

Masmovil Ibercom SA MAS ★★★^Q 14 Jun 2019 02:00 UTC

Last Close
14 Jun 2019
20.40

Fair Value^Q
14 Jun 2019 02:00 UTC
21.55

Market Cap
14 Jun 2019
2,450.7 Mil

Sector
Communication Services
Telecom Services

Country of Domicile
ESP Spain

There is no one analyst in which a Quantitative Fair Value Estimate and Quantitative Star Rating are attributed to; however, Mr. Lee Davidson, Head of Quantitative Research for Morningstar, Inc., is responsible for overseeing the methodology that supports the quantitative fair value. As an employee of Morningstar, Inc., Mr. Davidson is guided by Morningstar, Inc.'s Code of Ethics and Personal Securities Trading Policy in carrying out his responsibilities. For information regarding Conflicts of Interests, visit <http://global.morningstar.com/equitydisclosures>

Company Profile

Masmovil Ibercom SA is engaged in providing and operating telecommunications services. It provides internet, telephony, dedicated servers, broadband services, domain hosting, and others. It serves residential, businesses and wholesale customers.

Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	96	91	96
Valuation	Undervalued	25	26	47
Quantitative Uncertainty	High	89	80	80
Financial Health	Moderate	51	44	27



Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	0.95	1.01	0.84	0.87
Price/Earnings	15.9	481.0	15.3	15.0
Forward P/E	—	—	14.6	12.5
Price/Cash Flow	5.3	61.3	6.0	8.8
Price/Free Cash Flow	—	19.3	15.6	15.2
Trailing Dividend Yield %	—	—	4.22	3.93
Price/Book	5.1	7.2	2.0	1.9
Price/Sales	0.9	4.2	1.3	1.4

Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	18.1	-10.8	13.0	12.9
Return on Assets %	3.0	-1.6	4.8	3.3
Revenue/Employee (Mil)	1.9	1.2	0.7	0.2

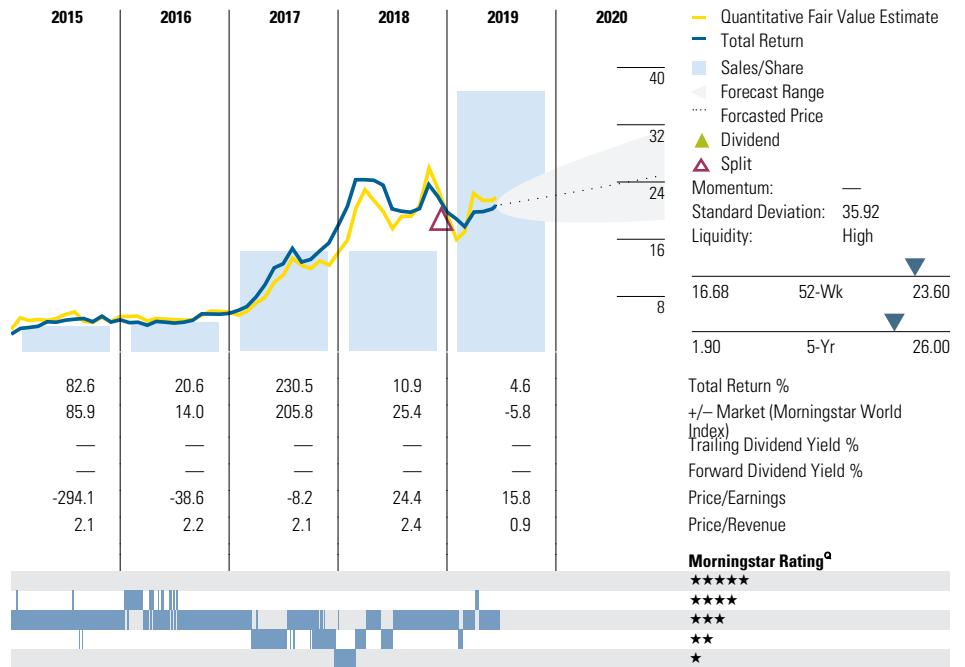
Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.5	0.6	0.5	0.7
Solvency Score	655.2	—	527.0	556.5
Assets/Equity	5.6	5.2	1.9	2.7
Long-Term Debt/Equity	1.9	1.4	0.3	0.4

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	11.5	123.3	184.6	—
Operating Income %	79.9	319.1	270.6	—
Earnings %	—	—	156.9	—
Dividends %	—	—	—	—
Book Value %	29.7	37.6	66.0	—
Stock Total Return %	-1.9	72.6	37.7	—

Price vs. Quantitative Fair Value

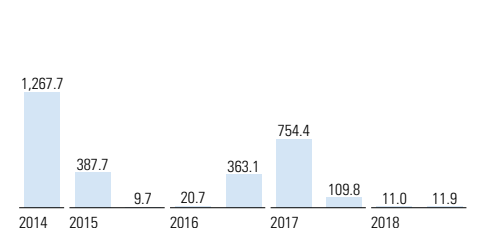


	2014	2015	2016	2017	2018	TTM	Financials (Fiscal Year in Mil)
Revenue	896.0	69.1	207.9	224.4	11.5	1,451	Revenue
% Change	1	2	-35	99	179	0.0	% Change
Operating Income	235.0	225.4	-1,558.9	—	79.9	179	Operating Income
% Change	0	-2	-58	-103	71	0.0	% Change
Net Income	-2	12	10	346	258	258	Net Income
Operating Cash Flow	-5	-12	-89	-251	-488	-488	Operating Cash Flow
Capital Spending	-7	0	-79	95	-231	-231	Capital Spending
Free Cash Flow	-8.8	-0.2	-19.8	7.3	-15.9	-15.9	Free Cash Flow
% Sales	0.00	-0.03	-0.77	-1.03	1.29	1.29	% Sales
EPS	-75.9	-1,030.7	—	—	—	0.0	EPS
% Change	-0.03	-0.12	1.32	-1.41	-0.89	-3.42	% Change
Free Cash Flow/Share	0.00	0.00	0.00	0.00	0.00	0.00	Free Cash Flow/Share
Dividends/Share	0.78	1.76	0.79	1.04	3.51	3.96	Dividends/Share
Book Value/Share	52,082	58,559	99,681	99,233	120,107	120,132	Book Value/Share
Shares Outstanding (K)	0.4	-1.9	-33.5	-36.8	18.1	18.1	Shares Outstanding (K)
Profitability	0.2	-0.6	-5.2	-5.2	3.0	3.0	Profitability
Return on Equity %	0.2	-1.2	-14.5	-7.9	4.9	4.9	Return on Equity %
Return on Assets %	1.09	0.50	0.36	0.66	0.61	0.61	Return on Assets %
Net Margin %	1.9	4.3	7.3	6.9	5.6	5.6	Net Margin %
Asset Turnover	26.4	33.5	34.5	45.2	50.1	50.1	Asset Turnover
Financial Leverage	1.0	1.9	-8.8	7.7	12.3	12.3	Financial Leverage
Gross Margin %	9	11	599	781	905	905	Gross Margin %
Operating Margin %	66	91	256	303	476	476	Operating Margin %
Long-Term Debt	25.2	2.6	1.6	3.0	2.7	2.7	Long-Term Debt
Total Equity							Total Equity
Fixed Asset Turns							Fixed Asset Turns

Semi-Annual Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2018	—	676.5	—	774.4	1,450.9
2017	—	609.2	—	691.9	1,301.0
2016	—	71.3	—	329.7	401.0
2015	—	59.0	—	71.2	130.2
Earnings Per Share (€)					
2018	—	0.31	—	0.27	1.29
2017	—	-1.52	—	0.49	-1.03
2016	—	-0.15	—	-0.62	-0.77
2015	—	0.01	—	-0.03	-0.03

Revenue Growth Year On Year %



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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

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

ii. **Quantitative Valuation**– Using the below terms, intended to denote the relationship between the security's **Last Price** and Morningstar's quantitative fair value estimate for that security.

Undervalued – Last Price is below Morningstar's quantitative fair value estimate.

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