SEABOARD CORP /DE/
Form 10-Q
August 08, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

{ X } QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2007

OR

{ } TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________to ________________________

Commission File Number 1-3390

Seaboard Corporation
(Exact name of registrant as specified in its charter)

Delaware	04-2260388
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

9000 W. 67th Street, Shawnee Mission, Kansas	66202
(Address of principal executive offices)	(Zip Code)

(913) 676-8800
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X . No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [X]

Non-accelerated filer [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes . No X .

There were 1,261,367.24 shares of common stock, $1.00 par value per share, outstanding on July 23, 2007.

Total pages in filing - 19 pages

1

PART I - FINANCIAL INFORMATION
Item 1. Financial Statements

SEABOARD CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Earnings
(Thousands of dollars except per share amounts)
(Unaudited)

	Three Months Ended June 30, 2007	Three Months Ended July 1, 2006	Six Months Ended June 30, 2007	Six Months Ended July 1, 2006
Net sales:				
Products	$ 507,645	$ 482,493	$1,020,596	$ 925,100
Services	211,957	183,017	409,771	353,634
Other	22,617	23,427	41,000	45,776
Total net sales	742,219	688,937	1,471,367	1,324,510
Cost of sales and operating expenses:				
Products	479,264	410,563	940,432	793,054
Services	167,626	143,786	317,896	279,612
Other	19,919	19,491	36,559	38,782
Total cost of sales and operating expenses	666,809	573,840	1,294,887	1,111,448
Gross income	75,410	115,097	176,480	213,062
Selling, general and administrative expenses	40,948	37,029	85,200	74,137
Operating income	34,462	78,068	91,280	138,925
Other income (expense):				
Interest expense	(3,381)	(4,765)	(6,923)	(10,334)
Interest income	5,402	5,537	10,043	11,531
Income (loss) from foreign affiliates	(142)	2,120	1,274	2,029
Minority and other noncontrolling interests	196	(1,668)	119	(3,122)

Foreign currency gain (loss), net	1,873	(855)	(1,431)	2,413
Miscellaneous, net	5,582	1,387	6,168	6,171
Total other income, net	9,530	1,756	9,250	8,688
Earnings before income taxes	43,992	79,824	100,530	147,613
Income tax expense	(1,335)	(10,634)	(8,518)	(26,883)
Net earnings	$ 42,657	$ 69,190	$ 92,012	$ 120,730
Earnings per common share	$ 33.82	$ 54.85	$ 72.95	$ 95.71
Dividends declared per common share	$ 0.75	$ 0.75	$ 1.50	$ 1.50
Average number of shares outstanding	1,261,367	1,261,367	1,261,367	1,261,367

See accompanying notes to condensed consolidated financial statements.

2

SEABOARD CORPORATION AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Thousands of dollars)
(Unaudited)

	June 30, 2007	December 31, 2006
Assets		
Current assets:		
Cash and cash equivalents	$ 34,558	$ 31,369
Short-term investments	461,257	478,859
Receivables, net	248,535	277,048
Inventories	352,221	341,366
Deferred income taxes	12,134	12,894
Other current assets	71,740	55,033
Total current assets	1,180,445	1,196,569
Investments in and advances to foreign affiliates	43,872	42,457
Net property, plant and equipment	686,119	637,813
Goodwill	40,000	28,372
Intangible assets, net	31,700	28,760

Other assets	36,369	27,462
Total assets	$2,018,505	$1,961,433
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable to banks	$ 63,709	$ 62,975
Current maturities of long-term debt	37,906	63,415
Accounts payable	100,869	103,429
Other current liabilities	189,680	159,423
Total current liabilities	392,164	389,242
Long-term debt, less current maturities	134,192	137,817
Deferred income taxes	120,587	119,861
Other liabilities	74,743	72,103
Total non-current and deferred liabilities	329,522	329,781
Minority and other noncontrolling interests	969	39,103
Stockholders' equity:		
Common stock of $1 par value,		
Authorized 4,000,000 shares; issued and outstanding 1,261,367 shares	1,261	1,261
Additional paid-in capital	21,574	21,574
Accumulated other comprehensive loss	(80,070)	(82,493)
Retained earnings	1,353,085	1,262,965
Total stockholders' equity	1,295,850	1,203,307
Total liabilities and stockholders' equity	$2,018,505	$1,961,433

See accompanying notes to condensed consolidated financial statements.

3

SEABOARD CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Thousands of dollars)
(Unaudited)

	Six Months Ended	
	June 30, 2007	July 1, 2006
Cash flows from operating activities:		

Net earnings	$ 92,012	$ 120,730
Adjustments to reconcile net earnings to cash from operating activities:		
Depreciation and amortization	38,747	34,887
Other investment income, net	(1,772)	(827)
Income from foreign affiliates	(1,274)	(2,029)
Minority and noncontrolling interest	(119)	3,122
Deferred income taxes	1,382	(579)
Gain from sale of fixed assets	(730)	(585)
Changes in current assets and liabilities:		
Receivables, net of allowance	28,866	(3,273)
Inventories	(10,963)	22,374
Other current assets	(15,198)	14,350
Current liabilities, exclusive of debt	(3,474)	(37,639)
Other, net	(398)	(8,573)
Net cash from operating activities	127,079	141,958
Cash flows from investing activities:		
Purchase of short-term investments	(1,351,064)	(1,962,579)
Proceeds from the sale or maturity of short-term investments	1,367,468	1,972,731
Investments in and advances to foreign affiliates, net	46	2,015
Capital expenditures	(80,174)	(32,974)
Repurchase of minority interest in a controlled subsidiary	(30,053)	-
Proceeds from the sale of fixed assets	1,213	1,596
Other, net	(1,450)	(978)
Net cash from investing activities	(94,014)	(20,189)
Cash flows from financing activities:		
Notes payable to banks, net	734	(84,839)
Principal payments of long-term debt	(28,789)	(29,422)
Dividends paid	(1,892)	(1,892)
Other, net	(82)	(3,552)
Net cash from financing activities	(30,029)	(119,705)
Effect of exchange rate change on cash	153	(63)
Net change in cash and cash equivalents	3,189	2,001
Cash and cash equivalents at beginning of year	31,369	34,622
Cash and cash equivalents at end of period	$ 34,558	$ 36,623

See accompanying notes to condensed consolidated financial statements.

4

SEABOARD CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1 - Accounting Policies and Basis of Presentation

The condensed consolidated financial statements include the accounts of Seaboard Corporation and its domestic and foreign subsidiaries ("Seaboard"). All significant intercompany balances and transactions have been eliminated in consolidation. Seaboard's investments in non-controlled affiliates are accounted for by the equity method. The unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of Seaboard for the year ended December 31, 2006 as filed in its Annual Report on Form 10-K. Seaboard's first three quarterly periods include approximately 13 weekly periods ending on the Saturday closest to the end of March, June and September. Seaboard's year-end is December 31.

The accompanying unaudited condensed consolidated financial statements include all adjustments (consisting only of normal recurring accruals) which, in the opinion of management, are necessary for a fair presentation of financial position, results of operations and cash flows. Results of operations for interim periods are not necessarily indicative of results to be expected for a full year.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Standards

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157 (SFAS 157), "Fair Value Measurements". This statement establishes a single authoritative definition of fair value when accounting rules require the use of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair-value measurements. For Seaboard, SFAS 157 is effective for the fiscal year beginning January 1, 2008. Management believes the adoption of SFAS 157 will not have a material impact on Seaboard's financial position or net earnings.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159 (SFAS 159), "The Fair Value Option for Financial Assets and Financial Liabilities." This statement provides companies with an option to report selected financial assets and liabilities at fair value. Seaboard will be required to adopt this statement as of January 1, 2008. Management believes the adoption of SFAS 159 will not have a material impact on Seaboard's financial position or net earnings.

Supplemental Noncash Transactions

As more fully described in Note 2, Seaboard repurchased the 4.74% equity interest in Seaboard Foods LP from the former owners of Daily's effective January 1, 2007. The following table summarizes the non-cash transactions resulting from this repurchase:

(Thousands of dollars)	June 30, 2007
Increase in fixed assets	$ 7,976
Increase in goodwill	11,628
Increase in intangible assets	3,745
Increase in other accrued liabilities	(31,228)
Decrease in minority interest	37,932
Cash paid to date	$ 30,053

Note 2 - Repurchase of Minority Interest

On December 27, 2006, Seaboard entered into a Purchase Agreement to repurchase the 4.74% equity interest in Seaboard Foods LP from the former owners of Daily's effective January 1, 2007. As part of the Purchase Agreement, on January 2, 2007 Seaboard paid $30,000,000 of the purchase price for the 4.74% equity interest to the former owners of Daily's. The total purchase price was equal to the greater of $40,000,000 or the same formula-determined value of the original put option, determined as of June 30, 2007; less the amount of interest which accrues on the initial $30,000,000 portion of the purchase price from January 2, 2007 through the date on which the balance of the purchase price is paid.

Based on the formula of operating results and certain net cash flows through June 30, 2007, the final purchase price was determined to be approximately $61,281,000 subject to final agreement, including transaction costs of $53,000. Seaboard expects to pay the balance of the purchase price owed to the former owners of Daily's of $31,228,000 in August 2007. The total purchase price of $61,281,000 for the 4.74% equity interest represents $23,349,000 in excess of book value. Seaboard applied the purchase method of accounting for this step acquisition by allocating the purchase price to the fair value of the net assets acquired to the extent of the 4.74% change in ownership. The allocation of the purchase price resulted in the recording of an increase in fixed assets of $7,976,000, an intangible asset for customer relationships of $3,745,000 and goodwill of $11,628,000 as of June 30, 2007. The goodwill has been allocated to Seaboard's Pork segment and is expected to be deductible for tax purposes. The intangible asset for customer relationships will be amortized over fifteen years. Depreciation and amortization of $593,000 was recorded in the second quarter representing the amount of depreciation on the write-up of fixed assets and amortization of intangible asset from January 1, 2007 through June 30, 2007. Pro forma results of operations are not presented, as the effects of this acquisition are not considered material to Seaboard's results of operations. The factors that contributed to a purchase price that resulted in the recognition of goodwill are a formula based re-purchase price resulting in a value in excess of historical book values.

Note 3 - Inventories

The following is a summary of inventories at June 30, 2007 and December 31, 2006:

(Thousands of dollars)	June 30, 2007	December 31, 2006
At lower of LIFO cost or market:		
Live hogs and materials	$167,682	$149,521
Fresh pork and materials	19,434	19,443
	187,116	168,964
LIFO adjustment	(7,290)	1,458
Total inventories at lower of LIFO cost or market	179,826	170,422
At lower of FIFO cost or market:		
Grain, primarily wheat, corn and soybeans	81,045	80,068
Sugar produced and in process	21,150	25,124

Other	35,323	29,016
Total inventories at lower of FIFO cost or market	137,518	134,208
Grain, flour and feed at lower of weighted average cost or market	34,877	36,736
Total inventories	$352,221	$341,366

6

Note 4 - Income Taxes

Seaboard adopted the provisions of FASB Interpretation No. 48 (FIN 48), Accounting for Uncertainty in Income Taxes, on January 1, 2007. As of January 1, 2007, Seaboard had $320,000 in total unrecognized tax benefits all of which, if recognized, would affect the effective tax rate. Beginning January 1, 2007, Seaboard now recognizes interest accrued related to unrecognized tax benefits and penalties in income tax expense as Seaboard believes it is more closely related to income tax expense instead of financing related items. Prior to the adoption of FIN 48 on January 1, 2007, Seaboard recognized interest accrued related to unrecognized tax benefits in interest expense and penalties in selling, general and administrative expenses. As of January 1, 2007, Seaboard did not have any amounts recorded for accrued interest and penalties on uncertain tax positions. Seaboard's tax returns are regularly audited by federal, state and foreign tax authorities, which may result in adjustments. Seaboard's U.S. federal income tax returns have been reviewed through the 2004 tax year. Seaboard does not have any uncertain tax positions in which it is reasonably possible that the total amounts of the unrecognized tax benefits will significantly increase or decrease within 12 months of the reporting date. The tax amounts provided above have not changed materially since January 1, 2007.

In the second quarter of 2006, Seaboard reached a settlement with the Internal Revenue Service on its audit of Seaboard's 2004 and 2003 U.S. federal income tax returns. The favorable resolution of these tax issues resulted in a tax benefit of $2,786,000 for items previously reserved which was recorded in the second quarter of 2006.

Note 5 - Employee Benefits

Seaboard maintains a defined benefit pension plan ("the Plan") for its domestic salaried and clerical employees. As a result of its current liquidity and tax positions, in April 2007 Seaboard made a deductible contribution in the amount of $10,000,000 for the 2006 Plan year. At this time management does not plan on making any additional contributions in 2007 for the 2006 plan year, and currently does not anticipate making any contributions during 2007 for the 2007 plan year. Additionally, Seaboard also sponsors non-qualified, unfunded supplemental executive plans, and unfunded supplemental retirement agreements with certain executive employees. Management is considering funding alternatives, but currently has no plans to provide funding for these supplemental plans in advance of when the benefits are paid.

Mr. H. H. Bresky retired as President and CEO of Seaboard effective July 6, 2006. As a result of Mr. Bresky's retirement, he was entitled to a lump sum payment of $8,709,000 from Seaboard's Executive Retirement Plan. Under IRS regulations, there is a six month delay of benefit payments for key employees and thus Mr. Bresky was not paid his lump sum until February 2007. This lump sum payment exceeded the Company's service and interest cost components under this plan and thus required Seaboard to recognize a portion of its actuarial losses. However, Seaboard was not relieved of its obligation until the settlement was paid in 2007. Accordingly, the settlement loss of $3,671,000 was not recognized until February 2007 in accordance with Statement of Financial Accounting Standards No. 88, "Employers Accounting for Settlements and Curtailments of Defined Benefit Pension for Termination Benefits."

The net periodic benefit cost of these plans was as follows:

	Three Months Ended		Six Months Ended	
	June 30,	July 1,	June 30,	July 1,
(Thousands of dollars)	2007	2006	2007	2006
Components of net periodic benefit cost:				
Service cost	$ 1,236	$ 1,208	$ 2,455	$ 2,128
Interest cost	1,447	1,405	2,854	2,589
Expected return on plan assets	(1,527)	(1,084)	(2,774)	(2,231)
Amortization and other	493	807	1,003	1,292
Settlement loss	-	-	3,671	-
Net periodic benefit cost	$ 1,649	$ 2,336	$ 7,209	$ 3,778

7

Note 6 - Commitments and Contingencies

During the fourth quarter of 2005, Seaboard's subsidiary, Seaboard Marine, received a notice of violation letter from U.S. Customs and Border Protection demanding payment of a significant penalty for an alleged failure to manifest narcotics in connection with Seaboard Marine's shipping operations, in violation of a federal statute and regulation. Seaboard has responded to the allegations and is engaged in discussions with U.S. Customs and Border Protection regarding the matter. Management believes that the resolution of the matter will not have a material adverse effect on the consolidated financial statements of Seaboard.

Seaboard Marine has been sued by an individual who suffered serious injuries as a result of an accident occurring during vessel loading operations in late 2004. The suit does not make any specific demand for damages. Seaboard's Protection and Indemnity Insurer has been providing indemnity and defense for the case, but during the second quarter of 2007, advised Seaboard that if Seaboard has any liability, it believes that the liability will not be covered. Seaboard believes that the Insurer is wrong with respect to this position, and has received a legal opinion opining that there is coverage. If the Insurer continues to maintain the position, then the coverage issue will be resolved by arbitration in London. In the event of an adverse arbitration decision, then Seaboard will pursue other insurance. If it is determined that other insurance is not applicable, this could result in a materially adverse effect on Seaboard's results of operations.

Seaboard is subject to various other legal proceedings related to the normal conduct of its business, including various environmental related actions. In the opinion of management, none of these actions is expected to result in a judgment having a materially adverse effect on the consolidated financial statements of Seaboard.

In June 2007, Seaboard received a $4,171,000 settlement related to a land expropriation in Argentina. This land settlement was recorded as miscellaneous income since the land was expropriated prior to Seaboard's purchase of the sugar and citrus business, thus never a part of the sugar and citrus operations recorded by Seaboard.

Contingent Obligations

Certain of the non-consolidated affiliates and third party contractors who perform services for Seaboard have bank debt supporting their underlying operations. From time to time, Seaboard will provide guarantees of that debt allowing a lower borrowing rate or facilitating third party financing in order to further Seaboard's business objectives. Seaboard does not issue guarantees of third parties for compensation. As of June 30, 2007, Seaboard had guarantees outstanding to three third parties with a total maximum exposure of $2,403,000. Seaboard has not accrued a liability for any of the third party or affiliate guarantees as management considered the likelihood of loss to be remote.

As of June 30, 2007, Seaboard had outstanding letters of credit ("LCs") with various banks which reduced its borrowing capacity under its committed and uncommitted credit facilities by $57,021,000 and $1,733,000, respectively. Included in these amounts are LCs totaling $42,688,000, which support the Industrial Development Revenue Bonds included as long-term debt and $14,008,000 of LCs related to insurance coverages.

Note 7 - Stockholders' Equity and Accumulated Other Comprehensive Loss

In conjunction with a 2002 transaction ("the Transaction") between Seaboard and its parent company, Seaboard Flour LLC ("the Parent Company"), whereby Seaboard effectively repurchased shares of its common stock owned by the Parent Company in return for repayment of all indebtedness owed by the Parent Company to Seaboard, the Parent Company also transferred to Seaboard rights to receive possible future cash payments from a subsidiary of the Parent Company and the benefit of other assets owned by that subsidiary. To the extent Seaboard receives cash payments as a result of the transferred rights, Seaboard agreed to issue to the Parent Company new shares of common stock with a value equal to the cash received. The value of the common stock for purposes of determining the number of shares issued is equal to the ten day rolling average closing price, determined as of the twentieth day prior to the issue date. The maximum number of shares of common stock which may be issued to the Parent Company under the Transaction is capped at 232,414.85, the number of shares which were originally purchased from the Parent Company, less 6,313.34 shares already issued to the Parent Company on November 3, 2005. Seaboard does not currently expect to receive any material amount of cash prior to the expiring of the right to receive such payments on September 17, 2007.

Components of total comprehensive income, net of related taxes, are summarized as follows:

	Three Months Ended		Six Months Ended	
(Thousands of dollars)	June 30, 2007	July 1, 2006	June 30, 2007	July 1, 2006
Net earnings	$42,657	$69,190	$92,012	$120,730

Other comprehensive income (loss) net of applicable taxes:				
Foreign currency translation adjustment	740	228	260	(869)
Unrealized gains (losses) on investments	(1,277)	528	(711)	130
Unrecognized pension cost	357	-	2,960	-
Unrealized losses on cash flow hedges	-	-	-	(22)
Amortization of deferred gain on interest rate swaps	(43)	(50)	(86)	(100)
Total comprehensive income	$42,434	$69,896	$94,435	$119,869

The components of and changes in accumulated other comprehensive loss for the six months ended June 30, 2007 are as follows:

(Thousands of dollars)	Balance December 31, 2006	Period Change	Balance June 30, 2007
Foreign currency translation adjustment	$(55,811)	$ 260	$(55,551)
Unrealized gain on investments	1,361	(711)	650
Unrecognized pension cost	(28,140)	2,960	(25,180)
Net unrealized loss on cash flow hedges	(55)	-	(55)
Deferred gain on interest rate swaps	152	(86)	66
Accumulated other comprehensive loss	$(82,493)	$ 2,423	$(80,070)

With the exception of the foreign currency translation loss to which a 35% federal tax rate is applied, income taxes for components of accumulated other comprehensive loss were recorded using a 39% effective tax rate. In addition, the unrecognized pension cost includes $7,298,000 related to employees at certain subsidiaries for which no tax benefit has been recorded.

On August 7, 2007, the Board of Directors authorized Seaboard to repurchase from time to time prior to August 31, 2009 up to $50 million market value of its Common Stock in open market or privately negotiated purchases. The stock repurchase will be funded by cash on hand. Any shares repurchased will be retired and shall resume status of authorized and unissued shares.

Note 8 - Segment Information

Seaboard's investment in a Bulgarian wine business (the Business) and related losses from this Business are included in the All Other segment. The owners of this Business, including Seaboard, have been trying to sell the remaining assets of this Business. Seaboard is entitled to receive 50% of any net sales proceeds after all third party bank debt has been repaid. Seaboard anticipates incurring additional losses from the operation of this Business until the sale of this Business is completed. Since March 2007, this Business has been unable to make its scheduled loan payments and is in technical default with its banks. Although the banks are discussing various options with the Business, failure to reach agreement or receive a waiver could result in the Business being forced into bankruptcy. If this occurs prior to sale of the Business, this could eliminate the remaining value of the Business to Seaboard resulting in a charge to losses from foreign affiliates in the All Other segment. As of June 30, 2007, the remaining carrying value of Seaboard's investments in and advances to this Business total $1,772,000, including $2,770,000 of foreign currency translation gains recorded in other comprehensive income from this Business, which would be recognized in earnings upon completion of any sale. This Business is considered a variable interest entity and the related maximum exposure to Seaboard at June 30, 2007 is limited to its remaining carrying value.

9

The following tables set forth specific financial information about each segment as reviewed by Seaboard's management. Operating income for segment reporting is prepared on the same basis as that used for consolidated operating income. Operating income, along with income or losses from foreign affiliates for the Commodity Trading and Milling segment, is used as the measure of evaluating segment performance because management does not consider interest and income tax expense on a segment basis.

Sales to External Customers:

	Three Months Ended		Six Months Ended	
(Thousands of dollars)	June 30, 2007	July 1, 2006	June 30, 2007	July 1, 2006
Pork	$261,691	$252,139	$ 503,338	$ 497,433
Commodity Trading and Milling	223,401	201,141	470,089	378,711
Marine	205,813	178,901	396,872	346,284
Sugar and Citrus	24,463	28,929	51,796	47,443
Power	22,615	23,427	40,998	45,776
All Other	4,236	4,400	8,274	8,863
Segment/Consolidated Totals	$742,219	$688,937	$1,471,367	$1,324,510

Operating Income:

	Three Months Ended		Six Months Ended	
(Thousands of dollars)	June 30, 2007	July 1, 2006	June 30, 2007	July 1, 2006
Pork	$ 12,992	$ 29,808	$ 33,903	$ 59,908
Commodity Trading and Milling	(4,155)	18,424	6,073	28,389
Marine	25,540	24,423	53,036	43,014
Sugar and Citrus	2,032	4,978	6,647	7,793
Power	1,546	3,035	2,017	5,035
All Other	487	705	602	1,374
Segment Totals	38,442	81,373	102,278	145,513
Corporate Items	(3,980)	(3,305)	(10,998)	(6,588)
Consolidated Totals	$ 34,462	$ 78,068	$ 91,280	$ 138,925

Income (Loss) from Foreign Affiliates:

	Three Months Ended		Six Months Ended	
(Thousands of dollars)	June 30, 2007	July 1, 2006	June 30, 2007	July 1, 2006
Commodity Trading and Milling	$ 190	$ 2,247	$ 2,545	$ 3,969
Sugar and Citrus	58	(50)	184	(1,107)
All Other	(390)	(77)	(1,455)	(833)

Segment/Consolidated Totals	$ (142)	$ 2,120	$ 1,274	$ 2,029

Total Assets:

(Thousands of dollars)	June 30, 2007	December 31, 2006
Pork	$ 760,403	$ 721,514
Commodity Trading and Milling	280,974	301,672
Marine	213,409	176,673
Sugar and Citrus	146,911	133,971
Power	60,788	66,978
All Other	10,648	8,464
Segment Totals	1,473,133	1,409,272
Corporate Items	545,372	552,161
Consolidated Totals	$2,018,505	$1,961,433

Investments in and Advances to Foreign Affiliates:

(Thousands of dollars)	June 30, 2007	December 31, 2006
Commodity Trading and Milling	$ 41,281	$ 38,748
Sugar and Citrus	819	636
All Other	1,772	3,073
Segment/Consolidated Totals	$ 43,872	$ 42,457

Administrative services provided by the corporate office allocated to the individual segments represent corporate services rendered to and costs incurred for each specific division with no allocation to individual segments of general corporate management oversight costs. Corporate assets include short-term investments, other current assets related to deferred compensation plans, certain investments in and advances to foreign affiliates, fixed assets, deferred tax amounts and other miscellaneous items. Corporate operating losses represent certain operating costs not specifically allocated to individual segments.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

LIQUIDITY AND CAPITAL RESOURCES

Summary of Sources and Uses of Cash

Cash and short-term investments decreased $14.4 million from December 31, 2006. This decrease was primarily the result of cash from operating activities of $127.1 million being used for capital expenditures of $80.2 million, a payment of $30.1 million for the repurchase of the minority interest as discussed in Note 2 to the Condensed Consolidated Financial Statements, and scheduled principal payments of long-term debt of $28.8 million. Cash from operating activities decreased $14.9 million for the six months ended June 30, 2007, primarily as the result of lower net earnings for the period.

Acquisitions, Capital Expenditures and Other Investing Activities

During the six months ended June 30, 2007, Seaboard invested $80.2 million in property, plant and equipment, of which $27.1 million was expended in the Pork segment, $1.6 million was expended in the Commodity Trading and Milling segment, $38.8 million in the Marine segment, and $9.6 million in the Sugar and Citrus segment. The Pork segment spent $19.4 million on constructing additional hog finishing space and constructing a biodiesel plant as discussed below. The Marine segment spent $31.4 million to purchase a containerized cargo vessel previously chartered, purchase cargo carrying and handling equipment and to purchase an additional containerized cargo vessel not previously chartered. In the Sugar and Citrus segment, the capital expenditures were primarily for expansion of cane growing operations, expansion of alcohol distillery operations and various improvements to the sugar mill. All other capital expenditures are of a normal recurring nature and primarily include replacements of machinery and equipment, and general facility modernizations and upgrades.

The Pork segment is constructing a processing plant at an approximate cost of $37.0 million to utilize by-products primarily from its Guymon processing plant to produce biodiesel, which will be sold to a third party. Construction of this plant began in the fourth quarter of 2006 with approximately $23.7 million to be spent in the remainder of 2007. The Pork segment is also currently constructing additional hog finishing space to expand its live production facilities to support the Guymon plant with approximately $9.1 million to be spent in the remainder of 2007. In addition, the Pork segment plans to expand its processed meats capabilities by constructing a separate further processing plant in Guymon, Oklahoma, primarily for bacon and sausage processing, at an approximate cost of $45.0 million. Construction of this facility was anticipated to begin in the second half of 2007; however the timing of this facility has been delayed with no related capital expenditures currently expected in 2007.

For the remainder of 2007 management has budgeted capital expenditures totaling $117.2 million. In addition to the projects detailed above, the Pork segment plans to spend $15.5 million for improvement to existing hog facilities and upgrades to the Guymon processing plant. The Commodity Trading and Milling segment plans to spend $6.3 million primarily for milling facility upgrades and related equipment. The Marine segment has budgeted $47.1 million for additional cargo carrying and handling equipment and expansion of port facilities. The Sugar and Citrus segment plans to spend $14.7 million for expansion of cane growing operations, expansion of alcohol distillery operations and various improvements to the sugar mill. The balance of $0.8 million is planned to be spent in all other businesses. Management anticipates funding these capital expenditures from available cash and short-term investments.

During the third quarter of 2007 Seaboard will pay approximately $31.2 million to the former owners of Daily's as the final payment to repurchase their minority interest in Seaboard Foods, LP, as discussed in Note 2 to the Condensed Consolidated Financial Statements.

Financing Activities and Debt

As of June 30, 2007, Seaboard had committed lines of credit totaling $100.0 million and uncommitted lines totaling $160.1 million. Borrowings outstanding under the uncommitted lines as of June 30, 2007, totaled $63.7 million while there were no outstanding borrowings under the committed credit facility. Outstanding standby letters of credit reduced Seaboard's borrowing capacity under its committed and uncommitted credit lines by $57.0 million and $1.7 million, respectively, primarily representing $42.7 million for Seaboard's outstanding Industrial Development Revenue Bonds and $14.0

million related to insurance coverages.

Seaboard's remaining 2007 scheduled long-term debt maturities total $34.6 million. Management believes that Seaboard's current combination of internally generated cash, liquidity, capital resources and short-term borrowing capabilities will be adequate for its existing operations and any currently known potential plans for expansion of existing operations or business segments. Management intends to continue seeking opportunities for expansion

12

in the industries in which Seaboard operates and, based on existing liquidity and available borrowing capacity, currently has no plans to pursue other financing alternatives.

On August 7, 2007, the Board of Directors authorized Seaboard to repurchase from time to time prior to August 31, 2009 up to $50 million market value of its Common Stock in open market or privately negotiated purchases. The stock repurchase will be funded by cash on hand. Any shares repurchased will be retired and shall resume status of authorized and unissued shares. The Board's stock repurchase authorization does not obligate Seaboard to acquire a specific amount of common stock and the stock repurchase program may be modified or suspended at any time at Seaboard's discretion.

See Note 6 to the Condensed Consolidated Financial Statements for a summary of Seaboard's contingent obligations, including guarantees issued to support certain activities of non-consolidated affiliates or third parties who provide services for Seaboard.

RESULTS OF OPERATIONS

Net sales for the three and six month periods of 2007 increased by $53.3 million and $146.9 million, respectively, over the same periods in 2006, primarily reflecting the result of higher volumes sold by the commodity trading business and higher volumes for marine cargo services.

Operating income decreased by $43.6 million and $47.6 million for the three and six month periods of 2007, respectively, compared to the same periods in 2006. The decrease for both periods is primarily the result of higher feed costs for hogs, primarily from the increased price of corn, the effect of the mark-to-market of derivatives and decreased trading margins in the Commodity Trading and Milling segment. The decrease for both periods was partially offset by higher volumes for marine cargo services. The decrease for the six month period also reflects the pension settlement loss in the first quarter of 2007 as discussed in Note 5 to the Condensed Consolidated Financial Statements.

Pork Segment

	Three Months Ended		Six Months Ended	
	June 30,	July 1,	June 30,	July 1,
(Dollars in millions)	2007	2006	2007	2006
Net sales	$261.7	$252.1	$503.3	$497.4
Operating income	$ 13.0	$ 29.8	$ 33.9	$ 59.9

Net sales for the Pork segment increased $9.6 million and $5.9 million for the three and six month periods of 2007, respectively, compared to the same periods in 2006. The increases are primarily the result of higher prices for pork products sold and, to a lesser extent, higher marketing fee income from increased number of head processed by Triumph Foods. These increases were partially offset by lower domestic sales volumes of pork products.

Operating income for the Pork segment decreased $16.8 million and $26.0 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006. The decreases primarily relate to higher feed costs, primarily from the increased price of corn, and, to a lesser extent higher costs per hog for third party hogs used for processing. Also decreasing operating income for the three and six month periods for 2007 compared to 2006 was an increase in change in the LIFO reserve of $5.6 million and $7.6 million, respectively, primarily as a result of the higher feed costs. These higher costs were partially offset by a higher percentage of Seaboard-raised hogs processed, which cost less than third party hogs, higher prices for pork products sold and increased marketing fee income discussed above.

Management is unable to predict future market prices for pork products or the cost of feed and third party hogs. During the last half of 2006, the price of corn began to rise significantly as the demand for corn increased due to, among other things, demand from ethanol plants. Also, over the past three years, market prices for pork products have been higher than historic norms. History has demonstrated that high prices for pork products cannot be sustained over long periods of time but rather rise and fall as market conditions change. Overall, management expects this segment to remain profitable during 2007 although significantly lower than 2006.

13

Commodity Trading and Milling Segment

	Three Months Ended		Six Months Ended	
	June 30,	July 1,	June 30,	July 1,
(Dollars in millions)	2007	2006	2007	2006
Net sales	$223.4	$201.1	$470.1	$378.7
Operating income (loss)	$ (4.2)	$ 18.4	$ 6.1	$ 28.4
Income from foreign affiliates	$ 0.2	$ 2.2	$ 2.5	$ 4.0

Net sales for the Commodity Trading and Milling segment increased $22.3 million and $91.4 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006. The increases primarily reflect increased prices for commodities sold partially offset by a decrease in sale volumes at certain African milling operations. For the six month period, the increase also reflects increased commodity trading volumes with third parties. The increased trading volumes to third parties are primarily a result of Seaboard expanding its business in new and existing markets it serves.

Operating income for this segment decreased $22.6 million and $22.3 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006. The decrease for the three and six month periods of 2007 compared to 2006 primarily reflects the $13.8 million and $14.0 million fluctuation, respectively, of marking to market the derivative contracts as discussed below. The decreases also reflect the decreased trading margins on commodities as the result of losses accrued as of June 30, 2007 on certain wheat trades entered into during the second quarter of 2007 for future sales commitments. In addition, the decreases reflect lower margins from certain milling operations, especially in Zambia. The lower sales and margins at certain milling locations is the result of less favorable market conditions. Due in large part to the uncertain political and economic conditions in the countries in which Seaboard operates, management is unable to predict future sales and operating results, but anticipates positive operating income for the remainder of 2007, excluding the potential effects of marking to market derivative contracts. However, rising prices in the grain markets are reaching levels that management believes could have an adverse effect on operating income for the remainder of 2007.

Had Seaboard not applied mark-to-market accounting to its derivative instruments, operating income would have been higher by $6.2 million and $6.4 million for the three and six month periods of 2007, respectively, while operating income for the three and six months of 2006 would have been lower by $7.6 million. While management believes its commodity futures and options and foreign exchange contracts are primarily economic hedges of its firm purchase and sales contracts, Seaboard does not perform the type of extensive record-keeping required to account for either type of derivative as hedges for accounting purposes. Accordingly, while the changes in value of the derivative instruments were marked to market, the changes in value of the firm purchase or sales contracts were not. As products are delivered to customers, these mark-to-market adjustments will be primarily offset by realized margins as revenue is recognized.

Income from foreign affiliates for the three and six month periods of 2007 decreased $2.0 million and $1.5 million, respectively, from the same 2006 periods as a result of less favorable market conditions. Based on the uncertainty of local political and economic situations in the countries in which the flour and feed mills operate, and increasing grain prices as discussed above, management cannot predict future results.

Marine Segment

	Three Months Ended		Six Months Ended	
	June 30,	July 1,	June 30,	July 1,
(Dollars in millions)	2007	2006	2007	2006
Net sales	$205.8	$178.9	$396.9	$346.3
Operating income	$ 25.5	$ 24.4	$ 53.0	$ 43.0

Net sales for the Marine segment increased $26.9 million and $50.6 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006 primarily reflecting higher cargo volumes. Cargo volumes were higher as a result of favorable economic conditions in most markets served. Partially offsetting these increases was a slight decrease in cargo rates in certain markets, primarily during the quarter, as a result of increased competition.

Operating income for the Marine segment increased $1.1 million and $10.0 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006 primarily reflecting the increased volumes, partially offset by lower cargo rates and increased selling expenses. For the quarter, the increase was also

14

partially offset by increased trucking expenses. For the six month period, operating income also increased as a result of lower fuel costs for vessels on a per unit shipped basis in the first quarter of 2007. Although management cannot predict changes in future volumes and cargo rates or to what extent changes in competition and economic conditions will impact net sales or operating income, it does expect this segment to remain profitable for the remainder of 2007.

Sugar and Citrus Segment

(Dollars in millions)	Three Months Ended June 30, 2007	Three Months Ended July 1, 2006	Six Months Ended June 30, 2007	Six Months Ended July 1, 2006
Net sales	$ 24.5	$ 28.9	$ 51.8	$ 47.4
Operating income	$ 2.0	$ 5.0	$ 6.6	$ 7.8
Income (loss) from foreign affiliates	$ 0.1	$ 0.0	$ 0.2	$ (1.1)

Net sales for the Sugar and Citrus segment decreased $4.4 million and increased $4.4 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006. The decrease for the quarter primarily reflects lower sales volumes partially offset by slightly higher sugar prices. The increase for the six months primarily reflects overall higher sugar prices partially offset by lower sales volume. Sales volumes decreased primarily from lower export sales as the result of fewer purchases of sugar from third parties for resale. Export prices increased during 2007 while Argentine prices increased to a lesser extent as governmental authorities continue to attempt to control inflation by limiting the price of basic commodities, including sugar. Accordingly, management cannot predict whether sugar prices will continue to increase. However, Seaboard expects to at least maintain its historical sales volume to Argentinean customers.

Operating income decreased $3.0 million and $1.2 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006. The decreases are primarily the result of lower margins on purchased third party sugar for resale and, for the quarter, lower export sale volumes that also have a higher margin than domestic sales. Management expects operating income will remain positive for the remainder of 2007.

A franchisee agreement was cancelled in the first quarter of 2006, which resulted in a loss from foreign affiliates in the amount of $1.1 million.

Power Segment

(Dollars in millions)	Three Months Ended June 30, 2007	Three Months Ended July 1, 2006	Six Months Ended June 30, 2007	Six Months Ended July 1, 2006
Net sales	$ 22.6	$23.4	$ 41.0	$ 45.8
Operating income	$ 1.5	$ 3.0	$ 2.0	$ 5.0

Net sales for the Power segment decreased $0.8 million and $4.8 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006 primarily reflecting lower rates. Rates have decreased during 2007 primarily as a result of lower fuel costs, a component of pricing. At times during 2007 and 2006, Seaboard's power production was restricted by the regulatory authorities in the Dominican Republic (DR). The DR regulatory body schedules production based on the amount of funds available to pay for the power produced and the relative costs of the power produced.

Operating income decreased $1.5 million and $3.0 million for the three and six month periods of 2007, respectively, compared to the same periods of 2006 primarily as a result of lower rates in excess of lower fuel costs and, to a lesser extent, increased overhaul and other operating expenses. Management cannot predict future fuel costs or the extent to which the regulatory authority will restrict Seaboard's future production of power, although management expects this segment to remain profitable for the remainder of 2007.

15

All Other

	Three Months Ended		Six Months Ended	
	June 30,	July 1,	June 30,	July 1,
(Dollars in millions)	2007	2006	2007	2006
Net sales	$ 4.2	$ 4.4	$ 8.3	$ 8.9
Operating income	$ 0.5	$ 0.7	$ 0.6	$ 1.4
Loss from foreign affiliate	$ (0.4)	$ (0.1)	$ (1.5)	$ (0.8)

Net sales and operating income decreased due to decreased volumes and increased production costs in the jalapeno pepper operations. The loss from foreign affiliate reflects Seaboard's share of losses from its equity method investment in a Bulgarian wine business. Management expects additional losses from the operations of this business for the remainder of 2007. See Note 8 to the Condensed Consolidated Financial Statements for further discussion of this business and intentions to sell the business.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses increased by $3.9 million and $11.1 million in the three and six month periods of 2007, respectively, compared to the same periods of 2006. These increases are primarily the result of increased personnel costs principally related to the growth of the business. In addition, the increase for the six month period is also a result of the $3.7 million pension settlement loss recognized in the first quarter of 2007 related to Mr. Bresky's retirement payment in February 2007 as discussed in Note 5 to the Condensed Consolidated Financial Statements. As a percentage of revenues, SG&A increased to 5.5% and 5.8% for the 2007 three and six month periods, respectively, compared to 5.4% and 5.6% for the same periods in 2006 primarily from the increases noted above.

Interest Expense

Interest expense decreased $1.4 million and $3.4 million in the three and six month periods of 2007, respectively, compared to the same periods of 2006 reflecting the lower average level of borrowings during 2007 and lower average interest rates.

Interest Income

Interest income decreased $0.1 million and $1.5 million in the three and six month periods of 2007, respectively, compared to the same periods of 2006 primarily reflecting a decrease in interest received on outstanding customer receivable balances in the Power segment, partially offset by an increase in funds invested.

Minority and Other Noncontrolling Interests

Minority and other noncontrolling interests expense decreased $1.9 million and $3.2 million in the three and six month periods of 2007, respectively, compared to the same periods of 2006 primarily as a result of no longer having the minority interest associated with the Daily's acquisition due to the equity interest being repurchased by Seaboard effective January 1, 2007. See Note 2 to the Condensed Consolidated Financial Statements for further discussion.

Foreign Currency Gains (Losses)

Seaboard realized net foreign currency gains of $1.9 million and losses of $1.4 million in the three and six month periods of 2007, respectively, compared to losses of $0.9 million and gains of $2.4 million for the same periods in 2006. The changes for the three and six month periods primarily relates to currency fluctuations in certain African operations of the Commodity Trading and Milling segment.

Miscellaneous, Net

The increase in miscellaneous, net for the three month period of 2007 compared to 2006 primarily reflects a $4.2 million gain from a favorable settlement received in June 2007 related to a land expropriation in Argentina. This land settlement was recorded as miscellaneous income since the land was expropriated prior to Seaboard's purchase of the sugar and citrus business, thus never a part of the sugar and citrus operations recorded by Seaboard. For the six month period of 2006, miscellaneous, net included a mark-to-market gain of $3.4 on interest rate exchange agreements. These interest rate agreements did not qualify as hedges for accounting purposes and all such agreements were terminated during the second quarter of 2006.

Income Tax Expense

The effective tax rate decreased during 2007 compared to 2006 primarily as a result of increased amounts of permanently deferred foreign earnings and lower amounts of domestic taxable income.

16

OTHER FINANCIAL INFORMATION

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157 (SFAS 157), "Fair Value Measurements". This statement establishes a single authoritative definition of fair value when accounting rules require the use of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair-value measurements. For Seaboard, SFAS 157 is effective for the fiscal year beginning January 1, 2008. Management believes the adoption of SFAS 157 will not have a material impact on Seaboard's financial position or net earnings.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159 (SFAS 159), "The Fair Value Option for Financial Assets and Financial Liabilities." This statement provides companies with an option to report selected financial assets and liabilities at fair value. Seaboard will be required to adopt this statement as of January 1, 2008. Management believes the adoption of SFAS 159 will not have a material impact on Seaboard's financial position or net earnings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Seaboard is exposed to various types of market risks in its day-to-day operations. Seaboard utilizes derivative instruments to mitigate some of these risks including both purchases and sales of futures and options to hedge inventories, forward purchase and sale contracts. From time to time, Seaboard may enter into speculative derivative transactions not directly related to its raw material requirements. The nature of Seaboard's market risk exposure related to these items has not changed materially since December 31, 2006.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures - Seaboard's management evaluated, under the direction of our Chief Executive and Chief Financial Officers, the effectiveness of Seaboard's disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e) as of June 30, 2007. Based upon and as of the date of that evaluation, Seaboard's Chief Executive and Chief Financial Officers concluded that Seaboard's disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports it files and submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported as and when required. It should be noted that any system of disclosure controls and procedures, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any system of disclosure controls and procedures is based in part upon assumptions about the likelihood of future events. Due to these and other inherent limitations of any such system, there can be no assurance that any design will always succeed in achieving its stated goals under all potential future conditions.

Change in Internal Controls -There has been no change in Seaboard's internal control over financial reporting required by Exchange Act Rule 13a-15 that occurred during the fiscal quarter ended June 30, 2007 that has materially affected, or is reasonably likely to materially affect, Seaboard's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1A. Risk Factors

There have been no material changes in the risk factors as previously disclosed in Seaboard's Annual Report on form 10-K for the year ended December 31, 2006.

Item 4. Submission of Matters to a Vote of Security Holders

The annual meeting of stockholders, held on April 23, 2007, included two items submitted to a vote of stockholders. Item 4 of the Form 10-Q for the first quarter ended March 31, 2007, which was filed on May 2, 2007 discloses the results of the shareholder's vote, which disclosure is incorporated herein by reference.

Item 6. Exhibits

31.1 Certification of the Chief Executive Officer Pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of the Chief Financial Officer Pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certification of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

This Form 10-Q contains forward-looking statements with respect to the financial condition, results of operations, plans, objectives, future performance and business of Seaboard Corporation and its subsidiaries (Seaboard). Forward-looking statements generally may be identified as statements that are not historical in nature; and statements preceded by, followed by or that include the words "believes," "expects," "may," "will," "should," "could," "anticipates," "estimates," "intends," or similar expressions. In more specific terms, forward-looking statements, include, without limitation: statements concerning projection of revenues, income or loss, capital expenditures, capital structure or other financial items, including the impact of mark-to-market accounting on operating income; statements regarding the plans and objectives of management for future operations; statements of future economic performance; statements regarding the intent, belief or current expectations of Seaboard and its management with respect to: (i) Seaboard's ability to obtain adequate financing and liquidity, (ii) the price of feed stocks and other materials used by Seaboard, (iii) the sales price or market conditions for pork, sugar and other products and services, (iv) statements concerning management's expectations of recorded tax effects under existing circumstances, (v) the ability of the Commodity Trading and Milling to successfully compete in the markets it serves and the volume of business and working capital requirements associated with the competitive trading environment, (vi) the charter hire rates and fuel prices for vessels, (vii) the stability of the Dominican Republic's economy and demand for power, related spot market prices and collectibility of receivables in the Dominican Republic, (viii) the effect of the fluctuation in exchange rates for the Dominican Republic peso, (ix) statements concerning profitability or sales volume of any of Seaboard's segments, (x) the anticipated costs and completion timetable for Seaboard's scheduled capital improvements, or (xi) other trends affecting Seaboard's financial condition or results of operations, and statements of the assumptions underlying or relating to any of the foregoing statements.

Forward-looking statements are not guarantees of future performance or results. They involve risks, uncertainties and assumptions. Actual results may differ materially from those contemplated by the forward-looking statements due to a variety of factors. The information contained in this report, including without limitation the information under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations," identifies important factors which could cause such differences.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DATE: August 8, 2007

Seaboard Corporation

by: /s/ Robert L. Steer
Robert L. Steer, Senior Vice President,
Chief Financial Officer
(principal financial officer)

by: /s/ John A. Virgo
John A. Virgo, Vice President, Corporate Controller
and Chief Accounting Officer
(principal accounting officer)