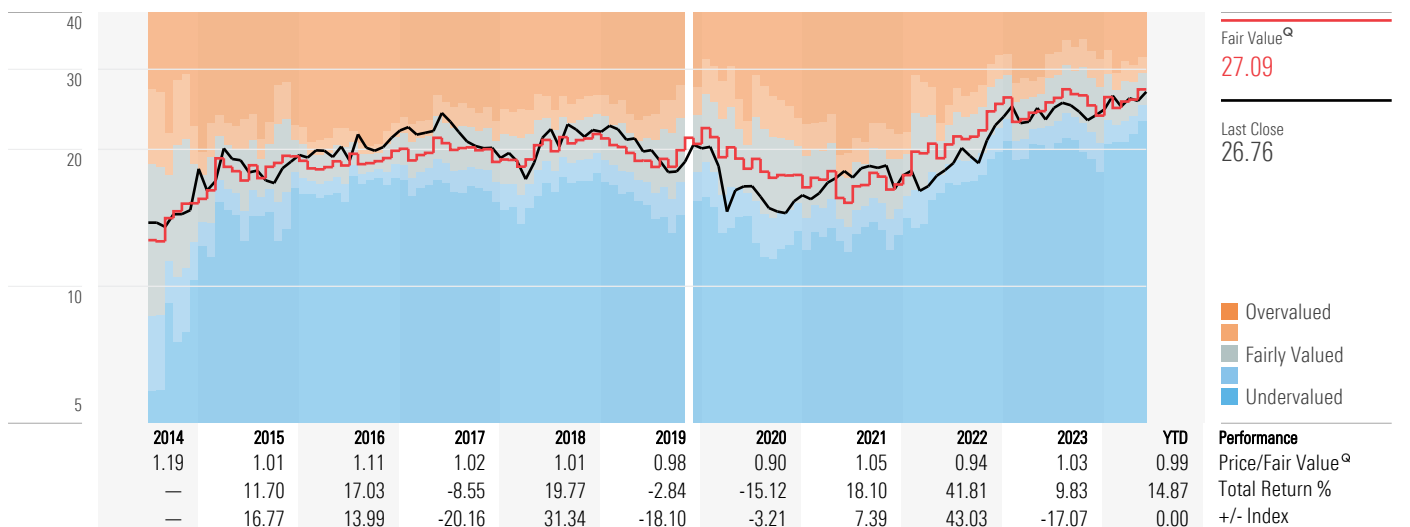


# Compania de Distribucion Integral Logista Holdings SA

LOG ★★★ Q 17 May 2024, 22:46 UTC

Economic Moat <sup>Q</sup>	Uncertainty <sup>Q</sup>	Price/Fair Value <sup>Q</sup>	ESG Risk Rating Assessment <sup>1</sup>	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	High	1.0	1 May 2024 05:00, UTC	6.91	3.5442 Bil	Mid Value	Industrials	Integrated Freight & Logistics



As of 17 May 2024 | Index: Morningstar Spain GR EUR. Fair Value data as of 17 May 2024, 22:46 UTC.

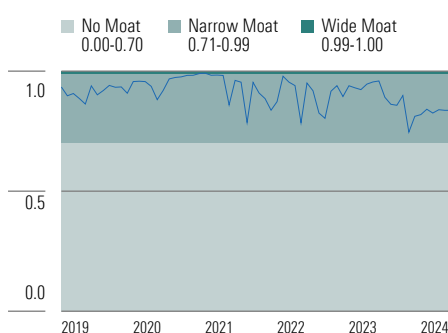
<sup>1</sup>The ESG Risk Rating Assessment is a representation of Sustainability's ESG Risk Rating. Lee Davidson, Chief Analytics Officer for Morningstar, Inc, oversees the methodology that supports Quantitative Fair Value Estimates and Quantitative Star Ratings. Mr. Davidson is guided by the Morningstar,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

## Key Metrics as of 10 May 2024

Metrics		Percentile in Sector
Earnings Yield (%)	8.2	79.0
Sales Yield (%)	361.8	89.0
Book Value Yield (%)	18.8	18.0
Return on Assets (%)*	3.9	55.0
Revenue(Bil)*	13.6	91.0
Market Value (Bil)	3.8	77.0
Enterprise Value (Bil)	2.1	69.0
EV/MV Ratio	0.6	6.0
Volatility TTM (%)	11.4	4.0
Drawdown TTM (%)	11.3	11.0
Volume (K)	165.6	46.0

\*31 Dec 2023

## Economic Moat<sup>Q</sup> History as of 17 May 2024



## Business Description

Compania de Distribucion Integral Logista Holdings SA is a distributor and logistics operator. The company provides distribution channels for products and services including tobacco and related tobacco products, convenience goods, and lottery tickets. The firm organises itself into below segments: tobacco and related products, transport, pharmaceutical distribution and other businesses. The Tobacco and related products segment contributes the vast majority of revenue. The company primarily operates in France, Italy, and Iberia (Spain and Portugal).

## Valuation<sup>Q</sup> as of 17 May 2024

Morningstar affirms a 3-star quantitative rating for Compania de Distribucion. We calculate this outcome using the company's underlying model-driven valuation and uncertainty scores.

The stock's last closing price was 26.86, in-line with its Quantitative Fair Value estimate of 27.38. The stock has been trading between a 13.69% discount and 8.82% premium to its quantitative fair value over the past year. The stock's price to fair value ratio is at the 87th percentile in our global equity coverage universe for this methodology and at the 80th percentile relative to its peers in the industrials sector.

Compania de Distribucion furthermore holds a High quantitative uncertainty rating.

The company's quantitative star rating remains unchanged over the past year. The firm's uncertainty rating changed from Medium to High after 05/02/2024.

We examine the financials and market statistics for Compania de Distribucion to determine these ratings. Its enterprise value-to-market value ratio is 1.00 and its annualized trailing 12-month volatility is 11.47%. These fall at the 44th and 5th percent-

iles in the equity universe and at the 35th and 5th in the industrials sector, respectively.

## Economic Moat<sup>Q</sup> as of 17 May 2024

With a Narrow Morningstar quantitative moat rating, the quantitative moat score for Compania de Distribucion falls at the 78th percentile in the industrials sector and at the 82nd in the equity coverage universe. The company has maintained its Narrow quantitative moat rating since after 12/12/2023, when it was upgraded from None.

We also assign a Strong quantitative financial health rating to Compania de Distribucion. The company's raw score on this metric, termed Distance to Default, ranks at the 90th percentile overall and 92nd in the industrials sector. Furthermore, this financial health rating has stayed Strong over the last year.

Supporting these ratings are the company's book value yield and annualized trailing 12-month volatility. The book value yield of 15.96%, ranks at the 17th percentile in the covered equity universe and at the 15th percentile among its peers. Meanwhile, its annualized trailing 12-month volatility of 11.47%, falls at the 5th percentile in both the universe and the industrials sector.


## Fundamentals as of 17 May 2024

Compania de Distribucion maintains earnings per share of 2.33. The company further earns a return on invested capital of 27.71%. The shares offer a dividend yield of 7.24%. These values are calculated over a trailing 12-month period.

As of last market close, Compania de Distribucion has a price-to-earnings ratio of 11.55, falling below the 27th percentile in its sector (where a lower percentile means a lower ratio) and ranging between 11.02 and 13.94 over the past year. The company's

# Compania de Distribucion Integral Logista Holdings SA

LOG ★★ ★ 17 May 2024, 22:46 UTC

Economic Moat <sup>Q</sup>	Uncertainty <sup>Q</sup>	Price/Fair Value <sup>Q</sup>	ESG Risk Rating Assessment <sup>1</sup>	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	High	1.0		6.91	3.5442 Bil	Mid Value	Industrials	Integrated Freight & Logistics

## Earnings as of 10 May 2024

Earnings	%	Percentile in Sector
Dividend Yield*	7.2	93.0
Payout Ratio*	66.5	79.0
Price to Earnings	12.2	31.0
Price to Cash Flow	13.2	44.0
ROIC**	31.3	98.0

\*30 Apr 2024

\*\*31 Dec 2023

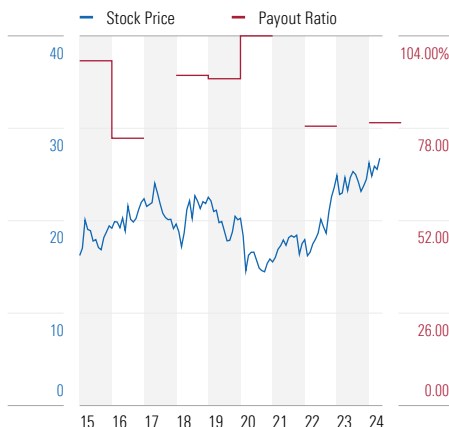
price-to-free cash flow ratio is 83.71, falling at the 92nd percentile in its sector and ranging between 11.39 and 84.21 over the past year.

## Contact

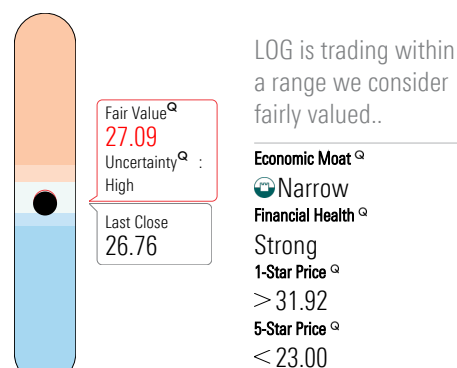
Poligono Industrial Polvoranca, Madrid, — 28914  
+34 914819800

<https://www.logista.com>

## Dividends as of 17 May 2024



## Valuation<sup>Q</sup> as of 17 May 2024



Economic Moat<sup>Q</sup>

 Narrow

Financial Health<sup>Q</sup>

Strong

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

> 31.92

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

< 23.00

## Financials as of 17 May 2024 (Fiscal Year End 30 Sep 2023)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	Fiscal
9.50	9.47	9.63	9.49	9.48	10.15	10.41	10.82	11.46	12.43	6.21	Revenue (Bil)
165	158	176	158	190	198	200	236	250	291	161	Operating Income (Mil)
1.73	1.67	1.83	1.66	2.0	1.95	1.92	2.18	2.18	2.34	2.59	Operating Margin (%)
102	109	132	154	157	165	157	174	199	272	160	Net Income (Mil)
0.77	0.82	1.00	1.16	1.18	1.24	1.19	1.32	1.51	2.07	1.21	Diluted Earnings/Share
180.41	230.91	388.64	4.24	347.54	346.82	830.10	-302.03	642.96	307.64	-482.55	Operating Cash Flow (Mil)
-35	-31	-25	-29	-56	-54	-38	-40	-37	-44	-11	Capital Spending (Mil)
146	200	364	-25	291	293	792	-342	606	263	-494	Free Cash Flow (Mil)
133	133	133	132	132	132	132	132	132	132	132	Avg Shares Outstand(Mil)

## Valuation as of 17 May 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
1.19	1.01	1.11	1.02	1.01	0.98	0.90	1.05	0.94	1.03	0.99	Price/Fair Value <sup>Q</sup>
0.25	0.27	0.30	0.27	0.31	0.26	0.20	0.21	0.27	0.26	0.28	Price/Sales
13.33	23.57	22.06	16.47	18.46	16.21	14.04	12.92	14.96	11.85	11.51	Price/Earnings
13.26	11.18	7.50	598.39	8.32	7.67	25.68	3.96	7.94	10.49	50.07	Price/Cash Flow
5.46	5.83	5.95	5.06	5.68	5.12	4.09	4.70	5.60	5.47	6.24	Price/Book

## Operating Performance as of 17 May 2024 (Fiscal Year End 30 Sep 2023)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q3	Fiscal (%)
1.57	1.68	2.0	2.32	2.34	2.36	2.11	2.25	2.6	3.46	1.17	Return on Assets
22.75	24.73	28.33	31.07	31.01	32.01	30.44	33.52	36.63	47.24	14.24	Return on Equity
20.56	21.61	24.87	27.29	27.37	28.3	20.97	22.92	26.5	27.95	7.84	Rtn on Invested Capital

## Dividends as of 17 May 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar (%)
—	0.80	0.75	0.95	1.10	1.14	1.20	1.20	1.26	1.44	1.85	Dividend Per Share
—	4.12	3.41	—	5.03	5.67	7.57	—	5.34	—	6.91	Trailing Dividend Yield
—	0.03	0.15	—	0.12	0.13	—	—	—	—	0.07	Buyback Yield

# Appendix

Economic Moat <sup>®</sup> History as of 17 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	0.82	0.84	0.83	0.84	0.84	—	—	—	—	—	—	—
2023	0.94	0.93	0.92	0.95	0.96	0.96	0.89	0.86	0.86	0.90	0.75	0.81
2022	0.87	0.98	0.95	0.94	0.78	0.95	0.92	0.83	0.80	0.92	0.94	0.89
2021	0.99	0.98	0.98	0.98	0.86	0.96	0.95	0.79	0.95	0.91	0.89	0.84
2020	0.96	0.96	0.96	0.94	0.88	0.92	0.97	0.97	0.98	0.98	0.98	0.99
2019	0.93	0.90	0.91	0.89	0.86	0.94	0.90	0.92	0.94	0.93	0.93	0.91

# Quantitative Equity Report Overview

The quantitative report on equities consists of data, statistics and quantitative equity ratings on equity securities. Morningstar, Inc.'s quantitative equity ratings are forward looking and are generated by a statistical model that is based on Morningstar Inc.'s analyst-driven equity ratings and quantitative statistics. Given the nature of the quantitative report and the quantitative ratings, there is no one analyst in which a given report is attributed to; however, Mr. Lee Davidson, Head of Quantitative Research for Morningstar, Inc., is responsible for overseeing the methodology that supports the quantitative equity ratings used in this report. As an employee of Morningstar, Inc., Mr. Davidson is guided by Morningstar, Inc.'s Code of Ethics and Personal Securities Trading Policy in carrying out his responsibilities.

## 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

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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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