61</b>	<b>-785.28</b>	<b>-2.28</b>	<b>-92.85</b>	<b>-100.00</b>	<b>-100.00</b>	<b>-100.00</b>	<b>-100.00</b>	<b>-100.00</b>
Financing Cash flow items	-5.55	-24.68	12.14	7.08	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	-11.91	-48.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	0.00	0.00	44.98	4.93	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Debt	189.72	460.70	-211.78	-111.85	0.00	0.00	0.00	0.00	0.00
<b>Cash from Financing Activities</b>	<b>172.26</b>	<b>387.50</b>	<b>-154.66</b>	<b>-99.83</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Foreign Exchange effect	0.00	0.00	0.00	0.00					
Beginning Cash Balance	86.29	243.67	109.79	100.10	65.92	260.63	401.94	493.76	547.21
<b>Net Change in Cash</b>	<b>157.38</b>	<b>-133.88</b>	<b>-9.69</b>	<b>-34.18</b>	<b>194.71</b>	<b>141.30</b>	<b>91.83</b>	<b>53.45</b>	<b>22.84</b>
Ending Cash Balance	243.67	109.79	100.10	65.92	260.63	401.94	493.76	547.21	570.05
Cash Interest Paid	14.49	35.59	56.16	31.95					
Cash Taxes Paid	0.49	0.86	0.74	0.87					
Depreciation to Sales	15.69%	14.19%	16.31%	18.27%	16.12%	16.22%	16.73%	16.83%	16.48%
Amortization to Sales	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A/R to Sales	0.63%	0.89%	0.50%	1.16%	1.45%	1.81%	2.27%	2.83%	3.54%

# SN VALUATION

## FCFE, FCFD, FCFE Analysis

Name:

Excel Maritime Carriers Ltd

Ticker:

EXM

	12 months ending 2007-12-31	12 months ending 2008-12-31	12 months ending 2009-12-31	12 months ending 2010-12-31	2011	2012	2013	2014	2015
Current assets	252.73	127.05	148.10	97.20	291.91	433.22	525.04	578.49	601.33
Excess cash + cash	243.67	109.79	100.10	65.92	260.63	401.94	493.76	547.21	570.05
<b>Current assets minus cash</b>	<b>9.06</b>	<b>17.26</b>	<b>48.00</b>	<b>31.28</b>	<b>31.28</b>	<b>31.28</b>	<b>31.28</b>	<b>31.28</b>	<b>31.28</b>
Current Liabilities	16.81	94.49	82.49	65.37	65.37	65.37	65.37	65.37	65.37
<b>Net Working Capital</b>	<b>-7.75</b>	<b>-77.23</b>	<b>-34.49</b>	<b>-34.09</b>	<b>-34.09</b>	<b>-34.09</b>	<b>-34.09</b>	<b>-34.09</b>	<b>-34.09</b>
<b>Change in Working Capital (WCCF)</b>		<b>-69.48</b>	<b>42.74</b>	<b>0.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Net Fixed Assets	528.64	2,895.34	2,732.65	2,700.22	2,711.82	2,740.64	2,781.91	2,834.63	2,897.61
Change in net fixed assets		2,366.70	-162.69	-32.43	11.60	28.82	41.27	52.72	62.98
Depreciation	27.86	98.75	123.41	125.28	88.40	71.18	58.73	47.28	37.02
Other assets	26.94	24.95	24.97	49.89	49.89	49.89	49.89	49.89	49.89
Change in other assets		-1.99	0.02	24.92	0.00	0.00	0.00	0.00	0.00
<b>Net Investment Flow (NIF)</b>		<b>2,463.46</b>	<b>-39.26</b>	<b>117.77</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Net Income	81.70	-55.91	339.78	257.83	206.31	170.12	133.09	106.17	85.82
Depreciation	27.86	98.75	123.41	125.28	88.40	71.18	58.73	47.28	37.02
<b>CFFO</b>	<b>109.56</b>	<b>42.84</b>	<b>463.19</b>	<b>383.11</b>	<b>294.71</b>	<b>241.30</b>	<b>191.83</b>	<b>153.45</b>	<b>122.84</b>
(-) NIF		-2,463.46	39.26	-117.77	-100.00	-100.00	-100.00	-100.00	-100.00
(-) WCCF		69.48	-42.74	-0.40	0.00	0.00	0.00	0.00	0.00
Principal increase (repayment) in debt		1,069.36	-220.67	-102.41	0.00	0.00	0.00	0.00	0.00
Change in excess cash									
<b>Free cash flow to equity (FCFE)</b>		<b>-1,281.78</b>	<b>239.04</b>	<b>162.53</b>	<b>194.71</b>	<b>141.30</b>	<b>91.83</b>	<b>53.45</b>	<b>22.84</b>
Interest on Interest bearing debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Free cash flow to debt (FCFD)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EBIT	90.30	44.32	397.62	323.15	251.44	208.26	163.61	130.50	105.31
Tax	-0.15	-0.07	-0.66	-0.53	-0.41	-0.34	-0.27	-0.22	-0.17
<b>EBIT minus Tax</b>	<b>90.45</b>	<b>44.39</b>	<b>398.28</b>	<b>323.68</b>	<b>251.86</b>	<b>208.60</b>	<b>163.88</b>	<b>130.71</b>	<b>105.49</b>
Depreciation	27.86	98.75	123.41	125.28	88.40	71.18	58.73	47.28	37.02
<b>Net Operating Flow (NOF)</b>	<b>118.31</b>	<b>143.14</b>	<b>521.69</b>	<b>448.96</b>	<b>340.26</b>	<b>279.79</b>	<b>222.61</b>	<b>177.99</b>	<b>142.50</b>
(-) Net Investment Flow	0.00	-2,463.46	39.26	-117.77	-100.00	-100.00	-100.00	-100.00	-100.00
(-) WCCF	0.00	69.48	-42.74	-0.40	0.00	0.00	0.00	0.00	0.00
<b>Free Cash Flow to the Firm (FCFF)</b>		<b>-2,250.84</b>	<b>518.21</b>	<b>330.79</b>	<b>240.26</b>	<b>179.79</b>	<b>122.61</b>	<b>77.99</b>	<b>42.50</b>
FCFE + FCFD	0.00	-1,281.78	239.04	162.53	194.71	141.30	91.83	53.45	22.84
FCFF	0.00	-2,250.84	518.21	330.79	240.26	179.79	122.61	77.99	42.50
<b>Variance</b>	<b>0.00</b>	<b>969.06</b>	<b>-279.17</b>	<b>-168.26</b>	<b>-45.54</b>	<b>-38.48</b>	<b>-30.79</b>	<b>-24.54</b>	<b>-19.66</b>

2011-10-28

## SN VALUATION

## EVA Analysis

Name: Al Maritime Carriers

Ticker:

EXM

	2010	2011	2012	2013	2014	2015
Equity	1,752.80	1,959.11	2,129.23	2,262.33	2,368.50	2,454.32
Debt	1,154.04	1,154.04	1,154.04	1,154.04	1,154.04	1,154.04
<b>Total Capital Invested</b>	<b>2,906.84</b>	<b>3,113.15</b>	<b>3,283.27</b>	<b>3,416.37</b>	<b>3,522.54</b>	<b>3,608.36</b>
Revenue	685.65	548.52	438.82	351.05	280.84	224.67
COGS	190.23	142.01	114.99	92.20	73.60	58.92
Gross margin	495.42	406.51	323.83	258.85	207.24	165.75
SG&A	35.75	29.10	23.33	18.62	14.90	11.92
R&D	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	125.28	88.40	71.18	58.73	47.28	37.02
Interest expense/(income)	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	0.00	28.63	13.95	12.19	10.00	7.86
Other operating expense	11.24	8.93	7.11	5.70	4.56	3.65
<b>Operating Income</b>	<b>323.15</b>	<b>251.44</b>	<b>208.26</b>	<b>163.61</b>	<b>130.50</b>	<b>105.31</b>
<b>Tax Rate</b>	0.30%	-0.17%	-0.35%	-0.01%	-0.06%	-0.15%
NOPLAT	322.19	251.86	209.00	163.62	130.57	105.47
Invested Capital	2,906.84	3,113.15	3,283.27	3,416.37	3,522.54	3,608.36
<b>ROIC</b>	<b>11.08%</b>	<b>8.09%</b>	<b>6.37%</b>	<b>4.79%</b>	<b>3.71%</b>	<b>2.92%</b>
WACC	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%
<b>Spread</b>	<b>-0.48%</b>	<b>-3.47%</b>	<b>-5.19%</b>	<b>-6.77%</b>	<b>-7.85%</b>	<b>-8.64%</b>
Spread in Dollars	-13.84	-108.02	-170.55	-231.31	-276.63	-311.66
<b>EVA</b>	<b>2,893.00</b>	<b>3,005.13</b>	<b>3,112.73</b>	<b>3,185.06</b>	<b>3,245.91</b>	<b>3,296.70</b>

EVA in 5 Years:	3,296,703,285.41
Number of Shares:	83,820,000.00
<b>EVA/Share:</b>	<b>\$39.33</b>
Return over 5 Years	13.95%
Annualized return	2.65%