

Solaria Energia y Medio Ambiente SA SLR ★★★^Q 20 Nov 2019 02:00 UTC

Last Close
20 Nov 2019
6.77

Fair Value^Q
20 Nov 2019 02:00 UTC
6.42

Market Cap
20 Nov 2019
845.9 Mil

Sector
Utilities

Industry
Utilities - Renewable

Country of Domicile
ESP Spain

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Company Profile

Solaria Energia y Medio Ambiente SA is a solar photovoltaic (PV) power generation company. It is also engaged in the solar power plant custom operation and maintenance services and development and management of PV projects. The company owns, manages and operates PV plants in Spain, Italy, Uruguay, Greece and Brazil.

Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	79	69	63
Valuation	Overvalued	9	23	15
Quantitative Uncertainty	High	87	70	79
Financial Health	Moderate	51	33	18



Undervalued Fairly Valued Overvalued

Source: Morningstar Equity Research

Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	1.05	0.97	0.89	0.87
Price/Earnings	47.1	17.1	14.8	15.0
Forward P/E	—	—	13.7	12.5
Price/Cash Flow	144.5	20.1	6.5	8.8
Price/Free Cash Flow	—	67.6	13.1	15.2
Trailing Dividend Yield %	—	—	3.68	3.93
Price/Book	4.6	3.7	1.4	1.9
Price/Sales	27.8	7.0	1.4	1.4

Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	9.5	23.7	9.8	12.9
Return on Assets %	3.7	4.2	3.3	3.3
Revenue/Employee (K)	620.2	685.0	1,274.9	240.3

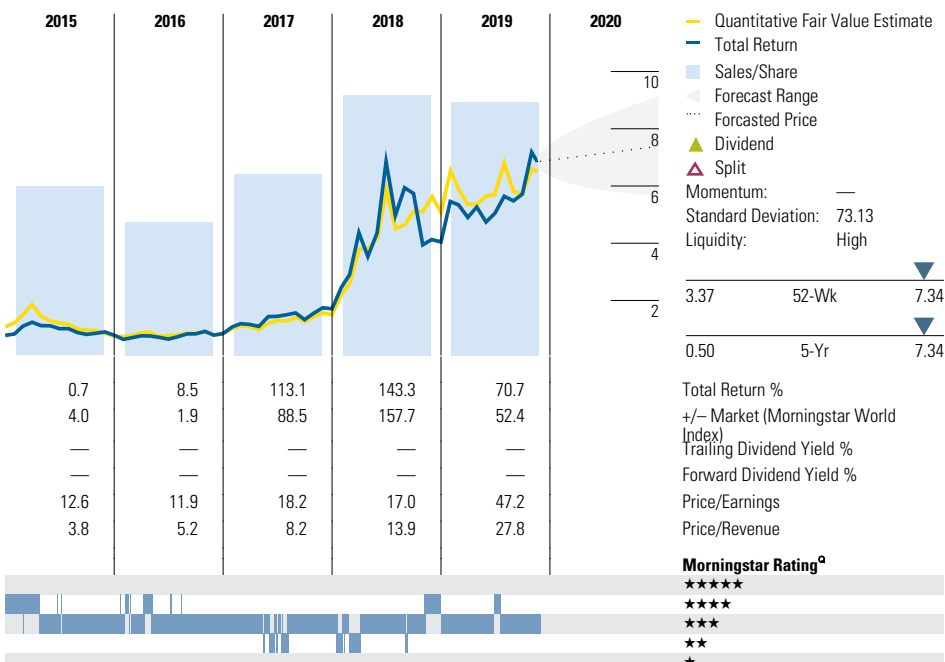
Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.5	0.3	0.6	0.7
Solvency Score	—	—	584.9	556.5
Assets/Equity	2.3	4.5	2.6	2.7
Long-Term Debt/Equity	1.1	2.1	0.7	0.4

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	8.6	26.9	-0.4	-11.1
Operating Income %	17.3	—	—	—
Earnings %	28.6	44.2	—	—
Dividends %	—	—	—	—
Book Value %	165.9	65.9	46.7	-5.1
Stock Total Return %	69.3	113.6	52.7	9.5

Price vs. Quantitative Fair Value

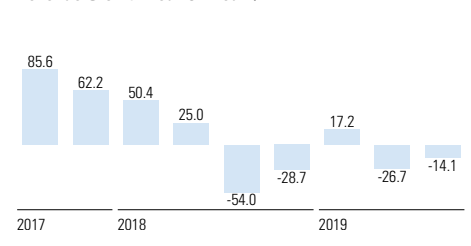


	2014	2015	2016	2017	2018	2019	TTM	Financials (Fiscal Year in K)
Revenue	24,265	16,535	15,874	31,124	33,791	30,389	30,389	Revenue
% Change	-39.0	-31.9	-4.0	96.1	8.6	-10.1	-10.1	% Change
Operating Income	3,928	-893	1,900	11,310	13,267	10,690	10,690	Operating Income
% Change	—	-122.7	—	495.3	17.3	-19.4	-19.4	% Change
Net Income	7,021	6,643	8,026	15,011	21,346	16,827	16,827	Net Income
Operating Cash Flow	-8,366	-1,095	-3,951	16,067	15,980	5,853	5,853	Operating Cash Flow
Capital Spending	-731	-183	-95	-45,621	-28,362	—	—	Capital Spending
Free Cash Flow	-9,097	-1,278	-4,046	-29,554	-12,382	-28,666	-28,666	Free Cash Flow
% Sales	-37.5	-7.7	-25.5	-95.0	-36.6	-94.3	-94.3	% Sales
EPS	0.07	0.06	0.07	0.14	0.18	0.14	0.14	EPS
% Change	—	-14.3	16.7	100.0	28.6	-20.1	-20.1	% Change
Free Cash Flow/Share	0.01	-0.02	-0.02	-0.08	-0.12	-0.23	-0.23	Free Cash Flow/Share
Dividends/Share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Dividends/Share
Book Value/Share	0.30	0.34	0.40	0.46	1.36	1.45	1.45	Book Value/Share
Shares Outstanding (K)	103,038	108,263	108,263	108,263	124,951	124,951	124,951	Shares Outstanding (K)
Return on Equity %	27.7	19.5	18.0	28.8	18.8	9.5	9.5	Return on Equity %
Return on Assets %	3.4	3.6	4.4	6.4	6.3	3.7	3.7	Return on Assets %
Net Margin %	28.9	40.2	50.6	48.2	63.2	55.4	55.4	Net Margin %
Asset Turnover	0.12	0.09	0.09	0.13	0.10	0.07	0.07	Asset Turnover
Financial Leverage	7.2	4.2	3.9	5.0	2.3	2.8	2.8	Financial Leverage
Gross Margin %	72.4	85.7	105.7	98.6	106.8	—	—	Gross Margin %
Operating Margin %	16.2	-5.4	12.0	36.3	39.3	35.2	35.2	Operating Margin %
Long-Term Debt	58,222	76,200	85,427	198,016	187,153	264,651	264,651	Long-Term Debt
Total Equity	27,454	40,656	48,393	55,698	170,914	184,727	184,727	Total Equity
Fixed Asset Turns	0.1	0.1	0.1	0.2	0.1	0.1	0.1	Fixed Asset Turns

Quarterly Revenue & EPS

Revenue (K)	Mar	Jun	Sep	Dec	Total
2019	8,344.0	8,757.0	8,807.0	—	—
2018	7,117.0	11,939.0	10,254.0	4,481.0	33,791.0
2017	4,733.0	9,548.0	22,277.0	6,282.0	31,124.0
2016	4,154.0	3,491.0	12,000.0	3,874.0	15,874.0
Earnings Per Share (€)					
2019	0.04	0.04	0.03	—	—
2018	0.04	0.07	0.06	0.02	0.18
2017	0.01	0.03	0.05	0.08	0.14
2016	0.01	0.01	0.03	0.05	0.07

Revenue Growth Year On Year %



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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.

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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

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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.

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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