

Inmobiliaria Colonial SOCIMI SA COL ★★★^Q 20 Nov 2019 02:00 UTC

Last Close
20 Nov 2019
11.66

Fair Value^Q
20 Nov 2019 02:00 UTC
11.12

Market Cap
20 Nov 2019
5,924.4 Mil

Sector
Real Estate

Industry
REIT - Office

Country of Domicile
ESP Spain

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Company Profile

Inmobiliaria Colonial SOCIMI SA is a real estate company in Spain. The company and its subsidiaries are in the business of lease and disposal of movable property and real estate. It specializes in leasing of offices in prime areas. The firm has rental business and land and development business segments. The activities of these segments include office rentals, shopping centers managed by Riofisa subgroup. The company mainly operates in Barcelona, Madrid, and Paris.

Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	84	92	70
Valuation	Fairly Valued	9	14	16
Quantitative Uncertainty	High	81	69	70
Financial Health	Moderate	81	63	52



Source: Morningstar Equity Research

Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	1.05	0.97	0.85	0.87
Price/Earnings	8.9	4.9	11.0	15.0
Forward P/E	36.5	—	14.2	12.5
Price/Cash Flow	25.3	13.8	13.7	8.8
Price/Free Cash Flow	27.0	14.0	15.6	15.2
Trailing Dividend Yield %	1.72	—	4.08	3.93
Price/Book	1.2	1.0	1.0	1.9
Price/Sales	16.4	8.6	4.6	1.4

Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	—	33.1	9.7	12.9
Return on Assets %	—	6.0	4.1	3.3
Revenue/Employee (Mil)	1.7	1.7	2.0	0.2

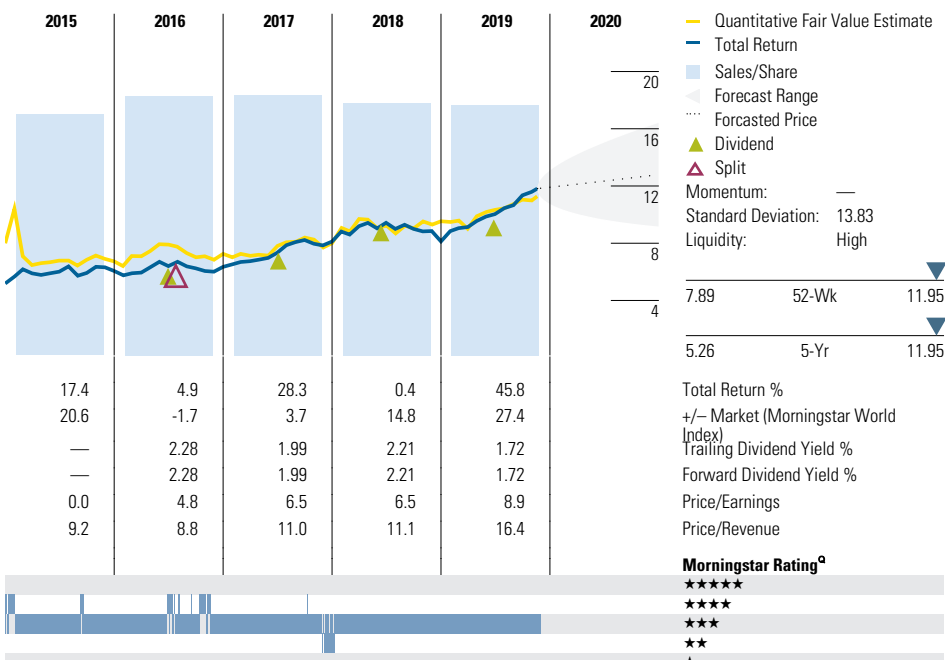
Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.7	0.6	0.6	0.7
Solvency Score	—	—	529.7	556.5
Assets/Equity	2.4	3.4	2.0	2.7
Long-Term Debt/Equity	0.9	1.4	0.6	0.4

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	22.9	14.6	10.3	-6.6
Operating Income %	26.8	15.9	13.6	1.9
Earnings %	-36.1	-3.5	—	-22.1
Dividends %	9.1	—	—	—
Book Value %	13.8	18.0	-58.3	—
Stock Total Return %	39.8	24.7	16.6	-12.2

Price vs. Quantitative Fair Value



— Quantitative Fair Value Estimate
— Total Return
— Sales/Share
— Forecast Range
— Forecasted Price
▲ Dividend
△ Split
Momentum: —
Standard Deviation: 13.83
Liquidity: High
7.89 52-Wk 11.95
5.26 5-Yr 11.95

Total Return %
+/- Market (Morningstar World Index)
Trailing Dividend Yield %
Forward Dividend Yield %
Price/Earnings
Price/Revenue

Morningstar Rating^Q

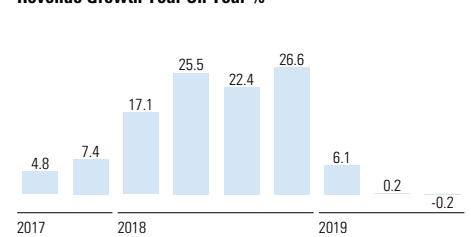
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★

	2014	2015	2016	2017	2018	TTM	Financials (Fiscal Year in K)
Revenue	211,477	231,185	271,400	283,287	348,273	353,273	Revenue
% Change	-0.8	9.3	17.4	4.4	22.9	1.4	% Change
Operating Income	114,933	169,553	213,019	207,995	263,801	233,801	Operating Income
% Change	-17.5	47.5	25.6	-2.4	26.8	-11.4	% Change
Net Income	491,994	415,413	273,647	682,523	524,763	636,763	Net Income
Operating Cash Flow	114,916	112,623	168,497	250,139	177,353	229,901	Operating Cash Flow
Capital Spending	-1,115	-873	-3,930	-4,185	-7,036	-14,710	Capital Spending
Free Cash Flow	113,801	111,750	164,567	245,954	170,317	215,191	Free Cash Flow
% Sales	53.8	48.3	60.6	86.8	48.9	60.9	% Sales
EPS	2.28	1.30	0.81	1.83	1.17	1.31	EPS
% Change	—	-43.0	-37.7	125.9	-36.1	11.8	% Change
Free Cash Flow/Share	0.39	0.40	0.33	0.59	0.44	0.44	Free Cash Flow/Share
Dividends/Share	0.00	0.00	0.15	0.17	0.18	0.20	Dividends/Share
Book Value/Share	4.64	5.12	6.54	6.79	7.30	9.93	Book Value/Share
Shares Outstanding (K)	318,843	318,848	351,144	431,037	507,572	508,100	Shares Outstanding (K)
Return on Equity %	91.2	25.5	13.2	23.2	12.5	—	Profitability
Return on Assets %	7.9	6.4	3.6	7.3	4.8	—	Return on Assets %
Net Margin %	232.7	179.7	100.8	240.9	150.7	180.3	Net Margin %
Asset Turnover	0.03	0.04	0.04	0.03	0.03	—	Asset Turnover
Financial Leverage	4.2	3.9	3.6	2.9	2.4	2.4	Financial Leverage
Gross Margin %	—	—	—	—	—	—	Gross Margin %
Operating Margin %	54.4	73.3	78.5	73.4	75.8	66.2	Operating Margin %
Long-Term Debt	2,569,597	2,981,593	3,222,155	4,109,087	4,445,330	4,221,701	Long-Term Debt
Total Equity	1,422,843	1,837,419	2,301,714	3,591,828	4,811,309	5,047,170	Total Equity
Fixed Asset Turns	6.4	7.0	7.0	6.8	8.4	—	Fixed Asset Turns

Quarterly Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2019	87.0	88.9	87.1	—	—
2018	82.0	88.7	87.3	90.3	348.3
2017	70.0	70.7	71.3	71.3	283.3
2016	66.0	71.0	68.0	66.4	271.4
Earnings Per Share (€)					
2019	0.07	0.61	0.10	—	—
2018	0.05	0.54	0.85	0.48	1.17
2017	0.04	1.11	-0.01	0.62	1.83
2016	0.03	0.61	0.05	0.06	0.81

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*

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.

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

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