

# Compania de Distribucion Integral Logista Holdings SA LOG ★★★<sup>Q</sup> 20 Nov 2019 02:00 UTC

**Last Close**  
20 Nov 2019  
20.40

**Fair Value<sup>Q</sup>**  
20 Nov 2019 02:00 UTC  
21.10

**Market Cap**  
20 Nov 2019  
2,698.2 Mil

**Sector**  
Industrials

**Industry**  
Integrated Freight & Logistics

**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

Compania de Distribucion Integral Logista Holdings SA is a distributor and logistics operator. The company provides distribution channels for products and services including tobacco and related tobacco products, convenience goods, and lottery tickets. The firm organises itself into three segments: tobacco and related products, transport, and other businesses. The Tobacco and related products segment contributes the vast majority of revenue. The company primarily operates in France, Italy, and Iberia (Spain and

## Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	91	91	86
Valuation	Fairly Valued	23	22	42
Quantitative Uncertainty	High	82	79	71
Financial Health	Strong	98	93	91



## Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	0.97	1.05	0.80	0.87
Price/Earnings	16.5	—	16.8	15.0
Forward P/E	12.8	—	13.9	12.5
Price/Cash Flow	7.8	—	11.2	8.8
Price/Free Cash Flow	9.2	—	18.4	15.2
Trailing Dividend Yield %	5.59	—	2.30	3.93
Price/Book	5.2	—	1.6	1.9
Price/Sales	0.3	—	0.9	1.4

## Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	32.0	29.4	11.5	12.9
Return on Assets %	2.4	2.1	4.8	3.3
Revenue/Employee (Mil)	1.7	1.7	0.5	0.2

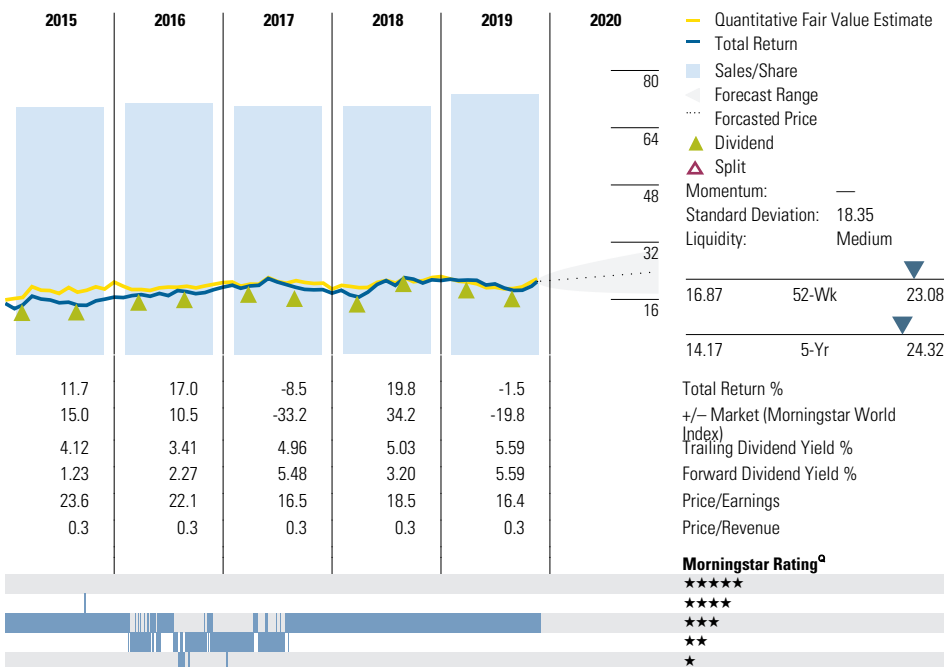
## Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.8	0.9	0.6	0.7
Solvency Score	321.8	—	484.2	556.5
Assets/Equity	13.7	13.9	1.8	2.7
Long-Term Debt/Equity	—	—	0.2	0.4

## Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	7.1	1.8	1.3	—
Operating Income %	4.4	4.1	3.5	—
Earnings %	5.1	7.5	10.6	—
Dividends %	3.6	15.0	—	—
Book Value %	1.6	2.0	3.4	—
Stock Total Return %	0.2	5.6	11.0	—

## Price vs. Quantitative Fair Value

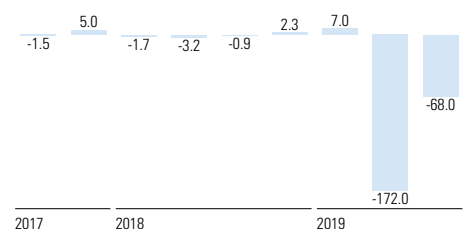


	2015	2016	2017	2018	2019	TTM	Financials (Fiscal Year in Mil)
Revenue	9,471	9,632	9,493	9,476	10,148	10,148	Revenue
% Change	-0.4	1.7	-1.4	-0.2	7.1	0.0	% Change
Operating Income	158	176	158	190	198	198	Operating Income
% Change	-0.5	11.5	-10.5	20.6	4.4	0.0	% Change
Net Income	109	132	154	157	165	165	Net Income
Operating Cash Flow	231	389	4	348	347	347	Operating Cash Flow
Capital Spending	-31	-25	-29	-56	-54	-54	Capital Spending
Free Cash Flow	200	364	-25	291	293	293	Free Cash Flow
% Sales	2.1	3.8	-0.3	3.1	2.9	2.9	% Sales
EPS	0.82	1.00	1.16	1.18	1.24	1.24	EPS
% Change	-41.4	22.0	16.0	1.7	5.1	0.0	% Change
Free Cash Flow/Share	2.39	1.75	2.80	4.42	-3.55	-3.55	Free Cash Flow/Share
Dividends/Share	0.80	0.75	0.95	1.10	1.14	1.14	Dividends/Share
Book Value/Share	3.32	3.53	3.77	3.87	3.96	3.96	Book Value/Share
Shares Outstanding (K)	132,750	132,709	132,474	132,310	132,530	132,264	Shares Outstanding (K)
Return on Equity %	24.7	28.3	31.1	31.0	32.0	32.0	Profitability
Return on Assets %	1.7	2.0	2.3	2.3	2.4	2.4	Return on Assets %
Net Margin %	1.2	1.4	1.6	1.7	1.6	1.6	Net Margin %
Asset Turnover	1.46	1.46	1.43	1.41	1.46	1.46	Asset Turnover
Financial Leverage	14.6	13.7	13.1	13.5	13.7	13.7	Financial Leverage
Gross Margin %	2.2	2.2	2.1	2.4	2.3	2.3	Gross Margin %
Operating Margin %	1.7	1.8	1.7	2.0	2.0	2.0	Operating Margin %
Long-Term Debt	—	—	—	—	—	—	Long-Term Debt
Total Equity	443	490	501	510	519	519	Total Equity
Fixed Asset Turns	45.6	49.1	50.3	48.5	48.7	48.7	Fixed Asset Turns

## Quarterly Revenue & EPS

Revenue (Mil)	Dec	Mar	Jun	Sep	Total
2019	280.9	4,483.7	2,615.1	2,768.6	10,148.3
2018	274.6	4,191.9	-3,630.9	8,640.9	9,476.5
2017	261.5	4,265.5	-3,751.8	8,718.0	9,493.2
2016	251.1	4,323.8	-3,798.1	8,855.2	9,632.0
Earnings Per Share (€)					
2019	0.27	0.29	0.32	0.36	1.24
2018	0.28	0.26	0.30	0.33	1.18
2017	0.35	0.23	0.29	0.29	1.16
2016	0.19	0.20	0.32	0.29	1.00

## 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

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

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