

# 2Q 2017 Earning Release

26 Jul, 2017



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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.

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# 2Q '17 Results

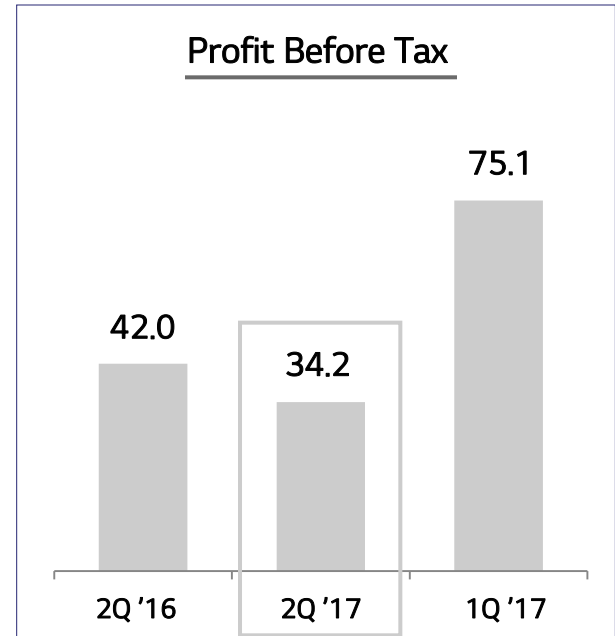
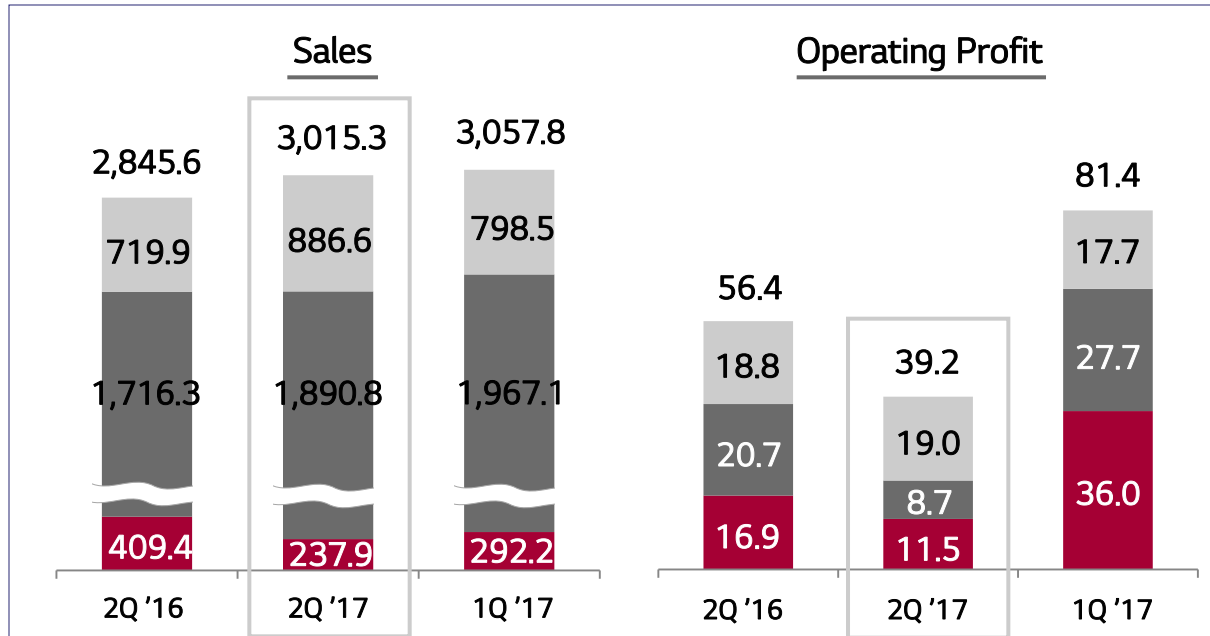
(KRW Bn)	2Q '16	YoY	2Q '17	QoQ	1Q '17
Sales	2,845.6	+6.0%	3,015.3	Δ1.4%	3,057.8
Operating Profit	56.4	Δ30.5%	39.2	Δ51.8%	81.4
Profit Before Tax	42.0	Δ18.6%	34.2	Δ54.5%	75.1
Net Profit	30.6	Δ52.6%	14.5	Δ73.0%	53.7

# 2Q '17 Results

# Earnings Analysis

Resources    Infra & Industrial    Logistics

(KRW Bn)



## Operating Profit

[YoY Δ17.2]

- Resources Δ5.4
  - Despite of commercial production of GAM coal mine, carry over oil shipments
- Infra & Industrial Δ12.0
  - Decrease profit in project management
- Logistics +0.2

[QoQ Δ42.2]

- Resources Δ24.5
  - Reduction in production volume at MPP coal mine due to heavy rain
  - Carry over oil shipments
- Infra & Industrial Δ19.0
  - Decrease profit in project management
  - Unfavorable petrochemical market conditions
- Logistics +1.3
  - Volume growth in W&D

## Profit Before Tax

[YoY Δ7.8]

- Operating Profit Δ17.2
- Increase equity method gain/dividend income in Resources Business

[QoQ Δ40.9]

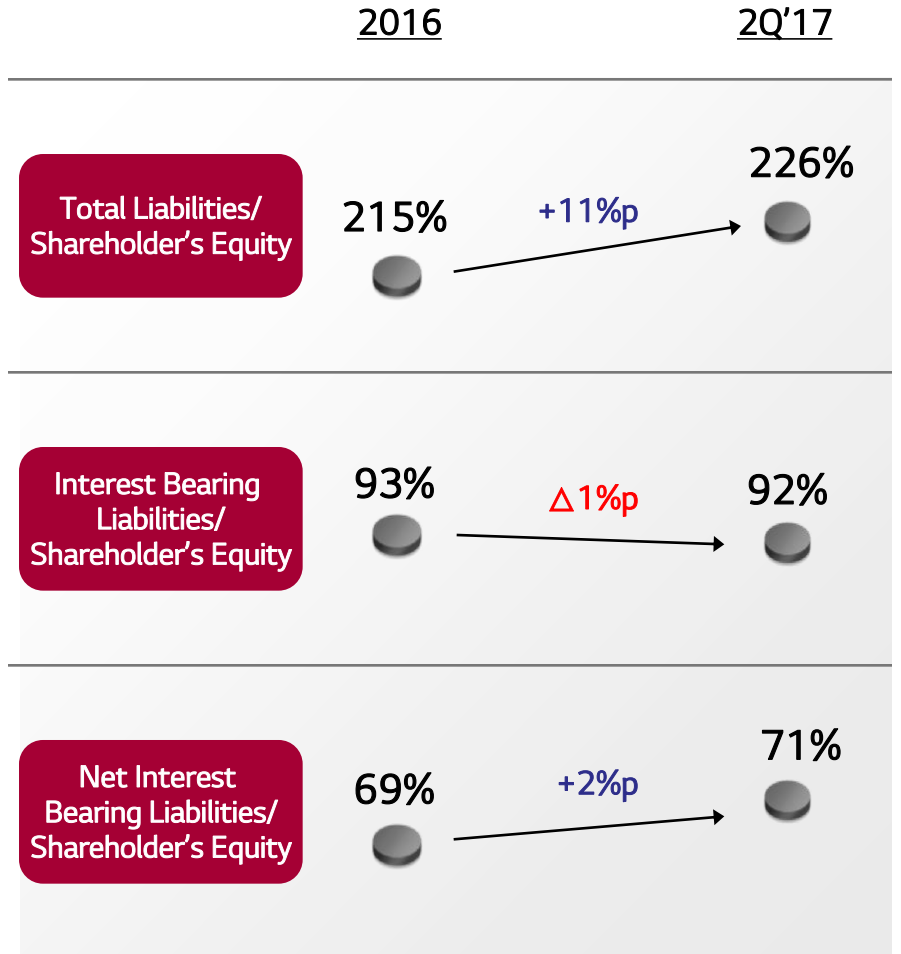
- Operating Profit Δ42.2

# Financial Highlights

## Financial Positions

(KRW Bn)	2016	2Q'17
<b>Assets</b>	<b>5,177.3</b>	<b>5,318.1</b>
Cash & Cash Equivalents	402.5	309.2
Trade Receivables	1,387.3	1,535.6
Inventories	517.3	616.1
Investments/Intangible Assets	1,609.5	1,596.2
Others	1,260.7	1,261.0
<b>Liabilities</b>	<b>3,531.9</b>	<b>3,685.8</b>
Trade Payables	1,383.4	1,585.1
Borrowings	1,528.0	1,503.1
Others	620.5	597.6
<b>Shareholders' Equity</b>	<b>1,645.4</b>	<b>1,632.3</b>
Capital Stock	193.8	193.8
Surplus, etc.	1,451.6	1,438.5
Net Borrowings <sup>1)</sup>	1,125.5	1,162.3

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

# Income Statement (K-IFRS Consolidated)

(KRW Bn)

Items	2016					2017		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total
Sales	3,015.3	2,845.6	2,941.9	3,163.9	11,966.7	3,057.8	3,015.3	6,073.1
Cost of Sales	2,829.0	2,647.5	2,777.6	2,966.7	11,220.8	2,847.4	2,841.4	5,688.8
Gross Profit	186.3	198.1	164.3	197.2	745.9	210.5	173.9	384.4
SG&A Expenses	141.7	141.7	142.7	145.7	571.8	129.0	134.7	263.7
Operating Profit	44.6	56.4	21.6	51.5	174.1	81.5	39.2	120.7
Non-Operating Profit	6.7	(14.3)	(9.2)	(24.1)	(40.9)	(6.3)	(5.1)	(11.4)
Finance Income/Costs	(8.7)	(8.0)	(8.0)	(5.9)	(30.6)	(12.2)	(6.1)	(18.2)
Gain(loss) of Equity Method	(0.3)	8.9	0.8	(6.4)	3.0	4.7	1.2	5.8
Other Income and Expenses	15.8	(15.3)	(2.0)	(11.8)	(13.3)	1.1	(0.1)	1.0
Profit Before Tax	51.3	42.0	12.4	27.4	1,332.2	75.1	34.2	109.3
Income Tax	17.7	11.4	2.8	16.5	48.4	21.4	19.7	41.1
Net Income	33.6	30.6	9.6	10.9	84.8	53.7	14.5	68.2
Owners of the Parent	23.7	24.0	5.7	4.8	58.2	45.7	6.5	52.2
Non-Controlling Interests	9.9	6.6	3.9	6.1	26.6	8.0	8.0	16.0