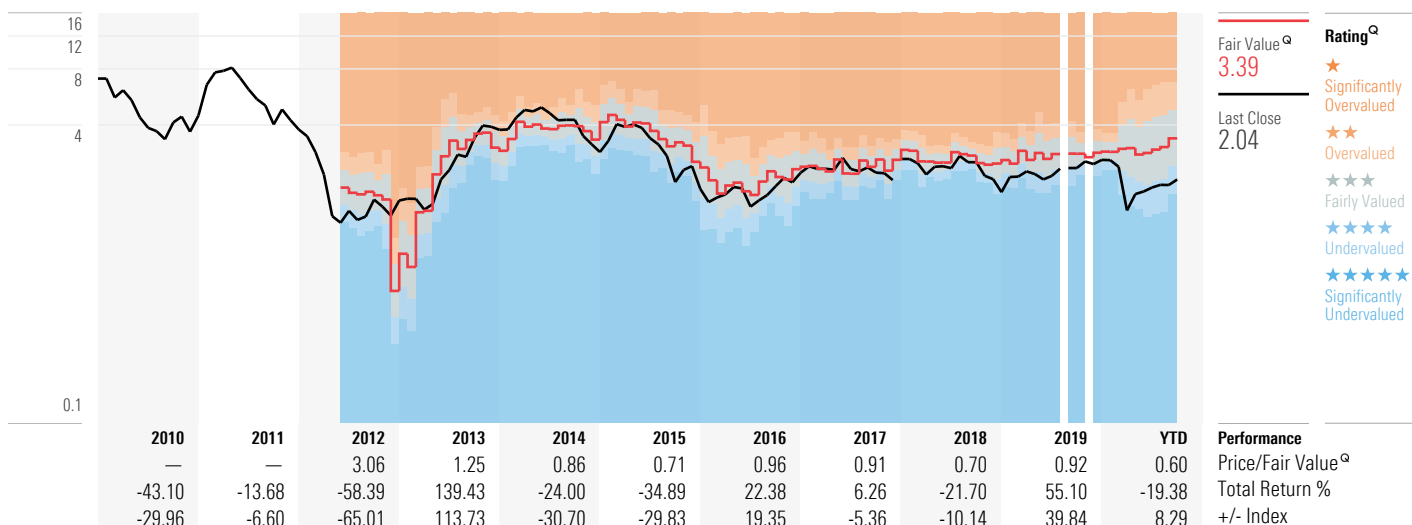


Sacyr SA SCYR ★★★★★ Q 24 Sep 2020, 22:37 UTC

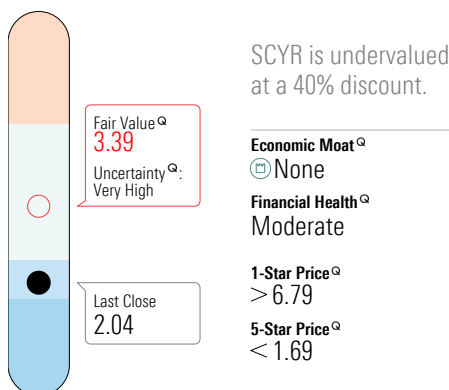
Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
None	Very High	0.6	2.75	1.1784 Bil	Small Value	Industrials	Engineering & Construction



Total Return % as of 24 Sep 2020. Last Close as of 24 Sep 2020. Fair Value as of 24 Sep 2020, 22:37 UTC. Index: Morningstar Spain GR EUR.

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Valuation^Q as of 24 Sep 2020



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Financials as of 24 Sep 2020 (Fiscal Year End 31 Dec 2020)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD	Fiscal
5	4	3	3	3	3	3	3	4	4	2	Revenue (Bil)
394	207	-17	-33	194	39	204	275	305	509	212	Operating Income (Mil)
8.15	5.39	-0.51	-1.24	7.12	1.34	7.13	8.9	7.99	12.18	10.21	Operating Margin (%)
204	-1,604	-978	-499	33	370	120	131	150	-298	70	Net Income (Mil)
0.67	-3.90	-2.22	-1.08	0.07	0.70	0.24	0.25	0.28	-0.53	0.12	Diluted Earnings/Share
958	429	313	207	43	160	156	292	405	510	510	Operating Cash Flow (Mil)
-220	-104	-94	-93	-113	-84	-89	-132	-171	-203	-203	Capital Spending (Mil)
738	325	219	114	-70	77	68	160	234	307	307	Free Cash Flow (Mil)
303	431	461	483	543	581	563	568	589	614	578	Avg Shares Outstand(Mil)
—	0.10	—	—	—	0.05	—	—	0.10	0.11	0.11	Dividend Per Share

Valuation as of 24 Sep 2020

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Current	Calendar
—	—	3.06	1.25	0.86	0.71	0.96	0.91	0.70	0.92	0.60	Price/Fair Value ^Q
0.26	0.36	0.20	0.50	0.47	0.29	0.38	0.42	0.27	0.35	0.28	Price/Sales
—	6.33	—	—	—	—	—	9.65	6.57	9.55	5.53	Price/Earnings
0.74	1.67	2.32	18.34	0.90	2.40	16.04	4.32	3.29	3.14	2.31	Price/Cash Flow
0.58	2.34	0.49	1.17	1.15	0.52	0.68	0.76	0.72	1.27	1.64	Price/Book

Operating Performance as of 24 Sep 2020 (Fiscal Year End 31 Dec 2020)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q3	Fiscal (%)
0.99	-8.44	-6.17	-3.53	0.26	3.33	1.14	1.08	1.1	-2.15	0.28	Return on Assets
6.25	-51.39	-49.76	-42.25	3.08	25.86	6.98	7.59	10.75	-30.21	5.22	Return on Equity
3.42	-11.39	-5.91	-2.67	2.95	7.31	4.04	3.54	3.96	-0.73	0.55	Rtn on Invested Capital

Business Description

Sacyr SA develops complex infrastructure projects and provides construction services for various industrial markets. It constructs roads, buildings, water systems, plants, and equipment to enhance working environments within facilities. The company has four business divisions: construction (the

majority of total revenue), concessions, services, and industrial. Its comprehensive range of services primarily relates to the maintenance of facilities, energy-efficient solutions, and environmental services geared toward water treatment and waste management. Concessions have been granted to Sacyr in various countries, as the company looks to

build and maintain better transportation networks for the public. It operates on five continents, with Europe and South America both important regions.

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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, Quantitative Uncertainty Rating, and momentum. 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*

*Micro-Caps: Log (Quant FVE/Price) < -1.5*Quantitative Uncertainty*

Two-Star - the stock is somewhat overvalued.

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

*Micro-Caps: Log (Quant FVE/Price) between (-1.5*Quantitative Uncertainty, -0.75*Quantitative Uncertainty)*

Three-Star – the stock is approximately fairly valued.

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

*Micro-Caps: Log (Quant FVE/Price) between (-0.75*Quantitative Uncertainty, 0.75*Quantitative Uncertainty)*

Four-Star – the stock is somewhat undervalued.

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

Uncertainty)

*Micro-Caps: Log (Quant FVE/Price) between (0.75*Quantitative Uncertainty, 1.5*Quantitative Uncertainty)*

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

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

*Micro-Caps: Log (Quant FVE/Price) > 1.5*Quantitative Uncertainty*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

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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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.

Fairly Valued – **Last Price** is in line with Morningstar's quantitative fair value estimate.

Overvalued – **Last Price** is above Morningstar's quantitative fair value estimate.

This Report **has not been made available** to the issuer of the security prior to publication.

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