



**CICC**  
 中国国际金融有限公司  
 CHINA INTERNATIONAL CAPITAL  
 CORPORATION LIMITED

# Results Review

March 1, 2011

Auto & Parts

RESEARCH

**Dong ZHENG, CFA**

SFC CE Ref: ALB404

zhengd@cicc.com.cn

**Hanyi ZHANG**

zhanghy2@cicc.com.cn

**Pengyang CHEN**

chenpy@cicc.com.cn

ACCUMULATE

Xinyi Glass (00868.HK)

*Results in Line, Solid Fundamentals Ahead*

## Financial highlights

(HKD Mn)	2007A	2008A	2009A	2010A	2011E	2012E
Revenue	2,775	3,894	3,958	6,364	8,939	12,258
( +/- )	43.5%	40.4%	1.6%	60.8%	40.5%	37.1%
EBIT	726	768	832	1,896	2,521	3,386
( +/- )	76.9%	5.7%	8.4%	127.9%	32.9%	34.3%
Net income	671	709	774	1,571	2,125	2,792
EPS(HK\$)	0.19	0.20	0.22	0.44	0.60	0.78
( +/- )	72.8%	5.7%	9.1%	103.1%	35.2%	31.4%
PE	33.79	31.97	29.31	14.43	10.67	8.12
PB	5.56	5.15	4.16	3.44	2.94	2.46
EV/EBITDA	13.02	11.48	10.57	10.72	8.10	6.42
ROE	16.6%	16.2%	14.3%	24.0%	27.7%	30.6%
ROCE	15.6%	14.5%	13.0%	17.7%	21.2%	24.3%
Dividend Yield	2.1%	3.1%	3.3%	3.3%	4.5%	5.8%
P/OCFPS	23.55	9.64	8.31	12.63	7.35	8.80

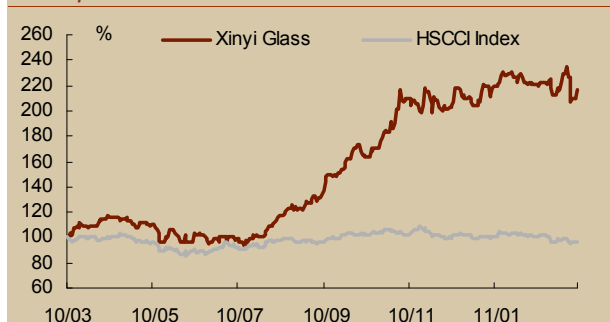
## Share information

	H share
Bloomberg code	868 HK
Share price	HK\$6.35
Target price	HK\$8.33
Daily turnover (mn shs)	26.5
52wk high/low	6.9/2.64
Issued shares (mn)	1,773
Free float (mn)	1,773
Market cap (HK\$ mn)	11,259
Major shareholders (%)	Realbest (19.97%)

## Recent price performance

	Last week	1m	3m	YTD
[00868.HK]	-5.37	-2.01	+7.82	-0.94
[CICC H-share Index]	-1.15	-0.49	-1.98	-1.48
[CICC Auto&Parts Index]	-2.92	+2.23	-8.31	+0.59

## 52wk performance



## 2010 results in line:

Revenue surged by 60.8% to HK\$6.36bn. Net profit skyrocketed by 103.1% to HK\$1.57bn, or HK\$0.44/sh. Total dividend for 2010 was HK\$0.21/sh, with payout ratio of 47.1%. Xinyi Glass' 2010 results were 4.5% higher than our estimate, in line with expectations.

## Positives:

- Solar glass revenue realized explosive YoY growth of 418.5%.
- Gross margin improved by 3.2ppt to 40.1% thanks for improving product mix brought by high growth of solar glass business, better cost control and improving scale economy.

## Trends to watch:

- Capacity expansion (Figure 3) and solid downstream demand could continue to boost up revenue by 40.5% with solar glass (+100%) and float glass (+40%) as the main growth drivers, contributing 73% of incremental revenue for 2011 (Figure 4).
- GP margin could see a 1.5ppt squeeze due to our conservative estimate of increasing cost pressures from raw materials and new capacities.
- Spin-off of solar business in HK market could provide short term catalysts even though details have not been released yet.

## Earnings forecasts:

We raised our earning forecast by 7.1% for 2011 and 8.1% for 2012 to reflect the better than expected revenue growth and increase our target price to HK\$8.33, implying targeted 14X 2011 P/E.

## Valuation and recommendation:

We believe that 2011 outlook is still promising given the bright prospects of solar business and float glass business. Current stock price still has 31.2% to our target price. ACCUMULATE reiterated.

## Risks:

Higher than expected raw material cost due to inflation and fluctuation of downstream demand, especially for solar industry.

Please read carefully the important disclosures at the end of this report

Figure 1: Quarterly results analysis

HK\$ mn	Interim data								Annual data			CICC Comments		
	1H2007	2H2007	1H2008	2H2008	1H2009	2H2009	1H2010	2H2010	HoH	YoY	2009		2010	YoY
Revenue	1,224	1,550	1,884	2,011	1,628	2,330	2,649	3,716	40%	59%	3,958	6,364	61%	Solar glass revenue realized explosive YoY growth of 418.5%
Cost of sales	(732)	(971)	(1,232)	(1,451)	(1,166)	(1,330)	(1,617)	(2,192)	36%	65%	(2,496)	(3,809)	53%	
<b>Gross profit</b>	<b>493</b>	<b>580</b>	<b>651</b>	<b>560</b>	<b>463</b>	<b>999</b>	<b>1,032</b>	<b>1,523</b>	<b>48%</b>	<b>52%</b>	<b>1,462</b>	<b>2,555</b>	<b>75%</b>	Gross margin improved by 3.2ppt to 40.1% thanks for improving product mix brought by high growth of solar glass business, better cost control and improving scale economy.
GP margin	40.2%	37.4%	34.6%	27.8%	28.4%	42.9%	39.0%	41.0%	5.2%	-4.4%	36.9%	40.1%	3.2%	
Other income	16	2	2	36	2	31	2	83	3253%	164%	34	85	153%	
Other gains	25	32	29	17	103	(89)	36	(8)	n.m.	-91%	13	27	105%	
Selling and marketing costs	(143)	(144)	(162)	(156)	(130)	(139)	(163)	(202)	24%	46%	(268)	(365)	36%	
Administrative expenses	(61)	(74)	(64)	(145)	(172)	(151)	(177)	(229)	29%	51%	(323)	(406)	26%	
<b>Operating profit</b>	<b>331</b>	<b>395</b>	<b>457</b>	<b>311</b>	<b>266</b>	<b>566</b>	<b>729</b>	<b>1,167</b>	<b>60%</b>	<b>106%</b>	<b>832</b>	<b>1,896</b>	<b>128%</b>	
Operating margin	27.0%	25.5%	24.2%	15.5%	16.3%	24.3%	27.5%	31.4%	14.0%	29.2%	21.0%	29.8%	8.8%	
<b>Profit before income tax</b>	<b>319</b>	<b>384</b>	<b>434</b>	<b>319</b>	<b>259</b>	<b>565</b>	<b>727</b>	<b>1,166</b>	<b>60%</b>	<b>106%</b>	<b>824</b>	<b>1,893</b>	<b>130%</b>	
Income tax expense	(18)	(12)	(24)	(18)	(32)	(15)	(84)	(237)	182%	1485%	(47)	(321)	577%	
Profit for the year	301	372	410	301	226	550	643	930	45%	69%	777	1,572	102%	
Minority interests	(1)	(1)	(8)	6	(1)	(2)	(1)	(0)	-66%	-84%	(3)	(1)	-61%	
<b>Net income</b>	<b>300</b>	<b>371</b>	<b>402</b>	<b>307</b>	<b>225</b>	<b>548</b>	<b>642</b>	<b>929</b>	<b>45%</b>	<b>69%</b>	<b>774</b>	<b>1,571</b>	<b>103%</b>	
Net margin	24.5%	23.9%	21.3%	15.3%	13.8%	23.5%	24.2%	25.0%	3.2%	6.3%	19.5%	24.7%	5.1%	
<b>EPS - Basic</b>	<b>0.187</b>	<b>0.224</b>	<b>0.238</b>	<b>0.181</b>	<b>0.133</b>	<b>0.313</b>	<b>0.181</b>	<b>0.263</b>	<b>45%</b>	<b>-16%</b>	<b>0.446</b>	<b>0.444</b>	<b>0%</b>	
<b>EPS - Diluted</b>	<b>0.187</b>	<b>0.223</b>	<b>0.237</b>	<b>0.181</b>	<b>0.133</b>	<b>0.313</b>	<b>0.180</b>	<b>0.260</b>	<b>45%</b>	<b>-17%</b>	<b>0.446</b>	<b>0.440</b>	<b>-1%</b>	
Dividends	144	169	186	152	106	266	372	369	-1%	39%	372	741	99%	
Dividends payout ratio	48.1%	45.5%	46.1%	49.4%	47.2%	48.4%	58.0%	39.7%	-31.6%	-18.1%	48.1%	47.1%	-1.0%	
<b>Financial ratio</b>														
GP margin	40.2%	37.4%	34.6%	27.8%	28.4%	42.9%	39.0%	41.0%	2.0%	-1.9%	36.9%	40.1%	3.2%	
Selling cost / Revenue	11.7%	9.3%	8.6%	7.8%	8.0%	5.9%	6.2%	5.4%	-0.7%	-0.5%	6.8%	5.7%	-1.0%	
Administrative expenses / Revenue	4.9%	4.8%	3.4%	7.2%	10.6%	6.5%	6.7%	6.2%	-0.5%	-0.3%	8.2%	6.4%	-1.8%	
Effective tax rate	5.7%	3.1%	5.6%	5.6%	12.5%	2.6%	11.6%	20.3%	8.7%	17.7%	5.8%	16.9%	11.2%	
Net margin	24.5%	23.9%	21.3%	15.3%	13.8%	23.5%	24.2%	25.0%	0.8%	1.5%	19.5%	24.7%	5.1%	

Source: Company data, CICC Research

Figure 2: Earning forecast assumption by product

<b>Automobile glass</b>	<b>2009</b>	<b>2010</b>	<b>2011E</b>	<b>2012E</b>
Turnover	1,947	2,379	2,759	3,146
(+/- %)	-0.9%	22.2%	16.0%	14.0%
Gross profit	822	938	1,021	1,101
Gross margin	42.2%	39.4%	37.0%	35.0%
<b>Construction glass</b>				
Turnover	722	926	1,250	1,625
(+/- %)	10.9%	28.3%	35.0%	30.0%
Gross profit	297	352	450	569
Gross margin	41.1%	38.0%	36.0%	35.0%
<b>Float glass</b>				
Turnover	1,082	1,982	2,774	3,607
(+/- %)	4%	83%	40%	30%
Gross profit	280	706	943	1,154
Gross margin	25.9%	35.6%	34.0%	32.0%
<b>Solar glass</b>				
Turnover	208	1,078	2,156	3,880
(+/- %)	-13%	419%	100%	80%
Gross profit	64	559	1,035	1,785
Gross margin	30.6%	51.9%	48.0%	46.0%

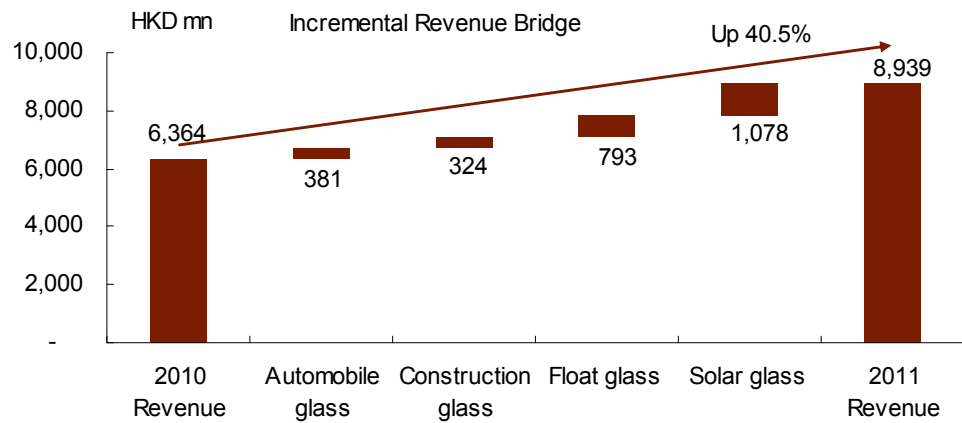
Source: Company data, CICC Research

Figure 3: Capex plans

Segment	Unit	2009	2010	2011
Auto Glass - aftermarket	000 pcs	10500	11000	12000
YoY			5%	9%
Auto Glass - OEM	000 sets	700	1700	2400
YoY			143%	41%
Low-E Coated Construction Glass	000 sq.m.	9000	12000	16330
YoY			33%	36%
Float Glass	000 melting tons	1119	1489	2600
YoY			33%	75%
Solar Glass	000 melting tons	125	292	730
YoY			134%	150%

Source: Company data, CICC Research

Figure 4: Incremental revenue breakdown



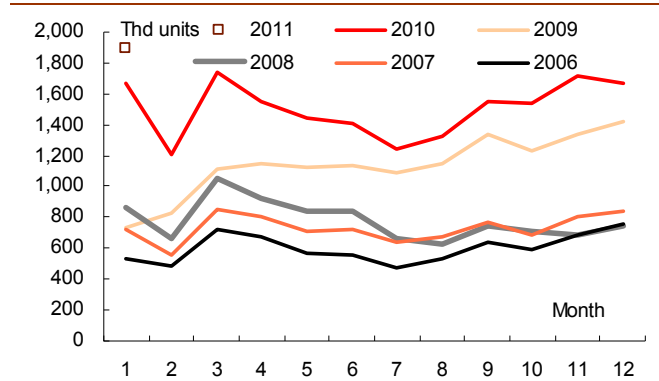
Source: Company data, CICC Research

Figure 5: Earnings forecast revision

HK\$ MN	2010A		2011E			2012E		
	Actual	Before	After	Change	Before	After	Change	
Revenue	6,364	8,035	8,939	11.3%	10,465	12,258	17.1%	
COGS	3,809	4,767	5,491	15.2%	6,194	7,649	23.5%	
Gross profit	2,555	3,268	3,449	5.5%	4,271	4,609	7.9%	
Other income	85	84	119	43.0%	109	164	50.5%	
Selling expenses	365	544	495	-9.1%	709	654	-7.7%	
G&A	406	570	552	-3.2%	743	733	-1.4%	
Other gains	-9	88	-	-100.0%	115	-	-100.0%	
Financial expenses	4	20	20	0.0%	20	20	0.0%	
PBT	1,893	2,305	2,502	8.5%	3,023	3,366	11.3%	
Income tax	321	300	375	25.2%	453	572	26.2%	
Minority interests	-1	-4	-2	-62.8%	-6	-2	-61.9%	
Net income	1,571	2,001	2,125	6.2%	2,564	2,792	8.9%	
EPS (HK\$)	0.45	0.56	0.60	7.1%	0.72	0.78	8.1%	

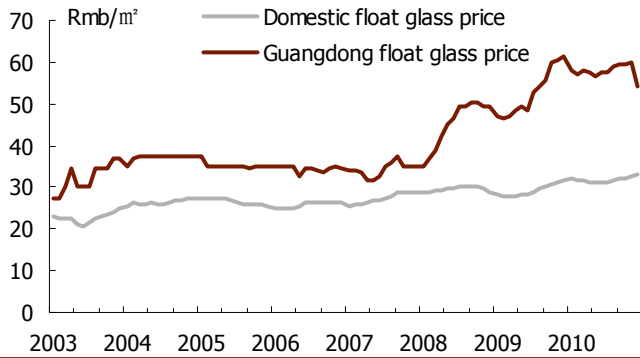
Source: Company data, CICC Research

Figure 6: Monthly auto sales in China



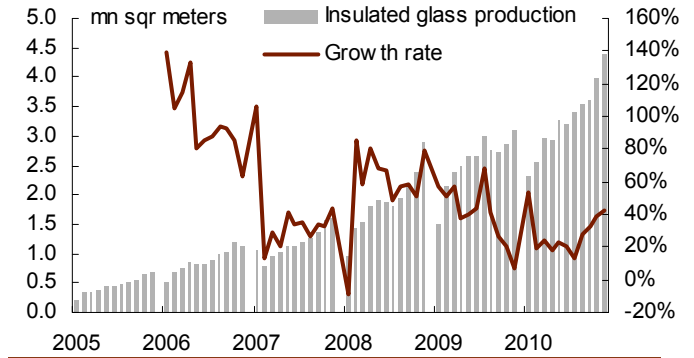
Source: Company data, CICC Research

Figure 7: Float glass price



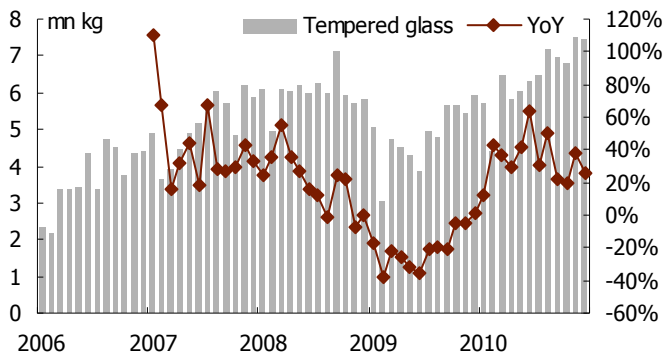
Source: CEIC

Figure 8: Insulated glass production



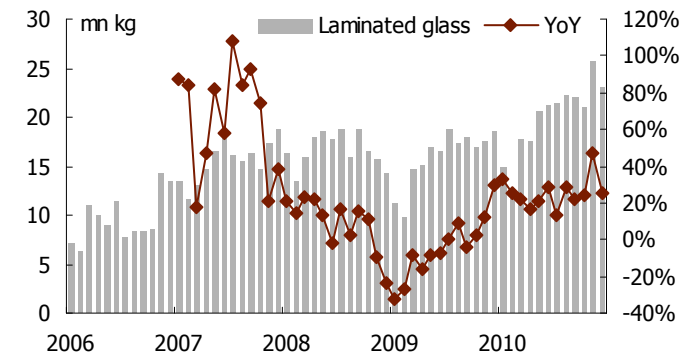
Source: Drcnet

Figure 9: China auto glass export (tempered)



Source: Company data, CICC Research

Figure 10: China auto glass export (laminated)



Source: Company data, CICC Research

Figure 11: Historical and forecasted financial data

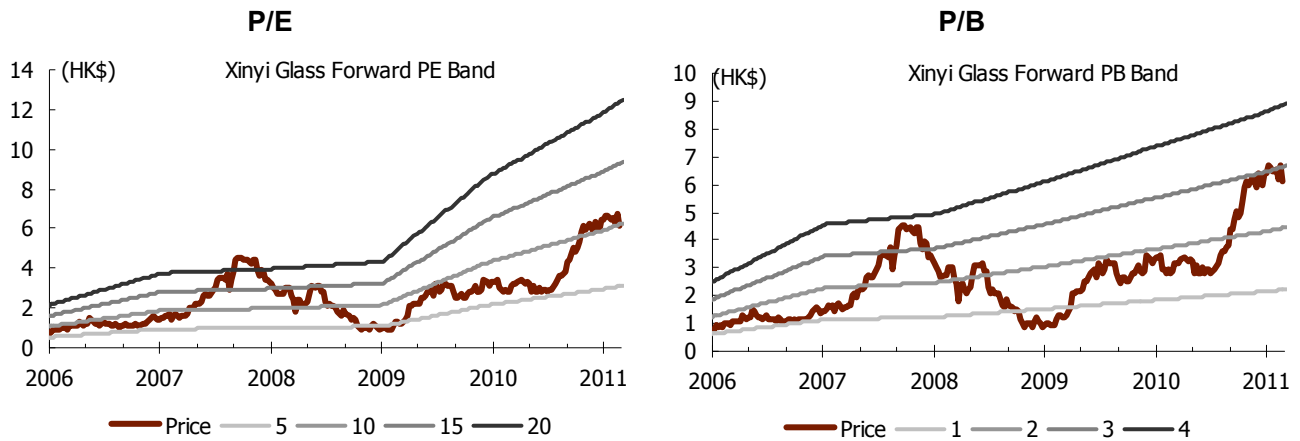
<b>Income Statement(HK\$ mn)</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>2009A</b>	<b>2010A</b>	<b>2011E</b>	<b>2012E</b>
<b>Turnover</b>	1,933	2,775	3,894	3,958	6,364	8,939	12,258
Cost of goods sold	-1,233	-1,702	-2,683	-2,496	-3,809	-5,491	-7,649
Gross profit	700	1,072	1,211	1,462	2,555	3,449	4,609
Selling & distribution costs	-211	-286	-318	-268	-365	-495	-654
General & admin expenses	-111	-135	-209	-323	-406	-552	-733
Net interest income/(expense)	-8	-25	-15	-8	-4	-20	-20
Profit before taxation	402	703	753	824	1,893	2,502	3,366
Taxation	-16	-30	-42	-47	-321	-375	-572
<b>Net profit</b>	<b>388</b>	<b>671</b>	<b>709</b>	<b>774</b>	<b>1,571</b>	<b>2,125</b>	<b>2,792</b>
Weighted EPS (HK\$)	0.24	0.39	0.42	0.44	0.45	0.60	0.78
DPS (HK\$)	0.11	0.13	0.20	0.21	0.21	0.28	0.37
<b>Balance Sheet(HK\$ mn)</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>2009A</b>	<b>2010A</b>	<b>2011E</b>	<b>2012E</b>
Cash & cash equivalents	162	310	436	532	660	604	644
Trade & other receivables	569	675	661	844	1,537	1,807	1,887
Inventories	371	511	612	678	820	1,340	1,669
<b>Total current assets</b>	<b>1,189</b>	<b>1,559</b>	<b>1,765</b>	<b>2,106</b>	<b>2,999</b>	<b>3,791</b>	<b>4,218</b>
Net fixed assets	2,043	3,718	4,627	5,794	7,865	9,463	10,947
<b>Non-current assets</b>	<b>2,056</b>	<b>3,811</b>	<b>4,733</b>	<b>5,903</b>	<b>8,017</b>	<b>9,594</b>	<b>11,078</b>
Trade and other payables	571	626	879	1,447	1,508	2,751	3,182
ST loans	335	424	722	580	471	471	471
<b>Current liabilities</b>	<b>919</b>	<b>1,065</b>	<b>1,623</b>	<b>2,052</b>	<b>2,128</b>	<b>3,371</b>	<b>3,804</b>
Shareholder's funds	2,248	4,045	4,369	5,411	6,536	7,660	9,135
<b>Cashflow Statement(HK\$ mn)</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>2009A</b>	<b>2010A</b>	<b>2011E</b>	<b>2012E</b>
<b>Operating cashflow</b>	<b>366</b>	<b>440</b>	<b>1,124</b>	<b>1,323</b>	<b>1,330</b>	<b>3,038</b>	<b>3,448</b>
<b>Investment cashflow</b>	<b>-469</b>	<b>-1,430</b>	<b>-927</b>	<b>-1,359</b>	<b>-2,337</b>	<b>-2,092</b>	<b>-2,092</b>
<b>Financing cashflow</b>	<b>124</b>	<b>1,107</b>	<b>-62</b>	<b>137</b>	<b>1,136</b>	<b>-1,003</b>	<b>-1,317</b>
<b>Cash &amp; cash equivalent EB</b>	<b>162</b>	<b>310</b>	<b>436</b>	<b>532</b>	<b>660</b>	<b>604</b>	<b>644</b>
<b>Ratios</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>2009A</b>	<b>2010A</b>	<b>2011E</b>	<b>2012E</b>
Gross margin	36%	39%	31%	37%	40%	39%	38%
ROE	17%	17%	16%	14%	24%	28%	31%
ROA	12%	12%	11%	10%	14%	16%	18%
ROCE	17%	16%	15%	13%	18%	21%	24%
Debt/Equity	0.16	0.19	0.13	0.38	0.32	0.27	0.00
Current ratio	1.3	1.5	1.1	1.0	1.4	1.1	1.1
Quick ratio	0.9	1.0	0.7	0.7	1.0	0.7	0.7
Receivables turnover days	89.2	81.8	62.6	69.4	68.3	68.3	55.0

Source: company data, CICC Research

Figure 12: Valuation of comparables

Company	Category	Price 11-2-28	Market Cap MN USD	P/E							P/B						EV/EBITDA					EPS Growth %					CAGR 07-11	
				06A	07A	08A	09A	10E	11E	06A	07A	08A	09A	10E	11E	06A	07A	08A	09A	10E	11E	07A	08A	09A	10E	11E		
<b>China A-Share Listcos</b>																												
Weichai Power A	CV	60.27	14,259	151.7	49.7	52.0	29.5	15.6	12.2	33.6	15.7	12.6	8.5	5.3	3.6	87.9	25.1	26.1	16.2	12.8	11.6	205%	-4%	76%	89%	28%	42%	
CNHTC Jinan Truck	CV	28.29	1,806	52.9	16.5	25.1	27.7	13.5	11.3	9.0	5.9	4.8	4.2	3.2	2.5	16.3	8.2	13.3	12.4	9.1	7.9	220%	-34%	-10%	105%	20%	10%	
Yutong Bus	CV	26.67	2,110	62.8	36.8	26.1	24.6	16.1	13.0	11.1	5.2	8.3	6.4	5.6	4.6	35.3	19.9	23.2	16.2	14.7	12.7	71%	41%	6%	53%	24%	30%	
Beiqi Foton Motor	CV	23.22	3,727	n.a.	55.0	61.5	20.5	12.5	10.8	14.2	11.1	7.1	5.2	3.0	2.4	106.0	33.0	43.6	15.0	10.3	9.1	n.m.	-11%	200%	64%	16%	50%	
Jiangling Motor	CV	29.94	3,933	42.8	34.0	33.0	24.5	15.1	12.2	8.5	7.3	6.4	5.3	4.1	3.2	27.1	25.3	28.0	18.0	15.1	13.3	26%	3%	35%	62%	24%	29%	
Dongfeng Automobile	CV	5.34	1,625	21.2	21.8	33.9	33.6	14.2	10.1	2.1	2.0	2.0	2.0	1.8	1.5	12.1	10.3	40.3	41.6	18.4	11.9	-3%	-36%	1%	136%	41%	21%	
Jianghuai Auto	CV/PV	13.13	2,575	41.1	51.5	296.4	50.4	15.6	13.8	5.6	4.2	4.2	3.9	3.2	2.7	24.1	23.3	31.8	14.3	10.0	8.9	-20%	-83%	488%	224%	13%	39%	
Chang'an Auto A	PV	9.98	4,079	44.8	34.9	959.6	21.6	10.7	9.9	3.3	3.1	3.1	2.6	2.1	1.8	24.6	n.a.	n.a.	45.3	19.0	15.7	28%	-96%	4343%	103%	8%	37%	
FAW Car	PV	17.95	4,445	84.1	52.8	26.9	17.9	12.6	11.0	5.4	5.1	4.4	3.8	3.1	2.6	40.6	20.9	19.6	11.8	10.2	9.3	59%	97%	50%	43%	14%	48%	
SAIC Motor	PV	18.45	25,948	119.7	36.8	259.9	25.9	12.8	10.5	3.8	3.2	3.5	2.8	2.8	2.4	70.7	45.0	134.1	40.8	9.0	7.9	71%	-86%	905%	102%	22%	37%	
Zhejiang Zhongda	Dealer	17.36	1,160	107.8	52.1	36.2	27.8	14.9	13.4	6.5	4.5	3.6	3.2	2.7	2.3	86.6	36.5	14.1	12.5	7.9	6.8	71%	44%	30%	87%	11%	40%	
Dongan Auto Engine	Parts	11.77	828	151.9	36.1	33.9	23.2	14.8	12.4	3.4	3.1	2.8	2.5	2.2	1.8	56.3	49.2	455.7	41.4	45.7	46.5	71%	6%	46%	57%	19%	31%	
Zhongding Sealing Parts	Parts	25.19	1,631	n.a.	89.1	80.3	53.6	31.6	26.3	n.a.	21.0	22.3	12.8	9.1	6.8	n.a.	62.9	44.2	29.1	20.3	17.1	n.m.	11%	50%	69%	20%	36%	
Huayu Automotive	Parts	12.81	5,035	56.6	28.7	32.1	21.6	12.8	10.5	6.0	3.0	4.5	2.7	2.4	2.1	299.6	178.8	43.5	14.8	11.1	9.6	97%	-11%	49%	69%	21%	28%	
FAWAY	Parts	36.09	1,162	n.m.	159.1	40.3	21.5	13.5	11.3	7.0	6.7	5.7	4.6	3.5	2.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	295%	87%	60%	19%	94%	
Fuyao Glass	Parts	12.53	3,819	40.7	27.4	102.0	22.4	13.9	11.4	8.9	7.1	7.7	5.7	4.7	3.8	25.6	19.4	20.1	13.5	11.8	9.8	49%	-73%	355%	62%	22%	25%	
Zhejiang Yinlun	Parts	34.79	529	111.0	97.0	79.9	64.4	26.6	21.7	13.3	7.7	7.3	6.8	5.4	4.4	32.8	29.6	24.3	16.3	14.6	11.8	14%	21%	24%	142%	23%	54%	
<b>Median</b>				<b>59.7</b>	<b>36.8</b>	<b>52.0</b>	<b>24.6</b>	<b>14.9</b>	<b>12.2</b>	<b>5.8</b>	<b>4.5</b>	<b>4.4</b>	<b>3.9</b>	<b>3.1</b>	<b>2.6</b>	<b>35.3</b>	<b>24.2</b>	<b>27.0</b>	<b>15.0</b>	<b>11.1</b>	<b>9.6</b>	<b>71%</b>	<b>-11%</b>	<b>50%</b>	<b>62%</b>	<b>19%</b>	<b>30%</b>	
<b>Median-CV</b>				<b>42.8</b>	<b>35.4</b>	<b>33.4</b>	<b>28.6</b>	<b>15.3</b>	<b>12.2</b>	<b>8.8</b>	<b>5.5</b>	<b>5.6</b>	<b>4.7</b>	<b>3.2</b>	<b>2.7</b>	<b>25.6</b>	<b>21.6</b>	<b>27.0</b>	<b>15.6</b>	<b>11.6</b>	<b>10.4</b>	<b>71%</b>	<b>-19%</b>	<b>20%</b>	<b>76%</b>	<b>22%</b>	<b>29%</b>	
<b>Median-PV</b>				<b>64.5</b>	<b>44.8</b>	<b>199.7</b>	<b>23.7</b>	<b>12.7</b>	<b>10.7</b>	<b>4.0</b>	<b>3.7</b>	<b>3.9</b>	<b>3.3</b>	<b>2.9</b>	<b>2.5</b>	<b>55.6</b>	<b>32.9</b>	<b>76.8</b>	<b>40.8</b>	<b>10.2</b>	<b>9.3</b>	<b>44%</b>	<b>-64%</b>	<b>491%</b>	<b>72%</b>	<b>14%</b>	<b>37%</b>	
<b>Median-Parts</b>				<b>95.0</b>	<b>33.3</b>	<b>65.9</b>	<b>22.0</b>	<b>14.8</b>	<b>12.7</b>	<b>6.0</b>	<b>4.9</b>	<b>5.1</b>	<b>3.6</b>	<b>2.9</b>	<b>2.4</b>	<b>34.8</b>	<b>29.6</b>	<b>43.5</b>	<b>14.8</b>	<b>11.8</b>	<b>9.8</b>	<b>84%</b>	<b>-2%</b>	<b>51%</b>	<b>59%</b>	<b>19%</b>	<b>27%</b>	
<b>HK Listcos</b>																												
Weichai Power H	CV	51.80	14,259	110.0	36.1	37.7	21.4	11.3	8.9	24.4	11.4	9.1	6.2	3.8	2.6	20.6	5.9	6.1	4.0	3.8	3.3	205%	-4%	76%	89%	28%	42%	
Qingling	CV	2.24	714	71.6	37.3	32.0	22.4	16.8	14.9	0.8	0.8	0.8	0.8	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	92%	17%	43%	33%	13%	26%	
Brilliance Auto	PV	6.37	4,083	n.m.	240.4	288.2	n.m.	29.2	22.0	4.0	3.9	3.9	6.3	5.3	4.3	177.0	33.5	38.1	19.9	27.5	24.2	n.m.	-17%	n.m.	n.m.	33%	82%	
Geely Auto	PV	3.34	3,190	56.0	46.6	20.8	16.5	16.0	12.7	23.8	10.0	5.8	3.8	3.2	2.6	n.m.	n.m.	39.8	11.5	8.4	6.9	20%	124%	26%	3%	26%	38%	
GAC group	PV	10.00	7,892	n.m.	10.2	22.3	18.5	12.4	11.4	n.m.	n.m.	n.m.	n.m.	n.m.	2.7	2.3	n.m.	9.6	12.0	10.5	6.6	6.2	n.m.	-54%	21%	49%	8%	-3%
Great Wall Motor	CV/PV	12.10	4,253	13.7	29.8	54.5	27.3	13.4	10.4	2.7	4.3	4.2	3.7	3.0	2.4	32.8	23.0	37.6	21.6	2.8	2.5	-54%	-45%	99%	104%	29%	30%	
Dongfeng Motor	PV	13.50	14,931	47.1	26.0	24.8	15.7	9.0	8.7	6.9	5.5	4.4	3.6	2.7	2.1	13.1	10.8	8.8	6.1	5.4	4.6	81%	5%	58%	74%	3%	31%	
Sinotruk	CV	7.46	2,644	27.2	15.7	19.7	18.0	11.6	9.9	18.5	1.6	1.5	1.0	1.0	0.9	15.6	11.1	15.1	10.4	8.3	7.0	74%	-21%	10%	55%	18%	12%	
Zhongsheng Holdings	Dealer	14.92	3,655	162.7	84.5	109.8	51.0	22.0	12.7	4.2	3.4	2.8	2.4	2.0	1.6	101.0	47.0	48.3	28.1	13.1	8.1	93%	-23%	115%	132%	73%	61%	
DCH Holdings	Dealer	8.18	1,909	45.5	29.2	26.1	20.7	10.1	10.3	4.0	3.4	3.0	2.7	2.2	2.0	52.6	33.2	16.6	13.8	8.7	7.6	56%	12%	26%	104%	-2%	30%	
Xinyi Glass Holding	Parts	6.35	2,867	58.0	33.6	31.7	29.1	14.4	10.7	10.0	5.6	5.2	4.3	3.4	2.9	47.5	27.9	24.4	21.6	8.4	7.2	73%	6%	9%	102%	35%	33%	
Mintch Group	Parts	11.80	1,627	39.6	29.6	25.1	17.1	13.0	10.5	9.0	3.6	3.3	2.8	1.9	1.7	29.2	19.7	16.2	12.2	9.3	7.7	34%	18%	47%	32%	23%	29%	
<b>Median</b>				<b>51.6</b>	<b>31.7</b>	<b>28.9</b>	<b>20.7</b>	<b>13.2</b>	<b>10.6</b>	<b>6.9</b>	<b>3.9</b>	<b>3.9</b>	<b>3.6</b>	<b>2.7</b>	<b>2.3</b>	<b>32.8</b>	<b>21.3</b>	<b>16.6</b>	<b>12.2</b>	<b>8.4</b>	<b>7.0</b>	<b>73%</b>	<b>0%</b>	<b>43%</b>	<b>74%</b>	<b>24%</b>	<b>31%</b>	
<b>Median-CV</b>				<b>71.6</b>	<b>36.1</b>	<b>32.0</b>	<b>21.4</b>	<b>11.6</b>	<b>9.9</b>	<b>18.5</b>	<b>1.6</b>	<b>1.5</b>	<b>1.0</b>	<b>2.4</b>	<b>1.7</b>	<b>18.1</b>	<b>8.5</b>	<b>10.6</b>	<b>7.2</b>	<b>6.0</b>	<b>5.1</b>	<b>92%</b>	<b>-4%</b>	<b>43%</b>	<b>55%</b>	<b>18%</b>	<b>26%</b>	
<b>Median-PV</b>				<b>47.1</b>	<b>29.8</b>	<b>24.8</b>	<b>17.5</b>	<b>13.4</b>	<b>11.4</b>	<b>5.4</b>	<b>4.9</b>	<b>4.3</b>	<b>3.8</b>	<b>3.0</b>	<b>2.4</b>	<b>32.8</b>	<b>16.9</b>	<b>37.6</b>	<b>11.5</b>	<b>6.6</b>	<b>6.2</b>	<b>20%</b>	<b>-17%</b>	<b>42%</b>	<b>62%</b>	<b>26%</b>	<b>31%</b>	
<b>Median-Parts</b>				<b>48.8</b>	<b>31.6</b>	<b>28.4</b>	<b>23.1</b>	<b>13.7</b>	<b>10.6</b>	<b>9.5</b>	<b>4.6</b>	<b>4.2</b>	<b>3.5</b>	<b>2.7</b>	<b>2.3</b>	<b>38.4</b>	<b>23.8</b>	<b>20.3</b>	<b>16.9</b>	<b>8.9</b>	<b>7.4</b>	<b>53%</b>	<b>12%</b>	<b>28%</b>	<b>67%</b>	<b>29%</b>	<b>31%</b>	
<b>Europe &amp; US Listcos</b>																												
Man AG	CV	89.88	17,929	14.4	10.9	10.7	n.m.	19.9	15.4	3.5	2.6	2.5	2.6	2.3	2.1	11.0	7.7	8.4	15.6	10.2	8.6	33%	1%	n.m.	n.m.	30%	-8%	
Scania	CV	135.70	17,089	18.3	12.7	12.2	96.2	11.0	10.1	4.2	4.4	4.9	4.7	3.0	2.6	8.9	6.4	6.1	12.0	7.8	7.2	44%	4%	-87%	772%	9%	6%	
Volvo	CV	107.60	35,755	13.4	14.6	22.0	n.m.	12.9	10.0	2.5	2.7	2.6	3.3	2.6	2.2	9.1	9.5	11.0	n.m.	7.9	6.7	-8%	-34%	n.m.	n.m.	28%	10%	
Paccar	CV	50.12	18,309	12.6	15.1	18.0	161.7	20.3	14.0	4.2	3.7	3.8	3.6	3.1	2.7	6.3	7.3	7.9	15.7	10.0	7.3	-17%	-16%	-89%	695%	45%	2%	
Daimler AG	CV/PV	51.38	75,384	14.0	13.4	36.4	n.m.	9.6	8.3	1.4	1.4	1.5	1.7	1.4	1.3	5.8	6.4	8.7	33.6	8.0	7.2	5%	-63%	n.m.	n.m.	15%		

Figure 13: Historical P/E and P/B bands



Source: Bloomberg, CICC Research

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## Beijing

**China International Capital Corporation Limited**  
28<sup>th</sup> Floor, China World Office 2  
1 Jianguomenwai Avenue  
Beijing 100004, P.R. China  
Tel: (86-10) 6505-1166  
Fax: (86-10) 6505-1156

## Shanghai

**China International Capital Corporation Limited – Shanghai Branch**  
32<sup>nd</sup> Floor, Azia Center  
1233 Lujiazui Ring Road  
Shanghai 200120, P.R. China  
Tel: (86-21) 5879-6226  
Fax: (86-21) 5888-8976

## Hong Kong

**China International Capital Corporation (Hong Kong) Limited**  
29<sup>th</sup> Floor, One International Finance Centre  
1 Harbour View Street  
Central, Hong Kong  
Tel: (852) 2872-2000  
Fax: (852) 2872-2100

## Singapore

**China International Capital Corporation (Singapore) Pte. Limited**  
#39-04, 6 Battery Road  
Singapore 049909  
Tel: (65) 6572-1999  
Fax: (65) 6327-1278

## United Kingdom

**China International Capital Corporation (UK) Limited**  
Level 25, 125 Old Broad Street  
London EC2N 1AR, United Kingdom  
Tel: (44-20) 7367-5718  
Fax: (44-20) 7367-5719

### Beijing Jianguomenwai Avenue Branch

1<sup>st</sup> Floor, Capital Tower  
6A Jianguomenwai Avenue  
Beijing 100022, P. R. China  
Tel: (86-10) 8567-9238  
Fax: (86-10) 8567-9235

### Shanghai Middle Huaihai Road Branch

398 Middle Huaihai Road  
Shanghai 200020, P.R.China  
Tel: (86-21) 6386-1195  
Fax: (86-21) 6386-1180

### Shenzhen Fuhuayilu Branch

Rooms 107 & 201, Annex Building  
Shenzhen Duty Free Commercial Tower  
6 Fuhua 1<sup>st</sup> Road  
Futian District, Shenzhen 518048, P.R. China  
Tel: (86-755) 8832-2388  
Fax: (86-755) 8254-8243

### Hangzhou Jiaogong Road Branch

1<sup>st</sup> Floor, Euro American Center  
18 Jiaogong Road  
Hangzhou 310012, P.R. China  
Tel: (86-571) 8849-8000  
Fax: (86-571) 8735-7743

### Nanjing Zhongshan Road (North) Branch

2<sup>nd</sup> Floor, Greenland Plaza,  
1 Zhongshan Road (North)  
Nanjing 210008, P.R. China  
Tel: (86-25) 8316-8988  
Fax: (86-25) 8316-8397

### Guangzhou Tianhe Road Branch

40<sup>th</sup> Floor, Teemtower  
208 Tianhe Road  
Guangzhou 510620, P.R. China  
Tel: (86-20) 8396-3968  
Fax: (86-20) 8516-8198

### Chengdu Binjiang Road (East) Branch

1<sup>st</sup> & 16<sup>th</sup> Floors, Shangri-La Center  
9B Binjiang Road (East)  
Chengdu 610021, P.R. China  
Tel: (86-28) 8612-8188  
Fax: (86-28) 8444-7010

### Xiamen Lianyue Road Branch

4<sup>th</sup> Floor, Office Building Paragon Center  
1 Lianyue Road  
Siming District, Xiamen 361012, P.R. China  
Tel: (86-592) 515-7000  
Fax: (86-592) 511-5527

### Qingdao Middle Hongkong Road Branch

11<sup>th</sup> Floor, Shangri-La Center  
9 Hongkong Road (M)  
South District, Qingdao 266071, P.R. China  
Tel: (86-532) 6670-6789  
Fax: (86-532) 6887-7018

### Wuhan Jiefang Road Branch

4<sup>th</sup> Floor, New World Centre Tower  
634 Jiefang Road  
Qiaokou District, Wuhan 430032, P.R. China  
Tel: (86-27) 8334-3099  
Fax: (86-27) 8359-0535

### Chongqing Honghu Road (West) Branch

1<sup>st</sup> & 10<sup>th</sup> Floors, Ourui Lanjue Center  
9 Honghu Road (W)  
New North District, Chongqing 401120, P.R. China  
Tel: (86-23) 6307-7088  
Fax: (86-23) 6739-6636



中国国际金融有限公司  
CHINA INTERNATIONAL CAPITAL  
CORPORATION LIMITED