

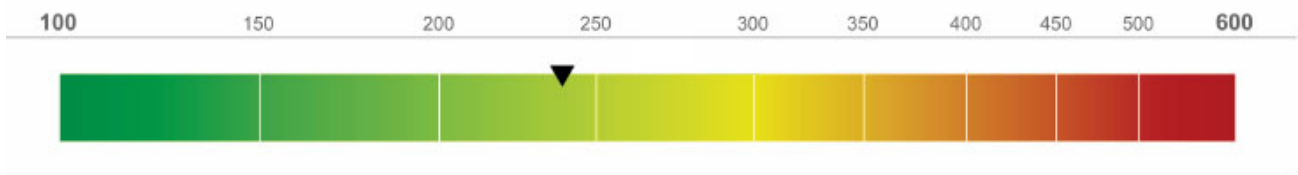


Company Identification

Company Name:	Guangdong Bright Industry Co., Ltd. (Sample Report)		
Company Name (CN):	广东明成工业有限公司 (样本报告)		
Street:	10th Floor, Science & Technology Tower, Suite 5 188 Xingcheng S. Road	Telephone:	86-769-888-1234
District:	New Technology Development Zone	Facsimile:	86-769-888-1234
City:	Dongguan	Email:	gd@123.com
Province:	Guangdong	Website:	www.brightind.com
Country:	PR China	Zip:	215000

Crefo Nr:	9360000399	Registry:	Administration for Industry and Commerce, Guangdong Branch
Registration Nr:	16812345-8	Status:	Active

Solvency Index



Solvency Index:	244		
Risk Assessment:	Average Risk		
Recommended Line:	CNY 1,000,000	USD 157,275	EUR 127,648

Solvency index is a very strong and capable early-alarm indicator enabling a fast assessment of solvency of business partners. The higher the solvency index, the higher the risk of default of a client. The solvency index ranges from 100, a very good rating, to 600 where highly negative characteristics are present.

Company Highlights



Date Established:	1993-05-18	Employees:	110 (2010)	
Legal Status:	Limited Liability Company	Public Record	Clear	
Exchange Rate:	CNY 100	USD 15.73	EUR 12.76	Date:2012-08-20
Turnover:	CNY 41,438,000	USD 6,517,161	EUR 5,289,474	
Net Profit:	CNY 1,496,000	USD 235,283	EUR 190,961	
Working Capital:	CNY 5,297,000	USD 833,086	EUR 676,151	
Equity:	CNY 12,183,000	USD 1,916,081	EUR 1,555,135	
Total Asset:	CNY 19,815,000	USD 3,116,404	EUR 2,529,343	

### Legal Information

Registered Name:	Guangdong Bright Industry Co., Ltd. (Sample Report)
Registered Name (CN):	广东明成工业有限公司 (样本报告)
Legal Form:	Limited Liability Company
Company Type:	Sino-Foreign Equity Joint Ventures
Incorporation Date:	1993-05-18
Status:	Active
Registration Nr:	16812345-8
Organizational Code:	72345876-9
Tax Nr:	348976218899991
Expiration Date:	2013-05-13
Registered Address:	10th Floor, Science & Technology Tower, Suite 5 188 Xingcheng S. Road, New Technology Development Zone Dongguan, Guangdong, PR China 215000
Registered Address (CN):	中国广东东莞新科技开发区星城南路188号 科创大厦10楼5座 邮编:215000
Registered Capital:	CNY 6,084,080
Paid Up Capital:	CNY 6,084,080



Registry:	Administration for Industry and Commerce, Guangdong Branch
Business Scope (EN):	The subject's registered business scope includes: welding engineering design, construction, technical training; welding equipment, Development, production, marketing, office automation equipment and materials sales; operation of the enterprises, branches; Research necessary raw and auxiliary materials, machinery equipment, apparatus, instruments, spare parts and related technology import and export business; business. The enterprises processing with imported materials and the "San Lai Yi Bu" business.
Business Scope (CN):	该公司的法定经营范围包括：焊接工程设计、施工、技术培训；焊接设备的研制、开发、生产、销售；五金交电、办公自动化设备及材料销售；经营本企业生产、科研所需的原辅材料、机械、设备、仪器仪表、零配件及相关技术的进出口业务；经营本企业的进料加工和“三来一补”业务。

## Chief Executive:

Name(s)	Position(s)
Wang Bin	Managing Director & Legal Representative

## Shareholders:

Shares	Name(s)
60%	Guangdong Industrial Development Co.
40%	East Bright Industrial Co., Ltd. (Hong Kong)

## History

Background:	Subject's previous name was "Guangdong Industrial Development Company" which was a state-owned enterprise found in 1989, and it was reconstructed & re-registered as a Sino-foreign equity joint venture enterprise at local Administration of Industry & Commerce in 1993.
Shareholder Background:	<p>Guangdong Industrial Development Co.</p> <p>Registered date: Feb 14, 1989</p> <p>Registered capital: RMB 10,000,000</p> <p>East Bright Industrial Co., Ltd. (Hong Kong)</p> <p>Registered date: Feb 14, 1992</p> <p>Registered ID: 927638</p>



	Co type: LLC
Registration Changes:	Change of Registered Capital: CNY 619,690 (before 2000-5-20)
Media Record:	Nothing detrimental noted.

### Management

Mr. Wang Bin	Position: Legal Representative and Chairman Age: About 50 ID #: Passport No.: 028888172 Education: University Degree Responsibility: Overall Management Experience: Not available
Mr. Chen Weihai	Position: Deputy General Manager Age: About 45 Education: Graduated from Zhongshan University Responsibility: Day-to-day operation Experience: 1981-1988: Working for Guangdong government as officer 1989-1992: Working for Guangdong Industrial Development Co. as Manager. 1993-Pres: with Subject.

### Related Companies

Parent Company:	None
Subsidiaries:	<p>Guangdong Bright Industry Co., Ltd., Beijing Co.              Address: Rm.1206, Mingxin Building, Wangfujing Street              Beijing 100000, China              Phone: (010) 68386388              Fax: (010) 68386980</p> <p>Guangdong Bright Industry Co., Ltd. Tianjin Co.              Address: 1/F, No. 302, Heihua Road              Tianjin 300000, China              Phone: (022) 22338689              Fax: (022) 22338688</p>
Branch Offices:	<p>Guangdong Bright Industry Co., Ltd. Dalian office              Address: Rm. 1006, Wangfu Commercial Centre, Wangfu Road              Dalian, Shandong 116000, China              Phone: (0411) 6666838              Fax: (0411) 6663638</p> <p>Guangdong Bright Industry Co., Ltd. Nanning office              Address: Rm. 2088, Jiefang Building</p>



	Nanning Road Guangxi 530000, China Phone: (0771) 8880123 Fax: (0771) 8882221
Related Companies:	-

### Current Operations

Industry (CN):	3979	Lighting Manufacturing
Industry (US):	335110	Electric Lamp Bulb and Part Manufacturing
Industry (EU):	31.5	Manufacture of lighting equipment and electric lamps

Business:	Subject is engaged in manufacturing and developing of storage battery and related products. All products are sold under its own brand "Bright". Subject maintains 12 production lines. Main activities: Manufacturing of storage battery;	
Territory:	Subject sources its materials 80% from domestic market, and 20% from overseas market.  Subject sells 80% of its products in domestic market, mainly Guangdong and Hubei, and 20% to overseas market, mainly European and American countries. Mainly to construction companies, electric power factory, communication co., railway construction department, etc.	
import:	S. Asia	20%
Export:	mainly European and American countries	80%
Total Export:		
Terms:	Purchase:Domestic: T/T, Check, Cash and Credit of 30-60 days International: T/T, L/C and Credit of 30-60 days Sales:Domestic: T/T, and Credit of 30-60 days International: T/T, L/C and Credit of 30-60 days	
Certification:	ISO9002	
Employees:	110 (2010) 105 (2009) 120 (2008)	
Facility:	Head office (manufacturing base) Address: 188, Xingcheng S. Road New Technology Development Zone Dongguan, Guangdong 215000, China Location: Industrial area Size: 32,000 sq. meters (including a building of 8 stories, workshop, storehouse and living quarters for staffs)	



	Ownership: Self-owned
Location:	Dongguan is a prefecture-level city in central Guangdong province, China. An important industrial city located in the Pearl River Delta, Dongguan borders the provincial capital of Guangzhou to the north, Huizhou to the northeast, Shenzhen to the south, and the Pearl River to the west. City administration is considered especially progressive in seeking foreign direct investment. Its GDP grows steadily over the years and the total output value of Dongguan in 2007 reached 315.1 billion yuan, and the total import and export volume was in 2nd place in China.

### Bank Information

Bank Name:	Bank of China Guangdong branch, Development District office  Address: No. 600, Mingyue Road, New Technology Development Zone Dongguan, Guangdong 215000, China Phone: (0769) 8288288 Account Number: 0022288028-3
Banker Comments:	Account is fairly active. It maintains a normal relation with the bank.

### Payment History

Payment mode:	Subject did not provide any name of trade/service suppliers to establish the payment pattern at present.
Delinquent payment:	Nothing detrimental against the subject has been reported.
Debt collection:	No debt collection claims against the subject were found in our record.

### Trade References

Customers:	- Xichang Jiuchuan Satellite-launched Base - Beijing Asia Sport Meet Village International Communication Centre - Xinjiang Optical Engineering Construction Co.
Suppliers:	- Zhegan Railway Engineering Construction Co. - Dajiu Railway Engineering Construction Co.

### Public Record



Public Record Search:	A search of local people's courts revealed no record of a Company by this name involved in the followings.
Civil Litigation:	Clear
Bankruptcy:	Clear

## Financial Figures

Notes:			
Data Source:	From local government sources		
Exchange rate:	2012-08-20 2010-12-31 2009-12-31 2008-12-31	CNY100 = USD15.73 CNY100 = USD15.12 CNY100 = USD14.62 CNY100 = USD14.59	CNY100 = EUR12.76 CNY100 = EUR11.41 CNY100 = EUR10.20 CNY100 = EUR10.35
Auditor Name:	Guangdong Yao CPA Firm		
Auditor comments:	Pass 2009 AIC annual audit		

## Balance Sheet (Unit: CNY,1000)

Year	2010-12-31	2009-12-31	2008-12-31
Cash & bank	5,295	1,139	3,540
Short-term Investment	31	0	0
Inventory	2,163	874	2,195
Accounts receivable	5,299	4,649	3,612
Bills receivable	0	0	0
Advances to suppliers	104	54	6
Other receivables	7	3	103
To be apportioned expense	0	1	4
Other current assets	0	0	0
Current assets	12,899	6,720	9,460
Fixed assets net value	6,453	409	450
Long term investment	0	0	0



Projects under construction	5	0	0
Other long-term assets	0	0	0
Long-term to be apportioned expense	280	0	0
Intangible assets	178	0	0
Other assets	0	145	173
Deferred tax debit	0	0	0
<b>Total assets</b>	<b>19,815</b>	<b>7,274</b>	<b>10,083</b>
Short-term loan	0	0	0
Note payable	0	0	0
Accounts payable	7,295	5,442	8,102
Advances from clients	35	15	54
Taxes payable	-2	-195	-16
Salaries payable	224	111	252
Welfare payable	0	0	2
Other accounts payable	50	45	47
Accrued expenses	0	0	0
Other current liabilities	0	1	94
<b>Current liabilities</b>	<b>7,602</b>	<b>5,419</b>	<b>8,535</b>
Long term liabilities	29	0	0
Deferred tax credit	1	1	0
Other liabilities	0	0	1
<b>Total liabilities</b>	<b>7,632</b>	<b>5,420</b>	<b>8,536</b>
Equities	12,183	1,854	1,547
Paid-up capital	6,084	617	617
<b>Total liabilities &amp; equities</b>	<b>19,815</b>	<b>7,274</b>	<b>10,083</b>

## Profit and Loss Account(Unit: CNY,1000)

Year	2010-12-31	2009-12-31	2008-12-31





Turnover	41,438	47,413	60,849
Cost of goods sold	39,106	46,285	59,280
Sales tax	0	0	0
Gross profit	2,332	1,128	1,569
Less: Sales expense	34	57	71
Less: Management expense	539	516	477
Less: Finance expense	-12	-27	42
Operating profits	1,771	582	979
Other Operating Profits	0	30	12
Investment profits	0	0	0
Allowance incomes	0	0	0
Assets devaluation	0	0	0
Non-Operating Revenue	4	3	2
Non-Operating Expenses	16	9	9
Profit before tax	1,759	606	984
Less: Income tax	263	90	98
Net income	1,496	516	886

## Financial Ratios

Year	2010-12-31	2009-12-31	2008-12-31
Profitability ratios			
Return on equity (%)	14.44	32.69	63.61
Return on assets (%)	8.88	8.33	9.76
Profit margin (%)	4.24	1.28	1.62
Gross margin (%)	5.63	2.38	2.58
Operational ratios			
Assets turnover (x)	2.09	6.52	6.03



Stock turnover (x)	19.16	54.25	27.72
Sales Period (day)	20	7	14
Collection period (days)	47	36	22
Credit period (days)	68	43	50
Structure ratios			
Current ratio (x)	1.70	1.24	1.11
Quick ratio (x)	1.41	1.08	0.85
Shareholders liquidity ratio (x)	420.10	0.00	0.00
Solvency ratio (%)	61.48	25.49	15.34
Debt ratio (%)	38.52	74.51	84.66
Productivity ratios			
Profit per employee (th)	13.60	4.91	7.38
Operating revenue per employee (th)	16.10	5.54	8.16
Shareholders funds per employee (th)	110.75	17.66	12.89
Working capital per employee (th)	48.15	12.39	7.71
Total assets per employee (th)	180.14	69.28	84.03
Growth ratios:			
Sales growth rate (%)	-12.60	-22.08	0.00
Net profit growth rate (%)	189.92	-41.76	0.00
Total assets growth rate (%)	172.41	-27.86	0.00

## Industry Norm

Industry (CN):	3979	Lighting Manufacturing
Industry (US):	335110	Electric Lamp Bulb and Part Manufacturing
Industry (EU):	31.5	Manufacture of lighting equipment and electric lamps

Year	2010	2010	2009
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Companies	Subject	449	543
Profitability ratios			
Return on equity (%)	14.44	21.69	25.30
Return on assets (%)	8.88	7.42	8.02
Profit margin (%)			
Gross margin (%)	5.63	13.12	1.65
Operational ratios			
Assets turnover (x)	2.09	2.51	2.61
Stock turnover (x)	19.16	78.31	66.11
Sales Period (day)	20	84	71
Collection period (days)	47	66	60
Credit period (days)	68	21	68
Structure ratios			
Current ratio (x)	1.70	0.04	1.70
Quick ratio (x)	1.41	0.03	1.22
Shareholders liquidity ratio (x)	420.10	0.94	10.67
Solvency ratio (%)	61.48	38.06	38.51
Debt ratio (%)	38.52	61.50	61.26
Productivity ratios			
Profit per employee (th)	13.60	38.93	1.20
Operating revenue per employee (th)	16.10	-0.29	16.64
Shareholders funds per employee (th)	110.75	270.50	105.31
Working capital per employee (th)	48.15	-1.20	20.14
Total assets per employee (th)	180.14	461.63	236.78
Growth ratios:			
Sales growth rate (%)	-12.60	0.75	-0.18
Net profit growth rate (%)	189.92	-0.98	-1.26
Total assets growth rate (%)	172.41	0.37	0.36



### Supplementary Data

**Order info verification**

1. The given address is the subject's operating address.
2. The subject's registered business scope include manufacturing; however, currently, the subject is only doing trading.
3. The given phone number is 6661234, the actual hone number for its operating address is 8881234.

### Credit Analysis And Risk Assessment

**Credit Analysis:**

Based on the information obtained on Subject Company, we found the followings:

1. The subject has been in business for about 18 years.
2. The subject is a limited liability company with state background.
3. The subject is considered a small to medium size company with 110 employees and annual sales of CNY41.4 million (about EUR4.88 million).
4. The subject owns its 32,000 sq. meters premise.
5. The subject's payment info is limited but indicates a regular payment pattern.
6. The subject's financial info indicates a fair status. Its profitability is average; its liquidity is good with sufficient working capitals; its financial structure is average; and its net worth is about CNY12.2 million (about EUR1.5 million).
7. At this time no records of open suits, liens or judgments have been filed against the subject.
8. The company's operating history is clear.
9. The subject's industry competition is average.

Notes: Creditreform(China) Credit Analysis is based on the following key factors:

Financial factors	Non-financial factors
- Quick Ratio	- Company legal status
- Current Ratio	- Years in business
- Debt Ratio	- Paid-up capital
- DSO	- Employee size
- Asset Turnovr	- Location and region
- AP to Sales	- Industry that the subject belongs
- Return on Equity	- Court and Agent records

**Risk Assessment:**

The above info indicates an Average Risk credit risk when dealing with the subject.

Creditreform(China) Risk Assessment is rated as the following categories:
- Low Risk
- Lower than Average Risk
- Average Risk
- Moderate Risk
- Medium Risk
- High Risk
- Unrated

**Credit Opinion:**

Our credit risk assessment recommends a credit line of CNY1,000,000. To go higher than this amount requires current detailed financial statements and credit references from the subject for credit decision.

This is just a credit opinion formed based on the information collected in this report. The actual credit decision would be vary and determined by the user based on company's credit policy, risk management



strategy, actual situation, and many other circumstances. This report is just for your reference.

END