

Name	Kishin Electronics	Number of Shares	29,200,000
Ticker	092440	Market Cap	193,888,000
Market Price	6.64	Cash	7,300,000
SNV Opinion:	BUY	Debt	5,000,000
		Net Cash	2,300,000
		Enterprise Value	191,588,000
		EBIT	19,000,000
		EV/EBIT	10.08

*Figures converted using USDKRW 1000 FX rate.

Business Overview

Manufactures mold plates and die set and precision plates for the automotive parts and plastic molding. Manufactured in 3 plants in Korea, 1 in China.

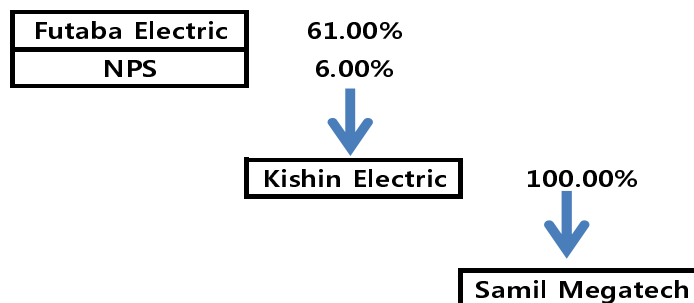
Shareholder

Fudaba Electric owns 61% of the shares. Employees own 7%. National Pension Services owns 6%. 2000 shareholders own 17%.

Subsidiaries

Samil Megatech- 14BB KRW in assets, 371MM KRW in earnings.

Holdings Diagram



Cash flow

Op. Cash flow is 20BB and cap ex is difficult to categorize, but we estimate about 10BB, so 5% FCF/Price yield. 2012 FY numbers reflect 113BB KRW in revenue, 25% GM, 17% EBIT, 14% NI.

Dividend

Co. pays out 5.8BB KRW in dividend, or a 3% dividend yield.

Valuation

Net tangible book value, excluding cash, is near 200BB KRW. Add on top of this 8 years of op. cash flow and you have 360BB KRW, which is 180% of market value. 100% downside protection, with 40% in cash/financial products.

Summary

The company is cheap and is essentially a subsidiary of a larger Japanese firm, Fudaba Electric. Although it may not be a buyout candidate, it has good dividend at 3% and strong balance sheet and cash flow. We will include in our portfolio.

SN Valuation Korean Portfolio

As of 2013-07-23

Buy

Name	Ticker	Market Price*	Entry Price	Date	Gain/(Loss)
Idis Holdings	054800	14.05	13.00	07/16/2013	8.08%
Moatech	033200	3.75	3.61	07/12/2013	3.88%
Danawa	119860	9.35	9.38	07/22/2013	-0.32%
Kishin Elec.	092440	6.64	6.64	07/23/2013	0.00%

Follow

Name	Ticker	Market Price*	Entry Price	Date	Gain/(Loss)
China King	900120	2.26	2.30	07/17/2013	-1.74%

*Intraday Market Price