

2007 Hankook Tire 1st Quarter Result

2007 - 5 - 8



 **Hankook**
driving emotion

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The information in this presentation does not take into account the effects of a possible transaction or transactions involving an actual or potential change of control, which may have significant valuation and other effects.

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01 Korea

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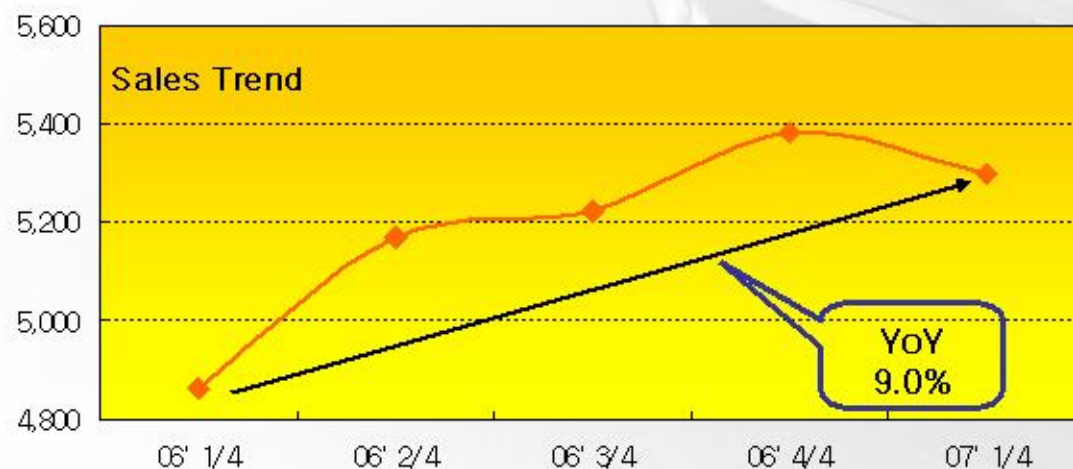


01 Korea

- Sales

[Unit: Mil. KRW]

	2006 1Q		2006 4Q		2007 1Q		YoY	QoQ
	금액	%	금액	%	금액	%	(%)	(%)
SALES	4,862	100.0	5,383	100.0	5,300	100.0	9.0	-1.5
Domestic	1,481	30.5	1,882	35.0	1,586	29.9	7.1	-15.7
Export	3,381	69.5	3,500	65.0	3,714	70.1	9.8	6.1
UHPT Sales	591	12.2	684	19.5	747	20.1	26.4	9.2



※Average exchange rate

	2006 1Q	2007 1Q
USD	977.52	939.26
EUR	1175.99	1231.4

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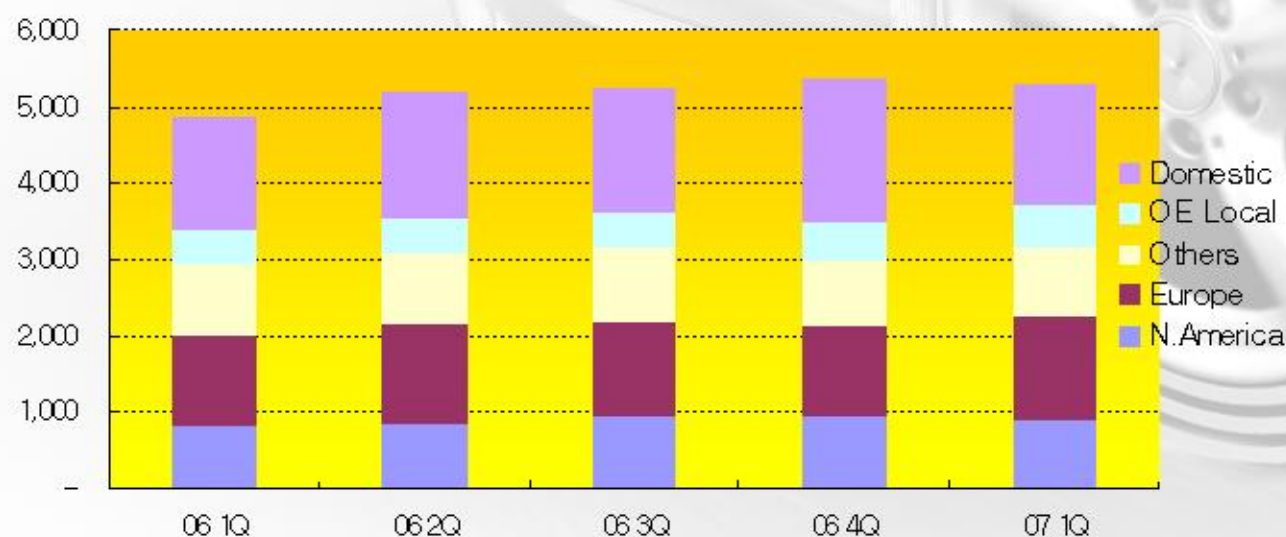


01 Korea

- Sales breakdown by Region

[Unit: Mil KRW]

	2006 1Q	2006 4Q	2007 1Q	YoY (%)	QoQ (%)
Export	3,381	3,500	3,714	9.9	6.1
N. America	810	957	904	11.7	-5.5
Europe	1,175	1,162	1,364	16.1	17.4
Others	940	850	901	-4.2	6.1
OE Local	456	531	544	19.4	2.4
Domestic	1,481	1,882	1,586	7.1	-15.8
Total	4,862	5,383	5,300	9.0	-1.5



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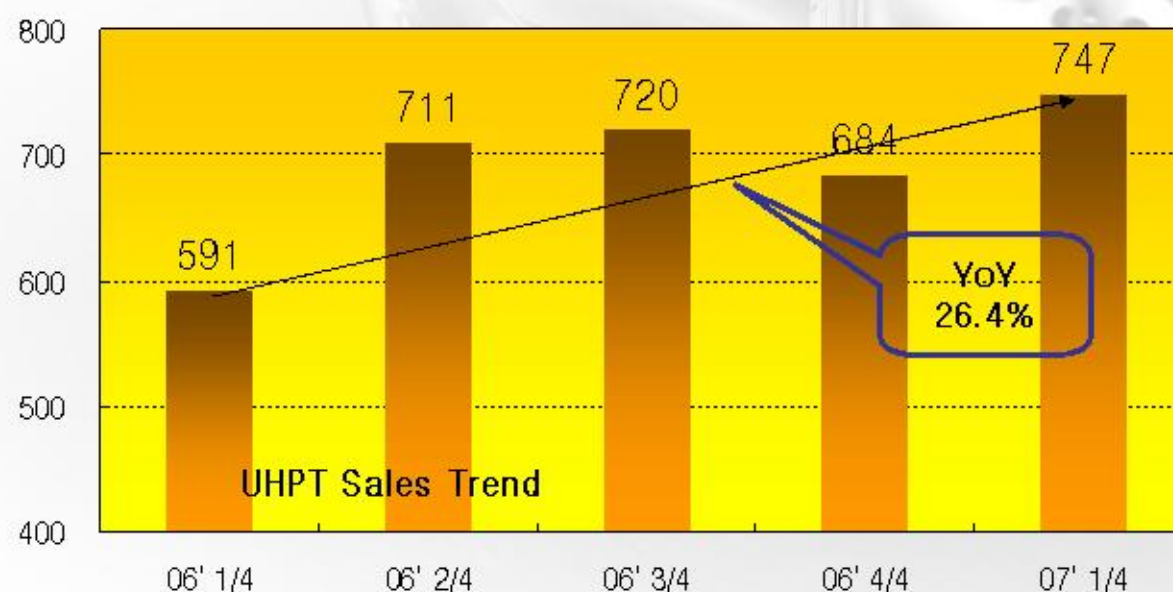


01 Korea

- UHPT Sales Trend

[Unit: Mil. KRW, '000]

	2006 1Q		2006 4Q		2007 1Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	4,862	100.0	5,383	100.0	5,300	100.0	9.0	-1.5
UHPT Sales	591	12.2	684	12.7	747	14.1	26.4	9.2
UHPT Sales Vol.		1,057		1,243		1,332	26.0	7.2



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01 Korea

- Income statements

[Unit: Mil. KRW]

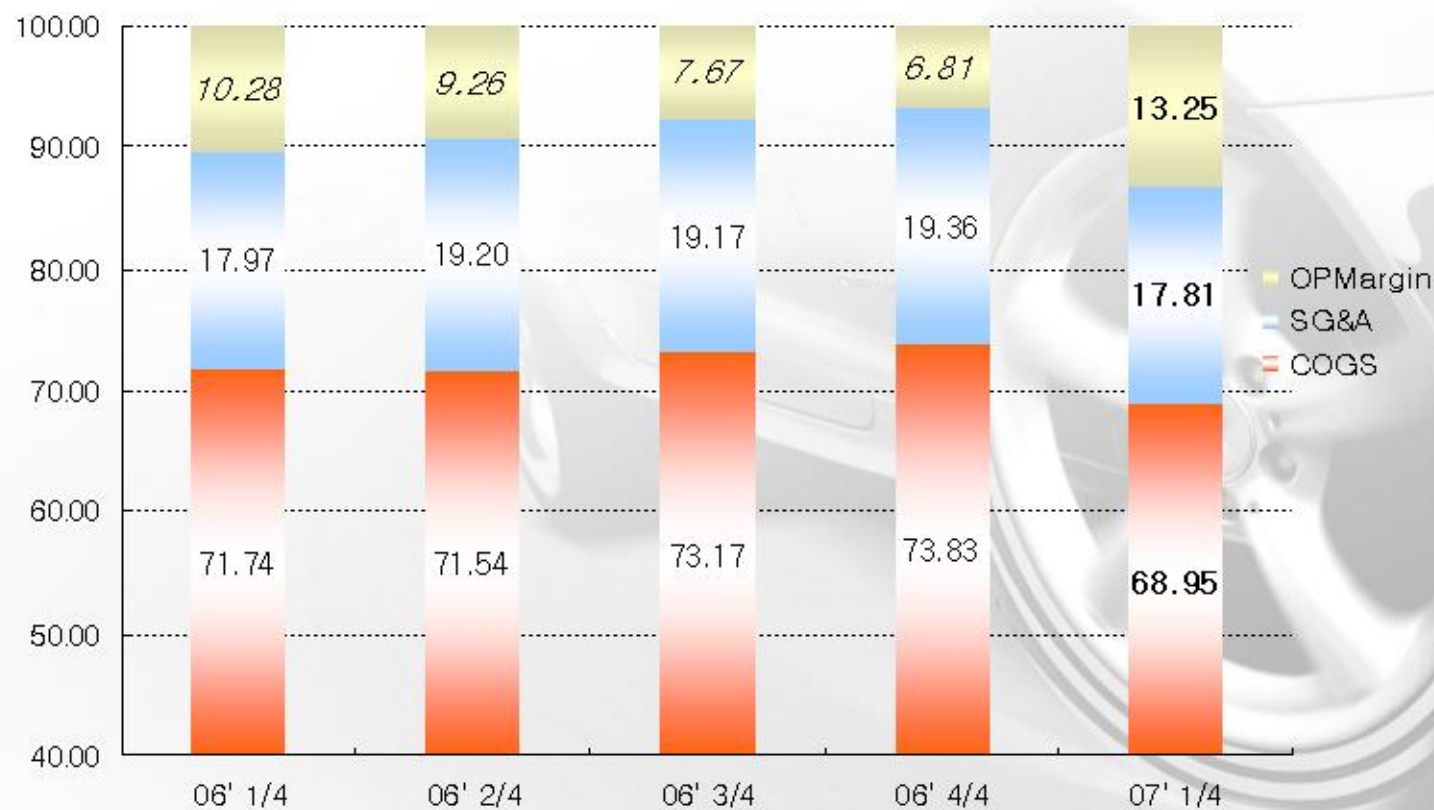
	2006 1Q		2006 4Q		2007 1Q		YoY	QoQ
	Amt.	%	Amt.	%	Amt.	%	(%)	(%)
Sales	4,862	100.0	5,383	100.0	5,300	100.0	9.0	-1.5
COGS	3,488	71.7	3,974	73.8	3,654	68.9	4.8	-8.1
Gross Profit	1,374	28.3	1,409	26.2	1,646	31.1	19.8	16.8
SG&A	874	18.0	1,042	19.4	941	17.8	7.7	-9.7
O.P. margin	500	10.3	367	6.8	705	13.3	41.0	92.1
Non-operating Income/Loss	263	5.4	-36	-0.7	-15	-0.3	-105.7	58.3
Ordinary Profit	763	15.7	331	6.1	690	13.0	-9.6	108.5
EBITDA	888	18.3	842	15.6	1,026	19.4	15.5	21.9
Depreciation	388	8.0	475	8.8	321	6.1	-17.3	-32.4

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01 Korea

- COGS, OP margin, SG&A portion of Sales



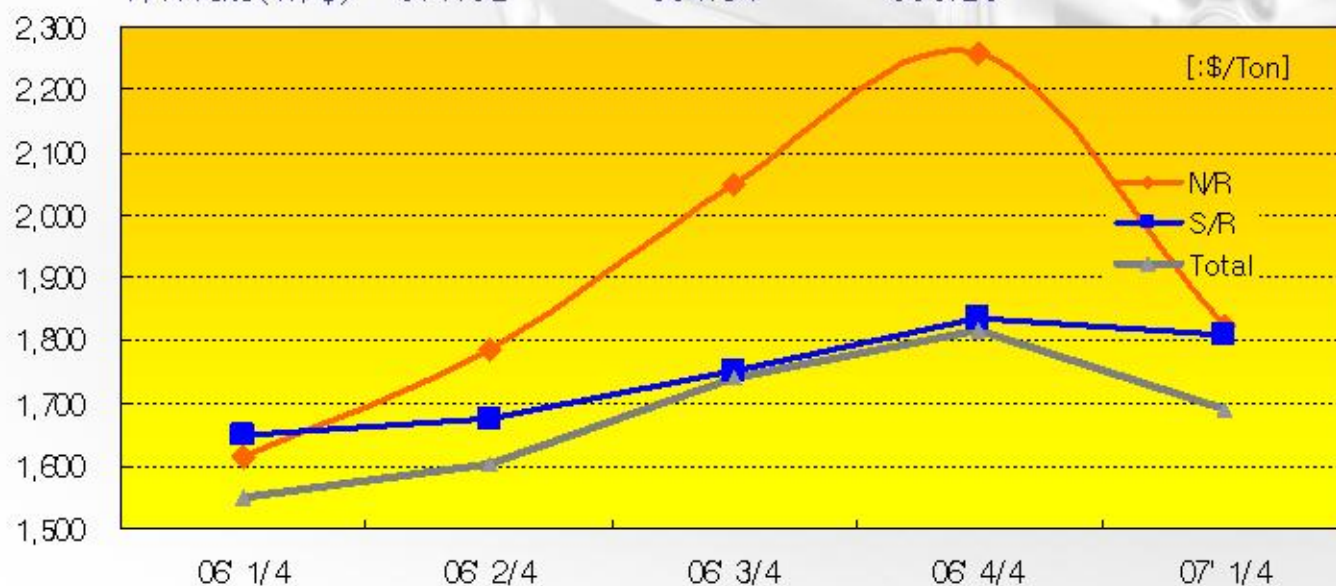
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01 Korea

- Raw Material Price Trend

	2006 1Q	2006 4Q	2007 1Q	[단위 : USD/ton]	
				YoY (%)	QoQ (%)
N/R	1,613	2,259	1,824	13.1	-19.3
S/R	1,648	1,834	1,808	9.7	-1.4
C/B	828	975	882	6.6	-9.5
T/C	4,468	4,437	4,463	-0.1	0.6
S/C	2,042	1,984	1,942	-4.9	-2.1
Others	1,562	1,724	1,833	17.3	6.4
Total	1,551	1,816	1,690	9.0	-6.9
F/X rate(₩/\$)	977.52	954.04	939.26		



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01 Korea

- Operating Margin Trend

[Unit: Mil KRW]

	2006 1Q		2006 4Q		2007 1Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	4,862	100.0	5,383	100.0	5,300	100.0	9.0	-1.5
O.P margin	500	10.3	367	6.8	705	13.3	41.0	92.1
EBITDA	888	18.3	842	15.6	1,023	19.3	15.2	21.5
Depreciation	388	8.0	475	8.8	321	6.1	-17.3	-32.4



HANKOOK TIRE 2007 1st Quarter Result



01 Korea

- SG&A _ Non operating income - expenses

[Unit:Mil KRW]

	2006 1Q (a)	2007 1Q (b)	(b-a)
SG&A			
Advertising Expens	59	83	24
Salaries	144	163	19
Commission Exper	44	55	11
Ocean Freight	181	186	5
Depreciation	61	60	-1
Others	385	394	9
Total	874	941	67
Non-Operating			
Equity Method gain	145	-94	-239
Foreign Currency T	61	-7	-68
Import Royalty	78	86	8
Import Commissior	35	33	-2
Others	-56	-33	23
Total	263	-15	-278

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01 Korea

- B/S

[Unit: Mil KRW]

	2006		2007 1Q	
	Amt	%	Amt	%
Assets	21,659	100.0	22,078	100.0
Current Assets	5,860	27.1	6,115	27.7
Quick Assets	3,308	15.3	3,585	16.2
Inventories	2,552	11.8	2,530	11.5
Non-current Asset	15,799	72.9	15,963	72.3
Investment Assets	4,077	18.8	4,304	19.5
Property&Equipment	11,555	53.3	11,473	52.0
Intangible Assets	73	0.3	69	0.3
Liabilities	6,431	29.7	6,617	30.0
Current Liabilities	4,968	22.9	5,126	23.2
Non-current Liabilit	1,462	6.8	1,492	6.8
Capital	15,228	70.3	15,461	70.0
Net Debt	2,060		1,372	
Net Debt ratio		13.5%		8.9%
Debt Ratio		42.2%		42.8%
Net worth to Assets		70.3%		70.0%

HANKOOK TIRE 2007 1st Quarter Result





02 China

HANKOOK TIRE 2007 1st Quarter Result



02 China

※ China GAAP

Income Statements

[unit: '000 RMB]

	2006 1Q		2006 4Q		2007 1Q		YoY	QoQ
	금액	%	금액	%	금액	%	(%)	(%)
Sales	1,271,660	100.0	1,620,314	100.0	1,566,047	100.0	23.1	-3.3
COGS	961,312	75.6	1,328,821	82.0	1,291,710	82.5	34.4	-2.8
Gross Profit	310,348	24.4	291,493	18.0	274,337	17.5	-11.6	-5.9
SG&A	200,113	15.7	268,699	16.6	250,948	16.0	25.4	-6.6
O.P margin	110,235	8.7	22,794	1.4	23,389	1.5	-78.8	2.6
Non-operating Income/Loss	-29,776	-2.3	-26,202	-1.6	-37,242	-2.4	-25.1	-42.1
Ordinary Profit	80,459	6.3	-3,408	-0.2	-13,853	-0.9	-117.2	-306.4
EBITDA	190,697	15.0	119,073	7.3	125,505	8.0	-34.2	5.4
Depreciation	80,462	6.3	96,279	5.9	102,116	6.5	26.9	6.1

HANKOOK TIRE 2007 1st Quarter Result



02 China

※ China GAAP

• SG&A _ Non operating income - expenses

[unit: '000 RMB]

	2006 1Q (a)	2007 1Q (b)	차이 (b-a)
SG&A			
Salaries	14,602	18,959	4,357
Consulting Expen	58,879	70,217	11,338
Transportation	23,984	33,168	9,184
Sales Promotion	-	8,390	8,390
Advertising Expenses	8,172	14,305	6,133
Expenses on experiment and	3,061	6,191	3,130
Depreciation	7,799	10,239	2,440
Others	83,616	89,479	5,863
Total	200,113	250,948	50,835
Non-Operating Gain & Loss			
Non-operating income	26,559	52,948	26,389
Foreign currency translation gain/loss	17,905	40,350	22,445
Others	8,654	12,598	3,944
Non-operating expense	56,335	90,190	33,855
Interest expense	41,816	66,622	26,389
others	14,519	23,568	9,049
Total	- 29,776	- 37,242	-7,466

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03 Consolidated

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03 Consolidated

- Income Statements

[Unit: Mil KRW]

	2006 1Q		2007 1Q		YoY (%)
	Amt.	%	Amt.	%	
Sales	7,351	100.0	8,424	100.0	14.6
COGS	5,052	68.7	6,069	72.0	20.1
Gross Profit	2,299	31.3	2,355	28.0	2.4
SG&A	1,467	20.0	1,586	18.8	8.1
O.P margin	832	11.3	769	9.1	-7.6
Non-operating Income/Loss	-44	-0.6	-145	-1.7	-228.5
Ordinary Profit	788	10.7	624	7.4	-20.8

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03 Consolidated

- B/S

[Unit: Mil KRW]

	2006		2007 1Q	
	Amt	%	Amt	%
Assets	35,683	100.0	36,529	100.0
Current Assets	14,689	41.2	13,719	37.6
Quick Assets	8,663	24.3	8,058	22.1
Inventories	6,026	16.9	5,661	15.5
Non-current Asset	20,994	58.8	22,810	62.4
Investment Assets	390	1.1	1,142	3.1
Property&Equipment	19,762	55.4	20,923	57.3
Intangible Assets	218	0.6	192	0.5
Liabilities	20,021	56.1	19,884	54.4
Current Liabilities	15,188	42.6	13,462	36.9
Non-current Liabilit	4,833	13.5	6,422	17.6
Capital	15,662	43.9	16,645	45.6
Debt Ratio		127.8%		119.5%
Net worth to Assets		43.9%		45.6%

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Thank You

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