2Q 2019 Earning Release

24 July, 2019





Global Business Challenger

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.

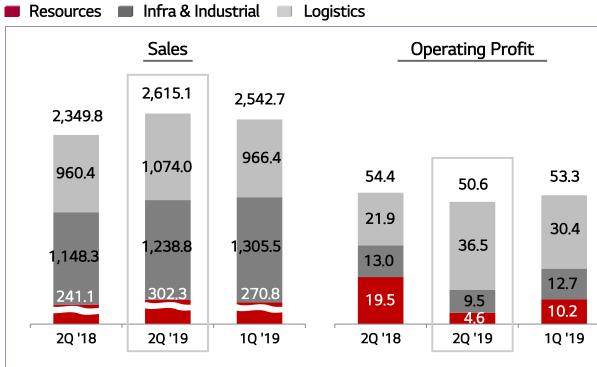
2Q '19 Results

(KRW Bn)	2Q '18	YoY	2Q '19	QoQ	1Q '19
Sales	2,349.8	+11.3%	2,615.1	+2.8%	2,542.7
Operating Profit	54.4	∆7.0%	50.6	∆5.1%	53.3
Profit Before Tax	49.2	+178.5%	137.0	+177.9%	49.3
Net Profit	27.7	+266.8%	101.6	+13.9%	89.2

2Q '19 Results

Earnings Analysis

(KRW Bn)



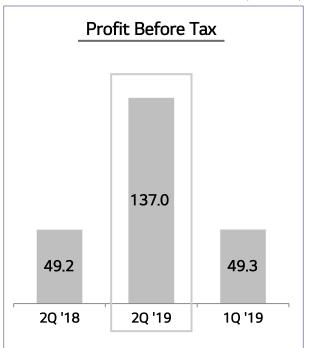
Operating Profit

[YoY ∆3.8]

- Resources △14.9
- Weak coal and CPO prices
- Infra & Industrial △3.5
- Decrease profit in project management
- Logistics +14.6
- Volume growth in sea freight shipment and W&D

[QoQ ∆2.7]

- Resources △5.6 - Weak CPO prices
- ∎ Infra & Industrial ∆3.2
- Decrease profit in petrochemicals trading
- Logistics +6.1
- Volume growth in W&D



Profit before Tax

[YoY +87.8]

- Operating Profit △3.8
- Non-Operating Profit +91.6
- Disposal of stake in LG Twin Towers

[QoQ +87.7]

- Operating Profit $\triangle 2.7$
- Non-Operating Profit +90.4
- Disposal of stake in LG Twin Towers

Financial Positions

Financial Ratio

(KRW Bn)	<u>'18</u>	<u>2Q '19</u>		<u>'18</u>	<u>2Q '19</u>
Assets	5,038.0	5,670.2			
Cash & Cash Equivalents	342.0	368.9	Total Liabilities/	225%	222%
Trade Receivables	1,067.9	1,182.1	Shareholder's Equity		.3%p ●
Inventories	514.1	748.7			
Investments/Intangible Assets	1,462.5	1,531.5			
Others	1,651.5	1,839.0		92%	
Liabilities	3,488.5	3,910.3	Interest Bearing Liabilities/	=	11%p 81%
Trade Payables	1,184.0	1,403.2	Shareholder's Equity		\longrightarrow
Borrowings	1,430.6	1,427.3			
Others	873.9	1,079.8			
Shareholders' Equity	1,549.5	1,759.9	Net Interest	70%	10%p 60%
Capital Stock	193.8	193.8	Bearing Liabilities/		10%p 00%
Surplus, etc.	1,355.7	1,566.1	Shareholder's Equity		\rightarrow
Net Borrowings ¹⁾	1,083.8	1,052.3			

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

Balance Sheet (K-IFRS Consolidated)

(KRW Bn)

Items 1Q 2Q1 3Q 4Q 1Q 2Q19 Assets 5,322.5 5,292.8 5,362.7 5,038.0 5,696.1 5,75 Current Assets 2,908.4 2,785.6 2,796.0 2,558.3 2,981.6 3, Cash & Cash Equivalents 444.3 333.8 323.5 342.0 352.2 342.0 352.2 1, Inventories 463.3 557.4 519.3 514.1 628.0 628.0 643.3 776.9 1,224.5 1, Inventories 463.3 557.4 519.3 514.1 628.0 628.0 634.3 776.9 Non-Current Assets 829.1 754.6 740.4 634.3 776.9 7.714.5 2, Tangible Assets 564.0 588.5 653.4 669.0 836.7 1. 1.0 1.0 1.1 1.1 1.2 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1		
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Other Non-Current Liabilities 150.6 157.5 158.2 197.4 309.1		
Equity 1,511.0 1,562.0 1,554.8 1,549.5 1,649.0 1,	Equity	

Income Statement (K-IFRS Consolidated)

(KRW Bn)

ltems			2018				2019	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total
Sales	2,387.4	2,349.8	2,572.0	2,679.0	9,988.2	2,542.7	2,615.1	5,157.8
Cost of Sales	2,201.2	2,157.4	2,387.4	2,531.2	9,277.1	2,353.9	2,416.2	4,770.1
Gross Profit	186.2	192.4	184.6	147.8	711.1	188.8	198.9	387.7
SG&A Expenses	125.5	138.0	137.6	144.2	545.4	135.5	148.3	283.8
Operating Profit	60.7	54.4	47.0	3.6	165.7	53.3	50.6	103.9
Non-Operating Profit	8.9	(5.2)	(3.0)	(9.8)	(9.1)	(4.0)	86.4	82.4
Finance Income/Costs	(7.4)	(16.4)	(13.0)	(12.0)	(48.7)	(11.5)	(11.9)	(23.3)
Gain(loss) of Equity Method	15.3	13.6	8.9	71.3	109.1	6.6	3.4	10.0
Other Income and Expenses	1.0	(2.4)	1.1	(69.1)	(69.5)	0.9	94.9	95.7
Profit Before Tax	69.6	49.2	44.0	(6.2)	156.6	49.3	137.0	186.3
Income Tax	147.7	21.5	14.5	8.9	192.6	(39.9)	35.4	(4.6)
Net Income	(78.1)	27.7	29.5	(15.1)	(36.0)	89.2	101.6	190.9
Owners of the Parent	(87.5)	18.4	23.2	(24.4)	(70.4)	82.6	88.4	171.0
Non-Controlling Interests	9.4	9.3	6.3	9.3	34.4	6.6	13.2	19.9