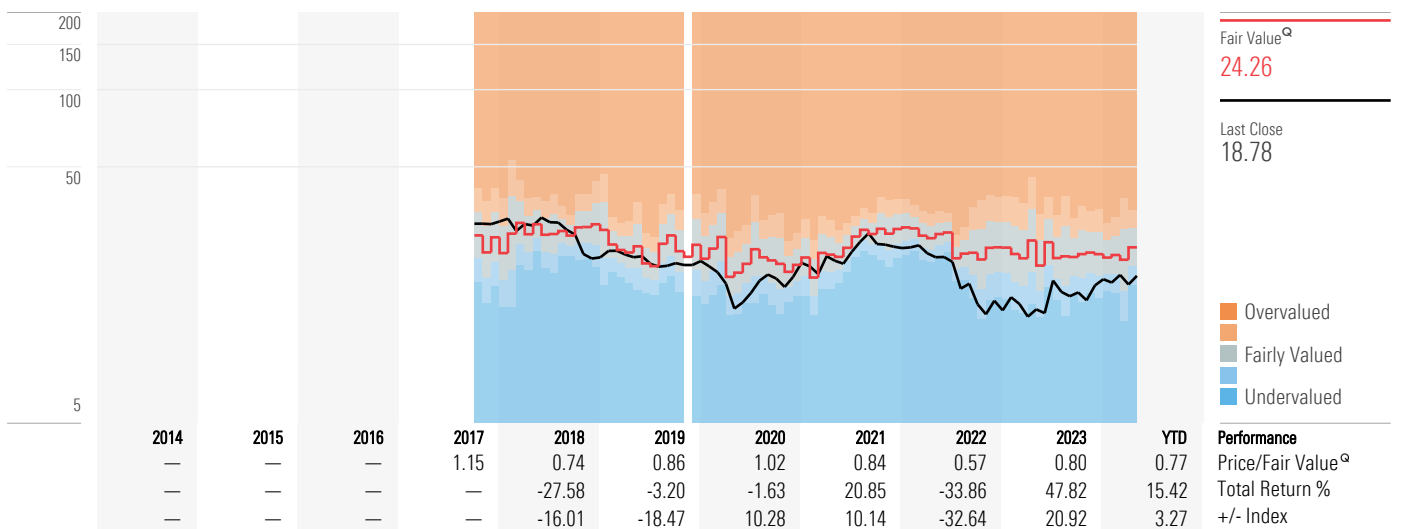


Aedas Homes SA Ordinary Shares AEDAS ★★★★★ Q 26 Apr 2024, 22:46 UTC

Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	ESG Risk Rating Assessment ¹	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
None	High	0.8	3 Apr 2024 05:00, UTC	18.10	793.2715 Mil	Small Value	Real Estate	Real Estate - Development



As of 26 Apr 2024 | Index: Morningstar Spain GR EUR. Fair Value data as of 26 Apr 2024, 22:46 UTC.

¹The 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 as of 25 Apr 2024

Metrics	Value	Percentile in Sector
Earnings Yield (%)	11.8	84.0
Sales Yield (%)	111.6	82.0
Book Value Yield (%)	115.9	49.0
Return on Assets (%)*	4.9	83.0
Revenue(Bil)*	1.0	82.0
Market Value (Mil)	849.8	64.0
Enterprise Value (Bil)	1.4	58.0
EVMV Ratio	1.7	48.0
Volatility TTM (%)	21.1	36.0
Drawdown TTM (%)	14.4	26.0
Volume (K)	25.9	33.0

*30 Sep 2023

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 ^Q as of 26 Apr 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 18.40, below our quantitative fair value estimate of 23.73. These shares have traded between a 46.11% 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 58th percentile; in the real estate sector, the firm's score lies at the 67th percentile (meaning the shares are more undervalued than 67% 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 11.82%, and its maximum annualized trailing 12-month volatility is 28.58%. The earnings yield falls at the 84th 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 21.11% and 28.58%.

Economic Moat ^Q as of 26 Apr 2024

Quantitatively, we do not believe Aedas Homes has an economic moat. Its moat score of 0.31 corresponds to the 43rd percentile in the real estate sector. Furthermore, this rating has not changed over the past year, while the company's moat score fell from its maximum of 0.4 in this period (score of 1 indicates greatest economic moat).

The company also maintains a quantitative financial health rating of Moderate. Its score sits at the 45th percentile overall and the 55th percentile in the sector.

Examining the company's financials and market statistics, we find these ratings are principally driven by its book value yield and enterprise value-to-market value ratio. The book value yield is 115.90%, sitting at the 49th percentile in the real estate sector. The company's enterprise value-to-market value ratio is 1.66, corresponding to the 81st percentile in the equity coverage universe and the 48th percentile in the sector.

Fundamentals as of 26 Apr 2024


Aedas Homes reports earnings per share of 2.17. Its return on invested capital is 8.27%. The company maintains a dividend yield of 19.56%, paying out 98.86% of earnings. These values are calculated over a trailing 12-month period.

As of last market close, Aedas Homes has a price-to-earnings ratio of 8.46, falling at the 26th percentile in its sector (where a lower percentile means a lower ratio) and ranging between 6.17 and 9.45 over the past year.

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Aedas Homes SA Ordinary Shares AEDAS ★★★★★ Q 26 Apr 2024, 22:46 UTC

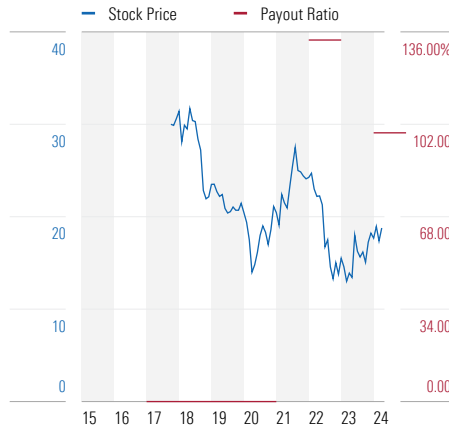
Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	ESG Risk Rating Assessment ¹	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
None	High	0.8	 3 Apr 2024 05:00, UTC	18.10	793.2715 Mil	Small Value	Real Estate	Real Estate - Development

Earnings as of 25 Apr 2024

Earnings	%	Percentile in Sector
Dividend Yield*	19.6	97.0
Payout Ratio*	98.9	62.0
Price to Earnings	8.5	26.0
Price to Cash Flow	—	—
ROIC**	8.3	88.0

*28 Mar 2024
**30 Sep 2023

Dividends as of 26 Apr 2024



Valuation ^Q as of 26 Apr 2024

Fair Value ^Q
24.26

Uncertainty ^Q :
High

Last Close
18.78

AEDAS is Undervalued at a 23% discount.

Economic Moat ^Q
None

Financial Health ^Q
Moderate

1-Star Price ^Q
> 34.03

5-Star Price ^Q
< 17.30

Contact

<https://www.aedashomes.com>

Financials as of 26 Apr 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 26 Apr 2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
Price/Fair Value ^Q	—	—	—	1.15	0.74	0.86	1.02	0.84	0.57	0.80	0.77	Price/Fair Value ^Q
Price/Sales	—	—	—	69,368.13	22.71	11.97	3.25	1.39	0.87	0.89	0.91	Price/Sales
Price/Earnings	—	—	—	—	—	—	31.97	9.78	8.51	8.38	8.64	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	0.88	Price/Book

Operating Performance as of 26 Apr 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 26 Apr 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	—	18.1	Trailing Dividend Yield
Buyback Yield	—	—	—	—	—	—	3.11	—	1.07	—	1.4	Buyback Yield

Appendix

Economic Moat [®]History as of 26 Apr 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	0.25	—	—	—	—	—	—	—	—
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

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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, 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

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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.

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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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/

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