

Vidrala SA VID ★★★^Q 21 Sep 2020 02:00 UTC

Last Close
21 Sep 2020
91.30

Fair Value^Q
21 Sep 2020 02:00 UTC
88.72

Market Cap
21 Sep 2020
2,467.0 Mil

Sector
Consumer Cyclical

Industry
Packaging & Containers

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

Vidrala SA manufactures and sells a variety of glass products. The firm operates plants that create and mold glass into primarily bottles and jars based on specific customer needs. The company's customers primarily manufacture beer, juices, spirits, wines, oils, vinegars, 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 UK and Ireland, Italy and Iberian Peninsula and rest of Europe.

Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	95	96	93
Valuation	Fairly Valued	7	6	7
Quantitative Uncertainty	High	98	99	97
Financial Health	Strong	95	81	80



Source: Morningstar Equity Research

Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	1.03	1.07	0.80	0.87
Price/Earnings	18.4	20.6	16.2	15.0
Forward P/E	—	—	12.3	12.5
Price/Cash Flow	22.7	9.9	10.2	8.8
Price/Free Cash Flow	22.3	17.3	17.7	15.2
Trailing Dividend Yield %	1.27	1.25	2.46	3.93
Price/Book	3.3	3.1	1.6	1.9
Price/Sales	2.6	2.1	0.9	1.4

Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	19.6	17.5	12.2	12.9
Return on Assets %	9.4	7.6	5.4	3.3
Revenue/Employee (K)	276.4	262.0	566.3	240.3

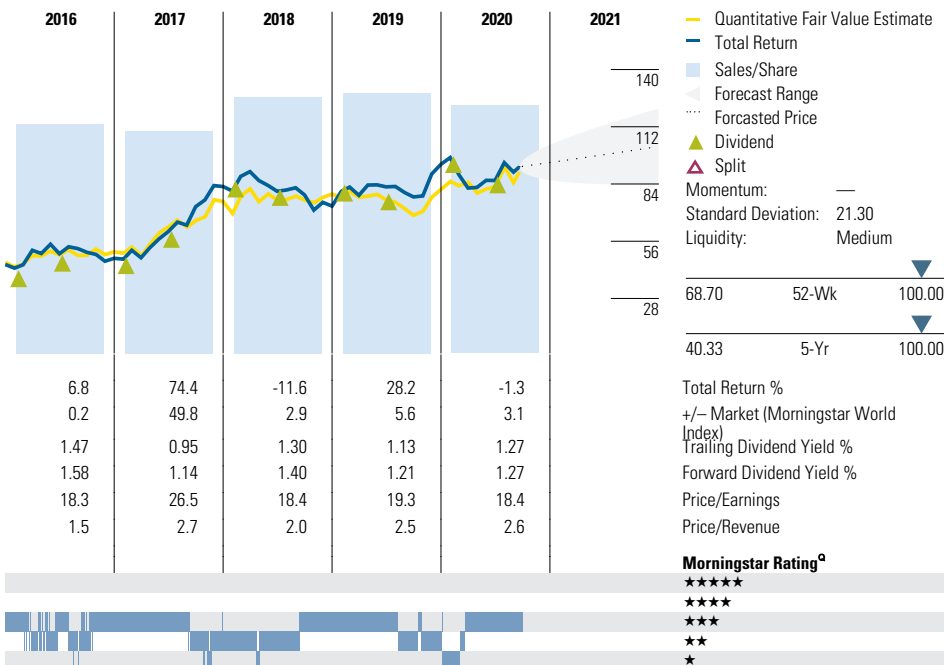
Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.7	0.6	0.6	0.7
Solvency Score	311.4	—	486.0	556.5
Assets/Equity	2.0	2.4	1.8	2.7
Long-Term Debt/Equity	0.3	0.6	0.2	0.4

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	5.8	9.3	16.6	10.2
Operating Income %	21.5	24.5	21.4	12.9
Earnings %	24.0	24.5	20.4	11.7
Dividends %	10.0	13.7	10.1	8.0
Book Value %	13.8	11.7	10.4	9.0
Stock Total Return %	16.5	9.7	17.6	17.1

Price vs. Quantitative Fair Value

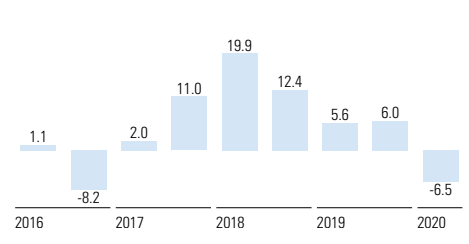


	2015	2016	2017	2018	2019	TTM	Financials (Fiscal Year in K)
Revenue	803,365	773,570	823,197	955,426	1,010,937	978,032	Revenue
% Change	71.4	-3.7	6.4	16.1	5.8	-3.3	% Change
Operating Income	86,719	95,564	117,938	151,653	184,206	184,749	Operating Income
% Change	23.9	10.2	23.4	28.6	21.5	0.3	% Change
Net Income	60,860	67,671	89,146	115,958	143,275	138,028	Net Income
Operating Cash Flow	138,517	157,604	198,244	202,766	85,294	111,756	Operating Cash Flow
Capital Spending	-59,500	-54,904	-89,020	-101,786	-3,139	1,885	Capital Spending
Free Cash Flow	79,017	102,700	109,224	100,980	82,155	113,641	Free Cash Flow
% Sales	9.8	13.3	13.3	10.6	8.1	11.6	% Sales
EPS	2.46	2.73	3.61	4.47	5.27	4.97	EPS
% Change	18.3	11.0	32.2	23.8	17.9	-5.7	% Change
Free Cash Flow/Share	2.92	4.64	3.74	3.88	4.15	4.10	Free Cash Flow/Share
Dividends/Share	0.65	0.72	0.80	0.96	1.06	1.13	Dividends/Share
Book Value/Share	18.54	18.46	20.17	22.47	24.53	27.55	Book Value/Share
Shares Outstanding (K)	24,794	24,734	24,728	25,955	27,051	27,021	Shares Outstanding (K)
Return on Equity %	13.8	14.2	17.8	20.4	21.5	19.6	Profitability
Return on Assets %	6.5	5.9	7.1	8.3	10.0	9.4	Return on Assets %
Net Margin %	7.6	8.8	10.8	12.1	14.2	14.1	Net Margin %
Asset Turnover	0.86	0.67	0.66	0.68	0.71	0.67	Asset Turnover
Financial Leverage	2.5	2.3	2.7	2.3	2.0	2.0	Financial Leverage
Gross Margin %	62.2	64.0	66.4	65.9	67.9	67.2	Gross Margin %
Operating Margin %	10.8	12.4	14.3	15.9	18.2	18.9	Operating Margin %
Long-Term Debt	409,129	299,689	476,265	346,787	186,089	169,239	Long-Term Debt
Total Equity	476,536	474,934	528,136	609,998	723,359	744,363	Total Equity
Fixed Asset Turns	1.6	1.2	1.3	1.4	1.5	1.4	Fixed Asset Turns

Semi-Annual Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2020	—	474.7	—	—	—
2019	—	507.6	—	503.4	1,010.9
2018	—	480.7	—	474.8	955.4
2017	—	400.8	—	422.4	823.2
Earnings Per Share (€)					
2020	—	2.30	—	—	—
2019	—	2.60	—	2.67	5.27
2018	—	2.23	—	2.24	4.47
2017	—	1.83	—	1.78	3.61

Revenue Growth Year On Year %



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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.

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*

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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.

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

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