

Adveo Group International SA ADV ★★★Q 27 Sep 2019 02:00 UTC

Last Close
27 Sep 2019
0.49

Fair Value^Q
27 Sep 2019 02:00 UTC
0.69

Market Cap
27 Sep 2019
— K

Sector
Industrials

Industry
Business Equipment

Country of Domicile
ESP Spain

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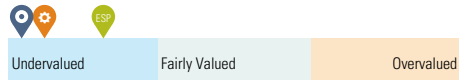
Company Profile

Adveo Group International SA specialized in the wholesale distribution of material and comprehensive solutions for different working and teaching environments. The company offers office equipment, school materials, and stationery products. It has a modern international logistics network that serves the entire commercial network in countries: Spain, France, Germany, Austria, Italy, Belgium, Holland, Luxembourg, and Portugal.

Quantitative Scores

| | | Scores | | |
|--------------------------|-------------|--------|------------|-------------|
| | | All | Rel Sector | Rel Country |
| Quantitative Moat | Narrow | 74 | 67 | 67 |
| Valuation | Undervalued | 71 | 75 | 91 |
| Quantitative Uncertainty | Extreme | 26 | 28 | 19 |
| Financial Health | Moderate | 76 | 58 | 46 |

ADV



Source: Morningstar Equity Research

Valuation

| | Current | 5-Yr Avg | Sector Median | Country Median |
|---------------------------|---------|----------|---------------|----------------|
| Price/Quant Fair Value | 0.70 | 0.83 | 0.80 | 0.87 |
| Price/Earnings | — | 18.8 | 16.8 | 15.0 |
| Forward P/E | — | — | 13.9 | 12.5 |
| Price/Cash Flow | 1.3 | 4.8 | 11.2 | 8.8 |
| Price/Free Cash Flow | — | 210.6 | 18.4 | 15.2 |
| Trailing Dividend Yield % | — | — | 2.30 | 3.93 |
| Price/Book | 0.2 | 0.9 | 1.6 | 1.9 |
| Price/Sales | 0.0 | 0.1 | 0.9 | 1.4 |

Profitability

| | Current | 5-Yr Avg | Sector Median | Country Median |
|----------------------|---------|----------|---------------|----------------|
| Return on Equity % | — | — | 11.5 | 12.9 |
| Return on Assets % | -60.8 | -17.8 | 4.8 | 3.3 |
| Revenue/Employee (K) | 46.5 | 493.1 | 515.1 | 240.3 |

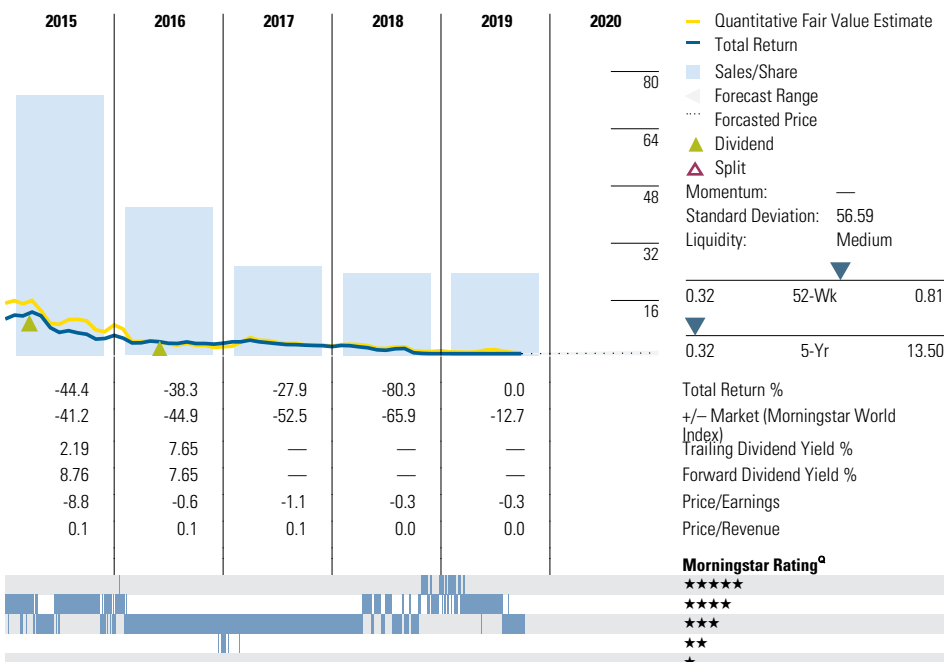
Financial Health

| | Current | 5-Yr Avg | Sector Median | Country Median |
|-----------------------|---------|----------|---------------|----------------|
| Distance to Default | 0.6 | 0.3 | 0.6 | 0.7 |
| Solvency Score | — | — | 484.2 | 556.5 |
| Assets/Equity | -1.5 | 3.8 | 1.8 | 2.7 |
| Long-Term Debt/Equity | 0.0 | 0.6 | 0.2 | 0.4 |

Growth Per Share

| | 1-Year | 3-Year | 5-Year | 10-Year |
|----------------------|--------|--------|--------|---------|
| Revenue % | -95.0 | -69.3 | -52.9 | -19.2 |
| Operating Income % | — | — | — | — |
| Earnings % | — | — | — | — |
| Dividends % | — | — | — | — |
| Book Value % | -32.2 | -40.9 | -28.4 | -14.0 |
| Stock Total Return % | -36.4 | -47.6 | -41.8 | -9.4 |

Price vs. Quantitative Fair Value

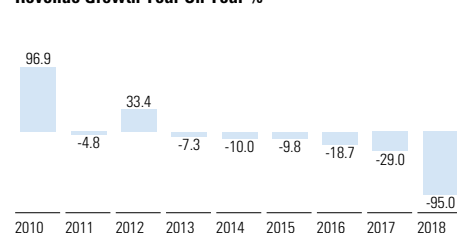


| | 2014 | 2015 | 2016 | 2017 | 2018 | TTM | Financials (Fiscal Year in K) |
|------------------------|---------|---------|---------|---------|----------|----------|-------------------------------|
| Revenue | 942,703 | 849,923 | 691,075 | 490,408 | 24,705 | 24,705 | Revenue |
| % Change | -10.0 | -9.8 | -18.7 | -29.0 | -95.0 | 0.0 | % Change |
| Operating Income | 25,608 | -35,083 | 3,236 | -12,834 | -37,840 | -37,840 | Operating Income |
| % Change | 8.2 | -237.0 | — | -496.6 | — | — | % Change |
| Net Income | 5,432 | -70,638 | -35,748 | -23,431 | -145,464 | -145,464 | Net Income |
| Operating Cash Flow | -25,581 | 26,121 | -23,897 | 7,987 | -8,975 | -8,975 | Operating Cash Flow |
| Capital Spending | -14,483 | -6,486 | -4,706 | -9,231 | -19 | -19 | Capital Spending |
| Free Cash Flow | -40,064 | 19,635 | -28,603 | -1,244 | -8,994 | -8,994 | Free Cash Flow |
| % Sales | -4.2 | 2.3 | -4.1 | -0.3 | -36.4 | -36.4 | % Sales |
| EPS | 0.39 | -5.12 | -2.17 | -1.09 | -7.13 | -7.13 | EPS |
| % Change | 1.10 | -2.26 | 1.09 | -0.42 | -0.06 | -0.06 | % Change |
| Free Cash Flow/Share | 0.00 | 0.13 | 0.26 | 0.00 | 0.00 | 0.00 | Free Cash Flow/Share |
| Dividends/Share | 11.91 | 10.96 | 3.01 | 3.28 | 2.41 | 2.41 | Dividends/Share |
| Book Value/Share | 13,797 | 13,595 | 21,146 | 21,132 | 21,132 | 21,132 | Book Value/Share |
| Shares Outstanding (K) | 3.4 | -57.8 | -45.0 | -37.2 | — | — | Shares Outstanding (K) |
| Return on Equity % | 1.0 | -13.9 | -8.6 | -6.8 | -60.8 | -60.8 | Return on Equity % |
| Return on Assets % | 0.6 | -8.3 | -5.2 | -4.8 | -588.8 | -588.8 | Return on Assets % |
| Net Margin % | 1.70 | 1.67 | 1.66 | 1.42 | 0.10 | 0.10 | Net Margin % |
| Asset Turnover | 3.4 | 5.6 | 4.8 | 6.5 | — | 6.5 | Asset Turnover |
| Financial Leverage | 19.5 | 11.0 | 17.0 | 27.6 | 30.4 | 30.4 | Financial Leverage |
| Gross Margin % | 2.7 | -4.1 | 0.5 | -2.6 | -153.2 | -153.2 | Gross Margin % |
| Operating Margin % | 1,281 | 1,199 | 0 | 146,707 | 0 | 146,707 | Operating Margin % |
| Long-Term Debt | 160,612 | 83,934 | 75,122 | 50,868 | -94,685 | 50,868 | Long-Term Debt |
| Total Equity | 20.3 | 22.8 | 20.4 | 19.8 | 2.7 | 2.7 | Total Equity |
| Fixed Asset Turns | — | — | — | — | — | — | Fixed Asset Turns |

Annual Revenue & EPS

| Revenue (Mil) | Mar | Jun | Sep | Dec | Total |
|------------------------|-------|-------|-------|-------|-------|
| 2018 | 107.2 | 89.9 | — | — | 24.7 |
| 2017 | 120.1 | 125.2 | 111.4 | 146.1 | 490.4 |
| 2016 | 201.9 | 208.1 | 157.3 | 123.8 | 691.1 |
| 2015 | 246.9 | 228.7 | 177.6 | 223.1 | 849.9 |
| Earnings Per Share (€) | | | | | |
| 2018 | -0.14 | -0.73 | — | — | -7.13 |
| 2017 | -0.05 | -0.23 | -0.54 | -0.30 | -1.09 |
| 2016 | 0.00 | -0.96 | -0.08 | -0.64 | -2.17 |
| 2015 | -0.03 | -0.06 | -0.54 | -4.70 | -5.12 |

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.

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.

Overvalued – Last Price is above Morningstar's quantitative fair value estimate.

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

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