

# Iberpapel Gestion SA IBG ★★★<sup>Q</sup> 20 Sep 2019 02:00 UTC

**Last Close**  
20 Sep 2019  
26.40

**Fair Value<sup>Q</sup>**  
20 Sep 2019 02:00 UTC  
27.79

**Market Cap**  
20 Sep 2019  
288.2 Mil

**Sector**  
Basic Materials

**Industry**  
Paper & Paper Products

**Country of Domicile**  
ESP Spain

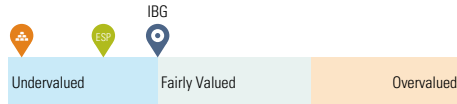
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## Company Profile

Iberpapel Gestion SA manufactures printing and writing a paper in Spain. The company operates in Forestry Division, Industrial Division, and Commercial Division. The Forestry Division produces cellulose pulp from Eucalyptus trees. The Industrial Division processes the raw materials into finished goods at its Papelera Guipuzcoana de Zicunaga plant which consists of a cellulose plant and a paper mill, and energy section. The Commercial Division markets the products produced at its manufacturing plant. It earns revenue from the

## Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	None	25	30	25
Valuation	Undervalued	25	15	50
Quantitative Uncertainty	High	83	87	76
Financial Health	Strong	98	98	93



## Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	0.95	1.02	0.78	0.87
Price/Earnings	10.8	19.1	13.3	15.0
Forward P/E	—	—	10.4	12.5
Price/Cash Flow	8.3	11.2	8.0	8.8
Price/Free Cash Flow	17.5	20.8	14.7	15.2
Trailing Dividend Yield %	2.65	2.24	2.43	3.93
Price/Book	1.1	1.1	1.4	1.9
Price/Sales	1.2	1.1	1.0	1.4

## Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	10.2	8.2	11.5	12.9
Return on Assets %	6.9	6.2	5.7	3.3
Revenue/Employee (K)	775.3	712.6	857.4	240.3

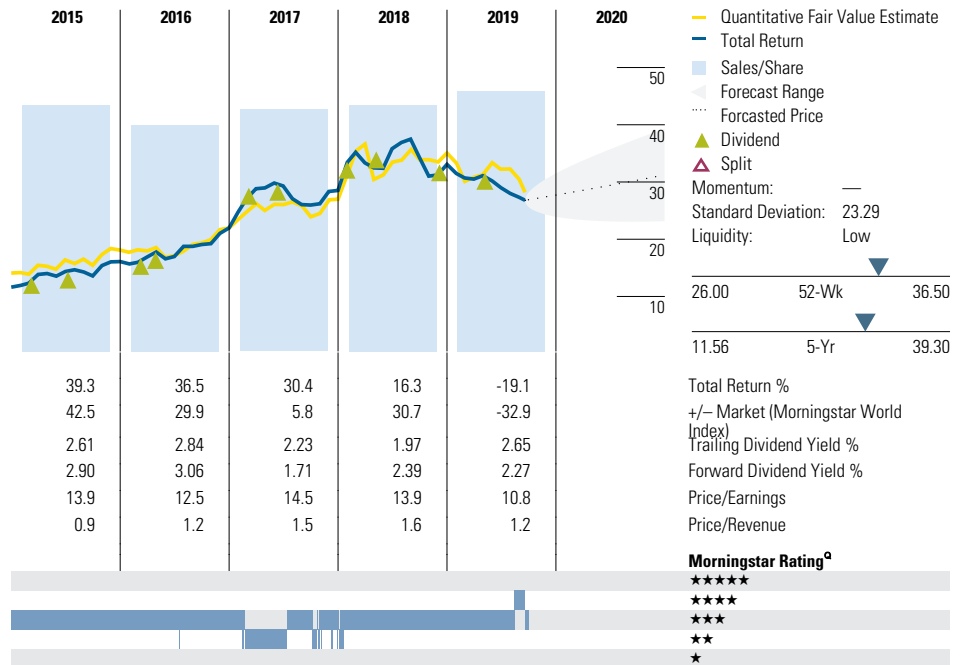
## Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.9	0.8	0.6	0.7
Solvency Score	—	—	474.7	556.5
Assets/Equity	1.5	1.3	1.4	2.7
Long-Term Debt/Equity	0.3	0.1	0.2	0.4

## Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	1.9	0.4	1.1	1.9
Operating Income %	14.3	9.9	30.2	13.8
Earnings %	10.1	16.5	29.8	13.9
Dividends %	46.2	28.3	30.6	16.9
Book Value %	6.9	5.3	4.6	6.4
Stock Total Return %	-25.8	12.5	18.4	11.2

## Price vs. Quantitative Fair Value

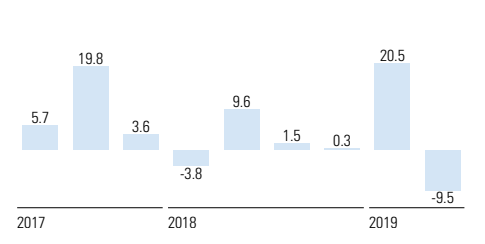


	2014	2015	2016	2017	2018	TTM	Financials (Fiscal Year in K)
Revenue	200,131	218,237	201,893	217,053	221,071	226,401	Revenue
% Change	-4.6	9.0	-7.5	7.5	1.9	2.4	% Change
Operating Income	10,073	20,249	23,760	23,524	26,887	27,600	Operating Income
% Change	40.0	101.0	17.3	-1.0	14.3	2.7	% Change
Net Income	9,111	16,111	20,105	22,906	25,207	25,599	Net Income
Operating Cash Flow	8,025	33,437	27,443	35,968	38,423	33,815	Operating Cash Flow
Capital Spending	-4,648	-14,340	-9,473	-4,255	-14,117	-17,814	Capital Spending
Free Cash Flow	3,377	19,097	17,970	31,713	24,306	16,001	Free Cash Flow
% Sales	1.7	8.8	8.9	14.6	11.0	7.1	% Sales
EPS	0.82	1.51	1.89	2.17	2.39	2.44	EPS
% Change	27.4	83.4	25.3	14.5	10.1	2.1	% Change
Free Cash Flow/Share	0.92	0.32	1.76	1.66	2.91	1.51	Free Cash Flow/Share
Dividends/Share	0.20	0.45	0.65	0.65	0.95	0.70	Dividends/Share
Book Value/Share	19.62	19.66	20.20	21.24	22.16	24.14	Book Value/Share
Shares Outstanding (K)	10,667	10,666	10,855	10,810	10,909	10,916	Shares Outstanding (K)
Return on Equity %	4.4	7.6	9.1	9.9	10.2	10.2	Profitability
Return on Assets %	3.4	6.1	7.4	7.3	6.9	6.9	Return on Assets %
Net Margin %	4.6	7.4	10.0	10.6	11.4	11.3	Net Margin %
Asset Turnover	0.75	0.83	0.75	0.69	0.60	0.61	Asset Turnover
Financial Leverage	1.3	1.2	1.2	1.5	1.5	1.5	Financial Leverage
Gross Margin %	60.7	58.8	59.5	59.7	61.9	62.5	Gross Margin %
Operating Margin %	5.0	9.3	11.8	10.8	12.2	12.2	Operating Margin %
Long-Term Debt	684	2,400	2,437	71,255	68,235	66,312	Long-Term Debt
Total Equity	208,186	213,899	227,449	236,771	255,358	263,537	Total Equity
Fixed Asset Turns	1.4	1.6	1.5	1.7	1.7	1.8	Fixed Asset Turns

## Quarterly Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2019	63.9	53.1	—	—	—
2018	53.0	58.6	55.0	54.4	221.1
2017	55.1	53.5	54.2	54.3	217.1
2016	53.7	50.6	45.3	52.4	201.9
Earnings Per Share (€)					
2019	0.50	0.68	—	—	—
2018	0.40	0.75	0.47	0.70	2.39
2017	0.34	0.62	0.44	0.71	2.17
2016	0.33	0.55	0.40	0.60	1.89

## Revenue Growth Year On Year %



# Quantitative Equity Reports Overview

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Morningstar's quantitative equity ratings consist of: (i) Quantitative Fair Value Estimate, (ii) Quantitative Star Rating, (iii) Quantitative Uncertainty, (iv) Quantitative Economic Moat, and (v) Quantitative Financial Health (collectively the "Quantitative Ratings").

The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

**Narrow** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

**Wide** – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

**None** – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, and the Quantitative Uncertainty Rating. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

**One-Star** – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1\*Quantitative Uncertainty*

**Two-Star** - the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1\*Quantitative Uncertainty, -0.5\*Quantitative Uncertainty)*

**Three-Star** – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5\*Quantitative Uncertainty, 0.5\*Quantitative Uncertainty)*

**Four-Star** – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5\*Quantitative Uncertainty, 1\*Quantitative Uncertainty)*

**Five-Star** – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1\*Quantitative Uncertainty*

iv. **Quantitative Uncertainty:** Intended to represent Morningstar's level of uncertainty about the accuracy of the Quantitative Fair Value Estimate. Generally, the lower the Quantitative Uncertainty, the narrower the potential range of outcomes for that particular company. The rating is expressed as Low, Medium, High, Very High, and Extreme.

**Low** – the interquartile range for possible fair values is less than 10%

**Medium** – the interquartile range for possible fair values is less than 15% but greater than 10%

**High** – the interquartile range for possible fair values is less than 35% but greater than 15%

**Very High** – the interquartile range for possible fair values is less than 80% but greater than 35%

**Extreme** – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

**Weak** – assigned when Quantitative Financial Health < 0.2

**Moderate** – assigned when Quantitative Financial Health is between 0.2 and 0.7

**Strong** – assigned when Quantitative Financial Health > 0.7

## Other Definitions

i. **Last Close** – Price of the stock as of the close of the market of the last trading day before date of the report.

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