

# Q3 2014 Business Result



본 자료는 2014년 3분기 실적에 대한 외부 감사인의 회계검토가 완료되지 않은 상태에서 투자자 여러분의 편의를 위하여 작성된 자료입니다. 따라서 본 자료의 일부 내용은 회계검토 과정에서 변경될 수 있음을 양지하시기 바랍니다.

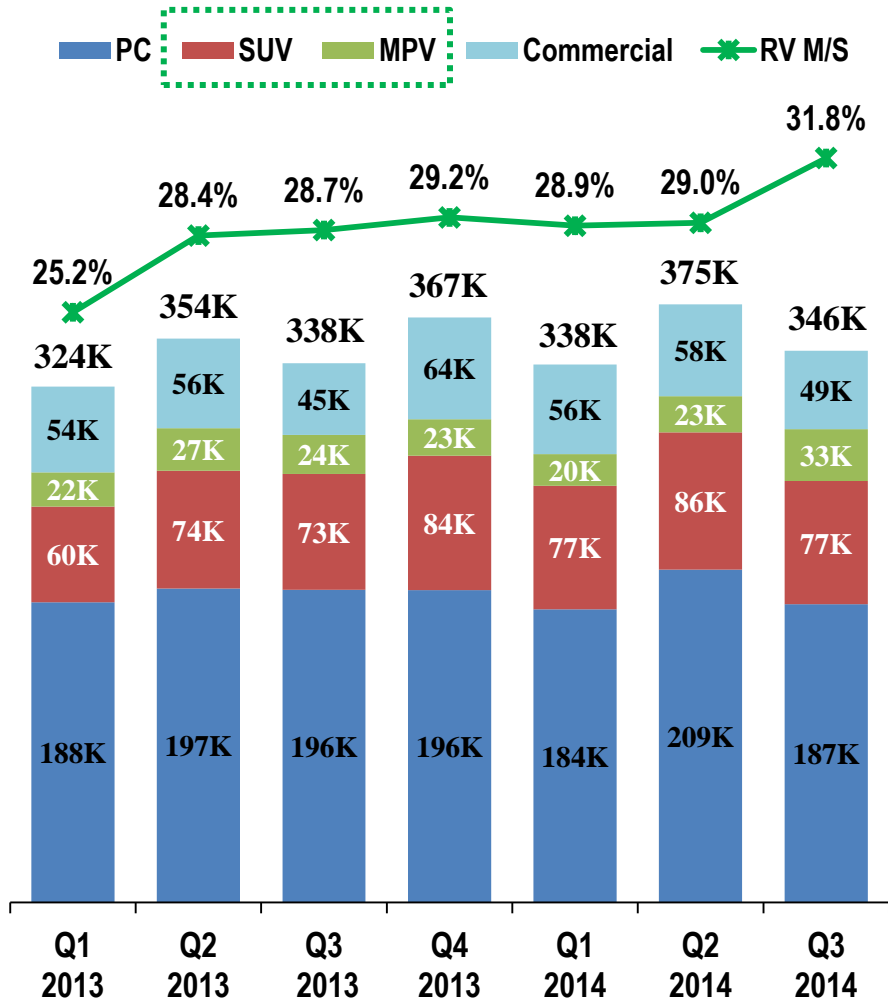
Q3 2014 business result is prepared for investors' consideration only before completion of independent auditors' review. Therefore, parts of contents on this material could be changeable during independent auditors' review.

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# Domestic Market Trend

## ➤ Quarterly market trend



### ▪ Q3 2014

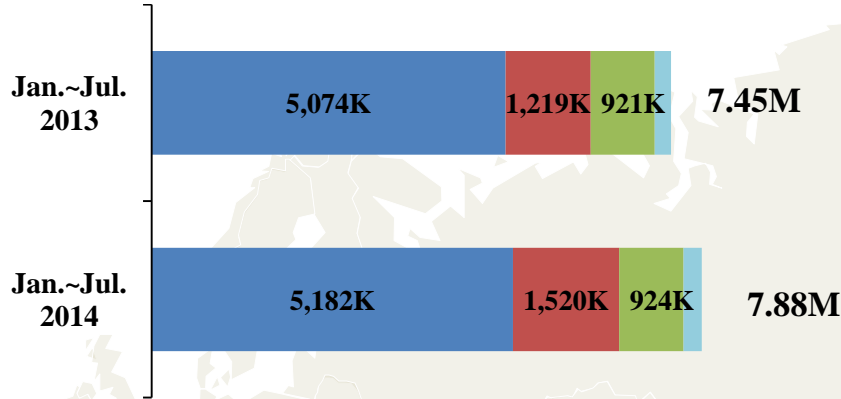
- Total market : +2.3% (vs Q3 2013)
- PC : - 4.7% (vs Q3 2013)
- SUV & MPV : +6.6% & +33.2% (vs Q3 2013)
- RV M/S : 31.8%

### ▪ YTD Q3 2014

- Total market : +4.3% (vs YTD Q3 2013)
- SUV market : +16.7% (vs YTD Q3 2013)
  - Continued strong demand & new car effect (Sorento, QM3)
- RV M/S : 29.9% (+2.4%p vs YTD Q3 2013)

# Overseas Market Trend

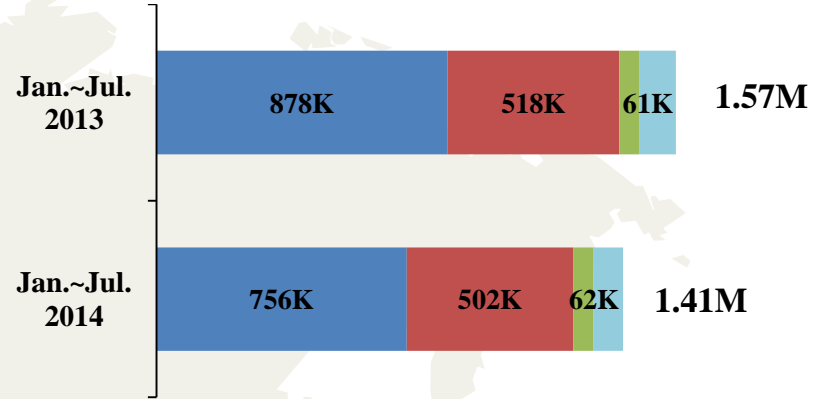
## ➤ Europe



- Total market : +5.9%

- SUV market : +24.7%

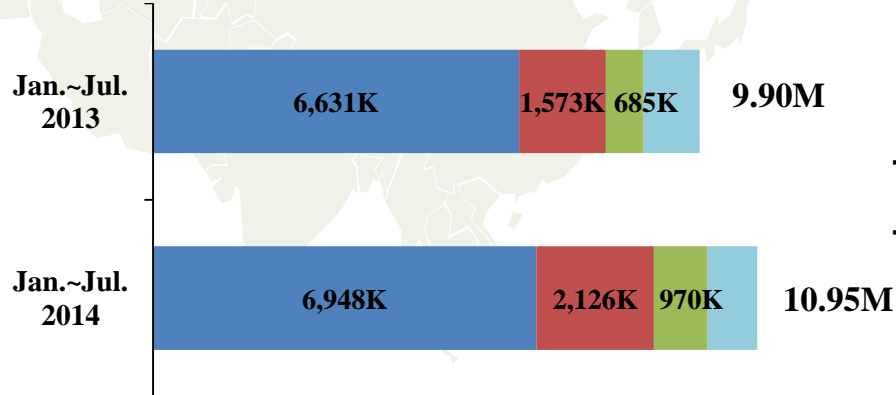
## ➤ Russia



- Total market : -10.2%

- SUV market : -3.1%

## ➤ China



- Total market : +10.5%

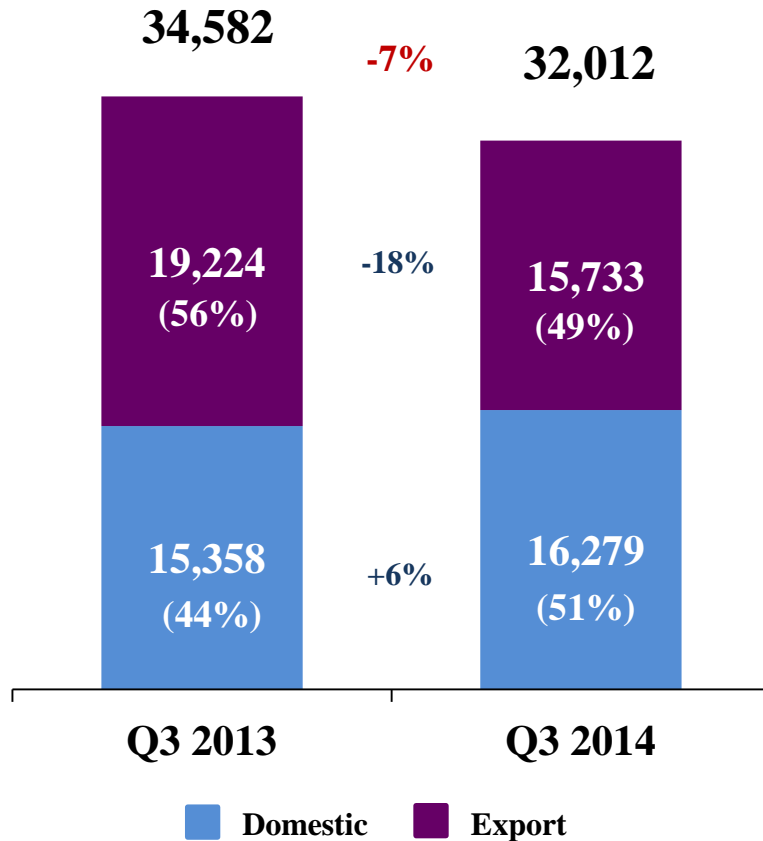
- SUV market : +35.2%

※ Source : Automotive news  
 ※ Excluding commercial vehicles



# SYMC Sales Volume in Q3 2014

※ Unit: vehicle



## ➤ Sales volume decrease

- Total Sales : -2,570 units (-7%)
  - Domestic : +921 units (+6%)
  - Export : -3,491 units (-18%)  
(Unfavorable currency movements)

## ➤ Domestic portion increase : +7%p

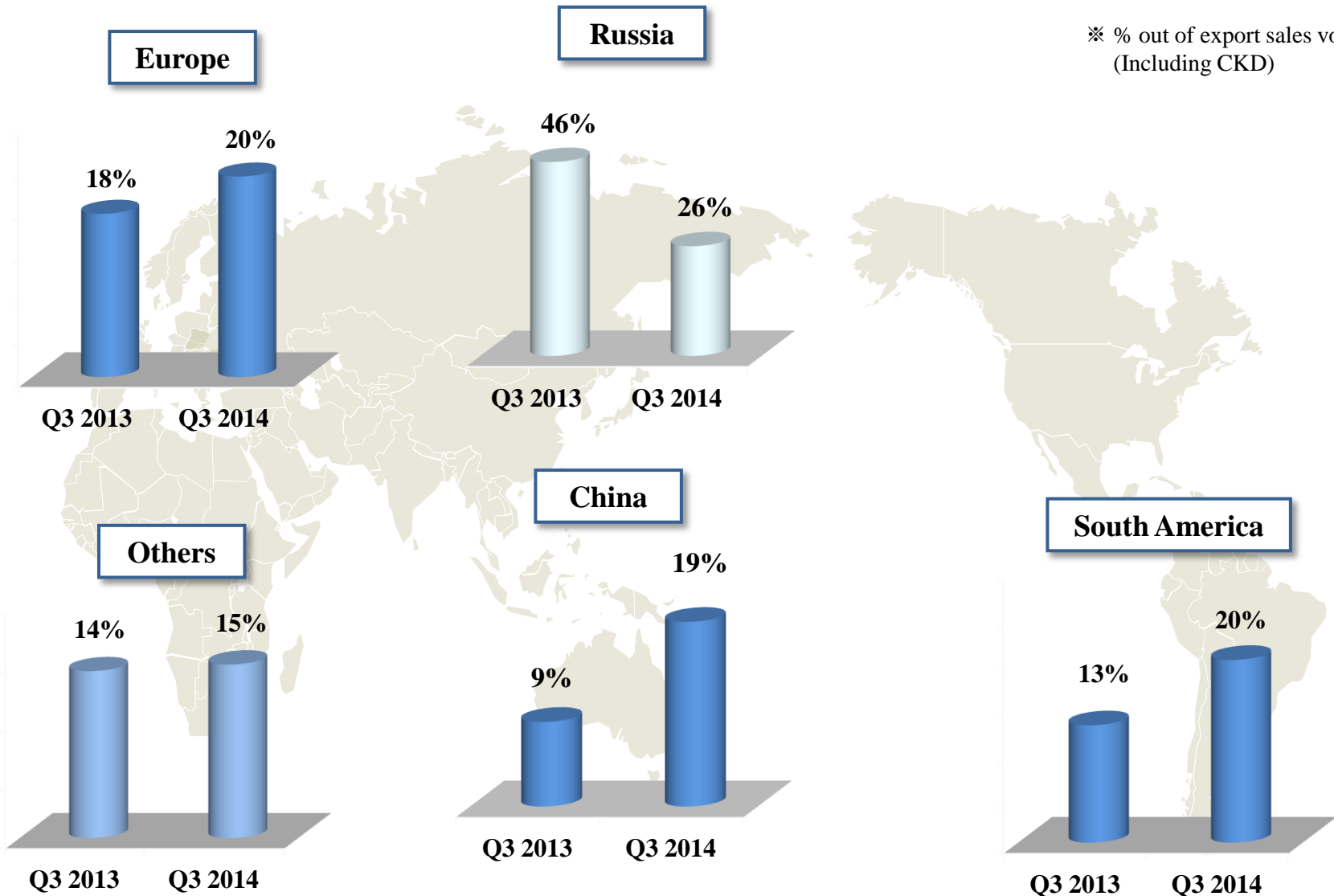
- Q3 2013 : Q3 2014 = 44% : 51%

## ➤ Export by region

- W. Europe : +124%, China : +79%
- Russia : -54%

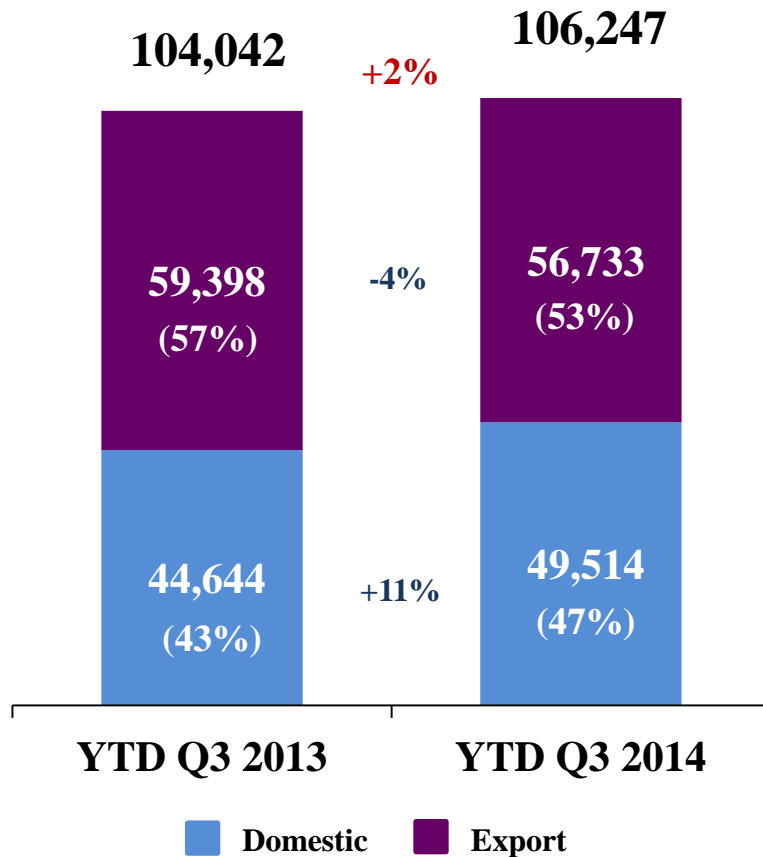
# Export by Region in Q3 2014

※ % out of export sales volume  
(Including CKD)



# SYMC Sales Volume in YTD Q3 2014

※ Unit: vehicle



## ➤ Continued sales volume increase

- Total Sales : +2,205 units (+2%)
  - Domestic : +4,870 units (+11%)
  - Export : -2,665 units (-4%)

## ➤ Domestic portion increase : +4%p

- YTD Q3 2013 : YTD Q3 2014 = 43% : 47%
- Market share  
YTD Q3 2013 : YTD Q3 2014 = 4.4% : 4.7%

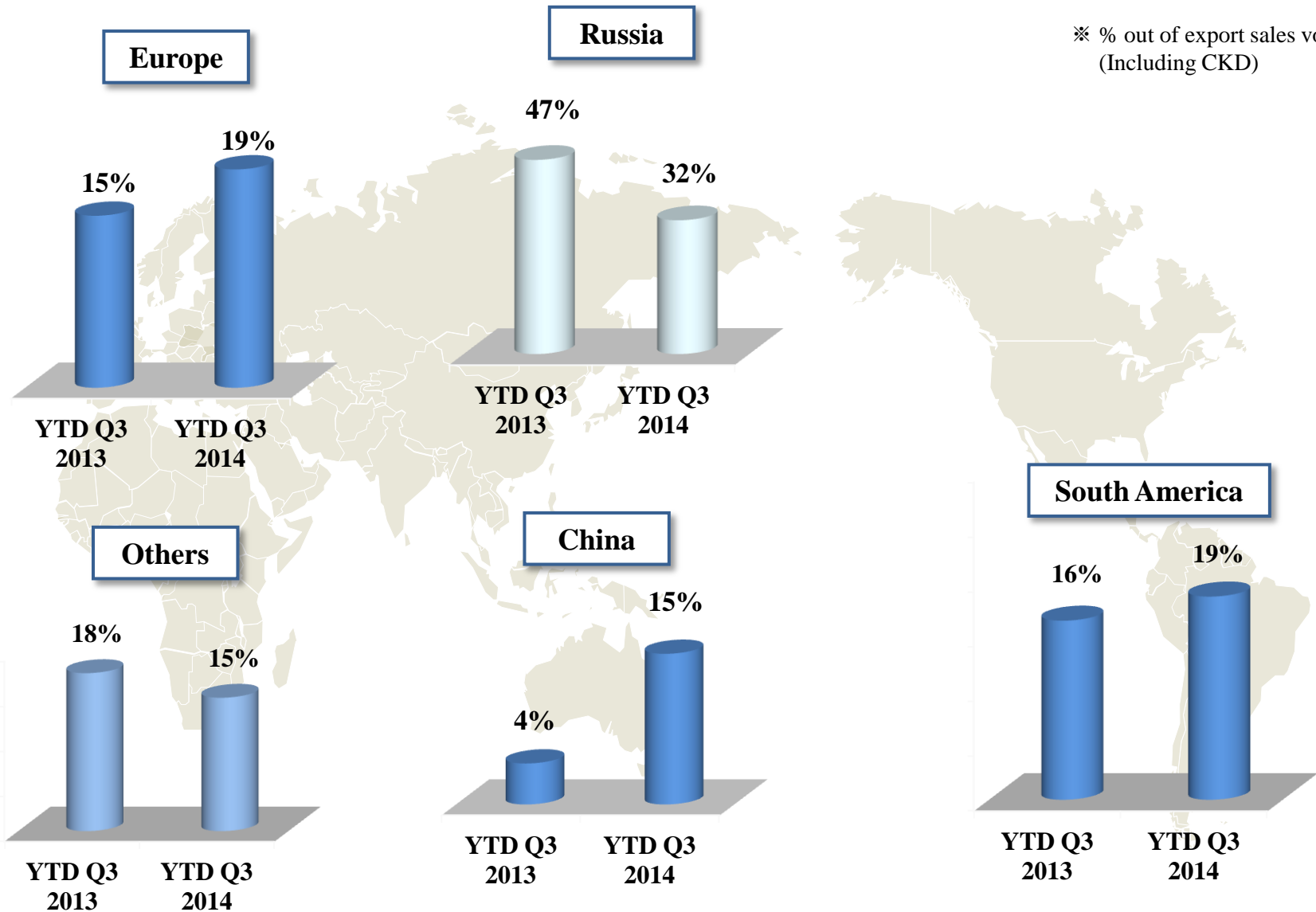
## ➤ Export increase by region

- China : +251%, W. Europe : +117%
- Russia : -34%, India(CKD) : -77%



# Export by Region in YTD Q3 2014

※ % out of export sales volume  
(Including CKD)



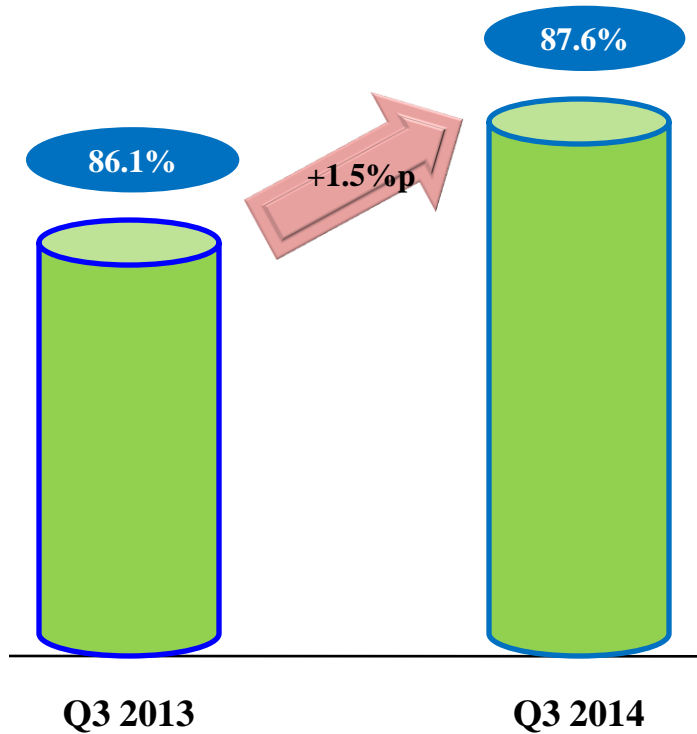
# Income Statement(Consolidated) / Q3 2014

(Unit: billion krw)

Category	Q3 2013	Q3 2014	Change	Change(%)
Sales	837.5	767.8	-69.7	-8.3%
Cost of sales	721.3	672.3	-49.0	-6.8%
Gross Profit	116.2	95.4	-20.7	-17.9%
SG&A	115.4	123.7	8.3	7.2%
<b>Operating Profit</b>	<b>0.7</b>	<b>-28.3</b>	<b>-29.0</b>	
PBT	1.5	-15.6	-17.1	
PAT	1.5	-15.6	-17.1	

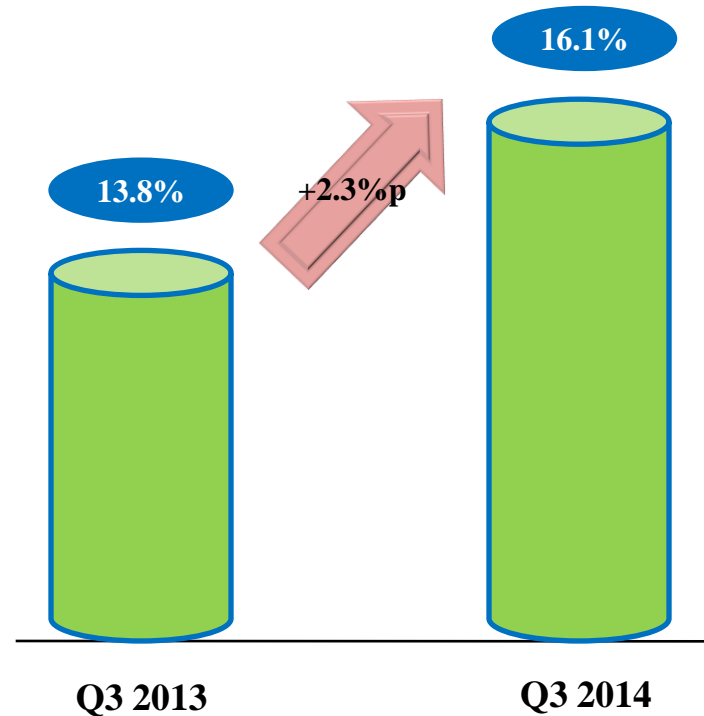
# Operating Costs / Q3 2014

Cost of sales %



※ (Cost of Sales/Sales)\*100

SG&A expense %



※ (SG&A expenses/Sales)\*100

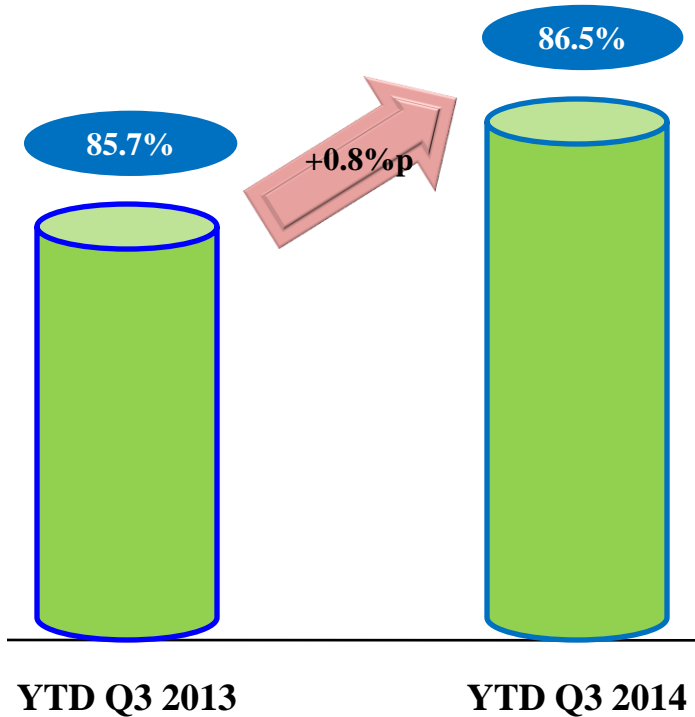
# Income Statement(Consolidated) / YTD Q3 2014

(Unit: billion krw)

Category	YTD Q3 2013	YTD Q3 2014	Change	Change(%)
Sales	2,498.0	2,496.1	-1.9	-0.1%
Cost of sales	2,142.1	2,158.5	16.5	0.8%
Gross Profit	356.0	337.6	-18.4	-5.2%
SG&A	369.6	382.4	12.8	3.5%
<b>Operating Profit</b>	<b>-13.6</b>	<b>-44.8</b>	<b>-31.2</b>	
PBT	-1.2	-33.8	-32.6	
PAT	-1.4	-34.0	-32.6	

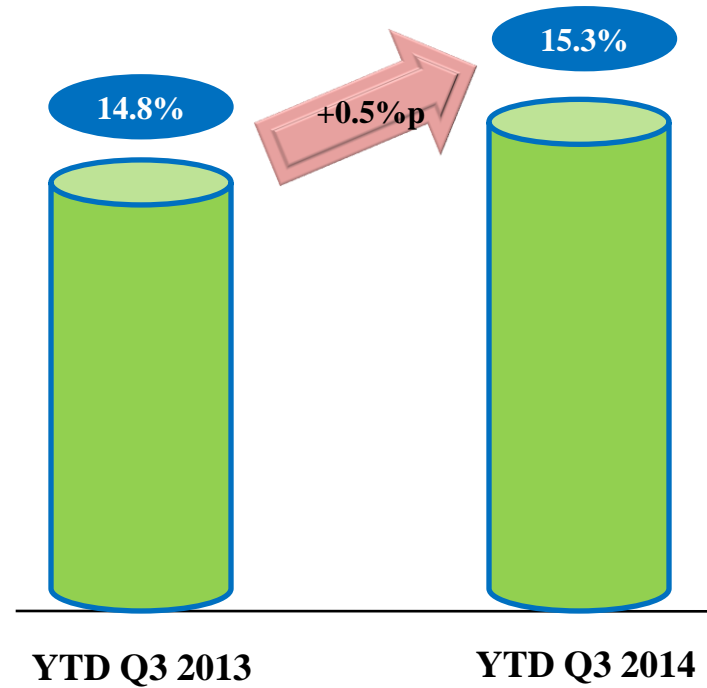
# Operating Costs / YTD Q3 2014

Cost of sales %



※ (Cost of Sales/Sales)\*100

SG&A expense %



※ (SG&A expenses/Sales)\*100

# Major Challenges

## Currency

(Q3 Avg. KRW 1,026/USD)

- **Recent Trend : Strong USD**
  - U.S. central bank : Policy tightening expected
  - Korea central bank : Accommodative policy expected
  - Forecast of benchmark rate : U.S.↑ vs. Korea ↓
- **F/X hedge to reduce risks : More than 50%**

## Labor cost Increase due to ordinary wage

- **Productivity improvement**
- **New wage structure(More performance-related wage)**
- **Cost reduction & Profitability priority**
  - Labor cost control : Overtime & Weekend work
  - Improvement of cost of sales and SG&A expenses

## Russia

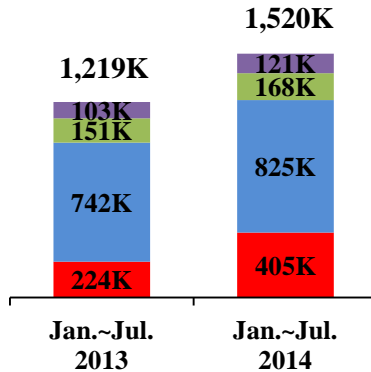
- **Diversification of export markets : Europe, China**

# Small SUV & X-100

※ Source : Automotive news, SYMC

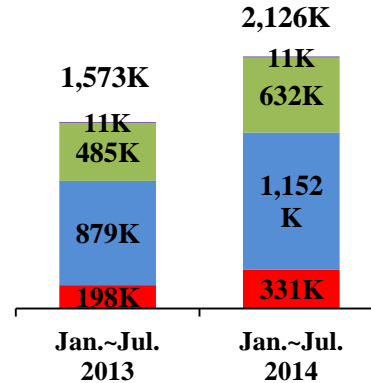
## ◆ SUV market Trend

### ➤ Europe



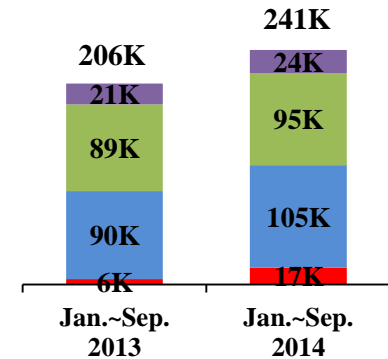
- SUV-B : + 81%

### ➤ China



- SUV-B : + 68%

### ➤ Korea



- SUV-B : + 198%



## ◆ X-100 Launching Schedule (Plan)

