

3Q 2018 Earning Release

24 October, 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.

3Q '18 Results

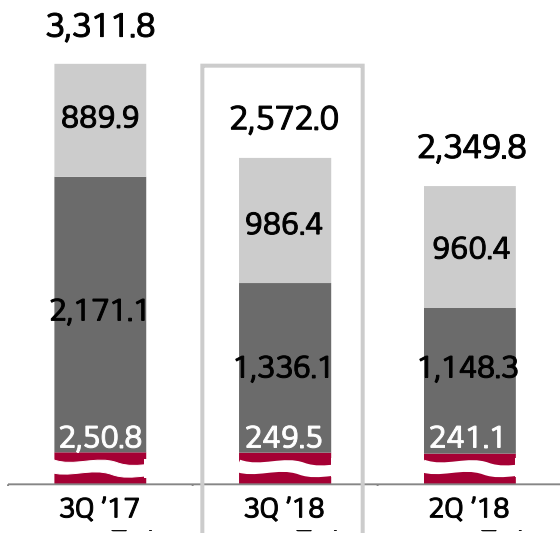
(KRW Bn)	3Q '17	YoY	3Q '18	QoQ	2Q '18
Sales	3,311.8	Δ22.3%	2,572.0	+9.5%	2,349.8
Operating Profit	65.0	Δ27.7%	47.0	Δ13.6%	54.4
Profit Before Tax	55.2	Δ20.3%	44.0	Δ10.6%	49.2
Net Profit	30.8	Δ4.2%	29.5	+6.5%	27.7

3Q '18 Results

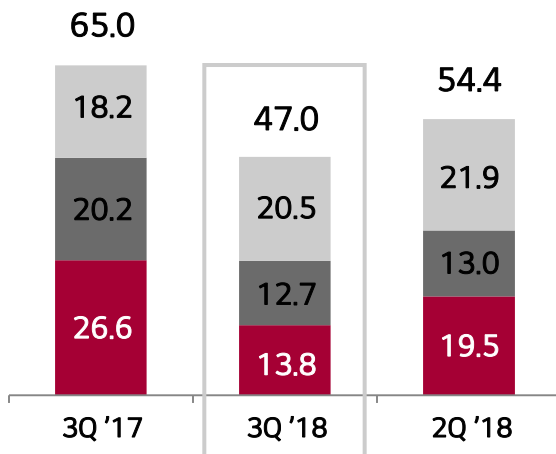
Resources Infra & Industrial Logistics

(KRW Bn)

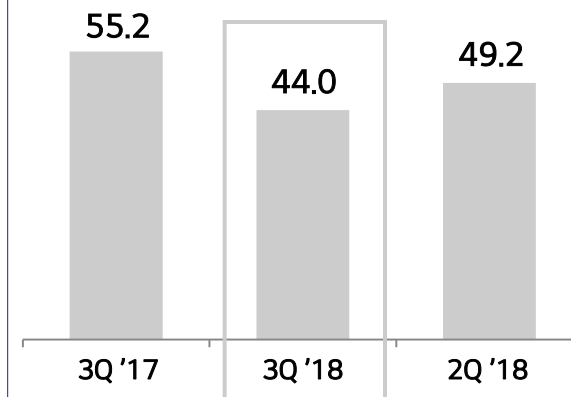
Sales



Operating Profit



Profit Before Tax



Operating Profit

[YoY Δ18.0]

- Resources Δ12.8
 - Carry over oil shipment
 - Weak Indonesian coal market conditions
- Infra & Industrial Δ7.5
 - Decrease profit in project management
- Logistics +2.3
 - Improve margins on the back of W&D volume growth

[QoQ Δ7.4]

- Resources Δ5.7
 - Carry over oil shipment
- Infra & Industrial Δ0.3
- Logistics Δ1.4
 - Temporal increase of low margin sales portion in order to boost new sales volume

Profit Before Tax

[YoY Δ11.2]

- Operating Profit Δ18.0
- Non-Operating Profit +6.8
 - Equity method gain in Resources Business

[QoQ Δ5.2]

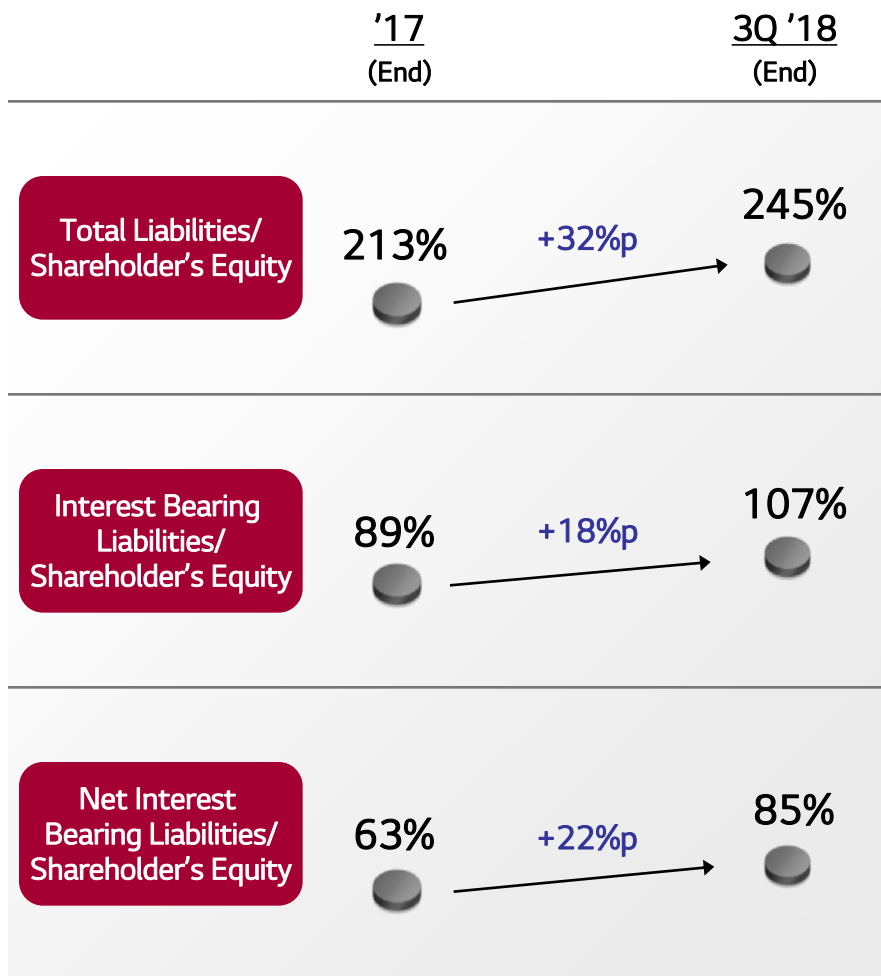
- Operating Profit Δ7.4
- Non-Operating Profit +2.2

Financial Highlights

Financial Positions

(KRW Bn)	'17 (End)	3Q '18 (End)
Assets	4,967.6	5,362.7
Cash & Cash Equivalents	407.6	329.1
Trade Receivables	1,276.1	1,212.8
Inventories	598.1	519.3
Investments/Intangible Assets	1,502.2	1,571.2
Others	1,183.6	1,730.3
Liabilities	3,382.1	3,807.9
Trade Payables	1,416.0	1,229.8
Borrowings	1,406.6	1,657.6
Others	559.5	920.5
Shareholders' Equity	1,585.5	1,554.8
Capital Stock	193.8	193.8
Surplus, etc.	1,391.7	1,361.0
Net Borrowings ¹⁾	999.0	1,328.5

Financial Ratio



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

Balance Sheet (K-IFRS Consolidated)

(KRW Bn)

Items	2017				2018		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Assets	5,367.3	5,318.1	5,688.2	4,967.6	5,322.5	5,292.8	5,362.7
Current Assets	2,906.5	2,815.8	3,180.0	2,554.2	2,908.4	2,785.6	2,796.0
Cash & Cash Equivalents	403.2	309.2	388.8	395.2	444.3	333.8	323.5
Trade Receivables	1,486.1	1,535.6	1,719.9	1,276.1	1,171.7	1,139.8	1,212.8
Inventories	648.1	616.1	706.2	598.1	463.3	557.4	519.3
Other Current Assets	369.1	354.9	365.1	284.8	829.1	754.6	740.4
Non-Current Assets	2,460.8	2,502.3	2,508.2	2,413.4	2,414.1	2,507.2	2,566.7
Tangible Assets	530.5	554.7	556.8	552.5	564.0	588.5	653.4
Investments	647.6	654.2	666.5	620.4	651.7	678.0	666.6
Intangible Assets	925.2	942.0	936.7	881.8	881.2	903.9	904.6
Other Non-Current Assets	357.5	351.4	348.2	358.7	317.2	336.8	342.1
Liabilities	3,773.5	3,685.8	4,002.7	3,382.1	3,811.5	3,730.8	3,807.9
Current Liabilities	2,372.6	2,338.8	2,651.7	2,130.3	2,466.6	2,332.5	2,460.1
Trade Payables	1,651.5	1,585.1	1,835.8	1,416.0	1,154.4	1,148.5	1,229.8
Short-term Borrowings	160.3	143.0	187.5	130.7	193.4	216.6	242.2
Current Portion of Bonds and Long-Term Borrowings	72.2	155.4	165.2	164.8	141.3	124.1	225.8
Other Current Liabilities	488.6	455.3	463.2	418.8	977.5	843.3	762.3
Non-Current Liabilities	1,400.9	1,347.0	1,351.0	1,251.8	1,344.9	1,398.3	1,347.8
Bonds Payables	389.1	329.2	329.2	329.3	429.0	478.9	389.1
Long-term Borrowings	875.1	875.5	875.3	781.8	765.3	761.9	800.5
Other Non-Current Liabilities	136.7	142.3	146.5	140.7	150.6	157.5	158.2
Equity	1,593.8	1,632.3	1,685.5	1,585.5	1,511.0	1,562.0	1,554.8

Income Statement (K-IFRS Consolidated)

(KRW Bn)

Items	2017					2018			
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	Total
Sales	3,057.8	3,015.3	3,311.8	3,442.3	12,827.2	2,387.4	2,349.8	2,572.0	7,309.2
Cost of Sales	2,847.4	2,841.4	3,113.3	3,274.6	12,076.6	2,201.2	2,157.4	2,387.4	6,745.9
Gross Profit	210.4	173.9	198.5	167.7	750.6	186.2	192.4	184.6	563.3
SG&A Expenses	129.0	134.7	133.5	141.1	538.3	125.5	138.0	137.6	401.2
Operating Profit	81.4	39.2	65.0	26.6	212.3	60.7	54.4	47.0	162.1
Non-Operating Profit	(6.3)	(5.0)	(9.8)	(13.2)	(34.4)	8.9	(5.2)	(3.0)	0.7
Finance Income/Costs	(12.1)	(6.1)	(8.5)	(11.8)	(38.6)	(7.4)	(16.4)	(13.0)	(36.7)
Gain(loss) of Equity Method	4.7	1.2	(0.4)	9.6	15.1	15.3	13.6	8.9	37.8
Other Income and Expenses	1.1	(0.1)	(0.9)	(11.0)	(10.9)	1.0	(2.4)	1.1	(0.4)
Profit Before Tax	75.1	34.2	55.2	13.4	177.9	69.6	49.2	44.0	162.8
Income Tax	21.4	19.7	24.4	24.2	89.7	147.7	21.5	14.5	183.7
Net Income	53.7	14.5	30.8	(10.8)	88.2	(78.1)	27.7	29.5	(20.9)
Owners of the Parent	45.7	6.5	22.0	(14.0)	60.2	(87.5)	18.4	23.2	(46.0)
Non-Controlling Interests	8.0	8.0	8.8	3.2	28.0	9.4	9.3	6.3	25.1