

HiteJinro 2011 Results

2012. 03



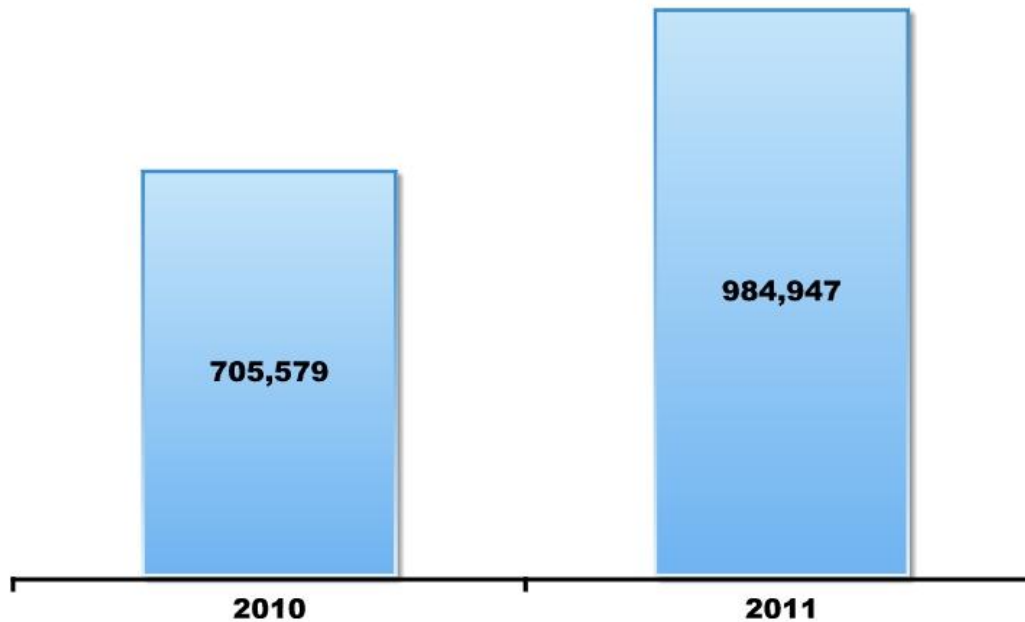
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1. Sales & Volume

Sales

Unit : Mn won

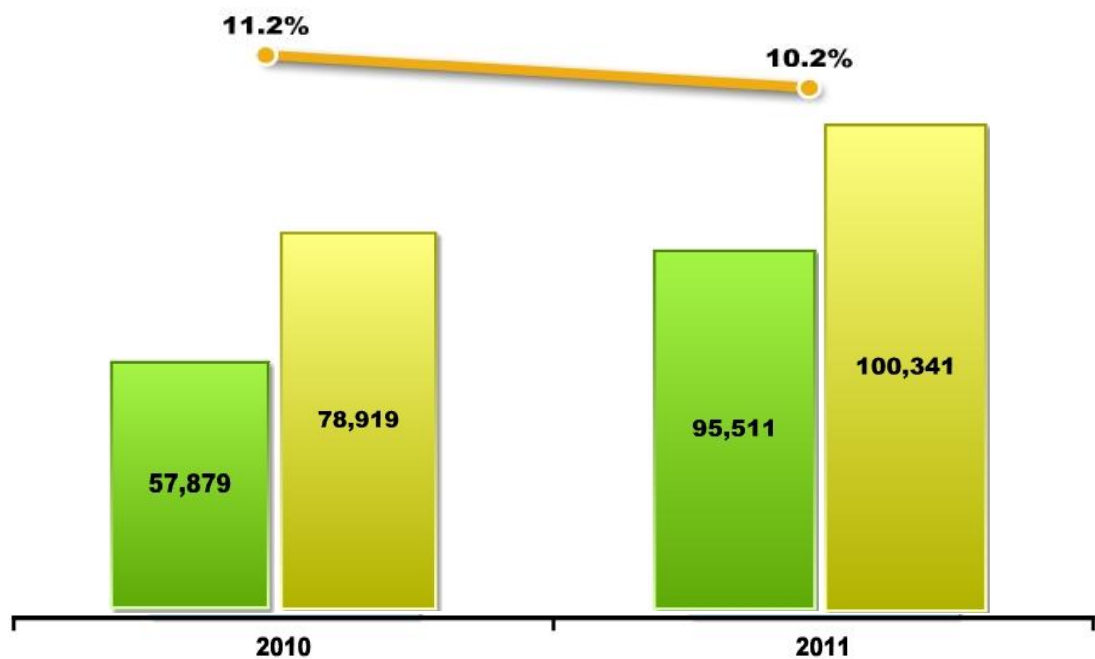


- Sales 984.9 bn won increased by 39.6% yoy
 - Include Beer results from Sep due to the merger in Sep. 2011
- Volume
 - Soju: 50,974 Thousand c/s (From Jan to Dec)
 - Beer: 29,919 Thousand c/s (From Sep to Dec)

2. Operation Profit & Marketing Cost

Operating Profit & Marketing Cost

■ Marketing Cost ■ Operating Profit ● Net Profit Margin(%) Unit: Mn won



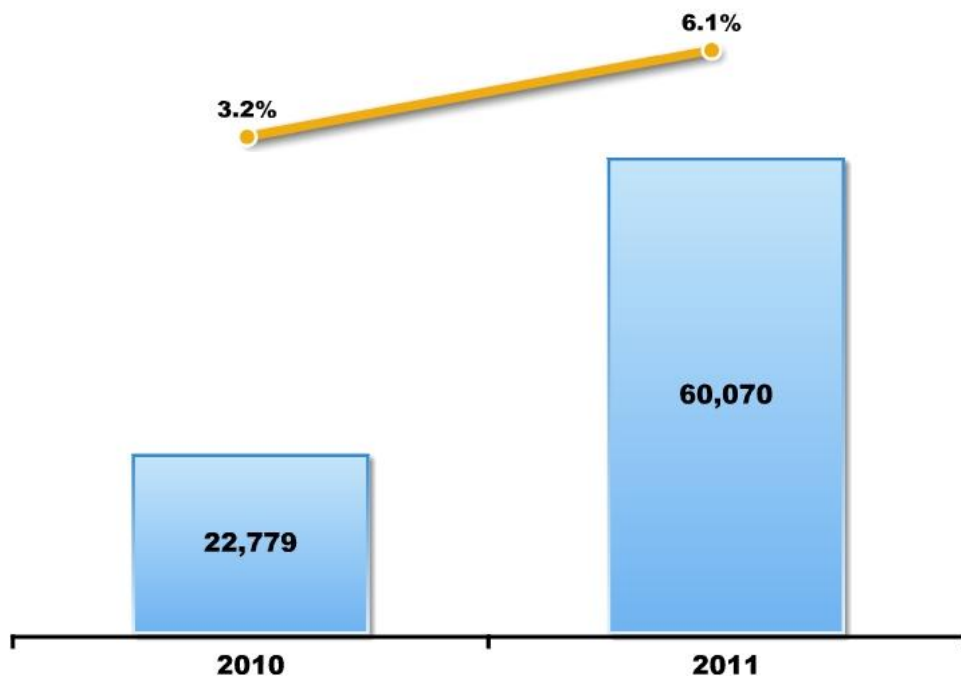
※ Marketing Cost= Advertising + Market research + Sales promotions + market development + Overseas market development

- Op Margin decreased 1.0% p yoy
 - Refund the penalty charged 15.7 bn won on the price fixing
 - Due to Inventory adjustment of Soju renewal, Sales volume slightly decreased
 - Due to changing a label of Beer and fictitious demand on the other company's price hike, Sales volume decreased
 - Op margin: 10.2%
 - Marketing cost: 95.5bn won (9.7% of Sales)

3. Net Profits

Net Profits

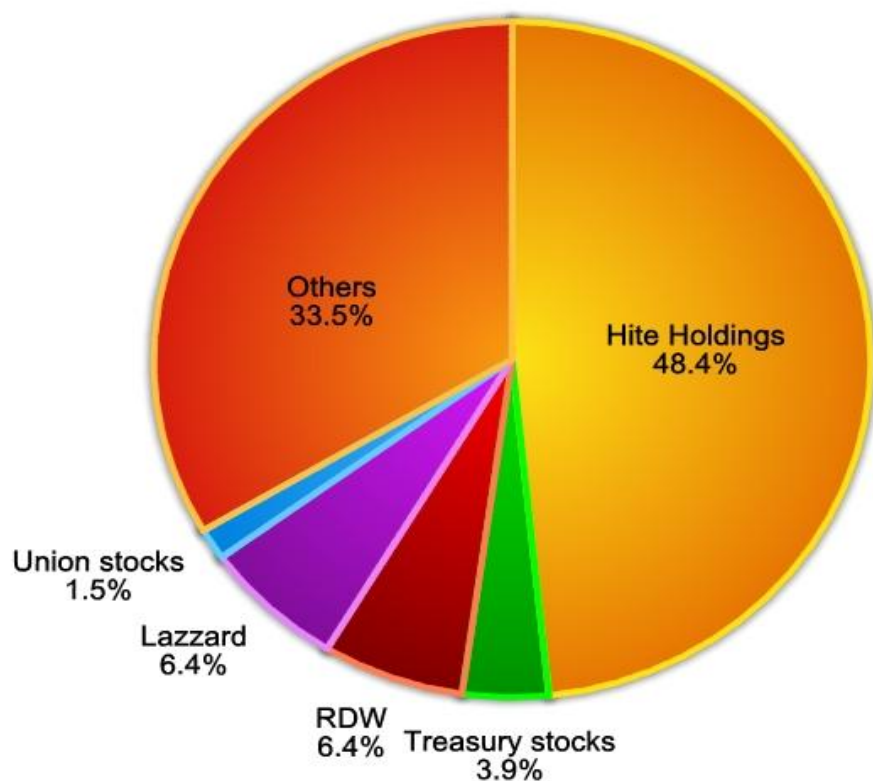
Net Profit NP Margin(%) Unit: Mn won



- Net profit: 60.1 bn won
- Net profit ratio increased 2.9%p yoy
- Issues of Financial profit & cost
 - Dividends : Jinro soju 18bn won
PRIK 2.5bn won
(period ricard imperial Korea)
 - Cost: Interest cost increased
20.9 bn won

4. Shareholders

Shareholders



- Total issued stocks
 - Common stocks: 69,477,714
 - Preferred stocks: 1,130,138
- Status of Primary shareholders (based on common stocks)
 - ① Hite holdings 33,600,353
 - ② Lazard Asset 4,468,934
 - ③ Real D.W 4,416,000
 - ④ Treasury stocks 2,722,628
 - ⑤ Union stock 1,017,200
 - ⑥ Others 23,252,599

※ As of Dec 31

5. Appendix - Non consolidated Financial statements

Unit: Mn won

Items	2011	In/Decrease	Ratio	2010
Total assets	3,435,692	161.09%	100.00%	1,315,894
1. Current assets	778,902	254.59%	22.67%	219,662
(1) Cash and cash equivalents	46,518	-42.40%	1.35%	80,760
(2) Trade and other current receivables	422,471	366.78%	12.30%	90,507
(3) Other current financial assets	3,725	1657.08%	0.11%	212
(4) Other current assets	51,187	239.82%	1.49%	15,063
(5) Inventories	130,795	294.90%	3.81%	33,121
(6) Disposal Non-current assets	124,206		3.62%	0
2. Non-current assets	2,656,790	142.36%	77.33%	1,096,232
(1) Trade and other current receivables	34,980		1.02%	
(2) Other non-current financial assets	54,053	52.73%	1.57%	35,391
(3) Non-current available-for-sale financial assets	3,672	23.26%	0.11%	2,979
(4) Investments in subsidiaries	323,428	12.51%	9.41%	287,467
(5) Tangible assets	2,080,654	243.44%	60.56%	605,821
(6) Intangible asset	24,721	539.61%	0.72%	3,865
(7) Investment assets	31,299	-29.21%	0.91%	12,515
(8) Deferred tax assets	103,984	-29.83%	3.03%	148,194
Total liabilities	2,053,537	176.90%	59.77%	741,614
1. Current liabilities	1,448,393	164.32%	42.16%	547,977
2. Non-current liabilities	605,144	212.51%	17.61%	193,637
Total equity	1,382,157	140.68%	40.23%	574,280
1. Issued capital	365,563	70.03%	10.64%	215,000
2. capital surplus	702,538	0	20.45%	0
3. Other equity interest	-106,423	79.47%	-3.10%	-59,297
4. Retained earnings	420,479	0.45%	12.24%	418,577

5. Appendix - Non consolidated Income statements

Unit: Mn won

ITEM	2011	In/Decrease	Ratio	2010	Ratio
Sales	984,947	39.59%	100.00%	705,579	100.00%
Cost of Sales	571,884	39.55%	58.06%	409,817	58.08%
Gross Profit	413,063	39.66%	41.94%	295,762	41.92%
SG&A	322,097	54.38%	32.70%	208,642	29.57%
(Marketing Cost)	95,511	65.02%	9.70%	57,879	8.20%
Other gains	25,160	98.61%	2.55%	12,668	1.80%
Other expense	15,785	-24.36%	1.60%	20,869	2.96%
Operating Income	100,341	27.14%	10.19%	78,919	11.18%
Finance income	26,687	152.14%	2.71%	10,584	1.50%
Finance costs	41,518	153.17%	4.22%	16,399	2.32%
Investment profit				3,008	0.43%
Net Profits	60,070	163.71%	6.10%	22,779	3.23%
Loss on valuation of available-for-sale financial	7,516	48.01%	0.76%	5,078	0.72%
Total comprehensive income(loss)	52,554	196.90%	5.34%	17,701	2.51%
Basic earnings per share	1,217 won			567 won	

5. Appendix -Consolidated Financial statements

Unit: Mn won

Items	2011	In/Decrease	Ratio	2010
Total assets	3,573,283	152.10%	100.00%	1,417,430
1. Current assets	1,030,883	152.64%	28.85%	408,049
(1) Cash and cash equivalents	141,717	-8.47%	3.97%	154,837
(2) Trade and other current receivables	534,543	195.41%	14.96%	180,952
(3) Other current financial assets	3,868	63.28%	0.11%	2,369
(4) Other current assets	57,253	245.92%	1.60%	16,551
(5) Inventories	167,350	213.74%	4.68%	53,340
(6) Disposal Non-current assets	126,153		3.53%	0
2. Non-current assets	2,542,400	151.88%	71.15%	1,009,381
(1) Trade and other current receivables	35,278	32265.14%	0.99%	109
(2) Other non-current financial assets	55,992	48.95%	1.57%	37,592
(3) Non-current available-for-sale financial assets	36,222	-41.23%	1.01%	61,638
(4) Investments in subsidiaries	41,177	21.34%	1.15%	33,936
(5) Tangible assets	2,179,988	217.77%	61.01%	686,024
(6) Intangible asset	46,969	857.57%	1.31%	4,905
(7) Other non-current assets	57	0.00%	0.00%	57
(8) Investment property	20,172	58.62%	0.56%	12,717
(9) Deferred tax assets	126,545	-26.60%	3.54%	172,400
Total liabilities	2,150,023	166.19%	60.17%	807,703
1. Current liabilities	1,528,640	154.44%	42.78%	600,791
2. Non-current liabilities	621,383	200.31%	17.39%	206,912
Total equity	1,423,259	133.43%	39.83%	609,726
1. Equity attributable to owners of parent	1,422,854	133.48%	39.82%	609,410
(1) Issued capital	365,563	70.03%	10.23%	215,000
(2) capital surplus	710,137		19.87%	0
(3) Other equity interest	-74,884	656.79%	-2.10%	-9,895
(4) Retained earnings	422,038	4.39%	11.81%	404,305
2. Non-controlling interests	406	28.48%	0.01%	316



* Consolidated financial statements include Connect subsidiaries of JinroJapnInc, JinroSoju, Seoksu&Puris, JGC, The Hite-JinroGroup China, JinroAmerica Inc and JinroRUS Food co, Jinro brewing, Hiscot.

5. Appendix - Consolidated Income statements

Unit: Mn won

ITEM	2011	In/Decrease	Ratio	2010	Ratio
Sales	1,373,664	28.81%	100.00%	1,066,403	100.00%
Cost of Sales	813,937	31.39%	59.25%	619,504	58.09%
Gross Profit	559,727	25.25%	40.75%	446,899	41.91%
SG &A	434,735	36.67%	31.65%	318,088	29.83%
(Marketing Cost)	135,267	47.42%	9.85%	91,758	8.60%
Other gains	30,669	101.49%	2.23%	15,221	1.43%
Other expense	18,892	-15.51%	1.38%	22,361	2.10%
Operating Profit	136,770	12.41%	9.96%	121,671	11.41%
Finance income	8,758	128.97%	0.64%	3,825	0.36%
Finance costs	42,237	158.31%	3.07%	16,351	1.53%
Gains on investments	10,087	-27.55%	0.73%	13,922	1.31%
Losses on investments	2,476	-62.33%	0.18%	6,572	0.62%
Profit before tax	110,901	-4.80%	8.07%	116,496	10.92%
Income tax expense	40,659	612.07%	2.96%	5,710	0.54%
Net Profits	70,243	47.51%	5.11%	47,620	4.47%
Basic earnings per share	1,426 Won			1,183 Won	



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Thank you.

