

4Q 2017 & Annual Earning Release

31 Jan, 2018



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.

4Q '17 Results

(KRW Bn)	4Q '16	YoY	4Q '17	QoQ	3Q '17
Sales	3,163.9	+8.8%	3,442.3	+3.9%	3,311.8
Operating Profit	51.5	Δ48.4%	26.6	Δ59.1%	65.0
Profit Before Tax	27.4	Δ51.1%	13.4	Δ75.7%	55.2
Net Profit	10.9	-	Δ10.8	-	30.8

'17 Annual Results

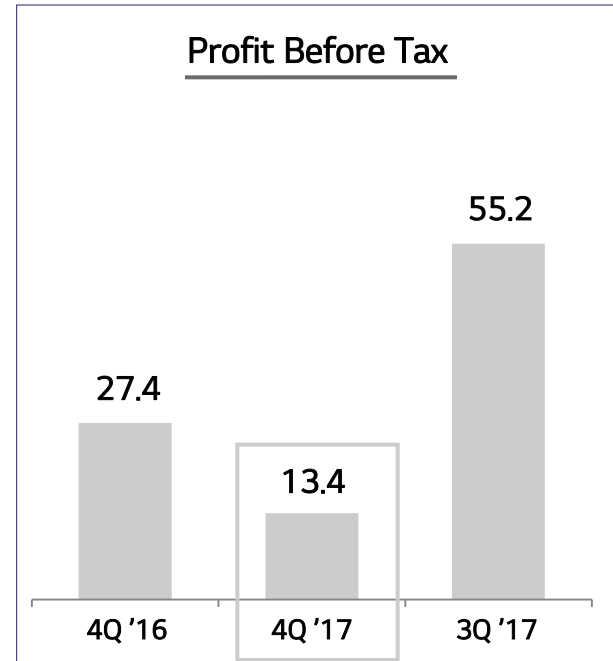
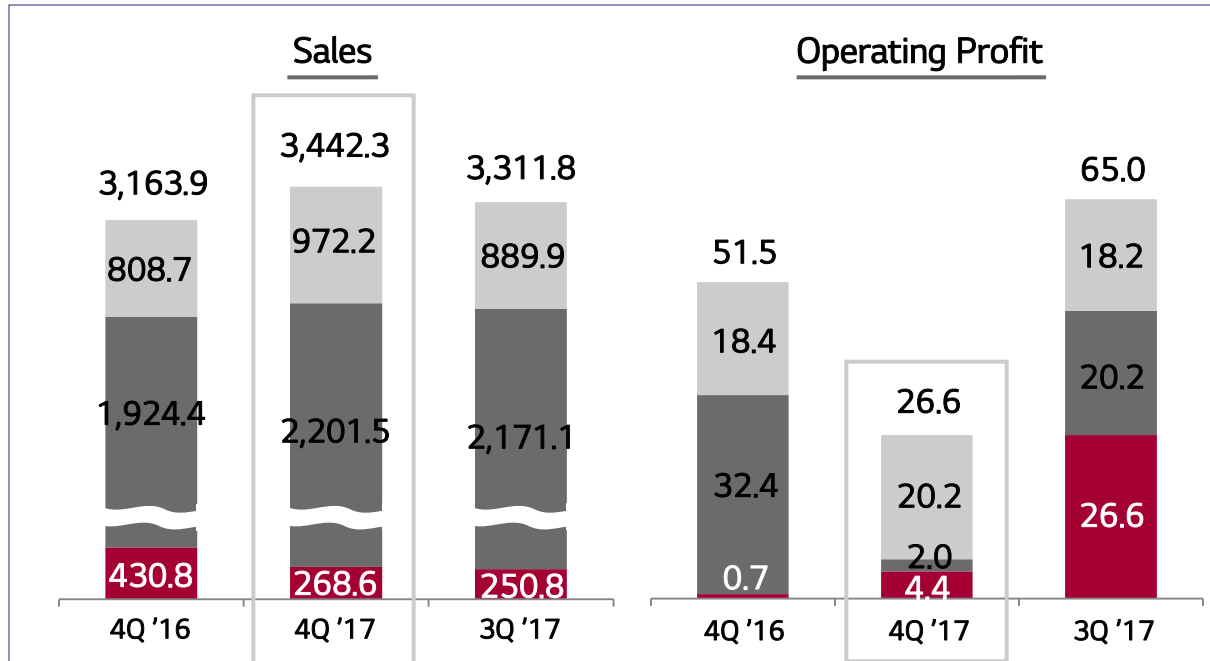
(KRW Bn)	'16	'17	YoY
Sales	11,966.7	12,827.2	+7.2%
Operating Profit	174.1	212.3	+21.9%
Profit Before Tax	133.2	177.9	+33.6%
Net Profit	84.8	88.2	+4.1%

4Q '17 Results

Earnings Analysis

Resources Infra & Industrial Logistics

(KRW Bn)



Operating Profit

[YoY Δ24.9]

- Resources +3.7
 - Commercial production of GAM coal mine
- Infra & Industrial Δ30.4
 - Decrease profit in project management
 - Unfavorable forex effects on IT Trading
- Logistics +1.8
 - Volume growth in sea freight shipment

[QoQ Δ38.4]

- Resources Δ22.2
 - Carry over oil shipments
 - One-off costs at Ensham coal mine
- Infra & Industrial Δ18.2
 - Decrease profit in project management
- Logistics +2.0
 - Volume growth in sea freight shipment

Profit Before Tax

[YoY Δ14.0]

- Operating Profit Δ24.9
- Non-Operating Profit +10.9
 - Increase equity method gain in Infra & Industrial Business

[QoQ Δ41.8]

- Operating Profit Δ38.4
- Non-Operating Profit Δ3.4

'17 Annual Results

Earnings Analysis

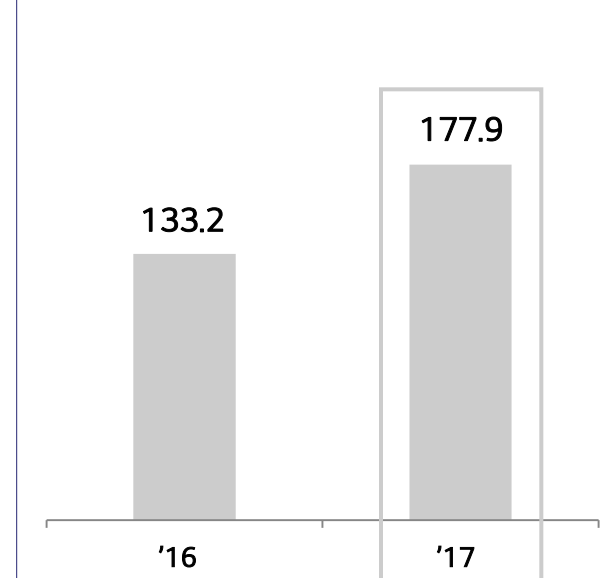
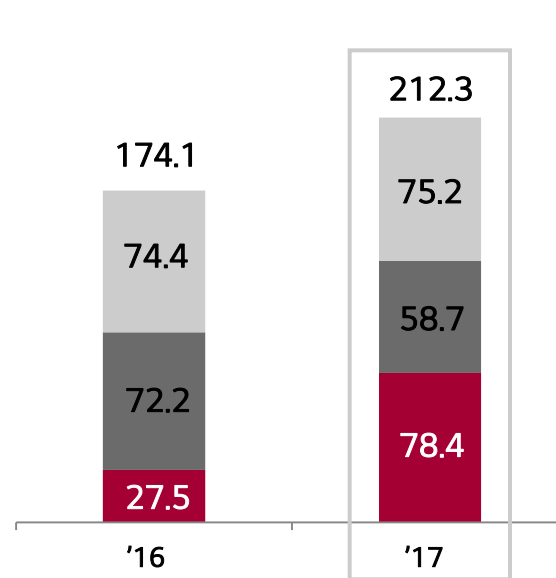
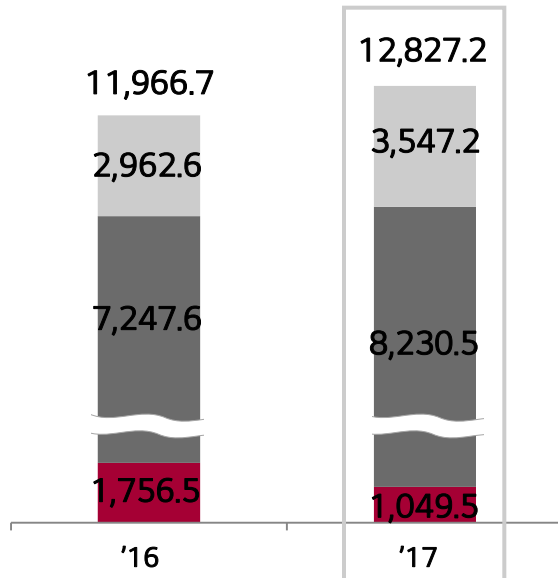
■ Resources ■ Infra & Industrial ■ Logistics

(KRW Bn)

Sales

Operating Profit

Profit Before Tax



□ Sales +860.5

□ Operating Profit +38.2

□ Profit Before Tax +44.7

- Resources Δ 707.0
 - Decrease volume in non-ferrous metal Trading
- Infra & Industrial +982.9
 - Growing IT Trading sales volume
 - Favorable petrochemical market conditions
- Logistics +584.6
 - Volume growth in sea freight shipment and W&D

- Resources +50.9
 - Commercial production of GAM coal mine
 - Favorable coal market conditions
 - Growing sales volume and rising price of palm oil
- Infra & Industrial Δ 13.5
 - Decrease profit in project management
 - Unfavorable forex effects on IT Trading
- Logistics +0.8
 - Volume growth in sea freight shipment

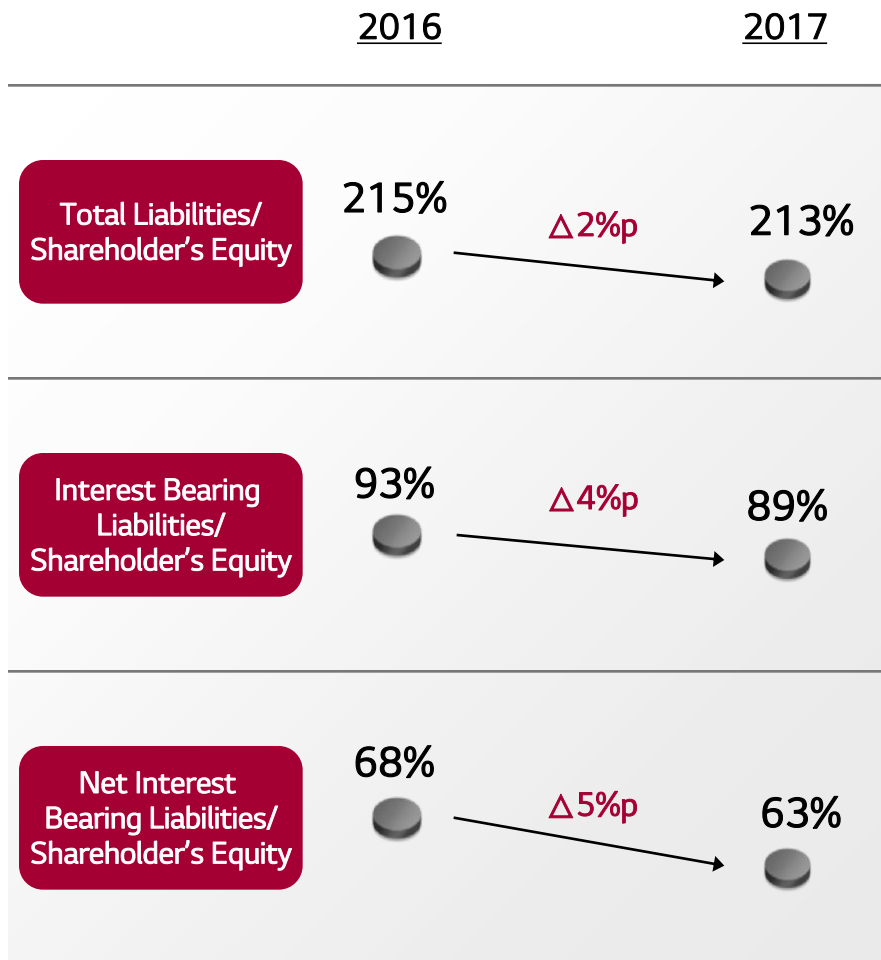
- Operating Profit +38.2
- Non-Operating Profit +6.5
 - Increase equity method gain in Resources and Infra & Industrial Businesses

Financial Highlights

Financial Positions

(KRW Bn)	2016	2017
Assets	5,177.3	4,967.6
Cash & Cash Equivalents	402.5	407.6
Trade Receivables	1,387.3	1,276.1
Inventories	517.3	598.1
Investments/Intangible Assets	1,609.5	1,502.1
Others	1,260.7	1,183.7
Liabilities	3,531.9	3,382.1
Trade Payables	1,383.4	1,416.0
Borrowings	1,528.0	1,406.6
Others	620.5	559.5
Shareholders' Equity	1,645.4	1,585.5
Capital Stock	193.8	193.8
Surplus, etc.	1,451.6	1,391.7
Net Borrowings ¹⁾	1,125.5	999.0

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	4Q
Assets	5,196.6	5,205.1	5,150.6	5,177.3	5,367.3	5,318.1	5,688.2	4,967.6
Current Assets	2,822.3	2,725.7	2,751.6	2,672.0	2,906.5	2,815.8	3,180.0	2,554.2
Cash & Cash Equivalents	430.3	466.7	342.3	311.2	403.2	309.2	388.8	395.2
Trade Receivables	1,441.3	1,335.1	1,408.0	1,387.3	1,486.1	1,535.6	1,719.9	1,276.1
Inventories	622.0	679.3	600.7	517.3	648.1	616.1	706.2	598.1
Other Current Assets	328.7	244.6	400.6	456.2	369.1	354.9	365.1	284.8
Non-Current Assets	2,374.2	2,479.4	2,399.0	2,505.3	2,460.8	2,502.3	2,508.2	2,413.4
Tangible Assets	536.4	546.8	533.4	551.7	530.5	554.7	556.8	552.5
Investments	658.0	703.7	664.2	664.3	647.6	654.2	666.5	620.4
Intangible Assets	906.4	928.6	898.6	945.3	925.2	942.0	936.7	881.8
Other Non-Current Assets	273.4	300.3	302.8	344.0	357.5	351.4	348.2	358.7
Liabilities	3,595.1	3,574.1	3,589.8	3,531.9	3,773.5	3,685.8	4,002.7	3,382.1
Current Liabilities	2,468.5	2,204.6	2,190.4	2,098.3	2,372.6	2,338.8	2,651.7	2,130.3
Trade Payables	1,472.3	1,474.9	1,460.8	1,383.4	1,651.5	1,585.1	1,835.8	1,416.0
Short-term Borrowings	357.2	269.3	212.3	197.2	160.3	143.0	187.5	130.7
Current Portion of Bonds and Long-Term Borrowings	227.2	77.9	34.2	34.1	72.2	155.4	165.2	164.8
Other Current Liabilities	411.8	382.5	483.1	483.6	488.6	455.3	463.2	418.8
Non-Current Liabilities	1,126.6	1,369.5	1,399.4	1,433.6	1,400.9	1,347.0	1,351.0	1,251.8
Bonds Payables	309.2	309.2	428.8	428.9	389.1	329.2	329.2	329.3
Long-term Borrowings	675.4	915.9	826.8	867.7	875.1	875.5	875.3	781.8
Other Non-Current Liabilities	142.0	144.4	143.8	137.0	136.7	142.3	146.5	140.7
Equity	1,601.5	1,631.0	1,560.8	1,645.4	1,593.8	1,632.3	1,685.5	1,585.5

Income Statement (K-IFRS Consolidated)

(KRW Bn)

Items	2016					2017				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	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	3,442.3	12,827.2
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	3,274.6	12,076.7
Gross Profit	186.3	198.1	164.3	197.2	745.9	210.5	173.9	198.5	167.7	750.6
SG&A Expenses	141.7	141.7	142.7	145.7	571.8	129.0	134.7	133.5	141.1	538.3
Operating Profit	44.6	56.4	21.6	51.5	174.1	81.5	39.2	65.0	26.6	212.3
Non-Operating Profit	6.7	(14.3)	(9.2)	(24.1)	(40.9)	(6.3)	(5.1)	(9.8)	(13.2)	(34.4)
Finance Income/Costs	(8.7)	(8.0)	(8.0)	(5.9)	(30.6)	(12.2)	(6.1)	(8.5)	(11.8)	(38.6)
Gain(loss) of Equity Method	(0.3)	8.9	0.8	(6.4)	3.0	4.7	1.2	(0.4)	9.6	15.1
Other Income and Expenses	15.8	(15.3)	(2.0)	(11.8)	(13.3)	1.1	(0.1)	(0.9)	(11.0)	(10.9)
Profit Before Tax	51.3	42.0	12.4	27.4	1,332.2	75.1	34.2	55.2	13.4	177.9
Income Tax	17.7	11.4	2.8	16.5	48.4	21.4	19.7	24.4	24.2	89.7
Net Income	33.6	30.6	9.6	10.9	84.8	53.7	14.5	30.8	(10.8)	88.2
Owners of the Parent	23.7	24.0	5.7	4.8	58.2	45.7	6.5	22.0	(14.0)	60.2
Non-Controlling Interests	9.9	6.6	3.9	6.1	26.6	8.0	8.0	8.8	3.2	28.0