

MIRA INFORM REPORT

Report No. :	522028
Report Date :	25.07.2018

IDENTIFICATION DETAILS

Name :	HYUNDAI AND SHELL BASE OIL CO., LTD.
Registered Office :	182, Pyeongsin 2-ro, Daesan-eup, Seosan-si, Chungcheongnam-do, Korea 31902
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	12.04.2012
Com. Reg. No.:	316-81-19188
Legal Form :	Co., Ltd by Shares
Line of Business :	Manufacture of Lubricating Oils and Greases [Lubricants, Grease]
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+	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.

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ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
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 joined the trillion-dollar club of world economies.

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	HYUNDAI AND SHELL BASE OIL CO., LTD.
Registered Address	182, Pyeongsin 2-ro, Daesan-eup, Seosan-si, Chungcheongnam-do, Korea
Building	
Zip Code	31902
Tel	+82-41-660-5114
Fax	+82-2-2004-3553
E-mail	hsbaseoil@habaseoil.com
Website	www.hsbaseoil.com
Trading Address	182, Pyeongsin 2-ro, Daesan-eup, Seosan-si, Chungcheongnam-do, Korea (Old Address System : 640-6, Daejuk-ri, Daesan-eup, Seosan-si, Chungcheongnam-do, Korea)
Tel	+82-41-660-5114
Fax	+82-2-2004-3567
Other Address	20th Floor, Yonsei Severance Bldg., 10, Tongil-ro, Jung-gu, Seoul, Korea
Tel	+82-2-2004-3496
Fax	+82-2-2004-3553
Type	Export/Import
Industry	Manufacture of Lubricating Oils and Greases
Main Business	Lubricants, Grease
Sub Business	
Established (mm/dd/yyyy)	04/12/2012

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Grease(15121902)
Sell	Engine oil(15121501)
Sell	Brake oil(15121509)
Sell	Gear oil(15121503)
Sell	Lubricating preparations(15121500)

CEO'S

Name	Ju Young-Min
Date of Birth	12/01/1962
Title	President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	13,000,000,000		
Employees	17		
Formation	Co., Ltd by Shares Foreign Direct Investment Corporation A Company of HYUNDAI HEAVY INDUSTRIES GROUP		
Bank Details	KEB Hana Bank Kookmin Bank BNP Paribas		
Corporate Registered No.	161411-0027067		
Business Registered No.	316-81-19188		
Permit & Licenses	N/A		
Shareholder Position			
	Name	Shares	%
	HYUNDAI OILBANK CO., LTD.(110111-0090558)	1,560,000	60.00
	THE SHELL PETROLEUM COMPANY LIMITED(SHELL CENTRE, LONDON, SE1 7NA, UNITED KINGDOM)	1,040,000	40.00
	TOTAL	2,600,000	100.00
Company History	04/12/2012 Incorporated as the present name 07/18/2013 Increased the authorized shares to 3,120,000 shares from 1,600,000 shares 01/16/2014 Increased capital to 13,000,000,000 KRW from 9,000,000,000 KRW		

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Ju Young-Min	Korean	12/01/1962	09/30/2014
Director	Kim Jae-Ho	Korean	02/22/1962	12/02/2016
Director	Ko Young-Kyu	Korean	07/07/1969	06/29/2015
Director	Paitruswil Helmus Antoniers Johanesbosman	Netherlands	02/23/1971	03/27/2015
Director	Reint Jeroen Brink	Netherlands	02/16/1967	04/12/2012
Auditor	Lee Sang-Mi	Korean	05/29/1971	05/23/2018

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	708,602,284,000	586,476,924,000	102,227,220,000
2016	498,860,827,000	509,925,995,000	74,245,709,000
2015	568,792,493,000	392,588,590,000	31,152,541,000
2014	345,045,308,000	429,771,821,000	20,958,459,000
2013	-	180,566,659,000	2,050,805,000
2012		32,160,409,922	-430,306,127

Financial Description

Authorized Capital(KRW)	15,600,000,000
Paid-Up Capital(KRW)	13,000,000,000
Total Issued Shares	2,600,000

Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	586,476,924,000	509,925,995,000	392,588,590,000
Current Assets	282,887,842,000	227,339,663,000	99,353,146,000
Cash & Cash Equivalents	58,610,897,000	374,697,000	37,180,787,000
Current Financial Instruments	115,000,000,000	150,000,000,000	0
Trade Receivables & Other Receivables	66,063,707,000	46,963,325,000	34,252,262,000
Inventories	42,977,958,000	29,759,211,000	27,754,199,000
Other Current Assets	235,280,000	242,430,000	165,898,000
Non-Current Assets	303,589,082,000	282,586,332,000	293,235,444,000
Long-Term Trade Receivables & Other Long-Term Receivables	78,435,000	78,435,000	78,435,000
Tangibles	303,163,580,000	282,025,431,000	292,844,517,000
Intangibles	347,067,000	482,466,000	312,492,000
Total Liabilities	274,750,803,000	250,457,373,000	209,002,287,000
Current Liabilities	102,882,873,000	53,705,046,000	13,399,558,000
Current Financial Debts	24,960,079,000	0	0
Trade Payables & Other Payables	65,148,856,000	41,679,220,000	10,174,703,000
Accrued Income Tax	12,540,588,000	11,855,709,000	3,137,414,000
Other Current Liabilities	233,350,000	170,117,000	87,441,000
Non-Current Liabilities	171,867,930,000	196,752,327,000	195,602,729,000
Long-Term Borrowings	169,728,536,000	194,592,804,000	194,496,993,000
Confirmed Salaries	536,108,000	363,253,000	255,698,000
Deferred Income Tax Credit	1,556,111,000	1,756,330,000	819,071,000
Other Non-Current Liabilities	47,175,000	39,940,000	30,967,000

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HYUNDAI AND SHELL BASE OIL CO., LTD. - 522028

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Capital Stock	13,000,000,000	13,000,000,000	13,000,000,000
Capital Surplus	116,932,178,000	116,932,178,000	116,932,178,000
Others	1,645,206,000	1,645,206,000	0
Profit Surplus	180,148,737,000	127,891,238,000	53,654,125,000
Total Equity	311,726,121,000	259,468,622,000	183,586,303,000
Liab. & Shareholder's Equity	586,476,924,000	509,925,995,000	392,588,590,000

Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	708,602,284,000	498,860,827,000	568,792,493,000
Cost of Sold Goods	567,706,315,000	392,923,235,000	512,109,306,000
Gross Profit	140,895,969,000	105,937,592,000	56,683,187,000
Selling & Admin. Expenses	17,169,077,000	13,671,401,000	12,193,807,000
Operating Income	123,726,892,000	92,266,191,000	44,489,380,000
Finance Income	2,499,428,000	2,361,459,000	1,696,012,000
Finance Expenses	10,048,266,000	6,773,422,000	7,126,749,000
Non-Operating Income	20,661,918,000	15,502,009,000	11,664,694,000
Non-Operating Expenses	16,492,627,000	15,692,767,000	13,524,223,000
Income Before Taxes	120,347,345,000	87,663,470,000	37,199,114,000
Income Taxes Expenses	18,120,125,000	13,417,761,000	6,046,573,000
Net Income	102,227,220,000	74,245,709,000	31,152,541,000

Cash Flows

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Operating Activities Cash Flows	113,636,140,000	117,541,007,000	63,084,868,000
Cash Flows from Operating Net Income	135,699,499,000	126,751,877,000	71,156,948,000
Adjustment	102,227,220,000	74,245,709,000	31,152,541,000
Changes in Asset/ & Liability	42,130,482,000	35,445,369,000	27,662,603,000
Interests Received	-8,658,203,000	17,060,799,000	12,341,804,000
Interests Paid	2,319,109,000	1,100,573,000	306,088,000
Income Taxes	-6,737,336,000	-6,026,729,000	-7,009,849,000
Cash Flows from Investing	-17,645,132,000	-4,284,714,000	-1,368,319,000
Cash Flows from Financing	-3,482,672,000	-153,696,001,000	-8,294,397,000
Increase/Decrease in Cash	-50,000,000,000	-	-19,037,704,000
Cash at the Beginning of Year	60,153,468,000	-36,154,994,000	35,752,767,000
Cash at the End of Year	374,697,000	37,180,787,000	127,987,000

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PRODUCTS, TECHNOLOGIES, SERVICES DESCRIPTION

Main Products & Services Lubricants, Grease
Detailed Products Spec.
Technologies Acquired

TRADE PARTNERS & COMPETITORS

Competitors

GS CALTEX CORPORATION
GS GANGNAM TOWER, 679, YEOKSAM 1-DONG, GANGNAM-GU,
SEOUL, KOREA
TEL:+82-2-2005-1114 FAX:+82-2-2005-6051

S-OIL CORPORATION
45TH FL., KOREA LIFE INSURANCE 63 BLDG., 60, YEOEUIDO-DONG,
YEONGDEUNGPO-GU, SEOUL, KOREA
TEL:+82-2-3772-5151 FAX:+82-2-786-4030

ISU CHEMICAL CO., LTD.
112-4, BANPO 4-DONG, SEOCHO-GU, SEOUL, KOREA
TEL:+82-2-590-6600 FAX:+82-2-590-6666

RELATED PARTIES (SUBSIDIARIES, JOINT- VENTURE & AFFILIATES)

Affiliates

HYUNDAI HEAVY INDUSTRIES HOLDINGS CO., LTD.(170111-0638661)
HYUNDAI HEAVY INDUSTRIES CO., LTD.(181211-0000386)
HYUNDAI ELECTRIC & ENERGY SYSTEM CO., LTD.(110111-6363850)
HYUNDAI CONSTRUCTION EQUIPMENT CO., LTD.(110111-6363868)

HYUNDAI MIPO DOCKYARD CO., LTD.(181211-0000526)
1381, BANGUH-DONG, TONG-GU, ULSAN 682-712 KOREA
TEL:+82-52-250-3114 FAX:+82-52-250-3059
INDUSTRY: SHIPBUILDING, CONVERSION, REPAIRING

HYUNDAI VENTURE INVESTMENT CORP.(110111-1399941)
4 FL. HYUNDAI BLDG. 77, MUGYO-DONG, JUNG-GU, SEOUL 100-775
KOREA
TEL:+82-2-728-8990 FAX:+82-2-728-8999
INDUSTRY: INVESTMENT IN VENTURE FIRMS

Affiliates

HYUNDAI FUTURES CORPORATION(110111-1367740)
3RD FL. HYUNDAI INVESTMENT TRUST & SECURITIES BLDG., 23-4
YEOEUIDO-DONG, YEONGDEUNGPO-GU, SEOUL 150-725 KOREA
TEL:+82-2-788-7000 FAX:+82-2-788-7040
INDUSTRY: COMMODITY EXCHANGE

HYUNDAI SAMHO HEAVY INDUSTRIES CO., LTD.(205411-0003915)
1700, YONGDANG-RI, SAMHO-MYEON, YEONGAM-GUN, JEONNAM-
DO 526-751 KOREA
TEL:+82-61-460-2114 FAX:+82-61-460-3701
INDUSTRY: BUILDING OF STEEL SHIPS

HYUNDAI FINANCE CORP.(110111-1238628)
HYUNDAI BLDG. EAST 77, MUGYO-DONG, JUNG-GU, SEOUL 100-170
KOREA
TEL:+82-2-728-8800 FAX:+82-2-728-8887
INDUSTRY: OTHER CREDIT GRANTING N.E.C.
MIPO ENGINEERING CO., LTD.(230111-0108075)
4TH FL., GISEONG BLDG., 1304-10, DAL-DONG, NAM-GU, ULSAN,
KOREA
TEL:+82-52-261-7101 FAX:+82-52-261-8796

ULSAN HYUNDAI FOOTBALL CLUB CO.,LTD.(230111-0141413)
137-1, SEOBU-DONG, DONG-GU, ULSAN, KOREA
TEL:+82-52-202-6141~4 FAX:+82-52-202-6145

WARTSILA-HYUNDAI ENGINE COMPANY LTD(205414-0004701)
5B, DAEBUL INDUSTRIAL COMPLEX, 611-2, NABUL-RI, SAMHO-EUP,
YEONGAM-GUN, JEOLLANAM-DO, KOREA
TEL:+82-61-983-1107 FAX:+82-61-983-1110

HYMS CO., LTD.(230111-0143443)
RM. 208, MAEGOK INDUSTRIAL COMPLEX, 342-2, MAEGOK-DONG,
BUK-GU, ULSAN, KOREA
TEL:+82-52-203-9073 FAX:+82-52-203-9092

KOMAS CORPORATION(230111-0146231)
686, BANGEO-DONG, DONG-GU, ULSAN, KOREA
TEL:+82-52-202-1458 FAX:+82-52-202-1424

HI INVESTMENT & SECURITIES CO.,LTD.(180111-0093095)
153-10, ONCHEON 1-DONG, DONGNAE-GU, BUSAN, KOREA
TEL:+82-51-554-5111 FAX:+82-51-554-5222

HI ASSET MANAGEMENT CO., LTD.(110111-165498)
25, YEOUIDO-DONG, YEONGDEUNGPO-GU, SEOUL, KOREA
TEL:+82-2-727-2734 FAX:+82-2-727-2897

	<p>HYUNDAI CORPORATION(110111-0205850) 11TH FL., HYUNDAI BLDG., 140-2, GYE-DONG, JONGNO-GU, SEOUL, KOREA TEL:+82-2-390-1114 FAX:+82-2-390-1101</p>
Affiliates	<p>HYUNDAI OILBANK CO., LTD.(110111-0090558) 640-6. DAEJUK-RI, DAESAN-EUP, SEOSAN-SI, CHUNGCHEONGNAM- DO, KOREA TEL:+82-41-660-5114 FAX:+82-41-660-5111 HOTEL HYUNDAI GYEONGPODAE CO., LTD.(141111-0031183) 274-1, GANGMUN-DONG, GANGNEUNG-SI, GANGWON-DO, KOREA TEL:+82-33-651-2233 FAX:+82-33-644-2203</p>
	<p>HOTEL HYUNDAI CO., LTD.(134511-0045797) (100.0% held by the subject company) 477-2, SINPYEONG-DONG, GYEONGJU-SI, GYEONGSANGBUK-DO, KOREA TEL:+82-54-748-2233 FAX:+82-54-748-8234</p>
	<p>TAEBAEK WIND POWER CO., LTD.(144811-0007492) 524-153, HASAMI-DONG, TAEBAEK-SI, GANGWON-DO, KOREA TEL:+82-2-746-8402 FAX:+82-2-746-7675</p>
	<p>MUJU WIND POWER CO., LTD.(210111-0070434) CHANGJUK WIND PIWER CO., LTD.(144811-0008101) HYUNDAI RESOURCES DEVELOPMENT CO., LTD.(110111-4573807) HYUNDAI-AVANCICS CO., LTD.(150111-0142989) HYUNDAI COSMO PETROCHEMICAL CO., LTD.(161411-0022364) HYUNDAI OIL TERMINAL CO., LTD.(230111-0188027) NEW KOREA COUNTRY CLUB CO., LTD.(114711-0000014) HANKOOK SHELL OIL CO., LTD(180111-0002591)</p>
Specially Related Companies	
Affiliates-Overseas	<p>SHELL EASTERN TRADING (PTE)LTD SHELL INTERNATIONAL EASTERN TRADING CO. SHELL GLOBAL SOLUTION HYUNDAI TECHNOLOGIES CENTER HUNGARY KFT HYUNDAI HEAVY INDUSTRIES CO. BULGARIA HYUNDAI HEAVY INDUSTRIES EUROPE N.V. HYUNDAI CONSTRUCTION EQUIPMENT AMERICAS, INC. VLADIVOSTOK BUSINESS CENTER CO., LTD. WEI HYUNDAI WIND POWER TECHNOLOGY CO., LTD.(CHINA) HYUNDAI(SHANDONG) HEAVY INDUSTRIES MACHINERY CO., LTD.(CHINA) HYUNDAI ELECTRIC SYSTEMS ALABAMA, INC. HYUNDAI HEAVY INDUSTRIES(SHANGHAI) CO., LTD.(CHINA) YANTAI HYUNDAI HEAVY INDUSTRIES CO., LTD.</p>
Corporate Ownership	<p>HYUNDAI HEAVY INDUSTRIES HOLDINGS CO.,LTD.(170111-0638661)</p>
Major Shareholders	<p>HYUNDAI OILBANK CO., LTD.(110111-0090558) HYUNDAI OILBANK CO., LTD.(110111-0090558)</p>

THE SHELL PETROLEUM COMPANY LIMITED

Cooperative Enterprise

SALES BY REGION (ACTIVITY & MARKETS)

Not Available.

COURT ACTION

No Records.

NEWS CLIPPING

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FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.05
UK Pound	1	INR 90.30
Euro	1	INR 80.54
KRW	1	INR 0.061

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

INFORMATION DETAILS

Analysis Done by :	DIV
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)