

## Icahn Enterprises LP (IEP)

Price:	\$72.94	Net Tang. Bk Value Incl. Cash, Excl.	\$2,595,000,000.00	Net Tang. Book Yr. 5 (Inc. Cash):	\$2,854,465,000.00
Market Cap:	\$8,107,281,000	Goodwill (NTBVIC):		Avg. Year Op. Cash:	\$1,026,893,000.00
Cash:	\$3,861,000,000	NTBVIC/Market Downside Recovery:	32.01%	Year 5 Disposition FCF Multiple:	3.0
Debt:	\$8,600,000,000	Op. Cash Flow:	\$1,026,893,000	Year 5 Disposition Price:	\$5,935,144,000.00
Net Cash:	-\$4,739,000,000	Implied Years to Fill Gap:	5.37		
Enterprise Value:	\$12,846,281,000	Today's Equity if 5x Op. CF:	\$5,675,679,000		
		Net Tang. Book+ Gain Disposition:			\$5,935,144,000.00
Shares Outstanding:	111,150,000	IRR:			-6.05%
				Price:	\$53.40
				Target Market Cap:	\$5,935,144,000
				Target Enterprise Value:	\$10,674,144,000

\* Our future intrinsic value measures the total return, which includes both capital appreciation and dividend income.

Essentially, a Blackstonesque business model - PE firm that grows and then sells their investments + hedge fund. The hedge fund also owns shares of IEP and 4 MM units in CVRR. Some of the investments made by IEP were purchased from Icahn affiliates. So, IEP acts as a vehicle for Icahn to dispose of assets, a captive buyer for Icahn to exit. Icahn's privately held investment vehicles can off load their investments on to the publicly traded IEP holding co. But, Icahn himself owns 93% of IEP's units, so he is essentially transferring the privately held investments into publicly valued investments, meaning higher multiples. Also, we believe Icahn can control the sale of his stake in the Co., like Buffett or Gates, which could have been more difficult in the private market.

IEP operates investment funds, with AUM of \$3.5BB.

IEP's value is found in the sum of parts of the subsidiary companies:

Automotive - Federal Mogul; automotive parts supplier; \$863MM July 2008

Energy - CVR Partners; 82% ownership; May 2012

CVR owns 81% of the Refining partnership (CVRR), which was IPOd in Jan 2013. The Partnership owns 2 refineries near Cushing, Kansas. 20%, or 24,000,000 of the shares were sold for \$25/share, and generated proceeds of \$600MM. This implies a \$3BB market value for CVRR.

Entertainment - Tropicana Entertainment; 67.9% ownership; Apr. 2011; filed for bankruptcy in 2010

Railcar - American Railcar; 55.6% ownership; Jan. 2010; Icahn affiliate

Food packaging - Viskase; 71% ownership; Jan 2010; Icahn affiliates

Metals - PSC Metals; 100% ownership; Nov. 2007; Icahn owned

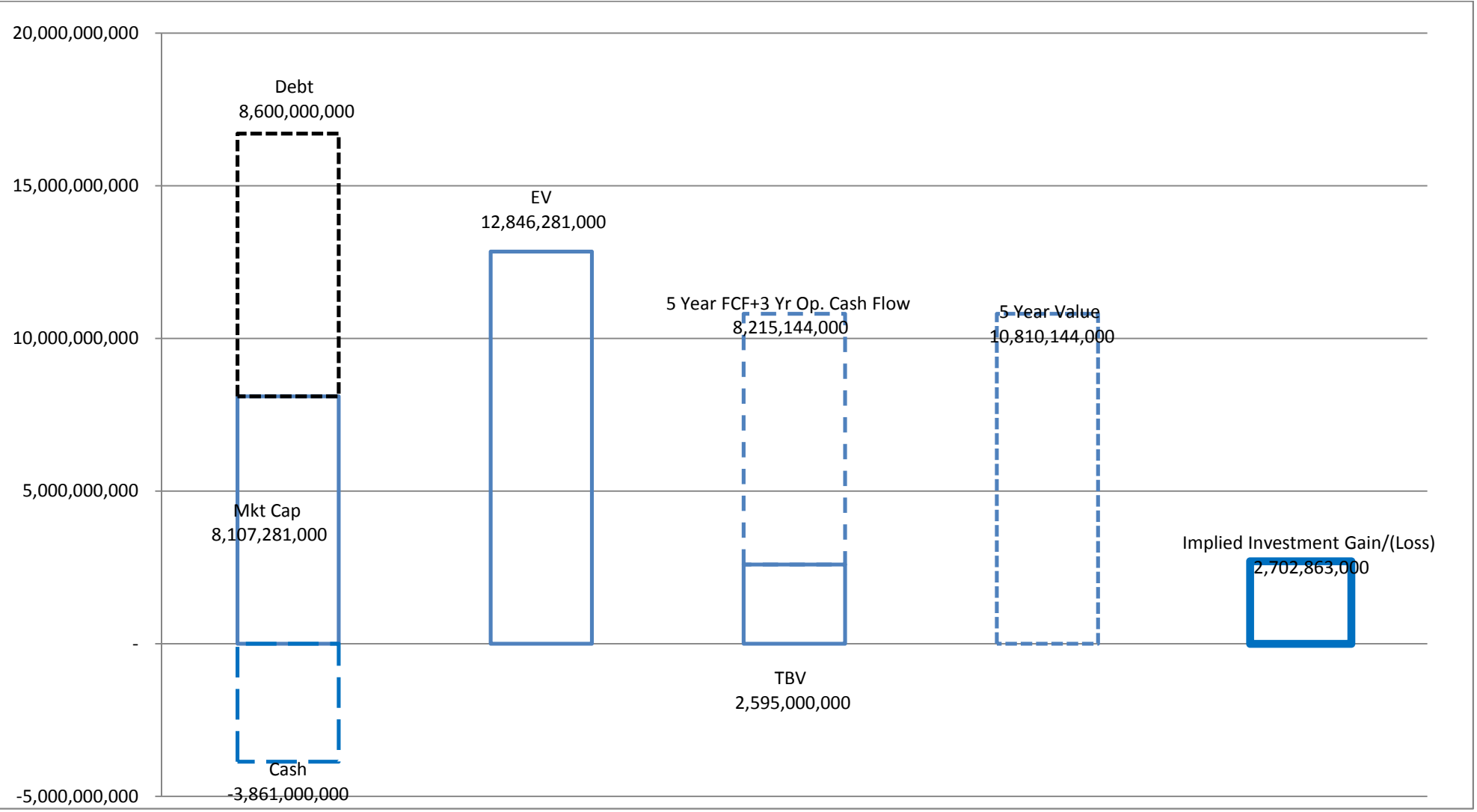
Home Fashion - WestPoint Home; initially purchased 67% in 2005 and merged into a wholly owned subsidiary of IEP

2012 sales grew YoY because of the consolidation of CVR's operations pursuant to the acquisition in 2012. It was not attributed 100% to organic growth.

Operating cash flow from the subsidiaries/consolidated operations is roughly \$1BB, with capex of \$600MM, with a FCF of \$400MM. The LP pays out \$0.40/unit, or a combined \$40MM/annually, or a cash distribution of 0.5% yield. The LP issues debt to finance the acquisitions and is highly leveraged, at 183% D/E.

We believe the interest exp. coverage of 2.5x (1158/456) is uncomfortably low and not sure why they have raised leverage to what seems to be risky levels. The domestic equity market is selling at pricey levels, so it may be a good time to sell off their investments, unless they want to go Buffett style and hold them for decades. Its not a compelling business with leverage. Not like Berkshire Hathaway, which runs with low leverage.





SN VALUATION

LBO Pro Forma Income Statement

Name:

Icahn Enterprises LP

Ticker:

IEP

	Historical				Forecasted				
	12 months ending 2009-12-31	12 months ending 2010-12-31	12 months ending 2011-12-31	12 months ending 2012-12-31	2013	2014	2015	2016	2017
Revenue	8,543.00	9,072.00	11,842.00	15,654.00	15,654.00	15,654.00	15,654.00	15,654.00	15,654.00
COGS	5,842.00	6,759.00	7,871.00	12,643.00	12,679.74	12,679.74	12,679.74	12,679.74	12,679.74
Gross margin	2,701.00	2,313.00	3,971.00	3,011.00	2,974.26	2,974.26	2,974.26	2,974.26	2,974.26
SG&A	1,012.00	843.00	1,056.00	1,085.00	1,035.78	1,035.78	1,035.78	1,035.78	1,035.78
R&D	0.00	156.00	172.00	179.00	156.54	156.54	156.54	156.54	156.54
Unusual expense	92.00	28.00	82.00	160.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	98.00	144.00	427.00	418.00	469.62	469.62	469.62	469.62	469.62
Depreciation is: Included within COGS					0.00	0.00	0.00	0.00	0.00
Operating Income (EBITA)	1,499.00	1,142.00	2,234.00	1,168.00	1,252.32	1,252.32	1,252.32	1,252.32	1,252.32
Interest income/(expense)	-319.00	-389.00	0.00	0.00	-557.10	-557.10	-557.10	-557.10	-557.10
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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income before tax	1,180.00	753.00	1,798.00	646.00	695.22	695.22	695.22	695.22	695.22
Tax	-44.00	9.00	34.00	-81.00	243.33	243.33	243.33	243.33	243.33
Income after tax	1,224.00	744.00	1,764.00	727.00	451.89	451.89	451.89	451.89	451.89
Minority Interest	-972.00	-544.00	-1,014.00	-331.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	252.00	200.00	750.00	396.00	451.89	451.89	451.89	451.89	451.89
*Figures are in millions (\$)									
EPS (based off today's share count)	\$2.27	\$1.80	\$6.75	\$3.56	\$4.07	\$4.07	\$4.07	\$4.07	\$4.07
P/E (historical today's price; forecasted intrinsic price)	32.17	40.54	10.81	20.47	16.86	15.84	14.88	13.98	13.13
Revenue Growth	N/A	6.19%	30.53%	32.19%	0.00%	0.00%	0.00%	0.00%	0.00%
Tax Rate	-3.73%	1.20%	1.89%	-12.54%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	-5.99%	-5.96%	0.00%	0.00%	-6.48%	-6.48%	-6.48%	-6.48%	-6.48%
Margins									
COGS	68.38%	74.50%	66.47%	80.77%	81.00%	81.00%	81.00%	81.00%	81.00%
Gross margin	31.62%	25.50%	33.53%	19.23%	19.00%	19.00%	19.00%	19.00%	19.00%
SG&A	11.85%	9.29%	8.92%	6.94%	7.00%	7.00%	7.00%	7.00%	7.00%
R&D	0.00%	1.72%	1.45%	1.14%	1.00%	1.00%	1.00%	1.00%	1.00%
Unusual expense	1.08%	0.31%	0.69%	1.02%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	1.15%	1.59%	3.61%	2.67%	3.00%	3.00%	3.00%	3.00%	3.00%
Depreciation is: Included within COGS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Income (EBITA)	17.55%	12.59%	18.87%	7.46%	8.00%	8.00%	8.00%	8.00%	8.00%
Interest income/(expense)	-3.73%	-4.29%	0.00%	0.00%	-3.56%	-3.56%	-3.56%	-3.56%	-3.56%
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	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	13.81%	8.30%	15.18%	4.13%	4.44%	4.44%	4.44%	4.44%	4.44%
Tax	-0.52%	0.10%	-0.29%	-0.52%	1.55%	1.55%	1.55%	1.55%	1.55%
Income after tax	14.33%	8.20%	14.90%	4.64%	2.89%	2.89%	2.89%	2.89%	2.89%
Minority Interest	-11.38%	-6.00%	-8.56%	-2.11%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net income	2.95%	2.20%	6.33%	2.53%	2.89%	2.89%	2.89%	2.89%	2.89%

	As of 2009-12-31	As of 2010-12-31	As of 2011-12-31	As of 2012-12-31	As of 2013-03-31	Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
						+	-						
Cash	5,592.00	5,137.00	7,257.00	4,490.00	3,861.00			3,861.00	3,687.89	3,514.79	3,341.68	3,168.57	2,995.47
Short term investment	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash and Short term</b>	<b>5,592.00</b>	<b>5,137.00</b>	<b>7,257.00</b>	<b>4,490.00</b>	<b>3,861.00</b>			<b>3,861.00</b>	<b>3,687.89</b>	<b>3,514.79</b>	<b>3,341.68</b>	<b>3,168.57</b>	<b>2,995.47</b>
Accounts Receivable	1,195.00	1,335.00	1,454.00	1,935.00	2,000.00			2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Receivables</b>	<b>1,195.00</b>	<b>1,335.00</b>	<b>1,454.00</b>	<b>1,935.00</b>	<b>2,000.00</b>			<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>
Total Inventory	1,091.00	1,163.00	1,344.00	1,955.00	1,968.00			1,968.00	1,968.00	1,968.00	1,968.00	1,968.00	1,968.00
Prepaid Expenses	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other Current Assets	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Current Assets</b>	<b>7,878.00</b>	<b>7,635.00</b>	<b>10,055.00</b>	<b>8,380.00</b>	<b>7,829.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,829.00</b>	<b>7,655.89</b>	<b>7,482.79</b>	<b>7,309.68</b>	<b>7,136.57</b>	<b>6,963.47</b>
PP&E, Gross	3,838.00	4,683.00	4,988.00	8,583.00	8,600.00			8,600.00	9,400.00	10,200.00	11,000.00	11,800.00	12,600.00
Change in Depreciation	441.00	463.00	447.00	575.00	575.00			575.00	575.00	575.00	575.00	575.00	575.00
Accumulated Depreciation	880.00	1,228.00	1,483.00	2,012.00	2,012.00			2,012.00	2,587.00	3,162.00	3,737.00	4,312.00	4,887.00
<b>PP&amp;E, Net</b>	<b>2,958.00</b>	<b>3,455.00</b>	<b>3,505.00</b>	<b>6,571.00</b>	<b>6,588.00</b>			<b>6,588.00</b>	<b>6,813.00</b>	<b>7,038.00</b>	<b>7,263.00</b>	<b>7,488.00</b>	<b>7,713.00</b>
Goodwill	1,083.00	1,129.00	1,127.00	2,082.00	2,082.00	0.00		2,082.00	2,082.00	2,082.00	2,082.00	2,082.00	2,082.00
Intangibles	1,007.00	999.00	899.00	1,206.00	1,206.00			1,206.00	1,206.00	1,206.00	1,206.00	1,206.00	1,206.00
Long term investments	5,405.00	7,470.00	8,938.00	5,491.00	7,690.00			7,690.00	7,690.00	7,690.00	7,690.00	7,690.00	7,690.00
Other long term assets	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Long Term Assets</b>	<b>10,453.00</b>	<b>13,053.00</b>	<b>14,469.00</b>	<b>15,350.00</b>	<b>17,566.00</b>	<b>0.00</b>	<b>0.00</b>	<b>17,566.00</b>	<b>17,791.00</b>	<b>18,016.00</b>	<b>18,241.00</b>	<b>18,466.00</b>	<b>18,691.00</b>
<b>Total Assets</b>	<b>18,331.00</b>	<b>20,688.00</b>	<b>24,524.00</b>	<b>23,730.00</b>	<b>25,395.00</b>	<b>0.00</b>	<b>0.00</b>	<b>25,395.00</b>	<b>25,446.89</b>	<b>25,498.79</b>	<b>25,550.68</b>	<b>25,602.57</b>	<b>25,654.47</b>
Accounts Payable	1,004.00	2,167.00	3,141.00	1,383.00	1,390.00			1,390.00	1,390.00	1,390.00	1,390.00	1,390.00	1,390.00
Accrued Expense	1,993.00	2,277.00	1,317.00	1,496.00	1,500.00			1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Other current Liabilities	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Current Liabilities</b>	<b>2,997.00</b>	<b>4,444.00</b>	<b>4,458.00</b>	<b>2,879.00</b>	<b>2,890.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,890.00</b>	<b>2,890.00</b>	<b>2,890.00</b>	<b>2,890.00</b>	<b>2,890.00</b>	<b>2,890.00</b>
Notes Payables/Short Term Debt	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Long term Debt	5,322.00	6,509.00	6,473.00	8,548.00	8,600.00	0.00	0.00	8,600.00	8,600.00	8,600.00	8,600.00	8,600.00	8,600.00
Capital Lease Obligations	0.00	0.00	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>5,322.00</b>	<b>6,509.00</b>	<b>6,473.00</b>	<b>8,548.00</b>	<b>8,600.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>
Deferred Income tax	0.00	0.00	556.00	1,398.00	1,398.00			1,398.00	1,398.00	1,398.00	1,398.00	1,398.00	1,398.00
Minority Interest	4,285.00	4,711.00	4,078.00	5,104.00	5,861.00			5,861.00	5,861.00	5,861.00	5,861.00	5,861.00	5,861.00
Other liabilities	3,448.00	2,491.00	5,816.00	2,021.00	2,444.00			2,444.00	2,444.00	2,444.00	2,444.00	2,444.00	2,444.00
<b>Total Liabilities</b>	<b>16,052.00</b>	<b>18,155.00</b>	<b>21,381.00</b>	<b>19,887.00</b>	<b>21,193.00</b>	<b>0.00</b>	<b>0.00</b>	<b>21,193.00</b>	<b>21,193.00</b>	<b>21,193.00</b>	<b>21,193.00</b>	<b>21,193.00</b>	<b>21,193.00</b>
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	18.00	-282.00	-271.00	-244.00	-236.00			-236.00	-236.00	-236.00	-236.00	-236.00	-236.00
Common Stock	2,828.00	3,477.00	4,038.00	4,913.00	4,913.00		0.00	4,913.00	4,913.00	4,913.00	4,913.00	4,913.00	4,913.00
Additional Paid-in capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00			0.00	-400.00	-800.00	-1,200.00	-1,600.00	-2,000.00
Retained Earnings	0.00	0.00	0.00	0.00	0.00			0.00	451.89	903.79	1,355.68	1,807.57	2,259.46
Treasury Stock	-12.00	-12.00	-12.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other Equity	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Equity</b>	<b>2,834.00</b>	<b>3,183.00</b>	<b>3,755.00</b>	<b>4,669.00</b>	<b>4,677.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,677.00</b>	<b>4,728.89</b>	<b>4,780.79</b>	<b>4,832.68</b>	<b>4,884.57</b>	<b>4,936.46</b>
<b>Liability + Equity</b>	<b>18,886.00</b>	<b>21,338.00</b>	<b>25,136.00</b>	<b>24,556.00</b>	<b>25,870.00</b>	<b>0.00</b>	<b>0.00</b>	<b>25,870.00</b>	<b>25,921.89</b>	<b>25,973.79</b>	<b>26,025.68</b>	<b>26,077.57</b>	<b>26,129.47</b>
<b>Variance</b>	<b>-555.00</b>	<b>-650.00</b>	<b>-612.00</b>	<b>-826.00</b>	<b>-475.00</b>			<b>-475.00</b>	<b>-475.00</b>	<b>-475.00</b>	<b>-475.00</b>	<b>-475.00</b>	<b>-475.00</b>
<b>Debt/Equity</b>	<b>1.88</b>	<b>2.04</b>	<b>1.72</b>	<b>1.83</b>	<b>1.84</b>			<b>1.84</b>	<b>1.82</b>	<b>1.80</b>	<b>1.78</b>	<b>1.76</b>	<b>1.74</b>
Inventory Turnover	7.83	7.80	8.81	8.01	7.95			7.95	7.95	7.95	7.95	7.95	7.95
Inventory Turnover Days	46.61	46.79	41.43	45.58	45.89			45.89	45.89	45.89	45.89	45.89	45.89
Days Inventory Outstanding	68.16	62.80	62.32	56.44	56.65			56.82	56.65	56.65	56.65	56.65	56.65
Accounts Receivable Turnover	7.15	6.80	8.14	8.09	7.83			7.83	7.83	7.83	7.83	7.83	7.83
Accounts Receivable Turnover Days	51.06	53.71	44.82	45.12	46.63			46.63	46.63	46.63	46.63	46.63	46.63
Days Payable Outstanding	62.73	117.02	145.66	39.93	40.01			40.13	40.01	40.01	40.01	40.01	40.01
Days Sales Outstanding	51.06	53.71	44.82	45.12	46.63			45.12	46.63	46.63	46.63	46.63	46.63
Cash Conversion Cycle	56.49	-0.51	-38.52	61.63	63.27			61.80	63.27	63.27	63.27	63.27	63.27
Net tangible assets/share	\$6.69	\$9.49	\$15.56	\$12.42	\$12.50				\$12.96	\$13.43	\$13.90	\$14.36	\$14.83

SN VALUATION

LBO Adjusted Proforma Cash Flow

Ticker:

IEP

	12 months ending 2009-12-31	12 months ending 2010-12-31	12 months ending 2011-12-31	12 months ending 2012-12-31	2011	2012	2013	2014	2015
Net Income	1,225.00	743.00	1,764.00	727.00	451.89	451.89	451.89	451.89	451.89
Depreciation	441.00	463.00	447.00	575.00	575.00	575.00	575.00	575.00	575.00
<b>Net Income + Depreciation</b>	<b>1,666.00</b>	<b>1,206.00</b>	<b>2,211.00</b>	<b>1,302.00</b>	<b>1,026.89</b>	<b>1,026.89</b>	<b>1,026.89</b>	<b>1,026.89</b>	<b>1,026.89</b>
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	-8.00	-297.00	0.00	0.00	0.00	0.00	0.00
Non Cash Items	-2,041.00	-2,302.00	2,898.00	-2,859.00	0.00	0.00	0.00	0.00	0.00
Change in Working capital	740.00	1,137.00	-3,104.00	3,368.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	-140.00	-119.00	-481.00	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	0.00
Inventory	0.00	-72.00	-181.00	-611.00	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	1,163.00	974.00	-1,758.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Operating Activities</b>	<b>365.00</b>	<b>41.00</b>	<b>1,997.00</b>	<b>1,514.00</b>	<b>1,026.89</b>	<b>1,026.89</b>	<b>1,026.89</b>	<b>1,026.89</b>	<b>1,026.89</b>
Capital Expenditures Expenditures	-230.00	-422.00	-481.00	-890.00	-800.00	-800.00	-800.00	-800.00	-800.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	-23.00	111.00	-133.00	-1,389.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Investing Activities</b>	<b>-253.00</b>	<b>-311.00</b>	<b>-614.00</b>	<b>-2,279.00</b>	<b>-800.00</b>	<b>-800.00</b>	<b>-800.00</b>	<b>-800.00</b>	<b>-800.00</b>
Financing Cash flow items	-875.00	-149.00	-1,930.00	439.00	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	-77.00	-85.00	-48.00	-41.00	400.00	400.00	400.00	400.00	400.00
Issuance (Retirement) of Stock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	160.00	1,217.00	-68.00	1,145.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Financing Activities</b>	<b>-792.00</b>	<b>983.00</b>	<b>-2,046.00</b>	<b>1,543.00</b>	<b>-400.00</b>	<b>-400.00</b>	<b>-400.00</b>	<b>-400.00</b>	<b>-400.00</b>
Foreign Exchange effect	19.00	-6.00	-22.00	15.00	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	6,253.00	5,592.00	5,137.00	7,257.00	3,861.00	3,687.89	3,514.79	3,341.68	3,168.57
<b>Net Change in Cash</b>	<b>-661.00</b>	<b>707.00</b>	<b>-685.00</b>	<b>793.00</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>
Ending Cash Balance	5,592.00	5,137.00	4,452.00	8,050.00	3,687.89	3,514.79	3,341.68	3,168.57	2,995.47
Capex to Revenue	2.69%	4.65%	4.06%	5.69%	5.11%	5.11%	5.11%	5.11%	5.11%
Depreciation to Sales	5.16%	5.10%	3.77%	3.67%	3.67%	3.67%	3.67%	3.67%	3.67%
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	13.99%	14.72%	12.28%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%
Distributable FCF/EV Yield	0.87%	-2.10%	10.77%	-5.96%	1.77%	1.77%	1.77%	1.77%	1.77%
Dividend Yield	-0.95%	-1.05%	-0.59%	-0.51%	4.93%	4.93%	4.93%	4.93%	4.93%
FCF (Ops-Investing)	<b>212.00</b>	<b>-296.00</b>	<b>1,564.00</b>	<b>665.00</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>

# SN VALUATION

# LBO Debt Schedule

Ticker:

IEP

	Proforma	2013	2014	2015	2016	2017
<b>Net Change in Cash</b>	<b>793.00</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>	<b>-173.11</b>
Current Portion Debt Repayment						
Long Term Debt Repayment						
<b>Outstanding Debt</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>	<b>8,600.00</b>
Current Portion Debt Balance	0.00	0.00	0.00	0.00	0.00	0.00
Long Term Debt Balance	8,600.00	8,600.00	8,600.00	8,600.00	8,600.00	8,600.00
Forward Libor Curve		3.00%	3.00%	3.00%	3.00%	3.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
<b>Interest Rate</b>		<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>
<b>Interest Expense</b>		<b>602.00</b>	<b>602.00</b>	<b>602.00</b>	<b>602.00</b>	<b>602.00</b>
Cash Balance		4,490.00				
Interest @ 1.0%		44.90	44.90	44.90	44.90	44.90
<b>Net Interest Expense/(Income)</b>		<b>557.10</b>	<b>557.10</b>	<b>557.10</b>	<b>557.10</b>	<b>557.10</b>
<b>Net Interest Rate</b>		<b>6.48%</b>	<b>6.48%</b>	<b>6.48%</b>	<b>6.48%</b>	<b>6.48%</b>
EBITDA		1,252.32	1,252.32	1,252.32	1,252.32	1,252.32
<b>EBITDA/Interest Expense Coverage</b>		<b>2.08</b>	<b>2.08</b>	<b>2.08</b>	<b>2.08</b>	<b>2.08</b>

Interest Rate Coverage Table

Debt Rating					
AAA					
AA					
A+					
A					
A-					
BBB					
BB+					
BB					
B+					
B	B	B	B	B	B
B-					
CCC					
CC					
C					
D					

\*Source: NYU; Professor Damodaran

## Altman Z Score

Company Name:

Icahn Enterprises LP

Ticker:

IEP

Period	2009	2010	2011	2012	2013	2014	2015	2016	2017
Working Capital	4,881.00	3,191.00	5,597.00	4,939.00	4,765.89	4,592.79	4,419.68	4,246.57	4,073.47
Total Assets	18,331.00	20,688.00	24,524.00	25,395.00	25,446.89	25,498.79	25,550.68	25,602.57	25,654.47
<b>X1</b>	<b>0.27</b>	<b>0.15</b>	<b>0.23</b>	<b>0.19</b>	<b>0.19</b>	<b>0.18</b>	<b>0.17</b>	<b>0.17</b>	<b>0.16</b>
Retained Earnings	0.00	0.00	0.00	0.00	451.89	903.79	1,355.68	1,807.57	2,259.46
Total Assets	18,331.00	20,688.00	24,524.00	25,395.00	25,446.89	25,498.79	25,550.68	25,602.57	25,654.47
<b>X2</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.02</b>	<b>0.04</b>	<b>0.05</b>	<b>0.07</b>	<b>0.09</b>
EBITDA	1,499.00	1,142.00	2,234.00	1,168.00	1,252.32	1,252.32	1,252.32	1,252.32	1,252.32
Total Assets	18,331.00	20,688.00	24,524.00	25,395.00	25,446.89	25,498.79	25,550.68	25,602.57	25,654.47
<b>X3</b>	<b>0.08</b>	<b>0.06</b>	<b>0.09</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>
Market Value of Equity	8,107.28	8,107.28	8,107.28	8,107.28	7,617.04	7,156.45	6,723.71	6,317.13	5,935.14
Total Liabilities	16,052.00	18,155.00	21,381.00	21,193.00	21,193.00	21,193.00	21,193.00	21,193.00	21,193.00
<b>X4</b>	<b>0.51</b>	<b>0.45</b>	<b>0.38</b>	<b>0.38</b>	<b>0.36</b>	<b>0.34</b>	<b>0.32</b>	<b>0.30</b>	<b>0.28</b>
Net Sales	8,543.00	9,072.00	11,842.00	15,654.00	15,654.00	15,654.00	15,654.00	15,654.00	15,654.00
Total Assets	18,331.00	20,688.00	24,524.00	25,395.00	25,446.89	25,498.79	25,550.68	25,602.57	25,654.47
<b>X5</b>	<b>0.47</b>	<b>0.44</b>	<b>0.48</b>	<b>0.62</b>	<b>0.62</b>	<b>0.61</b>	<b>0.61</b>	<b>0.61</b>	<b>0.61</b>
<b>Altman Z Score</b>	<b>1.36</b>	<b>1.07</b>	<b>1.28</b>	<b>1.23</b>	<b>1.24</b>	<b>1.24</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

Z-SCORE ABOVE 3.0 –The company is considered 'Safe' based on the financial figures only.

Blue

Z-SCORE BETWEEN 2.7 and 2.99 – 'On Alert'. This zone is an area where one should 'Exercise Caution'.

Green

Z-SCORE BETWEEN 1.8 and 2.7 – Good chance of the company going bankrupt within 2 years.

Yellow

Z-SCORE BELOW 1.80- Probability of Financial Catastrophe is Very High.

Red



Year	Present Value	Holding Period					Terminal Value			Sale Price
	0	1	2	3	4	5	6	7	8	TBV at Year 5 + 3 Years FCF
<b>Tangible Book Value</b>	<b>2,595.00</b>	<b>2,646.89</b>	<b>2,698.79</b>	<b>2,750.68</b>	<b>2,802.57</b>	<b>2,854.46</b>				<b>2,854.46</b>
Annual Change		51.89	51.89	51.89	51.89	51.89				
<b>Annual FCF</b>	<b>624.00</b>	<b>226.89</b>	<b>226.89</b>	<b>226.89</b>	<b>226.89</b>	<b>226.89</b>	<b>(173.11)</b>	<b>(173.11)</b>	<b>(173.11)</b>	<b>(519.32)</b>
Annual Op. Cash Flow	1,514.00	1,026.89	1,026.89	1,026.89	1,026.89	1,026.89	626.89	626.89	626.89	
Annual PP&E Investment	(890.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	
<b>Today's Tangible Book Value</b>	<b>2,595.00</b>	<b>2,644.93</b>	<b>2,695.83</b>	<b>2,747.70</b>	<b>2,800.58</b>	<b>2,854.46</b>				<b>2,335.14</b>
Intrinsic Value IRR	1.92%									
<b>Market Price</b>	<b>8,107.28</b>	<b>6,320.67</b>	<b>4,927.77</b>	<b>3,841.83</b>	<b>2,995.20</b>	<b>2,335.14</b>				<b>2,335.14</b>
Market Price IRR	-22.04%									

Debt	50.00%	4,053.64
Equity	50.00%	4,053.64
<b>Total</b>	<b>100.00%</b>	<b>8,107.28</b>

	Present Value	Holding Period					Terminal Value			Sale Price
	Historic	ProForma	1	2	3	4	5			
Book Equity	4677	4,053.64	4,291.91	4,530.18	4,768.44	5,006.71	5,244.98			
Goodwill	2082	5,512.28	5,512.28	5,512.28	5,512.28	5,512.28	5,512.28			
Debt	<b>8600</b>	<b>12,653.64</b>	<b>12,653.64</b>	<b>12,653.64</b>	<b>12,653.64</b>	<b>12,653.64</b>	<b>12,653.64</b>			
Debt Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%	7.00%			
Additional Interest Expense		328.65	328.65	328.65	328.65	328.65	328.65			
<b>Tangible Book Value</b>	<b>2595</b>	<b>-1,458.64</b>	<b>-1,220.37</b>	<b>-982.11</b>	<b>-743.84</b>	<b>-505.57</b>	<b>-267.30</b>			<b>-267.30</b>
Annual Change		238.27	238.27	238.27	238.27	238.27	238.27			
<b>Annual FCF</b>	<b>624.00</b>	<b>13.27</b>	<b>13.27</b>	<b>13.27</b>	<b>13.27</b>	<b>13.27</b>	<b>13.27</b>	<b>13.27</b>	<b>13.27</b>	<b>39.80</b>
Annual Net Income	396.00	238.27	238.27	238.27	238.27	238.27	238.27	238.27	238.27	
<b>Annual Op. Cash Flow</b>	<b>1,514.00</b>	<b>813.27</b>	<b>813.27</b>	<b>813.27</b>	<b>813.27</b>	<b>813.27</b>	<b>813.27</b>	<b>813.27</b>	<b>813.27</b>	
Dividend Payments										
Annual PP&E Investment	(890.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	(800.00)	
Debt Paydown	0.00						0.00	0.00	0.00	
<b>Sale Price in Year 5</b>										<b>(237.50)</b>
<b>Remaining Debt Balance</b>										<b>4,053.64</b>
<b>Capital Left for Equity Investor</b>										<b>(4,281.14)</b>
Dividend Payments										0.00
<b>Total Cash In Flow</b>										<b>(4,281.14)</b>
<b>Invested Equity</b>	<b>4,053.64</b>	<b>-4,098.15</b>	<b>4,143.15</b>	<b>-4,188.65</b>	<b>4,234.64</b>	<b>-4,281.14</b>				
IRR	-201.10%									

Value Creation

TBV Growth (equals sum of NI Year 1-5)	1,191.34
Cash Flow (Year 6-8)	39.80
<b>1,231.14</b>	

Value Dilution

Debt	4,053.64
Goodwill	3,430.28
Additional Interest	1,643.27
<b>9,127.20</b>	