Goldstar's Financial Condition Analysis for the Period from 01.01.2008 to 31.12.2010

1. Goldstar's Financial Position Analysis

The analysis given below on Goldstar's financial state and activity efficiency is made for the period from 01.01.2008 to 31.12.2010 based on the financial statements data prepared according to International Financial Reporting Standards (IFRS).

1.1. Structure of the Assets and Liabilities

Indicator	Value						Change for the analysed period	
	in *thousand EUR*				% of the balance total		*thousand EUR* (col.5-col.2)	± % ((col.5 -col.2) : col.2)
	31.12.2007	31.12.2008	31.12.2009	31.12.2010	at the beginning of the period analysed (31.12.2007)	at the end of the period analysed (31.12.2010)		
1	2	3	4	5	6	7	8	9
Assets								
1. Non-current assets	187,625,543	322,273,637	416,299,008	503,097,289	52	76.4	+315,471,746	+168.1
2. Current assets, total	173,184,851	191,660,913	207,513,814	155,460,157	48	23.6	-17,724,694	-10.2

Inventories	4,770,370	4,985,680	76,222	55,162	1.3	<0.1	-4,715,208	-98.8
Trade and other current receivables	128,380,239	147,904,069	175,094,863	89,543,524	35.6	13.6	-38,836,715	-30.3
Cash and cash equivalents	7,132,445	2,811,891	3,354,882	17,435,540	2	2.6	+10,303,095	+144.5
Equity and Liabilities								
1. Equity	236,892,662	263,953,835	296,713,355	328,181,421	65.7	49.8	+91,288,759	+38.5
2. Non-current liabilities	24,814,976	82,295,647	85,046,637	26,441,244	6.9	4	+1,626,268	+6.6
3. Current liabilities	99,102,756	167,685,068	242,052,830	303,934,781	27.5	46.2	+204,832,025	+3.1 times
Assets; Equity and Liabilities	**360,810,394**	**513,934,550**	**623,812,822**	**658,557,446**	**100**	**100**	**+297,747,052**	**+82.5**

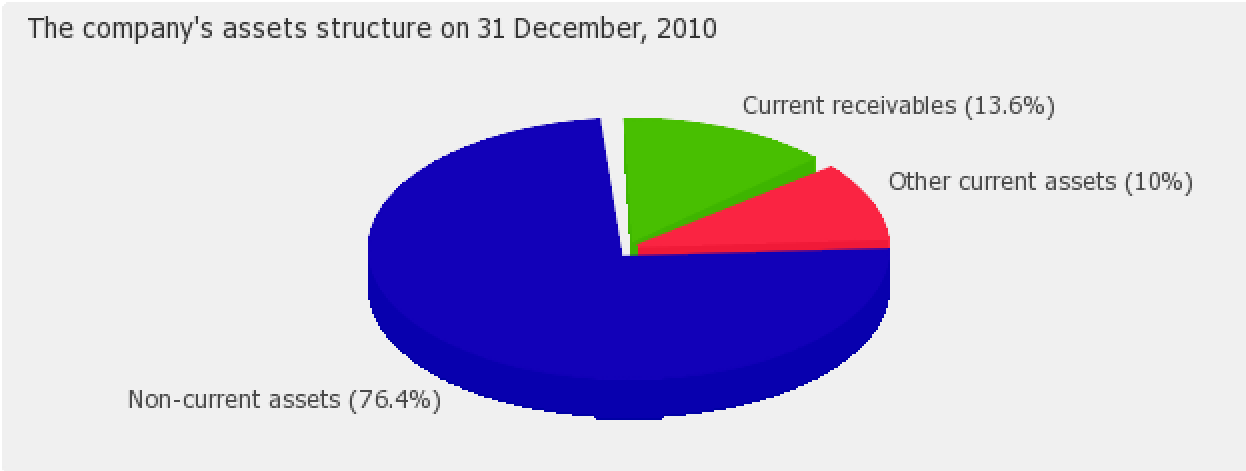
According to the table above, the share of Goldstar's current assets equalled about a quarter (23.6%) on 31 December, 2010, while non-current assets equalled three quarters of the all assets. The assets grew from EUR 360,810,394 thousand to EUR 658,557,446 thousand (by EUR 297,747,052 thousand, or by 83%) during the last 3 years. The company's assets grew in parallel with equity (+38.5% during the period analysed (31.12.07-31.12.10)). Growth of the equity value is a factor which positively describes the dynamics of Goldstar's financial state.

The increase in total assets of Goldstar occurred due to the growth of the item "Other non-current financial assets" by EUR 331,695,629 thousand, that was 92.8% of all positively changed asset types.

The most significant growth of sources of finance ("Equity and Liabilities") is seen on the following rates (the percentage from total equity and liabilities change is shown in brackets):

- Other current financial liabilities – EUR 235,841,341 thousand (71.2%)
- Retained earnings – EUR 92,723,023 thousand (28%)

Total assets of the company did not grow to a greater degree due to a negative change of items such as "Trade and other current receivables" in assets and "Trade and other current payables" in the company's sources of finance, which made EUR -38,836,715 thousand and EUR -31,194,485 thousand respectively for the whole reviewed period.



The inventories were equal to EUR 55,162 thousand on 31.12.2010. During the last 3 years, the inventories went down by EUR 4,715,208 thousand, or by 98.8%.

During the period analysed (31.12.07-31.12.10), a change in the current receivables made EUR -38,836,715 thousand.

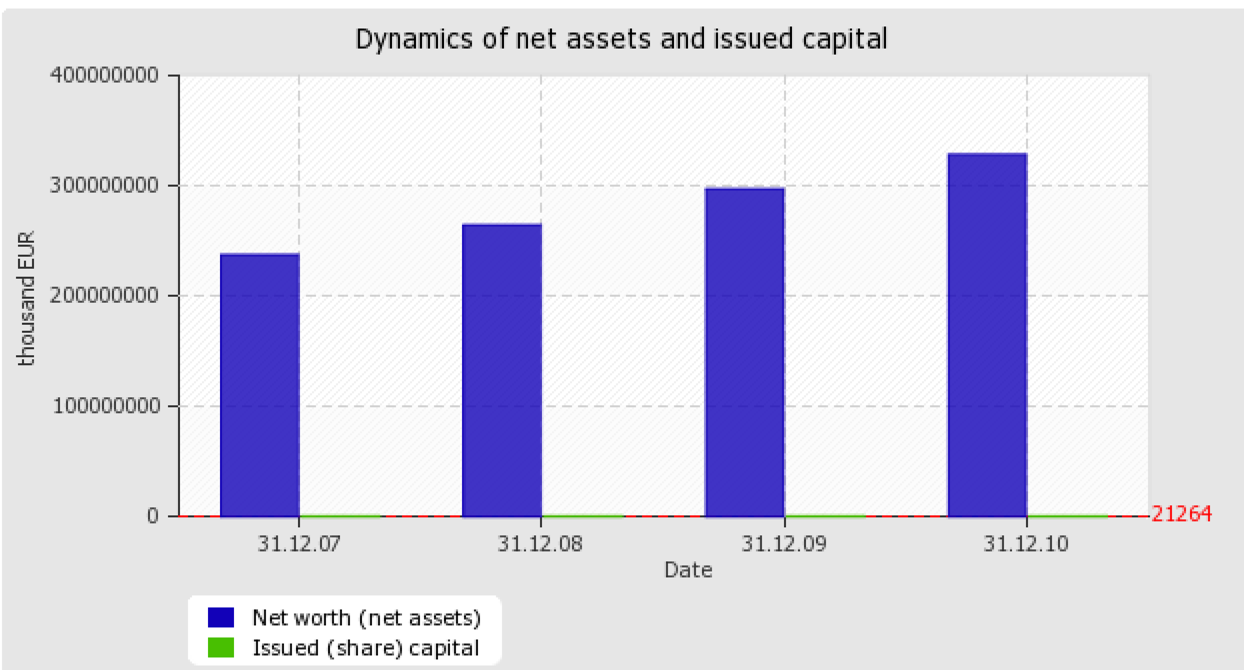
1.2. Net Assets (Net Worth)

Indicator	Value						Change	
	in *thousand EUR*		% of the balance total				*thousand EUR* (col.3-col.2),	%, ((col.3 -col.2) : col.2)
	at the beginning of the period analysed (31.12.2007)	at the end of the period analysed (31.12.2010)	31.12.2007	31.12.2008	31.12.2009	31.12.2010		
1	2	3	4	5	6	7	8	9
1. Net tangible assets	236,857,787	328,071,056	65.6	51.3	47.6	49.8	+91,213,269	+38.5
2. Net assets (Net worth)	236,892,662	328,181,421	65.7	51.4	47.6	49.8	+91,288,759	+38.5
3. Issued (share) capital	21,264	21,264	<0.1	<0.1	<0.1	<0.1	–	–
4. Difference	236,871,398	328,160,157	65.6	51.4	47.6	49.8	+91,288,759	+38.5

between net assets and Issued (share) capital (line 2 - line 3)								

On the last day of the period analysed (31.12.2010), the net tangible assets were equal to EUR 328,071,056 thousand. During the reviewed period (31.12.07-31.12.10), the net tangible assets spiked by EUR 91,213,269 thousand, or by 38.5%. On the last day of the period analysed (31.12.2010), the intangible assets were equal to EUR 110,365 thousand. This value shows the difference between the value of net tangible assets and all net worth.

The net worth (net assets) of Goldstar was much higher (by 15,433.7 times) than the share capital on 31.12.2010. It positively describes the company's financial state. Net worth is used as a rate of the company's book value (as opposed to a shareholder's value, the value based on expected earnings and other methods used to estimate the company's value). In financial analysis, rate of net worth (own equity) is one of the key indicators of property status of the company.



The issued (share) capital stayed stable during the whole of the analysed period.

1.3. Financial Sustainability Analysis

1.3.1. Key indicators of the company's financial sustainability

Indicator	Value				Change (col.5-col.2)	The indicator description and its recommended value
	31.12.2007	31.12.2008	31.12.2009	31.12.2010		
1	2	3	4	5	6	7
Debt-to-equity ratio (financial leverage)	0.52	0.95	1.1	1.01	+0.49	A debt-to-equity ratio is calculated by taking the total liabilities and dividing it by shareholders' equity. It is the key financial ratio and used as a standard for judging a company's financial standing. Normal value: no more than 1.5 (optimum 0.43-1).
Debt ratio (debt to assets ratio)	0.34	0.49	0.52	0.5	+0.16	A debt ratio is calculated by dividing total liabilities (i.e. long-term and short-term liabilities) by total assets. It shows how much the company relies on debt to finance assets (similar to debt-to-equity ratio). Normal value: 0.6 or less (optimum 0.3-0.5).
Long-term debt to Equity	0.1	0.31	0.29	0.08	-0.02	This ratio is calculated by dividing long-term (non-current) liabilities by equity.
Non-current assets to Net worth	0.79	1.22	1.4	1.53	+0.74	This ratio is calculated by dividing long-term (non-current) liabilities by net worth (equity) and measures the extent of a company's investment in low-liquid non-current assets. This ratio is important for comparison analysis because it's less dependent on industry (structure of company's assets) than debt ratio and debt-to-equity ratio. Acceptable value: 1.25 or less.
Capitalization ratio	0.09	0.24	0.22	0.07	-0.02	Calculated by dividing non-current liabilities by the sum of equity and non-current liabilities.
Fixed assets	0.03	0.02	0.02	0.01	-0.02	This ratio indicates the

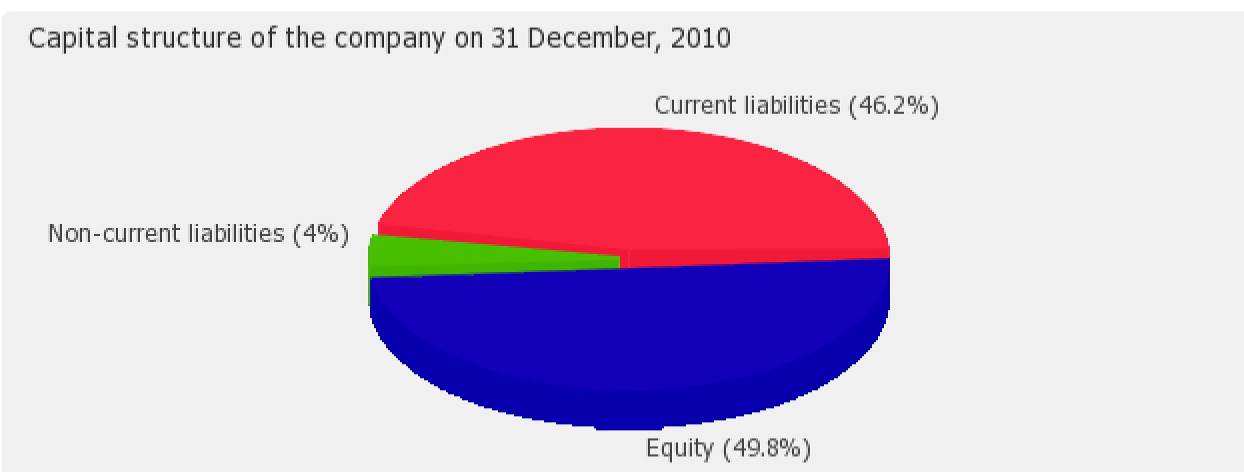
to Net worth						extent to which the owners' cash is frozen in the form of fixed assets, such as property, plant, and equipment, investment property and non-current biological assets. Acceptable value: no more than 0.75.
Current liability ratio	0.8	0.67	0.74	0.92	+0.12	Current liability ratio is calculated by dividing non-current liabilities by total (i.e. current and non-current) liabilities.

Firstly, attention should be drawn to the debt-to-equity ratio and debt ratio as the indicators describing the capital structure. Both ratios have similar meaning and indicate that if there is not enough capital (equity) for stable work for the company. Debt-to-equity ratio is calculated as a relationship of the borrowed capital (liabilities) to the equity, while debt ratio is calculated as a relationship of the liabilities to the overall capital (i.e. the sum of equity and liabilities).

The debt-to-equity amounted to 1.01 on the last day of the period analysed (31.12.2010). The debt ratio was equal to 0.5 on 31 December, 2010. For the entire reviewed period, it was found that there was an outstanding increase in the debt ratio of 0.16, in addition, the growth tendency is also confirmed with a linear trend.

The debt ratio describes Goldstar's financial condition as a good one on 31.12.2010, the percentage of liabilities makes 50.2%, while a maximum acceptable percentage is deemed to be 60%. The debt ratio kept an acceptable value during the whole of the analysed period.

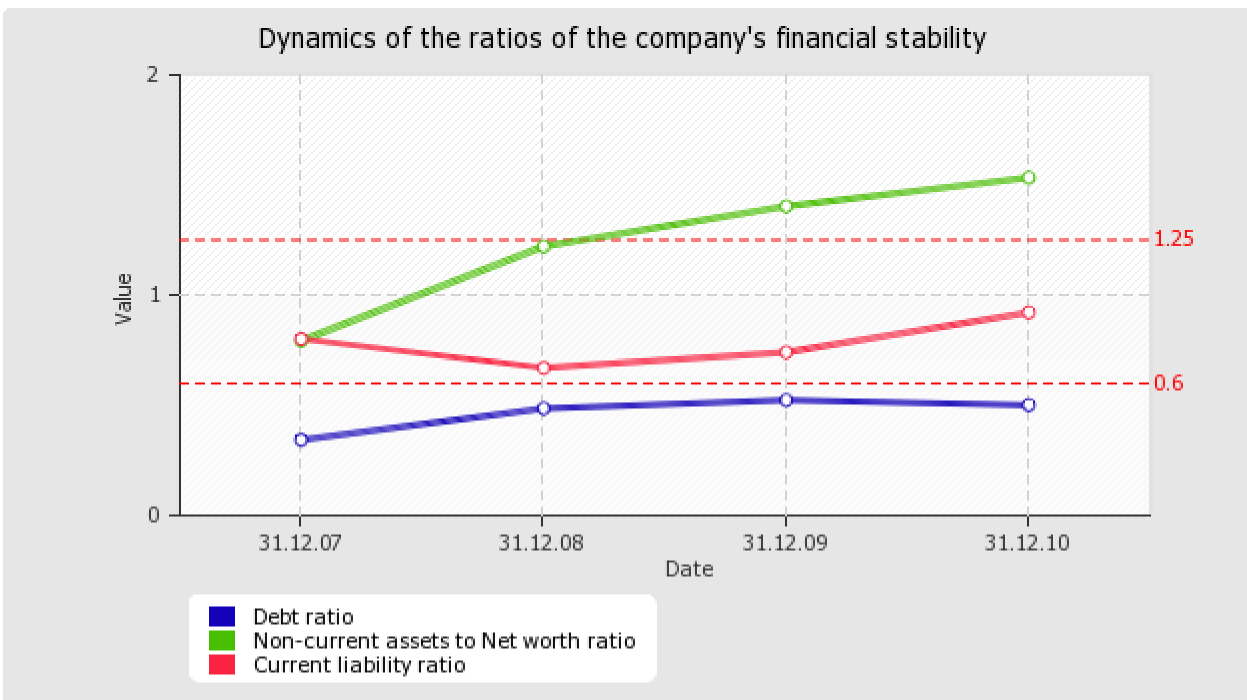
The structure of the company's capital is demonstrated in the diagram below:



According to the principles of stable company development, investments with the least liquid assets (non-current assets) should firstly be made with help from the most long-term sources of financing, i.e. with the help of owned capital (equity). An indicator of this rule is the non-current assets to net worth ratio. On 31 December, 2010, the ratio was equal to 1.53. For the entire reviewed period, it was monitored that there was an extreme increase in the ratio of 0.74. On the last day of the period analysed (31.12.2010), the value of the ratio is not an acceptable one.

The current liability ratio makes 0.92 on the last day of the period analysed. It means that the overall share of current and non-current liabilities of a company's liabilities makes 92% and 8% respectively. An unbalance of financial sources to the side of liabilities with short maturity can negatively influence financial stability and the company's solvency. That is why it is important to be careful with an increase in short-term liabilities.

The change of the main ratios of financial stability of Goldstar is demonstrated during the period analysed (from 31 December, 2007 to 31 December, 2010) in the diagram below.

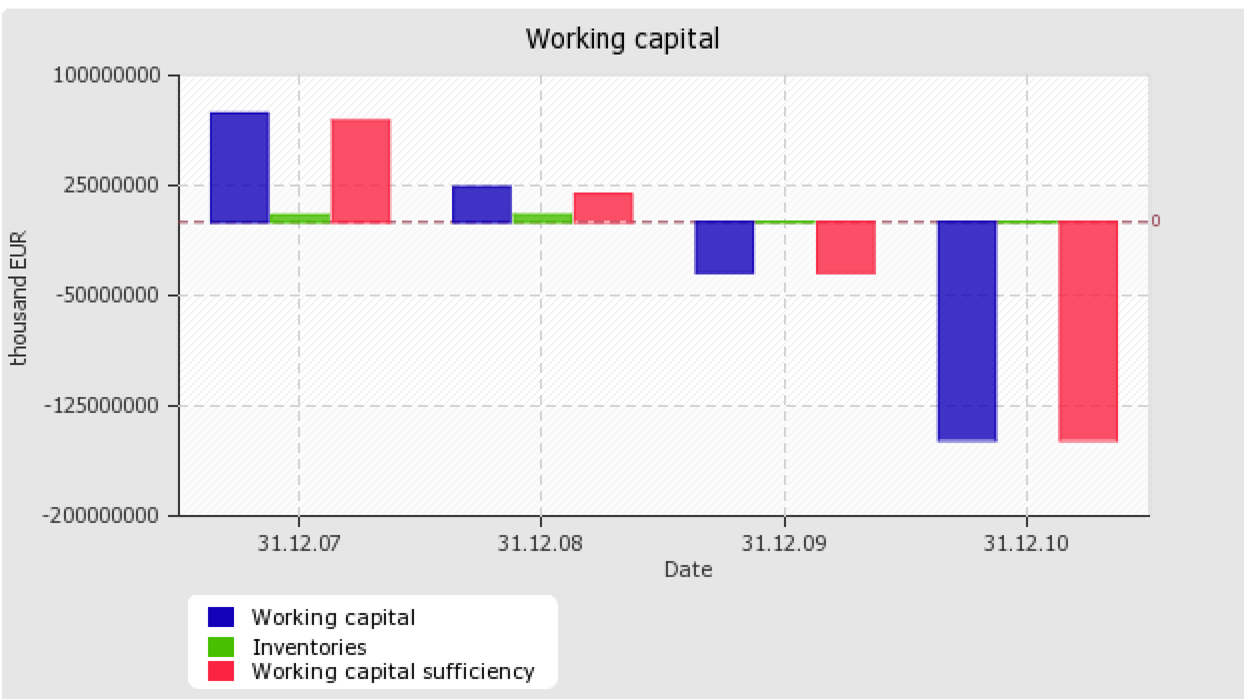


1.3.2. Working capital analysis

Indicator	Value				Change for the period analysed	
	31.12.2007	31.12.2008	31.12.2009	31.12.2010	(col.5-col.2)	% ((col.5-col.2) : col.2)

1	2	3	4	5	6	7
1. Working capital (net working capital), thousand EUR	+74,082,095	+23,975,845	-34,539,016	-148,474,624	-222,556,719	↓
2. Inventories, thousand EUR	**+4,770,370**	**+4,985,680**	**+76,222**	**+55,162**	-4,715,208	-98.8
3. Working capital sufficiency (1-2), thousand EUR	+69,311,725	+18,990,165	-34,615,238	-148,529,786	-217,841,511	↓
4. Inventory to working capital ratio (2:1) Acceptable value: 1 or less.	0.06	0.21	-<0.01	-<0.01	-0.06	x

Goldstar's working capital has a negative value (EUR -148,474,624 thousand) on the last day of the period analysed. This means that current liabilities exceed current assets. In such a situation it makes no sense to compare working capital with inventories of the company. Under normal conditions, the inventory to working capital ratio should not be less than 1.



1.4. Liquidity Analysis

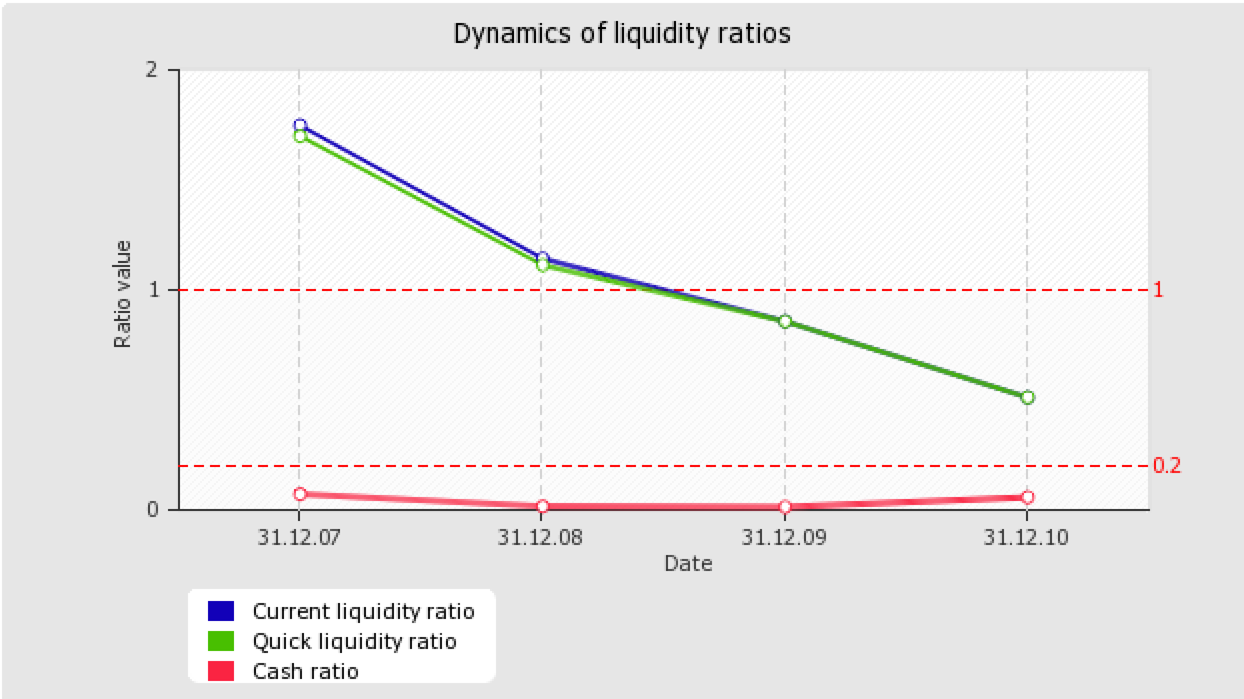
One of the most widespread indicators of a company's solvency are liquidity related ratios. There are three liquidity related ratios: current ratio, quick ratio and cash ratio. Current ratio is one of the most widespread and shows to what degree the current assets of the company are meeting the current liabilities. The solvency of the company in the near future is described with the quick ratio which reflects if there are enough fund's for normal execution of current transactions with creditors. The table below demonstrates all three liquidity ratios for Goldstar.

Liquidity indicator	Value				Change (col.5 - col.2)	The indicator description and its recommended value
	31.12.2007	31.12.2008	31.12.2009	31.12.2010		
1	2	3	4	5	6	7
1. Current ratio (working capital ratio)	1.75	1.14	0.86	0.51	-1.24	The current ratio is calculated by dividing current assets by current liabilities. It indicates a company's ability to meet short-term debt obligations. Acceptable value: no less than 2.
2. Quick ratio (acid-test ratio)	1.7	1.11	0.86	0.51	-1.19	The quick ratio is calculated by dividing liquid assets (cash and cash equivalents, trade and other current receivables, other current financial assets) by current liabilities. It is a measure of a company's ability to meet its short-term obligations using its most liquid assets (near cash or quick assets). Acceptable value: 1 or more.
3. Cash ratio	0.07	0.02	0.01	0.06	-0.01	Cash ratio is calculated by dividing absolute liquid assets (cash and cash equivalents) by current liabilities. Normal value: 0.2 or more.

On the last day of the period analysed, the current ratio was equal to 0.51, but the current ratio was notably higher and made 1.75 on 31.12.2007 (the rate dropped by 1.24). On 31 December, 2010, the value of the ratio can be characterised as noticeably unsatisfactory. The current ratio kept an atypical value during the whole of thereviewed period.

The quick ratio was equal to 0.51 on the last day of the period analysed (31.12.2010). For the 3 years, the quick ratio significantly reduced (by 1.19), in addition, tendency of the quick ratio to reduce is also confirmed with an average (linear) trend. During the whole of the period the ratio was continuously decreasing. On 31.12.2010, the value of the quick ratio can be considered as an atypical one. It means that Goldstar does not have enough assets which can be transferred to monetary funds in a very short time to meet current liabilities.

Like the two previous rates, the cash ratio has an unsatisfactory value (0.06) on the last day of the period analysed that says about the deficit of the most liquid assets in the company (cash and cash equivalents) to meet all current liabilities.



All three liquidity related ratios negatively describe the structure of the Statement of financial position of Goldstar from the point of view of solvency.

2. Financial Performance

2.1. Overview of the Financial Results

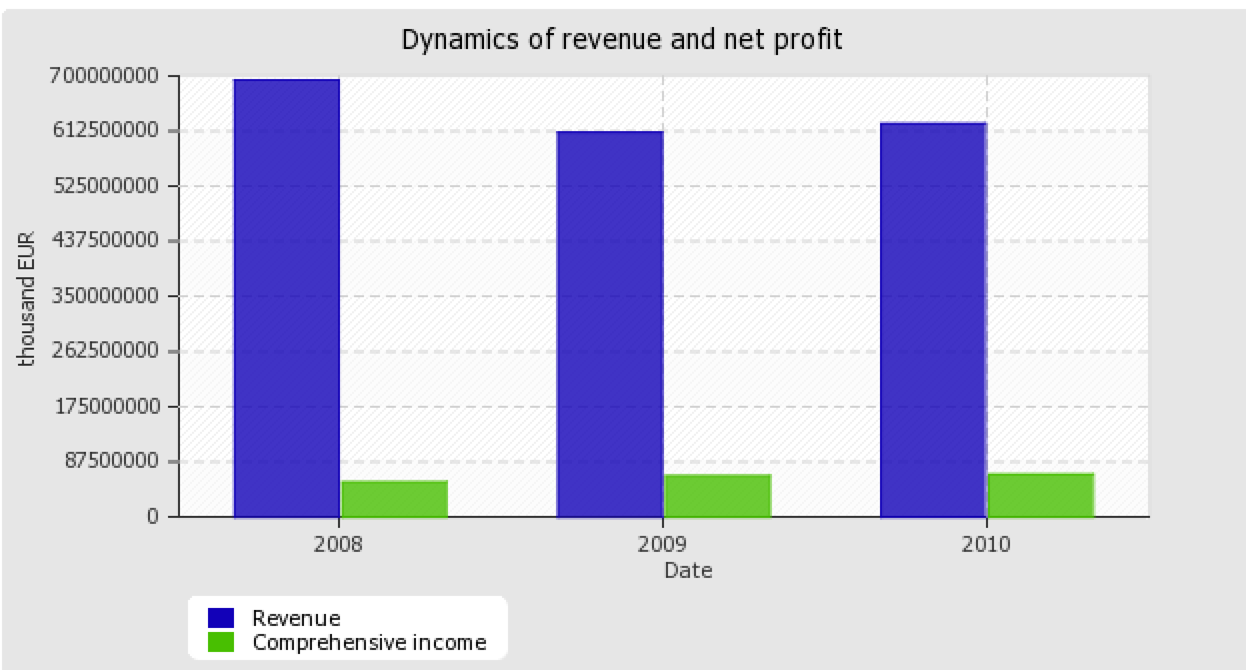
The main financial results of Goldstar's activities are given in the table below for the reviewed period (from 31 December, 2007 to 31 December, 2010).

Indicator	Value, *thousand EUR*			Change		Average annual value, *thousand EUR*
	2008	2009	2010	*thousand EUR* (col.4 - col.2)	± % (4-2) : 2	
1	2	3	4	5	6	7
1. Revenue	693,032,679	609,821,837	623,979,575	-69,053,104	-10	642,278,030
2. Cost of sales	566,143,059	489,837,720	512,028,603	-54,114,456	-9.6	522,669,794
3. *Gross profit* (1-2)	126,889,620	119,984,117	111,950,972	-14,938,648	-11.8	119,608,236
4. Other income and expenses, except Finance costs	-52,797,606	-26,430,917	-19,887,930	+32,909,676	↑	-33,038,818
5. *EBIT* (3+4)	74,092,014	93,553,200	92,063,042	+17,971,028	+24.3	86,569,419
5a. EBITDA	72,831,448	91,401,839	89,620,698	+16,789,250	+23.1	84,617,995

6. Finance costs	2,378,700	6,308,164	4,520,565	+2,141,865	+90	4,402,476
7. Income tax expense (from continuing operations)	16,583,554	22,117,859	20,350,754	+3,767,200	+22.7	19,684,056
8. *Profit (loss) from continuing operations* (5-6-7)	55,129,760	65,127,177	67,191,723	+12,061,963	+21.9	62,482,887
9. Profit (loss) from discontinued operations	–	–	–	–	–	–
10. Profit (loss) (8+9)	**55,129,760**	**65,127,177**	**67,191,723**	**+12,061,963**	**+21.9**	**62,482,887**
11. Other comprehensive income	**–**	**–**	**–**	**–**	**–**	**–**
12. Comprehensive income (10+11)	55,129,760	65,127,177	67,191,723	+12,061,963	+21.9	62,482,887

The revenue was equal to EUR 623,979,575 thousand for the period 01.01-31.12.2010, which is EUR 69,053,104 thousand lower than for the year 2008. The change of revenue is demonstrated on the diagram. For the year 2010, the gross profit was equal to EUR 111,950,972 thousand. For the year 2010 in comparison with the same period as last year, the gross profit appreciably dropped (by EUR 14,938,648 thousand, or by 11.8%).

For the last year, the company posted a gross profit and earnings before interest and taxes (EBIT), which made EUR 92,063,042 thousand in total. The total comprehensive income made EUR 67,191,723 thousand during the last year.

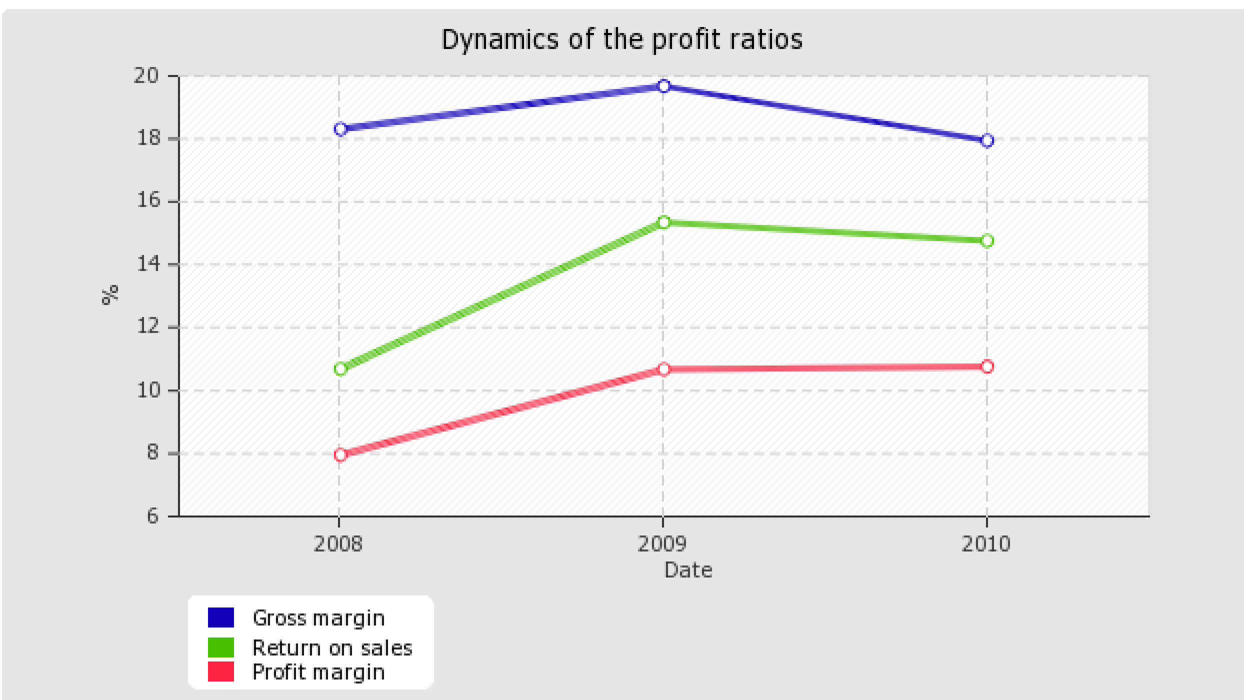


2.2. Profitability Ratios

Profitability ratios	Value in %			Change (col.4 - col.2)
	2008	2009	2010	
1	2	3	4	5
1. Gross margin.	18.3	19.7	17.9	-0.4
2. Return on sales (operating margin).	10.7	15.3	14.8	+4.1
3. Profit margin.	8	10.7	10.8	+2.8
Reference: Interest coverage ratio (ICR). Acceptable value: 1.5 or more.	31.1	14.8	20.4	-10.8

All three profitability ratios given in the table have positive values for the last year, as the company gained gross profit and comprehensive income from operational and financial activity for this period. The gross margin was equal to 17.9% for the period from 01.01.2010 to 31.12.2010. During the entire reviewed period, the gross margin slightly went down.

The profitability calculated by earnings before interest and taxes (Return on sales) is more important from a comparative analyses point of view. For the year 2010, the return on sales made 0.15 (or 14.8% per annum), and profitability calculated by final financial results (net profit) made 10.8% per annum.



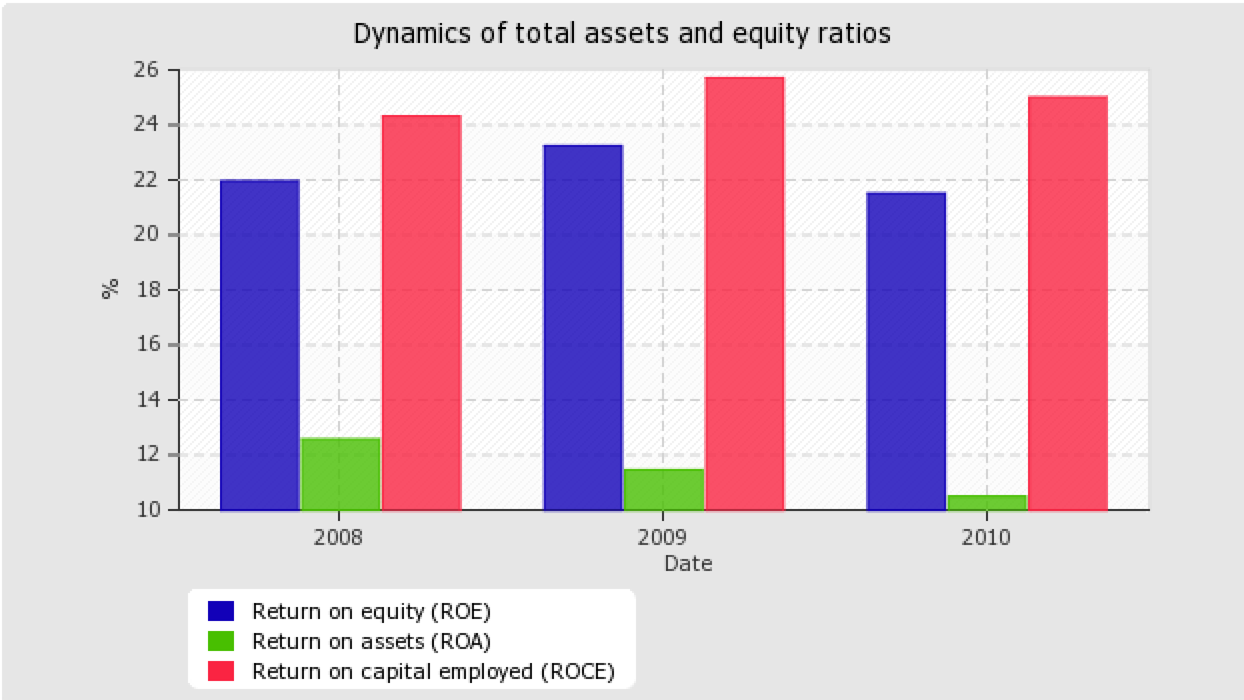
To assess the liabilities that the company should repay for the use of borrowed capital, an interest coverage ratio was calculated. The acceptable value is deemed to be not less than 1.5. In this case, the interest coverage ratio made 20.4 for the year 2010, which is evidence of Goldstar's capability to pay interest on borrowed assets. It should take into account that not all interest payments can be described in the Statement of comprehensive income. In certain cases interest is included in investments in non-current assets and as a result it is not used to calculate the indicated ratio.

Profitability ratios	Value, %			Change (col.4 - col.2)	The indicator description and its reference value
	2008	2009	2010		
1	2	3	4	5	6
Return on equity (ROE)	22	23.2	21.5	-0.5	ROE is calculated by taking a year's worth of earnings (net profit) and dividing them by the average shareholder equity for that period, and is expressed as a percentage. It is one of the most important financial ratios and profitability metrics. Acceptable value: 12% or more.
Return on assets (ROA)	12.6	11.4	10.5	-2.1	ROA is calculated by dividing net income by total assets, and displayed as a percentage. Normal value: no less than 6%.
Return on capital employed (ROCE)	24.3	25.7	25	+0.7	ROCE is calculated by dividing EBIT by capital employed (equity plus non-current liabilities). It indicates the efficiency and profitability of a company's capital investments.

The return on assets was equal to 10.5% for the year 2010, though the return on assets was higher - 12.6% (the decrease made 2.1%). The values of the return on assets were equal to normal ones during the whole evaluated period.

The most important indicator of business profitability is the return on equity (ROE), which reflects the profitability of investments by the owners. The profitability of the owners' investments in Goldstar's assets made 21.5% per annum for the period from 01.01.2010 to 31.12.2010. It is a high rate, but it is influenced not only with factors inside the company, but also the economic environment where the company is located (inflation rate, interest rates, etc).

The change in the main rates of return on assets and equity of Goldstar is demonstrated in the following diagram during the 3 years.



2.3. Analysis of the Business Activity (Turnover Ratios)

To assess Goldstar's business activity, the table below provides the main rates of turnover: receivables, inventory, current and total assets turnovers; accounts payable and capital turnovers of the company. Turnover rates have strong field specifics and depend on activity. That is why an absolute value of the rate does not allow making its' qualitative assessment. When assets turnover ratios are analysed, an increase in ratios (i.e. velocity of circulation) and a reduction in circulation days are deemed to be positive dynamics. There is no well-defined dependence for accounts payable and capital turnover. In any case, an accurate conclusion can be made only after the reasons that caused these changes are considered.

Turnover ratio	Value, days			Ratio 2008	Ratio 2010	Change, days (col.4 - col.2)
	2008	2009	2010			
1	2	3	4	5	6	7
Receivables turnover (days sales outstanding) (average trade and other current receivables divided by average daily revenue*)	73	97	77	5	4.7	+4
Accounts payable turnover (days payable outstanding) (average current payables divided by average daily purchases)	44	61	49	8.4	7.5	+5
Inventory turnover (days inventory outstanding) (average inventory divided by average daily cost of sales)	3	2	<1	115.7	7,794.4	-3
Asset turnover (average total assets divided by average daily revenue)	231	340	375	1.6	1	+144
Current asset turnover (average current assets divided by average daily revenue)	96	119	106	3.8	3.4	+10

Capital turnover (average equity divided by average daily revenue)	132	168	183	2.8	2	+51
Reference: Cash conversion cycle (days sales outstanding + days inventory outstanding - days payable outstanding)	*33*	*38*	*29*	x	x	*-4*

* Calculation in days. Ratio value is equal to 365 divided by days outstanding.

According to the table, the average collection period (day's sales outstanding), calculated based on the data for the last year, was 77 days, while average repayment period for credit debts (day's payable outstanding) was 49 days. The data on asset turnover, on average, during the 3 years, shows that Goldstar gains revenue equal to the sum of all the assets for 316 days.

3. Conclusion

3.1. Key Indicators Summary

The main financial state indicator values and Goldstar's activity results are classified by qualitative assessment according to the results of the analysis for the last 3 years and are given below.

One can point out the following of Goldstar's financial rates with *extremely good* values:

- high return on equity (21.5% per annum)
- return on total assets made during the year 2010 10.5% per annum
- net worth (net assets) of the company is much higher (by 15,433.7 times) than the share capital on 31.12.2010

One can point the following *acceptable* financial rates:

- the debt ratio (0.5) corresponds to the norm as a result of a balance of sources of the company's activity financing (the liabilities equalled 50.2%, the equity - 49.8%)
- earnings before interest and taxes (EBIT) made EUR 92,063,042 thousand during the year 2010 , but a negative dynamics compared with the previous value (EUR +17,971,028 thousand) was observed
- income from financial and operational activities (comprehensive income) made EUR 67,191,723 thousand for the year 2010

There is one rate with a *marginally acceptable* value obtained during the analysis – the increase in equity for the period analysed (from 31 December, 2007 to 31 December, 2010) was lower than the growth rates of total assets.

One can highlight the following values of Goldstar's financial rates with *negative* values:

- the value of the non-current assets to net worth ratio equal to 1.53 is not an acceptable one on 31.12.2010
- a quick ratio made 0.51 (while the acceptable value makes 1)
- the cash ratio is equal to 0.06 at the end of the period analysed (a low cash in hand level required for current payments)

Financial rates with *critical* values:

- the current ratio (0.51) is significantly lower than the standard value (2)
- no working capital (current liabilities exceed current assets)

3.2. Rating of the Financial Position and Financial Performance of Goldstar

Financial performance for the period analysed (01.01.08-31.12.10)	**Financial position** on 31.12.2010									
	AAA	AA	A	BBB	BB	B	CCC	CC	C	D
Excellent (AAA)										
Very good (AA)						**V**				
Good (A)										
Positive (BBB)										
Normal (BB)										
Satisfactory (B)										
Unsatisfactory (CCC)										
Adverse (CC)										
Bad (C)										
Critical (D)										

Final **rating of the financial condition** of Goldstar (period analysed: from 01.01.2008 to 31.12.2010 analysis step - year):

BB
(normal)

The following conclusions were made based on a qualitative assessment of the rates at the end of the period analysed, their dynamics during the period and the forecast for the next year. Scores of the financial position and activity results of Goldstar were -0.34 and +1.36 respectively, i.e. the financial position is characterized as satisfactory; the financial results are described as very good for the last 3 years. These two scores were used to calculate the final rating score of the company's financial condition, which made **BB** (**normal** condition).

"BB" describes the financial condition of a company when the majority of rates are normal. Companies with this rating should be considered as business partners who will need to be treated carefully when managing risks. These companies can lay a claim to obtain credit but a decision mainly depends on the analysis of additional factors (neutral creditworthiness).

4. Appendix

4.1. Bankruptcy Test (Altman Z-score)

The Altman Z-score was calculated to predict the probability of the company's bankruptcy (a 4-factor model for a private non-manufacturer is taken for Goldstar):

Z-score = $6.56T_1 + 3.26T_2 + 6.72T_3 + 1.05T_4$, where

Ratio	Calculation	Ratio value on 31.12.2010	Weighting factor	Product (col. 3 x col. 4)
1	2	3	4	5

T_1	Working Capital / Total Assets	-0.23	6.56	-1.48
T_2	Retained Earnings / Total Assets	0.48	3.26	1.56
T_3	Earnings Before Interest and Taxes / Total Assets	0.14	6.72	0.94
T_4	Equity / Total Liabilities	0.99	1.05	1.04
Altman Z-score:				2.07

Zones of Discrimination:

- 1.1 or less – "Distress" Zone
- from 1.1 to 2.6 – "Grey" Zone
- 2.6 or more – "Safe" Zone

Goldstar's Z-score made 2.07 on 31 December, 2010. Such a value says about probability that Goldstar will go into bankruptcy (the value is in the border zone). Despite the good results obtained, it should be mentioned that the Altman Z-score predicts the company's bankruptcy probability is only relative and the final conclusion should be made based on results of deeper analysis.

4.2. Calculation of the Final Rating of the Financial Condition

Indicator	Weighting factor	Score			Average score (col.3 x 0.25 + col.4 x 0.6 + col.5 x 0.15)	Weighted average score (col.2 x col.6)
		past	present	future		
1	2	3	4	5	6	7
I. Rating of the company's financial position						
Debt ratio	0.3	+2	+1	+1	+1.25	+0.375
Non-current assets to net worth	0.15	+1	-1	-1	-0.5	-0.075
Current ratio	0.2	-1	-2	-2	-1.75	-0.35
Quick ratio	0.2	+2	-1	-2	-0.4	-0.08
Cash ratio	0.15	-2	-1	-2	-1.4	-0.21
Total	1	**Final score** (in total col.7 : col. 2):				**-0.34**
II. Rating of the company's financial performance						
Return on equity (ROE)	0.5	+2	+2	+2	+2	+1
Return on assets (ROA)	0.3	+2	+2	+1	+1.85	+0.555
Sales growth	0.2	-1	-1	-1	-1	-0.2
Total	1	**Final score** (in total col.7 : col. 2):				**+1.355**

The final rating score of Goldstar's financial condition: (**-0.34** x 0,6) + (**+1.355** x 0,4) = **+0.34** (BB - normal)

Reference: Financial condition scale

Total score		Sign	The qualitative assessment of a financial condition
from	to (inclusive)		
2	1.6	AAA	Excellent
1.6	1.2	AA	Very good
1.2	0.8	A	Good
0.8	0.4	BBB	Positive
0.4	0	BB	Normal
0	-0.4	B	Satisfactory
-0.4	-0.8	CCC	Unsatisfactory
-0.8	-1.2	CC	Adverse
-1.2	-1.6	C	Bad
-1.6	-2	D	Critical

The report was prepared by the financial analysis software.
Date: *20-06-2011 15:03*