

# Atresmedia Corporacion de Medios de Comunicacion SA A3M ★★★★★<sup>Q</sup> 20 May 2019 02:00 UTC

**Last Close**  
20 May 2019  
4.54

**Fair Value<sup>Q</sup>**  
20 May 2019 02:00 UTC  
5.28

**Market Cap**  
20 May 2019  
1,020.2 Mil

**Sector**  
Consumer Cyclical

**Industry**  
Media - Diversified

**Country of Domicile**  
ESP Spain

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## Company Profile

Atresmedia Corporacion de Medios de Comunicacion SA is a diversified media company primarily operating in the television, radio, and cinema industries. The company has three primary business segments that include television, radio, and other. The television segment operates a network of television channels, while its radio segment operates a chain of radio stations. The company's other business segment produces television shows and television films, promotes events, and offers advertising services. The

## Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	84	87	70
Valuation	Undervalued	49	48	73
Quantitative Uncertainty	High	97	98	94
Financial Health	Moderate	60	43	31



Undervalued Fairly Valued Overvalued

Source: Morningstar Equity Research

## Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	0.86	0.97	0.80	0.87
Price/Earnings	10.7	29.5	16.2	15.0
Forward P/E	7.6	—	12.3	12.5
Price/Cash Flow	6.2	22.6	10.2	8.8
Price/Free Cash Flow	9.3	36.1	17.7	15.2
Trailing Dividend Yield %	11.02	5.07	2.46	3.93
Price/Book	2.3	4.7	1.6	1.9
Price/Sales	1.0	2.6	0.9	1.4

## Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	21.0	21.6	12.2	12.9
Return on Assets %	7.3	7.8	5.4	3.3
Revenue/Employee (K)	416.2	486.5	566.3	240.3

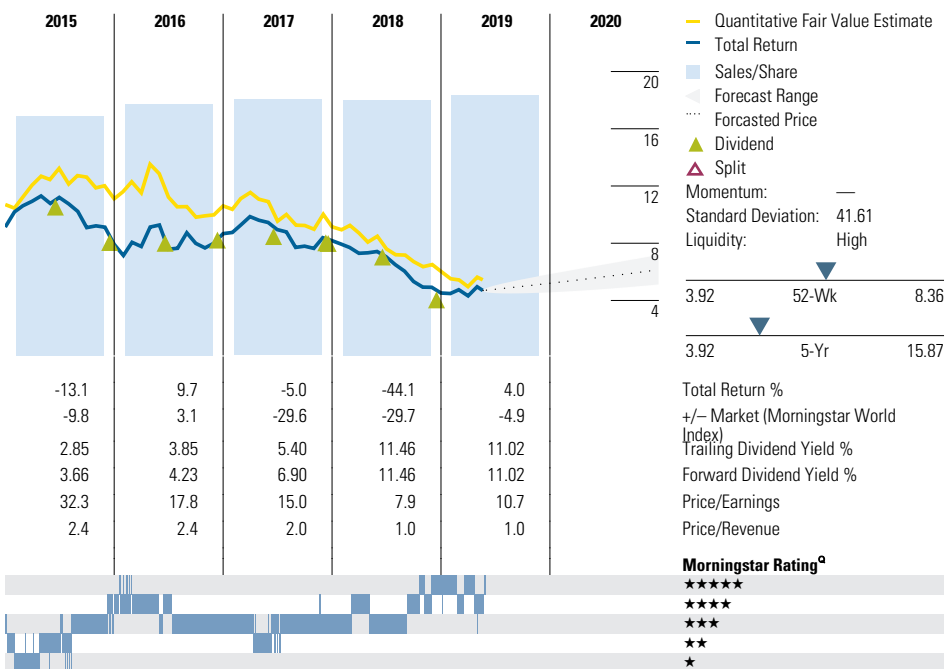
## Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.6	0.6	0.6	0.7
Solvency Score	—	—	486.0	556.5
Assets/Equity	3.2	2.8	1.8	2.7
Long-Term Debt/Equity	0.7	0.4	0.2	0.4

## Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	0.1	2.1	4.4	2.5
Operating Income %	-8.6	4.4	21.8	1.4
Earnings %	-38.1	-3.9	13.8	-1.2
Dividends %	6.4	21.3	—	-3.6
Book Value %	-5.7	-4.7	0.4	4.7
Stock Total Return %	-37.9	-15.7	-7.2	4.5

## Price vs. Quantitative Fair Value

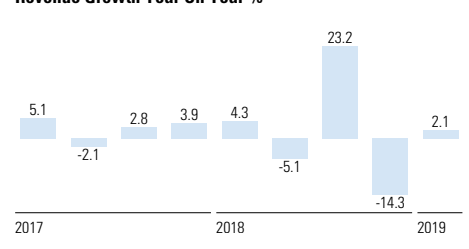


	2014	2015	2016	2017	2018	TTM	Financials (Fiscal Year in K)
Revenue	849,891	924,569	962,583	983,969	984,504	989,825	Revenue
% Change	6.8	8.8	4.1	2.2	0.1	0.5	% Change
Operating Income	111,267	148,267	184,231	184,363	168,591	180,344	Operating Income
% Change	77.0	33.3	24.3	0.1	-8.6	7.0	% Change
Net Income	46,730	99,234	129,152	142,108	88,182	95,880	Net Income
Operating Cash Flow	81,995	94,026	127,407	209,781	171,417	165,642	Operating Cash Flow
Capital Spending	-34,570	-31,863	-37,580	-31,535	-56,796	-56,238	Capital Spending
Free Cash Flow	47,425	62,163	89,827	178,246	114,621	109,404	Free Cash Flow
% Sales	5.6	6.7	9.3	18.1	11.6	11.1	% Sales
EPS	0.21	0.44	0.57	0.63	0.39	0.42	EPS
% Change	1.4	112.6	30.0	10.1	-38.1	8.8	% Change
Free Cash Flow/Share	0.21	0.17	0.37	0.65	0.80	0.49	Free Cash Flow/Share
Dividends/Share	0.21	0.28	0.40	0.47	0.50	0.50	Dividends/Share
Book Value/Share	2.10	2.20	2.39	2.48	2.07	2.00	Book Value/Share
Shares Outstanding (K)	224,587	224,943	224,941	224,941	224,941	224,908	Shares Outstanding (K)
Return on Equity %	11.2	21.2	25.7	29.5	20.3	21.0	Profitability
Return on Assets %	3.8	8.0	10.1	10.7	6.5	7.3	Return on Assets %
Net Margin %	5.5	10.7	13.4	14.4	9.0	9.7	Net Margin %
Asset Turnover	0.69	0.75	0.75	0.74	0.73	0.75	Asset Turnover
Financial Leverage	2.7	2.6	2.5	3.0	3.2	3.0	Financial Leverage
Gross Margin %	47.3	49.5	51.9	51.7	50.6	52.4	Gross Margin %
Operating Margin %	13.1	16.0	19.1	18.7	17.1	18.2	Operating Margin %
Long-Term Debt	126,331	127,437	103,478	190,229	308,677	296,529	Long-Term Debt
Total Equity	449,336	485,660	517,676	446,254	420,646	449,167	Total Equity
Fixed Asset Turns	16.9	19.5	21.2	22.1	21.0	12.8	Fixed Asset Turns

## Quarterly Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2019	257.5	—	—	—	—
2018	252.2	263.3	232.1	236.9	984.5
2017	241.7	277.5	188.4	276.4	984.0
2016	229.9	283.4	183.2	266.1	962.6
Earnings Per Share (€)					
2019	0.13	—	—	—	—
2018	0.09	0.21	0.07	0.01	0.39
2017	0.13	0.25	0.09	0.17	0.63
2016	0.12	0.25	0.08	0.12	0.57

## 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*

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**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%

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**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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