



Press Release

July 26, 2012 (Thursday)

Ssangyong Motor records sales of KRW 1,355.9 billion in the first half of 2012

- **Ssangyong Motor recorded sales increase of 1.4 percent as compared to the same period last year, with total sales of 56,653 vehicles; 21,841 vehicles in domestic sales and 34,812 in exports**
- **Strong growth of domestic sales led the sales momentum, with an increase of 7.9 percent as compared to the same period of 2011**
- **Ssangyong will strive to focus on marketing and promotional activities for newly launched refreshed models in order to react to upcoming markets in the second half year**

Ssangyong Motor (President & CEO Lee Yoo-il; www.smotor.com), part of the US\$15.4 billion Mahindra Group, announced on July 26, 2012 that the company recorded 56,653 vehicles in sales volume (including CKD; 21,841 vehicles in domestic sales and 34,812 in exports, respectively), KRW 1,355.9 billion in revenues and KRW 53.7 billion in operating loss.

In the first half of 2012, Ssangyong registered a 7.9% rise in domestic sales as compared to the same period last year despite overall sluggish demand caused by the economic downturn. Total sales in the first half also increased by 1.4% and operating loss decreased to KRW 53.7 billion on the back of strong growth of domestic sales.

In particular, its domestic sales exceeded 4,000 vehicles per month for the last three consecutive months thanks to continuous launch of the refreshed models including the Korando Sports, which was unveiled as the first Korean LUV in January, and the Korando C CHIC, which was launched as the best fuel efficient Korean car in April.

However, Ssangyong's export sales decreased about 2.3 % over the same period last year due to recession in the global automotive industry.

The Korando Sports and Korando C led the sales momentum. The sales of the Korando Sports and Korando C stood at 40,034 vehicles which amounted to 70 percent of total sales (18,520 vehicles of the Korando Sports and 21,514 of the Korando C, respectively) in the first half of 2012.

Thanks to the effects of sales increase and favorable exchange rate, Ssangyong's Profit and Loss statement showed an improvement as compared to the same period in 2011, as operating loss reduced to KRW 53.7 billion. The quarterly operating loss also showed an improvement as it recorded KRW 32.6 billion in the first quarter and KRW 21.1 billion in the second quarter.

The company pointed out that the results for this quarter are not comparable with the same period last year, since the first quarter of 2011 included the effect of debt forgiveness income which amounts to KRW 46 billion.

Lee Yoo-il, CEO of Ssangyong Motor, commented, "It is expected to be a more difficult time for the company due to worries about decreased sales caused by a shrinking real economy in the second half of 2012," adding, "To overcome the challenges in the market, we will reinforce sales activities based on newly launched refreshed models such as Rexton W and Rodius Euro."

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■ Sales Volume in the first half of 2012

(figs in nos)

	2012		2011		Year-on-Year	
	Q2	1st half	Q2	1st half	Q2	1st half
Sales Volume	30,212	56,653	31,132	55,873	-3.0%	1.4%
Domestic	12,141	21,841	10,272	20,246	18.2%	7.9%
Export	18,071	34,812	20,860	35,627	-13.4%	-2.3%
(CKD)	-	(48)	(360)	(660)	-100.0%	-92.7%

■ Profit & Loss for the first half of 2012

(figs in KRW billion)

구분	2012		2011		Year-on-Year	
	Q2	1st half	Q2	1st half	Q2	1st half
Sales	711.9	1,355.9	728.7	1,349.2	-2.3%	0.5%
Operating income (Loss)	-21.1	-53.7	-33.4	-75.3	-	-
Income before income taxes	-21.0	-52.5	-34.9	-32.3	-	-
Net income (Loss)	-21.0	-52.5	-34.9	-32.3	-	-