

2008 Hankook Tire 2008 1st Quarter Result

2008.04.29

 **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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2008 1Q Result

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01 ***Korea***

- Income Statements

[Unit: 100 Mil. KRW]

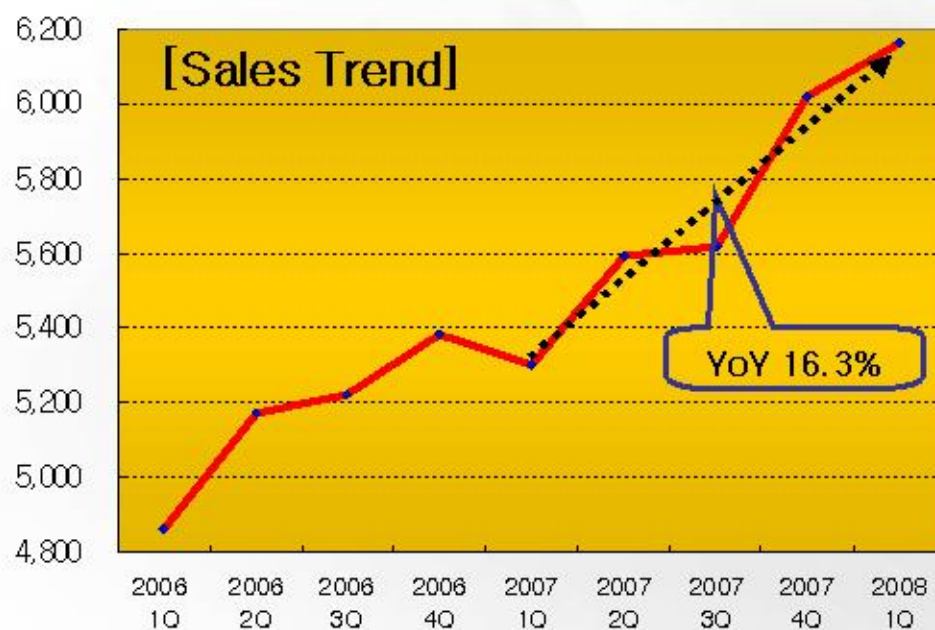
	2007 1Q		2007 4Q		2008 1Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,300	100.0	6,018	100.0	6,165	100.0	16.3	2.4
COGS	3,654	68.9	4,285	71.2	4,214	68.4	15.3	-1.7
Gross Profit	1,646	31.1	1,733	28.8	1,951	31.6	18.5	12.6
SG&A	941	17.8	1,248	20.7	1,100	17.8	16.9	-11.8
O.P. margin	705	13.3	485	8.1	851	13.8	20.7	75.2
Non-operating Income/Loss	-75	-1.4	-270	-4.5	-314	-5.1	-	-
Ordinary Profit	630	11.9	215	3.6	537	8.7	-14.8	149.6
EBITDA	1,030	19.4	926	15.4	1,181	19.2	14.6	27.6
Depreciation	325	6.1	445	7.4	331	5.4	1.6	-25.6

※ Year-End Special Bonus: 07 29.8 Bil

• Sales Trend

[Unit: 100 Mil. KRW]

	2007 1Q		2007 4Q		2008 1Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,300	100.0	6,018	100.0	6,165	100.0	16.3	2.4
Domestic	1,586	29.9	2,041	33.9	1,920	31.1	21.1	-5.9
Export	3,714	70.1	3,977	66.1	4,245	68.9	14.3	6.7
UHPT Sales	757	14.3	851	14.1	1,020	16.6	34.8	19.9



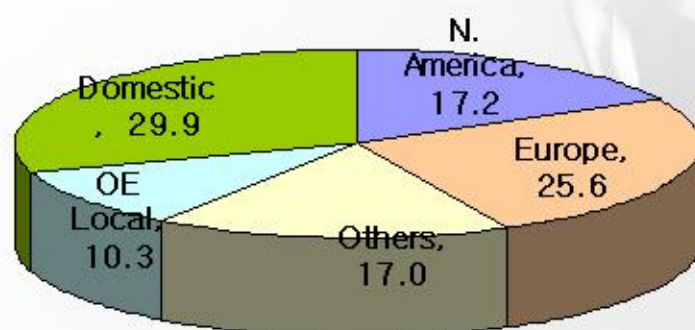
※ Average Currency Exchange Rate

	2007 1Q	2007 4Q	2008 1Q
USD	939	923	958
EUR	1232	1340	1443

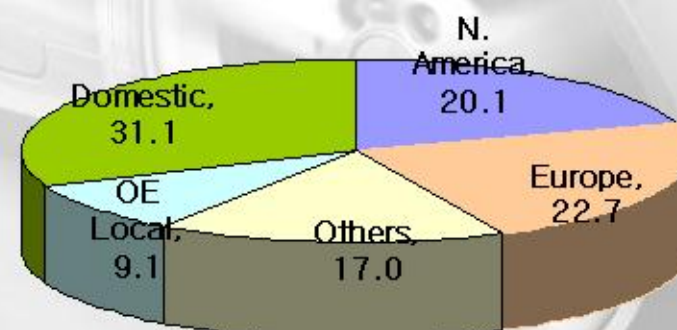
Sales Breakdown by Region

[Unit: 100 Mil. KRW]

	2007 1Q		2007 4Q		2008 1Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Export	3,714	70.1	3,977	66.1	4,245	68.9	14.3	6.7
N. America	910	17.2	1,011	16.8	1,240	20.1	36.2	22.7
Europe	1,359	25.6	1,334	22.2	1,398	22.7	2.9	4.8
Others	901	17.0	991	16.5	1,047	17.0	16.2	5.6
OE Local	544	10.3	641	10.7	560	9.1	2.9	-12.7
Domestic	1,586	29.9	2,041	33.9	1,920	31.1	21.1	-5.9
Total	5,300	100	6,018	100	6,165	100	16.3	2.4



2007 1Q

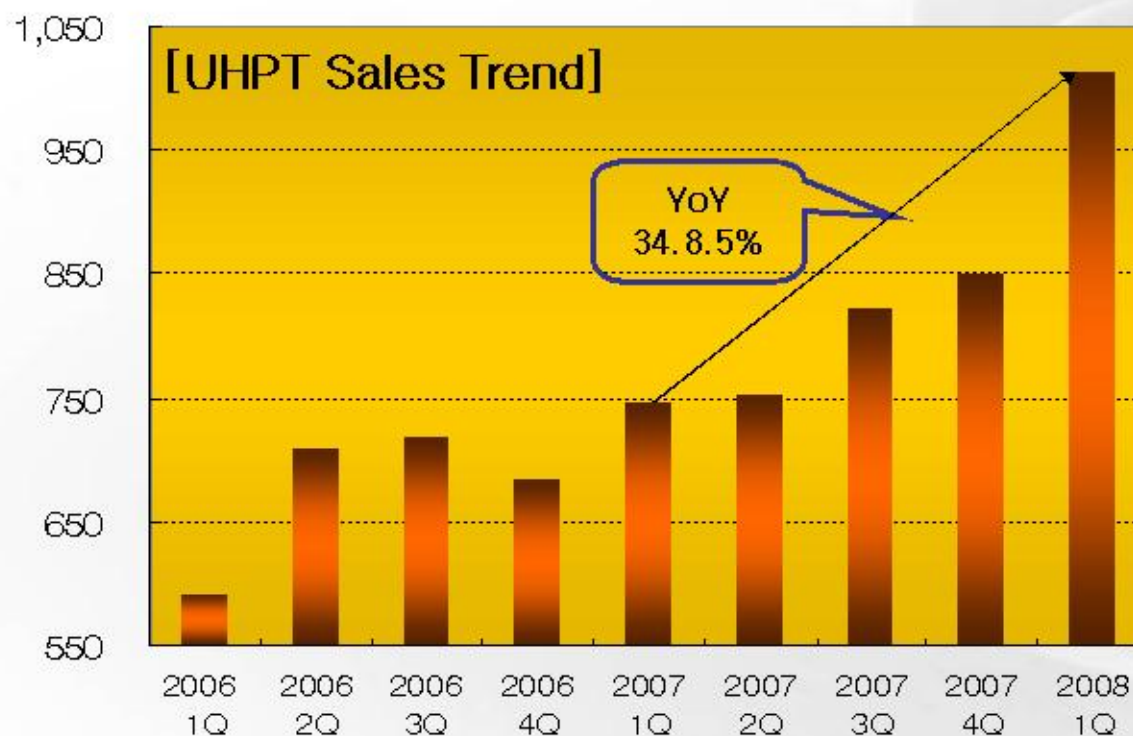


2008 1Q

• UHPT Sales Trend

[Unit:100 Mil KRW, 1,000 unit]

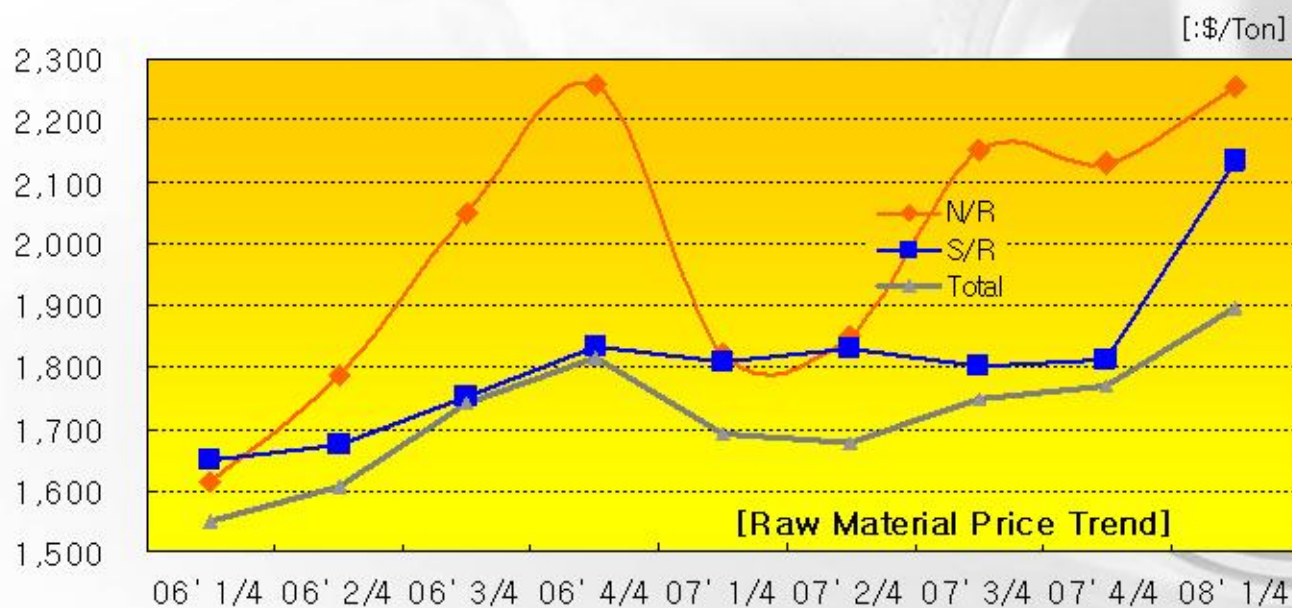
	2007 1Q		2007 4Q		2008 1Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,300	100.0	6,018	100.0	6,165	100.0	16.3	2.4
UHPT Sales	757	14.3	851	14.1	1,020	16.6	34.8	19.9
UHPT Sales Vol.	1,332		1,508		1,687		13.2	11.8



• Raw Material Price Trend

[Unit: 100 Mil KRW]

	2007 1Q	2007 4Q	2008 1Q	YoY (%)	QoQ (%)
N/R	1,824	2,131	2,253	23.5	5.7
S/R	1,808	1,813	2,133	18.0	17.7
C/B	882	968	1,077	22.1	11.3
T/C	4,463	4,458	4,470	0.2	0.3
S/C	1,942	1,882	1,894	-2.5	0.6
기타	1,833	1,732	1,713	-6.5	-1.1
Total	1,690	1,769	1,896	12.2	7.2



- SG&A, Non-Operating Gain & Loss

[Unit: 100 Mil. KRW]

	2007 1Q (a)	2007 4Q	2008 1Q (b)	(b-a)
SG&A				
Salaries	231	329	259	28
Ocean Freight	186	207	238	52
Product Warranty Expenses	17	15	9	-8
Employee Benefits	32	31	34	2
Export Sales Expenses	18	18	21	2
Depreciation	64	111	75	11
Advertising Expenses	83	164	106	22
Others	310	374	359	50
Total	941	1,248	1,100	159
Non-Operating				
Equity Method gain/loss	-94	-283	-327	-233
Foreign Currency Transa	-6	-65	68	75
Foreign Exchange Transa	-31	-34	-208	-177
Import Royalty	86	120	140	55
Others	-30	-8	12	42
Total	-75	-270	-314	-239

- B/S

[Unit: 100 Mil KRW]

	2007		2008 1Q			
	Amt.	%	Amt.	%	Amt.	%
Assets	23,590	100.0	23,954	100.0	364	1.5
Current Assets	6,931	29.4	7,103	29.7	172	2.5
Quick Assets	4,404	18.7	4,751	19.8	347	7.9
Inventories	2,527	10.7	2,352	9.8	-175	-6.9
Non-current Asset	16,658	70.6	16,851	70.3	193	1.2
Investment Assets	4,679	19.8	5,011	20.9	332	7.1
Property&Equipment	11,922	50.5	11,787	49.2	-135	-1.1
Intangible Assets	58	0.2	53	0.2	-5	-8.2
Liabilities	6,782	28.7	6,587	27.5	-195	-2.9
Current Liabilities	4,961	21.0	4,544	19.0	-417	-8.4
Non-current Liabilities	1,821	7.7	2,043	8.5	222	12.2
Capital	16,808	71.3	17,367	72.5	559	3.3
Net Debt	772		506		-266	-34.5
Net Debt ratio		4.6%		2.9%		
Debt Ratio		40.3%		37.9%		
Net worth to Assets		71.3%		72.5%		

02 **China**

Income Statements

[Unit: Mil RMB]

	2007 1Q		2007 4Q		2008 1Q		YoY	QoQ
	Amt.	%	Amt.	%	Amt.	%	(%)	(%)
Sales	1,566	100.0	1,870	100.0	1,868	100.0	19.3	-0.1
COGS	1,292	82.5	1,452	77.6	1,531	82.0	18.5	5.5
Gross Profit	274	17.5	418	22.4	337	18.0	22.7	-19.6
SG&A	251	16.0	315	16.8	283	15.2	12.8	-10.1
O.P. margin	23	1.5	104	5.5	57	3.1	144.1	-44.9
Non-operating Income/Loss	-37	-2.4	22	1.2	47	2.5	-	-
Ordinary Profit	-14	-0.9	126	6.7	104	5.6	-	-
EBITDA	126	8.0	222	11.8	177	9.5	41.1	-20.1
Depreciation	102	6.5	118	6.3	120	6.4	17.5	1.7

※ China GAAP

- SG&A, Non-Operating Gain & Loss

[Unit: Mil RMB]

	2007 1Q (a)	2008 1Q (b)	(b-a)
SG&A	250.9	287.1	36.2
Salaries	19.0	29.3	10.3
Sales Promotion	8.4	18.5	10.1
Royalty Expense	56.8	68.9	12.1
Cunsulting	13.4	10.3	-3.1
Export Commission	27.4	28.3	0.9
Depreciation	13.2	14.7	1.5
Domestic Transportation Cost	33.2	34.9	1.7
Advertising Expenses	14.3	11.8	-2.5
Others	65.3	70.5	5.2
Total	250.9	287.1	36.2
Non-Operating Gain & Loss	-37.2	46.6	83.9
Non-operating income	52.9	196.7	143.7
Foreign currency translation gain/loss	40.4	152.9	112.5
Others	12.6	43.8	31.2
Non-operating expenses	90.2	150.0	59.8
Interest expense	66.6	67.4	0.8
others	23.6	82.6	59.1

03 ***Hungary***

- Income Statements

[Unit: '000 HUF]

	2007 4Q		2008 1Q		QoQ
	금액	%	금액	%	%
Sales	2,477,929	100.0	6,092,223	100.0	145.9
COGS	4,249,965	171.5	7,535,979	123.7	77.3
Gross Profit	-1,772,036	-71.5	-1,443,756	-23.7	-
SG&A	695,650	28.1	1,112,759	18.3	60.0
O.P margin	-2,467,685	-99.6	-2,556,515	-42.0	-
Non-operating Income/Loss	-95,951	-3.9	-2,544,113	-41.8	-
Ordinary Profit	-2,563,636	-103.5	-5,100,628	-83.7	-
EBITDA	-187,885	-7.6	-305,085	-5.0	-
Depreciation	2,279,801	92.0	2,251,431	37.0	-1.2

※ Hungary GAAP

2008.4.24 HUF/KRW=6.23

04 ***Consolidated***

04 Consolidated



- Income Statements

[Unit: 100 Mil KRW]

	2007 1Q		2007 4Q		2008 1Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	8,424	100.0	9,521	100.0	9,973	100.0	18.4	4.7
COGS	6,069	72.0	7,209	75.7	7,396	74.2	21.9	2.6
Gross Profit	2,355	28.0	2,312	24.3	2,577	25.8	9.4	11.5
SG&A	1,586	18.8	1,909	20.0	1,836	18.4	15.8	-3.8
O.P margin	769	9.1	403	4.2	740	7.4	-3.7	83.6
Non-operating Income/Loss	-145	-1.7	-184	-1.9	-207	-2.1	-	-
Ordinary Profit	624	7.4	220	2.3	533	5.3	-14.6	142.5

- B/S

[Unit: 100 Mil KRW]

	2007		2008 1Q			
	Amt.	%	Amt.	%	금액	%
Assets	41,293	100.0	43,200	100.0	1,907	4.6
Current Assets	16,174	39.2	17,228	39.9	1,055	6.5
Quick Assets	9,270	22.4	9,944	23.0	674	7.3
Inventories	6,903	16.7	7,284	16.9	381	5.5
Non-current Asset	25,119	60.8	25,972	60.1	853	3.4
Investment Assets	1,096	2.7	1,223	2.8	127	11.6
Property&Equipment	23,828	57.7	24,553	56.8	725	3.0
Intangible Assets	195	0.5	196	0.5	1	0.3
Liabilities	24,199	58.6	25,686	59.5	1,487	6.1
Current Liabilities	17,770	43.0	17,700	41.0	-70	-0.4
Non-current Liabilities	6,429	15.6	7,986	18.5	1,557	24.2
Capital	17,093	41.4	17,514	40.5	420	2.5
Net Debt	9,578		9,523		-55	-0.6
Net Debt ratio		56.0%		54.4%		
Debt Ratio		141.6%		146.7%		
Net worth to Assets		41.4%		40.5%		

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