

Want Want China Holdings Ltd

De-rating likely to continue; new products unlikely to fill the gap

Want Want reported weak results, 2H14 earnings down 20% y/y. At the briefing management focused on i) product upgrades ii) new products and iii) fixing the sales organization. We believe with Hot Kid Milk (accounting for 90% of dairy which accounts for 60% of overall EBIT) seeing a structural slowdown it will be difficult to fill this gap with new products – especially given that new products are in competitive categories such as dairy, noodles, tea and juice. Regarding the slowdown in Hot Kid Milk, management believes it is a sales problem rather than product but at the same time note they will be upgrading the product by lowering sugar content and increasing protein content – which we doubt is sufficient to reverse the trend. Management noted that YTD trends in rice crackers and snacks are improving (not surprising given CNY timing) but dairy remains relatively challenging in 1Q. With a structural slowdown in top line growth and almost no pricing power left, we believe the stock's de-rating will continue. We expect potential ST margin recovery on the back of input cost correction to take a back seat and the focus to be on top-line slowdown. Maintain UW.

- Dairy/Bev segment sales declined 5% y/y in 2H14 and EBIT margin slipped 280bps. Beverage sales rose mid-single digits in FY14, but slowed in 2H because of cooler weather, while dairy sales declined 1% on intensifying competition.
- Rice cracker sales declined 14% y/y in 2H14 mainly due to CNY timing, which also led to 470bps EBIT margin decline. As per management, the segment has printed decent growth YTD given the calendar shift.
- Snack sales declined 2% in 2H14 and EBIT margin dropped 220 bps: Although popsicles category sales growth slowed down in 2H, its solid c28% growth for the full year had helped the segment's ASP advance LSD and the volume increase by HSD in FY14.

Want Want China Holdings Ltd (Reuters: 0151.HK, Bloomberg: 151 HK)

\$ in mn, year-end Dec	FY13A	FY14A	FY15E	FY16E	FY17E
Revenue (\$ mn)	3,818	3,775	4,062	4,316	4,584
Net Profit (\$ mn)	686	619	756	796	835
EPS (\$)	0.05	0.05	0.06	0.06	0.06
Recurring EPS (\$)	0.05	0.05	0.06	0.06	0.06
DPS (\$)	0.03	0.03	0.03	0.03	0.03
Revenue growth (%)	13.7%	(1.1%)	7.6%	6.2%	6.2%
Net Profit growth (%)	23.8%	(9.8%)	22.3%	5.2%	4.9%
Recurring profit growth	23.8%	(9.8%)	22.3%	5.2%	4.9%
EPS growth (%)	23.8%	(9.7%)	22.3%	5.2%	4.9%
ROE	38.8%	31.0%	33.9%	30.5%	27.8%
ROA	17.6%	14.3%	16.8%	15.9%	15.1%
P/E (x)	19.8	21.9	17.9	17.1	16.3
P/BV (x)	7.0	6.6	5.6	4.8	4.2
EV/EBITDA (x)	17.1	19.4	15.6	14.4	13.4
Dividend Yield	3.4%	3.1%	2.9%	3.0%	3.2%

Source: Company data, Bloomberg, J.P. Morgan estimates.

See page 10 for analyst certification and important disclosures, including non-US analyst disclosures.

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Underweight

0151.HK, 151 HK

Price: HK\$7.98

Price Target: HK\$7.00

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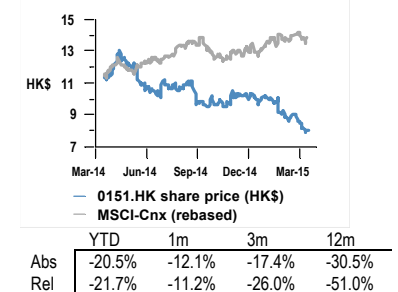
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Price Performance



Company Data	
Shares O/S (mn)	13,228
Market Cap (\$ mn)	13,595
Market Cap (\$ mn)	13,595
Price (HK\$)	7.98
Date Of Price	17 Mar 15
Free Float(%)	44.6%
3M - Avg daily vol (mn)	16.44
3M - Avg daily val (HK\$ mn)	149.68
3M - Avg daily val (\$ mn)	19.3
MSCI-Cnx	6953.00
Exchange Rate	7.76
Price Target End Date	31-Dec-15
Price Target (HK\$)	7.00

<p>Key catalyst for the stock price:</p> <p>The structural slowdown in top line (due to high penetration and tough competition) and no pricing power left (which likely means not benefiting from input costs correction as they used to do) would drive the de-rating.</p>	<p>Upside risks to our view:</p> <p>i) stronger than expected margin recovery in 2015 which will kick in after 1Q thanks to low milk powder price and likely lead to decent earnings growth this year. ii) seasonal sales momentum which might mean we are likely to have a strong 1Q15 sales given the shift in CNY.</p>	<p>Downside risks to our view:</p> <p>Higher than A&P spending putting pressure on EBIT margins and inability to have any price increase when input costs go up</p>
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Key financial metrics	FY13A	FY14A	FY15E	FY16E
Revenues (LC)	3,818	3,775	4,062	4,316
Revenue growth (%)	13.7%	-1.1%	7.6%	6.2%
EBITDA (LC)	989	899	1,094	1,149
EBITDA margin (%)	25.9%	23.8%	26.9%	26.6%
Tax rate (%)	26.5%	25.3%	25.3%	25.3%
Net profit (LC)	686	619	756	796
EPS (LC)	0.05	0.05	0.06	0.06
EPS growth (%)	23.8%	-9.7%	22.3%	5.2%
DPS (LC)	0.03	0.03	0.03	0.03
BVPS (LC)	0.15	0.16	0.18	0.21
Operating cash flow (LC mn)	953	264	1,042	1,137
Free cash flow (LC mn)	645	(249)	778	839
Interest cover (X)	NM	NM	NM	NM
Net margin (%)	18.0%	16.4%	18.6%	18.4%
Sales/assets (X)	1.0x	0.9x	0.9x	0.9x
Debt/equity (%)	64.4%	68.8%	58.4%	50.4%
Net debt/equity (%)	-41.1%	-11.4%	-27.4%	-40.6%
ROE (%)	38.8%	31.0%	33.9%	30.5%
Key model assumptions	FY13A	FY14A	FY15E	FY16E
Sales Growth	13.7%	-1.1%	7.6%	6.2%
Gross Margin	41.5%	40.2%	44.1%	43.9%
Operating Margin	23.1%	20.6%	23.5%	23.2%

Source: Company and J.P. Morgan estimates.

Sensitivity analysis	EBIT	EPS
Sensitivity to	FY15E	FY15E
1% chg in ASP	-3.7%	-5.4%
1% chg in transportation Cost	-0.1%	-0.2%
1% chg in packaging material	-0.3%	-0.5%

Source: J.P. Morgan estimates.

Comparative metrics

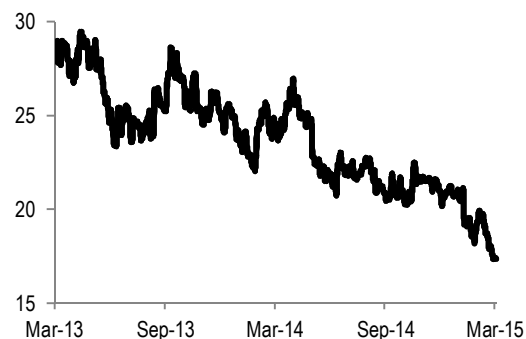
	CMP	Mkt Cap	P/E		EV/EBITDA		P/BV		YTD
	LC	\$Mn	FY14E	FY15E	FY14E	FY15E	FY14E	FY15E	Stock perf.
Want Want	8.0	13,559	21.0x	17.7x	13.8x	11.5x	6.2x	5.4x	-21.9%
China resources Enterprise	14.3	4,460	260.0x	52.6x	7.7x	6.4x	0.7x	0.7x	-11.9%
Tsingtao	47.8	8,591	25.6x	23.0x	14.9x	13.2x	3.3x	3.0x	-9.2%
China Mengniu	35.9	9,061	26.8x	22.1x	15.3x	12.7x	2.7x	2.5x	12.2%
China Foods	3.1	1,106	na	85.3x	18.5x	11.7x	1.4x	1.4x	15.0%
Uni President China	5.6	3,088	36.9x	26.1x	13.0x	10.5x	1.8x	1.7x	-22.3%

Source: Bloomberg, J.P. Morgan estimates. Priced at 17 March 2015

Valuation and price target basis

Our Dec-15 PT of HK\$7 is based on 16x one-year forward P/E, 2 standard deviation below the historical mean as growth rates are lower than in the past.

Want Want - Forward P/E



Source: Bloomberg

JPM vs. consensus, change in estimates

EPS	FY15E	FY16E
JPM old	0.06	0.06
JPM new	0.06	0.06
% change	-0.2%	-0.3%
Consensus	0.06	0.06

Source: Bloomberg, J.P. Morgan estimates.

Earnings revision

We slightly tweak our estimates for FY15E and FY16E post Want Want's FY14 result announcement.

Table 1: Earnings revision

	Old		New		% Change	
	FY15E	FY16E	FY15E	FY16E	FY15E	FY16E
USD in millions						
Revenue	4,122	4,378	4,062	4,316	-1.4%	-1.4%
Revenue growth y/y	9.4%	6.2%	7.6%	6.2%		
Gross profit	1,797	1,897	1,792	1,896	-0.3%	0.0%
Gross margin	43.6%	43.3%	44.1%	43.9%		
EBIT	957	1,003	956	1,001	-0.1%	-0.2%
EBIT margin	23.2%	22.9%	23.5%	23.2%		
NPAT	759	799	756	796	-0.3%	-0.4%
NPAT growth y/y	21.3%	5.3%	22.3%	5.2%		
Diluted EPS (USD)	0.06	0.06	0.06	0.06	-0.2%	-0.3%

Source: J.P. Morgan estimates.

FY14 results recap

Table 2: Want Want 2H14 results vs JPM estimates

USDmn	2H13	2H14A	% chg y/y	2H14E	Actual/Est
Sales revenue	2,063	1,923	-7%	1,914	0.5%
Gross profit	862	772	-10%	746	3.5%
Gross margin	41.8%	40.2%		39.0%	
Other income	37	33	-11%	53	-38.9%
Total operating expenses	-413	-423	2%	-413	2.4%
EBIT	486	382	-21%	387	-1.2%
EBIT margin	23.6%	19.9%		20.2%	
Net interest income (expense)	27	22	-19%	24	-9.8%
Associates	1	0		2	
Pretax profit	514	403	-21%	412	-2.2%
Tax	-135	-102	-24%	-106	-3.6%
Effective tax rate	-26%	-25%		-26%	
Minority interests	-1	0		1	
Net profit	378	301	-20%	307	-1.9%
Net margin	18.3%	15.7%		16.0%	

Source: J.P. Morgan estimates, Company data.

Table 3: Want Want FY14 results vs JPM estimates

USDmn	FY13	FY14A	% chg y/y	FY14E	Actual/Est
Sales revenue	3,818	3,775	-1%	3,767	0.2%
Gross profit	1,586	1,519	-4%	1,493	1.7%
Gross margin	41.5%	40.2%		39.6%	
Other income	78	73	-6%	94	-22.0%
Total operating expenses	-781	-816	4%	-806	1.2%
EBIT	883	777	-12%	781	-0.6%
EBIT margin	23.1%	20.6%		20.7%	
Net interest income (expense)	49	53	9%	56	-4.3%
Associates	2	-1		2	
Pretax profit	934	830	-11%	839	-1.1%
Tax	-247	-210	-15%	-214	-1.8%
Effective tax rate	-26%	-25%		-26%	
Minority interests	-1	-1		1	
Net profit	686	619	-10%	625	-1.1%
Net margin	18.0%	16.4%		16.6%	

Source: J.P. Morgan estimates, Company data.

Table 4: 2H14 product segment breakdown vs JPM estimates

USDmn	2H13	2H14A	% chg y/y	2H14E	Actual/Est
Revenue breakdown					
Rice crackers	590	508	-14%	502	1%
Dairy products & beverages	1,057	1,006	-5%	1,010	0%
Snack foods	412	405	-2%	397	2%
Others	5	4		5	
Total	2,063	1,923	-7%	1,914	0%
Gross profit breakdown					
Rice crackers	257	206	-20%	205	1%
Dairy products & beverages	425	385	-9%	367	5%
Snack foods	178	180	1%	169	6%
Others	2	0		5	
Total	862	772	-10%	746	4%
EBIT breakdown					
Rice crackers	147	102	-30%	95	8%
Dairy products & beverages	287	245	-15%	224	9%
Snack foods	87	77	-12%	83	-7%
Unallocated costs	-35	-43		-16	
Total EBIT	486	382	-21%	387	-1%
Gross profit margin					
Rice crackers	43.6%	40.7%			
Dairy products & beverages	40.2%	38.3%			
Snack foods	43.4%	44.5%			
Total	41.8%	40.2%			
EBIT margin					
Rice crackers	24.9%	20.2%			
Dairy products & beverages	27.2%	24.4%			
Snack foods	21.3%	19.1%			
Total	23.6%	19.9%			

Source: J.P. Morgan estimates, Company data.

Table 5: FY14 product segment breakdown vs JPM estimates

USDmn	FY13	FY14A	% chg y/y	FY14E	Actual/Est
Revenue breakdown					
Rice crackers	910	812	-11%	806	1%
Dairy products & beverages	1,999	1,993	0%	1,997	0%
Snack foods	900	963	7%	955	1%
Others	9	8		9	
Total	3,818	3,775	-1%	3,767	0%
Gross profit breakdown					
Rice crackers	371	324	-13%	323	0%
Dairy products & beverages	826	765	-7%	747	3%
Snack foods	387	432	12%	421	3%
Others	2	-2		3	
Total	1,586	1,519	-4%	1,493	2%
EBIT breakdown					
Rice crackers	185	153	-17%	145	5%
Dairy products & beverages	560	488	-13%	467	4%
Snack foods	204	215	5%	221	-3%
Unallocated costs	-65	-79		-52	
Total EBIT	883	777	-12%	781	-1%
Gross profit margin					
Rice crackers	40.8%	39.9%			
Dairy products & beverages	41.3%	38.4%			
Snack foods	43.0%	44.9%			
Total	41.5%	40.2%			
EBIT margin					
Rice crackers	20.3%	18.8%			
Dairy products & beverages	28.0%	24.5%			
Snack foods	22.7%	22.4%			
Total	23.1%	20.6%			

Source: J.P. Morgan estimates, Company data.

Table 6: Want Want's semi-annual revenue and EBIT trends

USDmn	1H11	2H11	1H12	2H12	1H13	2H13	1H14	2H14
Revenue breakdown								
Rice crackers	279	538	277	535	320	590	304	508
Dairy products & beverages	623	770	796	912	942	1,057	987	1,006
Snack foods	369	354	450	380	488	412	558	405
Others	8	5	4	4	4	5	4	4
Total	1,279	1,667	1,528	1,831	1,754	2,063	1,853	1,923
Gross profit breakdown								
Rice crackers	89	218	98	219	114	257	117	206
Dairy products & beverages	211	255	290	385	400	425	380	385
Snack foods	121	128	178	157	208	178	252	180
Others	1	2	1	0	1	2	-2	0
Total	422	603	567	761	724	862	747	772
EBIT breakdown								
Rice crackers	36	125	34	112	38	147	50	102
Dairy products & beverages	127	148	188	246	273	287	243	245
Snack foods	63	70	102	82	117	87	138	77
Unallocated costs	-22	-23	-26	-28	-30	-35	-36	-43
Total EBIT	204	319	298	413	397	486	395	382
% revenue growth								
Rice crackers	18%	37%	0%	-1%	15%	10%	-5%	-14%
Dairy products & beverages	29%	32%	28%	18%	18%	16%	5%	-5%
Snack foods	35%	37%	22%	7%	8%	8%	14%	-2%
Others	-24%	-20%	-54%	-10%	6%	18%	-6%	-26%
Total	28%	34%	19%	10%	15%	13%	6%	-7%
GPM ppt chg								
Rice crackers	(990)	37	310	52	40	266	300	(294)
Dairy products & beverages	(60)	(169)	260	915	610	(200)	(400)	(193)
Snack foods	(920)	(304)	680	509	310	199	250	113
Total	(510)	(111)	410	543	415	22	(92)	(164)
EBIT margin ppt chg								
Rice crackers			(46)	(224)	(60)	398	466	(470)
Dairy products & beverages			325	780	537	16	(436)	(279)
Snack foods			560	198	131	(46)	78	(215)
Total			358	341	315	101	(134)	(368)
Gross margin by product								
Rice crackers	32.1%	40.4%	35.2%	41.0%	35.6%	43.6%	38.6%	40.7%
Dairy products & beverages	33.8%	33.1%	36.4%	42.2%	42.5%	40.2%	38.5%	38.3%
Snack foods	32.8%	36.3%	39.6%	41.4%	42.7%	43.4%	45.2%	44.5%
Total	33.0%	36.2%	37.1%	41.6%	41.2%	41.8%	40.3%	40.2%
EBIT margin by product								
Rice crackers	12.9%	23.1%	12.4%	20.9%	11.8%	24.9%	16.5%	20.2%
Dairy products & beverages	20.3%	19.2%	23.6%	27.0%	28.9%	27.2%	24.6%	24.4%
Snack foods	17.0%	19.7%	22.6%	21.7%	23.9%	21.3%	24.7%	19.1%
Total	15.9%	19.1%	19.5%	22.5%	22.6%	23.6%	21.3%	19.9%

Source: Company reports.

Investment Thesis, Valuation and Risks

Want Want China Holdings Ltd (*Underweight; Price Target: HK\$7.00*)

Investment Thesis

We reiterate UW on Want Want (WW). We believe further de-rating is on the way as potential margin recovery on the back of input cost correction takes the back seat and focus is now on top line slowdown. WW used to be a core holding among China consumer names given its: i) dominant market share in niche categories with little competitive pressure; ii) strong pricing power which meant that they were able to pass on input cost increases via ASP increase and reported strong margin expansion when input costs corrected as they had little need to boost A&P; and iii) on the back of all these had strong top line driven both by volume and ASP. We believe all these pillars have cracked. With a structural slowdown in top line growth (due to high penetration and tough competition) and almost no pricing power left (which likely means not benefitting from input costs correction as they used to do), we believe the stock's de-rating which just started will continue.

Valuation

Our Dec-15 PT of HK\$7 is based on 16x one-year forward P/E, 2-standard deviation below the historical mean as growth rates are lower than in the past.

Risks to Rating and Price Target

Risks to our UW rating and price target include: i) a stronger-than-expected margin recovery in 2015 which should kick in after 1Q, thanks to low milk powder price and likely lead to decent earnings growth this year; and ii) seasonal sales momentum, which might mean we are likely to have strong 1Q15 sales given the shift in CNY.

Want Want China Holdings Ltd: Summary of Financials

Income Statement						Cash flow statement					
\$ in millions, year end Dec	FY13	FY14	FY15E	FY16E	FY17E	\$ in millions, year end Dec	FY13	FY14	FY15E	FY16E	FY17E
Revenues	3,818	3,775	4,062	4,316	4,584	PBT	932	830	1,015	1,067	1,119
% change Y/Y	13.7%	(1.1%)	7.6%	6.2%	6.2%	Depr. & amortization	106	122	138	148	157
Gross Profit	1,586	1,519	1,792	1,896	2,009	Change in working capital	135	(445)	146	4	5
% change Y/Y	19.4%	(4.2%)	18.0%	5.8%	5.9%	Tax & Other	(222)	(242)	(256)	(81)	(268)
Gross margin	41.5%	40.2%	44.1%	43.9%	43.8%	Cash flow from operations	953	264	1,042	1,137	1,012
Other operating income	78	73	77	85	93	Capex	(273)	(474)	(220)	(249)	(252)
EBITDA	989	899	1,094	1,149	1,206	Sale of assets	1	0	0	0	0
% change Y/Y	23.9%	(9.1%)	21.7%	5.0%	5.0%	Acquisition of subsidiaries/intangibles	-	-	-	-	-
EBITDA Margin	25.9%	23.8%	26.9%	26.6%	26.3%	Other	(2)	(1)	(1)	(1)	(1)
EBIT	883	777	956	1,001	1,050	Cash flow from investing	(273)	(475)	(221)	(250)	(253)
% change Y/Y	24.3%	(12.0%)	23.1%	4.7%	4.9%	Equity raised/(repaid)	(3)	(39)	0	0	0
EBIT Margin	23.1%	20.6%	23.5%	23.2%	22.9%	Debt raised/(repaid)	255	159	0	0	0
Net Interest	49	53	59	66	70	Dividends paid	(419)	(319)	(390)	(411)	(431)
Share of JVs	-	-	-	-	-	Other	(2)	0	0	0	0
Other non operating income	-	-	-	-	-	Cash flow from financing	(169)	(199)	(390)	(411)	(431)
Earnings before tax	932	830	1,015	1,067	1,119	FX gain/(loss)	50	0	0	0	1
% change Y/Y	24.6%	(10.9%)	22.2%	5.2%	4.9%	Net change in cash	561	(410)	431	477	329
Tax	(247)	(210)	(257)	(270)	(283)	Ending cash	2,059	1,650	2,080	2,557	2,886
as % of EBT	26.5%	25.3%	25.3%	25.3%	25.3%	DPS	0.03	0.03	0.03	0.03	0.03
Minorities	(1)	(1)	(1)	(1)	(1)						
Net income (reported)	686	619	756	796	835						
% change Y/Y	23.8%	(9.8%)	22.3%	5.2%	4.9%						
Recurring Net Income	686	619	756	796	835						
% change Y/Y	23.8%	(9.8%)	22.3%	5.2%	4.9%						
EPS (reported)	0.05	0.05	0.06	0.06	0.06						
% change Y/Y	23.8%	(9.7%)	22.3%	5.2%	4.9%						
Recurring EPS	0.05	0.05	0.06	0.06	0.06						
% change Y/Y	23.8%	(9.7%)	22.3%	5.2%	4.9%						
Balance sheet						Ratio Analysis					
\$ in millions, year end Dec	FY13	FY14	FY15E	FY16E	FY17E	\$ in millions, year end Dec	FY13	FY14	FY15E	FY16E	FY17E
Cash and cash equivalents	2,060	1,650	2,080	2,557	2,886	Gross margin	41.5%	40.2%	44.1%	43.9%	43.8%
Accounts receivable	164	132	142	151	160	EBITDA margin	25.9%	23.8%	26.9%	26.6%	26.3%
Inventories	534	667	560	530	564	Operating Margin	23.1%	20.6%	23.5%	23.2%	22.9%
Others	152	140	140	140	140	Net margin	18.0%	16.4%	18.6%	18.4%	18.2%
Current assets	2,911	2,589	2,922	3,378	3,751	Recurring net profit margin	18.0%	16.4%	18.6%	18.4%	18.2%
Goodwill	-	-	-	-	-	Sales growth	13.7%	(1.1%)	7.6%	6.2%	6.2%
Intangible assets	-	-	-	-	-	Net profit growth	23.8%	(9.8%)	22.3%	5.2%	4.9%
Long term investments	-	-	-	-	-	Recurring net profit growth	23.8%	(9.8%)	22.3%	5.2%	4.9%
Net fixed assets	1,236	1,448	1,560	1,662	1,755	EPS growth	23.8%	(9.7%)	22.3%	5.2%	4.9%
Other assets	202	247	247	247	247	Interest coverage (x)	-	-	-	-	-
Total Assets	4,348	4,284	4,729	5,287	5,753	Net debt to equity	(41.1%)	(11.4%)	(27.4%)	(40.6%)	(45.7%)
Liabilities						Sales/assets	1.0	0.9	0.9	0.9	0.8
Short-term loans	410	518	518	518	518	Assets/equity	220.7%	216.2%	201.8%	192.0%	183.8%
Trade & other payables	281	197	212	225	239	ROE	38.8%	31.0%	33.9%	30.5%	27.8%
Others	823	578	642	800	848	ROCE	22.4%	17.4%	19.6%	18.6%	17.7%
Total current liabilities	1,515	1,293	1,372	1,543	1,605						
Long-term debt	847	898	898	898	898						
Others	34	35	35	35	35						
Total Liabilities	2,396	2,226	2,304	2,476	2,537						
Minorities	9	8	9	10	11						
Shareholders' equity	1,943	2,050	2,416	2,801	3,205						
BVPS	0.15	0.16	0.18	0.21	0.24						

Source: Company reports and J.P. Morgan estimates.

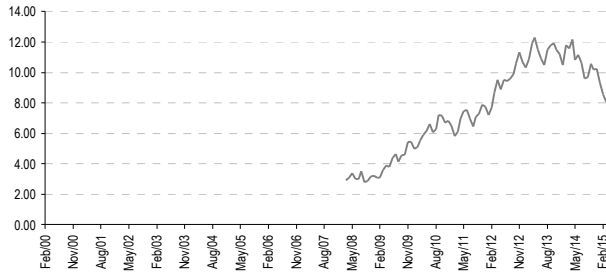
JPM Q-Profile

Want Want China Holdings Limited (CHINA / Consumer Staples)

As Of: 13-Mar-2015

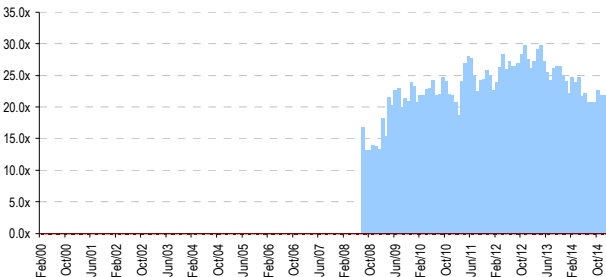
Local Share Price

Current: **8.05**



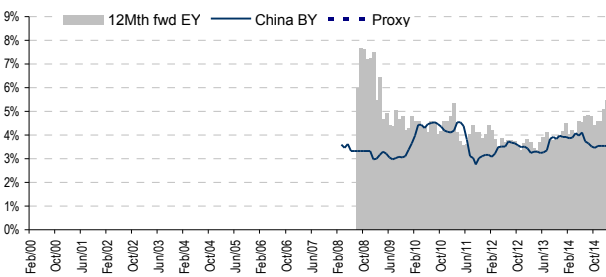
PE (1Yr Forward)

Current: **17.3x**



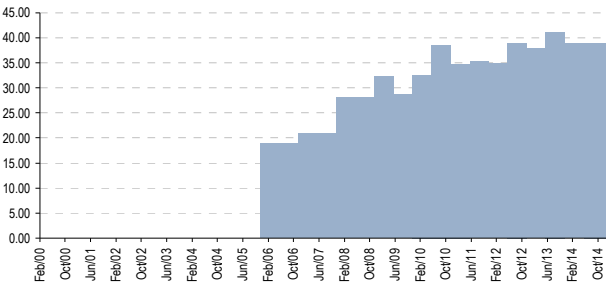
Earnings Yield (& Local Bond Yield)

Current: **6%**



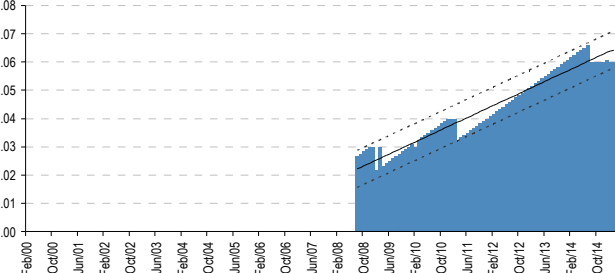
ROE (Trailing)

Current: **39.02**



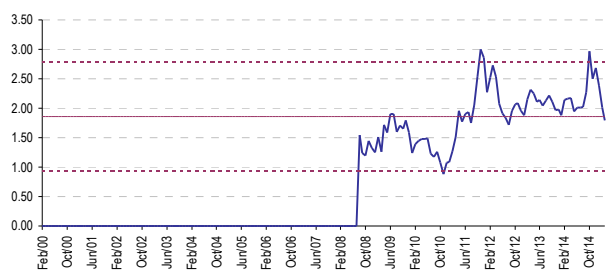
12 Mth Forward EPS

Current: **0.06**



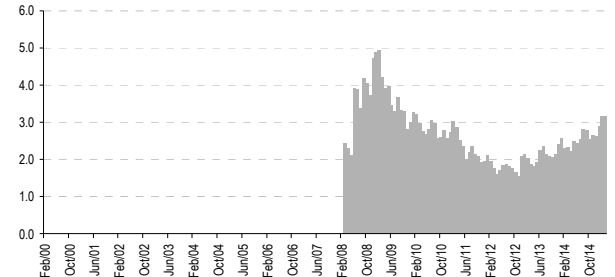
P/E Relative to China Index

Current: **1.79**



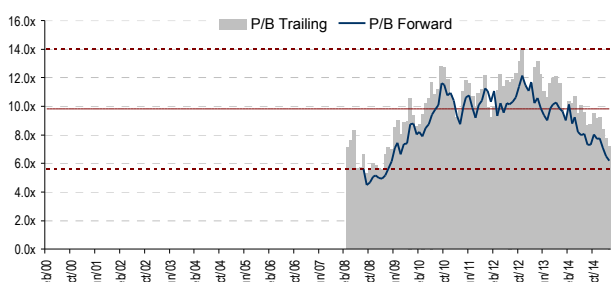
Dividend Yield (Trailing)

Current: **3.16**



Price/Book (Value)

Current: **7.2x**



Summary

Want Want China Holdings Limited		TICKER 151 HK		As Of: 13-Mar-15							
CHINA				Local Price: 8.05							
Consumer Staples				EPS: 0.06							
	Latest	Min	Max	Median	Average	2 S.D.+	2 S.D. -	% to Min	% to Max	% to Med	% to Avg
12mth Forward PE	17.28x										
P/BV (Trailing)	7.23	5.31	14.04	10.03	9.81	14.03	5.60	-27%	94%	39%	36%
Dividend Yield (Trailing)	3.16x	1.55	4.95	2.55	2.69	4.24	1.13	-51%	57%	-19%	-15%
ROE (Trailing)	39.02	18.92	41.17	34.77	31.87	46.56	17.17	-52%	6%	-11%	-18%

Source: Bloomberg, Reuters Global Fundamentals, IBES CONSENSUS, JPMorgan Quantitative & Derivative Strategy

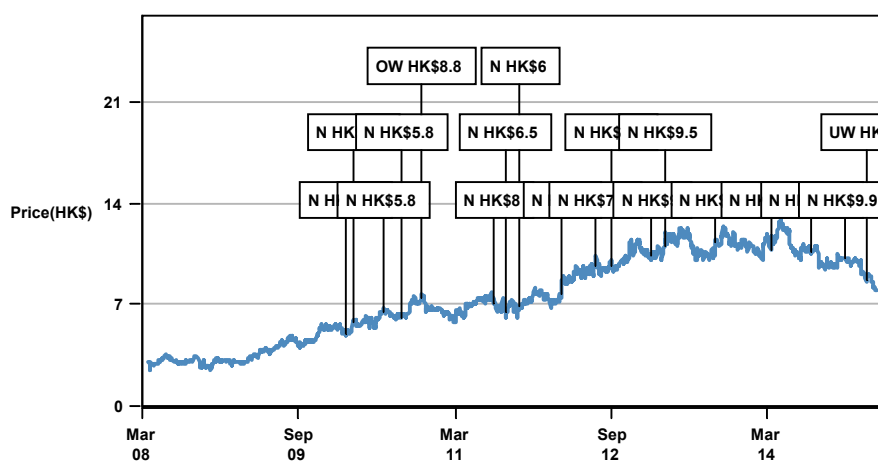
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Want Want China Holdings Ltd (0151.HK, 151 HK) Price Chart



Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends.
Initiated coverage Feb 09, 2010.

Date	Rating	Share Price (HK\$)	Price Target (HK\$)
09-Feb-10	N	4.92	5.20
10-Mar-10	N	5.86	5.40
28-Jun-10	N	6.50	5.80
25-Aug-10	N	6.14	5.80
04-Nov-10	OW	7.51	8.80
17-Jul-11	N	7.07	8.00
24-Aug-11	N	6.56	6.50
12-Oct-11	N	6.89	6.00
07-Mar-12	N	7.82	7.00
02-Jul-12	N	9.76	7.60
30-Aug-12	N	9.68	8.50
16-Jan-13	N	10.38	9.00
05-Mar-13	N	11.08	9.50
27-Aug-13	N	11.42	10.00
12-Mar-14	N	10.86	10.50
26-Jul-14	N	10.60	10.20
25-Nov-14	N	10.28	9.90
11-Feb-15	UW	8.68	7.00

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