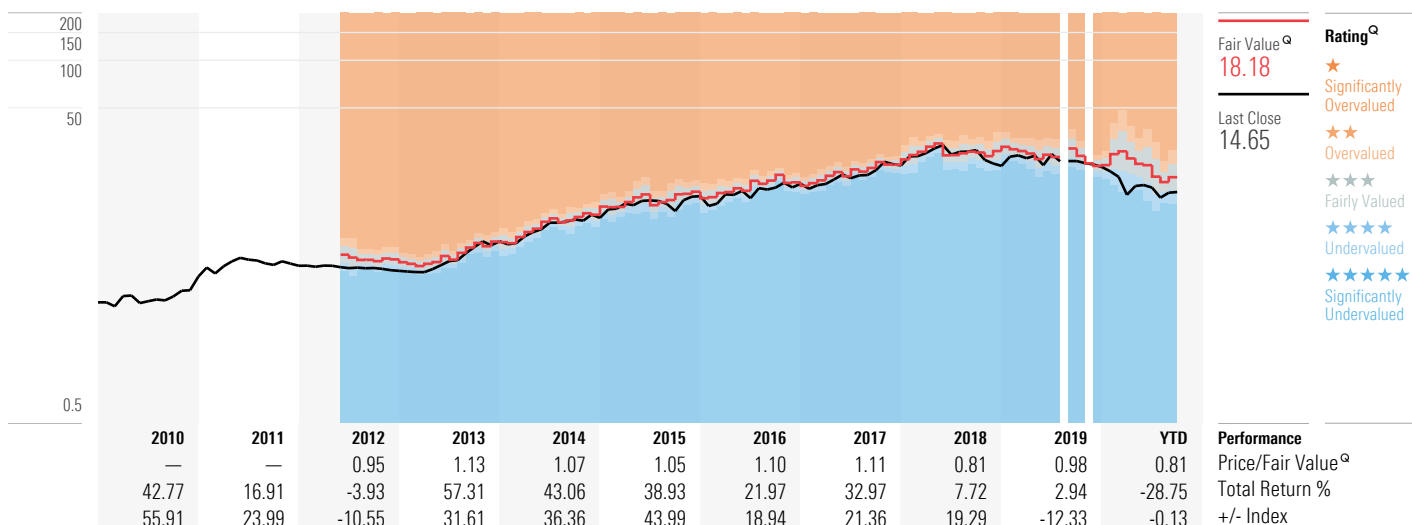


CIE Automotive SA CIE ★★★ 24 Sep 2020, 22:37 UTC

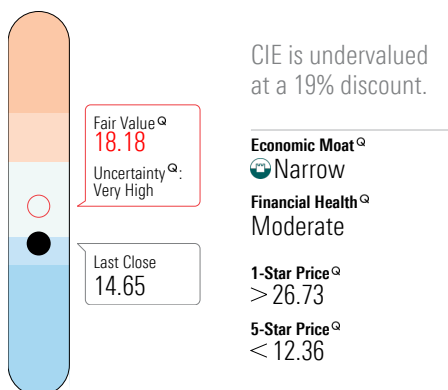
Economic Moat ^Q Narrow	Uncertainty ^Q Very High	Price/Fair Value ^Q 0.8	Trailing Dividend Yield % 5.05	Market Cap 1.8029 Bil	Investment Style Small Core	Sector Consumer Cyclical	Industry Auto Parts
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Total Return % as of 24 Sep 2020. Last Close as of 24 Sep 2020. Fair Value as of 24 Sep 2020, 22:37 UTC. Index: Morningstar Spain GR EUR.

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Valuation^Q as of 24 Sep 2020



Contact

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Financials as of 24 Sep 2020 (Fiscal Year End 31 Dec 2020)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD	Fiscal
2	2	2	2	2	3	3	3	3	3	1	Revenue (Bil)
111	156	145	154	174	247	285	347	377	434	90	Operating Income (Mil)
6.54	8.51	8.84	8.96	7.88	9.39	9.91	12.22	12.44	12.54	7.46	Operating Margin (%)
19	61	61	60	81	129	162	215	397	287	58	Net Income (Mil)
0.44	0.54	0.57	0.56	0.65	1.00	1.26	1.67	3.08	2.23	0.46	Diluted Earnings/Share
99	226	121	152	215	348	344	469	412	550	6	Operating Cash Flow (Mil)
-89	-111	-85	-107	-132	-172	-193	-274	-211	-227	-76	Capital Spending (Mil)
10	116	36	45	83	176	151	195	201	323	-70	Free Cash Flow (Mil)
113	111	106	107	125	129	129	129	129	129	127	Avg Shares Outstand(Mil)
—	—	0.18	0.18	0.18	0.20	0.33	0.41	0.56	0.99	0.74	Dividend Per Share

Valuation as of 24 Sep 2020

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Current	Calendar
—	—	0.95	1.13	1.07	1.05	1.10	1.11	0.81	0.98	0.81	Price/Fair Value ^Q
0.38	0.35	0.34	0.51	0.65	0.80	0.90	1.08	0.72	0.85	0.63	Price/Sales
15.01	8.24	5.67	9.19	17.04	18.03	16.65	17.93	11.68	13.08	9.70	Price/Earnings
3.31	5.26	4.58	13.15	6.24	8.21	5.44	9.07	5.67	6.08	7.16	Price/Cash Flow
1.71	1.58	1.71	2.61	2.60	3.20	3.56	4.09	6.10	3.50	2.63	Price/Book

Operating Performance as of 24 Sep 2020 (Fiscal Year End 31 Dec 2020)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q3	Fiscal (%)
2.5	3.05	2.76	2.62	2.92	3.99	4.42	5.03	9.74	6.59	—	Return on Assets
14.18	17.28	16.76	15.67	16.49	22.66	24.25	27.33	53.1	37.79	—	Return on Equity
12.94	6.73	9.02	7.29	6.91	10.14	10.59	12.67	21.1	12.43	—	Rtn on Invested Capital

Business Description

CIE Automotive SA is a supplier of components and subassemblies for the automotive market. Cie Automotive produces components for engines, gearboxes, transmissions, chassis, interior and exterior trims, and roof systems. The company's clients include Renault, Magna, Chrysler, Daimler,

Schaeffler, Ford, Nexteer, Volkswagen, and Faurecia. Next to its core automotive business, Cie Automotive operates a process improvement service through a subsidiary. The majority of revenue and operating profits are generated in Cie Automotive's core segment automotive components. Geographically, Europe and NAFTA are the largest sources of

operating profits for the company.

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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.

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.

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.

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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