

Name	BYC	Number of Shares	624,607
Ticker	001460	Market Cap	123,672,186
Market Price	198.00	Cash	3,000,000
SNV Opinion:	BUY	Debt	70,000,000
		Net Cash	-67,000,000
		Enterprise Value	190,672,186
		EBIT	33,000,000
		EV/EBIT	5.78

*Figures converted using USDKRW 1000 FX rate.

Business Overview

Is a famous underwear business in Korea. 85% of revenue is still from the legacy, apparel business. The balance comes from their construction business. Not sure how those 2 business models collided, but it is what it is. They sell fabric to other companies and packaged, branded products. The Co. receives rental fee, so they might franchise the retail outlets and collect rent on the properties owned by the Co.

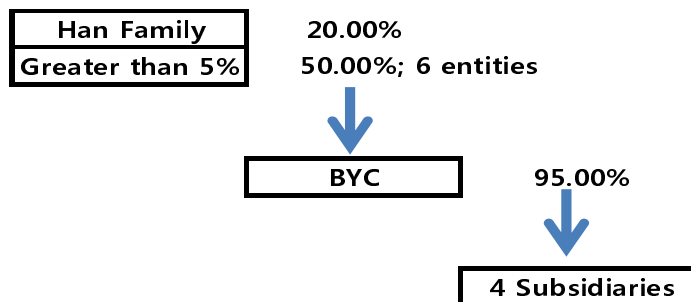
Shareholder

Han Suk Bum 한석범 (CEO) and family owns 20% of the shares. ShinHanBang owns 12%, NamHoSumYoo owns 10%, and 4 other entities own more than 5%. 1100 shareholders own 26%.

Subsidiaries

Own an array of subsidiaries. Surprisingly some construction businesses? It is a mess. They look like a VC firm. They listed 4 with more than 95% ownership. .

Holdings Diagram



Cash flow

Op. Cash flow is 25BB and cap ex is difficult to categorize, but we estimate about 5BB, so 16% FCF/Price yield. 2012 FY numbers reflect 216BB KRW in revenue, 37% GM, 15% EBIT, 11% NI.

Dividend

Co. pays out 0.72BB KRW in dividend, or a 0.5% dividend yield.

Valuation

Net tangible book value, excluding cash, is near 335BB KRW. Add on top of this 8 years of op. cash flow and you have 535BB KRW, which is 430% of market value. 272% downside protection, with 60% of assets in real estate.

Summary

The company is cheap and is has a long history and stable business. They are expanding into China, which is always a good sign. Not sure about the construction business. That is the risk factor. Dividend is negligible so its not a Buy and Hold investment strategy. It is more a wait for recovery, as the stock dipped from 250 a couple months ago.

SN Valuation Korean Portfolio

As of **2013-07-29**

Buy

Name	Ticker	Market Price*	Entry Price	Date	Gain/(Loss)
Idis Holdings	054800	14.65	13.00	07/16/2013	12.69%
Mootech	033200	3.69	3.61	07/12/2013	2.08%
Danawa	119860	10.50	9.38	07/22/2013	11.94%
Kishin Elec.	092440	6.59	6.64	07/23/2013	-0.75%
BYC	001460	196.50	196.50	07/29/2013	0.00%

Average Total Return

5.19%

Follow

Name	Ticker	Market Price*	Entry Price	Date	Gain/(Loss)
China King	900120	2.29	2.30	07/17/2013	-0.43%