

Yestar International Holdings Co Ltd 02393

Last Close
16 Nov 2016
3.89

Fair Value^Q
16 Nov 2016 02:00 UTC
3.50

Market Cap
16 Nov 2016
8,461.5 Mil

Sector
Industrials

Industry
Business Equipment

Country of Domicile
Cayman Islands

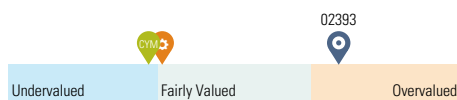
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Company Profile

Yestar International Holdings Co Ltd provides colour photographic paper and other medical imaging products in the PRC.

Quantitative Scores

		Scores			
		All	Rel Sector	Rel Country	
Quantitative Moat	Narrow	94	91	95	—
Valuation	Overvalued	17	18	15	—
Quantitative Uncertainty	High	96	96	97	—
Financial Health	Moderate	76	73	70	—



Source: Morningstar Equity Research

Valuation

	Current	5-Yr Avg	Sector Median	Country Median
Price/Quant Fair Value	1.11	—	0.96	0.94
Price/Earnings	34.2	—	18.3	15.7
Forward P/E	—	—	15.5	16.5
Price/Cash Flow	32.3	—	9.6	9.9
Price/Free Cash Flow	33.3	—	15.6	13.8
Trailing Dividend Yield %	1.00	—	2.34	2.79
Price/Book	8.2	—	1.7	1.3
Price/Sales	2.6	—	0.9	1.5

Profitability

	Current	5-Yr Avg	Sector Median	Country Median
Return on Equity %	34.4	—	10.8	10.7
Return on Assets %	9.8	—	4.4	5.0
Revenue/Employee (Mil)	3.1	—	0.5	0.8

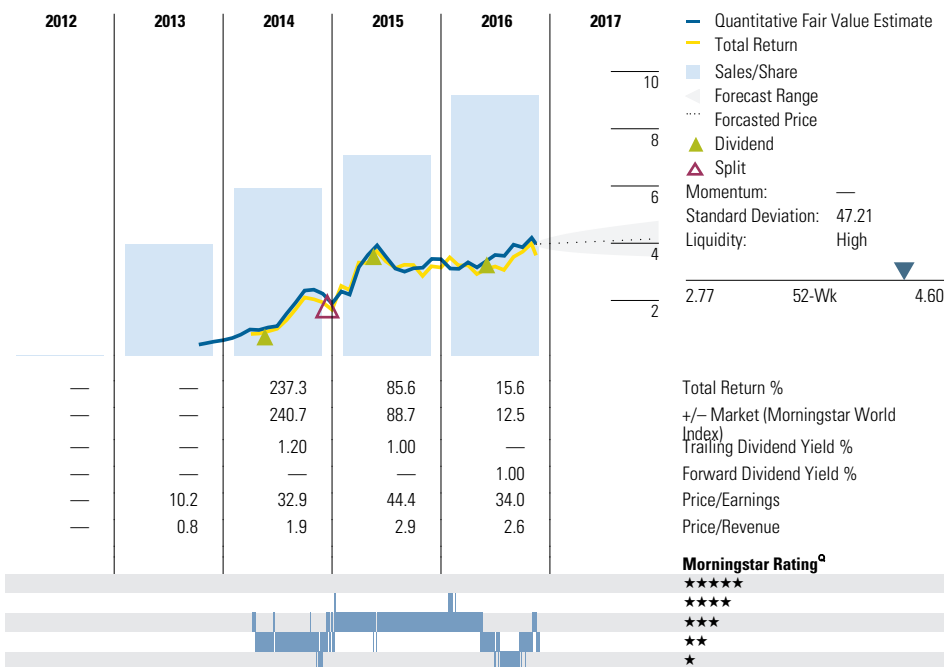
Financial Health

	Current	5-Yr Avg	Sector Median	Country Median
Distance to Default	0.7	—	0.6	0.6
Solvency Score	353.7	—	512.5	527.7
Assets/Equity	3.5	3.4	1.8	1.7
Long-Term Debt/Equity	0.2	0.1	0.2	0.2

Growth Per Share

	1-Year	3-Year	5-Year	10-Year
Revenue %	60.3	36.9	—	—
Operating Income %	97.4	55.7	—	—
Earnings %	50.0	24.0	—	—
Dividends %	52.1	—	—	—
Book Value %	146.8	—	—	—
Stock Total Return %	31.8	101.1	—	—

Price vs. Quantitative Fair Value

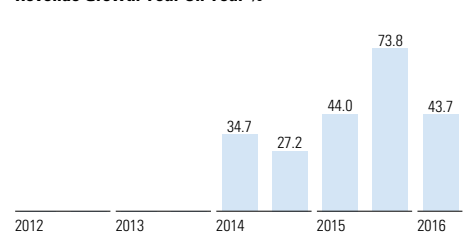


	2011	2012	2013	2014	2015	TTM	Financials (Fiscal Year in Mil)
Revenue	—	956	1,173	1,531	2,455	2,892	Revenue
% Change	—	—	22.8	30.5	60.3	17.8	% Change
Operating Income	—	83	99	159	313	431	Operating Income
% Change	—	—	19.5	60.1	97.4	37.8	% Change
Net Income	—	57	65	101	163	213	Net Income
Operating Cash Flow	—	45	36	113	165	232	Operating Cash Flow
Capital Spending	—	-52	-23	-11	-19	-7	Capital Spending
Free Cash Flow	—	-8	13	102	146	225	Free Cash Flow
% Sales	—	-0.8	1.1	6.7	6.0	7.8	% Sales
EPS	—	0.04	0.05	0.05	0.08	0.10	EPS
% Change	—	—	5.9	20.0	50.0	24.7	% Change
Free Cash Flow/Share	—	—	-0.01	0.03	0.01	0.12	Free Cash Flow/Share
Dividends/Share	—	—	—	0.02	0.03	0.03	Dividends/Share
Book Value/Share	—	—	0.10	0.23	0.18	0.48	Book Value/Share
Shares Outstanding (Mil)	—	1,868	1,868	2,175	—	2,175	Shares Outstanding (Mil)
Profitability	—	40.3	27.5	31.1	26.6	34.4	Profitability
Return on Equity %	—	9.6	9.8	10.9	7.6	9.8	Return on Equity %
Return on Assets %	—	5.9	5.6	6.6	6.6	7.4	Return on Assets %
Net Margin %	—	1.63	1.77	1.65	1.15	1.33	Net Margin %
Asset Turnover	—	4.2	2.2	3.5	3.5	3.4	Asset Turnover
Financial Leverage	—	17.5	17.9	17.2	21.1	24.0	Financial Leverage
Gross Margin %	—	8.7	8.4	10.4	12.8	14.9	Gross Margin %
Operating Margin %	—	20	0	4	172	196	Operating Margin %
Long-Term Debt	—	140	333	316	907	913	Long-Term Debt
Total Equity	—	10.0	11.7	14.7	22.2	26.3	Total Equity
Fixed Asset Turns	—	—	—	—	—	—	Fixed Asset Turns

Semi-Annual Revenue & EPS

Revenue (Mil)	Mar	Jun	Sep	Dec	Total
2016	—	1,436.8	—	—	—
2015	—	999.5	—	1,455.1	2,454.7
2014	—	693.9	—	837.5	1,531.4
2013	—	515.0	—	658.3	1,173.3
Earnings Per Share (€)					
2016	—	0.05	—	—	—
2015	—	0.03	—	0.05	0.08
2014	—	0.02	—	0.03	0.05
2013	—	0.02	—	0.03	0.05

Revenue Growth Year On Year %



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Morningstar's quantitative equity ratings consist of: (i) Quantitative Fair Value Estimate, (ii) Quantitative Star Rating, (iii) Quantitative Uncertainty, (iv) Quantitative Economic Moat, and (v) Quantitative Financial Health (collectively the "Quantitative Ratings").

The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

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, and the Quantitative Uncertainty Rating. 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*

Two-Star – the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1*Quantitative Uncertainty, -0.5*Quantitative Uncertainty)*

Three-Star – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5*Quantitative Uncertainty, 0.5*Quantitative Uncertainty)*

Four-Star – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5*Quantitative Uncertainty, 1*Quantitative Uncertainty)*

Five-Star – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1*Quantitative Uncertainty*

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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.

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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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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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