

# Clinica Baviera SA CBAV ★★★ Q 3 May 2024, 22:45 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	1.1	—	2.82	462.9160 Mil	Small Growth	Healthcare	Diagnostics & Research

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Price/Fair Value <sup>Q</sup>	0.80	0.95	1.06	1.03	0.96	1.09	1.16	1.14	0.81	1.04	1.05
Total Return %	-13.48	-33.33	86.21	-6.74	62.38	9.82	-1.40	57.82	-12.59	36.00	23.48
+/- Index	-20.19	-28.27	83.18	-18.35	73.95	-5.45	10.51	47.11	-11.38	9.09	13.75

Last Close	28.40
Fair Value <sup>Q</sup>	26.93

Overvalued	Fairly Valued	Undervalued
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As of 3 May 2024 | Index: Morningstar Spain GR EUR. Fair Value data as of 3 May 2024, 22:45 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 as of 26 Apr 2024

Metrics		Percentile in Sector
Earnings Yield (%)	7.9	94.0
Sales Yield (%)	49.1	65.0
Book Value Yield (%)	19.9	33.0
Return on Assets (%)*	21.9	98.0
Revenue(Mil)*	240.2	68.0
Market Value (Mil)	489.2	63.0
Enterprise Value (Mil)	485.1	63.0
EV/MV Ratio	1.0	51.0
Volatility TTM (%)	19.9	12.0
Drawdown TTM (%)	13.0	7.0
Volume (K)	3.1	8.0

\*31 Dec 2023

## Business Description

No data available

## Valuation<sup>Q</sup> as of 3 May 2024

Morningstar maintains a 3-star quantitative star rating for Clinica Baviera, derived from the firm's valuation and uncertainty scores.

The company's shares last closed at 28.40, above our quantitative fair value estimate of 26.32. These shares have traded between a 14.28% discount and 16.28% premium 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 95th percentile; in the healthcare sector, the firm's score lies at the 95th percentile (meaning the shares are more undervalued than 95% of stocks in the sector).

Furthermore, Clinica Baviera maintains a quantitative valuation uncertainty rating of High. The company has held this star rating over the past year. The uncertainty rating for Clinica Baviera has remained High since the previous rating of Very High, which was last assigned on 09/12/2023.

The key factors behind these ratings are the company's book value yield and volatility. The book value yield is 19.66%, and its maximum annualized trailing 12-month volatility is 22.39%. The book value yield falls at the 33rd percentile in the healthcare sector while the volatility is at the 11th percentile. Over the past year, the company's book value yield has been between 16.90% and 24.65%; its volatility has ranged between 18.73% and 22.39%.

moat score of 0.85 sits at the 84th percentile in the healthcare sector. This is a decrease from 0.89, the maximum of its moat scores over the past year.

The quantitative financial health rating for Clinica Baviera is Strong. Its financial health score, termed Distance to Default, sits at the 84th percentile in the universe and 90th percentile in the sector.

The significant drivers of these ratings are the company's book value yield and annualized trailing 12-month volatility. The book value yield for Clinica Baviera is 19.66%, and its annualized trailing 12-month volatility is 19.92%. They sit at the 20th and 21st percentile in the global equity universe, respectively.

## Fundamentals as of 3 May 2024

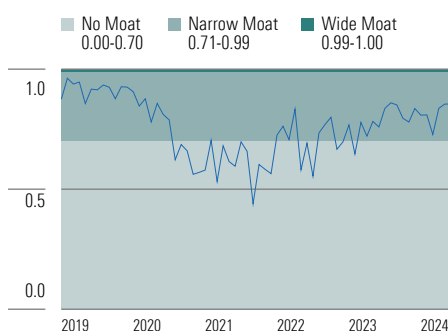
The earnings per share for Clinica Baviera is 2.21. The company earns a return on invested capital of 28.61%, falling at the 95th percentile in the healthcare sector. The firm maintains a dividend yield of 2.83%. We calculate the above figures over a trailing 12-month period.

Examining valuation further, we find Clinica Baviera holds a price-to-earnings ratio of 12.71, a figure greater than 17% of its sector peers. The company's price-to-free cash flow ratio is 13.04, greater than 27% of its sector peers. These values are calculated using the stock's price at last market close.

## Contact

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—  
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## Economic Moat<sup>Q</sup> History as of 3 May 2024



## Economic Moat<sup>Q</sup> as of 3 May 2024

Morningstar maintains a Narrow quantitative moat rating on the company. The firm's quantitative

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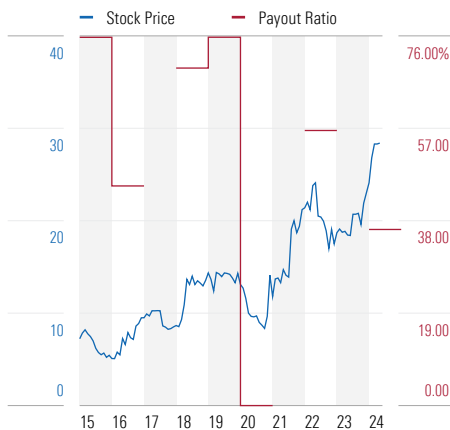
## Earnings as of 26 Apr 2024

Earnings	%	Percentile in Sector
Dividend Yield*	2.8	69.0
Payout Ratio*	65.7	73.0
Price to Earnings	12.7	20.0
Price to Cash Flow	13.0	31.0
ROIC**	28.6	98.0

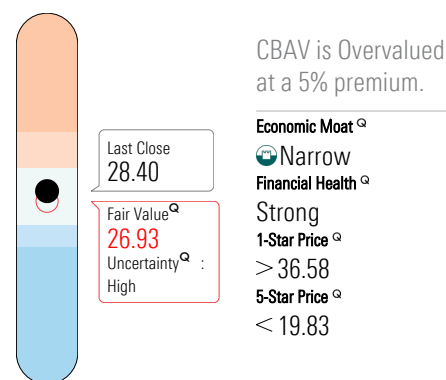
\*28 Mar 2024

\*\*31 Dec 2023

## Dividends as of 3 May 2024



## Valuation <sup>Q</sup> as of 3 May 2024



CBAV is Overvalued at a 5% premium.

### Economic Moat <sup>Q</sup>

Narrow

### Financial Health <sup>Q</sup>

Strong

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

&gt; 36.58

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

&lt; 19.83

## Financials as of 3 May 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 3 May 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	1.05	Price/Fair Value <sup>Q</sup>
1.73	1.05	1.69	1.43	2.07	1.95	1.96	2.09	1.48	1.73	2.06	Price/Sales
40.40	20.59	17.87	16.43	19.58	18.67	19.46	12.35	9.61	11.62	12.85	Price/Earnings
16.35	11.22	11.23	11.03	12.59	10.16	8.45	7.53	5.66	6.54	8.01	Price/Cash Flow
7.16	4.47	6.50	6.99	8.94	8.85	6.02	6.07	4.10	4.65	5.09	Price/Book

## Operating Performance as of 3 May 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 3 May 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	—	2.82	Trailing Dividend Yield
—	0.24	0.41	—	0.23	—	—	—	—	—	0.01	Buyback Yield

# Appendix

Economic Moat <sup>®</sup> History as of 3 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	0.81	0.81	0.73	0.84	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

# 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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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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