

Seaboard (SEB)

Price:	\$2,094.85
Market Cap:	\$2,534,768,500
Cash:	\$412,890,000
Debt:	\$202,200,000
Net Cash:	\$210,690,000
Enterprise Value:	\$2,324,078,500

Price/Book:	1.18
EV/FCF:	63.26

Net Tang. Asset/Share:	\$1,611.36
Avg. Year 1-5 FCF/Share:	\$200.32
5 Years of FCF:	\$1,001.58
Net Tang. Asset+5 FCF:	\$2,612.95

Net Tang. Asset Yr. 5/Share:	\$2,891.02
Avg. Year FCF/Share:	\$200.32
Year 5 Disposition FCF Multipl:	3.0
Year 5 Disposition Price:	\$3,491.97
Gain Year 5:	\$1,880.61

Net Tang. Asset+5 FCF+ Gain Disposition:	\$4,493.56
IRR:	16.49%

Seaboard's book equity growth averaged an enviable 17% annually. The company is in the agribusiness industry, with pork, milling and ocean transportation operations in the US and sugar, grain, electric production overseas. The company was founded in the early 1919 as a flour mill operation. They expanded the flour mill operation until the 1980s and then started to expand into different businesses.

On a consolidated basis, gross margin is a slim 10%, but earnings and cashflow have been fairly constant over the years. In 2009, sales actually decreased 15% YoY, but in the past couple years, growth has picked up to +20% annual growth. The company has a maintainable debt level at \$165 MM, and could easily service and payoff the debt with the cashflows, without touching the \$410 MM cash balance.

The third generation of Brensky men has taken hold of the helm in 2006. Since then, acquisitions in commodity trading, biodiesel and name brand Butterball turkey products have been made. Plus, other acquisitions were made in Australia, Canada, Peru, Colombia, extending the company's activities to a global level.

We are projecting a 16.5% annual growth rate for the stock in the next 5 years and we believe the stock would generate a decent return to investors.

SN VALUATION

LBO Analysis

WACC Terminal Value:	N/A	Intrinsic Price in 5 Years:	2942.35	Non-LBO Forecast		Non-LBO Forecast	
EV/EBITDA with 3X Multiple Terminal Value:	\$2,537.60	Market Price:	2094.85	Year 1 Target	2242.13	Desired Return Rate	20.00%
Net Tangible Asset Terminal Value:	\$2,515.96	LBO Price:	2094.85	Year 2 Target	2399.77	Implied Today's Price	1182.47
EV/EBITDA with Today's Multiple Terminal Value:	\$3,455.50	Premium to Market Price:	0.00%	Year 3 Target	2568.49	Overvalued/(Undervalued)	77.16%
EVA Enterprise Value:	\$3,260.36	LBO Price/Intrinsic Price Target:	7.03%	Year 4 Target	2749.07		
Dividend Discount Model:	N/A	LBO Price/EV/EBIT Exit Price:	9.07%	Year 5 Target	2942.35		
Average (Excluding Dividend Discount):	\$2,942.35	Implied IRR at today's EV/EBITDA:	10.53%	Implied IRR (Market Price):	7.03%		
		5 Year Return:	40.46%				

Current Evaluation				Exit Evaluation			
Current Market Price:	2094.85	LBO Price:	2094.85	Exit Price:	2942.35	Exit Price:	3455.50
Outstanding Shares:	1,210,000	Outstanding Shares:	1,210,000	Outstanding Shares:	1,210,000	Outstanding Shares:	1,210,000
Market Capitalization:	2,534,768,500	Market Capitalization:	2,534,768,500	Market Capitalization:	3,560,248,227	Market Capitalization:	4,181,149,070
Available Cash:	412,890,000	Available Cash:	412,890,000	Available Cash:	1,447,807,094	Available Cash:	1,447,807,094
Debt:	202,200,000	Debt:	202,200,000	Debt:	43,290,000	Debt:	43,290,000
Net Cash:	210,690,000	Net Cash:	210,690,000	Net Cash:	1,404,517,094	Net Cash:	1,404,517,094
Enterprise Value:	2,324,078,500	Enterprise Value:	2,324,078,500	Enterprise Value:	2,155,731,133	Enterprise Value:	2,776,631,976
Original EV/EBITDA:	5.71	EV/EBITDA:	5.71	EV/EBITDA at 5 Years:	3.88	EV/EBITDA at 5 Years:	5.00
Original EV/EBITDA:	4.76	EV/EBITDA:	4.76	EV/EBITDA at 5 Years:	4.36	EV/EBITDA at 5 Years:	4.05
Competitor Average EV/EBIT:	N/A						
Competitor Average EV/EBITDA:	N/A						

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	2094.85	2094.85	2242.13	2399.77	2568.49	2749.07	2942.35
Shares Outstanding:	1,210,000	1,210,000	1,210,000	1,210,000	1,210,000	1,210,000	1,210,000
Market Capitalization:	2,534,768,500	2,534,768,500	2,712,980,654	2,903,722,384	3,107,874,606	3,326,380,173	3,560,248,227
Available Cash:	412,890,000	412,890,000	423,204,335	605,147,071	844,037,048	1,123,568,990	1,447,807,094
Debt:	202,200,000	202,200,000	63,290,000	43,290,000	43,290,000	43,290,000	43,290,000
Net Cash:	210,690,000	210,690,000	359,914,335	561,857,071	800,747,048	1,080,278,990	1,404,517,094
Enterprise Value:	2,324,078,500	2,324,078,500	2,353,066,319	2,341,865,313	2,307,127,558	2,246,101,183	2,155,731,133
EBIT	407,200,000	407,200,000	379,295,400	417,224,940	458,947,434	504,842,177	555,326,395
EV/EBIT:	5.71	5.71	6.20	5.61	5.03	4.45	3.88
EBITDA	488,420,000	488,420,000	468,637,400	515,501,140	567,051,254	623,756,379	686,132,017
EV/EBITDA:	4.76	4.76	5.02	4.54	4.07	3.60	3.14

Enterprise Valuation Calculation During Holding Period							
Time Period	0	Adjusted for LBO	1	2	3	4	5
Annualized Price Targets based off LBO Price:	2094.85	2094.85	2086.55	2432.36	2826.59	3274.09	3780.18
Shares Outstanding:	1,210,000	1,210,000	1,210,000	1,210,000	1,210,000	1,210,000	1,210,000
Market Capitalization:	2,534,768,500	2,534,768,500	2,524,728,393	2,943,152,534	3,420,172,058	3,961,646,501	4,574,021,356
Available Cash:	412,890,000	412,890,000	423,204,335	605,147,071	844,037,048	1,123,568,990	1,447,807,094
Debt:	202,200,000	202,200,000	63,290,000	43,290,000	43,290,000	43,290,000	43,290,000
Net Cash:	210,690,000	210,690,000	359,914,335	561,857,071	800,747,048	1,080,278,990	1,404,517,094
Enterprise Value:	2,324,078,500	2,324,078,500	2,164,814,058	2,381,295,463	2,619,425,010	2,881,367,511	3,169,504,262
EBIT	407,200,000	407,200,000	379,295,400	417,224,940	458,947,434	504,842,177	555,326,395
EV/EBIT:	5.71	5.71	5.71	5.71	5.71	5.71	5.71
EBITDA	488,420,000	488,420,000	468,637,400	515,501,140	567,051,254	623,756,379	686,132,017
EV/EBITDA:	4.76	4.76	4.62	4.62	4.62	4.62	4.62

LBO Price	2094.85	Equity Partners:	2,708,238,500	Weighting	100.00%	Annualized Return for Equity Partners:	9.07%
Shares Outstanding	1,210,000	Debt Partners:	0		0.00%		
Market Capitalization	2,534,768,500	Total Funds for LBO:	2,708,238,500		100.00%		
Debt	173,470,000						
Cash	412,890,000						
Enterprise Value	2,295,348,500						
Capital Investment	2,708,238,500						

Book Value	Enterprise Value	Stock Valuation	Debt Reduction				
Beginning Book Value	2,156.64	Beginning Enterprise Value	2,324.08	Current Market Price	\$2,094.85	Starting Debt	121.17
Year 5 Book Value	3,723.12	Year 5 Enterprise Value	2,776.63	Year 5 Market Price	\$3,455.50	Debt Repayment	57.00
Annualized Return	11.54%	Annualized Return	3.62%	Annualized Return	10.53%	Year 5 Ending Debt	1.17
						% of Starting Debt	0.97%

SN VALUATION

LBO Pro Forma Income Statement

Name:

Seaboard

Ticker:

SEB

	Historical				Forecasted				
	12 months ending 2008-12-31	12 months ending 2009-12-31	12 months ending 2010-12-31	12 months ending 2011-12-31	2011	2012	2013	2014	2015
Revenue	4,267.80	3,601.30	4,385.70	5,746.90	6,321.59	6,953.75	7,649.12	8,414.04	9,255.44
COGS	3,970.13	3,383.70	3,859.71	5,119.02	5,689.43	6,258.37	6,884.21	7,572.63	8,329.90
Gross margin	297.67	217.60	525.99	627.88	632.16	695.37	764.91	841.40	925.54
SG&A	175.86	193.89	204.93	220.68	252.86	278.15	305.96	336.56	370.22
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Included within COGS					0.00	0.00	0.00	0.00	0.00
Operating Income (EBITA)	121.81	23.71	321.06	407.20	379.30	417.22	458.95	504.84	555.33
Interest income/(expense)	0.48	42.27	43.36	48.49	2.20	3.80	3.80	3.80	3.80
Gain (loss) on sale of asset	0.00	16.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	2.54	6.46	-0.38	-13.08	0.00	0.00	0.00	0.00	0.00
Income before tax	124.83	89.24	364.05	442.61	381.50	421.03	462.75	508.64	559.13
Tax	-22.68	-2.28	81.04	99.05	133.52	147.36	161.96	178.02	195.69
Income after tax	147.51	91.52	283.01	343.56	247.97	273.67	300.79	330.62	363.43
Minority Interest	-0.60	0.96	0.60	2.29	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	146.92	92.48	283.61	345.85	247.97	273.67	300.79	330.62	363.43
*Figures are in millions (\$)									
EPS (based off today's share count)	\$121.42	\$76.43	\$234.39	\$285.83	\$204.94	\$226.17	\$248.58	\$273.24	\$300.36
P/E (historical today's price; forecasted intrinsic price)	17.25	27.41	8.94	7.33	10.94	10.61	10.33	10.06	9.80
Revenue Growth	N/A	-15.62%	21.78%	31.04%	10.00%	10.00%	10.00%	10.00%	10.00%
Tax Rate	-18.17%	-2.55%	22.28%	22.38%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	0.16%	26.40%	25.23%	27.95%	1.82%	17.95%	324.83%	324.83%	324.83%
Margins									
COGS	93.03%	93.96%	88.01%	89.07%	90.00%	90.00%	90.00%	90.00%	90.00%
Gross margin	6.97%	6.04%	11.99%	10.93%	10.00%	10.00%	10.00%	10.00%	10.00%
SG&A	4.12%	5.38%	4.67%	3.84%	4.00%	4.00%	4.00%	4.00%	4.00%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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)	2.85%	0.66%	7.32%	7.09%	6.00%	6.00%	6.00%	6.00%	6.00%
Interest income/(expense)	0.01%	1.17%	0.99%	0.84%	0.03%	0.05%	0.05%	0.05%	0.04%
Gain (loss) on sale of asset	0.00%	0.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.06%	0.18%	-0.01%	-0.23%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	2.92%	2.48%	8.30%	7.70%	6.03%	6.05%	6.05%	6.05%	6.04%
Tax	-0.53%	-0.06%	1.85%	1.72%	2.11%	2.12%	2.12%	2.12%	2.11%
Income after tax	3.46%	2.54%	6.45%	5.98%	3.92%	4.33%	4.76%	5.23%	5.75%
Minority Interest	-0.01%	0.03%	0.01%	0.04%	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	3.44%	2.57%	6.47%	6.02%	3.92%	3.94%	3.93%	3.93%	3.93%

SN VALUATION

LBO Adjusted Proforma Balance Sheet

	As of 2008-12-31	As of 2009-12-31	As of 2010-12-31	As of 2011-12-31	As of 2012-03-31	Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
						+	-						
Cash	60.59	61.86	41.13	71.51	71.51			53.06	63.37	245.32	484.21	763.74	1,087.98
Short term investment	312.68	407.35	332.20	323.26	359.83			359.83	359.83	359.83	359.83	359.83	359.83
Cash and Short term	373.27	469.21	373.33	394.77	412.89			412.89	423.20	605.15	844.04	1,123.57	1,447.81
Accounts Receivable	360.68	270.65	359.94	477.21	494.17			494.17	494.17	494.17	494.17	494.17	494.17
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	360.68	270.65	359.94	477.21	494.17			494.17	494.17	494.17	494.17	494.17	494.17
Total Inventory	509.00	498.59	533.76	644.93	694.69			694.69	694.69	694.69	694.69	694.69	694.69
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	128.91	186.86	218.38	115.14	118.84			118.84	118.84	118.84	118.84	118.84	118.84
Current Assets	1,371.86	1,425.31	1,485.41	1,632.05	1,720.59	0.00	0.00	1,720.59	1,730.90	1,912.85	2,151.74	2,431.27	2,755.51
PP&E, Gross	1,485.55	1,426.74	1,500.00	1,500.00	1,500.00			1,500.00	1,680.00	1,860.00	2,040.00	2,220.00	2,400.00
Change in Depreciation		91.84	86.80	81.22	81.22			81.22	89.34	98.28	108.10	118.91	130.81
Accumulated Depreciation	721.88	735.40	750.00	750.00	750.00			750.00	839.34	937.62	1,045.72	1,164.64	1,295.44
PP&E, Net	763.67	691.34	750.00	750.00	750.00			750.00	840.66	922.38	994.28	1,055.36	1,104.56
Goodwill	40.63	40.63	40.63	40.63	43.22	0.00		43.22	43.22	43.22	43.22	43.22	43.22
Intangibles	22.29	20.68	19.75	19.50	19.97			19.97	19.97	19.97	19.97	19.97	19.97
Long term investments	68.09	82.23	331.32	364.84	371.13			371.13	371.13	371.13	371.13	371.13	371.13
Other long term assets	64.83	76.95	65.74	42.00	42.48			42.48	42.48	42.48	42.48	42.48	42.48
Long Term Assets	959.51	911.83	1,207.44	1,216.97	1,226.80			1,226.80	1,317.46	1,399.18	1,471.08	1,532.16	1,581.36
Total Assets	2,331.37	2,337.14	2,692.85	2,849.02	2,947.39	0.00	0.00	2,947.39	3,048.36	3,312.03	3,622.82	3,963.43	4,336.87
Accounts Payable	122.87	141.19	146.26	151.87	130.86			130.86	130.86	130.86	130.86	130.86	130.86
Accrued Expense	194.71	180.36	250.44	295.48	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other current Liabilities	50.25	112.89	161.06	56.95	365.71			365.71	365.71	365.71	365.71	365.71	365.71
Total Current Liabilities	367.83	434.44	557.76	504.30	496.57	0.00	0.00	496.57	496.57	496.57	496.57	496.57	496.57
Notes Payables/Short Term Debt	177.21	81.26	78.73	16.22	39.58			39.58	0.67	0.67	0.67	0.67	0.67
Current port. Of LT Debt/Capital Leases	47.05	2.34	1.70	40.88	41.45			41.45	41.45	41.45	41.45	41.45	41.45
Long term Debt	78.56	76.53	91.41	116.37	121.17	0.00	0.00	121.17	1.17	1.17	1.17	1.17	1.17
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
Total Interest Earning Debt	302.82	160.13	171.84	173.47	202.20	0.00	0.00	202.20	63.29	43.29	43.29	43.29	43.29
Deferred Income tax	81.20	59.55	75.69	66.30	64.72			64.72	64.72	64.72	64.72	64.72	64.72
Minority Interest	4.22	3.75	3.04	0.54	6.03			6.03	6.03	6.03	6.03	6.03	6.03
Other liabilities	115.93	137.60	150.54	183.19	184.90			184.90	184.90	184.90	184.90	184.90	184.90
Total Liabilities	672.00	795.47	958.87	927.80	954.42	0.00	0.00	954.42	815.51	795.51	795.51	795.51	795.51
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	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	1.24	1.24	1.22	1.21	1.21		0.00	1.21	1.21	1.21	1.21	1.21	1.21
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	10.00	20.00	30.00	40.00	50.00
Retained Earnings	1,569.82	1,655.22	1,897.90	2,233.78	2,309.65		0.00	2,309.65	2,557.62	2,831.29	3,132.08	3,462.69	3,826.13
Treasury Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other Equity	-111.70	-114.79	-123.91	-156.06	-154.22		0.00	-154.22	-154.22	-154.22	-154.22	-154.22	-154.22
Total Equity	1,459.36	1,541.67	1,775.21	2,078.93	2,156.64	0.00	0.00	2,156.64	2,414.61	2,698.28	3,009.07	3,349.68	3,723.12
Liability + Equity	2,331.36	2,337.14	2,734.08	3,006.73	3,111.06	0.00	0.00	3,111.06	3,230.12	3,493.79	3,804.58	4,145.19	4,518.63
Variance	0.01	0.00	-41.23	-157.71	-163.67			-163.67	-181.76	-181.76	-181.76	-181.76	-181.76
Debt/Equity	0.21	0.10	0.10	0.08	0.09			0.09	0.03	0.02	0.01	0.01	0.01
Inventory Turnover	8.38	7.22	8.22	8.91	9.10			8.27	9.10	10.01	11.01	12.11	13.32
Inventory Turnover Days	43.53	50.53	44.42	40.96	40.11			44.12	40.11	36.46	33.15	30.14	27.40
Days Inventory Outstanding	46.80	53.78	50.48	45.99	44.57			49.53	44.57	40.52	36.83	33.48	30.44
Accounts Receivable Turnover	11.83	13.31	12.18	12.04	12.79			11.63	12.79	14.07	15.48	17.03	18.73
Accounts Receivable Turnover Days	30.85	27.43	29.96	30.31	28.53			31.39	28.53	25.94	23.58	21.44	19.49
Days Payable Outstanding	11.30	15.23	13.83	10.83	8.40			9.33	8.40	7.63	6.94	6.31	5.73
Days Sales Outstanding	30.85	27.43	29.96	30.31	28.53			30.31	31.39	28.53	25.94	23.58	21.44
Cash Conversion Cycle	66.35	65.98	66.60	65.47	64.70			70.51	67.56	61.42	55.83	50.76	46.14
Net tangible assets/share					1,594.86				1,793.11	2,027.54	2,284.39	2,565.89	2,874.52

SN VALUATION

LBO Adjusted Proforma Cash Flow

	12 months ending 2008-12-31	12 months ending 2009-12-31	12 months ending 2010-12-31	12 months ending 2011-12-31	2011	2012	2013	2014	2015
Net Income	147.51	91.52	283.01	343.56	247.97	273.67	300.79	330.62	363.43
Depreciation	90.38	91.84	86.80	81.22	89.34	98.28	108.10	118.91	130.81
Net Income + Depreciation	237.89	183.36	369.81	424.78	337.31	371.94	408.89	449.53	494.24
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	-7.60	-15.30	12.51	-1.56	0.00	0.00	0.00	0.00	0.00
Non Cash Items	7.37	-37.43	-35.96	-84.87	0.00	0.00	0.00	0.00	0.00
Change in Working capital	-126.40	115.73	-6.55	-118.36	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	90.03	-89.29	-117.27	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	10.41	-35.17	-111.17	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	18.32	5.07	5.61	0.00	0.00	0.00	0.00	0.00
Cash from Operating Activities	111.26	246.36	339.81	219.99	337.31	371.94	408.89	449.53	494.24
Capital Expenditures Expenditures	-134.63	-54.28	-103.34	-183.75	-180.00	-180.00	-180.00	-180.00	-180.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	-17.98	-36.23	-229.70	0.50	0.00	0.00	0.00	0.00	0.00
Cash from Investing Activities	-152.61	-90.51	-333.04	-183.25	-180.00	-180.00	-180.00	-180.00	-180.00
Financing Cash flow items	-1.19	-0.40	0.33	0.30	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	-3.73	-3.71	-10.96	0.00	-10.00	-10.00	-10.00	-10.00	-10.00
Issuance (Retirement) of Stock	-5.01	-3.37	-29.99	-9.97	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	-57.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	67.67	-141.99	11.64	0.98	-100.00	-20.00	0.00	0.00	0.00
Cash from Financing Activities	57.74	-149.47	-28.98	-6.69	-147.00	-10.00	10.00	10.00	10.00
Foreign Exchange effect	-3.15	-5.12	1.48	2.33	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	47.34	60.59	61.86	41.12	53.06	63.37	245.32	484.21	763.74
Net Change in Cash	13.25	1.26	-20.73	30.39	10.31	181.94	238.89	279.53	324.24
Ending Cash Balance	60.59	61.86	41.13	71.51	63.37	245.32	484.21	763.74	1,087.98
Capex to Revenue	3.15%	1.51%	2.36%	3.20%	2.85%	2.59%	2.35%	2.14%	1.94%
Depreciation to Sales	2.12%	2.55%	1.98%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%
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	8.45%	7.52%	8.21%	8.30%	7.55%	6.86%	6.24%	5.67%	5.16%
Distributable FCF Yield	-1.78%	6.71%	0.29%	1.58%	6.77%	8.26%	9.85%	11.60%	13.52%
Dividend Yield	-0.15%	-0.15%	-0.43%	0.00%	-0.39%	-0.39%	-0.39%	-0.39%	-0.39%
FCF (Ops-Investing-Dividends)	-37.62	159.56	17.73	36.74	167.31	201.94	238.89	279.53	324.24

SN VALUATION

LBO Debt Schedule

	Proforma	2011	2012	2013	2014	2015
Net Change in Cash	30.39	10.31	181.94	238.89	279.53	324.24
Current Portion Debt Repayment		57.00				
Long Term Debt Repayment		100.00	20.00			
Outstanding Debt	178.84	21.84	1.84	1.84	1.84	1.84
Current Portion Debt Balance	57.67	0.67	0.67	0.67	0.67	0.67
Long Term Debt Balance	121.17	21.17	1.17	1.17	1.17	1.17
Forward Libor Curve		4.00%	4.00%	4.00%	4.00%	4.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
Interest Rate		8.00%	8.00%	8.00%	8.00%	8.00%
Interest Expense		1.75	0.15	0.15	0.15	0.15
Cash Balance		394.77				
Interest @ 1.0%		3.95	3.95	3.95	3.95	3.95
Net Interest Expense/(Income)		(2.20)	(3.80)	(3.80)	(3.80)	(3.80)
Net Interest Rate		-1.82%	-17.95%	-324.83%	-324.83%	-324.83%
EBITDA		379.30	417.22	458.95	504.84	555.33
EBITDA/Interest Expense Coverage		217.09	2834.41	3117.85	3429.63	3772.60

Interest Rate Coverage Table

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

*Source: NYU; Professor Damodaran

Altman Z Score

Company Name:

Seaboard

Ticker:

SEB

Period	2007	2008	2009	2010	2011	2012	2013	2014	2015
Working Capital	1,004.03	990.87	927.65	1,224.02	1,234.33	1,416.28	1,655.17	1,934.70	2,258.94
Total Assets	2,331.37	2,337.14	2,692.85	2,947.39	3,048.36	3,312.03	3,622.82	3,963.43	4,336.87
X1	0.43	0.42	0.34	0.42	0.40	0.43	0.46	0.49	0.52
Retained Earnings	1,569.82	1,655.22	1,897.90	2,309.65	2,557.62	2,831.29	3,132.08	3,462.69	3,826.13
Total Assets	2,331.37	2,337.14	2,692.85	2,947.39	3,048.36	3,312.03	3,622.82	3,963.43	4,336.87
X2	0.67	0.71	0.70	0.78	0.84	0.85	0.86	0.87	0.88
EBITDA	121.81	23.71	321.06	407.20	379.30	417.22	458.95	504.84	555.33
Total Assets	2,331.37	2,337.14	2,692.85	2,947.39	3,048.36	3,312.03	3,622.82	3,963.43	4,336.87
X3	0.05	0.01	0.12	0.14	0.12	0.13	0.13	0.13	0.13
Market Value of Equity	2,534.77	2,534.77	2,534.77	2,534.77	2,712.98	2,903.72	3,107.87	3,326.38	3,560.25
Total Liabilities	872.00	795.47	958.87	954.42	815.51	795.51	795.51	795.51	795.51
X4	2.91	3.19	2.64	2.66	3.33	3.65	3.91	4.18	4.48
Net Sales	4,267.80	3,601.30	4,385.70	5,746.90	6,321.59	6,953.75	7,649.12	8,414.04	9,255.44
Total Assets	2,331.37	2,337.14	2,692.85	2,947.39	3,048.36	3,312.03	3,622.82	3,963.43	4,336.87
X5	1.83	1.54	1.63	1.95	2.07	2.10	2.11	2.12	2.13
Altman Z Score	5.21	4.99	5.01	5.59	6.14	6.42	6.63	6.86	7.10

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

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