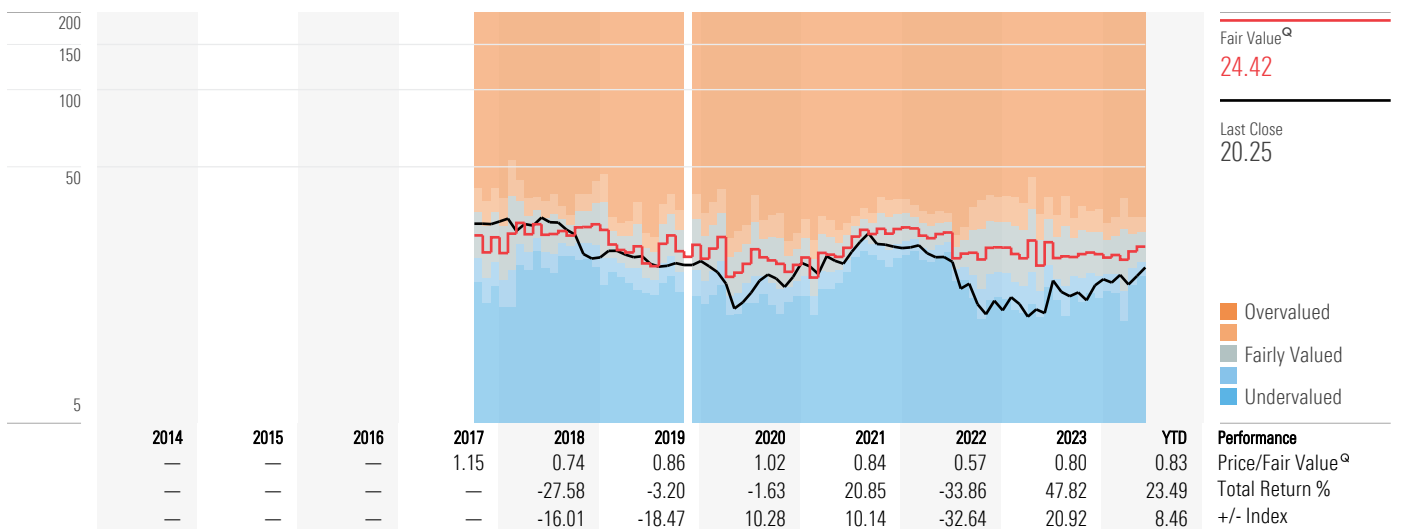


# Aedas Homes SA Ordinary Shares AEDAS ★★★★★ Q 20 May 2024, 22:38 UTC

<b>Economic Moat</b> <sup>Q</sup>	<b>Uncertainty</b> <sup>Q</sup>	<b>Price/Fair Value</b> <sup>Q</sup>	<b>ESG Risk Rating Assessment</b> <sup>1</sup>	<b>Trailing Dividend Yield %</b>	<b>Market Cap</b>	<b>Investment Style</b>	<b>Sector</b>	<b>Industry</b>
None	High	0.8	1 May 2024 05:00, UTC	16.79	870.8742 Mil	Small Value	Real Estate	Real Estate - Development



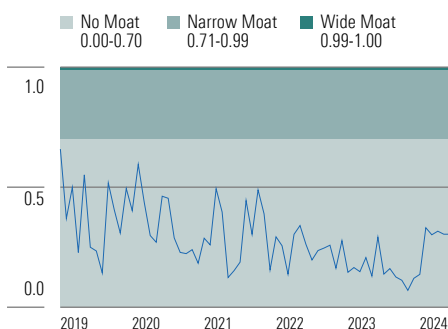
As of 20 May 2024 | Index: Morningstar Spain GR EUR. Fair Value data as of 20 May 2024, 22:38 UTC.

<sup>1</sup>The ESG Risk Rating Assessment is a representation of Sustainalytics' ESG Risk Rating. Lee Davidson, Chief Analytics Officer for Morningstar, Inc, oversees the methodology that supports Quantitative Fair Value Estimates and Quantitative Star Ratings. Mr. Davidson is guided by the Morningstar, Inc. Code of Ethics in carrying out his responsibilities. For information regarding Conflicts of Interests, visit <http://global.morningstar.com/equitydisclosures>.

## Key Metrics

Metrics	Percentile in Sector
Earnings Yield (%)	—
Sales Yield (%)	—
Book Value Yield (%)	—
Return on Assets (%)*	—
Revenue*	—
Market Value	—
Enterprise Value	—
EVMV Ratio	—
Volatility TTM (%)	—
Drawdown TTM (%)	—
Volume	—

## Economic Moat <sup>Q</sup> History as of 20 May 2024



## Business Description

Aedas Homes SA is a Spain based company engages in the acquisition and development of properties. It is a real estate developer that offers different types of homes in Spain, including apartments, houses, villas, duplexes and others. The company focuses on Alicante, Barcelona, Madrid, Malaga, Mallorca, Seville, and other regions of Spain.

## Valuation <sup>Q</sup> as of 18 May 2024

Morningstar maintains a 4-star quantitative star rating for Aedas Homes, derived from the firm's valuation and uncertainty scores. The company's shares last closed at 20.20, below our quantitative fair value estimate of 25.29. These shares have traded between a 35.57% and 11.24% discount to their fair value estimate over the past year. In Morningstar's equity coverage universe for this methodology, the company's valuation rating lands at the 53rd percentile; in the real estate sector, the firm's score lies at the 61st percentile (meaning the shares are more undervalued than 61% of stocks in the sector).

Furthermore, Aedas Homes maintains a quantitative valuation uncertainty rating of High.

The company has held this star rating since the previous rating of 3, which was last assigned on 04/04/2024. The uncertainty rating for Aedas Homes has remained High since the previous rating of Very High, which was last assigned on 04/04/2024.

The key factors behind these ratings are the company's earnings yield and volatility. The earnings yield is 10.77%, and its maximum annualized trailing 12-month volatility is 28.58%. The earnings yield falls at the 83rd percentile in the real estate sector while the volatility is at the 36th percentile. Over the past year, the company's earnings yield has been between 8.71% and 14.89%; its volatility

has ranged between 21.00% and 28.58%.

## Economic Moat <sup>Q</sup> as of 20 May 2024

With a Morningstar quantitative moat rating of None, the quantitative moat score for Aedas Homes falls at the 43rd percentile in the real estate sector and at the 35th in the equity coverage universe. The company has maintained its None quantitative moat rating for the last year.

We also assign a Moderate quantitative financial health rating to Aedas Homes. The company's raw score on this metric, termed Distance to Default, ranks at the 48th percentile overall and 59th in the real estate sector. Furthermore, this financial health rating has stayed Moderate over the last year.

Supporting these ratings are the company's book value yield and enterprise value-to-market value ratio. The book value yield of 105.57%, ranks at the 74th percentile in the covered equity universe and at the 44th percentile among its peers. Meanwhile, its enterprise value-to-market value ratio of 1.60, falls at the 81st percentile in the universe and the 45th percentile in the real estate sector.

## Fundamentals as of 18 May 2024


The earnings per share for Aedas Homes is 2.17. The company earns a return on invested capital of 8.27%, falling at the 88th percentile in the real estate sector. The firm maintains a dividend yield of 18.14%. We calculate the above figures over a trailing 12-month period.

Examining valuation further, we find Aedas Homes holds a price-to-earnings ratio of 9.29, a figure greater than 28% of its sector peers.

## Contact

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# Aedas Homes SA Ordinary Shares AEDAS ★★★★★ Q 20 May 2024, 22:38 UTC

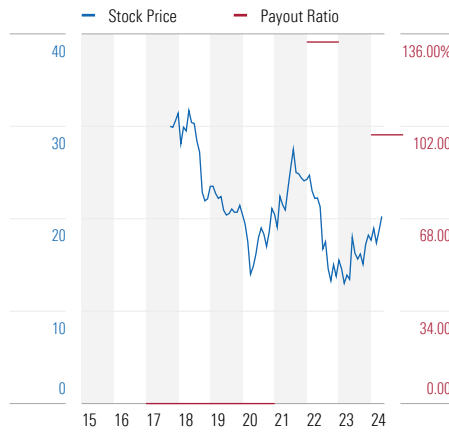
<b>Economic Moat</b> <sup>Q</sup>	<b>Uncertainty</b> <sup>Q</sup>	<b>Price/Fair Value</b> <sup>Q</sup>	<b>ESG Risk Rating Assessment</b> <sup>1</sup>	<b>Trailing Dividend Yield %</b>	<b>Market Cap</b>	<b>Investment Style</b>	<b>Sector</b>	<b>Industry</b>
None	High	0.8	 1 May 2024 05:00, UTC	16.79	870.8742 Mil	Small Value	Real Estate	Real Estate - Development

## Earnings

Earnings	%	■ Percentile in Sector
Dividend Yield*	—	—
Payout Ratio*	—	—
Price to Earnings	—	—
Price to Cash Flow	—	—
ROIC**	—	—

\* —  
\*\* —

## Dividends as of 20 May 2024

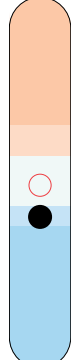


## Valuation <sup>Q</sup> as of 20 May 2024

Fair Value <sup>Q</sup>  
**24.42**

Uncertainty <sup>Q</sup> :  
High

Last Close  
**20.25**



AEDAS is Undervalued at a 17% discount.

**Economic Moat** <sup>Q</sup>

⊖ None

**Financial Health** <sup>Q</sup>

Moderate

**1-Star Price** <sup>Q</sup>

> 31.92

**5-Star Price** <sup>Q</sup>

< 18.68

## Contact

<https://www.aedashomes.com>

## Financials as of 20 May 2024 (Fiscal Year End 31 Mar 2024)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	Fiscal
Revenue (Mil)	—	—	0.02	38.69	79.82	311.65	—	671.95	765.62	919.81	230.04	Revenue (Mil)
Operating Income (Mil)	—	—	-2.30	-31.72	-5.64	54.33	—	131.26	145.91	151.30	15.35	Operating Income (Mil)
Operating Margin (%)	—	—	-15335	-81.98	-7.06	17.43	—	19.53	19.06	16.45	6.67	Operating Margin (%)
Net Income (Mil)	—	—	-2.37	-40.08	2.45	31.57	—	85.10	93.13	105.07	3.57	Net Income (Mil)
Diluted Earnings/Share	—	—	-0.07	-0.84	0.05	0.66	—	1.77	1.99	2.24	0.08	Diluted Earnings/Share
Operating Cash Flow (Mil)	—	—	-25.39	-159.79	-157.23	-113.98	—	-54.49	9.95	-20.16	-236.08	Operating Cash Flow (Mil)
Capital Spending (K)	—	—	-408	-866	-615	-1,543	—	-1,101	-2,911	-5,870	-1,383	Capital Spending (K)
Free Cash Flow (Mil)	—	—	-25.80	-160.66	-157.84	-115.52	—	-55.59	7.04	-26.03	-237.47	Free Cash Flow (Mil)
Avg Shares Outstand(Mil)	—	—	34	48	48	48	—	48	47	47	45	Avg Shares Outstand(Mil)

## Valuation as of 20 May 2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
Price/Fair Value <sup>Q</sup>	—	—	—	1.15	0.74	0.86	1.02	0.84	0.57	0.80	0.83	Price/Fair Value <sup>Q</sup>
Price/Sales	—	—	—	69,368.13	22.71	11.97	3.25	1.39	0.87	0.89	0.99	Price/Sales
Price/Earnings	—	—	—	—	—	—	31.97	9.78	8.51	8.38	9.31	Price/Earnings
Price/Cash Flow	—	—	—	—	—	—	—	—	—	—	70.67	Price/Cash Flow
Price/Book	—	—	—	16.04	1.14	1.09	1.04	1.13	0.66	0.86	0.95	Price/Book

## Operating Performance as of 20 May 2024 (Fiscal Year End 31 Mar 2024)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q3	Fiscal (%)
Return on Assets	—	—	-4.91	-6.81	0.21	2.26	—	5.2	5.19	5.43	2.95	Return on Assets
Return on Equity	—	—	-33.84	-8.51	0.26	3.38	—	8.84	9.46	10.8	4.86	Return on Equity
Rtn on Invested Capital	—	—	-4.88	-5.93	0.4	3.4	—	7.3	7.74	8.86	3.62	Rtn on Invested Capital

## Dividends as of 20 May 2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar (%)
Dividend Per Share	—	—	—	—	—	—	—	1.40	2.16	2.15	3.40	Dividend Per Share
Trailing Dividend Yield	—	—	—	—	—	—	—	—	15.67	—	16.79	Trailing Dividend Yield
Buyback Yield	—	—	—	—	—	—	3.11	—	1.07	—	1.3	Buyback Yield

# Appendix

**Economic Moat** <sup>®</sup>History as of 20 May 2024 (No Moat: 0.00-0.70, Narrow Moat: 0.70-0.99, Wide Moat: 0.99-1.00)

Year	January	February	March	April	May	June	July	August	September	October	November	December
2024	0.14	0.33	0.30	0.32	0.30	—	—	—	—	—	—	—
2023	0.15	0.17	0.15	0.21	0.13	0.29	0.14	0.16	0.13	0.11	0.07	0.12
2022	0.29	0.26	0.14	0.30	0.34	0.26	0.20	0.24	0.25	0.26	0.16	0.28
2021	0.29	0.26	0.49	0.40	0.12	0.15	0.19	0.44	0.30	0.49	0.39	0.16
2020	0.40	0.59	0.44	0.30	0.27	0.46	0.45	0.29	0.23	0.22	0.24	0.18
2019	0.66	0.37	0.50	0.23	0.55	0.25	0.23	0.14	0.52	0.41	0.31	0.49

## Quantitative Equity Report Overview

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### Quantitative Equity Ratings

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, Quantitative Uncertainty Rating, and momentum. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

★ – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1\*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) < -1.5\*Quantitative Uncertainty*

★★ – the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1\*Quantitative Uncertainty, -0.5\*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-1.5\*Quantitative Uncertainty, -0.75\*Quantitative Uncertainty)*

★★★ – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5\*Quantitative Uncertainty, 0.5\*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-0.75\*Quantitative Uncertainty, 0.75\*Quantitative Uncertainty)*

★★★★ – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5\*Quantitative Uncertainty, 1\*Quantitative*

*Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (0.75\*Quantitative Uncertainty, 1.5\*Quantitative Uncertainty)*

★★★★★ – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1\*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) > 1.5\*Quantitative Uncertainty*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

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.

**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.

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Sustainalytics analyzes over 1,300 data points to assess a company's exposure to and management of ESG risks. In other words, ESG Risk Ratings measures a company's unmanaged ESG Risks represented as a quantitative score.

Unmanaged Risk is measured on an open-ended scale starting at zero (no risk) with lower scores representing less unmanaged risk and, for 95% of cases, the unmanaged ESG Risk score is below 50.

Based on their quantitative scores, companies are grouped into one of five Risk Categories (negligible, low, medium, high, severe). These risk categories are absolute, meaning that a 'high risk' assessment reflects a comparable degree

of unmanaged ESG risk across all subindustries covered.

The ESG Risk Rating Assessment is a visual representation of Sustainalytics ESG Risk Categories on a 1 to 5 scale. Companies with Negligible Risk = 5 Globes, Low Risk = 4, Medium Risk = 3 Globes, High Risk = 2 Globes, Severe Risk = 1 Globe. For more information, please visit [sustainalytics.com/esg-ratings/](https://sustainalytics.com/esg-ratings/)

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