

**BRILLIANCE CHINA AUTOMOTIVE HOLDINGS LTD:
ONE CANNOT KNOCK SUCCESS**

The first thing that struck TARGET about the proposed new listing of Brilliance China Automotive Holdings Ltd was that the Offer Price of '*not more than HK\$29.53 per Share*' (about 31.60 renminbi) was 153 percent greater than the Adjusted Net Tangible Asset Value Per Share, as stated on Page 97 of the Company's Prospectus.

And the Adjusted Net Tangible Asset Value Per Share included the Net Proceeds of the flotation, amounting to about 650.53 million renminbi (about \$HK608 million).

This makes the shares of Brilliance China, in just considering the premium one must pay over the Adjusted Net Tangible Asset Value Per Share, much too pricey.

Then, as one delves deeper into the Prospectus, one notes that one has to pay a Price Earnings Multiple of 14.33 times for the privilege of buying into this Company.

Brilliance China is a manufacturer of minibuses and claims to be a leading player in this business in the People's Republic of China (PRC).

The following are the number of minibuses, which the company sold over the past 3 Years 6 months:

	1996	1997	1998	1999 (to June 30)
Deluxe Minibuses	3,263	5,059	5,214	3,143
Mid-Priced Minibuses	1,841	10,729	22,384	14,154
Standard Minibuses	5,126	4,230	2,313	787
TOTALS	10,230	20,018	29,911	18,084

The above table makes for impressive reading, no doubt, but ... [CLICK TO ORDER FULL ARTICLE](#)