

# Lleidanetworks Serveis Telematics SA LLN ★★★<sup>Q</sup> 20 Feb 2019 02:00 UTC

**Last Close**  
20 Feb 2019  
1.19

**Fair Value<sup>Q</sup>**  
20 Feb 2019 02:00 UTC  
1.23

**Market Cap**  
20 Feb 2019  
19.1 Mil

**Sector**  
Communication Services  
**Industry**  
Telecom Services

**Country of Domicile**  
ESP Spain

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## Company Profile

Lleidanetworks Serveis Telematics SA offers services as a telecommunications operator. The company provides registered eCommunications, SMS (short message service) solutions, electronic notification, contracting and data validation services. It serves various industries including banking, call centers, financial services, utilities, real estate, insurance agents and brokers, legal services, temporary employment agencies and government.

## Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	74	70	56
Valuation	Fairly Valued	21	25	35
Quantitative Uncertainty	Very High	57	54	46
Financial Health	Moderate	69	63	42



Undervalued Fairly Valued Overvalued

Source: Morningstar Equity Research

## Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	0.97	0.89	0.84	0.87
Price/Earnings	332.0	—	15.3	15.0
Forward P/E	—	—	14.6	12.5
Price/Cash Flow	14.2	—	6.0	8.8
Price/Free Cash Flow	108.3	—	15.6	15.2
Trailing Dividend Yield %	—	—	4.22	3.93
Price/Book	6.9	—	2.0	1.9
Price/Sales	2.0	—	1.3	1.4

## Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	2.1	—	13.0	12.9
Return on Assets %	0.7	—	4.8	3.3
Revenue/Employee (K)	179.7	—	685.3	240.3

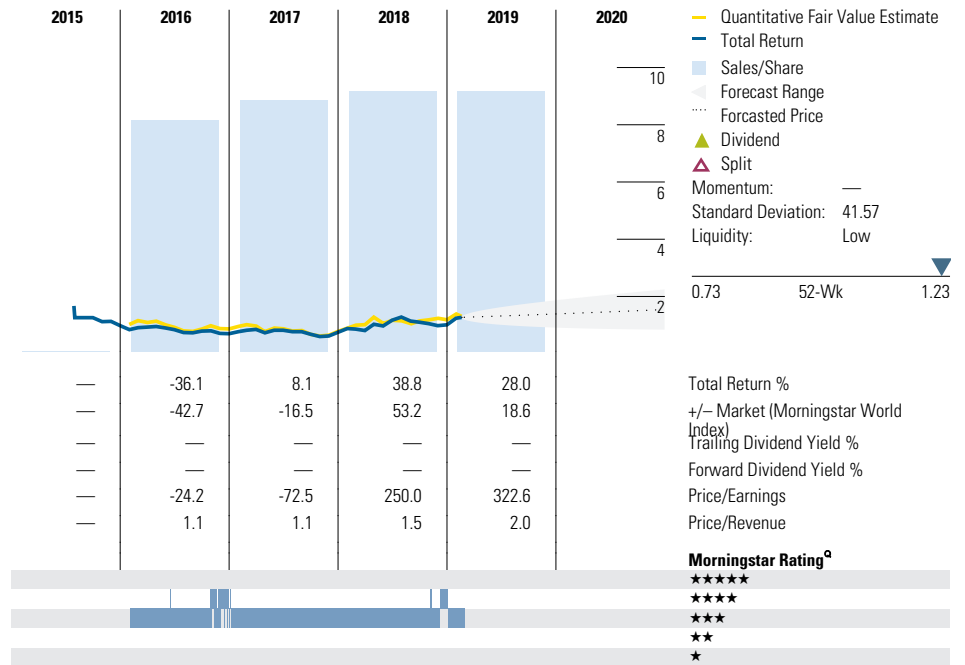
## Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.6	0.6	0.5	0.7
Solvency Score	662.3	—	527.0	556.5
Assets/Equity	3.0	3.3	1.9	2.7
Long-Term Debt/Equity	0.4	0.7	0.3	0.4

## Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	22.7	2.7	—	—
Operating Income %	—	-2.2	—	—
Earnings %	—	—	—	—
Dividends %	—	—	—	—
Book Value %	-2.9	—	—	—
Stock Total Return %	52.6	15.1	—	—

## Price vs. Quantitative Fair Value

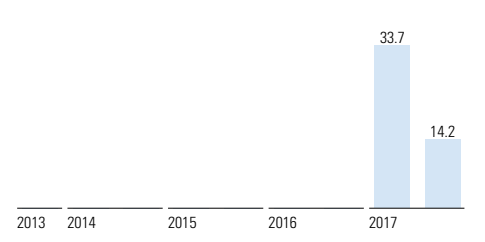


2013	2014	2015	2016	2017	TTM	Financials (Fiscal Year in K)
—	9,127	8,405	8,054	9,881	9,881	Revenue
—	—	-7.9	-4.2	22.7	0.0	% Change
—	287	-697	-588	268	268	Operating Income
—	—	-343.0	—	—	0.0	% Change
—	116	-394	-1,429	59	59	Net Income
—	1,541	-603	858	1,390	1,390	Operating Cash Flow
—	-1,941	-1,553	-1,170	-1,207	-1,207	Capital Spending
—	-400	-2,156	-312	182	182	Free Cash Flow
—	-4.4	-25.7	-3.9	1.8	1.8	% Sales
—	—	-0.03	-0.09	0.00	0.00	EPS
—	—	—	—	—	0.0	% Change
—	—	—	-0.14	0.02	0.01	Free Cash Flow/Share
—	—	—	—	—	—	Dividends/Share
—	—	—	0.29	0.17	0.18	Book Value/Share
—	15,332	15,286	16,050	—	16,050	Shares Outstanding (K)
—	5.6	-9.9	-33.0	2.1	2.1	Profitability Return on Equity %
—	1.3	-3.5	-12.4	0.7	0.7	Return on Assets %
—	1.3	-4.7	-17.7	0.6	0.6	Net Margin %
—	1.01	0.75	0.70	1.09	1.09	Asset Turnover
—	4.3	2.3	3.4	3.0	3.0	Financial Leverage
—	47.6	50.8	62.9	61.7	61.7	Gross Margin %
—	3.1	-8.3	-7.3	2.7	2.7	Operating Margin %
—	2,464	2,516	1,801	1,023	1,023	Long-Term Debt
—	2,091	5,853	2,817	2,871	2,871	Total Equity
—	20.7	19.4	18.2	23.2	23.2	Fixed Asset Turns

## Semi-Annual Revenue & EPS

Revenue (K)	Mar	Jun	Sep	Dec	Total
2017	—	4,691.9	—	5,189.1	9,881.0
2016	—	3,510.4	—	4,543.6	8,054.0
2015	—	—	—	—	8,405.2
2014	—	—	—	—	9,127.3
Earnings Per Share (€)					
2017	—	-0.01	—	0.01	0.00
2016	—	-0.09	—	0.00	-0.09
2015	—	—	—	—	-0.03
2014	—	—	—	—	—

## Revenue Growth Year On Year %



# Quantitative Equity Reports Overview

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

**One-Star** – the stock is overvalued with a reasonable margin of safety.

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

**Two-Star** - the stock is somewhat overvalued.

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

**Three-Star** – the stock is approximately fairly valued.

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

**Four-Star** – the stock is somewhat undervalued.

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

**Five-Star** – the stock is undervalued with a reasonable margin of safety.

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

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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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.

**Overvalued – Last Price** is above Morningstar's quantitative fair value estimate.

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