

Ssangyong Motor Company, South Korea



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SYMC Overview

SYMC Product Range

➤ SYMC Products (Segment-wise)



Tivoli (SUV-B)



Korando C (SUV-C)



Korando Sports (SUV-C)



Korando Turismo (MPV)



Rexton (SUV-D)



Chairman W
(Luxury sedan)



Kyron (SUV-D)



Actyon (SUV-C)

- I. In the domestic competitive segments, market share increased from 9.7% in 2010 to 14.9% in 2014.
- II. Total Volume 2010 : 82k, 2014 : 141k (73% increase)

Production capacity & Sales Network

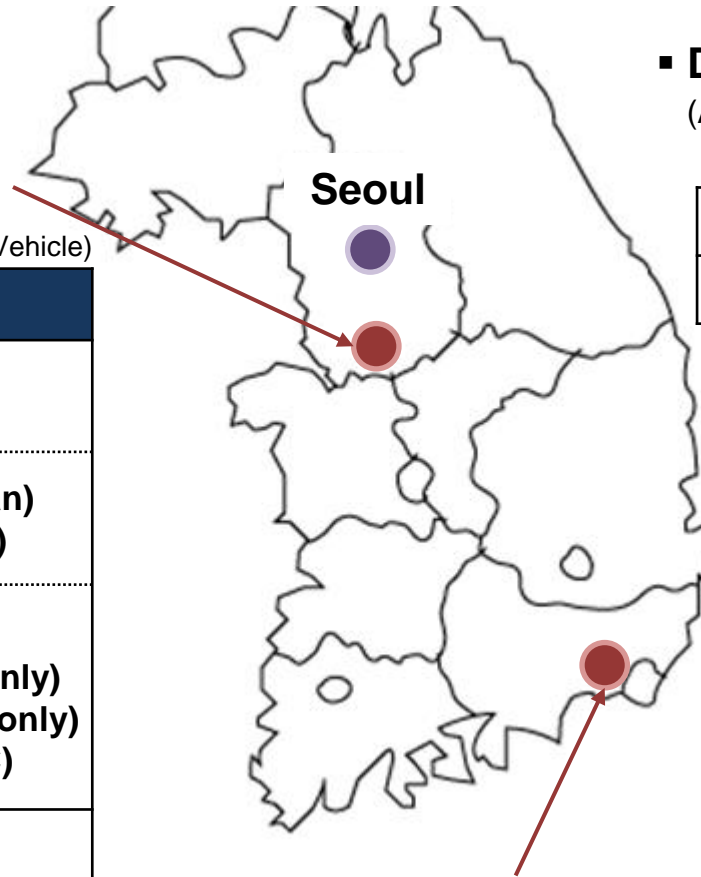
- Pyeongtaek - Head office / R&D center / Assembly line

(Unit : Vehicle)

	Capa.	Models
Line 1	106K	Korando C (SUV-C) Tivoli (SUV-B)
Line 2	60K	Chairman (Luxury Sedan) Korando Turismo (MPV)
Line 3	84K	Rexton (SUV-D) Kyron (SUV-D, Export only) Actyon (SUV-C, Export only) Korando Sports (SUV-C)
Total	250K	

※ 2-Shift basis

- Employee number : 4,800 persons



- Domestic Network
(At the end of Sep. 2015)

(Unit : EA)

Dealership	189
A/S	334

- Changwon - Engine

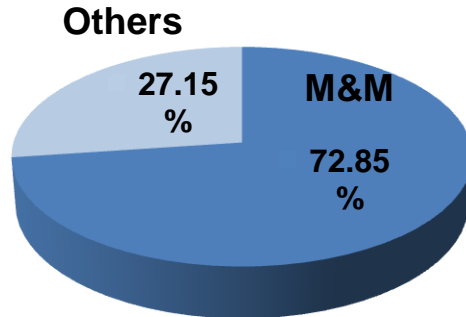
(Unit : EA)

	Gasoline	Diesel
Capa.	100K	200K

※ 2-Shift basis

Corporate Governance

➤ Shareholder status (At the end of 2014)



Name	Share number	%
Mahindra & Mahindra	99,964,502	72.85%
Others	37,255,594	27.15%
National Pension Service	3,074,903	2.24%
Total	137,220,096	100.00%

➤ Market cap : USD 1 billion

➤ BOD structure : 7 Directors (Inside Director 3, Outside Director 4)

Inside Director	Major career	Outside Director	Major career
Pawan Kumar Goenka	- Executive Director, Mahindra & Mahindra Ltd. - President, Mahindra & Mahindra Automotive & Farm Equipment Sectors - SYMC Chairman of BOD	Yoon Suk Suh	Professor (Accounting), Ewha Womans University
Johng Sik Choi	SYMC President & CEO	Ki Hwan Kim	Research professor (Economics), Korea Development Institute(KDI)
Rajeev Dubey	President, Mahindra & Mahindra Group HR, Corporate Services & After Market	Dominic DiMarco	- President, Cranbrook Educational Community - Ford Motor (1973~2008)
		Dae Ryun Chang	Professor (Marketing), Yonsei University

Maximizing resource utilization

2011 ~ 2014 Review

2014 Sales performance

• Sales Volume : 141,047 units, +72.5% (vs. 2010)

- Change of decision-making process after M&M acquisition
 - Autonomous, Systematic, Transparent



- Successful launch of F/L models
 - Rexton, K/Sports (2012)
 - Korando C, K/Turismo (2013)

Management

Labor

Market

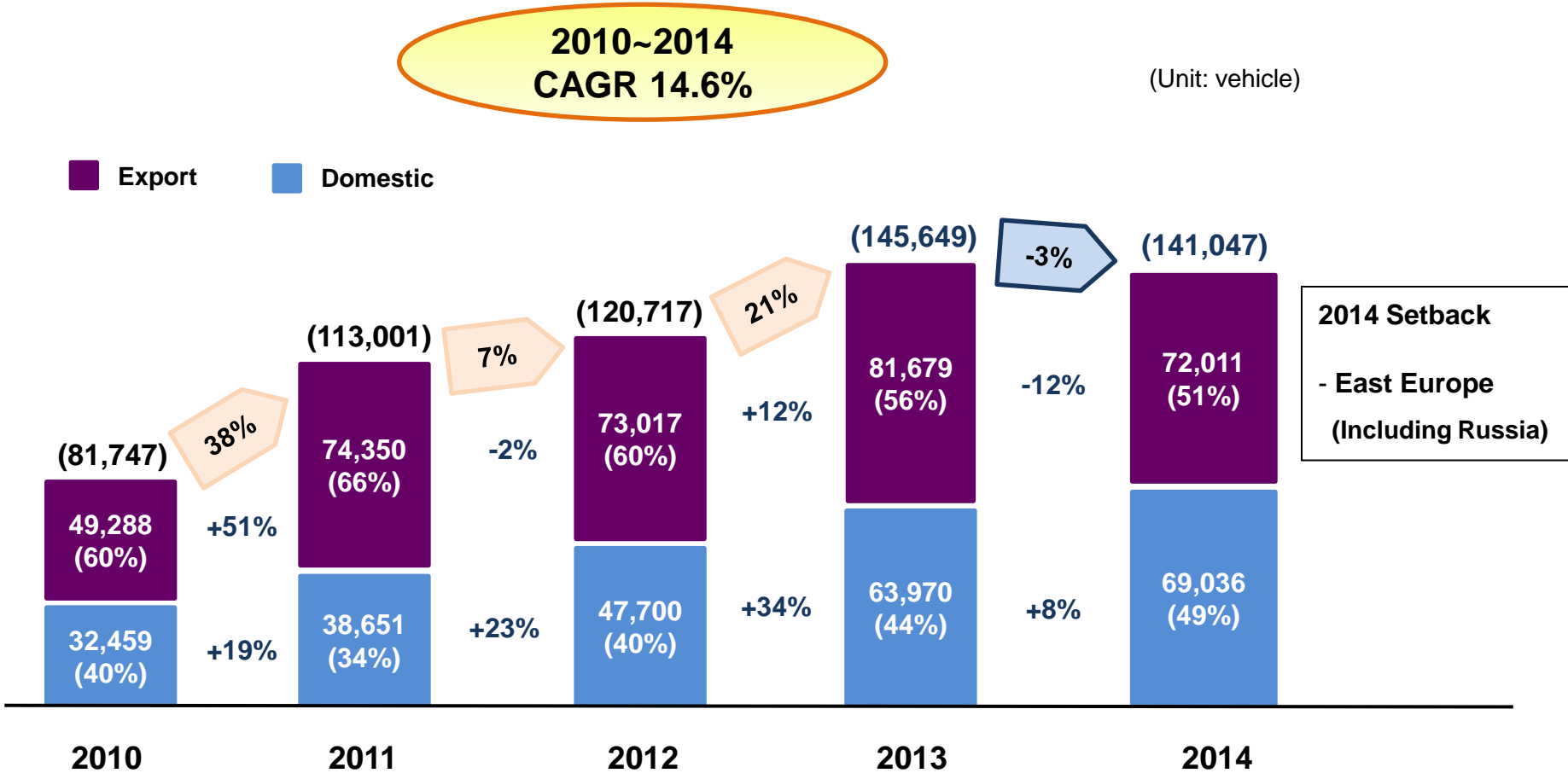
- RV segment growth in the domestic market : +43.6% (vs. 2010)
- RV portion (2014)

Country	RV %
USA	38.5%
Russia	41.2%
Korea	29.9%

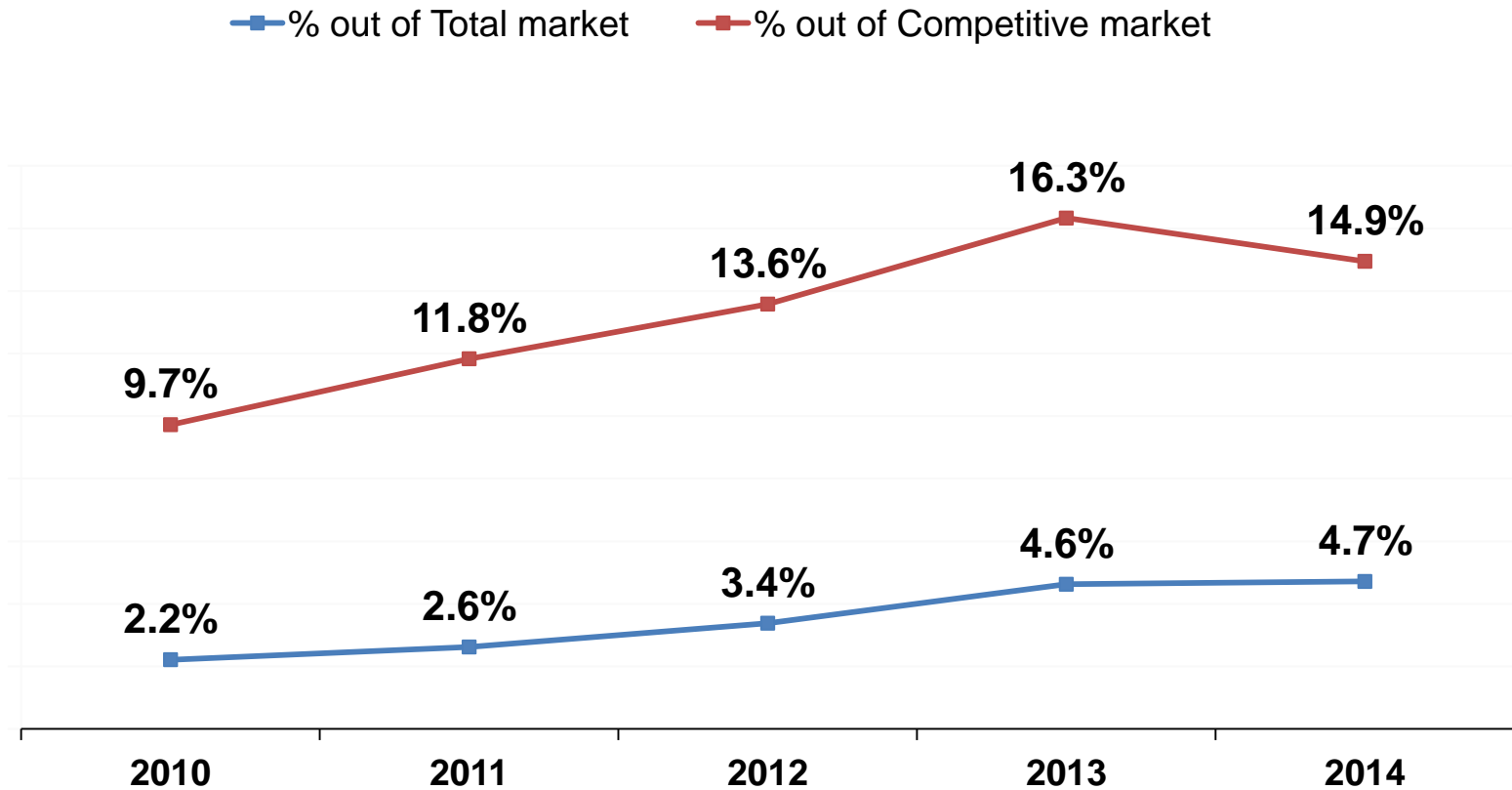
- Cooperative relations with company
 - Wage agreement : Without any production disruption for 6 years in a row
 - Day/Night 2-shift in assembly line 1

※ Source : Automotive news, Jato

SYMC Sales Volume Trend



SYMC Domestic Market Share



- Total market : Excluding imported car
- Competitive market : SUV + Middle MPV + Luxury sedan

2011 ~ 2014 Income Statement (Consolidated)

(Unit: vehicle, billion krw)

Category	2011		2012		2013		2014	
		%		%		%		%
Sales Volume	113,001		120,717		145,649		141,047	
Revenue	2,788		2,875		3,485		3,327	
Cost of sales	2,464	88%	2,530	88%	2,982	86%	2,870	86%
Gross Profit	324	12%	345	12%	503	14%	457	14%
SG&A	465	17%	443	15%	512	15%	534	16%
Operating Profit	-141	-5%	-98	-3%	-9	-0%	-77	-2%
PBT	-113	-4%	-106	-4%	-2	-0%	-51	-2%
PAT	-113	-4%	-106	-4%	-2	-0%	-51	-2%
Utilization rate (% out of 250K)	45%		48%		58%		56%	

※ % : out of revenue

**Achieved near
break even
In 2013**

2014 Setbacks

- EM currencies
- Ordinary wage
- Stronger KRW

Increase in Investment yoy... with Steady Borrowing ratio

(Unit: billion krw)

Category	2011	2012	2013	2014
CAPEX (A)	111	145	209	256
Sales Revenue (B)	2,788	2,875	3,485	3,327
% (A/B)	4.0%	5.0%	6.0%	7.7%
Borrowing ratio (Borrowing ST + LT to Equity)	15.0%	15.7%	16.6%	16.0%
Liability ratio (Total Liability to Equity)	98.0%	131.1%	139.5%	153.2%

YTD September 2015

2015 Review

Market

SYMC

- **F/X movements (YTD Q3 Avg.)**

- USD:KRW : KRW 1,122/USD
(+7.7% vs. YTD Q3 2014)

- **Successful Tivoli launch**

- The best selling car in small SUV market in Korea
- YTD Q3 2015 : 43,523 units
(including export)

- **Strong SUV demand**

- Korea : +28.8% (vs. YTD Q3 2014)
- W. Europe : +20.4%
(vs. YTD Aug. 2014)

- **Focus on domestic market**

- (YTD Q3 2015 Domestic M/S : 6.2%, +1.5%p vs. YTD Q3 2014)

- **Continued low oil price (WTI)**

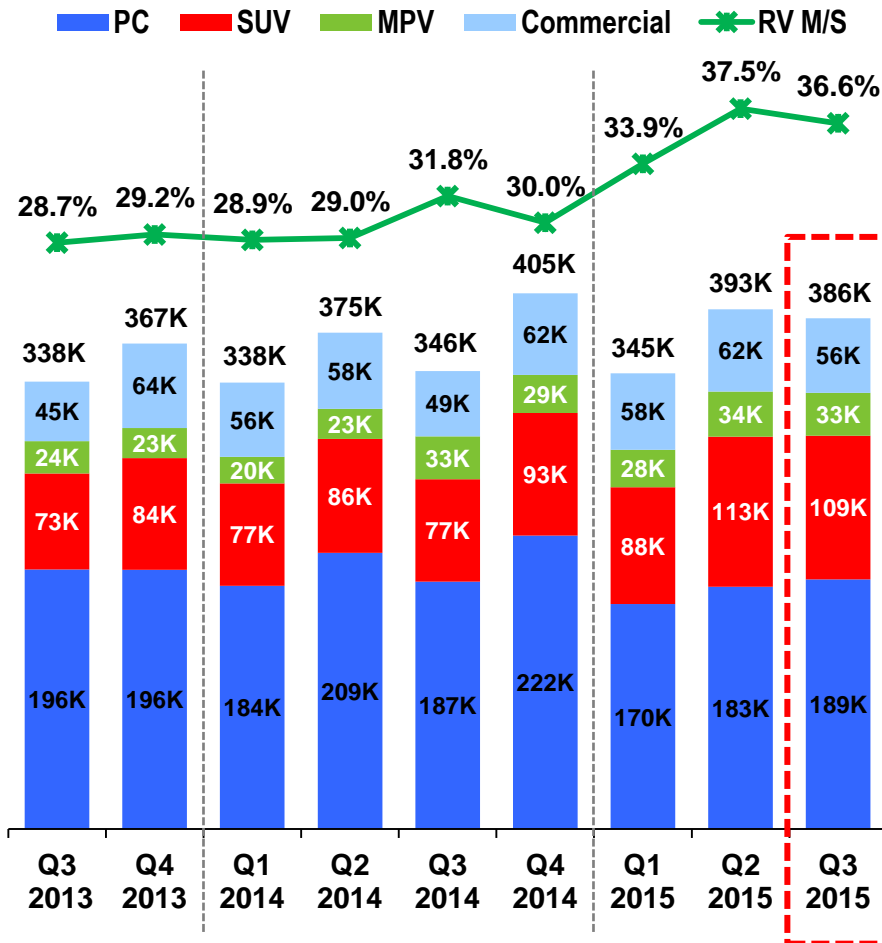
- YTD Q3 2015 Avg. : -48.7%
(vs. YTD Q3 2014 Avg.)

- **Cooperative labor relations**

- : No production disruption for 6 years (2010~2015) in a row

Domestic Market Trend

➤ Quarterly market trend



※ Unit: vehicles
(Excluding imported cars)

▪ Q3 2015 (vs. Q3 2014)

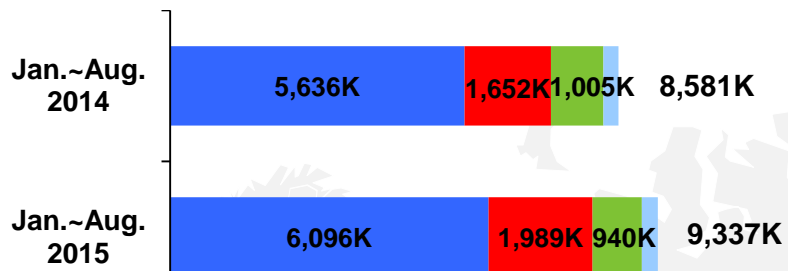
- Total market : +11.6%
- PC : +0.9%
- SUV : +40.4%
 - Continued strong demand & New car effect (Tivoli, Sorento)
- MPV : -0.1%
- RV M/S : 36.6% (+4.8%p vs. Q3 2014)
- SYMC Market share in total market
Q3 2014 : Q3 2015 = 4.7% : 6.2%

▪ YTD Q3 2015 (vs. YTD Q3 2014)

- Total market : +6.1%
- PC: -6.5%, SUV: +28.8%, MPV: +26.2%
- RV M/S : 36.1% (+6.2%p vs. YTD Q3 2014)
- SYMC market share in total market
YTD Q3 2014 : YTD Q3 2015
= 4.7% : 6.2%

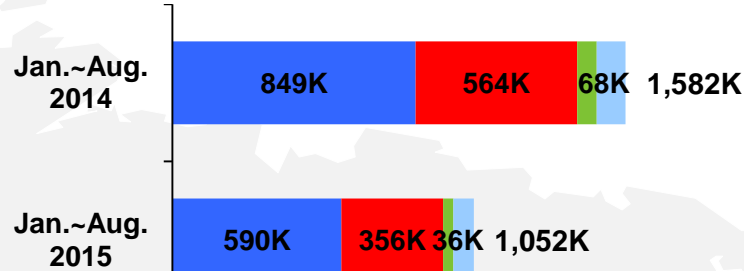
Overseas Market Trend

➤ Europe (28 Countries)



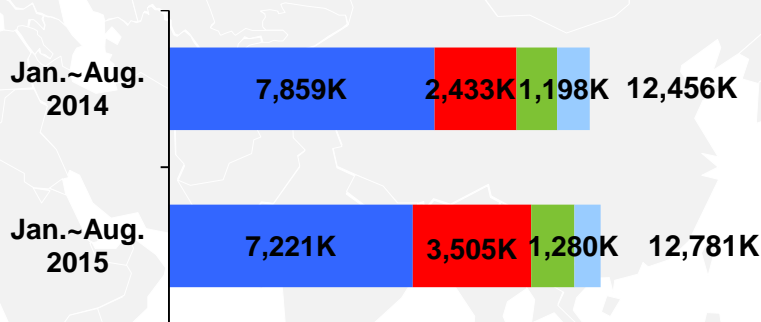
- Total market : +8.8%
 - SUV market : +20.4%

➤ Russia



- Total market : -33.5%
 - SUV market : -36.9%

➤ China

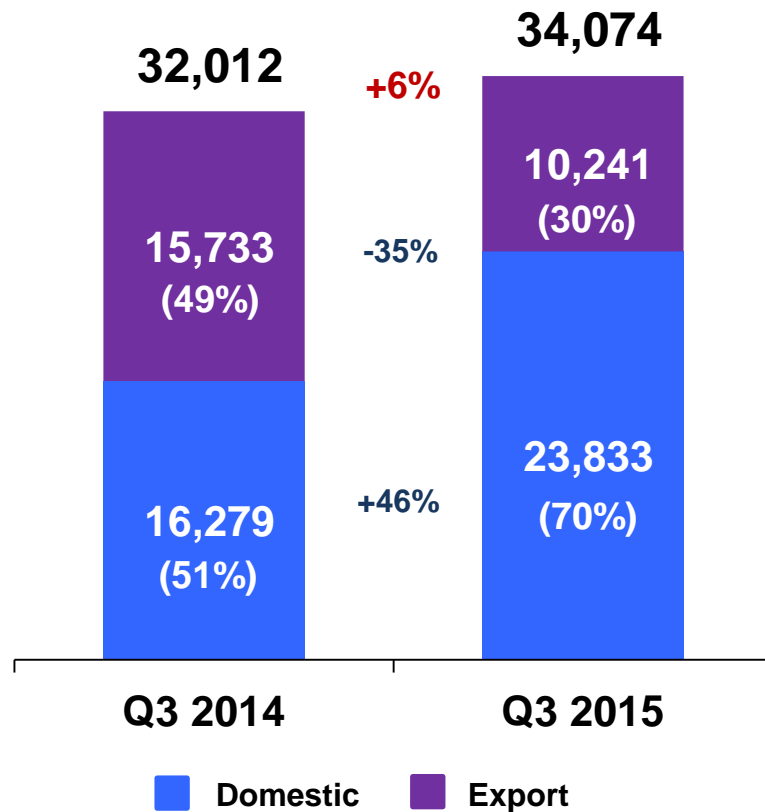


- Total market : +2.6%
 - SUV market : +44.1%

※ Unit : Vehicle
 ※ Source : Automotive News, JATO
 ※ Excluding commercial vehicles



SYMC Sales Volume in Q3 2015



※ Unit: vehicle

➤ Sales volume increase

- Total Sales : +2,062 units (+6%)
 - Domestic : +7,554 units (+46%)
 - Export : -5,492 units (-35%)

➤ Domestic portion increase : +19%p

- Q3 2014 : Q3 2015 = 51% : 70%

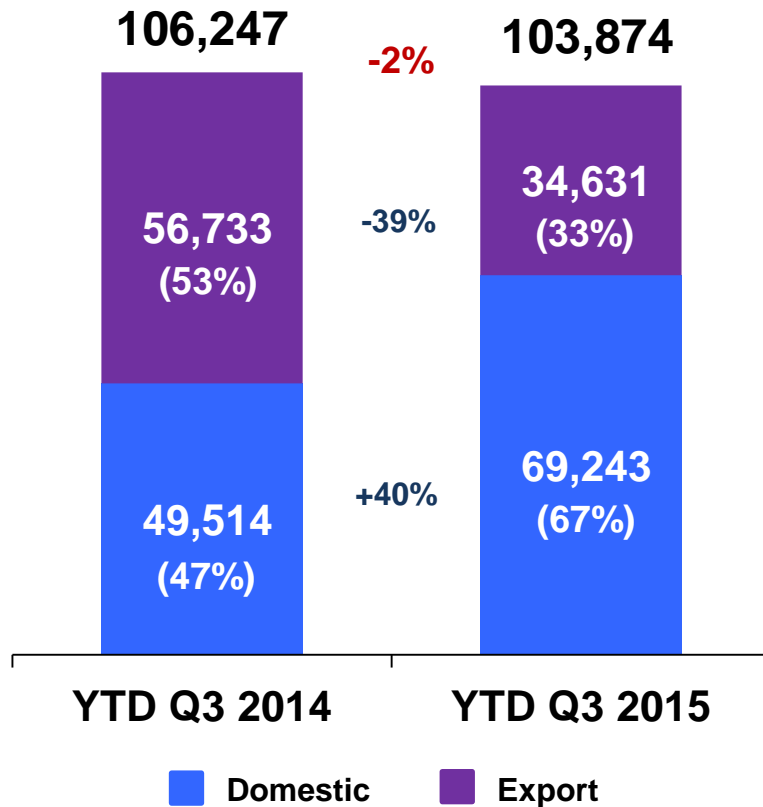
➤ Export by region (vs. Q3 2014)

- W. Europe : +120%
- E. Europe(Including Russia) : -99%

➤ Tivoli sales

- Q3 daily avg. : 280 units
(Q1 daily avg. 172 units, Q2 daily avg. 277 units)
- ※ Daily Avg. : Sales vehicle / Business day

SYMC Sales Volume in YTD Q3 2015



※ Unit: vehicle

➤ Sales volume decrease

- Total Sales : -2,373 units (-2%)
 - Domestic : +19,729 units (+40%)
 - Export : -22,102 units (-39%)

➤ Domestic portion increase : +20%p

- YTD Q3 2014 : YTD Q3 2015 = 47% : 67%

➤ Export by region

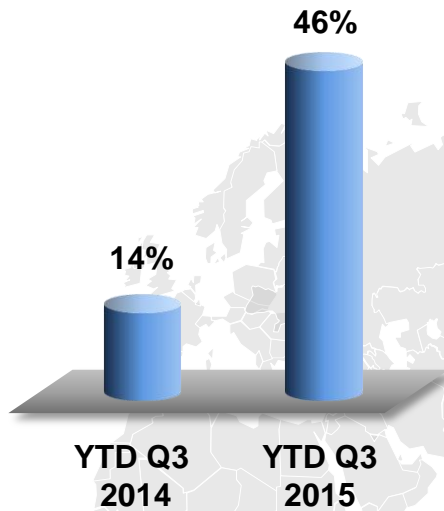
- W. Europe : +103%
- E. Europe(Including Russia) : -98%

➤ Tivoli sales

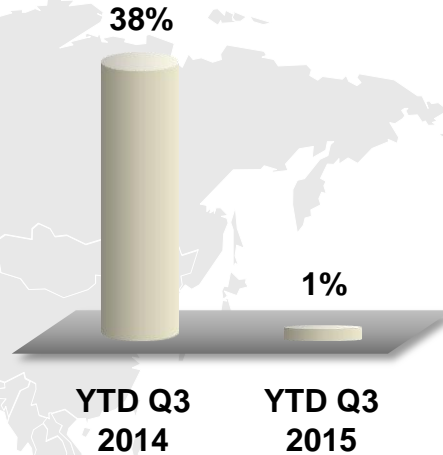
- YTD Q3 2015 : 43,523 units
(Domestic : 29,648 units, Export : 13,875 units)

Region-wise Export in YTD Q3 2015

W. Europe



E. Europe



※ % out of export sales volume
(Including CKD)

※ Including: Russia

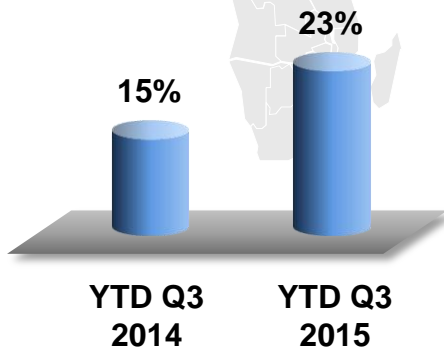
Export Sales Network

(At the end of Sep. 2015)

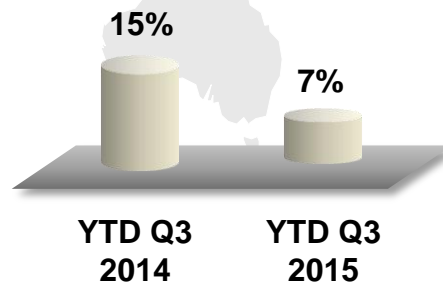
(Unit : EA)

Country	125
Dealership	+1,600

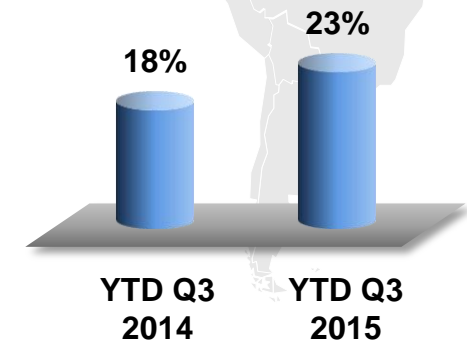
Others



China



South America



Income Statement(Consolidated) / Q3 2015

➤ Q3 2015 (vs. Q3 2014)

(Unit: billion krw)

Category	Q3 2014	Q3 2015	Change	Change(%)
Sales	767.8	819.5	51.7	6.7%
Cost of sales	672.4	686.5	14.1	2.1%
Gross Profit	95.4	133.0	37.6	39.4%
SG&A	123.7	136.5	12.8	10.3%
Operating Profit	-28.3	-3.6	24.7	-
PBT	-15.6	-27.1	-11.5	-
PAT	-15.6	-27.1	-11.5	-

Significant drop in operating loss

Income Statement(Consolidated) / Q3 2015

➤ Q3 2015 (vs. Q2 2015)

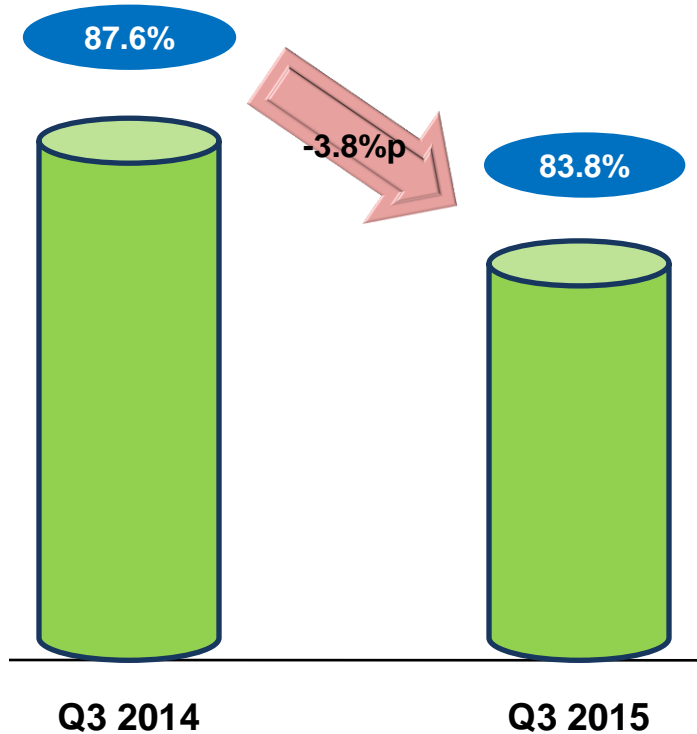
(Unit: billion krw)

Category	Q2 2015	Q3 2015	Change	Change(%)
Sales	835.5	819.5	-16.0	-1.9%
Cost of sales	711.5	686.5	-25.0	-3.5%
Gross Profit	124.0	133.0	9.0	7.3%
SG&A	143.9	136.5	-7.4	-5.1%
Operating Profit	-19.9	-3.6	16.3	-
PBT	-22.7	-27.1	-4.4	-
PAT	-22.7	-27.1	-4.4	-

Operating Costs / Q3 2015

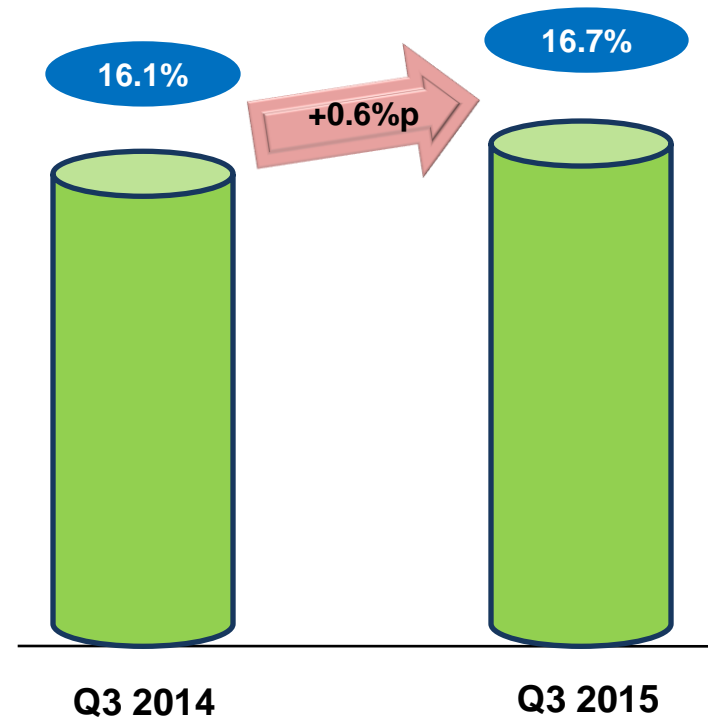
➤ Q3 2015 (vs. Q3 2014)

Cost of sales %



※ (Cost of Sales/Sales)*100

SG&A expense %



※ (SG&A expenses/Sales)*100

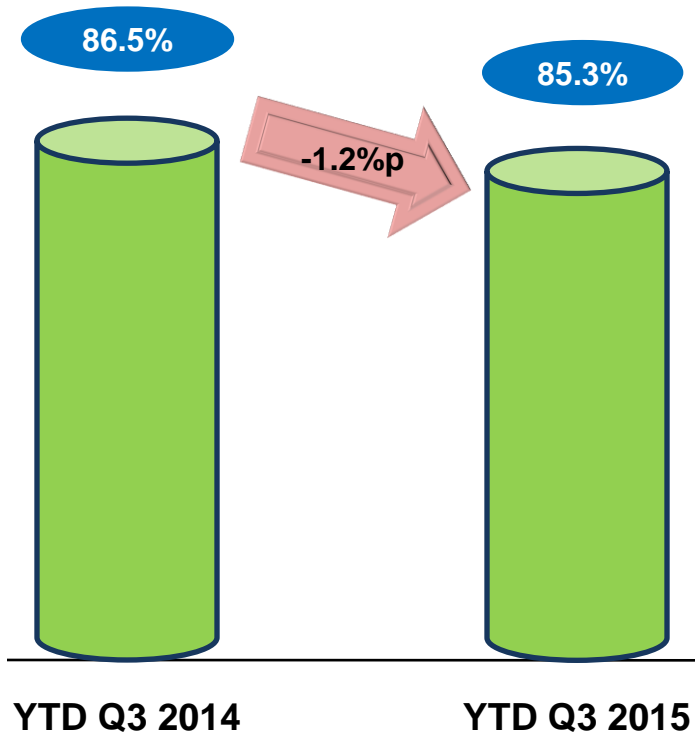
Income Statement(Consolidated) / YTD Q3 2015

(Unit: billion krw)

Category	YTD Q3 2014	YTD Q3 2015	Change	Change(%)
Sales	2,496.1	2,415.3	-80.8	-3.2%
Cost of sales	2,158.5	2,059.4	-99.1	-4.6%
Gross Profit	337.6	355.9	18.3	5.4%
SG&A	382.4	413.5	31.1	8.1%
Operating Profit	-44.8	-57.7	-12.8	-
PBT	-33.8	-81.1	-47.3	-
PAT	-34.0	-81.1	-47.1	-

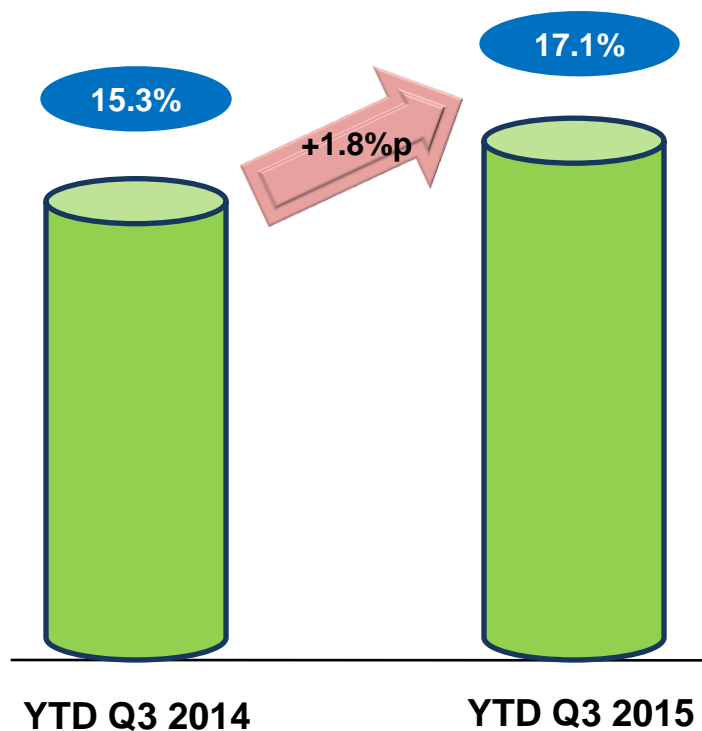
Operating Costs / YTD Q3 2015

Cost of sales %



※ (Cost of Sales/Sales)*100

SG&A expense %



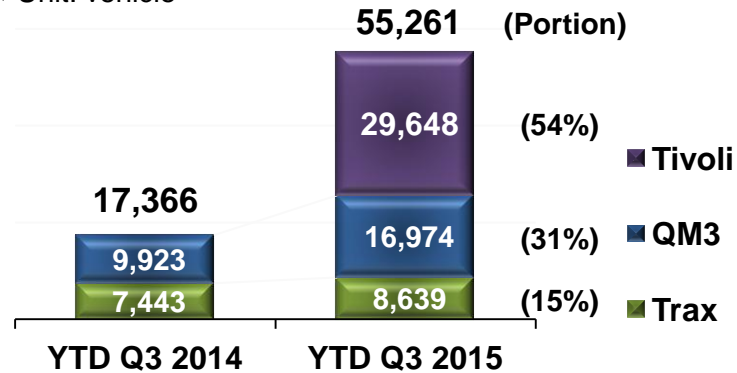
※ (SG&A expenses/Sales)*100

Tivoli Analysis

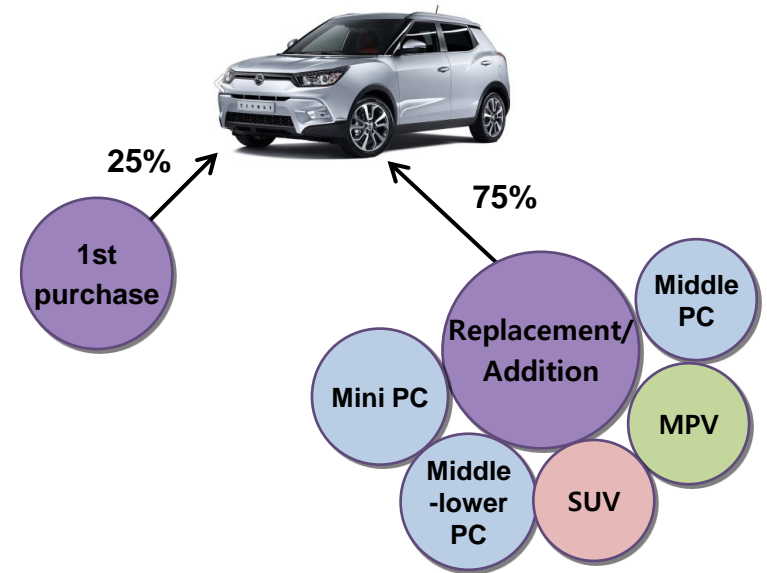
A. Small SUV market (SUV-B)

+37,895 units, +218% vs. YTD Q3 2014

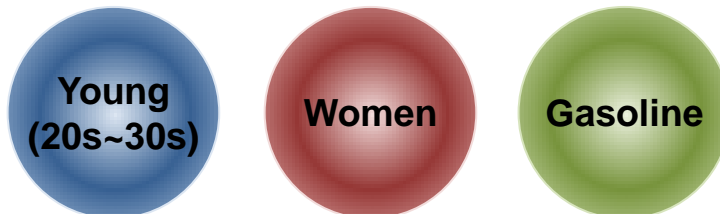
※ Unit: vehicle



B. Tivoli customer inflow



C. Tivoli customers' analysis (Jan.~Sep. 2015)



Portion of Tivoli total

50%

40%

45%

※ Source : Tivoli customer data

※ Gasoline/Diesel : After diesel launch (Jul.~Sep.)

D. Awards

- **Energy Winner 2016**, organized by Consumers Korea and MOTIE (The Ministry of Trade Industry and Energy)
- **Ergonomics Design Award**, organized by the Ergonomics Society of Korea

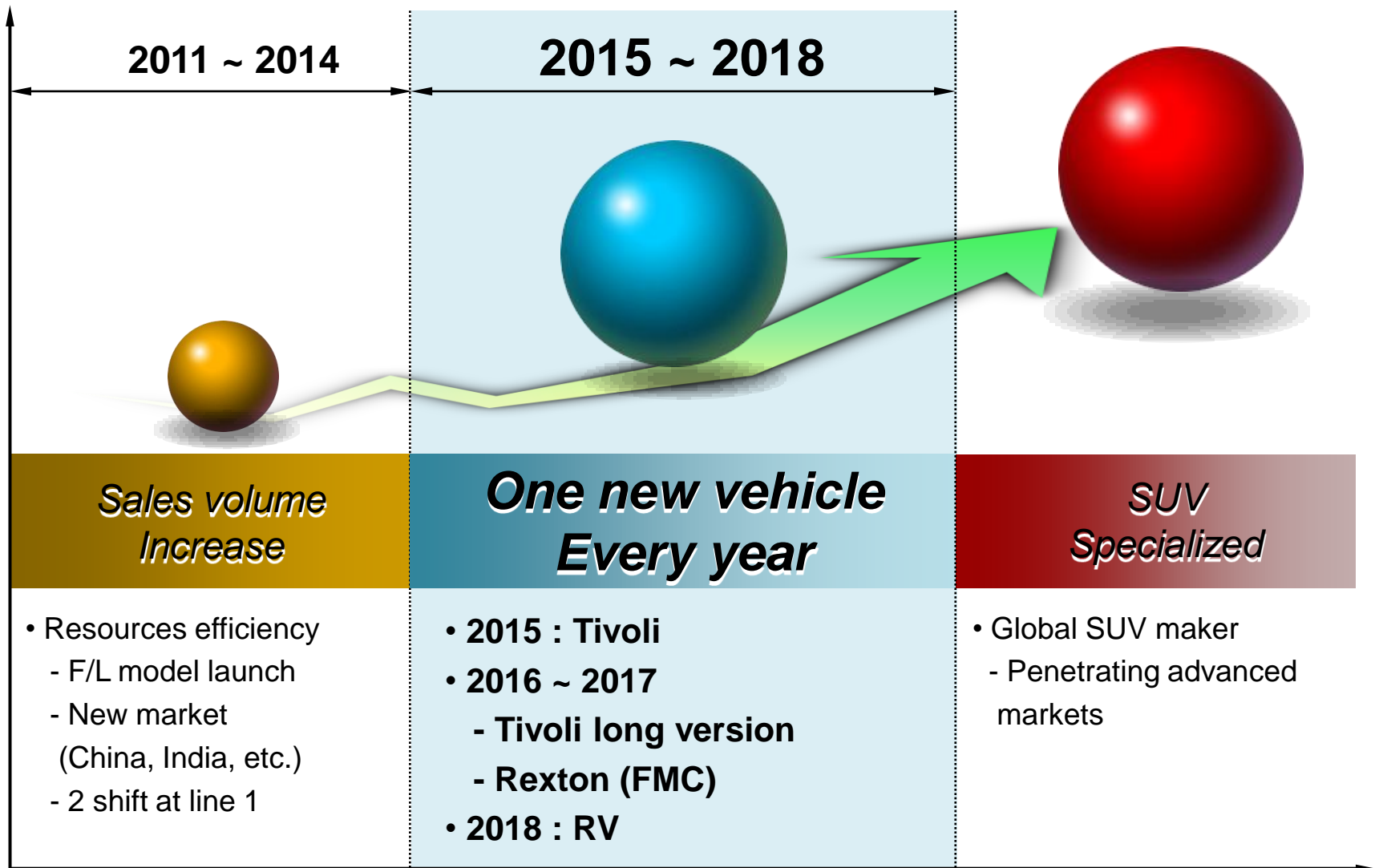


To sum up 2015 ...

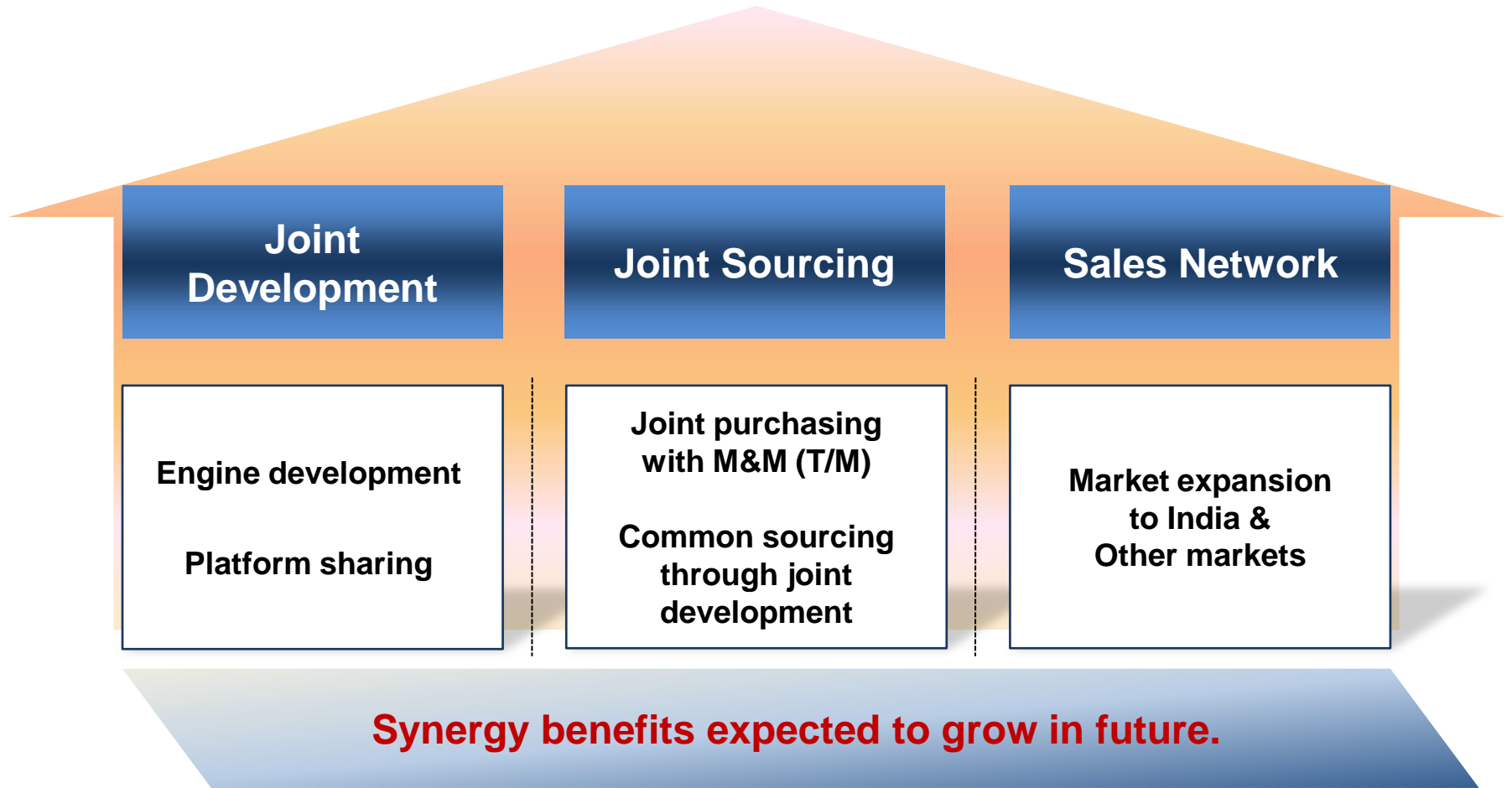
- **Tivoli and W. Europe are the highlights for the year.**
- **SUV industry continues to grow.**
- **Commodity and oil prices continue to be low.**
- **Strong USD augurs well for export revenue.**
- **Q3 operating financials close to BEP.**
- **Optimistic going forward**

Way Forward

Way Forward



M&M and SYMC Synergy



Way Forward ...

- **Enhance shareholder value**
- **Grow profitably**
- **Regional SUV maker → Global SUV maker**
- **Reinforce governance**