

# 3Q 2017 Earning Release

25 Oct, 2017



This company has adopted its financial statements under Korean International Financial Reporting Standards(K-IFRS).

This IR presentation has been prepared based on internally audited figures and final figures may change due to the results of independent auditors' review.

# 3Q '17 Results

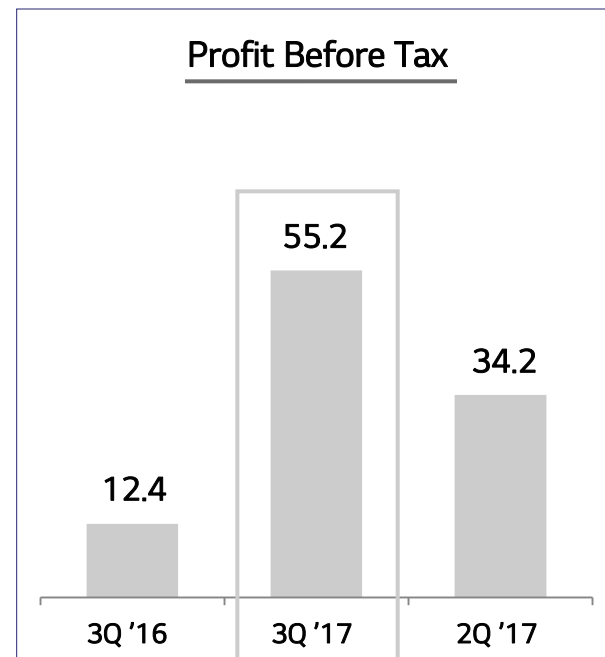
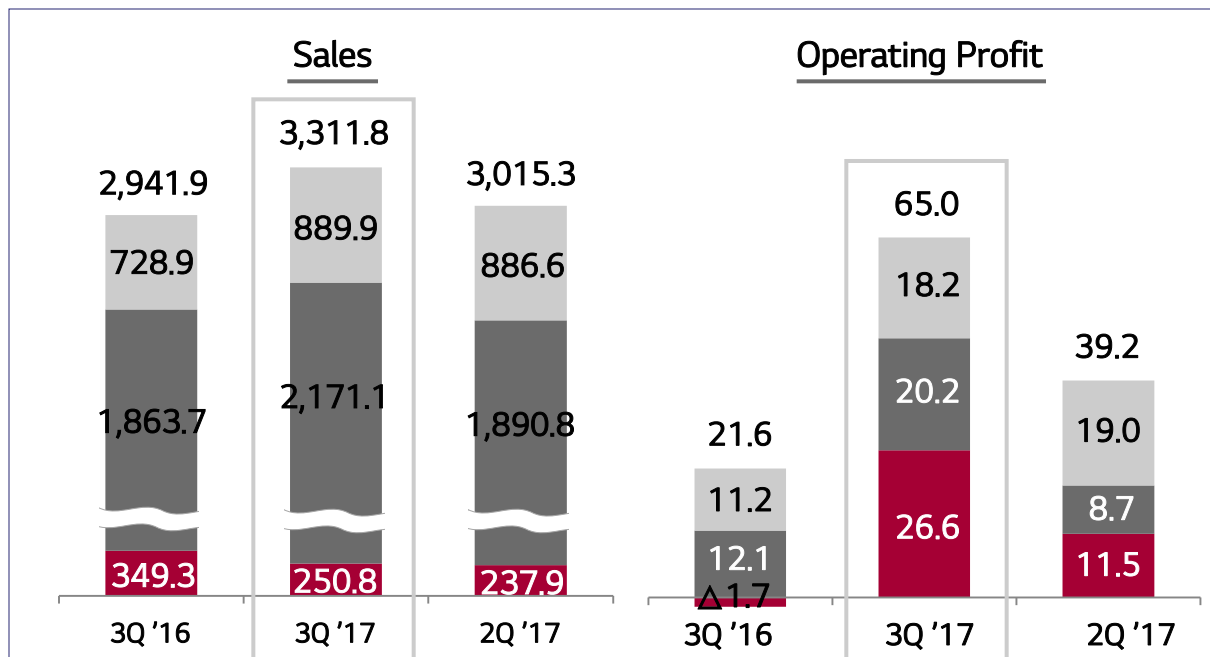
(KRW Bn)	3Q '16	YoY	3Q '17	QoQ	2Q '17
Sales	2,941.9	+12.6%	3,311.8	+9.8%	3,015.3
Operating Profit	21.6	+200.9%	65.0	+65.8%	39.2
Profit Before Tax	124	+345.2%	55.2	+61.4%	34.2
Net Profit	9.6	+220.8%	30.8	+112.4%	14.5

# 3Q '17 Results

# Earnings Analysis

Resources    Infra & Industrial    Logistics

(KRW Bn)



## Operating Profit

[YoY +43.4]

- Resources +28.3
  - Commercial production of GAM coal mine
  - Oil shipment at Oman 8 oil field

- Infra & Industrial +8.1
  - Improved earnings at IT Trading unit on rising volume

- Logistics +7.0
  - Volume growth in sea freight shipment

[QoQ +25.8]

- Resources +15.1
  - Increase production volume of GAM coal mine
  - Oil shipment at Oman 8 oil field

- Infra & Industrial +11.5
  - Increase profit in project management
  - Improved earnings at IT Trading unit on rising volume

- Logistics  $\Delta$ 0.8

## Profit Before Tax

[YoY +42.8]

- Operating Profit +43.4

[QoQ +21.0]

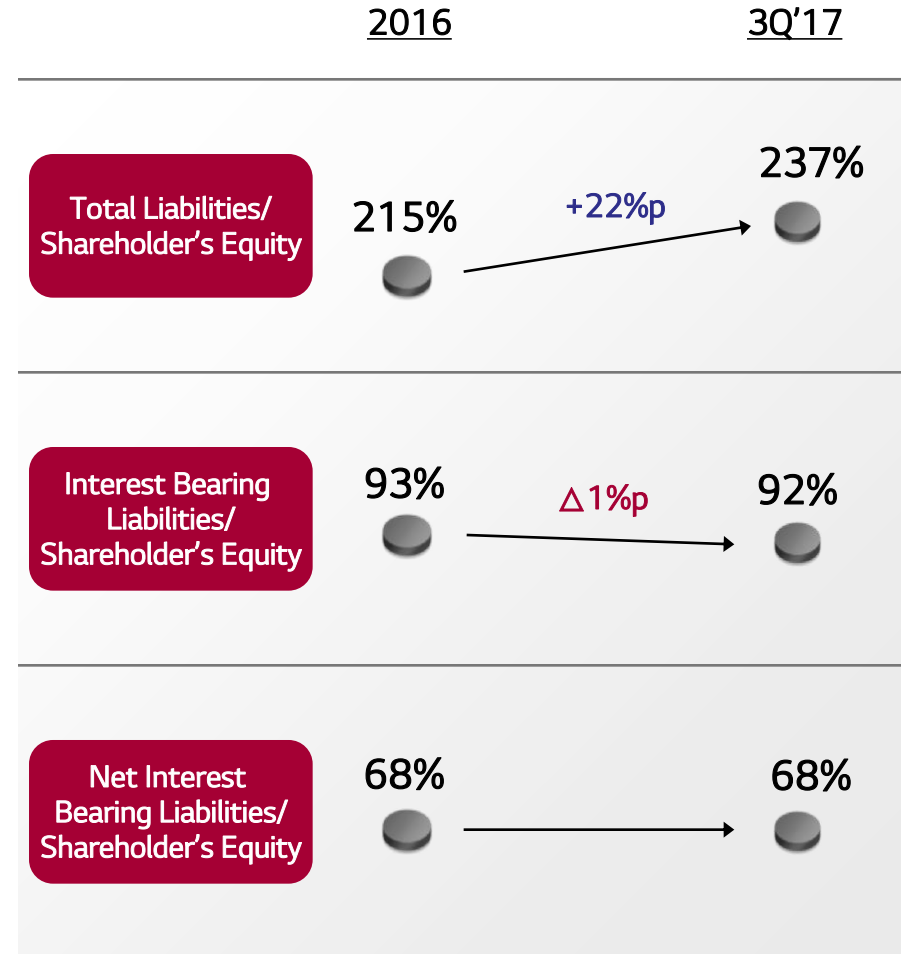
- Operating Profit +25.8
- Decrease equity method gain/dividend income in Resources Business

# Financial Highlights

## Financial Positions

(KRW Bn)	2016	3Q'17
<b>Assets</b>	<b>5,177.3</b>	<b>5,688.2</b>
Cash & Cash Equivalents	402.5	408.7
Trade Receivables	1,387.3	1,719.9
Inventories	517.3	706.2
Investments/Intangible Assets	1,609.5	1,603.2
Others	1,260.7	1,250.2
<b>Liabilities</b>	<b>3,531.9</b>	<b>4,002.7</b>
Trade Payables	1,383.4	1,835.8
Borrowings	1,528.0	1,557.2
Others	620.5	609.7
<b>Shareholders' Equity</b>	<b>1,645.4</b>	<b>1,685.5</b>
Capital Stock	193.8	193.8
Surplus, etc.	1,451.6	1,491.7
Net Borrowings <sup>1)</sup>	1,125.5	1,148.5

## Financial Ratio



1) Net Borrowings = Borrowings - (Cash & Cash Equivalents + Short term financial instrument)

# Balance Sheet (K-IFRS Consolidated)

(KRW Bn)

Items	2016				2017		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>Assets</b>	<b>5,196.6</b>	<b>5,205.1</b>	<b>5,150.6</b>	<b>5,177.3</b>	<b>5,367.3</b>	<b>5,318.1</b>	<b>5,688.2</b>
<b>Current Assets</b>	<b>2,822.3</b>	<b>2,725.7</b>	<b>2,751.6</b>	<b>2,672.0</b>	<b>2,906.5</b>	<b>2,815.8</b>	<b>3,180.0</b>
Cash & Cash Equivalents	430.3	466.7	342.3	311.2	403.2	309.2	388.8
Trade Receivables	1,441.3	1,335.1	1,408.0	1,387.3	1,486.1	1,535.6	1,719.9
Inventories	622.0	679.3	600.7	517.3	648.1	616.1	706.2
Other Current Assets	328.7	244.6	400.6	456.2	369.1	354.9	365.1
<b>Non-Current Assets</b>	<b>2,374.2</b>	<b>2,479.4</b>	<b>2,399.0</b>	<b>2,505.3</b>	<b>2,460.8</b>	<b>2,502.3</b>	<b>2,508.2</b>
Tangible Assets	536.4	546.8	533.4	551.7	530.5	554.7	556.8
Investments	658.0	703.7	664.2	664.3	647.6	654.2	666.5
Intangible Assets	906.4	928.6	898.6	945.3	925.2	942.0	936.7
Other Non-Current Assets	273.4	300.3	302.8	344.0	357.5	351.4	348.2
<b>Liabilities</b>	<b>3,595.1</b>	<b>3,574.1</b>	<b>3,589.8</b>	<b>3,531.9</b>	<b>3,773.5</b>	<b>3,685.8</b>	<b>4,002.7</b>
<b>Current Liabilities</b>	<b>2,468.5</b>	<b>2,204.6</b>	<b>2,190.4</b>	<b>2,098.3</b>	<b>2,372.6</b>	<b>2,338.8</b>	<b>2,651.7</b>
Trade Payables	1,472.3	1,474.9	1,460.8	1,383.4	1,651.5	1,585.1	1,835.8
Short-term Borrowings	357.2	269.3	212.3	197.2	160.3	143.0	187.5
Current Portion of Bonds and Long-Term Borrowings	227.2	77.9	34.2	34.1	72.2	155.4	165.2
Other Current Liabilities	411.8	382.5	483.1	483.6	488.6	455.3	463.2
<b>Non-Current Liabilities</b>	<b>1,126.6</b>	<b>1,369.5</b>	<b>1,399.4</b>	<b>1,433.6</b>	<b>1,400.9</b>	<b>1,347.0</b>	<b>1,351.0</b>
Bonds Payables	309.2	309.2	428.8	428.9	389.1	329.2	329.2
Long-term Borrowings	675.4	915.9	826.8	867.7	875.1	875.5	875.3
Other Non-Current Liabilities	142.0	144.4	143.8	137.0	136.7	142.3	146.5
<b>Equity</b>	<b>1,601.5</b>	<b>1,631.0</b>	<b>1,560.8</b>	<b>1,645.4</b>	<b>1,593.8</b>	<b>1,632.3</b>	<b>1,685.5</b>

# Income Statement (K-IFRS Consolidated)

(KRW Bn)

Items	2016					2017			
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total
Sales	3,015.3	2,845.6	2,941.9	3,163.9	11,966.7	3,057.8	3,015.3	3,311.8	9,385.0
Cost of Sales	2,829.0	2,647.5	2,777.6	2,966.7	11,220.8	2,847.4	2,841.4	3,113.3	8,802.1
Gross Profit	186.3	198.1	164.3	197.2	745.9	210.5	173.9	198.5	582.9
SG&A Expenses	141.7	141.7	142.7	145.7	571.8	129.0	134.7	133.5	397.2
Operating Profit	44.6	56.4	21.6	51.5	174.1	81.5	39.2	65.0	185.7
Non-Operating Profit	6.7	(14.3)	(9.2)	(24.1)	(40.9)	(6.3)	(5.1)	(9.8)	(21.2)
Finance Income/Costs	(8.7)	(8.0)	(8.0)	(5.9)	(30.6)	(12.2)	(6.1)	(8.5)	(26.8)
Gain(loss) of Equity Method	(0.3)	8.9	0.8	(6.4)	3.0	4.7	1.2	(0.4)	5.5
Other Income and Expenses	15.8	(15.3)	(2.0)	(11.8)	(13.3)	1.1	(0.1)	(0.9)	0.1
Profit Before Tax	51.3	42.0	12.4	27.4	1,33.2	75.1	34.2	55.2	164.5
Income Tax	17.7	11.4	2.8	16.5	48.4	21.4	19.7	24.4	65.5
Net Income	33.6	30.6	9.6	10.9	84.8	53.7	14.5	30.8	99.0
Owners of the Parent	23.7	24.0	5.7	4.8	58.2	45.7	6.5	22.0	74.2
Non-Controlling Interests	9.9	6.6	3.9	6.1	26.6	8.0	8.0	8.8	24.8