

2014 Business Result



본 자료는 2014년 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.

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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2014 Overview

F/X	<i>Domestic</i>	<ul style="list-style-type: none">• Unfavorable F/X movement (2014 Avg. KRW 1,053/USD, - 3.8% vs. 2013 KRW 1,095/USD)
	<i>Emerging Markets</i>	<ul style="list-style-type: none">• Ruble depreciation against USD (Ruble : RUB 56.2/USD on Dec. 31, 2014, +70% vs. RUB 32.9/USD on Jan. 1, 2014)

Market	<i>Elevated competition</i>	<ul style="list-style-type: none">• Sales volume of import car increased by 25.5% in Korea (2014 : 196K, 2013 : 156K)• Korean brand new RVs introduction (Carnival : Jun. 2014, Sorento : Aug. 2014)
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FTA	<i>Favorable Chance</i>	<ul style="list-style-type: none">• Expansion of FTA countries (FTA implementation: Australia on Dec. 12)
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2014 Overview

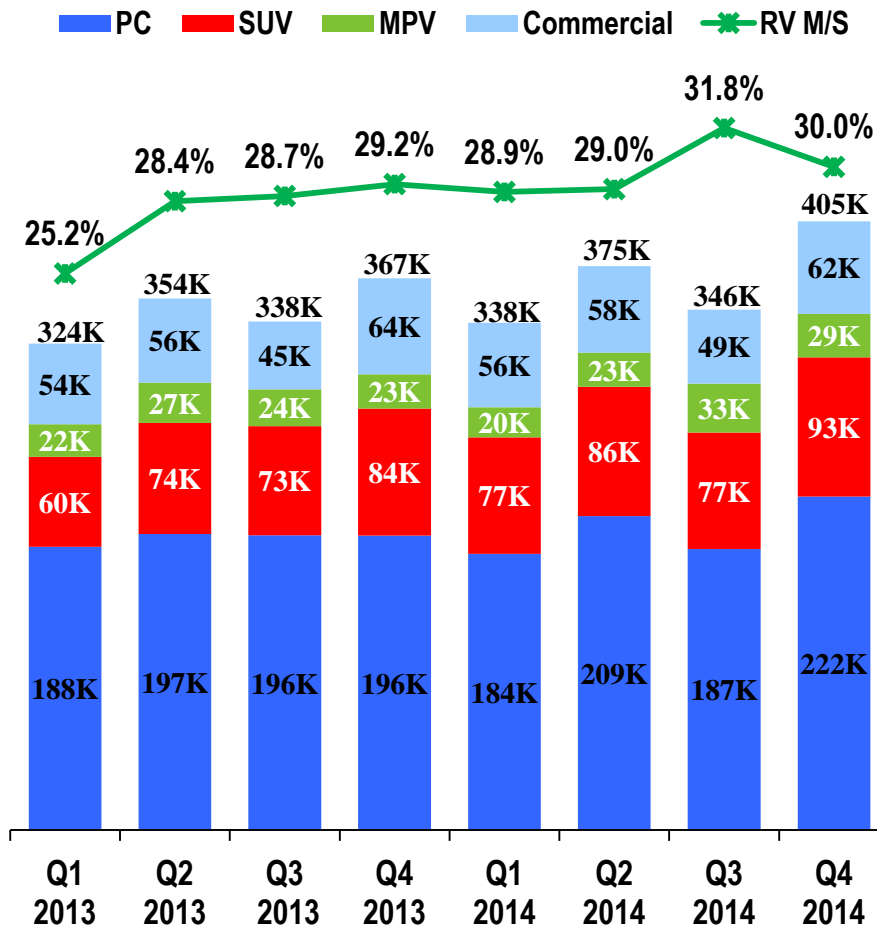
Vehicle Sales	<i>Domestic</i>	<ul style="list-style-type: none">• Increased by 8% (5,066 units) thanks to strong demand for SUVs
	<i>Overseas</i>	<ul style="list-style-type: none">• Decreased by 12% (9,668 units) due to Ruble depreciation which was partly offset by sales volume increase in China & W. Europe

Production	<i>Line shift change (Oct, 2014)</i>	<ul style="list-style-type: none">• Added one more shift at line 1 (2 shift) to prepare for Tivoli production (Line 3 : 2 shift → 1 shift)
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Other Main Issues	<i>Ordinary wage</i>	<ul style="list-style-type: none">• Agreed to include bonus into ordinary wage
	<i>Supreme Court Verdict on dismissed workers</i>	<ul style="list-style-type: none">• In favor of SYMC

Domestic Market Trend

➤ Quarterly market trend



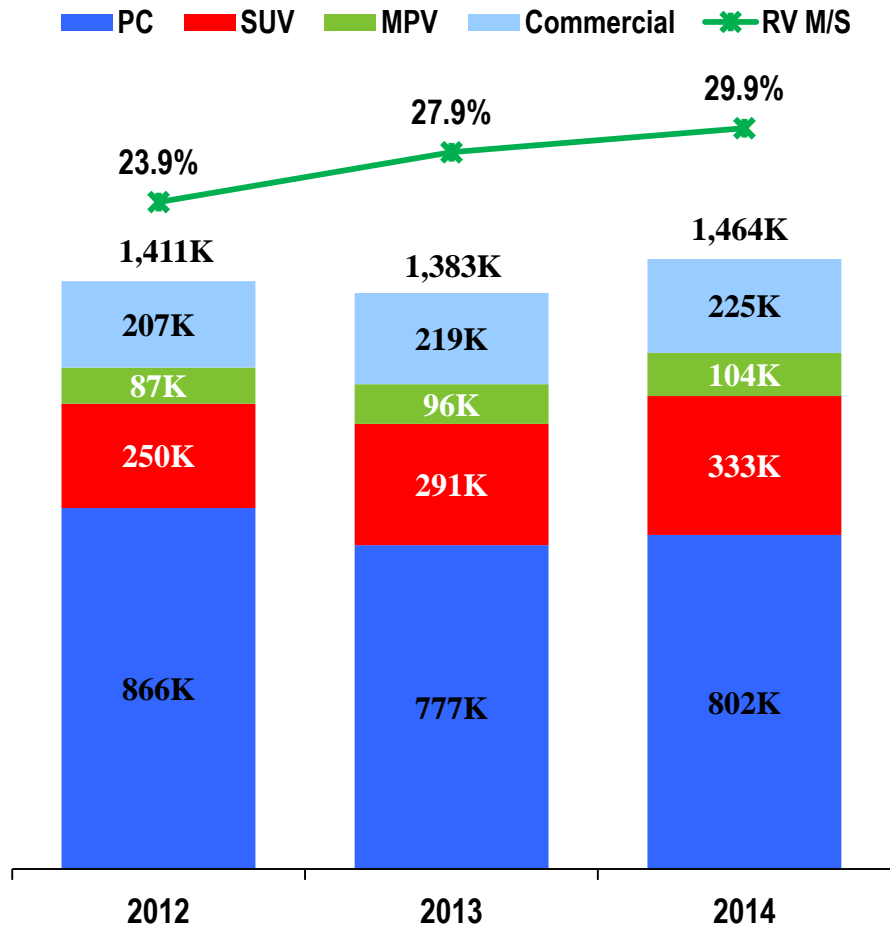
▪ Q4 2014 (vs. Q4 2013)

- Total market : +10.3%
- PC : +13.3%
- SUV : +9.7%
 - Continued strong demand
- MPV : +26.5%
 - New car effect (Carnival, introduced in June)
- RV M/S : 30.0% (+0.8%p vs Q4 2013)

※ Unit: vehicles
(Excluding imported cars)

Domestic Market Trend

➤ Yearly market trend



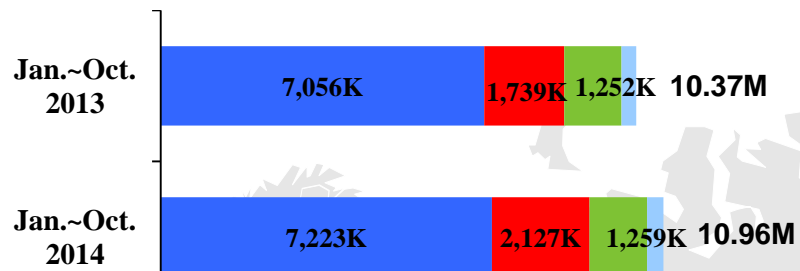
▪ 2014 (vs. 2013)

- Total market : +5.9%
- PC : +3.1%
- SUV : +14.7%
 - Continued strong demand in all segments
 - SUV-B segment : +210% (+19.3K vehicles)
(2013 : 2014 = 9.2K vehicles : 28.5K vehicles)
 - New car effect (Sorento)
- MPV : +9.0%
 - New car effect (Carnival)
- RV M/S : 29.9% (+2.0%p vs. 2013)

※ Unit: vehicles
(Excluding imported cars)

Overseas Market Trend

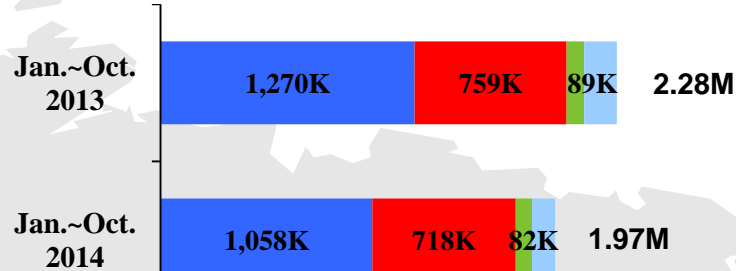
➤ Europe (30 Countries)



- Total market : +5.7%

- SUV market : +22.3%

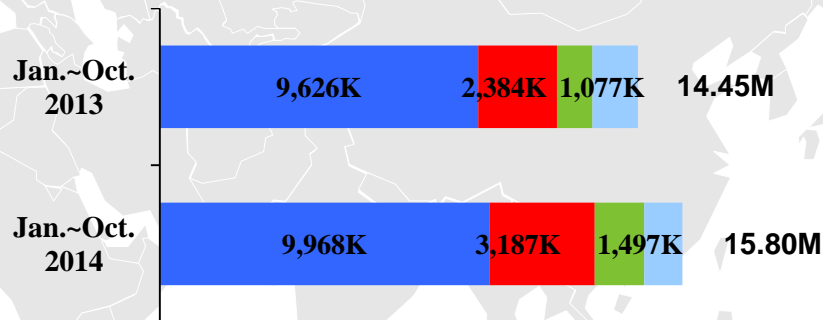
➤ Russia



- Total market : -13.5%

- SUV market : -5.5%

➤ China



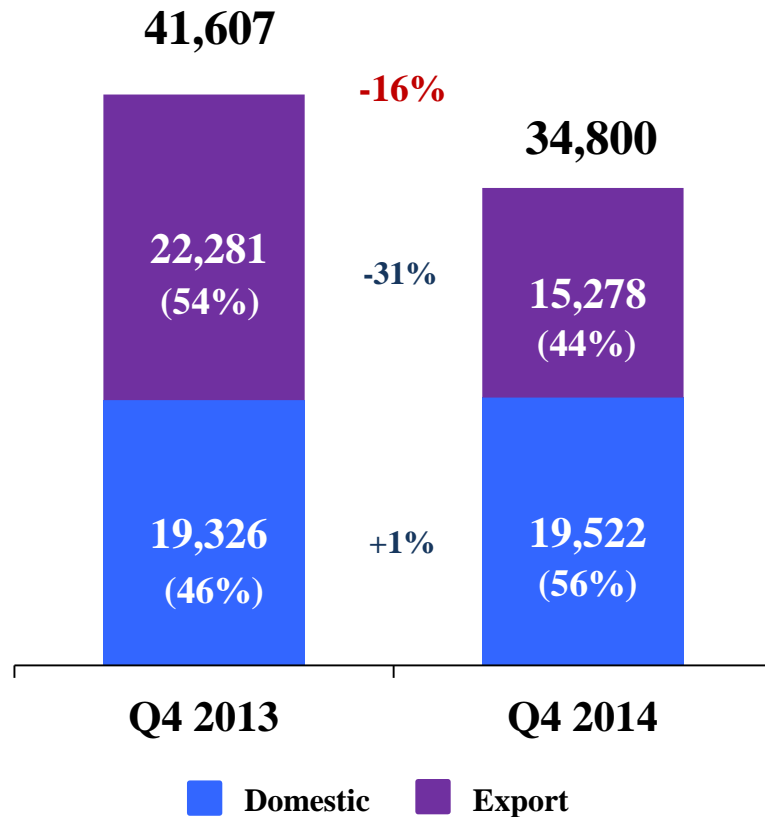
- Total market : +9.3%

- SUV market : +33.7%

※ Unit : Vehicle
 ※ Source : IHS Automotive
 ※ Excluding commercial vehicles



SYMC Sales Volume in Q4 2014



※ Unit: vehicle

➤ Sales volume decrease

- Total Sales : -6,807 units (-16%)
 - Domestic : +196 units (+1%)
 - Export : -7,003 units (-31%)
 (Russia & EM currency devaluation to USD)

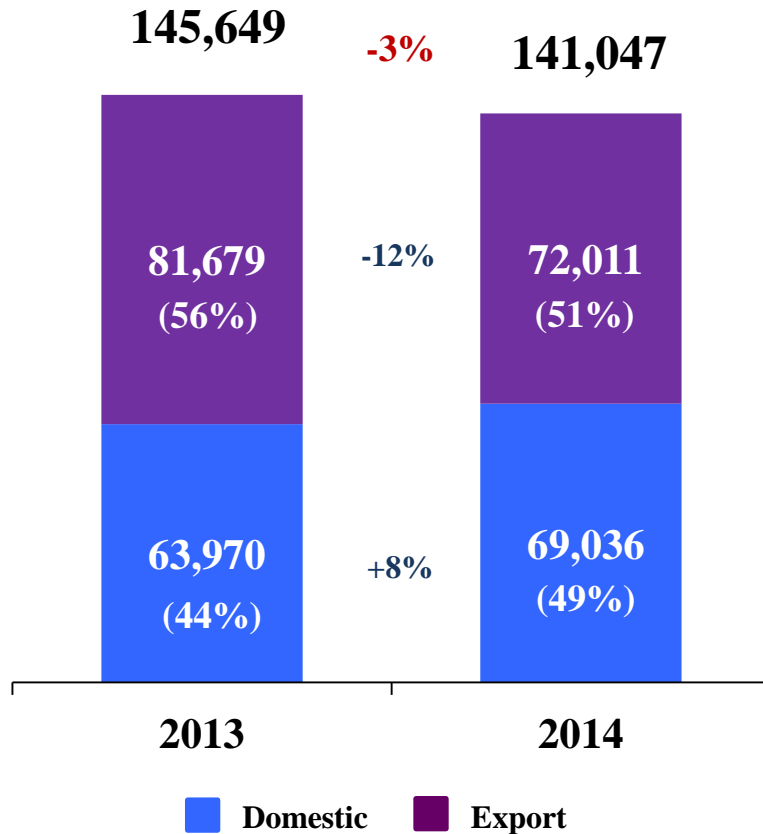
➤ Domestic portion increase : +10%p

- Q4 2013 : Q4 2014 = 46% : 56%

➤ Export by region

- W. Europe : +10%, Middle East : +91%
- Russia : -58%, South America : -49%

SYMC Sales Volume in 2014



※ Unit: vehicle

➤ Sales volume decrease

- Total Sales : -4,602 units (-3%)
 - Domestic : +5,066 units (+8%)
 - Export : -9,668 units (-12%)

➤ Domestic portion increase : +5%p

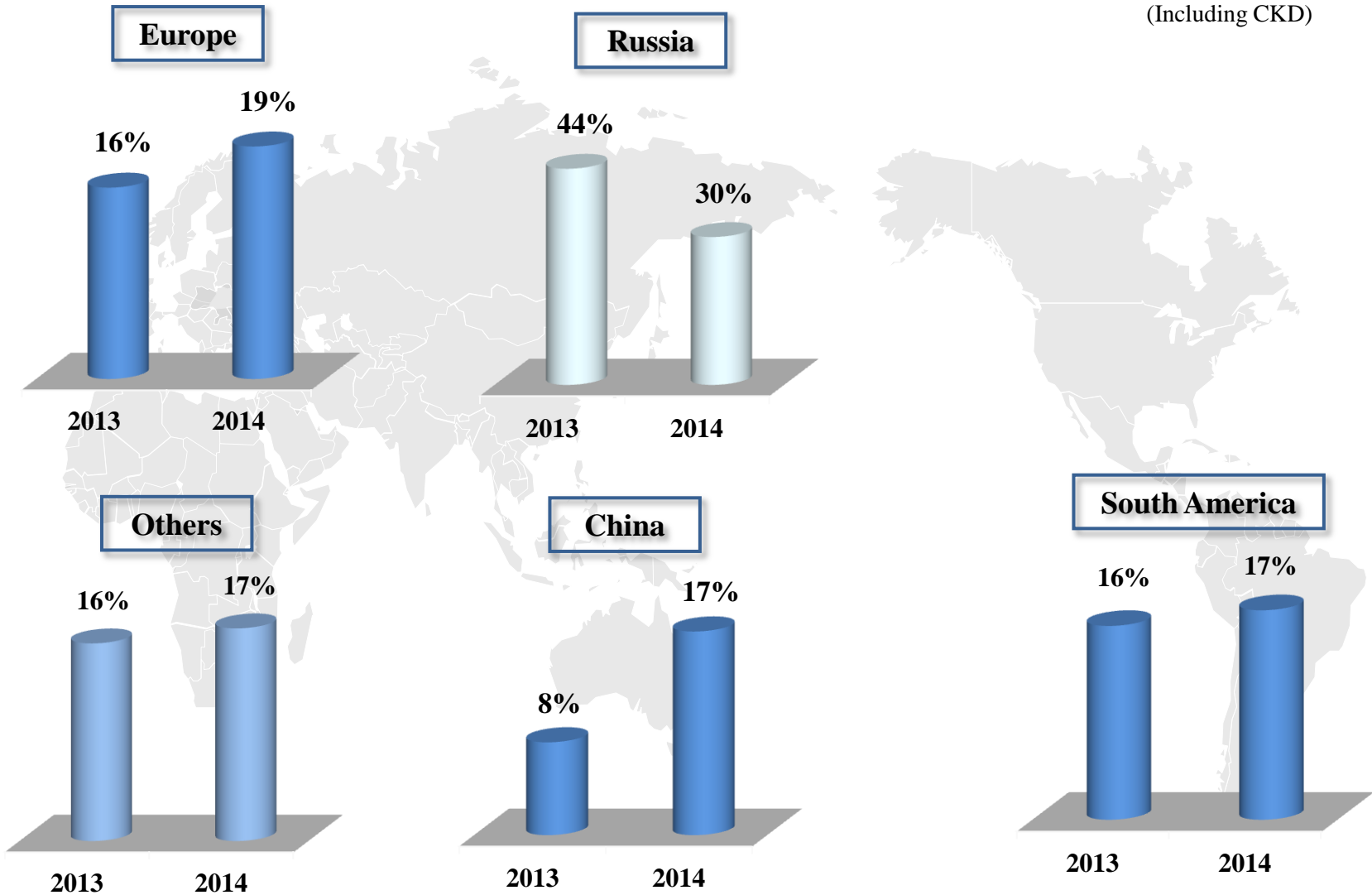
- 2013 : 2014 = 44% : 49%
- Market share in total market
2013 : 2014 = 4.6% : 4.7%

➤ Export increase by region

- China : +93%, W. Europe : +75%
- Russia : -40%, India(CKD) : -64%

Export by Region in 2014

※ % out of export sales volume
(Including CKD)



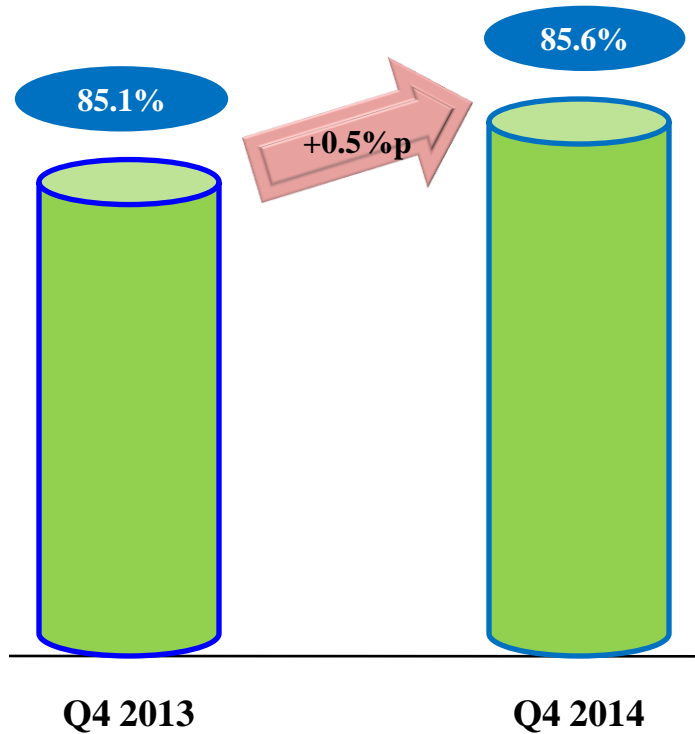
Income Statement(Consolidated) / Q4 2014

(Unit: billion krw)

Category	Q4 2013	Q4 2014	Change	Change(%)
Sales	986.8	830.5	-156.3	-15.8%
Cost of sales	839.8	711.0	-128.8	-15.3%
Gross Profit	147.0	119.5	-27.5	-18.7%
SG&A	142.2	151.8	9.6	6.8%
Operating Profit	4.7	-32.2	-37.0	
PBT	-0.8	-16.8	-16.0	
PAT	-0.9	-16.8	-15.9	

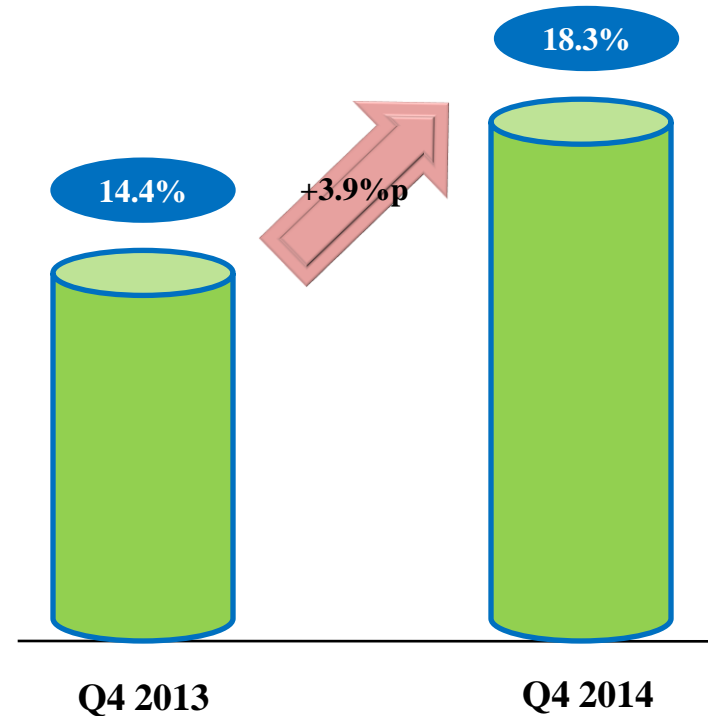
Operating Costs / Q4 2014

Cost of sales %



※ (Cost of Sales/Sales)*100

SG&A expense %



※ (SG&A expenses/Sales)*100

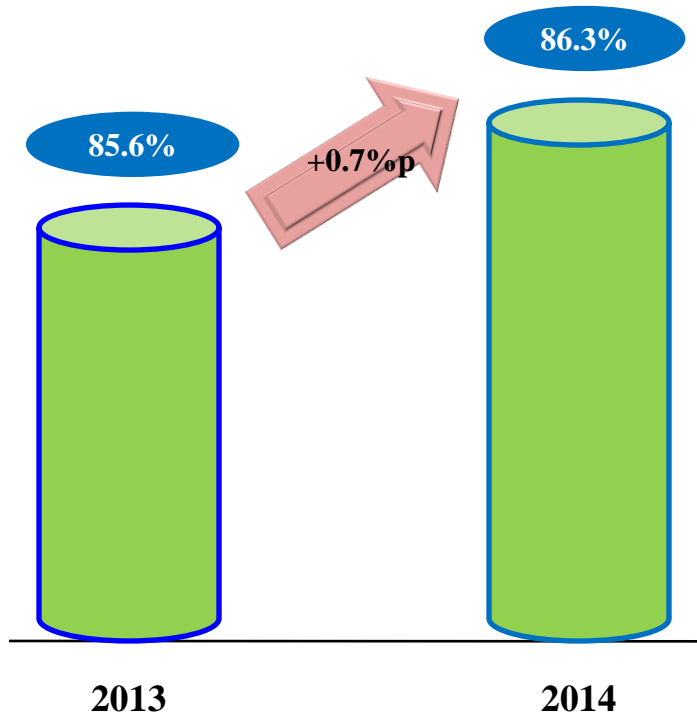
Income Statement(Consolidated) / 2014

(Unit: billion krw)

Category	2013	2014	Change	Change(%)
Sales	3,484.9	3,326.6	-158.3	-4.5%
Cost of sales	2,981.9	2,869.5	-112.4	-3.8%
Gross Profit	503.0	457.1	-45.9	-9.1%
SG&A	511.9	534.1	22.2	4.3%
Operating Profit	-8.9	-76.9	-68.0	
PBT	-2.0	-50.7	-48.7	
PAT	-2.4	-50.9	-48.5	

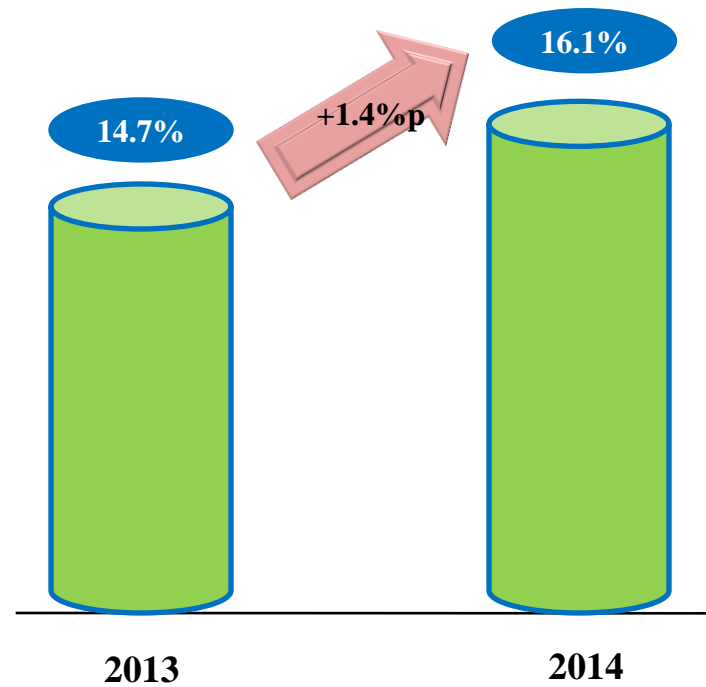
Operating Costs / 2014

Cost of sales %



※ (Cost of Sales/Sales)*100

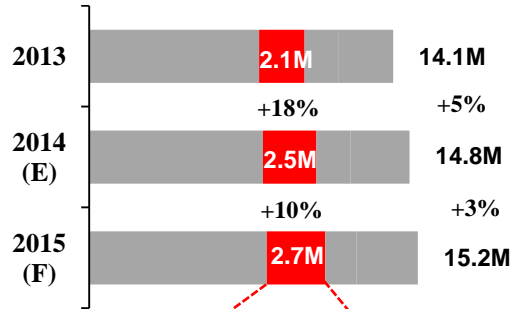
SG&A expense %



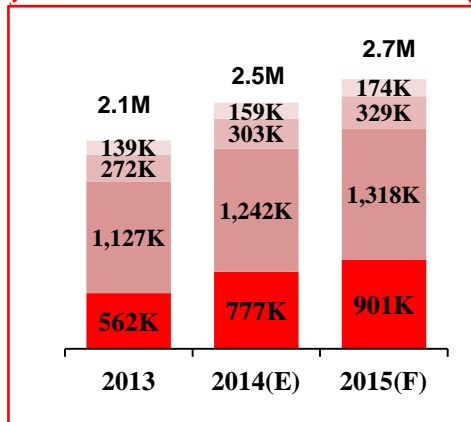
※ (SG&A expenses/Sales)*100

2015 Forecast / Market

➤ W. Europe

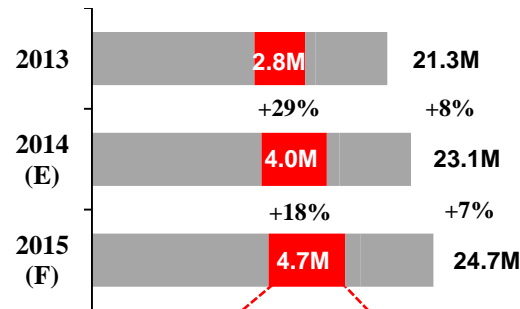


SUV in details

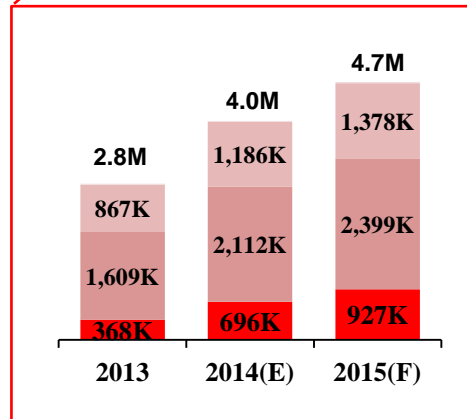


- 2015(F) SUV-B : + 16%

➤ China

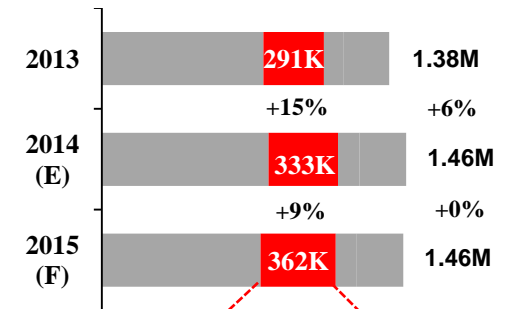


SUV in details

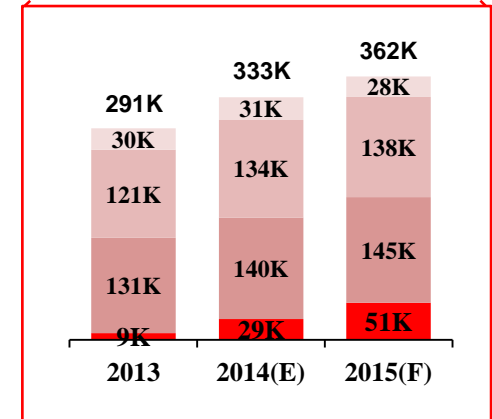


- 2015(F) SUV-B : + 33%

➤ Korea



SUV in details



- 2015(F) SUV-B : + 79%

※ Unit : Vehicle

※ Source : IHS Automotive, SYMC

※ W. Europe, China : Excluding heavy commercial vehicles

※ Korea : Excluding imported car, Including commercials



2015 Forecast

SUV Demand

- Expected to grow in Korea, China and W. Europe
- Substantial growth potential in small SUV where Tivoli is positioned
- Ruble weakness is likely to continue at least till 1st half

Production

- Tivoli production is expected to ramp up in 2nd half
 - Tivoli Gasoline : Jan. 2015
 - Tivoli Diesel : Jun. 2015
 - Tivoli Long Body : 2015 year-end or early 2016

Forex

- Korean Won is expected to be weaker in 2015 than in 2014 because of expectations of the U.S. benchmark rate hike