



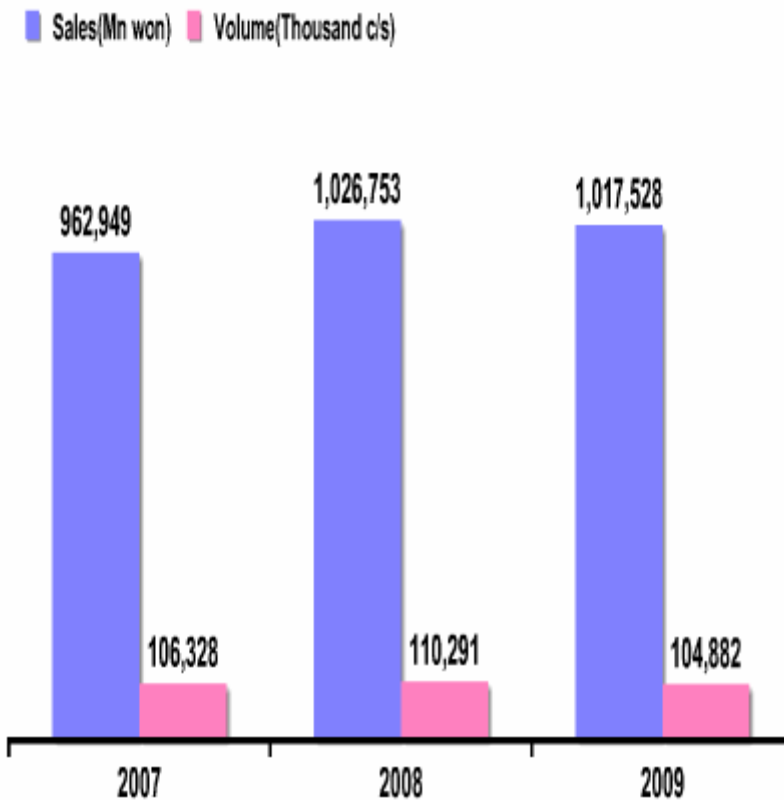
Investor Relations

2009 Result of Hite
Brewery

2010. 02

1. Sales & Volume

- Sales 1,175bn won (yoy 0.9% decreased), Sales volume 4.9% decreased



- Sales & M/S decreased

① Because of economic recession, beer

market reduced
→ about 2% decreased (shipment base)

② Difference in brand strategy between

competitor's extension brand strategy

and our independent brand strategy

makes M/S decreased

③ Through inventory adjustment in wholesaler side, prepare for reasonable

inventory maintain strategy

- Price hike history

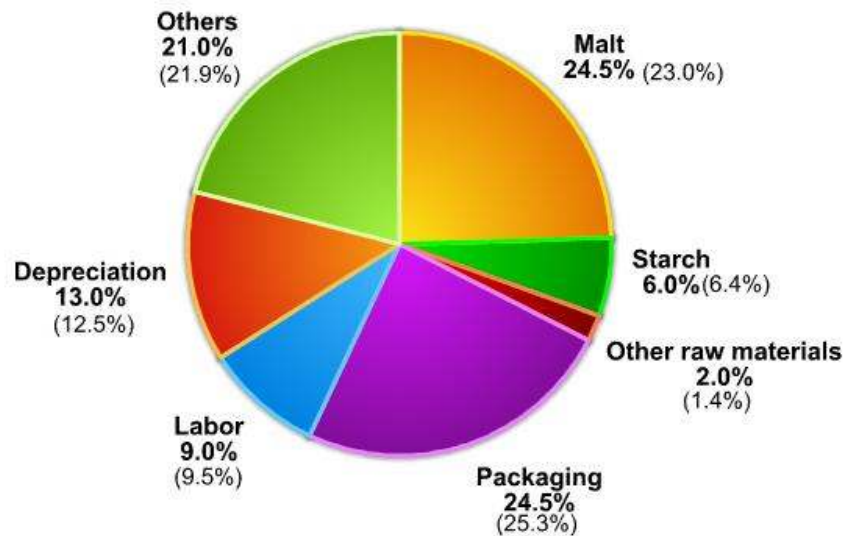
① '07 Jan 3%, May 1.9%

② '08 July 5.6%

③ '09 Dec 2.6%

2. Cost breakdown

- Gross profit 517.8bn won, yoy 3.5% decreased(Gross profit margin 50.9%)



COGS breakdown

※ () are '08 result

• Malt

- Volume: roughly 130,000ton
(domestic 20%, imported 80%)
- Value : roughly 125bn won
(domestic 32%, imported 68%)

• Weaker won & Import tariff

- Average FX: '08 1,100won → '09 1,277won
- Import tariff: 07 10% → 08 0%
→ 09 1H 8% → 09 2H 15%

• Starch

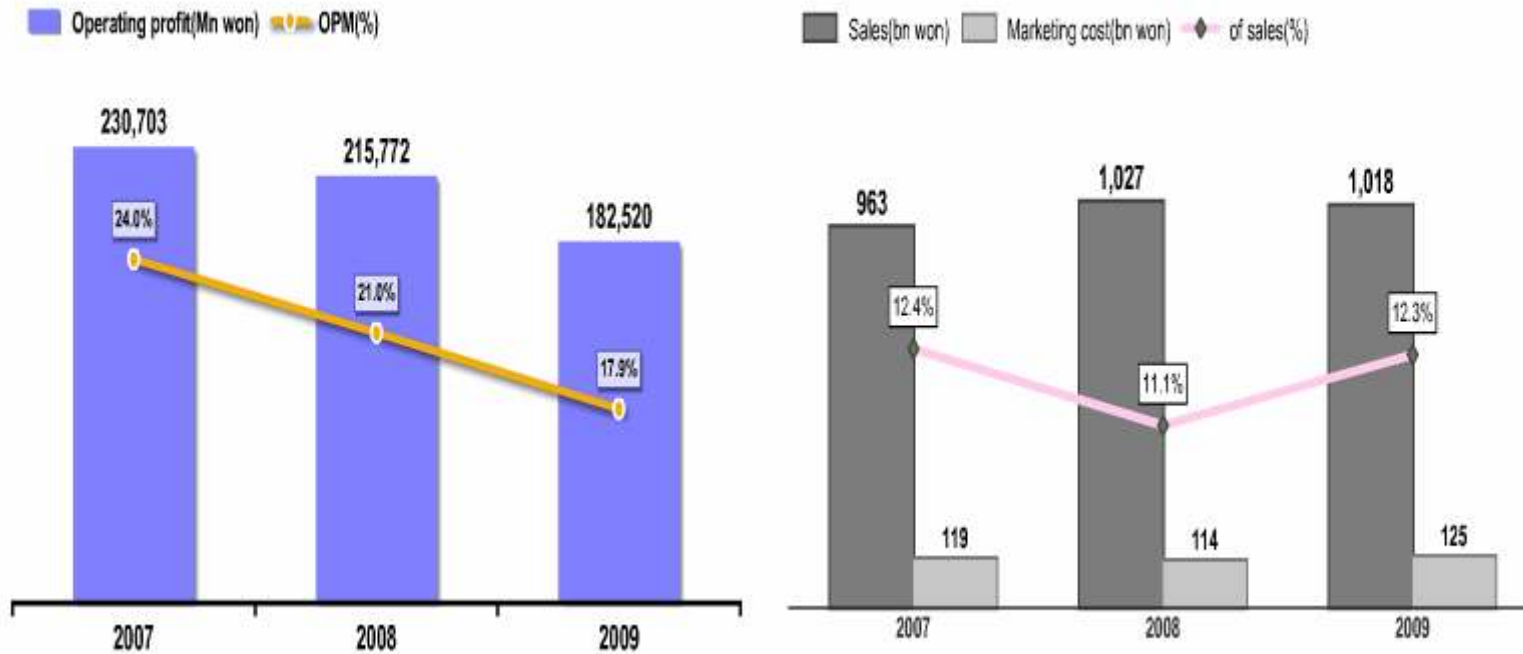
- Volume : 760ton increased
- Value : 3bn won decreased

• Packaging

- Aluminum can cost increased 3bn won

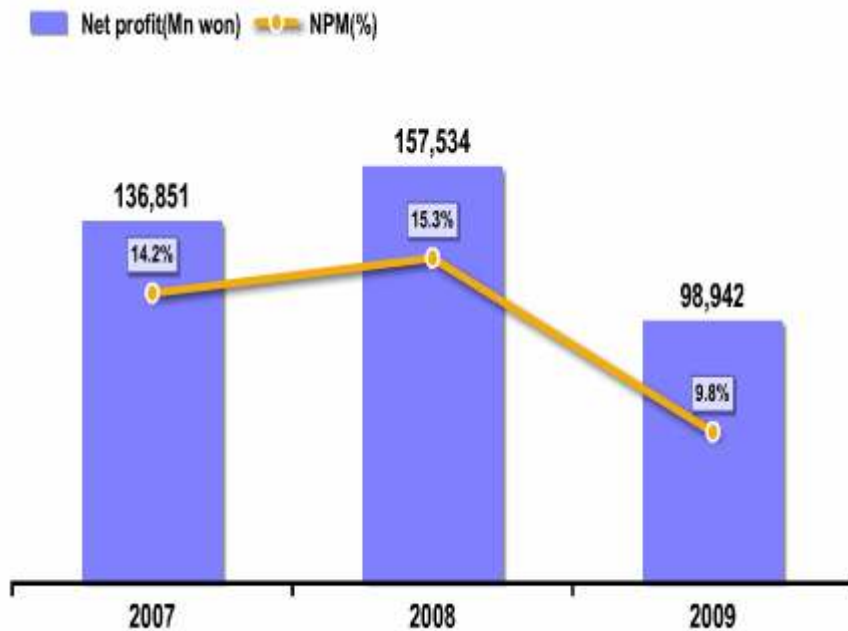
3. Operating profit & Marketing cost

- Operating profit : 182.5bn won(yoy 15.4% decreased, OPM 17.9%)
- Royalty cost : 12.3bn won(yoy 5.5bn won increased, payment start from '08 2H)
- Marketing cost : 124.7bn won, of sales 12.3%(yoy 10.4bn won increased)
- Market share : shipment base 56.2% (yoy 1.9%p decreased)



4. Net profit

- Net profit 98.9bn won(yoy 37.2% decreased)



- Subsidiary's equity method gains are

- not included

- Equity method gains of Jinro included to Hite holdings since 2008 2H

- Interest expenses decreased

- yoy 10.6bn won decreased
- Total interest bearing debt 980bn

Financial statement (Income statement)

Unit: Mn won, Thousand c/s

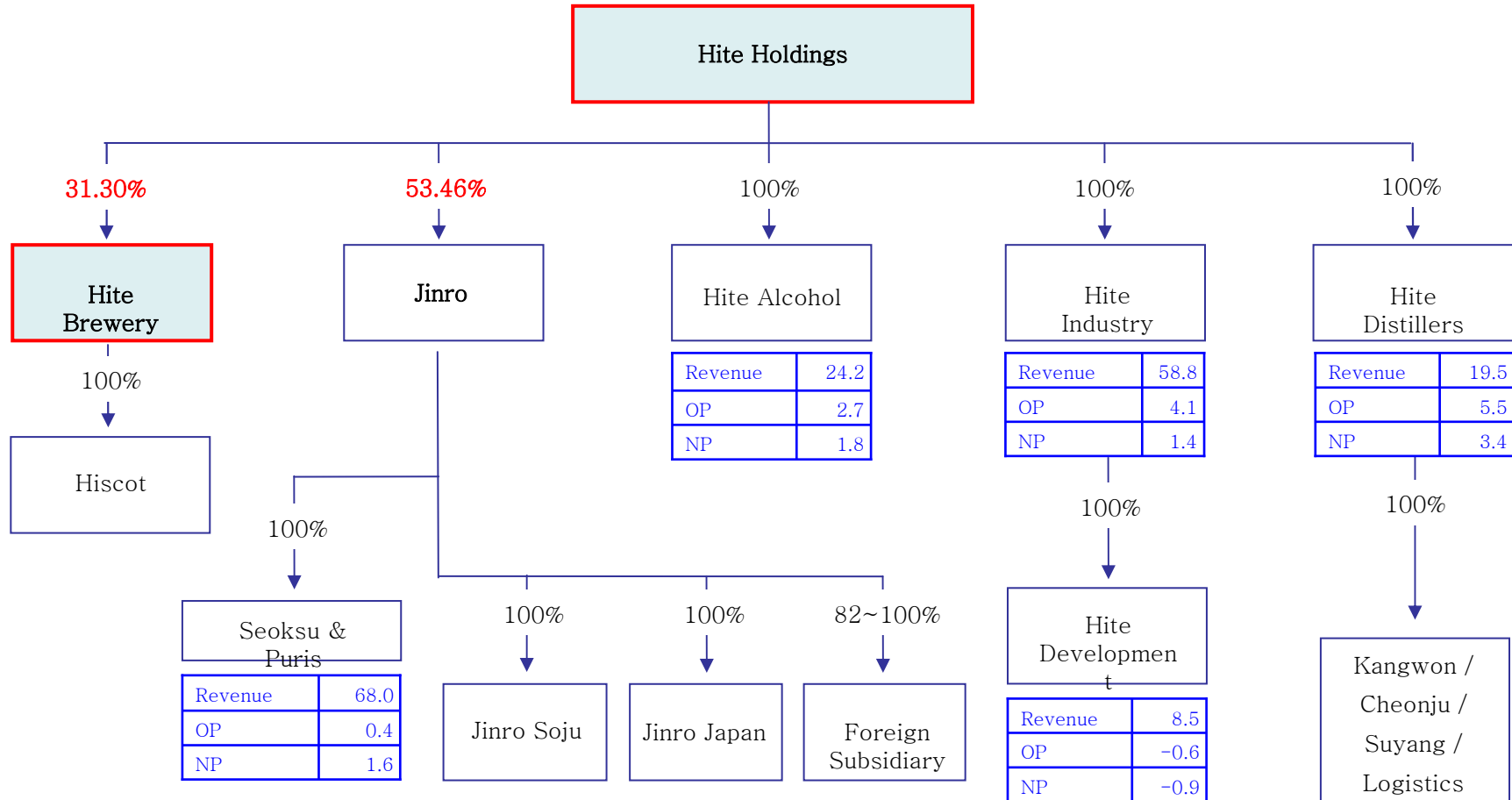
Items	2009	In/Decrease	Ratio	2008	Ratio	2007	Ratio
Sales	1,017,528	-0.9%	100.0%	1,026,753	100.0%	962,949	100.0%
(Volume thousand)	(104,882 Cs)	-4.9%	10.3%	(110,291 Cs)		(106,600 Cs)	
COGS	499,681	1.9%	49.1%	490,309	47.8%	435,472	45.2%
Gross profit	517,847	-3.5%	50.9%	536,444	52.2%	527,477	54.8%
SG&A	335,327	4.6%	33.0%	320,672	31.2%	296,774	30.8%
Marketing expenses	124,762	9.2%	12.3%	114,302	11.1%	119,327	12.4%
Operating profit	182,520	-15.4%	17.9%	215,772	21.0%	230,703	24.0%
Non-operating profit	40,610	-48.9%	4.0%	79,535	7.7%	32,813	3.4%
(Equity method gain)	(1,020)	-97.3%	0.1%	(37,181)	3.6%	(13,288)	1.4%
Non-operating loss	95,368	3.3%	9.4%	92,302	9.0%	68,224	7.1%
(Interest expense)	(56,699)	-15.8%	5.6%	(67,355)	6.6%	(54,244)	5.6%
Recurring profit	127,762	-37.1%	12.6%	203,005	19.8%	195,292	20.3%
Special gain	-			-		-	
Special loss	-			-		-	
Profit before tax	127,762	-37.1%	12.6%	203,005	19.8%	195,292	20.3%
Corporate tax	28,531	-37.3%	2.8%	45,471	4.4%	58,441	6.1%
Net profit	99,232	-37.0%	9.8%	157,534	15.3%	136,851	14.2%

Financial statement (Balance sheet)

Unit : Mn won

Items	2009	In/Decrease	Ratio	2008	2007
Assets	2,267,130	21.2%	100.0%	1,870,356	2,766,797
1. Current Asset	525,404	7.0%	23.2%	490,910	488,038
(1) Cash and receivables	417,045	5.3%	18.4%	395,958	416,613
(2) Inventories	108,360	14.1%	4.8%	94,952	71,425
2. Non-current Assets	1,741,726	26.3%	76.8%	1,379,446	2,278,759
(1) Investment	30,703	182.6%	1.4%	10,863	961,278
(2) Property, Land & Equipment	1,643,229	27.7%	72.5%	1,287,243	1,246,210
(3) Goodwill, Industrial property rights	0		0.0%	0	544
(4) Other non-current Assets	67,794	-16.7%	3.0%	81,341	70,727
Liabilities	1,425,621	13.8%	62.9%	1,252,838	1,444,363
1. Current Liabilities	1,102,772	26.4%	48.6%	872,549	1,093,863
2. Non-current Liabilities	322,849	-15.1%	14.2%	380,289	350,500
Shareholders' equity	841,509	36.3%	37.1%	617,518	1,322,435
1. Shareholders' Equity	49,684	2.0%	2.2%	48,711	110,205
2. Capital surplus	516,747	0.0%	22.8%	516,751	636,861
3. Capital adjustment	-1,072	33.0%	0.0%	-806	-100,584
4. Unappropriated retained earnings	149,406	1090457.7%	6.6%	14	13,159
5. Retained earnings	126,744	139.8%	5.6%	52,848	662,794

Hite Jinro group structure

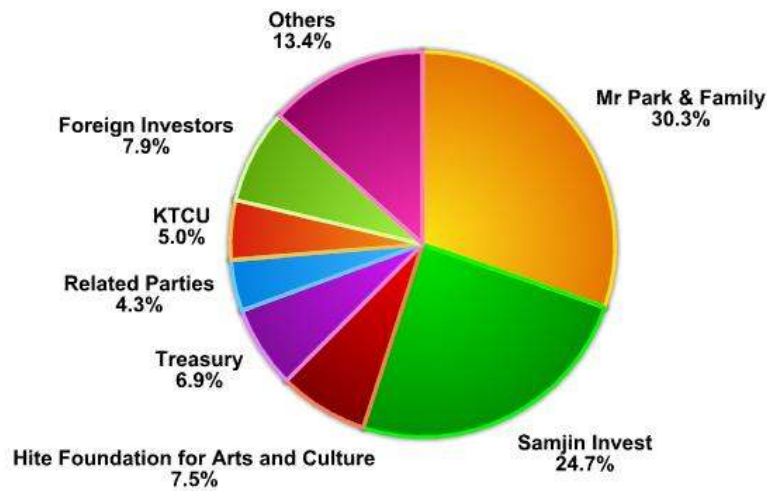


* 2009 financial figures of subsidiary (not confirmed), unit : bn won

Equity status of Hite Jinro group

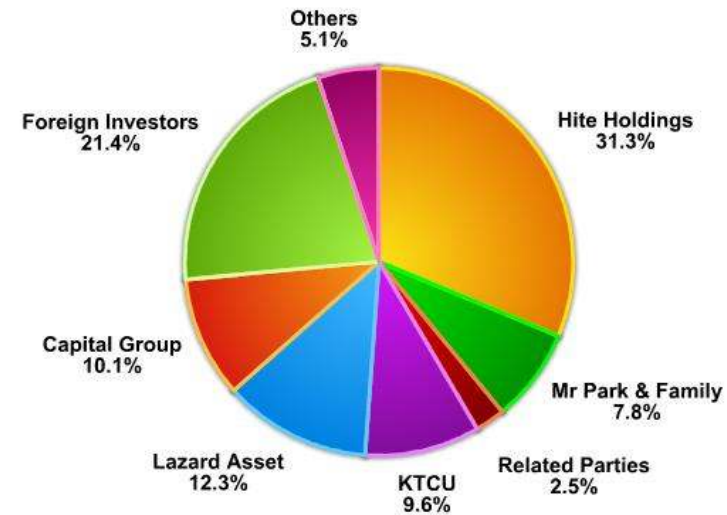


Hite holdings



- Total shares : 23,677,575 shares
 - Common : 23,206,765 shares
 - Preferred : 470,810 shares

Hite brewery



- Total shares : 9,936,853 shares
 - Common : 9,563,918 shares
 - Preferred : 372,935 shares