

## MIRA INFORM REPORT

|                      |            |
|----------------------|------------|
| <b>Report No. :</b>  | 538942     |
| <b>Report Date :</b> | 12.11.2018 |

### IDENTIFICATION DETAILS

|                                |   |
|--------------------------------|---|
| <b>Name :</b>                  | DONGKUK INDUSTRIES CO., LTD.  |
| <b>Registered Office :</b>     | 46, Dadong-gil, Jung-gu, Seoul, Korea, 9th Fl., Dadong Bldg. 04522  |
| <b>Country :</b>               | South Korea   |
| <b>Financials (as on) :</b>    | 30.06.2018  |
| <b>Date of Incorporation :</b> | 01.09.1967  |
| <b>Com. Reg. No.:</b>          | 202-81-47522  |
| <b>Legal Form :</b>            | Listed Company  |
| <b>Line of Business :</b>      | <ul style="list-style-type: none"> <li>• Manufacture of Cold Rolled, Drawn and Extruded Iron or Steel Products [Hot Dip Galvanized Steel, Cold Rolled Steel, Picked &amp; Oilde Hot Rolled Steel Coil &amp; Sheet, Iron Oxide]</li> <li>• Wholesale of Metal Plates, Bars, Pipes, and Basic Metals</li> </ul> |
| <b>No. of Employees :</b>      | 405   |

### RATING & COMMENTS

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

|                        |          |
|------------------------|----------|
| <b>MIRA's Rating :</b> | <b>A</b> |
|------------------------|----------|

| Credit Rating | Explanation     | Rating Comments   |
|---------------|-----------------|---|
| A             | Acceptable Risk | Business dealings permissible with moderate risk of default |

|                            |         |
|----------------------------|---------|
| <b>Status :</b>            | Good    |
| <b>Payment Behaviour :</b> | Regular |
| <b>Litigation :</b>        | Clear   |

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**NOTES :**

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**ECGC Country Risk Classification List**

| Country Name | Previous Rating<br>(30.06.2018) | Current Rating<br>(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                       | DONGKUK INDUSTRIES CO., LTD.<br>(Korean Company Name : "동국산업(주)")   |
| Registered Address                 | 46, Dadong-gil, Jung-gu, Seoul, Korea   |
| Building                           | 9th Fl., Dadong Bldg.   |
| Zip Code                           | 04522   |
| Tel                                | +82-2-316-7500  |
| Fax                                | +82-2-316-7892~3  |
| E-mail                             | master0@dkis.co.kr;webmaster@dongkukins.co.kr;leesy@dkis.co.kr;<br>mspark@dkis.co.kr  |
| Website                            | www.dkis.co.kr;www.dongkukins.co.kr   |
| Trading Address                    | 9th Fl., Dadong Bldg., 46, Dadong-gil, Jung-gu, Seoul, Korea<br>(Old Address System : 9th Fl., Dadong Bldg., 92, Da-dong, Jung-gu,<br>Seoul, Korea)     |
| Tel                                | +82-2-316-7500  |
| Fax                                | +82-2-316-7892~3  |
| Other Address-Pohang<br>Factory    | 57, Goedong-ro, Nam-gu, Pohang-si, Gyeongsangbuk-do, Korea<br>(Old Address System : 547, Jangheung-dong, Nam-gu, Pohang-si,<br>Gyeongsangbuk-do, Korea) |
| Tel                                | +82-54-285-7501   |
| Fax                                | +82-54-285-6161   |
| Other Address-Siheung<br>Factory   | 233, Huimanggongwon-ro, Siheung-si, Gyeonggi-do, Korea<br>(Old Address System : 1259-5, Jeongwang-dong, Siheung-si, Gyeonggi-<br>do, Korea)             |
| Tel                                | +82-31-432-6521   |
| Fax                                | +82-31-477-5684   |
| Other Address-Hwangryong<br>Branch | 40, EXPO-ro, Gyeongju-si, Gyeongsangbuk-do, Korea<br>(Old Address System : 150-8, Sinpyeong-dong, Gyeongju-si,<br>Gyeongsangbuk-do, Korea)              |
| Tel                                |   |
| Fax                                |   |
| Type                               | Export/Import   |
| Industry                           | Manufacture of Cold Rolled, Drawn and Extruded Iron or Steel Products   |
| Main Business                      | Hot Dip Galvanized Steel, Cold Rolled Steel, Picked & Oilde Hot Rolled<br>Steel Coil & Sheet, Iron Oxide  |
| Sub Business                       | Wholesale of Metal Plates, Bars, Pipes, and Basic Metals  |
| Established (mm/dd/yyyy)           | 09/01/1967  |

## **DETAILED PRODUCTS**

|          |                            |
|----------|----------------------------|
| Activity | Detailed Products (UNSPSC) |
| Sell     | Ferrites(32121703)         |
| Sell     | Refractories(31370000)     |
| Sell     | Steel plate(30102204)      |

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|     |                               |
|-----|-------------------------------|
| Buy | Aluminum(11101705)            |
| Buy | Inorganic compounds(12352300) |
| Buy | Silica(12352309)              |
| Buy | Magnesite(11101509)           |
| Buy | Inorganic oxides(12352303)    |
| Buy | Hot Coil                      |

## CEO'S

|               |                     |
|---------------|---------------------|
| Name          | Chang Se-Hee        |
| Date of Birth | 03/12/1968          |
| Title         | Vice Chairman & CEO |
| Nationality   | Korean              |

## PROFILES

|                          |  |
|--------------------------|--|
| Capital (KRW)            | 54,244,482,000   |
| Employees                | 405  |
| Formation                | Listed Company (KOSDAQ: 005160) as of 06/23/1999<br>A Company of DONGKUK INDUSTRIES GROUP                          |
| Bank Details             | KEB Hana Bank-Sales 2 Branch<br>Shinhan Bank<br>Woori Bank<br>Korea Development Bank<br>Busan Bank<br>Kookmin Bank |
| Corporate Registered No. | 110111-0085583   |
| Business Registered No.  | 202-81-47522   |
| Permit & Licenses        | 11/14/1997 ISO 9002<br>12/15/1997 ISO 9002<br>07/23/1999 ISO 9001  |

Int'l Trade No.: 751177  
Construction Business Reg. No.: 84

| Shareholder Position | Name                                      | Shares     | %     |
|----------------------|---|------------|-------|
|                      | CHANG SE-HEE                              | 14,597,154 | 26.91 |
|                      | CHANG SANG-GEON                           | 3,820,377  | 7.04  |
|                      | KIM MYUNG-JA                              | 1,926,683  | 3.55  |
|                      | CHANG HYE-KYUNG                           | 1,007,566  | 1.86  |
|                      | CHANG HYE-WON                             | 976,988    | 1.80  |
|                      | CHUNGSEOK DEVELOPMENT CO.,<br>LTD.        | 503,210    | 0.93  |
|                      | DONGKUK R&S CO., LTD.(195511-<br>0069249) | 2,009,254  | 3.70  |

|                                       |            |        |
|---------------------------------------|------------|--------|
| BUL YI WON FOUNDATION(114222-0005772) | 120,000    | 0.22   |
| JUNGDO FOUNDATION(180132-0008850)     | 2,076,227  | 3.83   |
| TREASURY STOCK                        | 2,720,071  | 5.01   |
| OTHERS                                | 24,486,952 | 45.14  |
| TOTAL                                 | 54,244,482 | 100.00 |

|                 |   |
|-----------------|---|
| Company History | 09/01/1967 Incorporated as the present name   |
|                 | 03/20/2003 Increased the authorized shares to 100,000,000 shares from 20,000,000 shares |
|                 | 04/26/2003 Split off the par value to 1,000 KRW from 5,000 KRW                          |
|                 | 02/12/2008 Increased capital to 50,000,000,000 KRW from 34,500,000,000 KRW              |
|                 | 07/02/2014 Acquired DAEWON STEEL CO., LTD.  |
|                 | 12/26/2016 Increased capital to 54,244,482,000 KRW from 50,000,000,000 KRW              |

## **DETAILED INFORMATION**

### **Management**

| <b>Job Description</b> | <b>Name</b>    | <b>Nationality</b> | <b>Date of Birth</b> | <b>Inauguration Date</b> |
|------------------------|----------------|--------------------|----------------------|--------------------------|
| Vice Chairman & CEO    | Chang Se-Hee   | Korean             | 03/12/1968           | 10/01/2007               |
| President & CEO        | Ahn Sang-Cheol | Korean             | 10/28/1958           | 03/25/2014               |
| Vice President         | Chang Hye-Won  | Korean             | 12/21/1970           | 03/18/2011               |
| Executive Director     | Lee Sang-Cheol | Korean             | 05/11/1960           | 03/22/2013               |
| Director               | Cho Sung-Rae   | Korean             | 05/10/1967           | 03/24/2017               |
| Outside Director       | Kang Ki-Bong   | Korean             | 02/09/1956           | 03/24/2017               |
| Outside Director       | Cho Noi-Ha     | Korean             | 01/27/1953           | 04/03/2015               |
| Auditor                | Cha Min-Do     | Korean             | 06/05/1940           | 03/18/2011               |

## **FINANCIALS**

| <b>Year / Unit : KRW</b> | <b>Sales</b>    | <b>Assets</b>   | <b>Net Income</b> |
|--------------------------|-----------------|-----------------|-------------------|
| 06/2018                  | 182,030,853,349 | 551,387,093,911 | 6,374,082,537     |
| 2017                     | 382,352,944,037 | 535,654,733,576 | 19,349,910,695    |
| 2016                     | 353,056,998,286 | 554,497,823,482 | 25,129,686,227    |
| 2015                     | 350,208,469,093 | 555,830,656,461 | 8,478,436,505     |
| 2014                     | 348,321,185,643 | 597,468,265,763 | 9,277,160,240     |
| 2013                     | 330,412,812,613 | 592,669,815,924 | 7,326,331,958     |
| 2012                     | 352,155,928,801 | 563,522,087,360 | 6,603,677,901     |
| 2011                     | 379,372,785,276 | 561,038,062,184 | 18,361,109,875    |

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## **FINANCIAL DESCRIPTION**

|                         |                 |
|-------------------------|-----------------|
| Authorized Capital(KRW) | 100,000,000,000 |
| Paid-Up Capital(KRW)    | 54,244,482,000  |
| Total Issued Shares     | 54,244,482      |

### **Balance Sheet**

| <b>Unit : Korean Won</b>           | <b>01/01/2018~06/30/2018</b> | <b>As of 12/31/2017</b> | <b>As of 12/31/2016</b> |
|------------------------------------|------------------------------|-------------------------|-------------------------|
| Total Assets                       | 551,387,093,911              | 535,654,733,576         | 554,497,823,482         |
| Current Assets                     | 190,560,929,379              | 170,098,812,610         | 174,061,954,158         |
| Cash & Cash Equivalents            | 24,255,977,271               | 4,767,106,683           | 19,395,423,325          |
| Held-to-Maturity Financial Assets  | 230,547,336                  | 461,094,672             |                         |
| Trade Receivables                  | 77,602,144,248               | 79,129,579,178          | 75,537,441,250          |
| Inventories                        | 86,689,430,698               | 83,686,920,908          | 77,035,400,893          |
| Other Receivables                  | 732,490,794                  | 469,198,181             | 181,418,190             |
| Unearned Income                    | 2,302,442                    | 2,355                   | 4,594,766               |
| Advance Payments                   | 284,787,218                  | 374,611,291             | 766,642,285             |
| Prepaid Expenses                   | 455,909,372                  | 907,599,342             | 909,713,449             |
| Short-Term Receivables             | 307,340,000                  | 302,700,000             | 231,320,000             |
| Non-Current Assets                 | 360,826,164,532              | 365,555,920,966         | 380,435,869,324         |
| Tangibles                          | 172,822,310,597              | 177,506,092,370         | 191,280,738,646         |
| Intangibles                        | 2,744,040,721                | 2,830,481,421           | 3,003,764,996           |
| Investment_Real Estates            | 39,843,366,005               | 39,893,299,205          | 39,993,165,605          |
| Marketable Financial Instruments   | 268,687,438                  | 268,687,438             | 268,687,438             |
| Held-to-Maturity Financial Assets  | 22,100,000                   | 22,100,000              | 22,100,000              |
| Non-Current Financial Instruments  | 656,714,476                  | 561,022,816             | 1,452,769,099           |
| Investment_Related Companies       | 144,257,877,295              | 144,257,877,295         | 144,257,877,295         |
| Other Non-Current Assets           | 211,068,000                  | 216,360,421             | 156,766,245             |
| Total Liabilities                  | 170,174,954,051              | 153,675,516,503         | 185,311,549,253         |
| Current Liabilities                | 112,811,836,790              | 96,165,984,388          | 101,616,489,886         |
| Trade Payables                     | 29,890,521,549               | 21,769,762,070          | 31,770,048,980          |
| Account Payables                   | 4,321,063,682                | 3,964,714,024           | 3,889,503,979           |
| Advance Receipts                   | 99,829,659                   | 27,836,299              | 39,887,133              |
| Withholdings                       | 308,848,266                  | 1,079,131,028           | 729,303,458             |
| Guarantees                         | 756,858,280                  | 748,127,480             | 932,623,480             |
| Accrued Expenses                   | 3,126,537,273                | 3,015,689,599           | 2,884,493,637           |
| Short-Term Borrowings              | 55,130,358,433               | 32,604,261,577          | 37,716,435,220          |
| Current Portion of Long-Term Debts | 15,000,000,000               | 30,000,000,000          | 15,000,000,000          |
| Deferred Income Tax Credit         | 1,262,788,961                |                         |                         |
| Other Current Financial Debts      | 2,559,784,660                | 2,379,120,941           | 8,076,852,629           |

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|                                      |                 |                 |                 |
|--------------------------------------|-----------------|-----------------|-----------------|
| Other Current Derivatives Debts      | 355,246,027     | 577,341,370     | 577,341,370     |
| Non-Current Liabilities              | 57,363,117,261  | 57,509,532,115  | 83,695,059,367  |
| Long-Term Borrowings                 | 22,000,000,000  | 22,000,000,000  | 47,000,000,000  |
| Long-Term Account Payables           |                 | 17,463,863      | 14,433,275      |
| Provision for Severance & Retirement | 2,815,993,557   | 2,945,342,147   | 4,601,193,322   |
| Deferred Income Tax Credit           | 31,740,235,551  | 31,784,885,720  | 31,443,337,455  |
| Provision for Repairing              | 806,888,153     | 761,840,385     | 636,095,315     |
| Capital Stock                        | 54,244,482,000  | 54,244,482,000  | 54,244,482,000  |
| Capital Surplus                      | 193,791,168,027 | 193,791,168,027 | 193,794,478,027 |
| Capital Adjustment                   | -12,989,871,689 | -12,989,871,689 | -12,989,871,689 |
| Others                               | -708,482,613    | -708,482,613    | -708,482,613    |
| Profit Surplus                       | 146,874,844,135 | 147,641,921,348 | 134,845,668,504 |
| Total Equity                         | 381,212,139,860 | 381,979,217,073 | 369,186,274,229 |
| Liab. & Shareholder's Equity         | 551,387,093,911 | 535,654,733,576 | 554,497,823,482 |

**Income Statement**

| <b>Unit : Korean Won</b>  | <b>01/01/2018~06/30/2018</b> | <b>As of 12/31/2017</b> | <b>As of 12/31/2016</b> |
|---------------------------|------------------------------|-------------------------|-------------------------|
| Sales                     | 182,030,853,349              | 382,352,944,037         | 353,056,998,286         |
| Cost of Sold Goods        | 161,000,215,583              | 328,965,373,592         | 302,709,680,175         |
| Gross Profit              | 21,030,637,766               | 53,387,570,445          | 50,347,318,111          |
| Selling & Admin. Expenses | 12,908,134,557               | 26,927,915,531          | 25,546,237,856          |
| Operating Income          | 8,122,503,209                | 26,459,654,914          | 24,801,080,255          |
| Finance Income            | 4,775,238,996                | 4,798,291,110           | 5,687,439,564           |
| Finance Expenses          | 2,914,743,489                | 5,031,897,646           | 6,302,723,272           |
| Non-Operating Income      | 152,083,701                  | 365,426,797             | 9,884,086,267           |
| Non-Operating Expenses    | 1,292,328,794                | 842,429,861             | 603,114,355             |
| Income Before Taxes       | 8,842,753,623                | 25,749,045,314          | 33,466,768,459          |
| Income Taxes Expenses     | 2,468,671,086                | 6,399,134,619           | 8,337,082,232           |
| Net Income                | 6,374,082,537                | 19,349,910,695          | 25,129,686,227          |

**Cash Flows**

| <b>Unit : Korean Won</b>        | <b>01/01/2018~06/30/2018</b> | <b>As of 12/31/2017</b> | <b>As of 12/31/2016</b> |
|---------------------------------|------------------------------|-------------------------|-------------------------|
| Operating Activities Cash Flows | 23,606,184,762               | 10,954,604,518          | 26,366,426,846          |
| Net Income                      | 6,374,082,537                | 19,349,910,695          | 25,129,686,227          |
| -Exp. without Cash Outflow      | 12,236,477,495               | 25,426,717,967          | 19,551,234,282          |
| -Changes in Asset/ & Liability  | 5,703,067,897                | -22,876,335,021         | -10,600,313,917         |
| Dividends Received              | 2,969,901,400                | 3,541,301,400           | 3,221,077,400           |
| Interests Received              | 135,915,253                  | 246,948,295             | 147,937,471             |
| Interests Paid                  | -1,314,896,620               | -2,647,209,448          | -3,697,860,163          |
| Income Taxes                    | -2,498,363,200               | -12,086,729,370         | -7,385,334,454          |
| Cash Flows from Investing       | -4,382,779,134               | -2,645,889,082          | 18,559,228,398          |
| Cash Flows from Financing       | -202,564,794                 | -22,844,145,293         | -31,511,516,265         |

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***DONGKUK INDUSTRIES CO., LTD. - 538942***

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|                               |                |                 |                |
|-------------------------------|----------------|-----------------|----------------|
| Increase/Decrease in Cash     | 19,488,870,588 | -14,628,316,642 | 13,414,138,979 |
| Cash at the Beginning of Year | 4,767,106,683  | 19,395,423,325  | 5,981,284,346  |
| Cash at the End of Year       | 24,255,977,271 | 4,767,106,683   | 19,395,423,325 |

***PRODUCTS, TECHNOLOGIES, SERVICES  
DESCRIPTION***

Main Products & Services      STEEL PRODUCTS  
WIRE PRODUCTS  
CASTING PRODUCTS  
MINI MILL PLANT AND MACHINERY  
CONTAINER PARTS  
GOLF ACCESSORIES  
BILLET  
SLAB  
BAR  
CARVING KNIFE  
MONITOR  
HOME APPLIANCE

Detailed Products Spec.  
Technologies Acquired

***TRADE PARTNERS & COMPETITORS***

Suppliers                      POSCO(174611-0000741)  
JFE  
NSSMC  
NANJING IRON AND STEEL GROUP  
AIER GROUP(HK)LIMITED

Customers                     Major Auto Parts Manufacturers, Home Alliance Manufacturers, Fabricated  
Metal and Construction Companies

Competitors                    HYUNDAI MOTOR CO(110111-0085450)  
HYUNDAI STEEL CO., LTD.(171211-0028281)  
TRANS-PACIFIC RESOURCES LTD.(110111-0986640)  
ENERCON  
HANKOOK METAL CO., LTD.(134111-0026597)  
NASTECH CO.,LTD(164811-0002167)  
DAEWON STEEL CO., LTD.(120111-0123711)  
POSCO(174611-0000741)  
HYUNDAI HYSCO(110111-0302416)  
HYUNDAI HYSCO(110111-0302416)

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JINBANG STEEL COMPANY LIMITED.(174611-0006062)

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

|                     |   |
|---------------------|---|
| Affiliates          | DONGKUK R&S CO., LTD.(195511-0069249)<br>(7.2% held by the subject company)   |
|                     | BURI CO., LTD.(171211-0090470)<br>(45.00% held by the subject company)  |
|                     | CHOSUN STEELWIRE CO.,LTD(110111-0008486)<br>HANRYO ENERGY DEVELOPMENT CO., LTD.(206211-0026796)<br>SHINAN WIND POWER CO., LTD.(201111-0023666)<br>GO DEOK WIND POWER CO., LTD.(161311-0017432)<br>DONGYEON S&T CO., LTD.(110111-3401059)<br>CHUNGSEOK DEVELOPMENT CO., LTD.(115611-0003879)<br>DK WIND POWER CO., LTD.(234111-0045158)<br>NAMWON SOLAR POWER CO., LTD.(211311-0005428)<br>CHUNGAN CO., LTD.(171111-0017038)<br>KEUM WHA STEEL CO., LTD.(204311-0017795)<br>DAEWON STEEL CO., LTD.(120111-0123711) |
|                     | BIGEUM WIND POWER CO>, LTD.(201111-0040496)<br>GYEONGJU WIND POWER CO.,LTD.(171211-0064045)   |
| Overseas Branch     |   |
| Joint Venture       |   |
| Subsidiary          | DK DONGSHIN CO., LTD.(110111-3850959)<br>(20.41% held by the subject company)   |
|                     | DONGKUK S&C CO., LTD.(110111-2276784)<br>(49.99% held by the subject company)   |
|                     | DK AMERICA, INC.<br>(100.0%% held by the subject company)<br>23133 HAWTHORNE BLVD. STE.301 TORRANCE, CA 90505, USA<br>TEL : 1-310-375-2222, FAX : 1-310-375-2221  |
|                     | DONGKUK INDUSTRIES(SHANGHAI) CO., LTD.(CHINA)<br>(100.0% held by the subject company)   |
|                     | DONGKUK INDUSTRIES(JAPAN) CO., LTD.<br>(100.0% held by the subject company)   |
| Corporate Ownership |   |
| Major Shareholders  |   |

Cooperative Enterprise -Insured Company  
HANWHA GENERAL INSURANCE CO., LTD.(110111-0006456)

## ***SALES BY REGION (ACTIVITY & MARKETS)***

| Sales/ Unit :Thousand<br>KRW | 06/2018     | 2017        | 2016        |
|------------------------------|-------------|-------------|-------------|
| Export                       | 54,811,578  | 108,470,679 | 85,970,363  |
| Domestic                     | 127,219,275 | 273,882,265 | 267,086,635 |
| Total                        | 182,030,853 | 382,352,944 | 353,056,998 |

The Subject deals with the companies China, Indonesia, Japan, USA, Middle East and South Asia. It imports the raw materials from Japan and China.

## ***COURT ACTION***

No.

## ***NEWS CLIPPING***

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**FOREIGN EXCHANGE RATES**

| Currency  | Unit | Indian Rupees |
|-----------|------|---------------|
| US Dollar | 1    | INR 72.73     |
| UK Pound  | 1    | INR 94.87     |
| Euro      | 1    | INR 82.52     |
| KRW       | 1    | INR 0.064     |

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

**INFORMATION DETAILS**

|                             |     |
|-----------------------------|-----|
| <b>Analysis Done by :</b>   | VIV |
| <b>Report Prepared by :</b> | TPT |

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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)