

# SSANGYONG MOTOR COMPANY

## Q3 2019 Business Result

요즘 가족, 요즘 SUV **KORANDO**



본 자료는 2019년 3분기 실적에 대한 외부 감사인의 회계검토가 완료되지 않은 상태에서 투자자 여러분의 편의를 위하여 작성된 자료입니다. 따라서 본 자료의 일부 내용은 회계검토 과정에서 변경될 수 있음을 양지하시기 바랍니다.

Q3 2019 business result is prepared for investors' consideration only before completion of independent auditors' review. Therefore, parts of contents on this material could be changeable during independent auditors' review.

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# YTD Q3 2019 Review

## SUV Market

- Domestic : Steady growth (+7.2% vs. YTD Q3 2018) thanks to new cars' launch effect in spite of total market decrease(-3.1%)
- Overseas : Increase in Europe & USA / Decrease in China

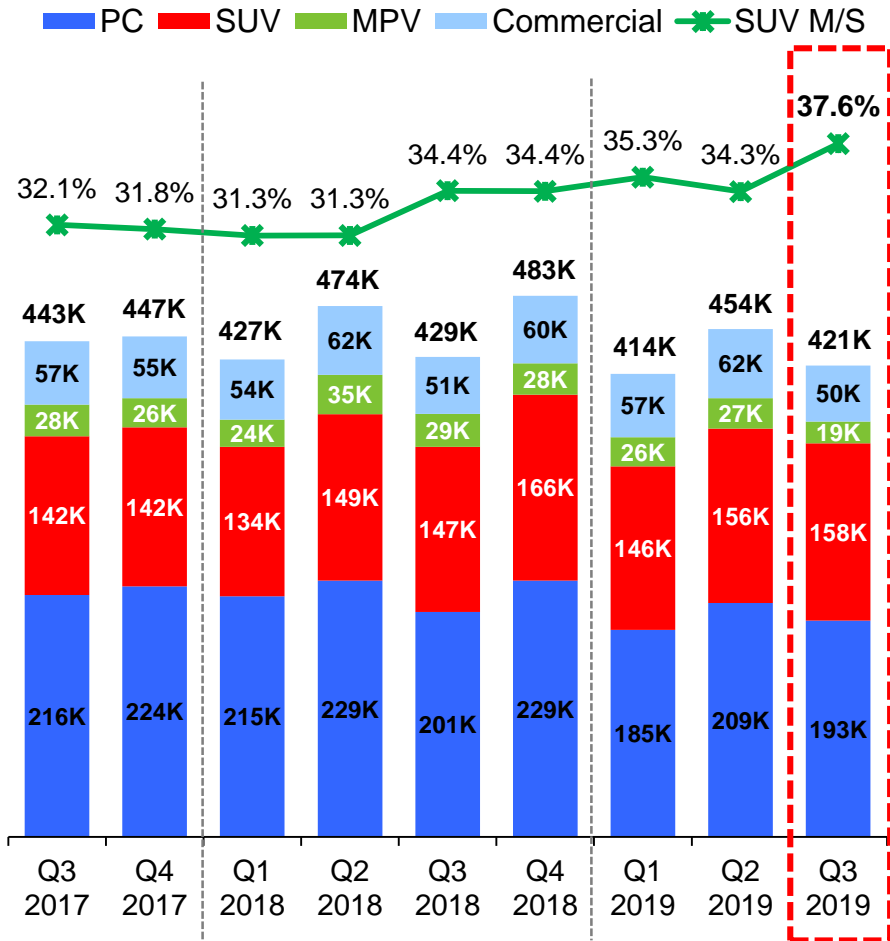
## SYMC vehicle sales

- Total vehicle sales : 101,403 units (-1% vs. YTD Q3 2018)
  - Domestic (+2%) : In the 1st half, sales increase thanks to new cars' launch effect, but in the 3rd quarter, sales slowdown due to competition intensified by new cars launch by competitors
  - Export (-11%) : Continuous sales slowdown in South America, Middle East & Africa

## Labor relation

- Wage negotiation completed without production interruption for 10 consecutive years since 2010
- Maintain cooperative labor-management relations

# Market Trend / Domestic - Quarterly



※ Unit: vehicles

※ Imported cars → PC, SUV, MPV / Sports models : SUV

## ▪ Q3 2019 (vs. Q3 2018)

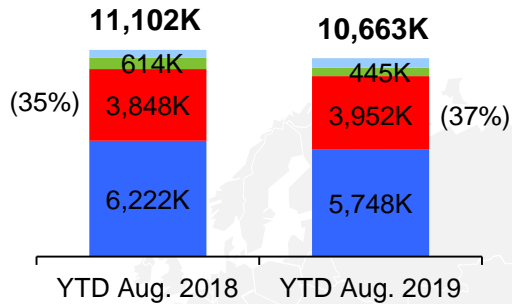
- Total market : -1.8%  
(Domestic makers : -2.3%, Imported : +1.5%)
- PC : -3.8%
- SUV : +7.4%  
(Domestic makers : +10.4%, Imported : -11.7%)
- SUV M/S : 37.6% (+3.2%p vs. Q3 2018)
- SYMC market share
  - Total market : 5.7% (-0.5%p vs. Q3 2018)
  - SUV market : 15.1% (-2.5%p vs. Q3 2018)

## ▪ YTD Q3 2019 (vs. YTD Q3 2018)

- Total market : -3.1%  
(Domestic makers : -1.0%, Imported : -15.2%)
- PC : -9.0%
- SUV : +7.2%  
(Domestic makers : +9.5%, Imported : -7.2%)
- SUV M/S : 35.7% (+3.4%p vs. YTD Q3 2018)
- SYMC market share
  - Total market : 6.2% (+0.3%p vs. YTD Q3 2018)
  - SUV market : 17.2% (-0.4%p vs. YTD Q3 2018)

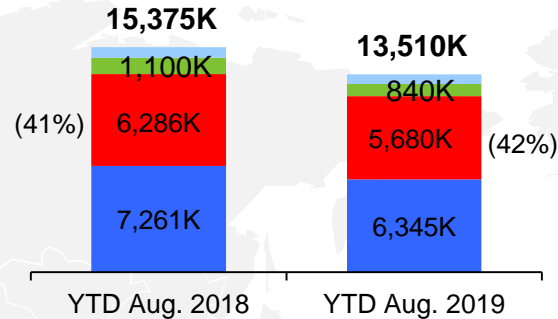
# Market Trend / Overseas

## ➤ Europe (28 Countries)



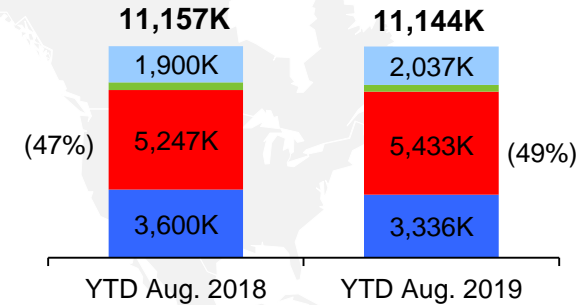
- Total market : -4.0%
- SUV market : +2.7%

## ➤ China



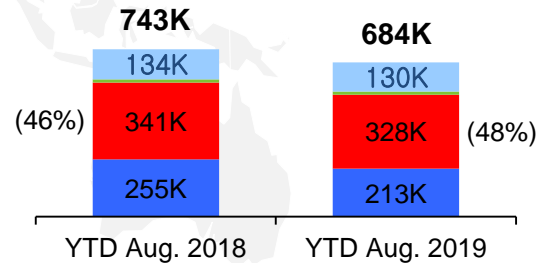
- Total market : -12.1%
- SUV market : -9.7%

## ➤ USA



- Total market : -0.1%
- SUV market : +3.5%

## ➤ Australia



- Total market : -7.9%
- SUV market : -3.7%

※ Unit : Vehicle  
 ※ Source : SYMC, Automotive News, Marklines  
 ※ Excluding commercial vehicles  
 ※ ( ) : SUV portion out of total market



# SYMC Sales Volume / Q3 2019

	Q3 2018	Q3 2019	Diff.	Chg. %	Remark
<b>Domestic</b>	<b>26,567</b>	<b>24,020</b>	<b>-2,547</b>	<b>-10%</b>	<ul style="list-style-type: none"> <li>- Korando: 4,061 units (+3,196 units)</li> <li>- Competition intensified by competitors' launch of new cars and economic slowdown</li> </ul>
<i>Portion</i>	<i>76%</i>	<i>77%</i>	<i>+1%p</i>		
<b>Export (Including CKD)</b>	<b>8,569</b>	<b>7,106</b>	<b>-1,463</b>	<b>-17%</b>	<ul style="list-style-type: none"> <li>- Region-wise                             <ul style="list-style-type: none"> <li>· Europe: 3,959 units (+53%)</li> <li>· Asia pacific : 1,034 units (-27%)</li> <li>· South America : 1,406 units (-28%)</li> <li>· Middle East &amp; Africa: 707 units (-73%)</li> </ul> </li> </ul>
<i>Portion</i>	<i>24%</i>	<i>23%</i>	<i>-1%p</i>		
<b>Total</b>	<b>35,136</b>	<b>31,126</b>	<b>-4,010</b>	<b>-11%</b>	<ul style="list-style-type: none"> <li>- Korando: 6,833 units (+5,342 units)</li> </ul>

# SYMC Sales Volume / YTD Q3 2019

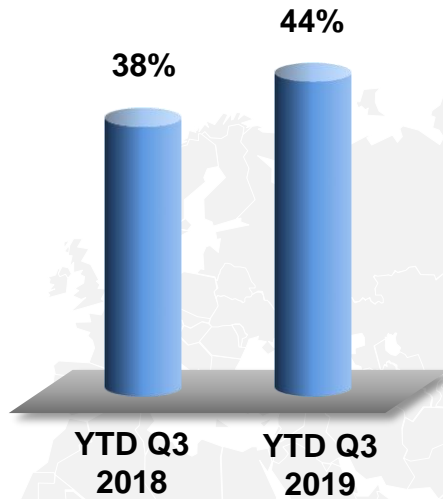
	YTD Q3 2018	YTD Q3 2019	Diff.	Chg. %	Remark
<b>Domestic</b>	<b>78,072</b>	<b>79,970</b>	<b>+1,898</b>	<b>+2%</b>	<ul style="list-style-type: none"> <li>- New cars' launch effect</li> <li>- Korando: 11,243 units (+8,583 units)</li> <li>- Sports models: 30,819 units (+1,260 units)</li> </ul>
<i>Portion</i>	<i>76%</i>	<i>79%</i>	<i>+3%p</i>		
<b>Export (Including CKD)</b>	<b>24,174</b>	<b>21,433</b>	<b>-2,741</b>	<b>-11%</b>	<ul style="list-style-type: none"> <li>- Region-wise</li> <li>- Europe: 10,657 units (+11%)</li> <li>- Asia pacific : 5,245 units (+106%)</li> <li>- South America : 3,911 units (-41%)</li> <li>- Middle East &amp; Africa: 1,620 units (-70%)</li> </ul>
<i>Portion</i>	<i>24%</i>	<i>21%</i>	<i>-3%p</i>		
<b>Total</b>	<b>102,246</b>	<b>101,403</b>	<b>-843</b>	<b>-1%</b>	<ul style="list-style-type: none"> <li>- Korando: 14,761 units (+9,450 units)</li> <li>- Sports models: 35,841 units (+1,445 units)</li> </ul>



# Region-wise Export / YTD Q3 2019

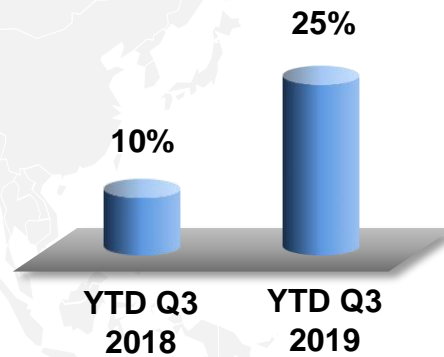
※ % out of export sales volume  
(Including CKD)

## W. Europe

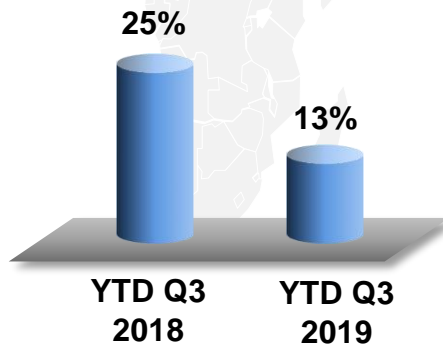


## Asia Pacific

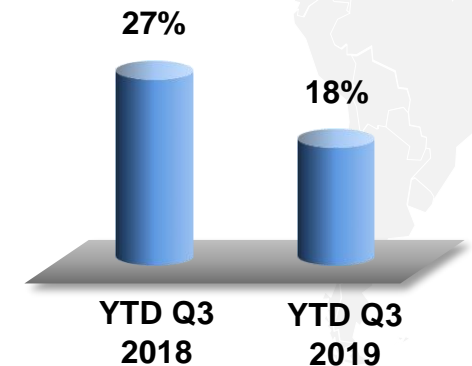
※ Including: India, Australia



## Others



## South America



※ Others: ME, AF, E. Europe

# Income Statement(Consolidated) / Q3 2019

(Unit: Billion krw)

Category	Q3 2018		Q3 2019		Diff,		Chg. %
	Value	%	Value	%	Value	%	Value
Sales Revenue	901.5		836.4		-65.1		-7.2%
Cost of Sales	792.5	87.9%	811.1	97.0%	+18.6	+9.1%p	2.3%
Gross Profit	109.0	12.1%	25.4	3.0%	-83.6	-9.1%p	-76.7%
SG&A	131.0	14.5%	130.5	15.6%	-0.4	+1.1%p	-0.3%
Operating Profit	-22.0	-2.4%	-105.2	-12.6%	-83.2	-10.1%p	-
PAT	-18.2	-2.0%	-107.9	-12.9%	-89.7	-10.9%p	-
EBITDA	31.6	3.5%	-34.1	-4.1%	-65.7	-7.6%p	-207.9%

# Income Statement(Consolidated) / YTD Q3 2019

(Unit: Billion krw)

Category	YTD Q3 2018		YTD Q3 2019		Diff,		Chg. %
	Value	%	Value	%	Value	%	Value
Sales Revenue	2,652.1		2,704.7		+52.6		2.0%
Cost of Sales	2,332.1	87.9%	2,474.8	91.5%	+142.7	+3.6%p	6.1%
Gross Profit	320.1	12.1%	229.9	8.5%	-90.2	-3.6%p	-28.2%
SG&A	380.8	14.4%	412.0	15.2%	+31.2	+0.9%p	8.2%
Operating Profit	-60.7	-2.3%	-182.1	-6.7%	-121.4	-4.4%p	-
PAT	-57.8	-2.2%	-185.5	-6.9%	-127.6	-4.7%p	-
EBITDA	99.2	3.7%	19.3	0.7%	-79.9	-3.0%p	-80.5%

# SYMC Focus / Q4 2019 & Beyond

## Vehicle Sales Increase

- Aggressive promotion and campaign operation in both domestic and export with Korando gasoline model launch
- Product license agreement with Saudi Arabia for local assembly of Rexton Sports & Khan with the aim of production in 2021
- Continuous efforts to enter new markets

## New Car

- New car development to meet market needs
  - Electric car and Connected car / New RV models

## M&M Synergy

- Joint development & purchase collaboration to create value

## Preemptive Self-help Efforts

- Employee welfare benefits suspension, executive reduction, etc.