



# Hyundai Motor Company 2012 Business Results

January 24, 2013



## Cautionary Statement with Respect to Forward-Looking Statements

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In the presentation that follows and in related comments by Hyundai Motor's management, our use of the words "expect," "anticipate," "project," "estimate," "forecast," "objective," "plan," "goal," "outlook," "target," "pursue" and similar expressions is intended to identify forward looking statements.

The financial data discussed herein are presented on a preliminary basis before the audit from Independent Auditor; final data will be included in HMC's Independent auditors report. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, actual results may differ materially due to numerous important factors. Such factors include, among others, the following : changes in economic conditions, currency exchange rates or political stability; shortages of fuel, labor strikes or work stoppages; market acceptance of the corporation's new products; significant changes in the competitive environment; changes in laws, regulations and tax rates; and the ability of the corporation to achieve reductions in cost and employment levels to realize production efficiencies and implement capital expenditures at levels and times planned by management.

We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

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## **Table of Contents**

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- **Sales Summary**
  - **Financial Summary**
  - **Revenue & Profit Analysis**
  - **2013 Business Plan**
  - **Appendix**
-

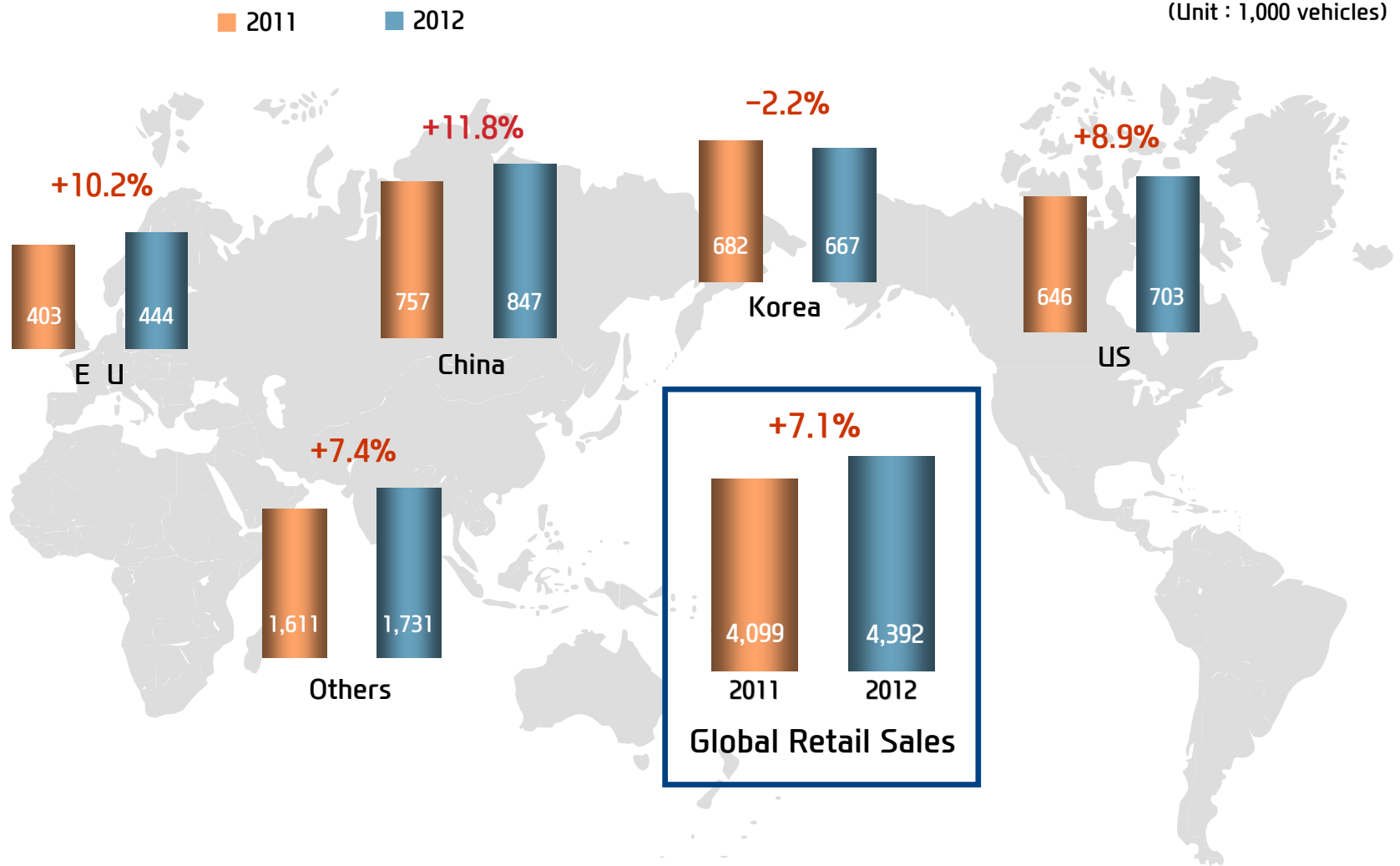
- **Sales Summary**

- ◇ **Retail Sales**

- ◇ **Wholesale**

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# Sales Summary : Retail Sales

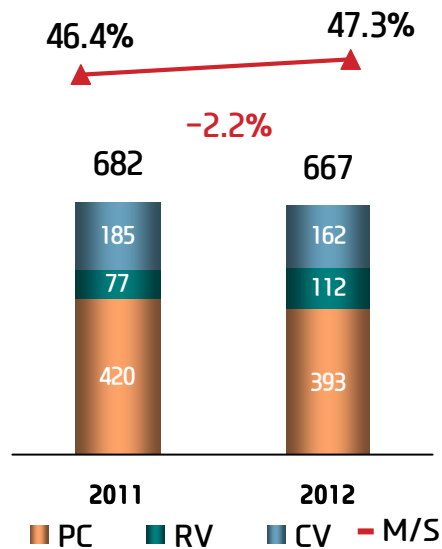


Source : Company data (Includes shipment of LCV / Excludes CKD sales)

# Sales Results by Key Region

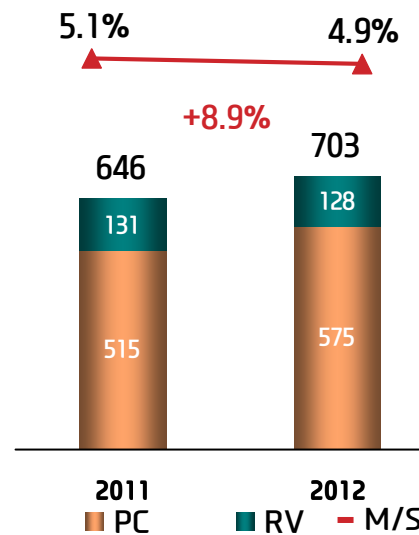
(Unit : 1,000 vehicles)

## Korea



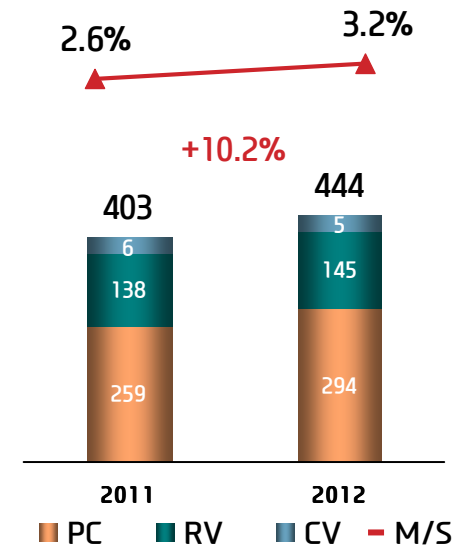
- Despite of market demand decrease (4.3% ↓) in 2012, M/S has increased
- Strong sales of Santa Fe (68k, 162% ↑), due to new model launch

## US



- Maintained strong sales trend of key models (YF 231k / MD 202k)
- Lowest level of incentive spending (2012 Avg. : \$946 / units)

## EU

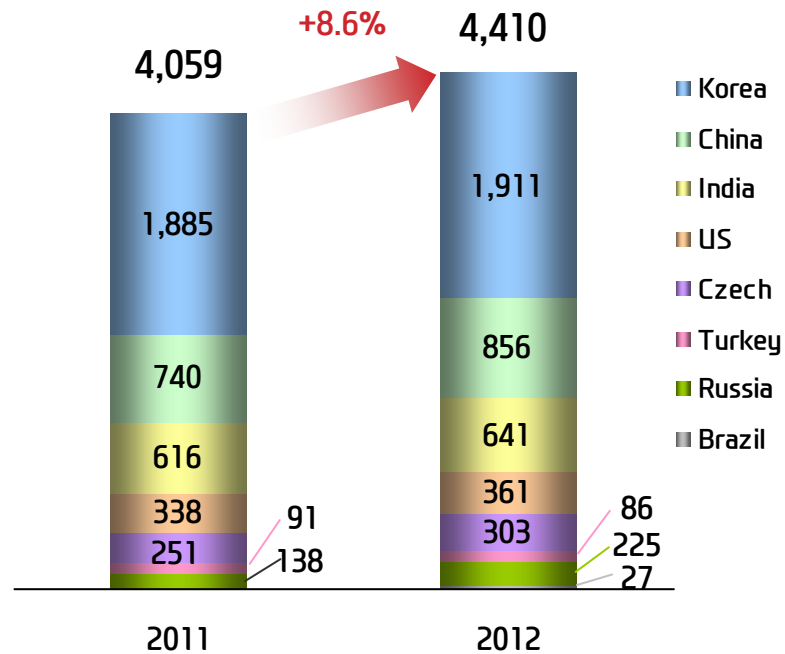


- Despite of weak market demand (7.8% ↓) in 2012, sales of i40 and ix 35 increased
- Robust sales growth in countries covered by direct sales subsidiaries (Germany 22% ↑ / France 31% ↑)

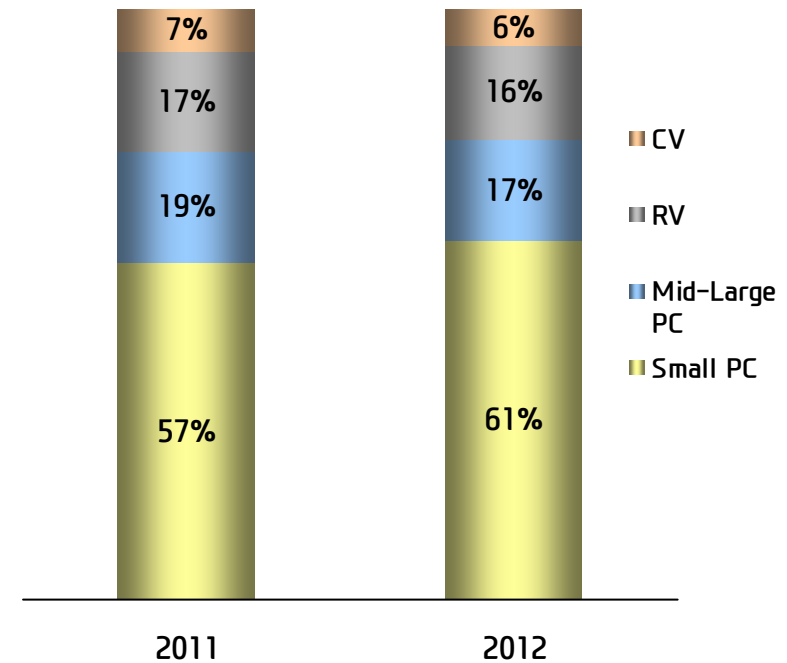
# Sales Summary : Wholesale

## Sales Volume by Plant

(Unit : 1,000 vehicles)



## Sales Mix by Segment



- **Financial Summary (K-IFRS)**
    - ◇ **Statement of Income**
    - ◇ **Financial Summary by division**
    - ◇ **Statement of Financial Position**
    - ◇ **Cash Flow Highlights**
-



# Consolidated Statement of Income

(KRW Billion)

	2011	2012	Change
Sales Revenue	77,798	84,470	8.6%
Gross Profit	18,896	19,498	3.2%
Margin (%)	24.3	23.1	
SG&A	10,867	11,061	1.8%
Portion (%)	14.0	13.1	
Operating Profit	8,029	8,437	5.1%
Margin (%)	10.3	10.0	
Recurring Profit	10,447	11,605	11.1%
Margin (%)	13.4	13.7	
Net Profit	8,105	9,056	11.7%
Margin (%)	10.4	10.7	
Depreciation	1,596	1,698	
Amortization	739	823	
EBITDA	10,364	10,958	

- Consolidated Statement of Income (K-IFRS), Business results of BHMC is accounted in equity income accounting
- Operating income presentation adjusted
- Net Profit includes non-controlling interest

# Financial Summary by Division

(KRW Billion)

	2011	2012	Change
Sales Revenue	77,798	84,470	8.6%
Automotive	67,104	71,307	6.3%
Finance	7,288	8,663	18.9%
Other	3,406	4,500	32.1%
Operating Profit	8,029	8,437	5.1%
Automotive	6,624	6,711	1.3%
Finance	1,203	1,178	△2.2%
Other	155	255	63.7%
Consolidation adjustment	45	294	

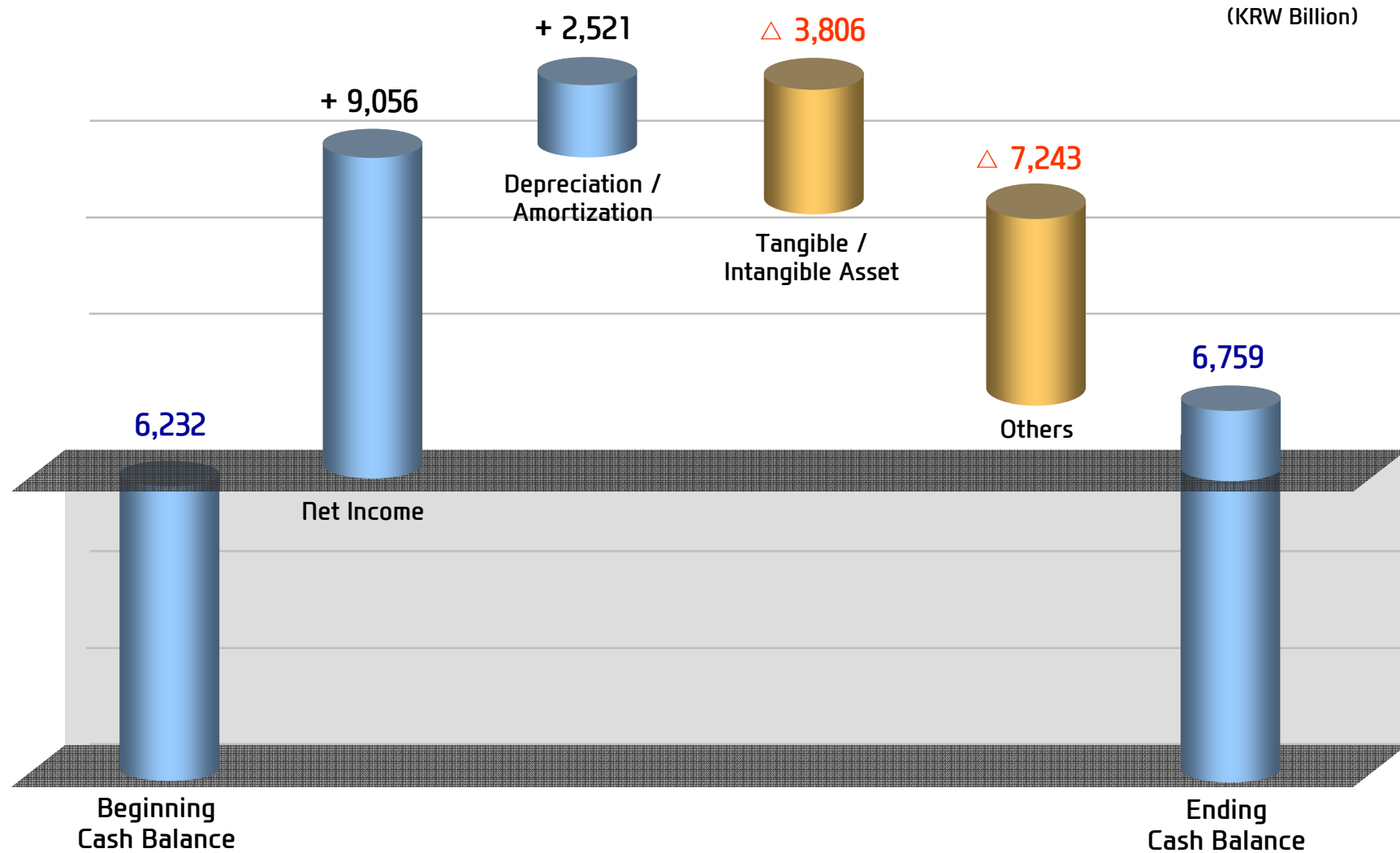
# Consolidated Statement of Financial Position

(KRW Billion)

	2011	2012	Change
<b>Assets</b>	109,480	121,538	12,058
Current Assets	48,926	54,848	5,921
Cash & Cash Equivalents*	15,415	19,143	3,729
<b>Liabilities</b>	69,152	73,620	4,468
Current Liabilities	33,164	32,836	△328
Short & Long-Term Debt	43,339	45,207	1,869
Provision	6,647	7,009	362
<b>Equity</b>	40,328	47,918	7,590
Current Ratio (%)	147.5	167.0	
Debt / Equity Ratio (%)	107.5	94.3	
Net Debt	27,924	26,064	△1,860
EBITDA / Interest Expense	20.3 x	25.7 x	

- Consolidated Statement of Financial Position (K-IFRS)
- Cash & Cash Equivalents : Cash & cash equivalents + Short-term financial instruments

# Consolidated Cash Flow Highlights



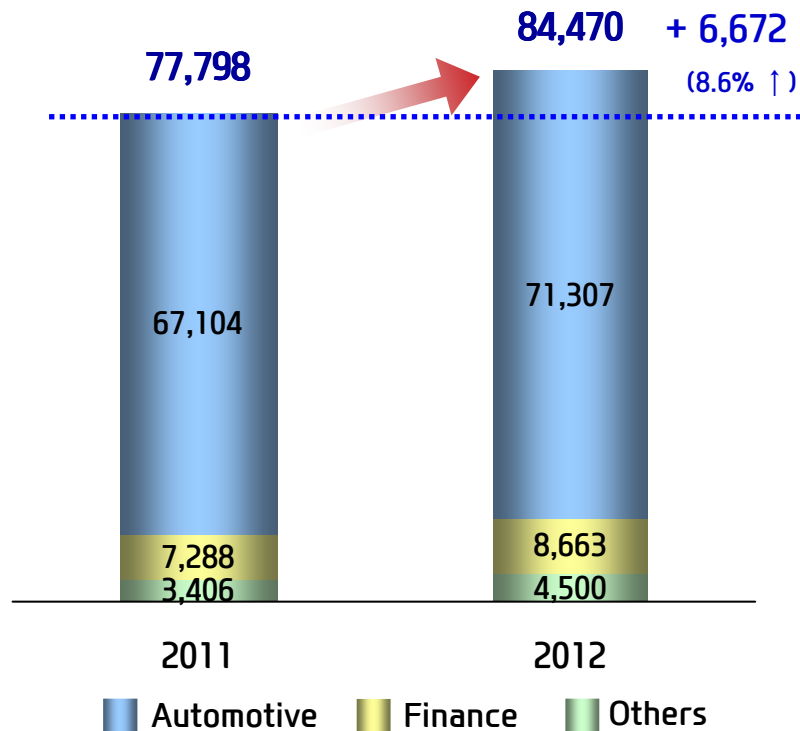
- Consolidated Cash Flow Highlights (K-IFRS)
- Above figures includes consolidation adjustments by business division (Automotive / Finance / Others)

- **Revenue & Profit Analysis**
    - ◇ **Sales Revenue Analysis**
    - ◇ **COGS and SG&A**
    - ◇ **Other Items**
-

# Sales Revenue Analysis

## Sales Revenue

(KRW Billion)



## Positive / Negative Contributors

### Positive Factors

Improved global sales  
→ Unit sales : + 8.6% (4,059K → 4,410K)

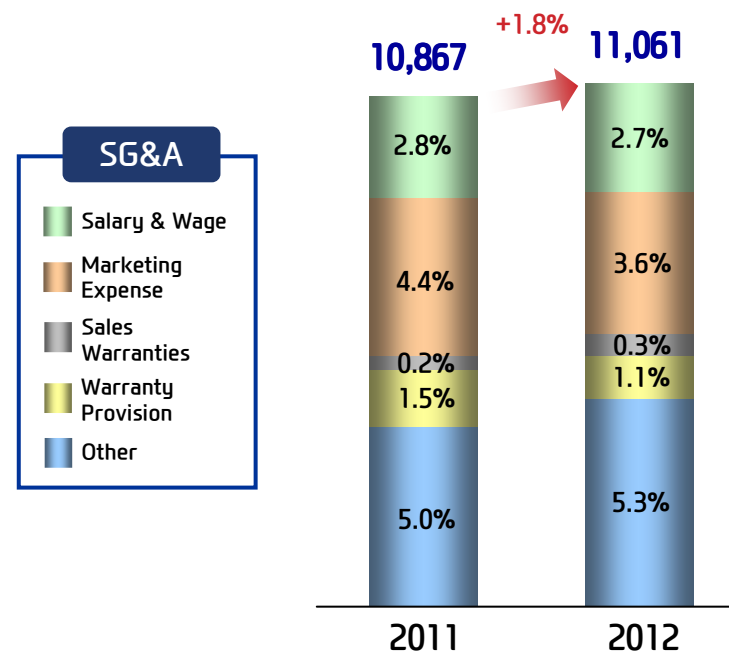
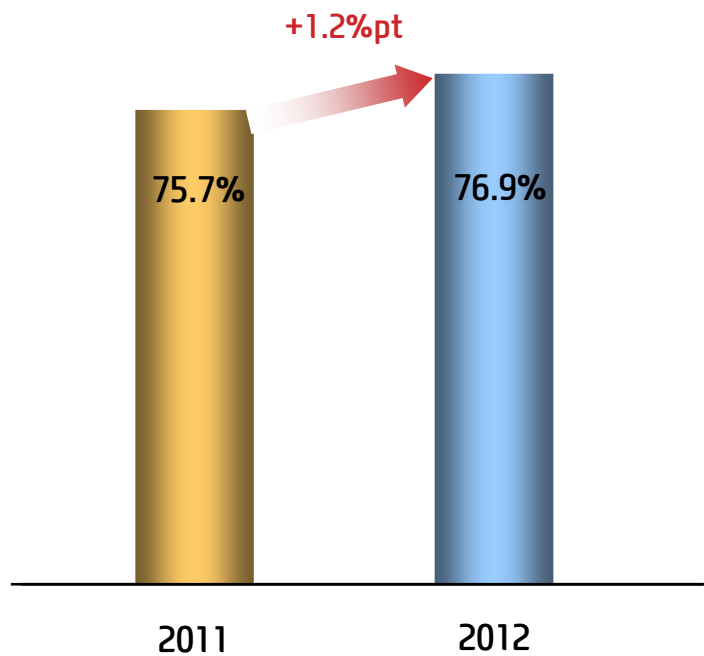
KRW depreciation against the USD  
USD / KRW 1,113.4 → 1,124.9 (1.0% ▲)

### Negative Factors

KRW appreciation against the EUR  
EUR / KRW 1,547.1 → 1,452.7 (6.1% ▼)

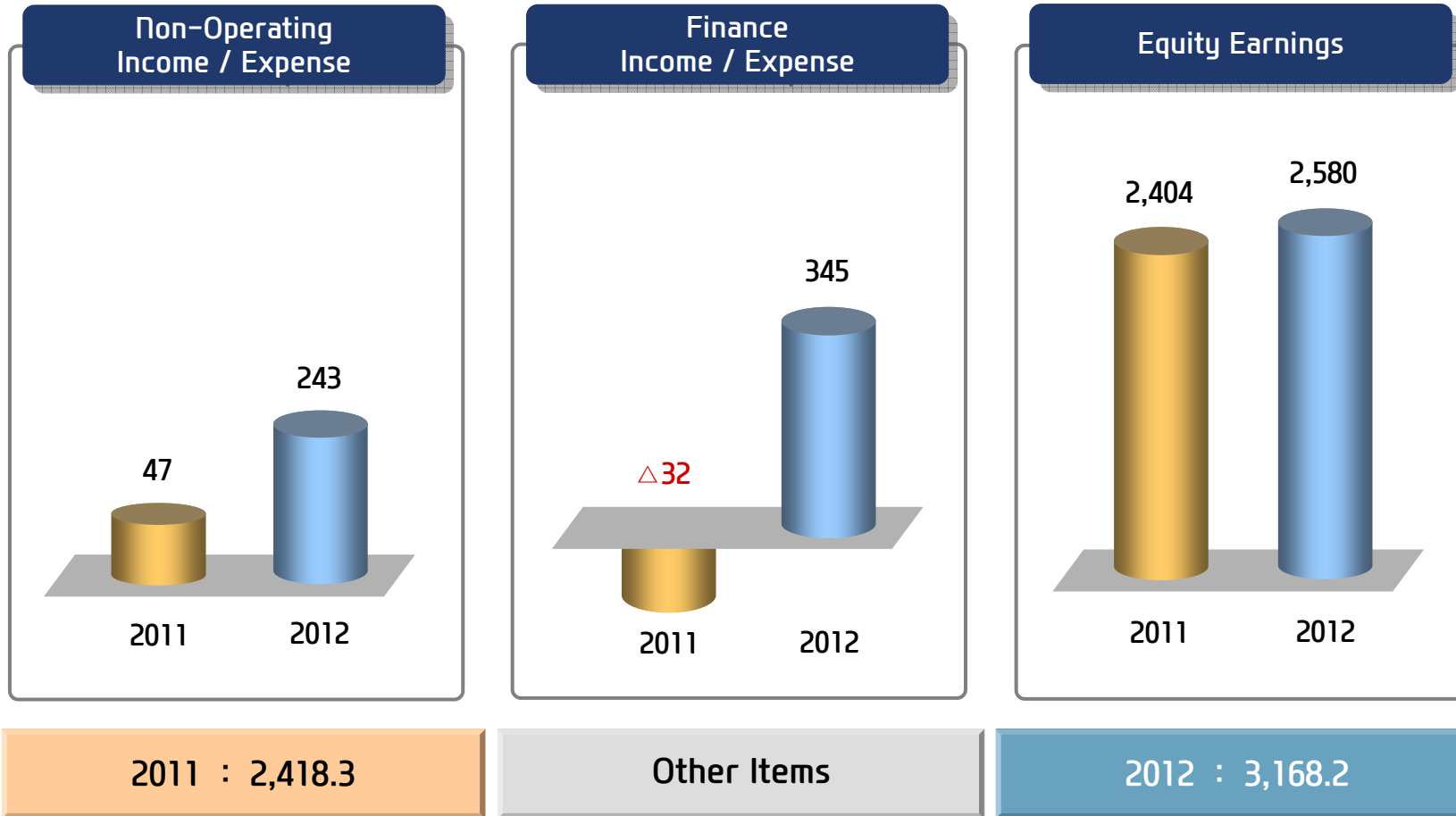
- Consolidated sales revenue excludes sales revenue of BHMC
- Consolidated sales revenue by business division (Automotive / Finance / Others)

# COGS and SG&A



# Other Items

(KRW Billion)





- **2013 Business Plan**

## 2013 Business Plan

(‘000 units)

	2012	2013 (P)	<i>Change(%)</i>
<b>Total Sales Unit</b>	<b>4,410</b>	<b>4,660</b>	<b>+5.7</b>
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<b>Korea Plant</b>	<b>1,911</b>	<b>1,850</b>	<b>-3.2</b>
Domestic	667	668	+0.1
Export	1,244	1,182	-5.0
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<b>Overseas Plant</b>	<b>2,499</b>	<b>2,810</b>	<b>+12.4</b>
US	361	388	+7.4
China	856	970	+13.3
India	641	633	-1.3
Czech	303	300	-1.0
Others	338	519	+53.7

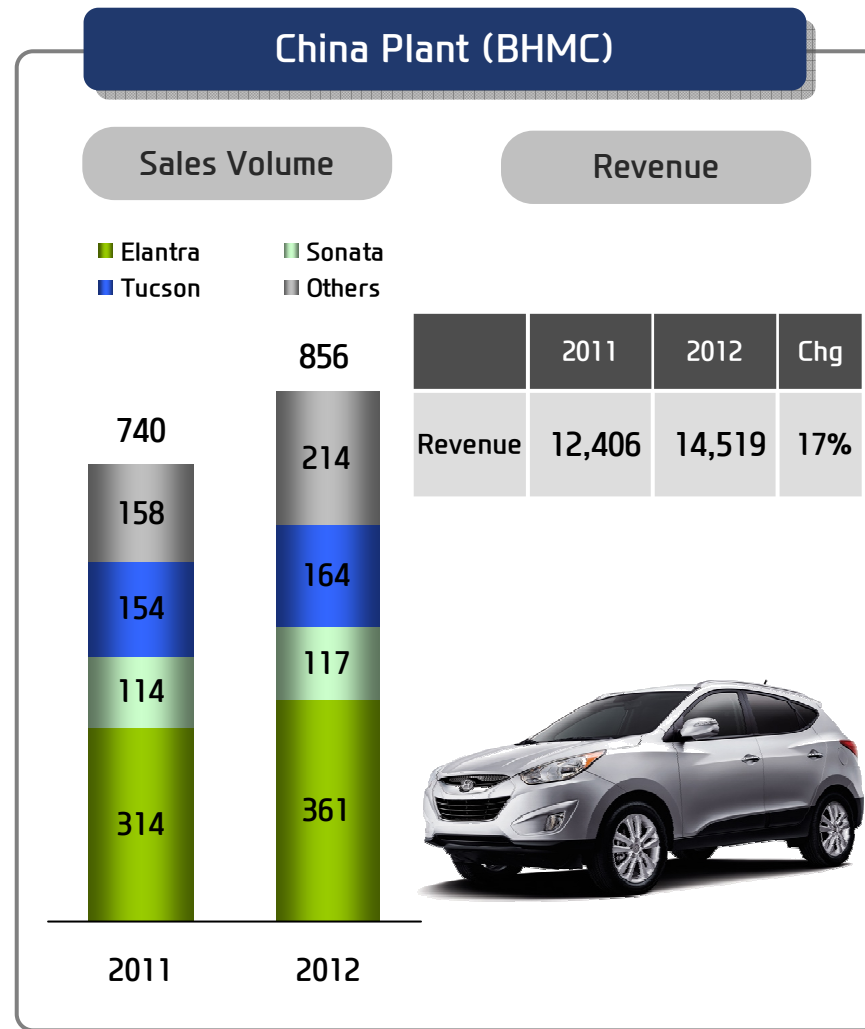
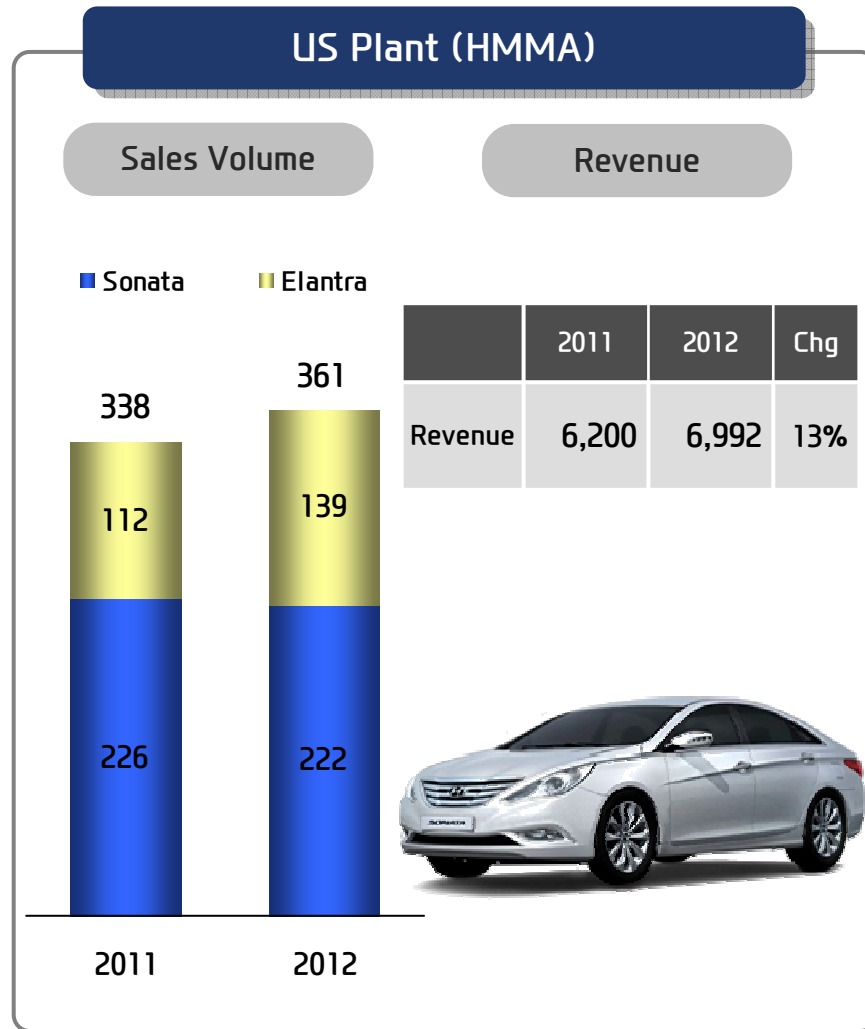
• Sales volume by plant (Wholesale basis)

## ▪ **Appendix**

- ◇ **Overseas Plant Operations**
  - ◇ **Statement of Income (Quarterly)**
  - ◇ **Change in Operating Income Presentation**
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# Overseas Plant : HMMA & BHMC

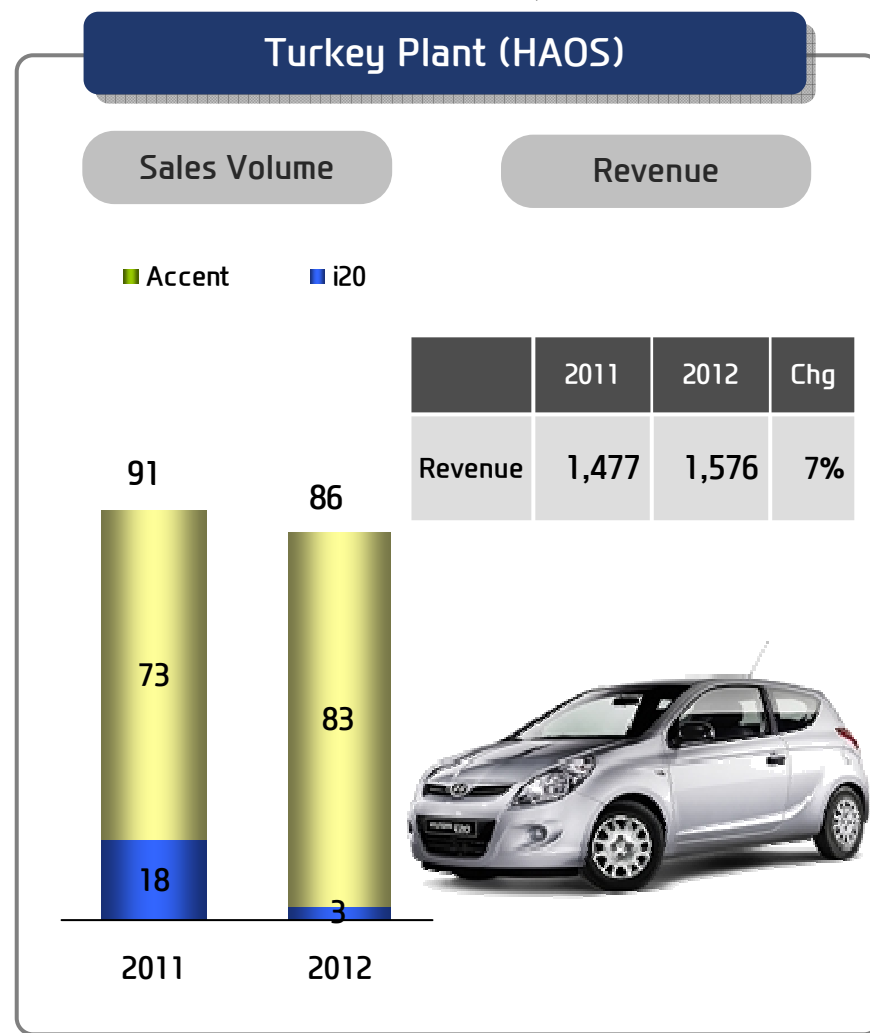
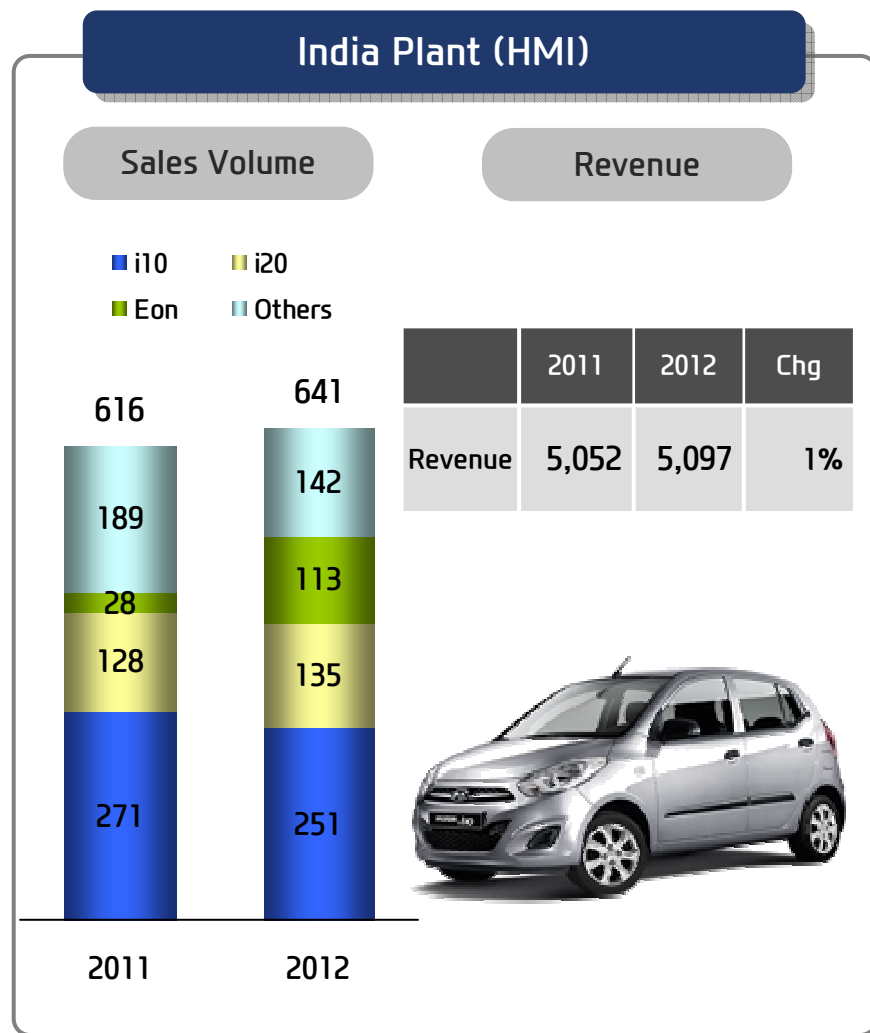
(Unit : 1,000 vehicles / KRW Billion)



• Above figures are standalone results base

# Overseas Plant : HMI & HAOS

(Unit : 1,000 vehicles / KRW Billion)



• Above figures are standalone results base

# Overseas Plant : HMMC & HMMR

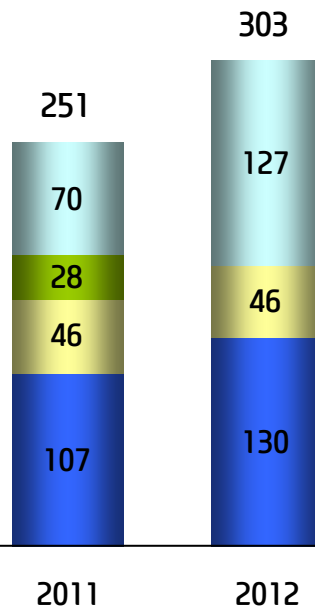
(Unit : 1,000 vehicles / KRW Billion)

## Czech Plant (HMMC)

Sales Volume

Revenue

■ i30      ■ ix20  
■ Venga (Kia)   ■ ix35



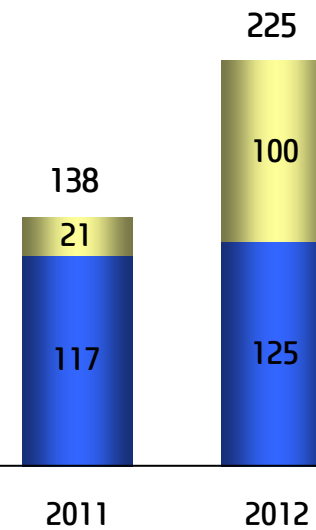
	2011	2012	Chg
Revenue	4,351	5,311	22%

## Russia Plant (HMMR)

Sales Volume

Revenue

■ Solaris   ■ Rio (Kia)

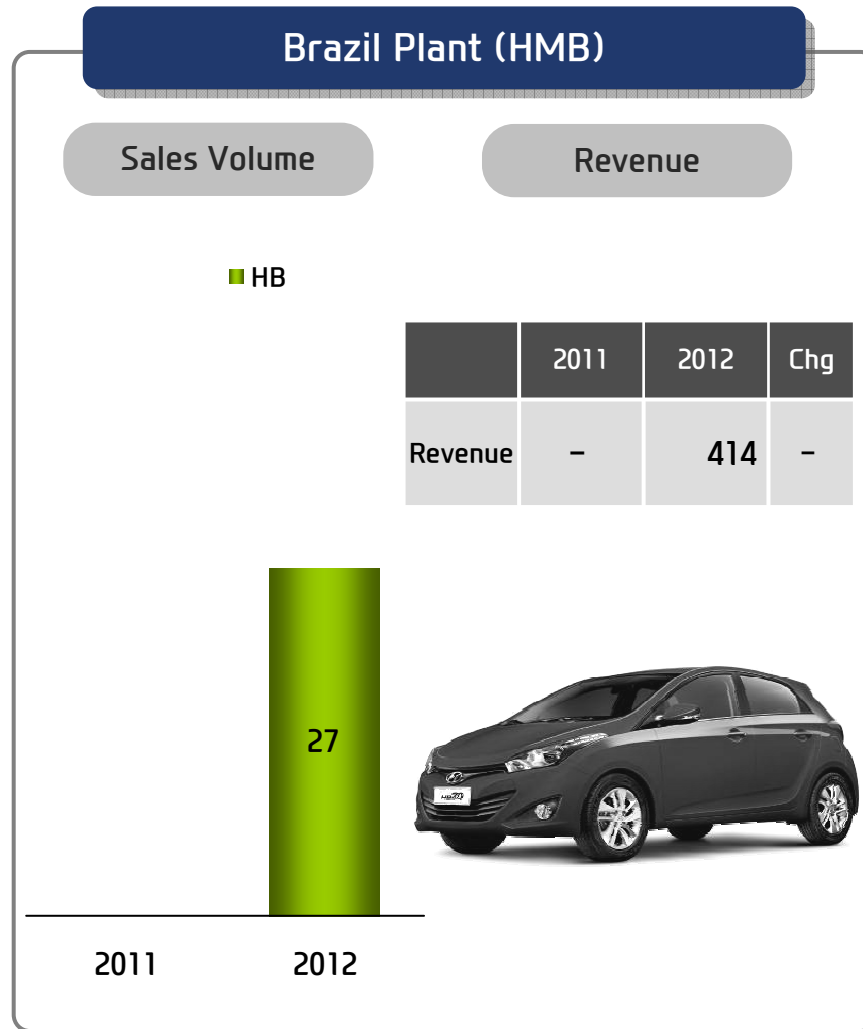


	2011	2012	Chg
Revenue	1,806	2,855	58%

• Above figures are standalone results base

# Overseas Plant : HMB

(Unit : 1,000 vehicles / KRW Billion)



• Above figures are standalone results base

## Statement of Income (Quarterly)

(Unit : 1,000 vehicles / KRW Billion)

	2011		2012					2012 4Q vs. 2011 4Q
	4Q	1~4Q	1Q	2Q	3Q	4Q	1~4Q	
Global Plant Sales	1,110	4,059	1,072	1,110	1,001	1,227	4,410	10.6%
Korea Plant	534	1,884	483	508	392	528	1,911	△1.1%
Overseas Plant	576	2,175	589	602	609	699	2,499	21.4%
Sales Revenue	20,519	77,798	20,165	21,940	19,646	22,719	84,470	10.7%
Gross Profit	4,936	18,896	4,639	5,408	4,444	5,007	19,498	1.4%
Margin (%)	24.1	24.3	23.0	24.6	22.6	22.0	23.1	
SG&A	2,862	10,867	2,547	2,871	2,468	3,175	11,061	10.9%
Portion (%)	13.9	14.0	12.6	13.1	12.6	14.0	13.1	
Operating Profit	2,074	8,029	2,092	2,537	1,976	1,832	8,437	△11.7%
Margin (%)	10.1	10.3	10.4	11.6	10.1	8.1	10.0	
Recurring Profit	2,545	10,447	3,148	3,145	2,781	2,531	11,605	△0.6%
Margin (%)	12.4	13.4	15.6	14.3	14.2	11.1	13.7	
Net Profit	2,002	8,105	2,451	2,547	2,166	1,892	9,056	△5.5%
Margin (%)	9.8	10.4	12.2	11.6	11.0	8.3	10.7	

- Consolidated Statement of Income (K-IFRS), Business results of BHMC is accounted in equity income accounting
- Operating income presentation adjusted
- Net Profit includes non-controlling interest



# Change in Operating Income Presentation

(Unit : KRW Billion)

## Before Change

	2012	
	4Q	1~4Q
Sales Revenue	22,719	84,470
Gross Profit	5,007	19,498
Margin (%)	22.0	23.1
SG&A	3,175	11,086
Portion (%)	14.0	13.1
Other Operating Profit	7	269
Operating Profit	1,839	8,680
Margin (%)	8.1	10.3
Finance Income/Expense	117	345
Equity Earnings	575	2,580
Recurring Profit	2,531	11,605
Margin (%)	11.1	13.7
Net Profit	1,892	9,056
Margin (%)	8.3	10.7



## After Change

	2012	
	4Q	1~4Q
Sales Revenue	22,719	84,470
Gross Profit	5,007	19,498
Margin (%)	22.0	23.1
SG&A	3,175	11,061
Portion (%)	14.0	13.1
Operating Profit	1,832	8,437
Margin (%)	8.1	10.0
Non-Operating Income/Expense	7	243
Finance Income/Expense	117	345
Equity Earnings	575	2,580
Recurring Profit	2,531	11,605
Margin (%)	11.1	13.7
Net Profit	1,892	9,056
Margin (%)	8.3	10.7

- Consolidated Statement of Income (K-IFRS), Business results of BHMC is accounted in equity income accounting
- Net Profit includes non-controlling interest