

Gigas Hosting SA GIGA ★★★^Q 12 Dec 2017 02:00 UTC

Last Close
12 Dec 2017
3.10

Fair Value^Q
12 Dec 2017 02:00 UTC
3.00

Market Cap
12 Dec 2017
13.0 Mil

Sector
Technology

Industry
Software - Application

Country of Domicile
ESP Spain

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Company Profile

Gigas Hosting SA provides cloud computing solutions to all types of companies and also technology and support in Spanish. It also offers cloud VPS, cloud data center, and cloud server for oracle.

Quantitative Scores

		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	74	87	48
Valuation	Fairly Valued	54	56	54
Quantitative Uncertainty	High	66	60	53
Financial Health	Strong	80	72	68



Undervalued Fairly Valued Overvalued

Source: Morningstar Equity Research

Valuation

	Current		5-Yr Avg	Sector Median	Country Median
	Current	5-Yr Avg			
Price/Quant Fair Value	1.03	—	—	1.02	1.04
Price/Earnings	—	—	—	24.2	16.7
Forward P/E	—	—	—	18.1	14.5
Price/Cash Flow	—	—	—	16.6	9.0
Price/Free Cash Flow	—	—	—	23.5	14.5
Trailing Dividend Yield %	—	—	—	1.61	2.93
Price/Book	3.1	—	—	2.6	2.0
Price/Sales	2.2	—	—	1.8	1.5

Profitability

	Current		5-Yr Avg	Sector Median	Country Median
	Current	5-Yr Avg			
Return on Equity %	—	—	—	12.4	12.5
Return on Assets %	—	—	—	6.6	2.8
Revenue/Employee (K)	99.9	—	—	445.5	288.4

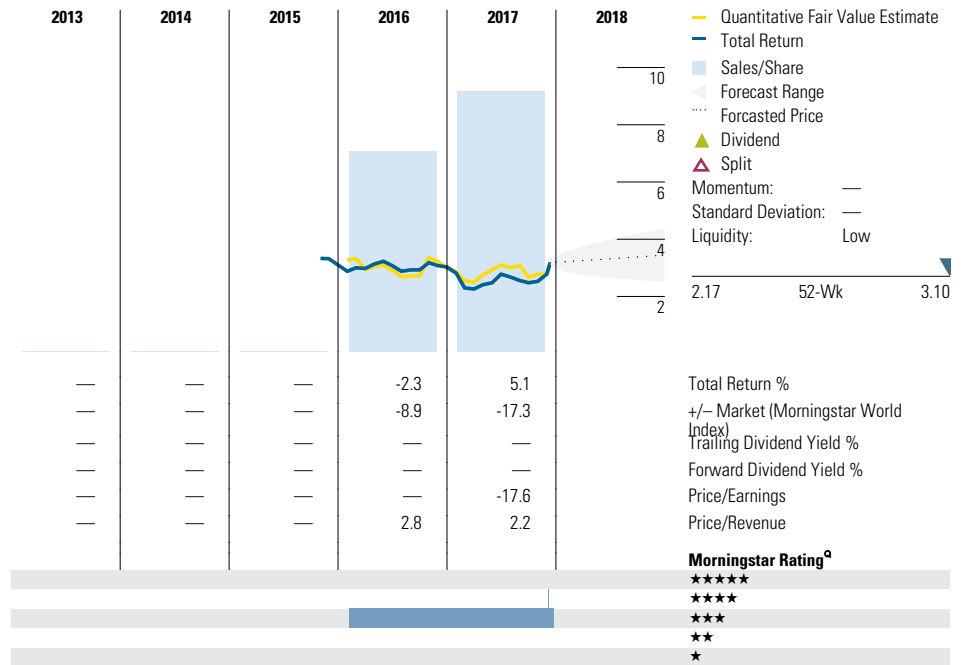
Financial Health

	Current		5-Yr Avg	Sector Median	Country Median
	Current	5-Yr Avg			
Distance to Default	0.7	—	—	0.6	0.6
Solvency Score	—	—	—	466.8	631.9
Assets/Equity	1.9	2.2	—	1.6	2.8
Long-Term Debt/Equity	0.2	0.2	—	0.1	0.5

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	29.0	—	—	—
Operating Income %	—	—	—	—
Earnings %	—	—	—	—
Dividends %	—	—	—	—
Book Value %	—	—	—	—
Stock Total Return %	3.3	—	—	—

Price vs. Quantitative Fair Value

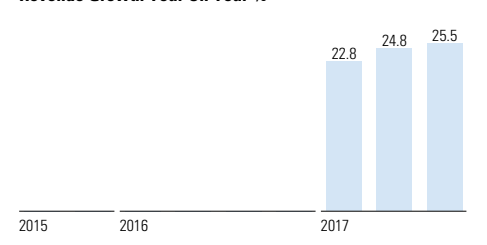


	2012	2013	2014	2015	2016	TTM	Financials (Fiscal Year in K)
Revenue	—	—	2,468	3,748	4,834	5,693	Revenue
% Change	—	—	—	51.8	29.0	17.8	% Change
Operating Income	—	—	-953	-269	-986	-827	Operating Income
% Change	—	—	—	—	—	—	% Change
Net Income	—	—	-649	-211	-773	-739	Net Income
Operating Cash Flow	—	—	-1,612	154	-594	-610	Operating Cash Flow
Capital Spending	—	—	-822	-866	-828	-783	Capital Spending
Free Cash Flow	—	—	-2,435	-712	-1,422	-1,393	Free Cash Flow
% Sales	—	—	-98.6	-19.0	-29.4	-24.5	% Sales
EPS	—	—	—	—	-0.18	-0.18	EPS
% Change	—	—	—	—	—	—	% Change
Free Cash Flow/Share	—	—	—	—	-0.32	-0.33	Free Cash Flow/Share
Dividends/Share	—	—	—	—	—	—	Dividends/Share
Book Value/Share	—	—	—	—	1.17	0.98	Book Value/Share
Shares Outstanding (K)	—	—	—	—	4,193	4,193	Shares Outstanding (K)
Profitability	—	—	-39.3	-6.3	-16.1	—	Profitability
Return on Equity %	—	—	-13.4	-3.0	-8.6	—	Return on Equity %
Return on Assets %	—	—	-26.3	-5.6	-16.0	-13.0	Return on Assets %
Net Margin %	—	—	0.51	0.53	0.54	—	Net Margin %
Asset Turnover	—	—	2.9	1.8	1.9	2.0	Asset Turnover
Financial Leverage	—	—	83.5	91.2	78.6	81.4	Financial Leverage
Gross Margin %	—	—	-38.6	-7.2	-20.4	-14.5	Gross Margin %
Operating Margin %	—	—	387	832	818	1,000	Operating Margin %
Long-Term Debt	—	—	1,650	5,091	4,490	4,102	Long-Term Debt
Total Equity	—	—	1.7	2.4	2.7	—	Total Equity
Fixed Asset Turns	—	—	—	—	—	—	Fixed Asset Turns

Quarterly Revenue & EPS

Revenue (K)	Mar	Jun	Sep	Dec	Total
2017	1,370.1	1,510.8	1,501.6	—	—
2016	1,115.8	1,211.1	1,196.3	1,310.6	4,833.8
2015	—	1,696.4	—	2,051.3	3,747.7
2014	—	—	—	—	2,468.4
Earnings Per Share (€)					
2017	-0.05	-0.04	-0.01	—	—
2016	—	—	—	-0.08	-0.18
2015	—	—	—	—	—
2014	—	—	—	—	—

Revenue Growth Year On Year %



Quantitative Equity Reports Overview

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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*

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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%

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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.

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Undervalued – Last Price is below Morningstar's quantitative fair value estimate.

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