



The Leading Credit Bank in Asia, NICE Information Service

COMPACT REPORT ER2

NICE INFORMATION SERVICE.CO.,LTD.

201303290010-ER2-820610

<http://www.kisreport.com>

NICE Information Service Co., Ltd.



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■ Subject identification

Subject name	NICE INFORMATION SERVICE.CO.,LTD.	
President(CEO)	Sim,Ui Yeong	
Size	Large	
Type	Listed in KOSDAQ	
Established	Apr.01,1985	
Listed	May.16,2000	
No. of employees	428	Sep,2012
Fiscal year end	Dec.31,2011	

■ Subject location

Head office	(150-871) 14-33, YEOUIDO-DONG, YEONGDEUNGPO-GU, SEOUL	
	TEL : 82-2-2122-4000	FAX : 82-2-3771-1259
Factory	N/A	
Sales office	(150-910) NICE INFORMATION SERVICE INC., 15-28, YEOUIDO-DONG, YEONGDEUNGPO-G U, SEOUL	
	TEL : 82-2-3771-1000	FAX : 82-2-3771-1259
Homepage URL	www.nicecredit.com	

■ Other identification

Industry	(J63991) Data Base Activities and On-line Information Provision Services
Major product	Published Products,Credit agencies, data processing,
Group affiliated	NICE
Reference bank	Woori Bank
Tax registration no.	116-81-15020
Incorporation no.	1101110393283

■ Legal status

Current legal status	Listed in KOSDAQ
History of status	May.16,2000
Authorized capital	KRW 100,000 Million (Sep.30,2012)
Number of shares issued	30,357,410 shares (Sep.30,2012)
Issued capital	KRW 30,357 Million (Sep.30,2012)

■ Related company (as of Sep.30,2012)

Company name		KIS CREDIT SERVICE CO.,LTD.
President & CEO		Lee,Won Chul
Industry		Credit Reporting and Collection Agency Services
Main office		13-13, YEOUIDO-DONG, YEONGDEUNGPO-GU, SEOUL
Phone number		TEL : 82-2-3786-4000
Major financial (Year : 2011.12 Unit : 1M Won)	Total Asset	23,428
	Equity Capital	17,360
	Capital	10,000
	Sales	68,506
	Net Income	2,101
Company name		NICE CREDIT INFORMATION SERVICE CO.,L
President & CEO		O,Sang Yeong
Industry		Credit Reporting and Collection Agency Services
Main office		13TH FL.,CREDIT CENTER BLDG.,686, AHYEON-DONG, MAPO-GU, SEOUL
Phone number		TEL : 82-2-2122-2000
Major financial (Year : 2011.12 Unit : 1M Won)	Total Asset	19,904
	Equity Capital	15,172
	Capital	10,000
	Sales	47,571
	Net Income	-525
Company name		NICE HOLDINGS CO.,LTD.
President & CEO		Kim,Gwang Su/Choe,Yeong
Industry		Activities of Head Offices for Other Industries
Main office		14-33, YEOUIDO-DONG, YEONGDEUNGPO-GU, SEOUL
Phone number		TEL : 82-2-2122-4000
Major financial (Year : 2012.09 Unit : 1M Won)	Total Asset	284,175
	Equity Capital	270,591
	Capital	17,293
	Sales	29,062
	Net Income	14,643

■ Credit rating

Credit rating	AA+
Date of rating	Mar.21,2013
Fiscal year	Dec.31,2011
Auditor's opinion	Unqualified
Date of expiration	Jul.01,2013
Rating explanation	AA is the excellent credit capability for commercial transactions and retains an appropriate dealing ability with the changes of macro and micro economic condition.

Note	<p>The credit rating is estimated by the analysis based on the recent data of NICE Information Service Inc. The credit rating is for the purpose of indicating level of credit within valid period of credit reports and can be used as reference to open or maintain business accounts.</p> <p>The credit rating is valid from the date of the rating to the date of the expiration and doesn't reflect any changes of the corporations' status after the date of the rating. NICE Information Service Inc. isn't responsible for your decisions made base on the credit reports.</p>
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■ Cash flow analysis

Cash flow status	Excellent
Fiscal year	Dec.31,2011
Cash flow explanation	The ability of generating cash flow is in excellent condition.

■ Early warning results

Watch rating	Reservation
Date of warning	Mar.27,2013
Watch explanation	The indication of credit status changes has been observed, but expect no or minimum effect on credit status

■ Chief executive office

Name	Sim,Ui Yeong
Date of birth	Jun.06,1955
Title	N/A
Type	N/A
Final education	N/A
Major career	N/A

Major shareholder (as of Sep.30,2012)
#1 : Kim,Gwang Su

Common stock	5,031,280 units (16.57% of ownership)
Preferred stock	units (0.00% of ownership)
Total	5,031,280 units (16.57% of ownership)

#2 : NICE HOLDINGS CO.,LTD.

Common stock	5,019,250 units (16.53% of ownership)
Preferred stock	units (0.00% of ownership)
Total	5,019,250 units (16.53% of ownership)

#3 : S TO B NETWORK CO.,LTD.

Common stock	2,885,615 units (9.51% of ownership)
Preferred stock	units (0.00% of ownership)
Total	2,885,615 units (9.51% of ownership)

#4 : Genesis Emerging Markets Opportunities Fund

Common stock	2,001,505 units (6.59% of ownership)
Preferred stock	units (0.00% of ownership)
Total	2,001,505 units (6.59% of ownership)

#5 : KOREA INVESTMENT VALUE ASSET MANAGEMENT CO., LTD.

Common stock	1,612,992 units (5.31% of ownership)
Preferred stock	units (0.00% of ownership)
Total	1,612,992 units (5.31% of ownership)

#6 : NICE INFORMATION & TELECOMMUNICATION INC.

Common stock	1,023,510 units (3.37% of ownership)
Preferred stock	units (0.00% of ownership)
Total	1,023,510 units (3.37% of ownership)

#7 : NICE E-BANKING SERVICES CO.,LTD.

Common stock	914,850 units (3.01% of ownership)
Preferred stock	units (0.00% of ownership)
Total	914,850 units (3.01% of ownership)

■ Financial highlights

(unit : in million KRW)

Accounting items	Dec.31,2009	Dec.31,2010	Dec.31,2011
Sales(net)	123,876	18,096	116,497
Net income	17,959	1,228	15,066
Total assets	152,880	105,390	115,642
Total borrowings			
Total stockholders' equity	128,165	78,526	90,066
Net cash from operations	17,104	5,374	17,777
Operating income - cash basis	20,472	5,305	20,522

■ Financial ratios highlights

(unit : in %, times)

Financial ratios	Dec.31,2009	Dec.31,2010	Dec.31,2011
Net income to Total assets	13.32	0.95	13.63
Net income to Shareholders' equity	15.64	1.19	17.87
Operating income to Net sales	8.87	10.03	16.57
Financial expenses / Net sales	-	-	-
EBIT to Financial expenses (in times)			
Equity to Total assets	83.83	74.51	77.88
Total borrowings to Total assets	-	-	-
Total borrowings / Net assets	-	-	-
Current ratio	336.32	105.38	138.28
Total liabilities to Shareholders' equity	19.28	34.21	28.40
Debt coverage ratio			
Total assets turnover (in times)	0.92	0.14	1.05
Net sales growth	-6.65	-85.39	543.76

■ Statement of Financial Position

(unit : in million KRW)

Accounting items	Dec.31,2009	Dec.31,2010	Dec.31,2011
TOTAL CURRENT ASSETS	60,672	24,825	29,047
TOTAL QUICK ASSETS	60,672	24,825	29,047
(Cash & Cash Equivalents)	40,332	11,927	12,998
(Account receivables, accrued income)	11,924	11,385	11,766
TOTAL INVENTORIES			
TOTAL NON-CURRENT ASSETS	92,208	80,564	86,595
TOTAL TANGIBLE ASSETS	50,555	7,135	12,891
(Land)	28,744		2,111
(Construction in-progress)			61
TOTAL INTANGIBLE ASSETS	420	28,627	30,373
TOTAL INVESTMENTS ASSETS	34,154	38,468	37,747
TOTAL ASSETS	152,880	105,390	115,642
TOTAL CURRENT LIABILITIES	18,040	23,557	21,006
(Trade account payable)			
(Short-term borrowings)			
TOTAL NON-CURRENT LIABILITIES	6,675	3,306	4,570
(Bonds)			
(Long-term borrowings)			
TOTAL LIABILITIES	24,715	26,863	25,576
(Capital stocks)	23,801	30,357	30,357
(Capital surplus)	28,178	47,138	47,138
(Retained earnings)	69,945	1,063	12,603
(Capital adjustments)	-6,073	-32	-32
TOTAL STOCKHOLDERS' EQUITY	128,165	78,526	90,066
TOTAL LIABIL. & STOCKHOLDERS'EQUITY	152,880	105,390	115,642

■ Income statements and Cash flow analysis

(unit : in million KRW)

Accounting items	Dec.31,2009	Dec.31,2010	Dec.31,2011
SALES(NET)	123,876	18,096	116,497
COST OF SALES			
GROSS PROFIT	123,876	18,096	116,497
SELLING & GENERAL ADMIN. EXPENSES	112,883	16,282	97,191
(Depreciation)	4,192	302	4,886
(Bad debt expenses)	223	385	427
(Personnel expenses)	48,760	7,023	41,950
OPERATING INCOME	10,993	1,815	19,306
NON-OPERATING INCOME	12,816	73	1,394
(Interest income)	2,330	47	319
NON-OPERATING EXPENSES	2,089	234	663
(Interest expenses)			
ONGOING BUSINESS INCOME BEFORE INCOME TAXES EXPENSES	21,720	1,654	20,036
INCOME TAXES EXPENSES FOR ONGOING BUSINESS INCOME	3,761	426	4,970
NET INCOME	17,959	1,228	15,066
[CASH FLOW ANALYSIS]			
ADJUSTMENT OF NET INCOME	16,784	3,312	21,666
(Net increase In A/R)	3,708	-154	808
(Net increase In inventories)			
(Net increase in trade account payable)			
NET CASH FROM OPERATIONS	17,104	5,374	17,777
Net Cash From non Operation	9,604	-6,034	-16,706
Increase (decr.) in Cash	26,708	-660	1,071
NET CASH FROM FINANCING			
(Capital increase with consideration)			
(Net increase in LT borrowings)			
(Net increase in bonds)			
(Net increase in Short-term borrowings)			
NET INCREASE IN CASH & BANK DEPOSITS	26,708	-660	1,071

■ Court actions (pending lawsuits as a defendant)

#1 : Ongoing court actions

No. of Ongoing court action(s)	4
Total amount of Ongoing court action(s) in 1000 KRW → TA1	230,725
TA1 to Total assets (in %)	0.20
TA1 to Net sales (in %)	0.20

#2 : Losing a lawsuit

No. of Lost lawsuits	5
Total amount of Lost lawsuits in 1000 KRW → TA2	153,504
TA2 to Total assets (in %)	0.13
TA2 to Net sales (in %)	0.13

#3 : Partially losing a lawsuit

No. of partially Lost lawsuits	3
Total amount of partially Lost lawsuits in 1000 KRW → TA3	N/A
TA3 to Total assets (in %)	N/A
TA3 to Net sales (in %)	N/A

#4 : Summary

Total No. of lawsuits as a defendant	12
Total amount of lawsuits as a defendant in 1000 KRW → TA4	384,229
TA4 to Total assets (in %)	0.33
TA4 to Net sales (in %)	0.33

Court action information was compiled using information from supreme court of Korea which is updated daily, and using information occurred since 1999. The court action(s) listed above may have been paid, terminated, vacated, settled, and released prior to the date this report was printed.

■ Negative credit information(s)

Delinquency date	N/A
No. of negative items(NPL, bankruptcy etc)	0 Items
No. of NPL reporting Financial Institutes	0 Reporting Co.
Total amt. of NPL	0

Negative Credit Information was compiled using information from Korea Federation of Banks which is updated daily. The loan may have been paid, settled, forgiven prior to date this report was printed. In some instances NPL(non-performing loans) may be a result of disputes.

■ Definition of Credit Rating

The corporate credit rating is the index that indicates level of risk focused on the ability of debt repayment and financial stability. It also provides reliable data that helps you to lead rational credit evaluation by considering not only major financial information but also non-financial information such as company overview and business's risk status.

Credit Status	Credit Rating	Definition
Excellent	AAA	AAA is the extreme credit capability for commercial transactions and retains an excellent dealing ability with the changes of macro and micro economic condition.
	AA	AA is the excellent credit capability for commercial transactions and retains an appropriate dealing ability with the changes of macro and micro economic condition.
	A	A is good credit capability for commercial transactions and retains a limited dealing ability with the changes of macro and micro economic condition.
Good	BBB	BBB is good credit capability for commercial transactions but lowly exposed on possible credit risk in changes of macro and micro economic condition.
Average	BB	BB is the average credit capability for commercial transactions and normally exposed on possible credit risk in changes of macro and micro economic condition.
	B	B is the average credit capability for commercial transactions and highly exposed on possible credit risk in changes of macro and micro economic condition.
Unsatisfactory	CCC	CCC is under the average credit capability for commercial transactions and needs caution for the deterioration of the transaction stability.
	CC	CC is poor credit capability for commercial transactions and the stability of the transactions is low.
	C	C is the worst credit capability for commercial transactions, and needs an extreme caution for the deterioration of the transaction stability.
Poor	D	Capacity of payment is in arrears or bankruptcy.
Except	R	Reservation for credit rating from financial statements with less than one year or a sudden change of management (M & A, change of category of business. etc)

■ Definition of "watch" Rating

"Watch" is the tool that indicates credit changes of the corporations in a timely manner and has the strength that monitoring the credit changes of the corporate perpetually instead of periodically.

WATCH Rating	Definition
Normal	No indication of credit status changes has been observed. Credit status is "normal"
Reservation	The indication of credit status changes has been observed, but expect no or minimum effect on credit status
Monitoring	The indication of credit status changes has been observed. Additional analysis on its effects to company's profitability and other impacts is recommended.
Caution	The indication of poor credit has been observed, and/or expect uncertainties to adverse business, financial and economic condition. Caution recommended.
Warning	Record of payment delinquency and/or other credit problems has been observed. Susceptible to adverse business, financial and economic conditions. Caution required.
Danger	Over 3 months payment delinquency records and/or major credit problems has been observed. Highly susceptible to adverse business, financial and economic conditions. Extreme caution required.
High Default Risk	On-going default accounts, over 3 months payment delinquency records and/or major credit problems has already been filed.
Out of business	Out of business, merged and Liquidation
Bankruptcy	Bankruptcy status has been filed and similar action also has taken.

■ Definition of Cash Flow Rating

The cash flow is the direct way to evaluate liquidation of the corporations and indicates the level of solvency as cash flow sound.

Cash Flow Rating	Definition
CF1(Excellent)	The ability of generating cash flow is in excellent condition
CF2(Good)	The operating cash flow is in good condition and capable for further finance demands.
CF3(Normal)	The operating cash flow is in good condition but it needs external finance for further investment
CF4(Unsatisfactory)	The annual cash flow is inferior to the average and not enough to cover working capital.
CF5(Risk)	The cash flow profitability is negative and poor.
CF6(Fail)	The cash flow has been shown as negative over recent 2 years and its profitability is extremely poor.

KISreport

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