

MIRA INFORM REPORT

Report No. :	542839
Report Date :	03.12.2018

IDENTIFICATION DETAILS

Name :	KYUNG-IN SYNTHETIC CORPORATION
Registered Office :	199, Geonji-ro, Seo-gu, Incheon, 22794
Country :	South Korea
Financials (as on) :	30.09.2018
Date of Incorporation :	14.10.1977
Com. Reg. No.:	137-81-00562
Legal Form :	Listed Company
Line of Business :	<ul style="list-style-type: none"> • Manufacture of Synthetic Colouring Matter, Tanning Materials and Other Coloring Agents • Reactive Dyestuffs, Disperse Dyestuffs, Acid Dyestuffs, Direct Dyestuffs, Fluorescent Dyestuffs, Solvent Dyestuffs [Food, Food Additives, Ginseng Products]
No. of Employees :	589

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :

A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
South Korea	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

SOUTH KOREA - ECONOMIC OVERVIEW

After emerging from the 1950-53 war with North Korea, South Korea emerged as one of the 20th century's most remarkable economic success stories, becoming a developed, globally connected, high-technology society within decades. In the 1960s, GDP per capita was comparable with levels in the poorest countries in the world. In 2004, South Korea's GDP surpassed one trillion dollars.

Beginning in the 1960s under President PARK Chung-hee, the government promoted the import of raw materials and technology, encouraged saving and investment over consumption, kept wages low, and directed resources to export-oriented industries that remain important to the economy to this day. Growth surged under these policies, and frequently reached double-digits in the 1960s and 1970s. Growth gradually moderated in the 1990s as the economy matured, but remained strong enough to propel South Korea into the ranks of the advanced economies of the OECD by 1997. These policies also led to the emergence of family-owned chaebol conglomerates such as Daewoo, Hyundai, and Samsung, which retained their dominant positions even as the government loosened its grip on the economy amid the political changes of the 1980s and 1990s.

The Asian financial crisis of 1997-98 hit South Korea's companies hard because of their excessive reliance on short-term borrowing, and GDP ultimately plunged by 7% in 1998. South Korea tackled difficult economic reforms following the crisis, including restructuring some chaebols, increasing labor market flexibility, and opening up to more foreign investment and imports. These steps lead to a relatively rapid economic recovery. South Korea also began expanding its network of free trade agreements to help bolster exports, and has since implemented 16 free trade agreements covering 58 countries—including the United State and China—that collectively cover more than three-quarters of global GDP.

In 2017, the election of President MOON Jae-in brought a surge in consumer confidence, in part, because of his successful efforts to increase wages and government spending. These factors combined with an uptick in export growth to drive real GDP growth to more than 3%, despite disruptions in South Korea's trade with China over the deployment of a US missile defense system in South Korea.

In 2018 and beyond, South Korea will contend with gradually slowing economic growth - in the 2-3% range - not uncommon for advanced economies. This could be partially offset by efforts to address challenges arising from its rapidly aging population, inflexible labor market, continued dominance of the chaebols, and heavy reliance on exports rather than domestic consumption. Socioeconomic problems also persist, and include rising inequality, poverty among the elderly, high youth unemployment, long working hours, low worker productivity, and corruption.

Source : CIA

BASIC INFORMATION

Company Name	KYUNG-IN SYNTHETIC CORPORATION (Trade Name: KISCO)
Registered Address	199, Geonji-ro, Seo-gu, Incheon, Korea (Old Address System : 223-52, Seongnam-dong, Seo-gu, Incheon, Korea)
Zip Code	22794
Tel	+82-32-571-7498
Fax	+82-32-571-7497
E-mail	kisco@kyungin.co.kr
Website	www.kyungin.co.kr
Trading Address	572, Gonghang-daero, Yangcheon-gu, Seoul, Korea (Old Address System : 600-1, Mok-dong, Yangcheon-gu, Seoul, Korea)
Tel	+82-2-3665-4001
Fax	+82-2-3660-8539
Other Address-Siheung Factory	27, Gyeongje-ro, Siheung-si, Gyeonggi-do, Korea (Old Address System : 1Ra-706, Sihwa Industrial Complex, 1237-6, Jeongwang-dong, Siheung-si, Gyeonggi-do, Korea)
Tel	+82-31-499-4020
Fax	+82-31-499-2155
Other Address-Ansan Factory	26, Sandan-ro, Danwon-gu, Ansan-si, Gyeonggi-do, Korea (Old Address System : 785-7, Wonsi-dong, Danwon-gu, Ansan-si, Gyeonggi-do, Korea)
Tel	+82-31-491-0111
Fax	+82-31-495-3521
Other Address	Rm.409~410, 136, Gukchaebosang-ro, Seo-gu, Daegu, Korea (Old Address System : Rm.409~410, 1083, Jungni-dong, Seo-gu, Daegu, Korea)
Other Address	269, Haseong-ro, Haseong-myeon, Gimpo-si, Gyeonggi-do, Korea (Old Address System : 240-1, Hasa-ri, Haseong-myeon, Gimpo-si, Gyeonggi-do, Korea)
Other Address	124, Gongdan 1-daero 80beon-gil, Siheung-si, Gyeonggi-do, Korea (Old Address System : 1355-7, Jeongwang-dong, Siheung-si, Gyeonggi- do, Korea)
Tel	+82-31-497-1101
Other Address	69, Yangcheon-ro 75-gil, Gangseo-gu, Seoul, Korea (Old Address System : 112-31, Yeomchang-dong, Gangseo-gu, Seoul, Korea)
Tel	+82-2-3665-4001
Type Industry	Export/Import Manufacture of Synthetic Colouring Matter, Tanning Materials and Other Coloring Agents
Main Business	Reactive Dyestuffs, Disperse Dyestuffs, Acid Dyestuffs, Direct Dyestuffs, Fluorescent Dyestuffs, Solvent Dyestuffs
Sub Business	Food, Food Additives, Ginseng Products
Established (mm/dd/yyyy)	10/14/1977

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Dyes(12171500) -Colorants
Sell	Reactives (Bifunctional, Vinylsulfone)
Sell	Disperse(Synolon Dyes, Papilion Dyes)
Sell	Direct(Fast yellow, Black)
Sell	Acid(Syno Acid Dyestuffs)
Sell	For Leather(Brown, Black, Others)
Sell	OBA (Cotton & Rayon, Nylon, Pulp & Paper, Detergent, Polyester)
Sell	Solvent Dyes
Buy	P-Base
Buy	H-ACID

CEO'S

Name	Cho Sung-Yong
Date of Birth	11/04/1968
Title	President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	20,198,182,500
Employees	589
Formation	Listed Company (Korea Stock Exchange : 012610) as of 10/05/1995 Foreign Direct Investment Corporation
Bank Details	Industrial Bank of Korea-Youngdungpo Branch Citibank, Korea-Youngdungpo Branch Shinhan Bank KEB Hana Bank Korea Development Bank
Corporate Registered No.	120111-0005703
Business Registered No.	137-81-00562
Permit & Licenses	05/31/1995 ISO 9002 11/30/1997 ISO 14001

Int'l Trade No.: 860477

Shareholder Position	Name	Shares	%
	KIM HEUNG-JOON	8,508,260	21.06
	CHO SUNG-YONG	299,400	0.74
	KIM DONG-KIL	715,837	1.77

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KIM SEOK-IM	984,580	2.44
KIM DO-YEON	761,432	1.88
KIM JOO-YEON	403,050	1.00
KIM SUNG-YEON	990,340	2.45
CHOI WON-WOO	674,000	1.67
SUMITOMO CORP(JAPAN)	1,159,180	2.87
SUMITOMO CORPORATION.(HARUMI, CHUO-KU, TOKYO, JAPAN)	789,790	1.96
TREASURY STOCK	299,956	0.74
OTHERS	24,810,540	61.42
TOTAL	40,396,365	100.00

Company History 10/14/1977 Incorporated as the present name
08/13/2009 Split off the par value to 500 KRW from 5,000 KRW
01/23/2013 Acquired EASTWELL CO., LTD.(110111-0900525)
01/15/2013 Increased capital to 20,198,182,500 KRW from
18,750,000,000 KRW

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
Chairman & CEO	Kim Heung-Joon	Korean	06/14/1967	03/20/2015
Honored Chairman	Kim Dong-Kil	Korean	03/03/1938	02/26/2001
President & CEO	Cho Sung-Yong	Korean	11/04/1968	02/27/2010
Director & CFO	Park Joon-Young	Korean	01/24/1968	03/24/2017
Director	Lee Sang-Ho	Korean	01/17/1967	03/25/2016
Outside Director	Lee Jin-Kyun	Korean	03/23/1970	03/23/2018
Outside Director	Shin Jin-Sik	Korean	10/22/1961	03/24/2017
Auditor	Kim Byung-Jin	Korean	03/20/1970	03/22/2013

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
09/2018	173,322,818,600	344,362,410,031	6,700,721,950
2017	193,975,817,754	296,909,084,224	531,272,719
2016	179,267,850,251	290,035,388,696	3,724,987,077
2015	175,006,703,015	273,778,266,268	107,330,268
2014	190,395,046,673	267,331,084,178	9,090,269,159
2013	183,106,757,457	274,570,962,783	12,327,176,732
2012	141,304,458,809	241,045,607,999	4,475,440,855
2011	128,707,611,144	245,825,939,561	2,788,642,280

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2010	149,007,815,759	250,809,033,564	3,367,162,134
2009	129,006,385,709	218,551,978,762	11,569,545,044
2008	125,462,289,226	163,333,430,906	12,873,680,246
2007	93,016,593,682	120,854,546,914	4,246,011,551
2006	84,978,240,253	95,503,927,506	883,371,290
2005	88,050,292,316	100,565,451,354	2,533,411,044
2004	95,832,343,219	92,524,130,882	4,301,525,438
2003	129,006,385,709	218,551,978,762	11,569,545,044

Financial Description

Authorized Capital(KRW)	25,000,000,000
Paid-Up Capital(KRW)	20,198,182,500
Total Issues Shares	40,396,365

Balance Sheet

Unit : Korean Won	01/01/2018~09/30/2018	As of 12/31/2017	As of 12/31/2016
Total Assets	344,362,410,031	296,909,084,224	290,035,388,696
Current Assets	165,749,739,919	125,062,665,559	126,364,738,535
Cash & Cash Equivalents	14,000,306,945	9,874,708,772	9,578,456,314
Current Financial Instruments	7,186,224,327	86,839,759	86,839,759
Trade Receivables & Other Receivables	64,076,127,517	45,961,158,017	44,745,608,166
Inventories	74,233,541,111	63,955,013,199	66,161,602,754
Other Current Financial Instruments	1,495,478,944	1,325,899,798	1,482,320,192
Other Current Non-Financial Instruments	4,758,061,075	3,859,046,014	4,309,911,350
Non-Current Assets	178,612,670,112	171,846,418,665	163,670,650,161
Trade Receivables	13,950,610,868	12,002,015,412	11,730,447,887
Non-Current Financial Instruments	5,288,750	5,000,000	5,000,000
Marketable Financial Instruments	0	1,608,202,318	1,703,801,381
Other comprehensive income-fair value measurement financial assets	1,300,381,672	0	
Investment_Related Companies	65,173,722,101	63,244,244,266	63,266,544,266
Tangibles	86,781,338,474	86,525,557,526	77,953,871,514
Investment_Real Estates	1,816,323,792	1,824,228,021	1,834,766,991
Intangibles	4,847,645,855	2,053,712,522	2,068,412,522
Other Non-Current Financial Instruments	4,737,358,600	4,583,458,600	5,107,805,600
Total Liabilities	146,958,835,700	106,064,981,943	99,013,668,715
Current Liabilities	136,225,292,031	93,894,859,887	93,552,899,944
Trade Payables & Other	21,338,757,316	16,119,525,639	26,075,833,340

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Payables			
Short-Term Borrowings	104,115,251,739	71,449,907,365	61,492,592,090
Other Current Financial Debts	6,470,316,102	5,136,057,441	3,719,805,618
Accrued Income Tax	3,133,976,740	253,564,766	1,506,938,179
Other Current Liabilities	1,166,990,134	935,804,676	757,730,717
Non-Current Liabilities	10,733,543,669	12,170,122,056	5,460,768,771
Long-Term Borrowings	8,000,000,000	8,000,000,000	0
Deferred Income Tax Credit	2,733,543,669	4,170,122,056	5,460,768,771
Capital Stock	20,198,182,500	20,198,182,500	20,198,182,500
Capital Surplus	37,246,503,937	36,476,713,003	36,141,603,992
Others	1,928,109,298	643,834,576	-363,553,714
Installments	323,324,422	502,398,494	576,965,764
Profit Surplus	137,707,454,174	133,022,973,708	134,468,521,439
Total Equity	197,403,574,331	190,844,102,281	191,021,719,981
Liab. & Shareholder's Equity	344,362,410,031	296,909,084,224	290,035,388,696

Income Statement

Unit : Korean Won	01/01/2018~09/30/2018	As of 12/31/2017	As of 12/31/2016
Sales	173,322,818,600	193,975,817,754	179,267,850,251
Cost of Sold Goods	131,592,402,765	164,845,853,588	150,776,725,490
Gross Profit	41,730,415,835	29,129,964,166	28,491,124,761
Selling & Admin. Expenses	31,532,607,387	28,970,760,120	26,292,972,295
Operating Income	10,197,808,448	159,204,046	2,198,152,466
Finance Income	1,263,522,379	2,030,028,923	1,304,669,173
Finance Expenses	1,764,692,188	1,491,757,694	893,789,869
Others Income	4,988,694,836	6,269,831,637	6,995,912,568
Others Expenses	6,135,359,552	5,959,159,647	4,930,041,470
Income Before Taxes	8,549,973,923	1,008,147,265	4,674,902,868
Income Taxes Expenses	1,849,251,973	476,874,546	949,915,791
Net Income	6,700,721,950	531,272,719	3,724,987,077

Cash Flows

Unit : Korean Won	01/01/2018~09/30/2018	As of 12/31/2017	As of 12/31/2016
Operating Activities Cash Flows	-9,160,862,496	652,491,310	8,421,999,007
Net Income	6,700,721,950	531,272,719	3,724,987,077
Adjustment	10,625,165,606	7,822,036,422	6,399,568,436
Changes in Asset/ & Liability	-25,268,184,215	-5,155,910,642	-1,031,230,016
Interests Received	102,681,931	16,943,044	14,856,620
Dividends Received	977,603,131	1,985,969,206	1,063,360,000
Interests Paid	-1,745,374,872	-1,444,892,899	-908,072,092
Income Taxes	-553,476,027	-3,102,926,540	-841,471,018
Cash Flows from Investing	-19,692,031,184	-16,850,426,785	-1,366,831,321

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Cash Flows from Financing	32,493,441,878	16,543,794,825	-3,647,769,257
Increase/Decrease in Cash	3,640,548,198	345,859,350	3,407,398,429
Cash at the Beginning of Year	9,874,708,772	9,578,456,314	6,009,956,005
Cash at the End of Year	14,000,306,945	9,874,708,772	9,578,456,314

**PRODUCTS, TECHNOLOGIES, SERVICES
DESCRIPTION**

Main Products & Services Manufacturer of Reactive dyes for cotton, rayon & wool, Disperse dyes for polyester, acetate, triacetate & micro fiber, O.B.A. for paper, pulp, cotton, polyester, nylon, acrylic & detergent, Acid dyes for nylon, silk, wool & leather, Direct dyes for paper, leather & cotton, Solvent dyes for polyester fiber, plastic, resin, master batch, Ink for color ink jet printer."

Brand Name : Synozol

TRADE PARTNERS & COMPETITORS

Customers CIBA SPECIALTY CHEMICALS INC
EASTWELL CO., LTD.(110111-0900525)
YANGWOO CO., LTD.(115911-0018773)

Competitors OH YOUNG INDUSTRIAL CO., LTD.(115611-0001071)
RIFA INDUSTRIAL CO., LTD.(110111-0018138)
M.DOHMENKOREA, LTD.(110111-2189953)

**RELATED PARTIES (SUBSIDIARIES, JOINT-
VENTURE & AFFILIATES)**

Affiliates DAITO-KISCO CORPORTION(120111-0368466)
(50.00% held by the subject company)

 KISCO USA(USA)
(35.00% held by the subject company)

 KIMSOY EXIM(TURKEY)
(50.00% held by the subject company)

 RACHADA CHEMICAL(THAILAND)
(14.00% held by the subject company)

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	NAMO IT(THAILAND) (49.00% held by the subject company)
	KISCO INDIA (97.00% held by the subject company)
Joint Venture	KIMSOY ADANA(TURKEY) (50.00% held by the subject company) EXOI(TURKEY) (50.00% held by the subject company)
Subsidiary	JMC CO., LTD.(124611-0284494) (79.52% held by the subject company)
	WISECHEM CORPORATION(135511-0217816) (50.60% held by the subject company)
	LIANYUNGANG KISCO CHEMICAL CO., LTD.(KLC : CHINA) (100.0% held by the Subject Company)
	KISCO INT'L TRADE SHANGHAI CO., LTD.(KSC : CHINA) (100.0% held by the Subject Company)
	KISCO SHANGHAI(CHINA) (100.00% held by the subject company)
Cooperative Enterprise	KISCO INDIA PRIVATE LIMITED (97.00% held by the Subject Company) HSPL HOUSE, 1ST FLOOR,, SCO 121-123, SECTOR 34A, CHANDIGARH - 160022, CHANDIGARH, INDIA SUMITOMO CHEMICAL-JAPAN T.H INT-USA
	-Insured Company GREEN NON-LIFE INSURANCE CO., LTD.(110111-0007082)

SALES BY REGION (ACTIVITY & MARKETS)

Sales/ Unit : Thousand KRW	09/2018	2017	2016
Export	109,634,370	122,901,722	113,573,284
Domestic	63,688,449	71,074,096	65,694,566
Total	173,322,819	193,975,818	179,267,850

The subject exports to China and India..

COURT ACTION

No.

NEWS CLIPPING

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.66
UK Pound	1	INR 89.08
Euro	1	INR 79.36
KRW	1	INR 0.063

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	NIY
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)