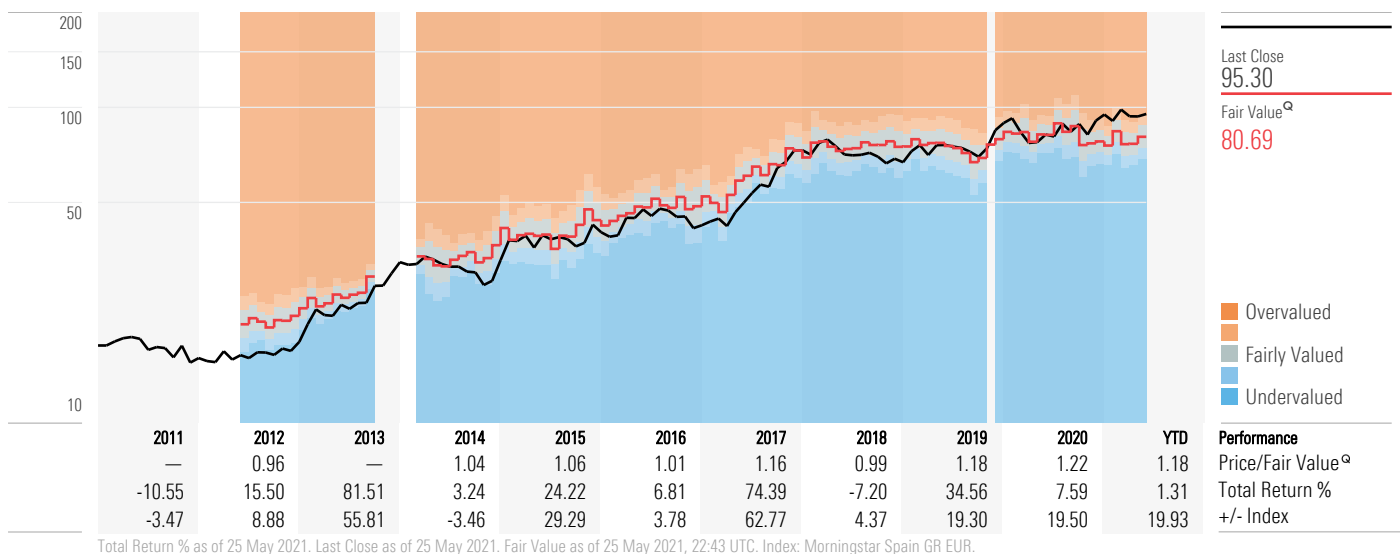


Vidrala SA VID ★ Q 25 May 2021, 22:43 UTC

Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	High	1.2	1.21	2.6605 Bil	Mid Core	Consumer Cyclical	Packaging & Containers



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>

Valuation ^Q as of 25 May 2021

Last Close

95.30

Fair Value^Q

80.69

Uncertainty^Q :
HighVID is Over Valued
at a 18% premium.**Economic Moat** ^Q

Narrow

Financial Health ^Q

Strong

1-Star Price ^Q

> 95.40

5-Star Price ^Q

< 68.25

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Financials as of 25 May 2021 (Fiscal Year End 31 Dec 2021)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	Fiscal
Revenue (Mil)	434	458	474	469	803	774	823	955	1,011	989	989	Revenue (Mil)
Operating Income (Mil)	62	67	77	70	87	96	118	152	184	201	201	Operating Income (Mil)
Operating Margin (%)	14.27	14.57	16.17	14.93	10.79	12.35	14.33	15.87	18.22	20.28	20.28	Operating Margin (%)
Net Income (Mil)	44	47	52	52	61	68	89	116	143	159	159	Net Income (Mil)
Diluted Earnings/Share	1.55	1.68	1.90	1.80	2.13	2.36	3.27	4.05	5.27	5.62	5.62	Diluted Earnings/Share
Operating Cash Flow (Mil)	88	82	86	107	139	158	198	203	227	273	273	Operating Cash Flow (Mil)
Capital Spending (Mil)	-48	-34	-30	-36	-60	-55	-89	-102	-107	-134	-134	Capital Spending (Mil)
Free Cash Flow (Mil)	39	48	56	71	79	103	109	101	120	139	139	Free Cash Flow (Mil)
Avg Shares Outstand(Mil)	28	28	28	29	29	29	27	29	27	28	28	Avg Shares Outstand(Mil)
Dividend Per Share	0.47	0.47	0.49	0.57	0.57	0.62	0.69	0.83	0.96	1.11	1.16	Dividend Per Share

Valuation as of 25 May 2021

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Current	Calendar
Price/Fair Value ^Q	—	0.96	—	1.04	1.06	1.01	1.16	0.99	1.18	1.22	1.18	Price/Fair Value ^Q
Price/Sales	1.06	1.10	1.91	1.93	1.91	1.50	2.67	2.13	2.66	2.83	2.73	Price/Sales
Price/Earnings	9.81	10.79	18.00	17.35	21.96	18.35	26.45	19.35	20.33	20.05	16.96	Price/Earnings
Price/Cash Flow	5.86	6.15	8.58	10.11	10.64	7.21	13.24	9.43	12.19	10.89	9.89	Price/Cash Flow
Price/Book	1.48	1.48	2.46	2.36	2.51	2.65	4.20	3.29	3.82	3.61	3.31	Price/Book

Operating Performance as of 25 May 2021 (Fiscal Year End 31 Dec 2021)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q3	Fiscal (%)
Return on Assets	6.26	6.69	7.5	7.54	6.51	5.89	7.13	8.25	10.0	10.7	3.27	Return on Assets
Return on Equity	14.59	14.32	14.67	13.25	13.82	14.22	17.77	20.38	21.49	20.72	6.72	Return on Equity
Rtn on Invested Capital	9.79	10.08	11.27	11.22	9.79	8.64	10.2	11.61	14.62	16.31	5.11	Rtn on Invested Capital

Business Description

Vidrala SA manufactures and sells a variety of glass products. The firm operates plants that create and mould glass into primarily bottles and jars based on specific customer needs. The company's customers primarily manufacture beer, juices, spirits, wines, oils, vinegar, and preserved food. Vidrala also offers logistical services for packaged food

products within the United Kingdom. The company organizes itself into three segments based on geography: the U.K. and Ireland, Italy, the Iberian Peninsula and the rest of Europe. The company makes the majority of its revenue from the Iberian Peninsula and the rest of the Europe segment.

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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.

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- 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.
 - ★ – the stock is overvalued with a reasonable margin of safety.
 $\text{Log (Quant FVE/Price)} < -1 * \text{Quantitative Uncertainty}$
*Micro-Caps: $\text{Log (Quant FVE/Price)} < -1.5 * \text{Quantitative Uncertainty}$*
 - ★★ – the stock is somewhat overvalued.
 $\text{Log (Quant FVE/Price)}$ between $(-1 * \text{Quantitative Uncertainty}, -0.5 * \text{Quantitative Uncertainty})$
*Micro-Caps: $\text{Log (Quant FVE/Price)}$ between $(-1.5 * \text{Quantitative Uncertainty}, -0.75 * \text{Quantitative Uncertainty})$*
 - ★★★ – the stock is approximately fairly valued.
 $\text{Log (Quant FVE/Price)}$ between $(-0.5 * \text{Quantitative Uncertainty}, 0.5 * \text{Quantitative Uncertainty})$
*Micro-Caps: $\text{Log (Quant FVE/Price)}$ between $(-0.75 * \text{Quantitative Uncertainty}, 0.75 * \text{Quantitative Uncertainty})$*
 - ★★★★ – the stock is somewhat undervalued.
 $\text{Log (Quant FVE/Price)}$ between $(0.5 * \text{Quantitative Uncertainty}, 1 * \text{Quantitative Uncertainty})$

Uncertainty

*Micro-Caps: $\text{Log (Quant FVE/Price)}$ between $(0.75 * \text{Quantitative Uncertainty}, 1.5 * \text{Quantitative Uncertainty})$*

★★★★ – the stock is undervalued with a reasonable margin of safety.

$\text{Log (Quant FVE/Price)} > 1 * \text{Quantitative Uncertainty}$

*Micro-Caps: $\text{Log (Quant FVE/Price)} > 1.5 * \text{Quantitative Uncertainty}$*

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

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.

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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