

# 4Q 2018 & Annual Earning Release

31 Jan, 2019



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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.

# 4Q '18 Results

(KRW Bn)	4Q '17	YoY	4Q '18	QoQ	3Q '18
Sales	3,442.3	Δ22.2%	2,679.0	+4.2%	2,572.0
Operating Profit	26.6	Δ86.5%	3.6	Δ92.3%	47.0
Profit Before Tax	13.4	-	Δ6.2	-	44.0
Net Profit	Δ10.8	-	Δ15.1	-	29.5

# '18 Annual Results

(KRW Bn)	'17	'18	YoY
Sales	12,827.2	9,988.2	Δ22.1%
Operating Profit	212.3	165.7	Δ22.0%
Profit Before Tax	177.9	156.6	Δ12.0%
Net Profit	88.2	Δ36.0	-

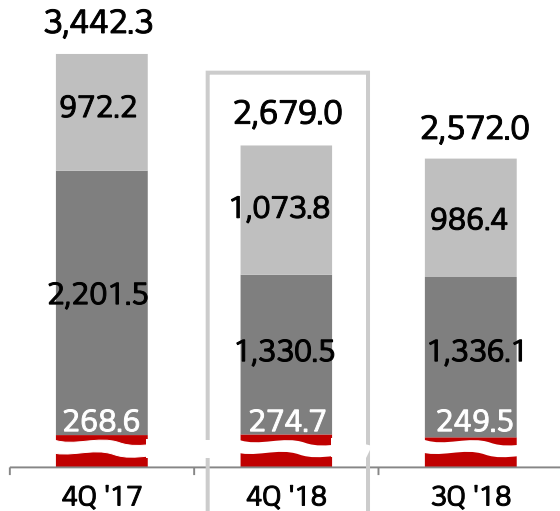
# 4Q '18 Results

# Earnings Analysis

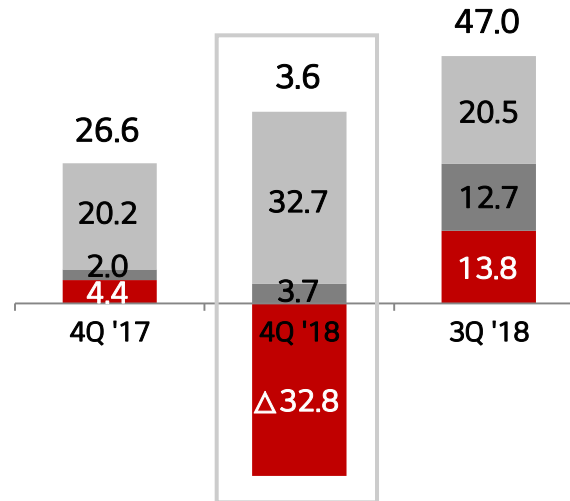
Resources    Infra & Industrial    Logistics

(KRW Bn)

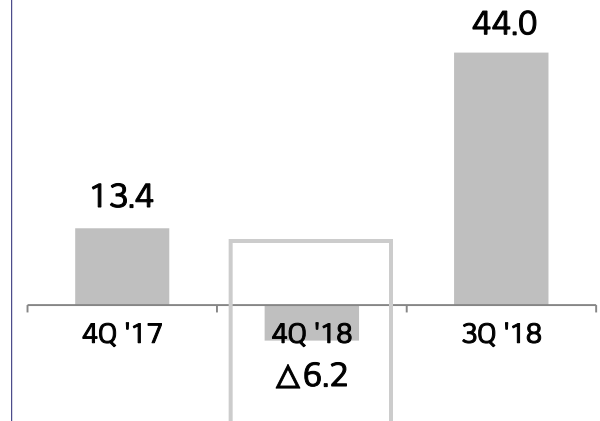
## Sales



## Operating Profit



## Profit Before Tax



### Operating Profit

[YoY Δ23.0]

#### Resources Δ37.2

- One-off expenses at Vietnam gas field
- Weak Indonesian coal prices

#### Infra & Industrial +1.7

- Favorable forex effects on IT Trading

#### Logistics +12.5

- Volume growth in sea freight shipment and W&D

[QoQ Δ43.4]

#### Resources Δ46.6

- One-off expenses at Vietnam gas field
- Weak Indonesian coal prices

#### Infra & Industrial Δ9.0

- Decrease profit in project management

#### Logistics +12.2

- Volume growth in sea/air freight shipment

### Profit Before Tax

[YoY Δ19.6]

#### Operating Profit Δ23.0

#### Non-Operating Profit +3.4

[QoQ Δ50.2]

#### Operating Profit Δ43.4

#### Non-Operating Profit Δ6.8

# '18 Annual Results

# Earnings Analysis

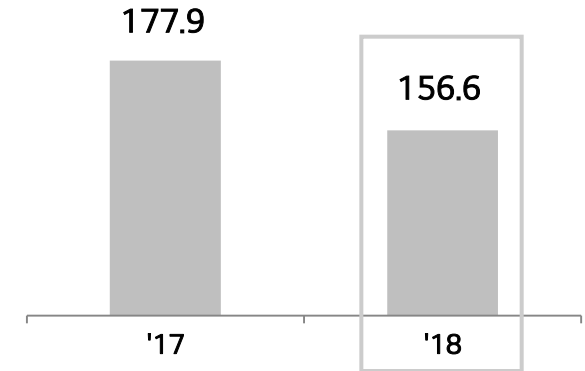
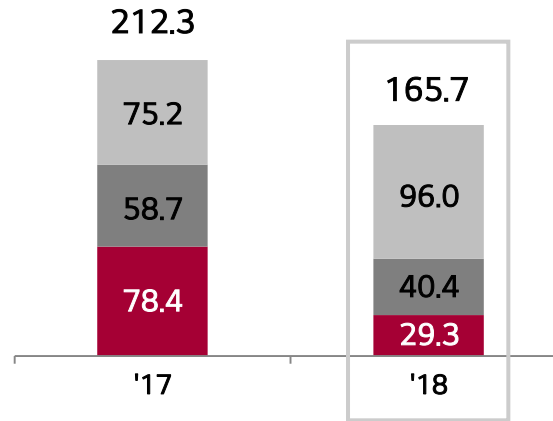
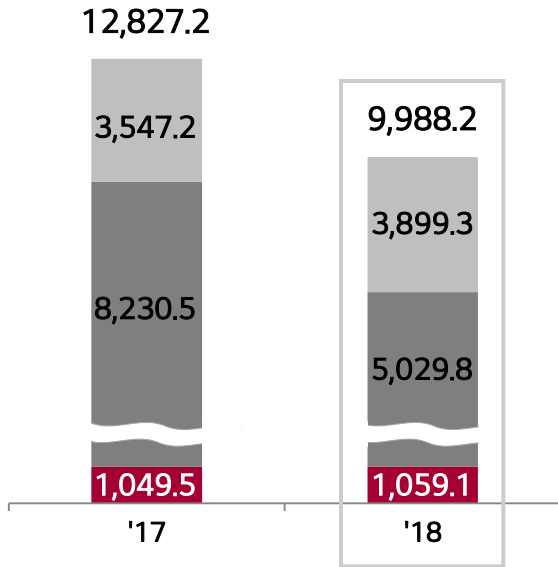
■ Resources ■ Infra & Industrial ■ Logistics

(KRW Bn)

## Sales

## Operating Profit

## Profit Before Tax



□ Sales  $\Delta 2,839.0$

□ Operating Profit  $\Delta 46.6$

□ Profit Before Tax  $\Delta 21.3$

▪ Resources +9.6

- Increase production volume of GAM coal mine

▪ Infra & Industrial  $\Delta 3,200.7$

- Decrease trading volume due to change in recognition standards(IFRS15)

▪ Logistics +352.1

- Volume growth in sea freight shipment and W&D

▪ Resources  $\Delta 49.1$

- One-off expenses at Vietnam gas field  
- Weak Indonesian coal prices

▪ Infra & Industrial  $\Delta 18.3$

- Decrease profit in project management

▪ Logistics +20.8

- Improve margins on the back of W&D volume growth

▪ Operating Profit  $\Delta 46.6$

▪ Non-Operating Profit +25.3

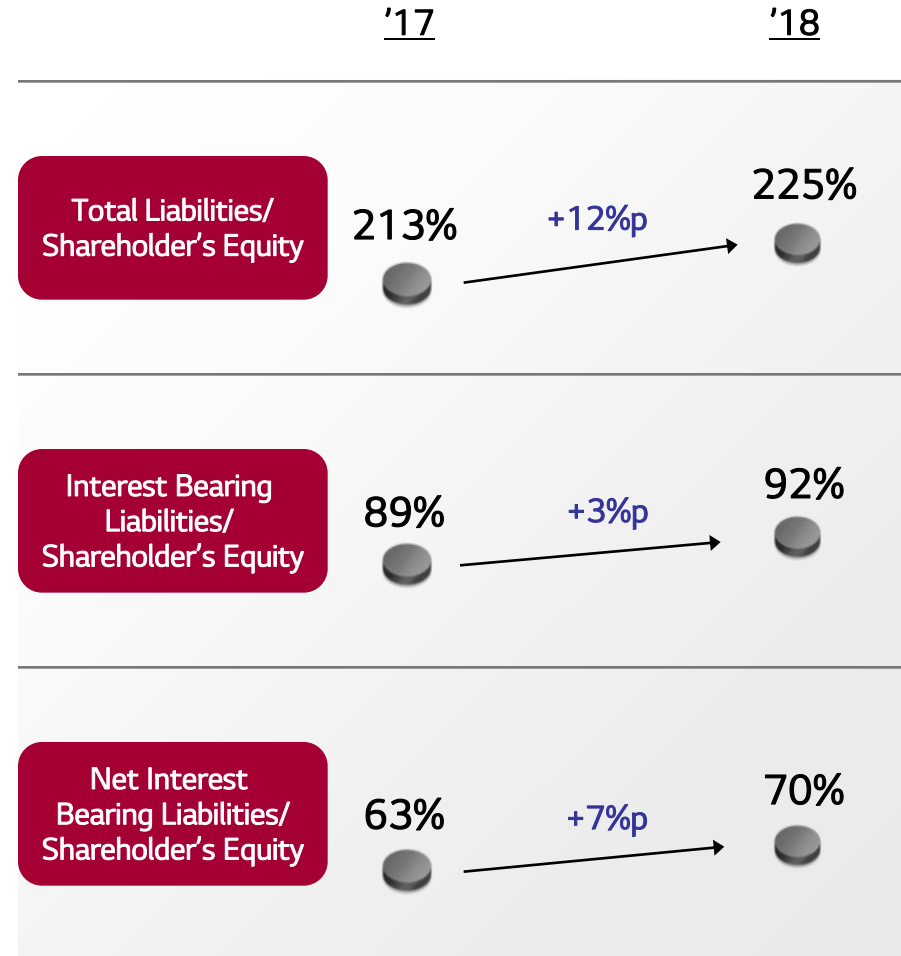
- Increase equity method gain in Resources Business

# Financial Highlights

## Financial Positions

(KRW Bn)	'17	'18
<b>Assets</b>	<b>4,967.6</b>	<b>5,038.0</b>
Cash & Cash Equivalents	407.6	346.8
Trade Receivables	1,276.1	1,067.9
Inventories	598.1	514.1
Investments/Intangible Assets	1,502.2	1,462.5
Others	1,183.6	1,646.7
<b>Liabilities</b>	<b>3,382.1</b>	<b>3,488.5</b>
Trade Payables	1,416.0	1,184.0
Borrowings	1,406.6	1,430.6
Others	559.5	873.9
<b>Shareholders' Equity</b>	<b>1,585.5</b>	<b>1,549.5</b>
Capital Stock	193.8	193.8
Surplus, etc.	1,391.7	1,355.7
Net Borrowings <sup>1)</sup>	999.0	1,083.9

## 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	4Q
<b>Assets</b>	<b>5,367.3</b>	<b>5,318.1</b>	<b>5,688.2</b>	<b>4,967.6</b>	<b>5,322.5</b>	<b>5,292.8</b>	<b>5,362.7</b>	<b>5,038.0</b>
<b>Current Assets</b>	<b>2,906.5</b>	<b>2,815.8</b>	<b>3,180.0</b>	<b>2,554.2</b>	<b>2,908.4</b>	<b>2,785.6</b>	<b>2,796.0</b>	<b>2,558.3</b>
Cash & Cash Equivalents	403.2	309.2	388.8	395.2	444.3	333.8	323.5	342.0
Trade Receivables	1,486.1	1,535.6	1,719.9	1,276.1	1,171.7	1,139.8	1,212.8	1,067.9
Inventories	648.1	616.1	706.2	598.1	463.3	557.4	519.3	514.1
Other Current Assets	369.1	354.9	365.1	284.8	829.1	754.6	740.4	634.3
<b>Non-Current Assets</b>	<b>2,460.8</b>	<b>2,502.3</b>	<b>2,508.2</b>	<b>2,413.4</b>	<b>2,414.1</b>	<b>2,507.2</b>	<b>2,566.7</b>	<b>2,479.7</b>
Tangible Assets	530.5	554.7	556.8	552.5	564.0	588.5	653.4	669.0
Investments	647.6	654.2	666.5	620.4	651.7	678.0	666.6	586.4
Intangible Assets	925.2	942.0	936.7	881.8	881.2	903.9	904.6	876.1
Other Non-Current Assets	357.5	351.4	348.2	358.7	317.2	336.8	342.1	348.2
<b>Liabilities</b>	<b>3,773.5</b>	<b>3,685.8</b>	<b>4,002.7</b>	<b>3,382.1</b>	<b>3,811.5</b>	<b>3,730.8</b>	<b>3,807.9</b>	<b>3,488.5</b>
<b>Current Liabilities</b>	<b>2,372.6</b>	<b>2,338.8</b>	<b>2,651.7</b>	<b>2,130.3</b>	<b>2,466.6</b>	<b>2,332.5</b>	<b>2,460.1</b>	<b>2,167.4</b>
Trade Payables	1,651.5	1,585.1	1,835.8	1,416.0	1,154.4	1,148.5	1,229.8	1,184.0
Short-term Borrowings	160.3	143.0	187.5	130.7	193.4	216.6	242.2	63.3
Current Portion of Bonds and Long-Term Borrowings	72.2	155.4	165.2	164.8	141.3	124.1	225.8	243.6
Other Current Liabilities	488.6	455.3	463.2	418.8	977.5	843.3	762.3	676.5
<b>Non-Current Liabilities</b>	<b>1,400.9</b>	<b>1,347.0</b>	<b>1,351.0</b>	<b>1,251.8</b>	<b>1,344.9</b>	<b>1,398.3</b>	<b>1,347.8</b>	<b>1,321.1</b>
Bonds Payables	389.1	329.2	329.2	329.3	429.0	478.9	389.1	389.2
Long-term Borrowings	875.1	875.5	875.3	781.8	765.3	761.9	800.5	734.5
Other Non-Current Liabilities	136.7	142.3	146.5	140.7	150.6	157.5	158.2	197.4
<b>Equity</b>	<b>1,593.8</b>	<b>1,632.3</b>	<b>1,685.5</b>	<b>1,585.5</b>	<b>1,511.0</b>	<b>1,562.0</b>	<b>1,554.8</b>	<b>1,549.5</b>



# Income Statement (K-IFRS Consolidated)

(KRW Bn)

Items	2017					2018				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	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	2,679.0	9,988.2
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	2,531.2	9,277.1
Gross Profit	210.4	173.9	198.5	167.7	750.6	186.2	192.4	184.6	147.8	711.1
SG&A Expenses	129.0	134.7	133.5	141.1	538.3	125.5	138.0	137.6	144.2	545.4
Operating Profit	81.4	39.2	65.0	26.6	212.3	60.7	54.4	47.0	3.6	165.7
Non-Operating Profit	(6.3)	(5.0)	(9.8)	(13.2)	(34.4)	8.9	(5.2)	(3.0)	(9.8)	(9.1)
Finance Income/Costs	(12.1)	(6.1)	(8.5)	(11.8)	(38.6)	(7.4)	(16.4)	(13.0)	(12.0)	(48.7)
Gain(loss) of Equity Method	4.7	1.2	(0.4)	9.6	15.1	15.3	13.6	8.9	71.3	109.1
Other Income and Expenses	1.1	(0.1)	(0.9)	(11.0)	(10.9)	1.0	(2.4)	1.1	(69.1)	(69.5)
Profit Before Tax	75.1	34.2	55.2	13.4	177.9	69.6	49.2	44.0	(6.2)	156.6
Income Tax	21.4	19.7	24.4	24.2	89.7	147.7	21.5	14.5	8.9	192.6
Net Income	53.7	14.5	30.8	(10.8)	88.2	(78.1)	27.7	29.5	(15.1)	(36.0)
Owners of the Parent	45.7	6.5	22.0	(14.0)	60.2	(87.5)	18.4	23.2	(24.4)	(70.4)
Non-Controlling Interests	8.0	8.0	8.8	3.2	28.0	9.4	9.3	6.3	9.3	34.4