

MIRA INFORM REPORT

Report No. :	547213
Report Date :	31.12.2018

IDENTIFICATION DETAILS

Name :	BL LEATHERBANK CO., LTD.
Registered Office :	189, Yeonseo-ro, Eunpyeong-gu, Seoul, Korea 03333
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	27.06.2006
Com. Reg. No.:	110-81-75393
Legal Form :	Co., Ltd by Shares
Line of Business :	Manufacture, Wholesales and Retails of Handbags and Leather Products. (Handbags, Bags, Belt, Wallet, Briefcase)
No. of Employees :	17

RATING & COMMENTS

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

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	No Complaints
Litigation :	Clear

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NOTES:

Any query related to this report can be made on e-mail: 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

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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	BL LEATHERBANK CO., LTD.
Registered Address	189, Yeonseo-ro, Eunpyeong-gu, Seoul, Korea
Building	--
Zip Code	03333
Tel	+82-2-389-0274
Fax	+82-2-389-0278
E-mail	fox513@naver.com
Website	www.leatherbank.co.kr
Trading Address	189, Yeonseo-ro, Eunpyeong-gu, Seoul, Korea (Old Address System : 461-4, Galhyeon-dong, Eunpyeong-gu, Seoul, Korea)
Tel	+82-2-389-0274
Fax	+82-2-389-0278
Type	Export/Import
Industry	Manufacture, Wholesales and Retails of Handbags and Leather Products
Main Business	Handbags, Bags, Belt, Wallet, Briefcase
Sub Business	--
Established (mm/dd/yyyy)	06/27/2006

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Purses and handbags and bags(53121600)
Sell	Belts or suspenders(53102501)

CEO'S

Name	Lee Byung-Bok
Date of Birth	03/30/1970
Title	President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	800,000,000
Employees	17
Formation	Co., Ltd by Shares
Bank Details	Industrial Bank of Korea KEB Hana Bank

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Corporate Registered No.	Woori Bank 110111-3483057															
Business Registered No.	110-81-75393															
Permit & Licenses	N/A															
Shareholder Position	<table> <thead> <tr> <th>Name</th> <th>Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>LEE BYUNG-BOK</td> <td>64,000</td> <td>40.00</td> </tr> <tr> <td>LEE KI-BOK</td> <td>64,000</td> <td>40.00</td> </tr> <tr> <td>LEE HYUN-BOK</td> <td>32,000</td> <td>20.00</td> </tr> <tr> <td>TOTAL</td> <td>160,000</td> <td>100.00</td> </tr> </tbody> </table>	Name	Shares	%	LEE BYUNG-BOK	64,000	40.00	LEE KI-BOK	64,000	40.00	LEE HYUN-BOK	32,000	20.00	TOTAL	160,000	100.00
Name	Shares	%														
LEE BYUNG-BOK	64,000	40.00														
LEE KI-BOK	64,000	40.00														
LEE HYUN-BOK	32,000	20.00														
TOTAL	160,000	100.00														
Company History	06/27/2006 Incorporated as the present name 07/01/2009 Moved to 143, Jinheung-ro, Eunpyeong-gu, Seoul, Korea from 102-60, Eungam-dong, Eunpyeong-gu, Seoul, Korea 01/31/2016 Moved to the present HQ address from 143, Jinheung-ro, Eunpyeong-gu, Seoul, Korea 10/12/2016 Increased capital to 800,000,000 KRW from 200,000,000 KRW															

MANAGEMENT

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Lee Byung-Bok	Korean	03/30/1970	12/28/2015
Director	Lee Hyun-Bok	Korean	04/10/1977	12/28/2015
Director	Lee Dong-Joo	Korean	05/13/1968	12/28/2015
Supervisor	Yoon Jung-Kyu	Korean	11/21/1964	11/08/2016

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	17,850,386,188	9,875,082,927	545,268,144
2016	15,009,268,330	9,693,062,016	447,922,645
2015	12,573,125,699	8,644,618,349	318,664,729
2014	13,805,414,000	5,544,133,000	346,195,000
2013	7,630,205,000	2,943,946,000	184,352,000
2012	7,061,249,000	1,934,099,000	156,518,000

FINANCIAL DESCRIPTION

Authorized Capital(KRW)	800,000,000
Paid-Up Capital(KRW)	800,000,000
Total Issued Shares	160,000

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Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	9,875,082,927	9,693,062,016	8,644,618,349
Current Assets	2,311,877,936	3,125,766,158	2,758,860,740
-Quick Assets	1,384,227,111	2,367,202,658	1,616,228,171
-Inventories	927,650,825	758,563,500	1,142,632,569
Fixed Assets	7,563,204,991	6,567,295,858	5,885,757,609
-Investment	4,396,047,166	3,352,798,272	2,745,201,166
-Tangibles	3,164,917,825	3,212,257,586	3,078,316,443
-Intangibles			-
-Others	2,240,000	2,240,000	62,240,000
Total Liabilities	6,878,671,736	7,241,918,969	7,317,054,983
Current Liabilities	4,077,716,460	4,195,014,450	4,851,054,983
Fixed Liabilities	2,800,955,276	3,046,904,519	2,466,000,000
Capital Stock	800,000,000	800,000,000	200,000,000
Capital Surplus			-
Profit Surplus	2,196,411,191	1,651,143,047	1,127,563,366
Capital Adjustment			-
Total Equity	2,996,411,191	2,451,143,047	1,327,563,366
Liab. & Shareholder's Equity	9,875,082,927	9,693,062,016	8,644,618,349
Current Liabilities	4,077,716,460	4,195,014,450	4,851,054,983
Trade Payables	1,138,985,074	1,868,184,796	1,631,108,192
Account Payables	157,678,168	1,668,220	473,253,109
Accrued Expenses	169,212,725	215,698,943	293,460,836
Deferred Income Tax Credit	86,691,336	122,045,410	29,575,618
Withholdings	18,889,310	21,086,510	45,351,240
VAT Withhold	19,535,373	-	-
Advance Receipts	74,487,290	-	101,406,048
Short-Term Borrowings	1,764,417,870	1,616,768,465	2,179,264,404
Current Portion of Long-Term Debts	647,819,314	349,562,106	-
Short-Term Borrowings to Shareholders/ Executives/ Employees			97,635,536
Fixed Liabilities	2,800,955,276	3,046,904,519	2,466,000,000
Long-Term Borrowings	2,707,500,686	2,888,477,894	2,466,000,000
Leasehold Deposit Received	-	25,000,000	-
Provision for Severance & Retirement	93,454,590	133,426,625	-

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	17,850,386,188	15,009,268,330	12,573,125,699
Cost of Sold Goods	16,033,365,409	13,303,112,673	10,962,678,878

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Gross Profit	1,817,020,779	1,706,155,657	1,610,446,821
Selling & Admin. Expenses	803,026,608	869,083,953	1,076,286,517
Operating Income	1,013,994,171	837,071,704	534,160,304
Non-Operating Income	61,889,915	48,104,104	75,588,393
Non-Operating Expenses	375,622,166	286,996,283	229,039,520
Income Before Taxes	700,261,920	598,179,525	380,709,177
Income Taxes Expenses	154,993,776	150,256,880	62,044,448
Net Income	545,268,144	447,922,645	318,664,729

Cash Flows

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Cash Flows from Operating	946,540,120	-267,412,509	279,668,384
-Net Income	545,268,144	447,922,645	318,664,729
-Exp. without Cash Outflow	155,834,097	256,241,822	32,285,134
-Revenue without Cash Inflows	-450,774	-1,345,529	-
-Changes in Asset/ & Liability	245,888,653	-970,231,447	-71,281,479
Cash Flows from Investing	-1,047,030,713	-561,429,010	-3,078,511,185
-Cash Inflow from Investing	84,001,106	61,000,000	-
-Cash Outflows for Investing	-1,131,031,819	-622,429,010	-3,078,511,185
Cash Flows from Financing	239,929,405	736,908,525	2,864,079,740
-Cash Inflows from Financing	2,808,098,109	1,397,040,000	2,864,079,740
-Cash Outflows from Financing	-2,568,168,704	-660,131,475	-
Increase/Decrease in Cash	139,438,812	-91,932,994	65,236,939
Cash at the Beginning of Year	5,462,687	97,395,681	32,158,742
Cash at the End of Year	144,901,499	5,462,687	97,395,681

PRODUCTS, TECHNOLOGIES, SERVICES DESCRIPTION

Main Products & Services Handbags, Bags, Belt, Wallet, Briefcase

TRADE PARTNERS & COMPETITORS

Suppliers	--
Customers	--
Competitors	SHINWON CORPORATION SINWON BLDG., 532, DOHWA-DONG, MAPO-GU, SEOUL, KOREA

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E&F CO., LTD.
616-5, SARIHYEON-DONG, ILSANDONG-GU, GOYANG-SI,
GYEONGGI-DO, KOREA
TEL:+82-31-962-4700 FAX:+82-31-963-4318

RELATED PARTIES (SUBSIDIARIES, JOINT-VENTURE & AFFILIATES)

Subsidiary	BL LEATHERBANK(VIETNAM) (100.00% held by the subject company)
Cooperative Enterprise	-Insured Company HANWHA GENERAL INSURANCE CO., LTD.(110111-0006456)

SALES BY REGION (ACTIVITY & MARKETS)

The Subject exports to Japan.

COURT ACTION

No Records.

NEWS CLIPPING

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.98
UK Pound	1	INR 88.66
Euro	1	INR 80.18
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 :	NIT

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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)