

# Siemens Gamesa Renewable Energy SA SGRE ★★★<sup>Q</sup> 22 Feb 2019 02:00 UTC

**Last Close**  
22 Feb 2019  
13.45

**Fair Value<sup>Q</sup>**  
22 Feb 2019 02:00 UTC  
14.57

**Market Cap**  
22 Feb 2019  
9,160.9 Mil

**Sector**  
Industrials

**Industry**  
Diversified Industrials

**Country of Domicile**  
ESP Spain

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## Company Profile

Siemens Gamesa Renewable Energy SA operates in the renewable energy industry. It develops, constructs, and sells wind energy plants, wind farms and wind turbines. It provides Onshore, and Offshore wind energy services.

## Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	None	24	21	15
Valuation	Undervalued	43	38	61
Quantitative Uncertainty	High	92	92	83
Financial Health	Strong	87	74	68



## Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	0.92	1.01	0.80	0.87
Price/Earnings	136.8	27.8	16.8	15.0
Forward P/E	16.4	—	13.9	12.5
Price/Cash Flow	12.8	14.0	11.2	8.8
Price/Free Cash Flow	29.6	17.8	18.4	15.2
Trailing Dividend Yield %	—	—	2.30	3.93
Price/Book	1.6	2.2	1.6	1.9
Price/Sales	1.0	1.1	0.9	1.4

## Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	1.1	—	11.5	12.9
Return on Assets %	0.4	—	4.8	3.3
Revenue/Employee (K)	396.0	—	515.1	240.3

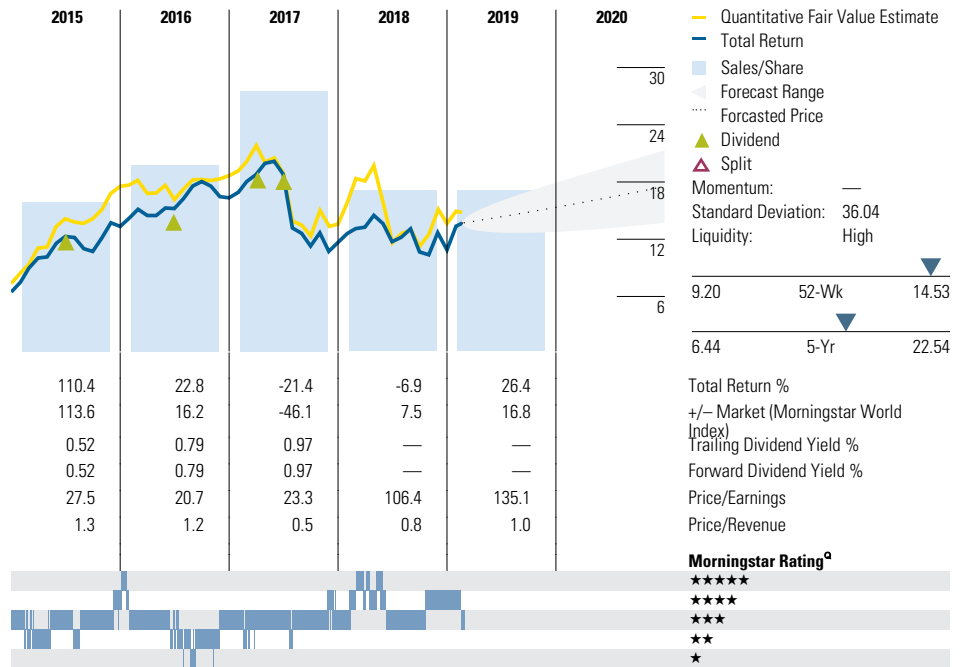
## Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.7	0.7	0.6	0.7
Solvency Score	613.7	—	484.2	556.5
Assets/Equity	2.7	2.9	1.8	2.7
Long-Term Debt/Equity	0.1	0.2	0.2	0.4

## Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	75.9	41.6	33.2	9.3
Operating Income %	67.6	-12.4	6.3	-1.0
Earnings %	—	-49.2	-12.8	-17.5
Dividends %	—	—	—	—
Book Value %	-62.6	17.9	17.6	3.5
Stock Total Return %	7.0	2.0	16.6	4.2

## Price vs. Quantitative Fair Value

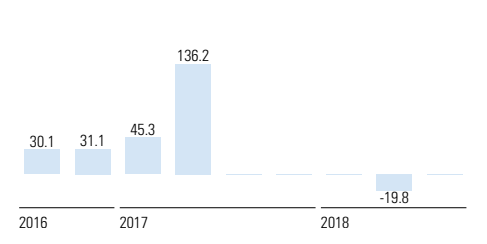


	2014	2015	2016	2017	2018	TTM	Financials (Fiscal Year in Mil)
Revenue	2,846	3,504	4,612	—	9,122	9,122	Revenue
% Change	21.9	23.1	31.6	—	—	0.0	% Change
Operating Income	204	303	494	—	211	211	Operating Income
% Change	28.9	48.9	63.0	—	—	0.0	% Change
Net Income	92	170	301	—	70	70	Net Income
Operating Cash Flow	309	325	656	—	729	729	Operating Cash Flow
Capital Spending	-111	-168	-211	—	-415	-415	Capital Spending
Free Cash Flow	198	157	445	—	314	314	Free Cash Flow
% Sales	7.0	4.5	9.7	—	3.4	3.4	% Sales
EPS	0.36	0.62	1.09	—	0.10	0.10	EPS
% Change	97.7	73.6	76.6	—	—	0.0	% Change
Free Cash Flow/Share	-0.13	1.01	1.16	-0.59	-0.23	0.46	Free Cash Flow/Share
Dividends/Share	0.00	0.08	0.15	—	0.00	0.00	Dividends/Share
Book Value/Share	4.23	5.37	5.75	23.87	8.85	8.70	Book Value/Share
Shares Outstanding (K)	276,115	276,152	276,904	276,874	681,109	681,109	Shares Outstanding (K)
Return on Equity %	7.7	11.7	18.3	—	1.1	1.1	Profitability
Return on Assets %	2.0	3.8	5.7	—	0.4	0.4	Return on Assets %
Net Margin %	3.2	4.9	6.5	—	0.8	0.8	Net Margin %
Asset Turnover	0.63	0.79	0.88	—	0.56	0.56	Asset Turnover
Financial Leverage	3.1	3.0	3.3	2.6	2.7	2.7	Financial Leverage
Gross Margin %	33.2	32.6	33.5	—	10.5	10.5	Gross Margin %
Operating Margin %	7.2	8.7	10.7	—	2.3	2.3	Operating Margin %
Long-Term Debt	527	445	425	485	817	817	Long-Term Debt
Total Equity	1,385	1,527	1,765	6,447	5,929	5,929	Total Equity
Fixed Asset Turns	8.0	10.1	11.8	—	6.1	6.1	Fixed Asset Turns

## Quarterly Revenue & EPS

Revenue (Mil)	Dec	Mar	Jun	Sep	Total
2018	—	—	2,135.5	2,618.3	9,122.3
2017	1,273.2	1,546.2	2,663.2	—	—
2016	971.0	1,064.2	1,127.5	1,147.1	—
2015	904.2	820.0	830.8	882.0	—
Earnings Per Share (€)					
2018	—	—	0.07	0.03	0.10
2017	0.34	0.36	-0.11	—	—
2016	0.16	0.26	0.24	0.25	—
2015	0.10	0.22	0.13	0.11	—

## Revenue Growth Year On Year %



# Quantitative Equity Reports Overview

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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.

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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%

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

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

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