

Results Review

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Auto & Parts

RESEARCH

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Bloomberg code

Daily turnover (mn shs)

[CICC Auto&Parts Index]

Target price

52wk high/low

ACCUMULATE

Xinyi Glass (868.HK)

Looking Forward to Another Good Year

2009 results in line:

Revenue edged up by 1.6% to HK\$3.96bn. Net profit grew by 9.1% to HK\$773.5mn, or HK\$ 0.446/sh. Total dividend for 2009 was HK\$0.21/sh, with dividend payout ratio of 48.1%. Xinyi Glass' 2009 results were 3.1% higher than our estimate, in line with expectation.

Positive:

- Gross margin improved by 5.8ppt to 36.9%, 6.1ppt higher than our original forecast of 30.5% thanks to the stronger than expected scale economy brought by surging revenue in 2H09.
- Operating cash flow realized a more rapid growth of 13.3%, outstripping net profit growth on the back of successful working capital management.

Negative:

868 HK HK\$6.99 HK\$8.7

> 6.1 7.4/1.7

G&A expenses to revenue ratio was 8.2%, 1.2ppt higher than our original forecast of 7%.

Trends to watch:

Boosted by strong demand from auto makers, export growth and solar industry improvement, together with aggressive capacity expansion, Xinyi Glass' top line could grow by 28% to HK\$5,067mn. Gross margin could still maintain stable level of 35.7% thanks for the scale economy brought by surging revenue.

Earnings revisions:

We raised our earning forecast by 5% for 2010 and 7% for 2011 to reflect the better than expected gross margin and maintain our target price of HK\$8.7 of 14.2X 2010 P/E.

Valuation and recommendation:

We believe the company's 2010 outlook is still promising. Current stock price still has 24% to our target price. ACCUMULATE reiterated.

Financial highlights (HKD Mn) 2007A 2008A 2010E 2011E 2009A Revenue 2,775 3.894 3,958 5.067 6.030 (+/-) 43.5% 40.4% 1.6% 28.0% 19.0% **EBIT** 726 768 832 1.193 1.420 (+/-) 76.9% 5.7% 8.4% 43.4% 19.0% Net income 671 709 774 1,077 1.216 EPS(HK\$) 0.39 0.42 0.44 0.61 0.69 (+/-) 60.9% 7.9% 3.8% 39.3% PF 18.47 17.47 16.02 11.50 10.20 PR 3.06 2.84 2.29 2.08 1.88 EV/EBITDA 14 29 12 56 11.83 8 97 7 41 ROE 16.6% 18.0% 16.2% 14.3% 18.4% ROCE 15.6% 13.0% 16.5% 14.5% 17.0% Dividend Yield 3.0% 4.2% 4.7% 1.9% 2.9% P/OCFPS 25.93 Share information H share

issueu snares (iiiii)				1,773		
Free float (mn)				1,773		
Market cap (HK\$ mn)				11,817		
Major shareholders (%)	Realbest (19.97%)					
Recent price perform	mance					
	Last week	1m	3m	YTD		
[868.HK]	+7.47	+16.34	+1.70	+1.99		
[CICC H share Index]	. 1 72	.2 54	2.20	4 51		



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Figure 1: 2009 results analysis

			Interim d	lata					Annual d	ata	CICC Comments					
HK\$ mn	1H2007	2H2007	1H2008	2H2008	1H2009	2H2009	HoH	2008	2009	YoY						
Revenue	1,224	1,550	1,884	2,011	1,628	2,330	43%	3,894	3,958	2%						
Cost of sales	(732)	(971)	(1,232)	(1,451)	(1,166)	(1,330)	14%	(2,683)	(2,496)	-7%						
Gross profit	493	580	651	560	463	999	116%	1,211	1,462	21%						
GP margin	40.2%	37.4%	34.6%	27.8%	28.4%	42.9%	14.5%	31.1%	36.9%	5.8%						
Other income	16	2	2	36	2	31	1204%	38	34	-12%						
Other gains	25	32	29	17	103	(89)	n.m.	46	13	-71%						
Selling and marketing costs	(143)	(144)	(162)	(156)	(130)	(139)	7%	(318)	(268)	-16%						
Administrative expenses	(61)	(74)	(64)	(145)	(172)	(151)	-12%	(209)	(323)	55%						
Operating profit	331	395	457	311	266	566	113%	768	832	8%						
Operating margin	27.0%	25.5%	24.2%	15.5%	16.3%	24.3%	8.0%	19.7%	21.0%	1.3%						
Finance income	2	7	3	6	3	4	36%	9	7	-26%						
Finance costs	(14)	(20)	(26)	2	(10)	(5)	-51%	(24)	(15)	-37%						
Net financial cost	(12)	(12)	(23)	8	(7)	(1)	-85%	(15)	(8)	-43%						
Share of profit/(loss) of associate	1	1	0	0	0	0	84%	0	0	37%						
Profit before income tax	319	384	434	319	259	565	118%	753	824	9%						
Income tax expense	(18)	(12)	(24)	(18)	(32)	(15)	-54%	(42)	(47)	12%						
Profit for the year	301	372	410	301	226	550	143%	711	777	9%						
Minority interests	(1)	(1)	(8)	6	(1)	(2)	70%	(2)	(3)	98%						
Net income	300	371	402	307	225	548	143%	709	774	9%						
Net margin	24.5%	23.9%	21.3%	15.3%	13.8%	23.5%	9.7%	18.2%	19.5%	1.3%						
EPS - Basic	0.187	0.224	0.238	0.181	0.133	0.313	135%	0.419	0.446	6%						
EPS - Diluted	0.187	0.223	0.237	0.181	0.133	0.313	135%	0.418	0.446	7%						
Dividends	144	169	186	152	106	261	145%	337	367	9%						
Dividends payout ratio	48.1%	45.5%	46.1%	49.4%	47.2%	47.6%	0.4%	47.5%	47.5%	0.0%						
Financial ratio																
GP margin	40.2%	37.4%	34.6%	27.8%	28.4%	42.9%	14.5%	31.1%	36.9%	5.8%	Gross margin improved due to the scale economy brought by surging revenue in 2H09.					
Selling cost / Revenue	11.7%	9.3%	8.6%	7.8%	8.0%	5.9%	-2.0%	8.2%	6.8%	-1.4%	brought by surging revenue in 2009.					
Administrative expenses / Revenue	4.9%	4.8%	3.4%	7.8%	10.6%	6.5%	-2.0% -4.1%	5.4%	8.2%	2.8%	Mainly due to the provision for impaired receivalbes					
Effective tax rate	5.7%	3.1%	5.6%	5.6%	12.5%	2.6%	-9.9%	5.6%	5.8%	0.1%	iviality due to the provision for impatred receivables					
	24.5%		21.3%	15.3%	13.8%	23.5%	9.7%	18.2%	19.5%	1.3%						
Net margin	∠4.5%	∠3.9%	21.3%	15.3%	13.8%	23.5%	9.7%	10.2%	19.5%	1.3%						

Source: Company data, CICC Research

Figure 2: Annual Production Capacity Projection

Annual Production Capacity Projection	2009	2010E	2011E
Automobile glass - Aftermarket ('000 pcs)	10,500	11,000	11,500
Automobile glass - OEM ('000 sets)	700	1,700	2,700
Low-emission coated construction glass ('000 sq.m)	9,000	12,000	15,000
TCO coating glass ('000 sq.m)	170	1,300	3,180
Float glass ('000 melting tons / year)	1,119	1,705	3,243
Ultra-clear PV glass ('000 melting tons / year)	125	292	562
Estimated Capital Expenditure (HK\$ million)	1,364	1,500	1,400

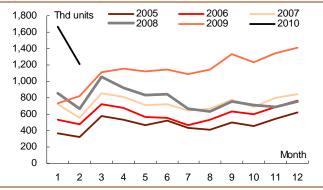
Source: Company data

Figure 3: Earning forecast revision

HK\$ MN	2009A		2010E	2011E						
HK2 IVIN	Actual	Before	After	Change	Before	After	Change			
Revenue	3,958	5,214	5,067	-2.8%	6,204	6,030	-2.8%			
COGS	2,496	3,519	3,259	-7.4%	4,202	3,891	-7.4%			
Gross profit	1,462	1,696	1,808	6.6%	2,002	2,140	6.9%			
Other income	34	54	53	-2.8%	65	63	-2.8%			
Selling expenses	268	339	343	1.3%	403	409	1.3%			
G&A	323	339	380	12.1%	403	440	9.2%			
Other gains	13	63	56	-10.9%	74	66	-10.9%			
Financial expenses	8	20	20	0.0%	20	20	0.0%			
PBT	824	1,115	1,173	5.2%	1,314	1,400	6.5%			
Income tax	47	89	94	5.2%	171	182	6.5%			
Minority interests	-3	-2	-2	5.2%	-3	-3	6.5%			
Net income	774	1,024	1,077	5.2%	1,141	1,215	6.5%			
EPS (HK\$)	0.44	0.58	0.61	5.2%	0.64	0.69	6.5%			

Source: Company data, CICC Research

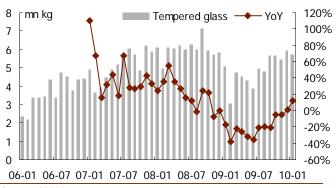
Figure 4: Monthly auto sales in China



Source: CAAM

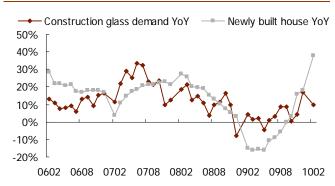


Figure 5: China auto glass export (tempered)



Source: CAAM

Figure 7: Newly built housing volume



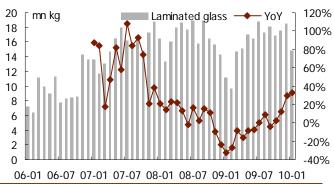
Source: Drcnet, CEIC

Figure 9: Float glass price



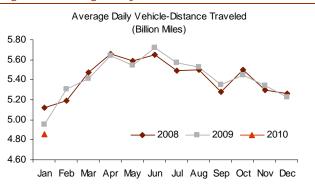
Source: CEIC

Figure 6: China auto glass export (laminated)



Source: CAAM

Figure 8: Average daily vehicle-distance traveled



Source: US Transportation Department

Figure 10: Insulated glass production



Source: Drcnet



Figure 11: Historical and forecasted financial data

Turnover 1,933 2,775 3,894 3,958 5,067 6,030 Cost of goods sold -1,233 -1,702 -2,683 -2,496 -3,259 -3,891 Gross profit 700 1,072 1,2111 1,462 1,808 2,140 Other revenues 10 18 38 34 53 63 Selling & distribution costs 2211 -286 -318 -268 -343 -409 General & admin expenses -111 -135 -209 -323 -380 -400 Other gains 22 57 46 13 56 66 EBITDA 508 869 1,000 1,095 1,499 1,750 EBIT 410 726 768 832 1,193 1,420 Net interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 703 753 824 1,174 1,400 <td< th=""><th>Income Statement(HK\$ mn)</th><th>2006A</th><th>2007A</th><th>2008A</th><th>2009A</th><th>2010E</th><th>2011E</th></td<>	Income Statement(HK\$ mn)	2006A	2007A	2008A	2009A	2010E	2011E
Gross profit 700 1,072 1,211 1,462 1,808 2,140 Other revenues 10 18 38 34 53 63 Selling & distribution costs -211 -286 -318 -268 -333 -409 General & admin expenses -111 -135 -209 -323 -380 -440 Other gains 22 57 46 13 56 66 EBITDA 508 869 1,000 1,095 1,499 1,750 EBIT before taxation 402 703 753 824 1,174 1,400 Taxation 402 703 753 824 1,174 1,400 Taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$\$) 0.24 <td>Turnover</td> <td>1,933</td> <td>2,775</td> <td>3,894</td> <td>3,958</td> <td>5,067</td> <td>6,030</td>	Turnover	1,933	2,775	3,894	3,958	5,067	6,030
Other revenues 10 18 38 34 53 68 Selling & distribution costs -211 -286 -318 -268 -343 -409 General & admin expenses -111 -135 -209 -323 -380 -440 Other gains 22 57 46 13 56 66 EBITDA 508 869 1,000 1,095 1,499 1,750 EBIT 410 726 768 832 1,193 1,420 Ret interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 703 753 824 1,174 1,400 Taxition -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Winjority interests 2 -2 -2 -3 -3 -2 -3 Net profit </td <td>Cost of goods sold</td> <td>-1,233</td> <td>-1,702</td> <td>-2,683</td> <td>-2,496</td> <td>-3,259</td> <td>-3,891</td>	Cost of goods sold	-1,233	-1,702	-2,683	-2,496	-3,259	-3,891
Selling & distribution costs -211 -286 -318 -268 -343 -400 General & admin expenses -111 -135 -209 323 -380 -440 Other gains 22 57 46 13 56 66 EBITDA 508 869 1,000 1,095 1,499 1,750 EBIT interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 703 753 824 1,174 1,400 Taxation -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Veighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.69 DPS (HK\$) 0.21 0.13 0.13 0.20 0.21 0.29 0.33 Balace She	Gross profit	700	1,072	1,211	1,462	1,808	2,140
General & admin expenses -111 -135 -209 -323 -380 -440 Other gains 22 57 46 13 56 66 EBITDA 508 869 1,000 1,095 1,499 1,750 EBIT Hard 410 726 768 832 1,193 1,420 Net interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 7703 753 824 1,174 1,400 Taxation -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -33 Met profit 388 671 709 774 1,077 1,216 Met profit 388 671 709 774 1,077 1,216 Met poffit 402	Other revenues	10	18	38	34	53	63
Other gains 22 57 46 13 56 66 EBITDA 508 869 1,000 1,095 1,499 1,750 EBIT 410 726 768 832 1,193 1,420 Net interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 703 753 824 1,174 1,400 Taxation -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.1	Selling & distribution costs	-211	-286	-318	-268	-343	-409
EBITOA 508 869 1,000 1,095 1,499 1,750 EBIT 410 726 768 832 1,193 1,420 Net interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 703 753 824 1,174 1,400 Taxation -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$ mn) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents<	General & admin expenses	-111	-135	-209	-323	-380	-440
EBIT 410 726 768 832 1,193 1,420 Net interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 703 753 824 1,174 1,400 Taxation -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mp) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & Sheet (H	Other gains	22	57	46	13	56	66
Net interest income/(expense) -8 -25 -15 -8 -20 -20 Profit before taxation 402 703 753 824 1,174 1,400 Taxation -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mn) 2006A 2007A 2008A 2009B 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266	EBITDA	508	869	1,000	1,095	1,499	1,750
Profit before taxation 402 703 753 824 1,174 1,400 Taxation -16 -30 -42 -47 -94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mn) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventries 371 551 612 678 750 955 Total curren	EBIT	410	726	768	832	1,193	1,420
Taxation -16 -30 -42 -47 94 -182 Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mn) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 3,71 511 612 678 750 955 Total current assets 1,88 1,559 1,765 2,106 2,561 3,117 Intang	Net interest income/(expense)	-8	-25	-15	-8	-20	-20
Profit after taxation 386 673 711 777 1,080 1,218 Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mn) 2006A 2007A 2008A 2009A 201E 201E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Investment 12 1 2 16 16 14 15 15 <	Profit before taxation	402	703	753	824	1,174	1,400
Minority interests 2 -2 -2 -3 -2 -3 Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mn) 2006A 2007A 2008A 2009A 201E 201E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Inventories 2,043 3,718 4,627 5,794 5,989 6,160 Inventories 2,043 3,718 4,627 5,794 5,989 6,160	Taxation	-16	-30	-42	-47	-94	-182
Net profit 388 671 709 774 1,077 1,216 Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mn) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-curre	Profit after taxation	386	673	711	777	1,080	1,218
Weighted EPS (HK\$) 0.24 0.39 0.42 0.44 0.61 0.69 DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.33 Balance Sheet(HK\$mn) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables inventories 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268	Minority interests	2	-2	-2	-3	-2	-3
DPS (HK\$) 0.11 0.13 0.20 0.21 0.29 0.31 Balance Sheet(HK\$ mn) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intagible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327	Net profit	388	671	709	774	1,077	1,216
Balance Sheet(HK\$ mn) 2006A 2007A 2008A 2009A 2010E 2011E Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 <	Weighted EPS (HK\$)	0.24	0.39	0.42	0.44	0.61	0.69
Cash & cash equivalents 162 310 436 532 336 820 Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current l	DPS (HK\$)	0.11	0.13	0.20	0.21	0.29	0.33
Trade & other receivables 569 675 661 844 1,378 1,266 Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Sha	Balance Sheet(HK\$ mn)	2006A	2007A	2008A	2009A	2010E	2011E
Inventories 371 511 612 678 750 955 Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 M	Cash & cash equivalents	162	310	436	532	336	820
Total current assets 1,189 1,559 1,765 2,106 2,561 3,117 Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25	Trade & other receivables			661	_	•	•
Intangible asset 0 81 90 95 94 93 Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E <	Inventories		_	_		750	955
Net fixed assets 2,043 3,718 4,627 5,794 5,989 6,160 Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35%	Total current assets	1,189	1,559	1,765	2,106	2,561	3,117
Investment 12 12 16 14 15 15 Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROCE <	Intangible asset	0	81	90	95	94	93
Non-current assets 2,056 3,811 4,733 5,903 6,098 6,268 Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity	Net fixed assets	2,043	3,718	4,627	5,794	5,989	6,160
Trade and other payables 571 626 879 1,447 1,231 1,327 Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1	Investment	12	12				15
Current tax liabilities 12 14 22 25 25 25 ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5	Non-current assets	2,056	3,811	4,733	5,903	6,098	6,268
ST loans 335 424 722 580 880 880 Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7	Trade and other payables	571	626	879	1,447	1,231	1,327
Current liabilities 919 1,065 1,623 2,052 2,139 2,232 Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0	Current tax liabilities	12	14	22	25	25	25
Shareholder's funds 2,248 4,045 4,369 5,411 5,970 6,601 Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0	ST loans		424		580	880	880
Minority interests - 2 0 20 20 22 25 Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0	Current liabilities	919	,		2,052	2,139	2,232
Ratios 2006A 2007A 2008A 2009A 2010E 2011E Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0		,	4,045	4,369	5,411	5,970	6,601
Gross margin 36% 39% 31% 37% 36% 35% ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0	Minority interests						
ROE 17% 17% 16% 14% 18% 18% ROA 12% 12% 11% 10% 12% 13% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0							
ROA 12% 12% 11% 10% 12% 13% ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0	S .						
ROCE 17% 16% 15% 13% 17% 17% Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0							
Debt/Equity 0.16 0.19 0.13 0.19 0.09 0.04 Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0							
Current ratio 1.3 1.5 1.1 1.0 1.2 1.4 Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0							
Quick ratio 0.9 1.0 0.7 0.7 0.8 1.0							
			_		-		
Receivables turnover days 89.2 81.8 62.6 69.4 80.0 80.0	*** * *** *			_	-		
	Receivables turnover days	89.2	81.8	62.6	69.4	80.0	80.0

Source: Company data, CICC Research



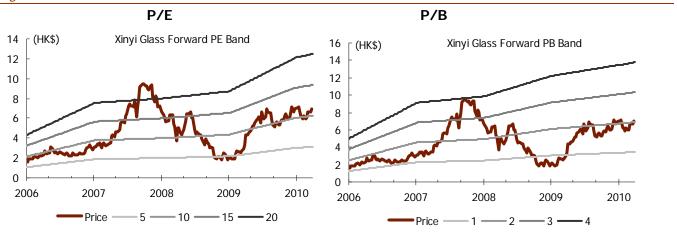
Figure 12: Valuations of comparables

Company	Catergory	Price	Market Cap	u.o.	-	P/E						P/E	n		1			EV/EBI1	·DΛ				FD	S Growt	h %		CAGR
Company	Catergory	10-3-29	MN USD	06A	07A	08A	09E	10E	11E	06A	07A	08A	09E	10E	11E	06A	07A	08A	09E	10E	11E	07A	08A	09E	10E	11E	07-11
China A-Share Listcos																											
Weichai Power A	CV	67.87	7,866	85.4	28.0	29.3	16.6	15.0	13.6	18.9	8.9	7.1	4.8	3.5	2.8	53.9	15.4	16.0	10.5	9.7	8.9	205%	-4%	76%	10%	11%	20%
CNHTC Jinan Truck	CV	27.50	1,690	51.4	16.1	24.4	27.0	16.6	14.0	8.7	5.7	4.6	4.0	3.3	2.7	17.7	8.8	14.4	13.5	9.8	8.5	220%	-34%	-10%	62%	19%	3%
Yutong Bus	CV	18.50 20.25	1,409	43.6 n.a.	25.5 48.0	18.1 53.7	18.8 17.9	16.3 14.7	15.3 12.7	7.7 12.4	3.6 9.7	5.7 6.2	4.9 4.6	4.0 3.6	3.3 2.9	26.1 81.4	14.7 25.3	17.1 33.5	13.6 11.6	11.9 9.3	7.9	71%	41% -11%	-4%	15% 22%	7%	14% 39%
Beqi Foton Motor King Long Motor	CV	9.46	2,719 613	27.4	15.3	21.3	25.6	19.3	17.0	4.3	3.4	3.0	2.8	2.4	2.2	9.8	8.0	11.2	10.4	8.4	7.5	n.m. 78%	-11%	200% -17%	33%	16% 14%	-2%
Jiangling Motor	CV	21.76	2,752	31.1	24.7	23.9	17.8	15.0	13.0	6.2	5.3	4.6	3.9	3.2	2.7	19.9	18.6	20.6	14.4	12.9	12.1	26%	3%	35%	19%	15%	17%
Jianghuai Auto	CV/PV	10.71	2,022	33.5	42.0	241.8	41.1	16.1	13.6	4.5	3.4	3.4	3.2	2.8	2.4	18.9	18.3	25.0	14.2	9.6	8.8	-20%	-83%	488%	156%	18%	33%
Chang'an Auto A	PV	12.32	4,198	55.3	43.1	1,184.6	26.7	14.6	12.4	4.1	3.8	3.8	3.3	2.7	2.2	29.3	n.a.	n.a.	38.6	25.6	34.9	28%	-96%	4343%	83%	18%	37%
FAW Car	PV	22.04	5,255	103.2	64.9	33.0	22.0	17.2	15.2	6.7	6.2	5.5	4.7	4.0	3.3	49.1	25.3	23.7	20.9	18.8	16.3	59%	97%	50%	28%	13%	44%
FAW Xiali	PV	9.88	2,309	47.8	91.8	157.6	89.2	68.5	60.5	4.8	4.8	4.8	4.6	4.4	4.1	102.3	n.a.	n.a.	n.a.	n.a.	n.a.	-48%	-42%	77%	30%	13%	11%
SAIC Motor	PV	20.45	19,638	94.0	28.9	376.6	20.3	14.4	13.1	4.2	3.6	3.9	3.4	2.9	2.6	58.1	37.0	110.2	29.1	24.6	20.1	71%		1752%	41%	10%	22%
Dongan Auto Engine	Parts	15.94 14.60	1,079	205.7	48.9 51.7	45.9 46.5	26.7	24.2 19.6	11.6 16.3	4.6 n.a.	4.2 12.2	3.9 12.9	7.4	3.0 5.4	1.4 4.0	83.4 n.a.	72.9 39.8	674.9 28.0	64.6 18.5	78.3 14.7	73.9 12.9	71%	6%	72%	11%	109%	43%
Zhongding Sealing Parts Huayu Automotive	Parts Parts	9.31	910 3.523	n.a. 41.1	20.8	22.6	16.4	14.7	13.1	4.4	2.2	3.2	2.1	1.8	1.6	238.4	142.3	55.6	46.2	41.3	35.3	n.m. 97%	11% -8%	50% 38%	59% 11%	20% 12%	33% 12%
FAWAY	Parts	26.93	835	n.m.	118.7	30.1	16.0	13.5	11.7	5.2	5.0	4.3	3.6	3.1	2.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		295%	88%	19%	15%	78%
Fuyao Glass	Parts	12.51	3,671	40.8	27.3	101.9	22.4	14.7	12.0	8.9	7.1	7.7	5.7	4.5	3.6	24.9	19.6	29.6	17.1	12.8	11.3	49%	-73%	355%	52%	23%	23%
Weifu Hi-tech	Parts	18.72	1,556	120.3	46.1	54.9	36.2	33.9	30.0	4.8	4.4	4.2	4.0	3.8	3.6	29.2	27.3	72.2	33.6	42.2	44.3	161%	-16%	52%	7%	13%	11%
Aeolus Tyres	Parts	13.83	760	202.8	33.2	n.a.	14.8	15.4	13.7	4.3	3.8	3.7	3.0	2.5	2.1	49.0	15.9	18.2	9.6	9.1	8.1	511%	n.m.	n.m.	-3%	12%	25%
Guizhou Tyres	Parts	17.60	656	78.2	51.3	87.4	20.8	25.0	21.9	4.1	3.8	3.7	3.1	2.8	2.5	15.3	13.9	15.4	9.5	10.3	10.2	53%	-41%	320%	-17%	14%	24%
Qingdao Doublestar	Parts	8.71	670	118.8	44.6	n.a.	21.8	25.2	22.4	3.9	3.5	3.9	3.3	2.9	2.6	28.5	17.9	99.3	11.0	11.9	11.3	166%	n.m.	n.m.	-14%	13%	19%
Median				66.8	43.1	46.5	22.0	16.3	13.6	4.8	4.4	4.3	3.9	3.2	2.7	29.3	19.1	26.5	14.4	12.8	11.3	71%	-16%	72%	22%	14%	22%
Median-CV				38.5	25.5	24.4	18.8	16.1	13.6	7.7	5.3	4.6	4.0	3.3	2.7	19.9	15.4	17.1	13.5	9.7	8.8	75%	-11%	35%	22%	15%	17%
Median-PV				74.7 113.9	54.0 47.5	267.1 50.7	24.3	15.9 21.9	14.1	4.5 4.6	4.3	4.3 4.1	4.0 3.5	3.4	3.0 2.6	53.6 39.1	31.1 27.3	67.0 55.6	29.1 18.5	24.6 14.7	20.1	44% 84%	-67% -12%	915% 62%	36% 11%	13% 15%	29% 23%
Median-Parts				113.9	47.5	30.7	22.1	21.9	13.4	4.0	4.3	4.1	3.3	3.0	2.6	39.1	21.3	33.6	10.5	14.7	12.1	0476	-1276	02%	1176	13%	23%
HK Listcos																											
Weichai Power H	CV	61.20	7,865	67.7	22.2	23.2	13.2	11.9	10.8	15.0	7.0	5.6	3.8	2.8	2.2	21.5	6.1	6.4	4.2	3.9	3.4	205%	-4%	76%	10%	11%	20%
Qingling	CV	2.13	681	68.1	35.5	30.4	18.7	17.2	14.9	0.8	0.8	0.8	0.7	0.7	0.7	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	92%	17%	63%	9%	15%	24%
CBA	PV	2.25	1,447	n.m.	84.9	101.8	n.m.	20.6	16.8	1.4	1.4	1.4	2.0	2.0	1.8	88.1	16.7	n.m.	n.m.	15.6	14.5	n.m.	-17%	n.m.	n.m.	23%	50%
Geely Auto	PV	4.16	3,918	80.3	67.8	27.7	20.5	16.6	14.1	16.7	9.2	6.4	4.4	3.5	2.8	n.m.	n.m.	51.4	13.2	10.2	8.4		144%	35%	24%	18%	48%
Denway	PV	4.22	4,086	12.2	12.9	13.3	14.1	13.3	11.9	2.7	2.4	2.2	2.0	1.8	1.6	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	-5%	-4%	-6%	6%	12%	2%
Great Wall	CV/PV	15.08	2,127	17.8	15.5	28.3	14.2	11.6	9.6	3.5	2.3	2.2	1.9	1.7	1.5	15.7	11.0	18.0	n.m.	2.3	1.9	15%	-45%	99%	23%	21%	13%
DF Motor	PV	12.84 8.41	14,248	46.7 32.0	25.8 18.4	24.1	14.9 21.2	13.2	12.2 11.6	6.8 21.7	5.5 1.9	4.6 1.8	3.6 1.2	2.9	2.5	13.6 16.3	11.2 11.6	9.2 15.7	6.3	5.7 8.6	4.8 7.3	81%	7%	61%	13%	8%	21%
Sinotruk Xinyi Glass Holding	CV Parts	6.99	2,464 1,594	31.9	18.5	17.5	16.0	11.5	10.2	5.0	3.0	2.7	2.4	2.2	1.9	27.2	16.0	14.0	12.7	8.9	7.0	74% 73%	-21% 6%	10% 9%	55% 39%	18% 13%	12% 16%
Minth Group Ltd	Parts	13.08	1,594	40.4	32.3	29.5	20.1	16.6	14.0	9.2	4.2	3.8	3.3	2.9	2.5	31.0	20.9	17.2	n.m.	10.5	8.8	73% 25%	10%	46%	21%	19%	23%
Median	runo		1,020	40.4	24.0	25.9	16.0	13.5	12.0	5.9	2.7	2.5	2.2	2.1	1.8	21.5	11.6	15.7	10.9	8.8	7.1	73%	1%	46%	21%	17%	20%
Median-CV				67.7	22.2	23.2	18.7	13.7	11.6	15.0	1.9	1.8	1.2	1.1	1.0	18.9	8.9	11.1	7.5	6.3	5.4	92%	-4%	63%	10%	15%	20%
Median-PV				32.3	25.8	27.7	14.6	13.3	12.2	3.5	2.4	2.2	2.0	2.0	1.8	15.7	11.2	18.0	9.8	7.9	6.6	17%	-4%	48%	18%	18%	21%
Median-Parts				36.1	25.4	23.5	18.1	14.1	12.1	7.1	3.6	3.3	2.9	2.5	2.2	29.1	18.4	15.6	12.7	9.7	7.9	49%	8%	28%	30%	16%	20%
India Listcos	01/	53.7		45.0	45.0	37.6										40.0		40.7									
Ashok Leyland TATA	CV CV/PV	742.0	1,587	15.9 13.6	15.2 13.6	37.6 n.m.	n.m. 61.7	n.m. 15.9	n.m. 10.5	3.8	3.3	2.1 6.4	n.m. 4.7	n.m. 3.8	n.m. 2.7	13.3	11.5 19.5	19.7 11.1	n.m. 11.6	n.m. 8.1	n.m. 6.6	4%	-60%	n.m.	n.m.	n.m.	n.m.
M&M	CV	555.3	8,523 7,133	17.6	16.9	21.5	16.3	14.7	13.0	5.4	4.3	4.3	3.9	3.2	2.6	23.1	11.5	11.6	11.2	10.4	10.1	0% 4%	n.m. -22%	n.m. 32%	287% 11%	51% 13%	7% 7%
Maruti	PV	1,412.2	9,061	25.7	22.8	33.2	16.7	14.7	13.0	5.8	4.7	4.3	3.5	2.9	2.4	18.5	14.9	20.0	10.2	9.1	8.1	13%	-31%	99%	14%	13%	15%
Median			-,	16.7	16.0	33.2	16.7	14.7	13.0	4.6	3.9	4.3	3.9	3.2	2.6	19.5	13.2	15.7	11.2	9.1	8.1	4%	-31%	65%	14%	13%	7%
Median-CV				15.9	15.2	29.6	39.0	15.3	11.8	3.8	3.4	4.3	4.3	3.5	2.7	20.5	11.5	11.6	11.4	9.2	8.3	4%	-41%	32%	149%	32%	7%
Median-PV				25.7	22.8	33.2	16.7	14.7	13.0	5.8	4.7	4.3	3.5	2.9	2.4	18.5	14.9	20.0	10.2	9.1	8.1	13%	-31%	99%	14%	13%	15%
Europe & US Listcos Man AG		63.27		10.1	7.7	7.5	22.5	14.2	11.1	2.5	1.8	1.7	1.7	1.6	1.4	8.6	6.0	6.6	10.7	8.4	6.8						
Scania	CV	116.30	12,387 12.878	15.7	10.9	10.5	27.3	16.9	12.9	3.6	3.8	4.2	3.9	3.4	2.9	9.3	6.6	6.3	16.2	12.0	9.9	33% 44%	1% 4%	-67% -62%	59% 61%	27% 31%	-9% -4%
Volvo	CV	74.50	21,797	9.3	10.1	15.2	54.4	16.0	10.6	1.7	1.8	1.8	2.3	2.1	1.9	7.9	8.2	9.3	14.2	9.6	7.8	-8%	-34%	-72%	239%	51%	-1%
Paccar	CV	43.67	15.904	11.0	13.2	15.7	50.6	22.4	14.1	3.7	3.2	3.3	3.1	2.9	2.6	7.8	9.1	9.8	25.2	14.3	10.4	-17%	-16%	-69%	126%	59%	-2%
Daimler AG	CV/PV	35.30	50,496	9.6	9.2	25.0	25.2	12.5	10.2	1.0	1.0	1.0	1.2	1.1	1.0	5.1	5.7	8.0	12.1	9.4	9.1	5%	-63%	-1%	101%	23%	-2%
FIAT	CV/PV	9.77	15,651	11.7	6.3	7.5	39.2	12.5	7.5	1.3	n.m.	1.2	1.2	1.1	1.0	5.8	4.8	4.5	6.7	5.5	4.8	85%	-16%	-81%	213%	67%	-4%
Renault	PV	36.08	13,858	3.2	3.5	16.2	43.6	7.7	5.5	0.5	0.5	0.5	0.6	0.5	0.5	9.7	8.8	12.7	11.5	9.5	8.1	-8%	-78%	-63%	470%	38%	-11%
Peugeot	PV	22.87	7,217	29.7	5.9	n.m.	n.m.	6.8	4.1	0.4	0.4	0.4	0.5	0.4	0.4	6.6	5.6	7.6	7.7	6.0	5.0	404%	n.m.	n.m.	n.m.	64%	9%
BMW	PV	34.58	29,911	7.9	7.2	70.6	20.9	11.2	8.1	1.2	1.0	1.1	1.0	1.0	0.9	6.6	5.9	6.5	10.6	8.7	7.1	9%	-90%	238%	87%	38%	-3%
VW	PV	72.29 13.86	38,613	10.2 n.m.	6.9 n.m.	6.1 n.m.	19.7 13.7	10.6 9.9	7.6 7.6	1.1 n.m.	0.9 8.4	0.8 n.m.	0.8 n.m.	0.8 9.6	0.7 2.7	7.1 254.3	5.6 10.5	5.7 2,150.0	8.4 15.3	6.9 12.6	6.0 11.0	47%	14%	-69%	87%	39%	-2%
Ford Ford	CV/PV CV/PV	13.86	46,684 341	n.m.	n.m.	n.m.	13.7 n.m.	9.9 n.m.	7.6 n.m.	n.m.	8.4 n.m.	n.m.	n.m.	9.6 n.m.	2.7 n.m.	254.3 8.6	10.5	2,150.0 n.m.	15.3 n.m.	12.6 5.9	3.8	n.m.	n.m.	n.m.	39% n.m.	29%	n.m. n.m.
MAGNA INTI -A	Parts	61.58	6,974	12.7	10.3	97.7	19.3	11.6	9.1	0.9	0.8	0.9	0.9	0.8	0.8	3.6	2.9	4.1	4.6	3.6	3.0	n.m. 22%	n.m. -89%	n.m. 407%	n.m. 66%	n.m. 27%	n.m. 3%
BORGWARNER INC	Parts	37.03	4,329	20.1	14.9	n.m.	21.4	13.4	10.1	2.3	1.9	2.1	1.8	1.6	1.4	7.9	7.0	8.3	8.7	6.6	5.4	35%	n.m.	n.m.	60%	32%	10%
AUTOLIV INC	Parts	52.52	4,479	10.7	14.2	22.9	12.6	11.1	10.8	1.8	1.6	1.7	1.7	1.5	1.4	6.3	6.3	7.9	5.7	5.2	5.2	-24%	-38%	82%	13%	3%	7%
GKN PLC	Parts	140.10	3,258	830.5	744.0	n.m.	n.m.	n.m.	782.7	172.6	131.2	170.6	219.2	205.1	168.8	6.3	5.9	6.5	5.3	4.5	3.8	12%	n.m.	n.m.	n.m.	n.m.	-1%
ELRINGKLINGER AG	Parts	19.15	1,487	19.1	14.5	27.7	37.1	23.4	16.7	5.1	4.2	4.0	3.8	3.4	3.0	9.3	7.7	9.6	10.4	9.0	7.7	31%	-48%	-25%	59%	40%	-3%
VALEO SA	Parts	28.39	2,993	13.5	26.8	n.m.	21.3	11.6	8.3	1.3	1.3	1.6	1.7	1.6	1.4	3.6	3.4	6.1	3.9	3.4	3.2	-50%	n.m.	n.m.	83%	41%	34%
Median				11.3	10.2	15.9	22.5	12.1	10.1	1.5	1.7	1.7	1.7	1.6	1.4	7.5	6.2	7.6	10.4	7.7	6.4	17%	-36%	-62%	83%	38%	-2%
Median-CV				10.5	10.5	12.8	38.9	16.5	12.0	3.0	2.5	2.5	2.7	2.5	2.2	8.2	7.4	7.9	15.2	10.8	8.9	12%	-7%	-68%	93%	41%	-3%
Median-PV				9.9	6.6 14.7	16.2 27.7	23.0	10.6 11.6	7.6 10.5	1.0 2.0	0.9 1.8	0.9 1.9	0.9 1.8	1.0	0.9 1.4	6.9	5.8 6.1	7.6 7.2	10.6 5.5	7.8 4.9	6.6 4.5	28% 17%	-63% -48%	-63% 82%	94% 60%	38% 32%	-3% 5%
Median-Parts				10.3	14.7	41.1	21.3	11.0	10.0	2.0	1.0	1.9	1.0	1.0		0.3	0.1	1.2	J.3	4.9	4.0	17.76	-4076	0276	0076	32%	J 76
Japan Listcos																											
Isuzu	CV	251	4,601	3.9	5.6	n.m.	n.m.	42.5	15.0	1.4	1.2	1.5	1.5	1.4	1.3	5.0	4.5	11.1	15.3	10.3	7.8	-31%	n.m.	n.m.	n.m.	184%	-22%
Hino Motors	CV	393	2,439	11.2	10.2	n.m.	n.m.	28.3	14.7	0.8	8.0	1.1	1.2	1.1	1.0	6.0	5.0	13.8	11.4	8.0	6.7	11%	n.m.	n.m.	n.m.	92%	-9%
Nissan	PV	783	38,240	7.0	6.6	n.m.	52.4	18.6	11.5	0.9	0.9	1.2	1.1	1.1	1.0	4.7	4.5	11.4	9.5	8.1	7.1	5%	n.m.	n.m.	181%	62%	-13%
Toyota	CV/PV	3,740	139,310	7.3	6.9		152.2	36.8	14.9	1.0	1.0	1.2	1.2	1.1	1.1	6.1	5.9	21.4	19.3	13.6	10.2	6%	n.m.	n.m.	313%	148%	-17%
Mazda	PV	246	4,731	4.7	3.8	n.m.	n.m.	25.9	15.7	0.7	0.6	0.8	0.9	0.9	0.8	4.2	4.2	4.2	10.8	8.7	7.7	24%	n.m.	n.m.	n.m.	65%	-30%
Honda	PV	3,265	64,718	10.1	9.9	43.2	22.8	16.1	12.2	1.3	1.3	1.5	1.4	1.3	1.2	7.6	6.8	11.2	11.2	9.6	8.1	2%	-77%	89%	42%	31%	-5%
Suzuki DENEO CORR	PV Parts	2,065 2,736	12,106	12.2	11.6 9.1	33.5 n.m.	37.7 30.7	23.3	22.5 14.7	1.2	1.2	1.4	1.3	1.2	1.1	4.7	4.3 3.7	6.1 9.6	6.9	6.2 5.9	5.4 5.2	5%	-65%	-11%	61% 27%	3% 65%	-15% -11%
DENSO CORP AISIN SEIKI CO	Parts Parts	2,736	26,130 8.681	10.9	9.1 8.5		30.7 105.1	15.2	11.1	1.0	1.0	1.2	1.2	1.1	1.1	4.4	3.7	9.6 6.6	4.8	4.3	4.1	20% 38%	n.m.	n.m. n.m.	27% 593%	65% 36%	-11% -7%
TOYOTA BOSHOKU	Parts	1,738	3,524	10.8	8.0	n.m.	70.5	21.8	12.0	2.0	1.7	2.0	2.0	1.8	1.6	4.8	3.8	8.2	6.6	5.0	4.3	35%	n.m.	n.m.	224%	81%	-1%
JTEKT CORP	Parts	1,072	3,722	7.6	7.9	n.m.	n.m.	20.3	14.6	1.0	0.9	1.1	1.1	1.1	1.0	4.4	3.7	6.1	10.0	6.8	5.5	-4%	n.m.	n.m.	n.m.	39%	-10%
Median			-,	10.1	8.0	38.4	52.4	23.3	14.7	1.0	1.0	1.2	1.2	1.1	1.1	4.7	4.3	9.6	10.0	8.0	6.7	6%	-71%	39%	181%	65%	-13%
Median-CV				7.6	7.9	n.m.	n.m.	35.4	14.8	1.1	1.0	1.3	1.3	1.3	1.2	5.5	4.7	12.4	13.3	9.1	7.2	-10%	n.m.	n.m.	n.m.	138%	-15%
Median-PV				7.3	6.9	38.4	45.0	23.3	14.9	1.0	1.0	1.2	1.2	1.1	1.1	4.7	4.5	11.2	10.8	8.7	7.7	5%	-71%	39%	121%	62%	-15%
Median-Parts				10.9	8.2	n.m.	70.5	21.0	13.3	1.0	1.0	1.2	1.2	1.1	1.1	4.4	3.7	7.4	6.7	5.4	4.8	28%	n.m.	n.m.	224%	52%	-10%

Source: Bloomberg, CICC Research



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



Source: Bloomberg, CICC Research

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