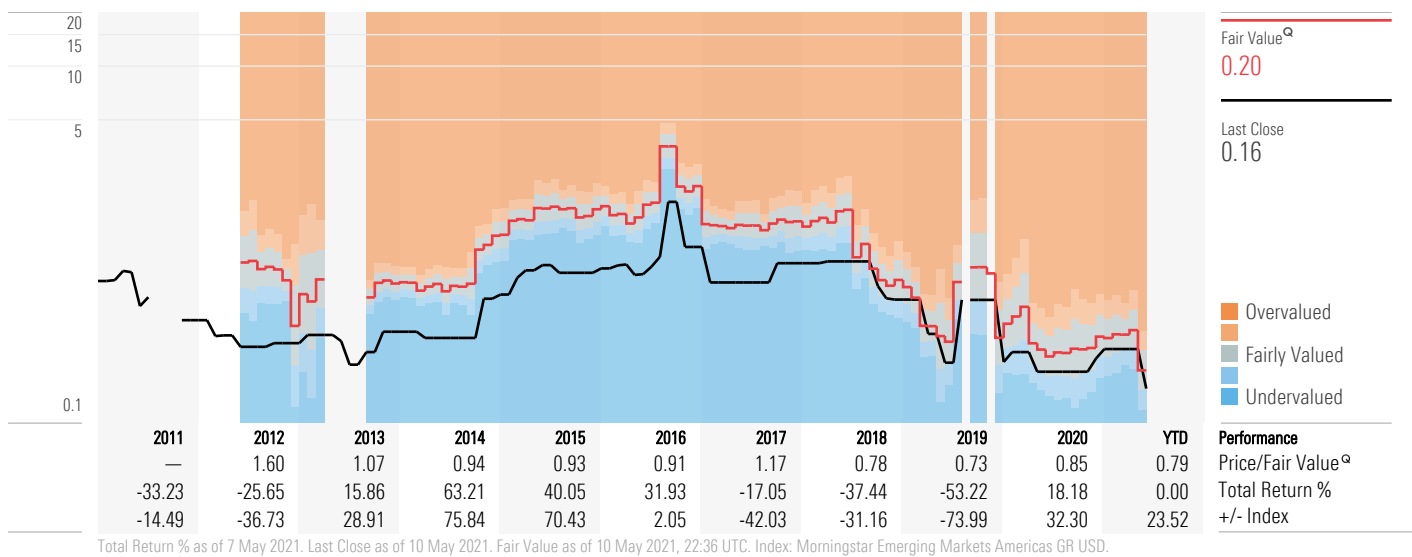


Banco Santander Rio SA B XBRSB ★★★ 10 May 2021, 22:36 UTC

| | | | | | | | |
|------------------------|----------------------|---------------------------|----------------------------------|-------------------|-------------------------|--------------------|------------------|
| Economic Moat ☐ | Uncertainty ☐ | Price/Fair Value ☐ | Trailing Dividend Yield % | Market Cap | Investment Style | Sector | Industry |
| None | Very High | 0.8 | 2.89 | 686.0100 Mil | Small Core | Financial Services | Banks - Regional |



Total Return % as of 7 May 2021. Last Close as of 10 May 2021. Fair Value as of 10 May 2021, 22:36 UTC. Index: Morningstar Emerging Markets Americas GR USD.

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Valuation ☐ as of 10 May 2021



Fair Value ☐
0.20
Uncertainty ☐ :
Very High

Last Close
0.16

XBRSB is Under Valued at a 21% discount.

Economic Moat ☐

None

Financial Health ☐

Strong

1-Star Price ☐

> 0.33

5-Star Price ☐

< 0.12

Financials as of 10 May 2021 (Fiscal Year End 31 Dec 2019)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | YTD | Fiscal |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|--------|---------|--------|--------|---------------------------|
| Revenue (Bil) | 5.36 | 7.43 | 9.74 | 13.58 | 17.73 | 23.70 | 39.01 | 55.55 | 164.73 | 143.48 | 143.48 | Revenue (Bil) |
| Operating Income | — | — | — | — | — | — | — | — | — | — | — | Operating Income |
| Operating Margin (%) | — | — | — | — | — | — | — | — | — | — | — | Operating Margin (%) |
| Net Income (Bil) | 1.68 | 1.95 | 2.29 | 3.23 | 4.21 | 5.19 | 6.38 | 10.22 | 12.67 | 12.59 | 12.59 | Net Income (Bil) |
| Diluted Earnings/Share | 0.39 | 0.45 | 0.53 | 0.75 | 0.98 | 1.20 | 2.96 | 2.37 | 2.94 | 2.87 | 2.87 | Diluted Earnings/Share |
| Operating Cash Flow (Bil) | 1.20 | 4.43 | 3.52 | 2.65 | 14.13 | 34.87 | 12.29 | 120.75 | -147.43 | -36.03 | -36.03 | Operating Cash Flow (Bil) |
| Capital Spending (Bil) | -0.14 | -0.39 | -0.58 | -0.54 | -0.70 | -1.73 | -4.09 | -6.52 | -11.94 | -11.09 | -11.09 | Capital Spending (Bil) |
| Free Cash Flow (Bil) | 1.06 | 4.04 | 2.95 | 2.12 | 13.42 | 33.14 | 8.20 | 114.23 | -159.37 | -47.13 | -47.13 | Free Cash Flow (Bil) |
| Avg Shares Outstand(Mil) | 4,316 | 4,316 | 4,316 | 4,316 | 4,316 | 4,316 | 2,158 | 4,316 | 4,316 | 4,380 | 4,380 | Avg Shares Outstand(Mil) |
| Dividend Per Share | 0.19 | — | — | 0.06 | — | — | — | — | 0.47 | — | — | Dividend Per Share |

Valuation as of 10 May 2021

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Current | Calendar |
|--------------------|------|------|------|------|-------|-------|------|-------|------|------|---------|--------------------|
| Price/Fair Value ☐ | — | 1.60 | 1.07 | 0.94 | 0.93 | 0.91 | 1.17 | 0.78 | 0.73 | 0.85 | 0.79 | Price/Fair Value ☐ |
| Price/Sales | 1.71 | — | 1.40 | 1.83 | 2.73 | 4.45 | — | 2.60 | 0.69 | 1.64 | 0.54 | Price/Sales |
| Price/Earnings | 5.54 | — | 5.71 | 7.56 | 12.54 | 32.01 | — | 17.16 | 3.00 | 6.30 | 6.15 | Price/Earnings |
| Price/Cash Flow | 7.87 | — | 4.80 | — | 6.77 | 4.98 | — | 1.25 | — | 0.73 | 0.77 | Price/Cash Flow |
| Price/Book | 2.64 | — | 1.52 | 2.09 | 3.05 | 3.58 | — | 2.30 | 1.12 | 1.10 | 0.64 | Price/Book |

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

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Q3 | Fiscal (%) |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|-------------------------|
| Return on Assets | 4.11 | 3.94 | 3.69 | 3.89 | 3.38 | 2.84 | 2.06 | 2.43 | 4.01 | 1.56 | 0.34 | Return on Assets |
| Return on Equity | 38.99 | 34.19 | 29.21 | 30.88 | 29.93 | 27.65 | 23.97 | 30.08 | 42.39 | 13.49 | 2.75 | Return on Equity |
| Rtn on Invested Capital | — | — | — | — | — | — | — | — | — | — | — | Rtn on Invested Capital |

Business Description

Banco Santander Rio SA is a commercial bank and financial services company. It provides various banking products and services to individual and business customers, and small and medium-sized enterprises. The company offers savings and various accounts; and cards, insurance, and private banking services. It also provides collection and

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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.

★ – 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.

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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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