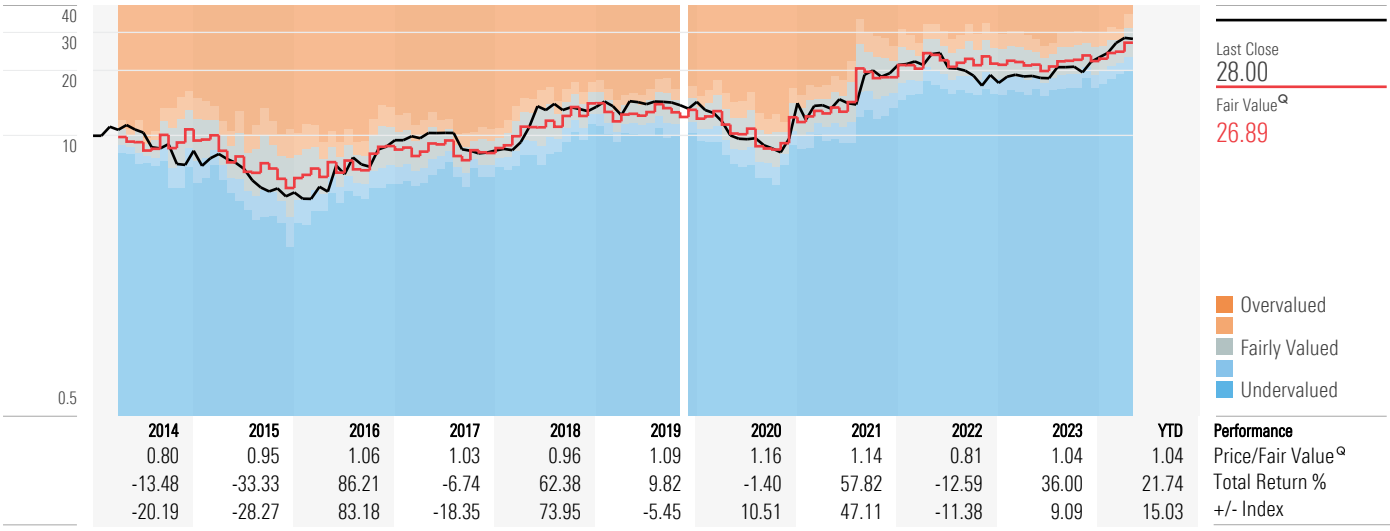
Clinica Baviera SA CBAV ★★★ 17 Apr 2024, 22:36 UTC

Economic Moat	Uncertainty	Price/Fair Value	ESG Risk Rating Assessment[1]	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	High	1.0	—	2.86	456.3961 Mil	Small Core	Healthcare	Diagnostics & Research



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Price/Fair Value	0.80	0.95	1.06	1.03	0.96	1.09	1.16	1.14	0.81	1.04	1.04
Total Return %	-13.48	-33.33	86.21	-6.74	62.38	9.82	-1.40	57.82	-12.59	36.00	21.74
+/- Index	-20.19	-28.27	83.18	-18.35	73.95	-5.45	10.51	47.11	-11.38	9.09	15.03

Performance

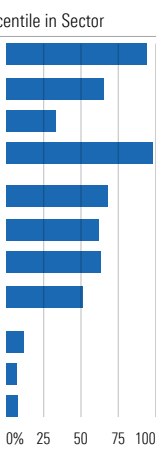
As of 17 Apr 2024 | Index: Morningstar Spain GR EUR. Fair Value data as of 17 Apr 2024, 22:36 UTC.

[1]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.

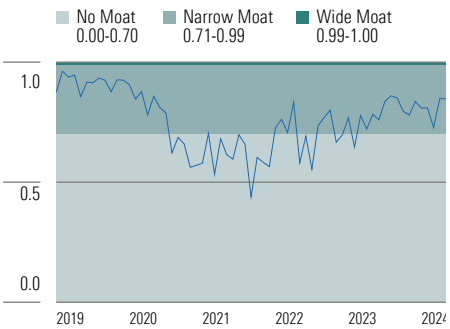
Key Metrics as of 12 Apr 2024

Metrics		Percentile in Sector
Earnings Yield (%)	7.7	94.0
Sales Yield (%)	47.9	65.0
Book Value Yield (%)	19.4	33.0
Return on Assets (%)*	21.9	98.0
Revenue(Mil)*	239.1	68.0
Market Value (Mil)	499.0	62.0
Enterprise Value (Mil)	495.0	63.0
EVMV Ratio	1.0	51.0
Volatility TTM (%)	20.0	12.0
Drawdown TTM (%)	13.0	7.0
Volume (K)	3.2	8.0

*31 Dec 2023



Economic Moat History as of 17 Apr 2024



Business Description

Clinica Baviera SA operates ophthalmological clinics. It is involved in the diagnosis, treatment, and monitoring of various types of ophthalmological disorders. It offers diagnosis and treatment for various eye problems such as long-sightedness, short-sightedness, astigmatism, cataracts and eye strain.

Valuation as of 17 Apr 2024

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

The stock's last closing price was 28.00, a premium of 5.38% to its Quantitative Fair Value estimate of 26.57. The stock has been trading between a 14.28% discount and 16.28% premium to its quantitative fair value over the past year. The stock's price to fair value ratio is at the 95th percentile in our global equity coverage universe for this methodology and at the 94th percentile relative to its peers in the healthcare sector.

Clinica Baviera 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 Very High to High after 09/12/2023.

We examine the financials and market statistics for Clinica Baviera to determine these ratings. Its book value yield is 19.94% and its annualized trailing 12-month volatility is 19.87%. These fall at the 20th and 21st percentiles in the equity universe and at the 34th and 11th in the healthcare sector, respectively.

Economic Moat as of 17 Apr 2024

Quantitatively, we believe Clinica Baviera has a Narrow economic moat. Its moat score of 0.85 corresponds to the 83rd percentile in the healthcare sector. Furthermore, this rating last differed from its previous rating of None on 01/01/2024, although the company's moat score is in-line with its maximum of 0.89 (score of 1 indicates greatest economic moat).

The company also maintains a quantitative financial health rating of Strong. Its score sits at the 84th percentile overall and the 89th 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 annualized trailing 12-month volatility. The book value yield is 19.94%, sitting at the 34th percentile in the healthcare sector. The company's annualized trailing 12-month volatility is 19.87%, corresponding to the 21st percentile in the equity coverage universe and the 11th percentile in the sector.

Fundamentals as of 17 Apr 2024

The earnings per share for Clinica Baviera is 2.21. The company earns a return on invested capital of 28.61%, falling at the 95th percentile in the healthcare sector. The firm maintains a dividend yield of 2.83%. We calculate the above figures over a trailing 12-month period.

Examining valuation further, we find Clinica Baviera holds a price-to-earnings ratio of 12.67, a figure greater than 18% of its sector peers. The company's price-to-free cash flow ratio is 12.99, greater than 28% of its sector peers. These values are calculated using the stock's price at last market close.

Contact

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http://www.clinicabaviera.com

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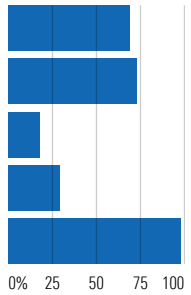
Narrow	High	1.0	—	2.86	456.3961 Mil	Small Core	Healthcare	Diagnostics & Research

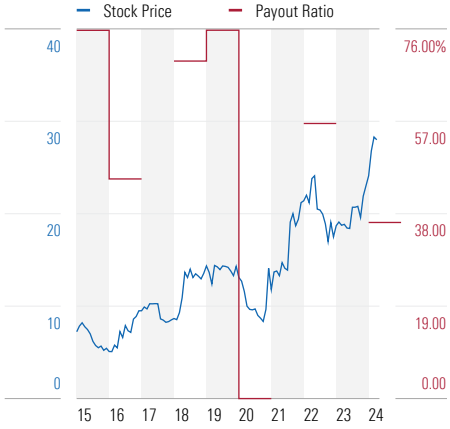
Earnings as of 12 Apr 2024

Earnings	%	Percentile in Sector
Dividend Yield*	2.8	69.0
Payout Ratio*	65.7	73.0
Price to Earnings	13.0	18.0
Price to Cash Flow	13.4	29.0
ROIC**	28.6	98.0

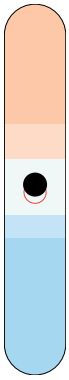


*28 Mar 2024
**31 Dec 2023

Dividends as of 17 Apr 2024



Valuation as of 17 Apr 2024



Last Close 28.00

Fair Value 26.89
Uncertainty : High

CBAV is trading within a range we consider fairly valued..

Economic Moat
Narrow
Financial Health
Strong
1-Star Price
> 36.43
5-Star Price
< 19.85

Financials as of 17 Apr 2024 (Fiscal Year End 31 Dec 2019)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	Fiscal
83	86	92	100	109	124	123	173	198	225	225	Revenue (Mil)
5.64	6.54	11.61	13.62	16.98	18.39	20.51	39.46	42.12	50.04	50.04	Operating Income (Mil)
6.82	7.64	12.67	13.64	15.54	14.79	16.73	22.85	21.22	22.25	22.25	Operating Margin (%)
4.05	4.88	7.91	9.77	11.83	12.79	13.94	27.39	29.52	35.97	35.97	Net Income (Mil)
0.25	0.30	0.49	0.60	0.73	0.78	0.85	1.68	1.81	2.21	2.21	Diluted Earnings/Share
9.66	10.84	13.55	15.83	16.81	25.40	31.46	46.86	53.38	57.81	57.81	Operating Cash Flow (Mil)
-4.13	-5.72	-6.62	-8.90	-9.41	-9.19	-7.82	-10.58	-14.03	-22.68	-22.68	Capital Spending (Mil)
5.54	5.12	6.93	6.93	7.41	16.21	23.64	36.28	39.35	35.13	35.13	Free Cash Flow (Mil)
16	16	16	16	16	16	16	16	16	16	16	Avg Shares Outstand(Mil)

Valuation as of 17 Apr 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
0.80	0.95	1.06	1.03	0.96	1.09	1.16	1.14	0.81	1.04	1.04	Price/Fair Value
1.73	1.05	1.69	1.43	2.07	1.95	1.96	2.09	1.48	1.73	2.03	Price/Sales
40.40	20.59	17.87	16.43	19.58	18.67	19.46	12.35	9.61	11.62	12.67	Price/Earnings
16.35	11.22	11.23	11.03	12.59	10.16	8.45	7.53	5.66	6.54	7.90	Price/Cash Flow
7.16	4.47	6.50	6.99	8.94	8.85	6.02	6.07	4.10	4.65	5.02	Price/Book

Operating Performance as of 17 Apr 2024 (Fiscal Year End 31 Dec 2019)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q3	Fiscal (%)
8.33	10.23	16.99	19.39	21.54	16.26	12.53	21.5	20.79	21.88	5.12	Return on Assets
18.08	23.82	40.0	45.35	44.57	43.31	37.14	55.28	48.41	45.43	10.55	Return on Equity
12.01	13.19	22.97	26.52	29.3	20.96	15.59	26.98	26.9	28.61	6.55	Rtn on Invested Capital

Dividends as of 17 Apr 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar (%)
0.56	0.22	0.63	0.22	0.48	0.58	—	1.05	1.03	0.80	1.30	Dividend Per Share
6.6	4.04	3.37	—	3.54	4.06	—	—	5.89	—	2.86	Trailing Dividend Yield
—	0.24	0.41	—	0.23	—	—	—	—	—	0.01	Buyback Yield

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Appendix

Economic Moat Q History as of 17 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	0.81	0.81	0.73	0.85	—	—	—	—	—	—	—	—
2023	0.77	0.65	0.78	0.72	0.78	0.76	0.84	0.86	0.85	0.80	0.78	0.84
2022	0.73	0.76	0.71	0.83	0.58	0.69	0.55	0.73	0.77	0.80	0.67	0.70
2021	0.58	0.70	0.53	0.68	0.61	0.60	0.70	0.66	0.44	0.60	0.58	0.56
2020	0.91	0.85	0.88	0.78	0.86	0.81	0.79	0.62	0.69	0.66	0.56	0.57
2019	0.87	0.96	0.94	0.95	0.86	0.92	0.91	0.93	0.92	0.88	0.93	0.93

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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.

Farily Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Farily 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.

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of unmanaged ESG risk across all subindustries covered.

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