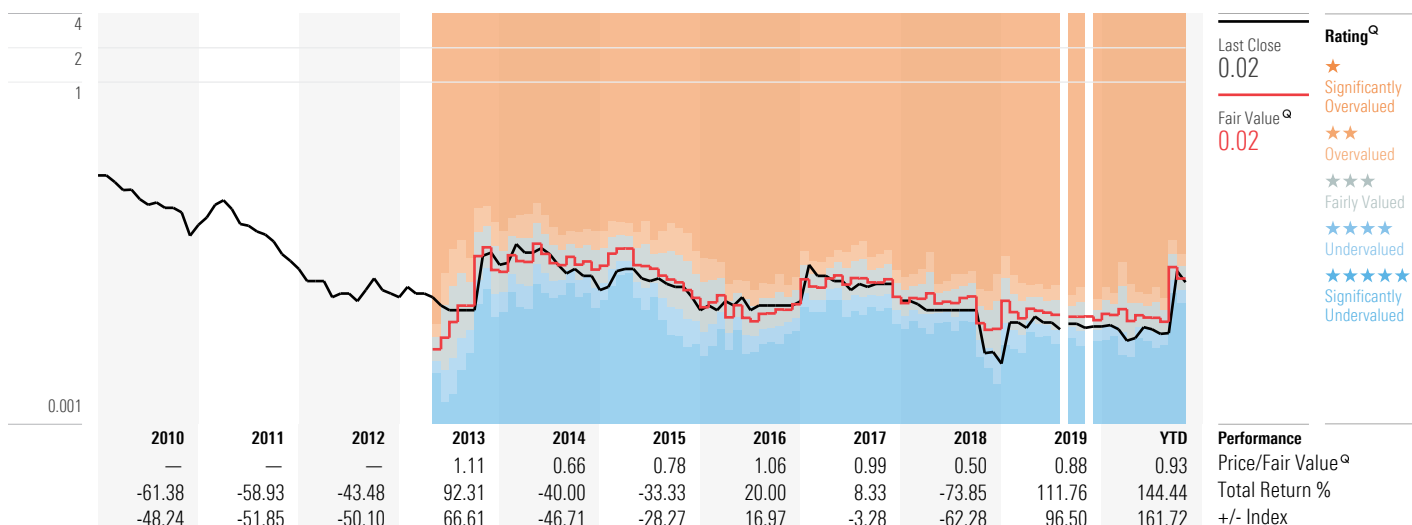


Urbas Grupo Financiero SA UBS ★★★ Q 26 Oct 2020, 22:31 UTC

Economic Moat ☐	Uncertainty ☐	Price/Fair Value ☐	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
None	Very High	0.9	—	607.5279 Mil	Small Growth	Real Estate	Real Estate Services



Total Return % as of 26 Oct 2020. Last Close as of 26 Oct 2020. Fair Value as of 26 Oct 2020, 22:31 UTC. Index: Morningstar Spain GR EUR.

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Valuation ☐ as of 26 Oct 2020



UBS is undervalued at a 7% discount.

Economic Moat ☐
None

Financial Health ☐
Moderate

1-Star Price ☐
> 0.03

5-Star Price ☐
< 0.01

Financials as of 26 Oct 2020 (Fiscal Year End 31 Dec 2019)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD	Fiscal
Revenue (Mil)	20	6	8	7	5	2	7	4	3	6	3	Revenue (Mil)
Operating Income (K)	-21,153	-17,888	-30,061	-17,232	-4,349	-1,605	-3,210	253	4,304	902	-511	Operating Income (K)
Operating Margin (%)	-107	-324	-389	-253	-80.73	-106	-45.6	5.94	142	15.19	-16.22	Operating Margin (%)
Net Income (K)	-45,017	-29,916	-38,563	-31,396	-17,052	-85,810	4,832	5,230	426	1,136	1,101	Net Income (K)
Diluted Earnings/Share	-0.12	-0.05	-0.05	-0.02	-0.01	-0.03	0.00	0.00	0.00	0.00	0.00	Diluted Earnings/Share
Operating Cash Flow (K)	6,753	2,301	3,822	14,478	-1,214	-1,788	-2,194	-2,105	7,936	-33	-33	Operating Cash Flow (K)
Capital Spending (K)	-398	-15	—	—	—	—	—	—	—	-4	-4	Capital Spending (K)
Free Cash Flow (K)	6,355	2,286	3,822	14,478	-1,214	-1,788	-2,194	-2,105	7,936	-37	-37	Free Cash Flow (K)
Avg Shares Outstand(Mil)	398	562	859	1,719	2,279	2,493	33,611	34,110	34,417	34,504	34,519	Avg Shares Outstand(Mil)
Dividend Per Share	—	—	—	—	—	—	—	—	—	—	—	Dividend Per Share

Valuation as of 26 Oct 2020

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Current	Calendar
Price/Fair Value	—	—	—	1.11	0.66	0.78	1.06	0.99	0.50	0.88	0.93	Price/Fair Value
Price/Sales	0.79	1.02	1.45	5.23	6.00	4.81	7.68	13.39	33.16	43.73	67.82	Price/Sales
Price/Earnings	—	—	—	—	—	—	—	6.38	—	38.71	332.08	Price/Earnings
Price/Cash Flow	0.34	—	2.92	—	1.91	—	—	—	15.46	—	189.61	Price/Cash Flow
Price/Book	0.60	1.74	—	—	—	—	0.21	1.43	0.38	0.78	1.84	Price/Book

Operating Performance as of — (Fiscal Year End 31 Dec 2019)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q3	Fiscal (%)
Return on Assets	-19.7	-15.79	-28.16	-30.18	-20.81	-1.91	1.01	0.96	0.08	0.21	0.19	Return on Assets
Return on Equity	-159	-206	-1030	—	—	-8.2	2.07	1.69	0.13	0.36	0.34	Return on Equity
Rtn on Invested Capital	-22.64	-18.26	-33.12	—	—	-0.96	1.46	0.21	1.65	0.19	0.41	Rtn on Invested Capital

Business Description

Urbas Grupo Financiero SA is a Spain-based company mainly engaged in the real estate sector. Its activities include the acquisition, development, and sale of land and properties, mainly in the regions of Guadalajara and Almeria.

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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.

One-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*

Two-Star - 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)*

Three-Star – 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)*

Four-Star – 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)*

Five-Star – 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.

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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%

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.

This Report **has not been made available** to the issuer of the security prior to publication.

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