

MIRA INFORM REPORT

Report No. :	529593
Report Date :	11.09.2018

IDENTIFICATION DETAILS

Name :	NAMYANG METALS CO., LTD.
Registered Office :	20, Nongong-Ro 53-gil, Nongong-Eup, Dalseong-Gun, Daegu, Korea, 42982
Country :	South Korea
Financials (as on) :	31.12.2017
Date of Incorporation :	10.03.1987
Com. Reg. No.:	514-81-09042
Legal Form :	Co., Ltd by Shares Foreign Direct Investment Corporation(Japan)
Line of Business :	Manufacture of Other Parts and Accessories for Motor Vehicles [Engine Parts, Crank Shaft & Crank Case, Cam Shaft, Exhaust Manifold, Fly Wheel, Bearing Cap, Oil Cooler Support & Cover, Turbine Housing & Bearing Housing]
No. of Employees :	229

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

Maximum Credit Limit :	12,352,552.33 USD
Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

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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 (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

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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 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	NAMYANG METALS CO., LTD. (Korean Company Name : "남양금속(주)")
Registered Address	20, Nongong-ro 53-gil, Nongong-eup, Dalseong-gun, Daegu, Korea
Building	
Zip Code	42982
Tel	+82-53-610-7500
Fax	+82-53-610-7700
E-mail	hskim1@namyangmetals.co.kr;cslee@namyangmetals.co.kr
Website	www.namyangmetals.co.kr
Trading Address	20, Nongong-ro 53-gil, Nongong-eup, Dalseong-gun, Daegu, Korea (Old Address System : 29, Bolli-ri, Nongong-eup, Dalseong-gun, Daegu, Korea)
Tel	+82-53-610-7530
Fax	+82-53-610-7700
Other Address	
Tel	
Fax	
Type	Export/Import
Industry	Manufacture of Other Parts and Accessories for Motor Vehicles
Main Business	Engine Parts, Crank Shaft & Crank Case, Cam Shaft, Exhaust Manifold, Fly Wheel, Bearing Cap, Oil Cooler Support & Cover, Turbine Housing & Bearing Housing
Sub Business	
Established (mm/dd/yyyy)	03/10/1987

DETAILED PRODUCTS

Activity	Detailed Products (UNSPSC)
Sell	Engine components and accessories(26101700)
Sell	Transportation components and systems(25170000)
Sell	Camshaft(26101903)
Sell	Vehicle trim and exterior covering(25172600)

CEO'S

Name	Kim Seung-Cheon
Date of Birth	01/11/1958
Title	President & CEO
Nationality	Korean

PROFILES

Capital (KRW)	19,000,000,000												
Employees	229												
Formation	Co., Ltd by Shares Foreign Direct Investment Corporation(Japan)												
Bank Details	KEB Hana Bank Korea Development Bank-Sungseo Branch												
Corporate Registered No.	110111-0522791												
Business Registered No.	514-81-09042												
Permit & Licenses	07/2011 OHSAS 18001/KOSHA 18001 08/2005 TS 16949 04/2002 ISO 14001												
Shareholder Position	<table> <thead> <tr> <th>Name</th> <th>Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>HITACHI METALS LTD.(JAPAN)</td> <td>3,450,432</td> <td>90.80</td> </tr> <tr> <td>DAEWOO SHIPBUILDING & MARINE ENGINEERING CO., LTD.(110111-2095837)</td> <td>349,568</td> <td>9.20</td> </tr> <tr> <td>TOTAL</td> <td>3,800,000</td> <td>100.00</td> </tr> </tbody> </table>	Name	Shares	%	HITACHI METALS LTD.(JAPAN)	3,450,432	90.80	DAEWOO SHIPBUILDING & MARINE ENGINEERING CO., LTD.(110111-2095837)	349,568	9.20	TOTAL	3,800,000	100.00
Name	Shares	%											
HITACHI METALS LTD.(JAPAN)	3,450,432	90.80											
DAEWOO SHIPBUILDING & MARINE ENGINEERING CO., LTD.(110111-2095837)	349,568	9.20											
TOTAL	3,800,000	100.00											
Company History	03/10/1987 Incorporated as the present name 03/10/1988 Registered as a Foreign Corporation(K0002088) Direct Investment												

DETAILED INFORMATION

Management

Job Description	Name	Nationality	Date of Birth	Inauguration Date
President & CEO	Kim Seung-Cheon	Korean	01/11/1958	03/22/2005
Director	Kim Hyun-Soo	Korean	01/01/1964	09/23/2016
Outside Director	Sato Takashi	Japanese	08/13/1960	03/16/2018
Outside Director	Taniguchi Toru	Japanese	04/05/1968	03/16/2018
Auditor	Kasahara Hirohumi	Japanese	12/24/1966	03/16/2018

FINANCIALS

Year / Unit : KRW	Sales	Assets	Net Income
2017	197,657,774,538	116,719,818,938	12,763,921,909
2016	185,829,265,995	105,973,811,220	6,796,549,570
2015	190,840,190,182	128,225,113,174	12,263,847,022
2014	206,985,308,437	123,332,520,053	11,676,383,679

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2013	196,140,172,331	127,940,561,477	11,108,330,231
2012	178,179,182,217	121,227,630,395	9,746,508,855

FINANCIAL DESCRIPTION

Authorized Capital(KRW)	76,000,000,000
Paid-Up Capital(KRW)	19,000,000,000
Total Issued Shares	3,800,000

Balance Sheet

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Total Assets	116,719,818,938	105,973,811,220	128,225,113,174
Current Assets	71,020,581,183	70,732,677,828	87,238,350,910
-Quick Assets	63,297,244,254	66,001,453,249	80,146,697,029
-Inventories	7,723,336,929	4,731,224,579	7,091,653,881
Fixed Assets	45,699,237,755	35,241,133,392	40,986,762,264
-Investment	5,523,559,979	641,922,614	1,862,894,538
-Tangibles	39,551,942,206	33,904,438,763	35,674,142,526
-Intangibles	3,000	3,000	3,000
-Others	623,732,570	694,769,015	3,449,722,200
Total Liabilities	23,895,709,820	20,847,204,611	41,470,003,751
Current Liabilities	23,551,138,568	19,755,459,821	27,423,147,270
Fixed Liabilities	344,571,252	1,091,744,790	14,046,856,481
Capital Stock	19,000,000,000	19,000,000,000	19,000,000,000
Capital Surplus	1,231,977,304	1,231,977,304	1,231,977,304
Profit Surplus	72,858,826,214	64,844,904,305	66,598,354,735
Others	-266,694,400	49,725,000	-75,222,616
Total Equity	92,824,109,118	85,126,606,609	86,755,109,423
Liab. & Shareholder's Equity	116,719,818,938	105,973,811,220	128,225,113,174
Current Liabilities	23,551,138,568	19,755,459,821	27,423,147,270
Trade Payables	5,641,738,413	5,504,845,389	10,867,955,241
Account Payables	10,732,203,463	10,013,212,314	9,555,315,136
Advance Receipts	49,612,269	111,236,138	273,140,824
Withholdings	296,993,951	299,338,038	294,122,691
Accrued Expenses	3,442,173,575	3,419,209,557	3,383,439,730
Derivatives	-	123,972,625	32,539,495
Provisions	99,631,187	117,721,778	105,463,982
Deferred Income Tax Credit	3,288,785,710	165,923,982	2,911,170,171
Fixed Liabilities	344,571,252	1,091,744,790	14,046,856,481
Provision for Severance & Retirement	258,080,692	1,091,744,790	14,046,856,481
Guarantee Deposit	86,490,560	-	-
Withhold			

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Income Statement

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Sales	197,657,774,538	185,829,265,995	190,840,190,182
Cost of Sold Goods	162,297,969,367	151,373,132,121	159,419,378,740
Gross Profit	35,359,805,171	34,456,133,874	31,420,811,442
Selling & Admin. Expenses	15,578,020,085	13,176,522,106	13,034,265,004
Operating Income	19,781,785,086	21,279,611,768	18,386,546,438
Non-Operating Income	3,278,820,124	3,864,284,191	3,496,560,090
Non-Operating Expenses	5,962,849,692	12,863,402,039	5,284,055,689
Income Before Taxes	17,097,755,518	12,280,493,920	16,599,050,839
Income Taxes Expenses	4,333,833,609	5,483,944,350	4,335,203,817
Net Income	12,763,921,909	6,796,549,570	12,263,847,022

Cash Flows

Unit : Korean Won	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
Cash Flows from Operating	16,945,252,032	2,701,026,878	25,673,042,439
-Net Income	12,763,921,909	6,796,549,570	12,263,847,022
-Exp. without Cash Outflow	12,809,053,115	19,076,634,372	12,085,360,353
-Revenue without Cash Inflows	-715,727,547	-403,994,577	-189,280,032
-Changes in Asset/ & Liability	-7,911,995,445	-22,768,162,487	1,513,115,096
Cash Flows from Investing	-19,074,745,224	-12,530,724,238	-4,898,407,421
-Cash Inflow from Investing	2,362,658,730	1,043,242,324	1,210,734,379
-Cash Outflows for Investing	-21,437,403,954	-13,573,966,562	-6,109,141,800
Cash Flows from Financing	-4,750,000,000	-8,550,000,000	-9,759,213,747
-Cash Inflows from Financing	-	-	-
-Cash Outflows from Financing	-4,750,000,000	-8,550,000,000	-9,759,213,747
Increase/Decrease in Cash	-6,879,493,192	-18,379,697,360	11,015,421,271
Cash at the Beginning of Year	23,982,439,422	42,362,136,782	31,346,715,511
Cash at the End of Year	17,102,946,230	23,982,439,422	42,362,136,782

PRODUCTS, TECHNOLOGIES, SERVICES
DESCRIPTION

Main Products & Services	Engine Parts Crank Shaft & Crank Case Cam Shaft Exhaust Manifold Fly Wheel Bearing Cap
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Oil Cooler Support & Cover
Turbine Housing & Bearing Housing

Detailed Products Spec.
Technologies Acquired

TRADE PARTNERS & COMPETITORS

Suppliers
Customers

GM KOREA(<http://www.gm-korea.co.kr>)
HYUNDAI MOTOR COMPANY(<http://www.hyundai.com>)
SSANGYONG MOTORS CO., LTD.(<http://www.smotor.com>)
RENAULT SAMSUNG MOTORS CO.,
LTD.(<http://www.renaultsamsung.com>)

FORD MOTOR COMPANY(<http://www.ford.com>)
FCA (FIAT CHRYSLER AUTOMOBILES)(<http://www.fcagroup.com>)
VOLVO CAR CORPORATION(<http://www.volvocars.com>)
SUZUKI MOTOR CORPORATION(<http://www.suzuki.com>)
NISSAN MOTOR COMPANY(<http://www.nissan-global.com>)
MAZDA MOTOR CORPORATION(<http://www.mazda.com>)
HONDA MOTOR COMPANY(<http://automobiles.honda.com>)
DOOSAN INFRACORE CO., LTD.(120111-0234469)
HWACHEON MACHINERY WORKS CO., LTD.(110111-0342181)
S&T DYNAMICS CO.,LTD.(110111-0042880)
MANDO CORPORATION(131311-0140776)
HYUNDAI POWER TECH CO., LTD.(161411-0009403)
HYUNDAI DYMOS INC.(161411-0008562)

Competitors

RELATED PARTIES (SUBSIDIARIES, JOINT-VENTURE & AFFILIATES)

Affiliates

HNV CASTING PRIVATE LIMITED.(HNV)
(46.83% held by the subject company)

HITACHI, LTD(HITACHI)
HITACHI METALS LTD(HML)
HNV CASTINGS PRIVATE LIMITED(HNV)
HITACHI HIGH TECHNOLOGIES CORPORATION(HHTC)
HITACHI METALS AMERICA, LTD.(HMA)
HITACHI METALS EUROPE GMBH(HME)
HITACHI METALS TRADING, LTD.(HM TRADING)
WAUPACA FOUNDRY, INC(WAUPACA)
HITACHI METALS SINGAPORE PTE. LTD.(HM SINGAPORE)
HITACHI METALS THAILAND LIMITED(HM THAILAND)

Subsidiary	HITACHI METALS CHINA LTD.(HM CHINA)
Corporate Ownership	HITACHI, LTD. HITACHI METALS LTD.(HML:JAPAN)
Major Shareholders	HITACHI METALS LTD.(JAPAN)
Cooperative Enterprise	-Technical Support from HITACHI METALS CO., LTD.(JAPAN) MARUBENI CORPORATION - Technical Support to HNV CASTINGS PRIVATE LIMITED(INDIA) -Insured Company MERITZ FIRE & MARINE INSURANCE CO., LTD.(110111-0013328)

SALES BY REGION (ACTIVITY & MARKETS)

Not Available.

COURT ACTION

No Records.

NEWS CLIPPING

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.57
UK Pound	1	INR 93.74
Euro	1	INR 83.81
KRW	1	INR 0.064

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

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	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)