


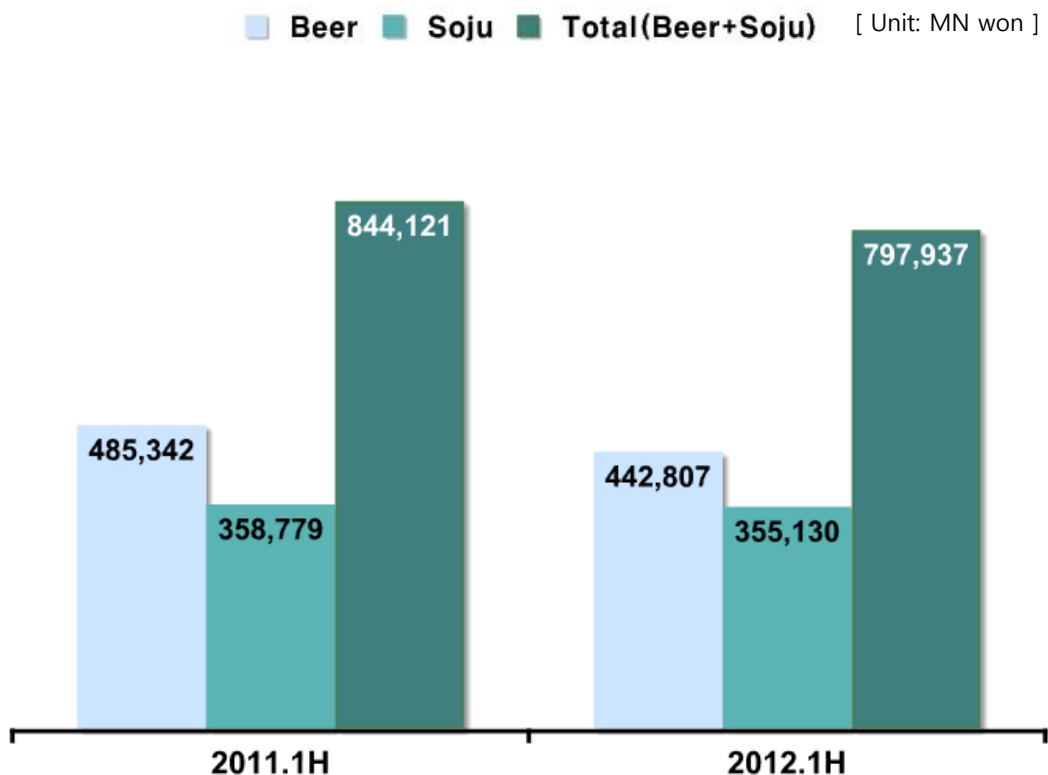
# HiteJinro Results for 2012.1H

2012.08

The bottom half of the slide is decorated with large, overlapping, wavy shapes in various shades of blue and purple, creating a modern, abstract background.

# ① Sales

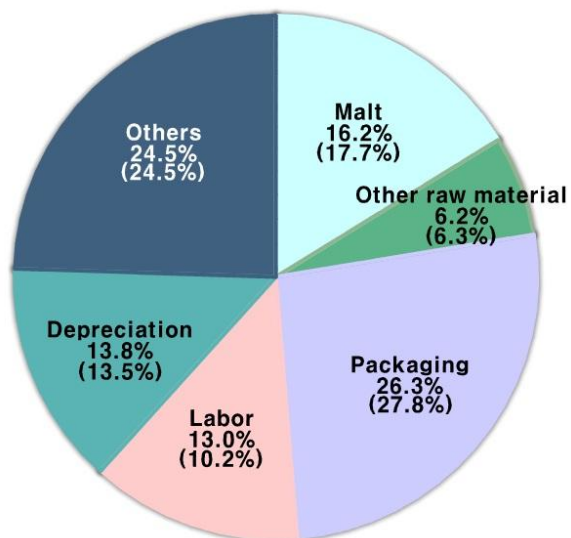
## [Sales by each division in the first half]



- Sales decreased 46.2bn won (5.4% yoy)
    - ① Beer : Decreased by 8.8%
    - ② Soju : Decreased by 1.0%
  - Export Sales : 60.6 bn won  
(account for 7.6% of Sales)
    - ① Beer : 43bn won
    - ② Soju : 8.8bn won
    - ③ Others : 8.8bn won
- ※ Exclude the sales of export to Jinro-Japan from Jinro Soju (about 20bn won)

## ② Cost Breakdown

Beer Division



- **Malt**

- Total cost decreased (45.3bn won → 40.2bn won)

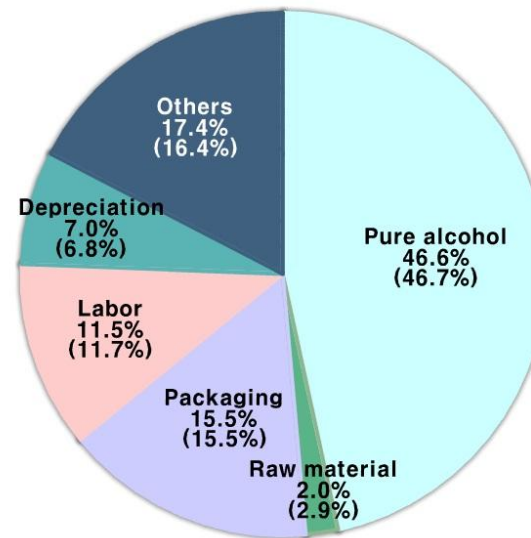
- ① Domestic malt : Volume decreased

- (11,269ton → 1,394ton), unit price 675,000won/ton

- ② Imported malt : Volume increased

- (50,704ton → 70,193ton), unit price 560,000won/ton

Soju Division



- Similar as the same period in the previous year

- Pure Alcohol

- 2012. 1H : 60,368KL (330,000won/drum)

- 2011. 1H : 61,488KL (330,000won/drum)

# ③ Operating Profit

## [Operating Profit & Marketing Cost\* in the first half]



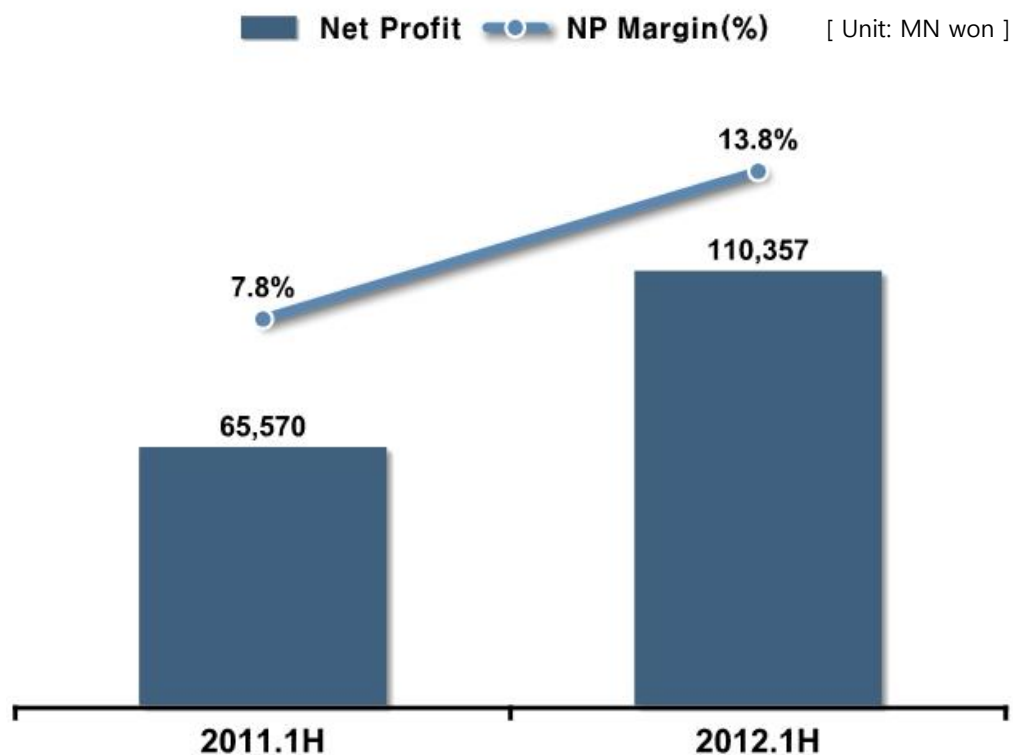
[ Unit: MN won ]

- OP increased 19.2bn won (17% yoy), OP Margin increased by 3.1%p
- Other gains increased due to asset disposal
  - ① Current head office in Seo-cho (Sales & lease back) :  
Selling value - 134bn won  
Gain on disposition - 32bn won
  - ② 30% shares of PRKI :  
Selling value - 70bn won  
Gain on disposition - 41bn won
- Marketing cost : 71.4bn won
  - ① Decreased 23.2bn won yoy (Advertising, Sales promotion)
  - ② 8.9% of Sales

\* Marketing cost = Advertising + Market research + Sales promotions + Market development + Overseas market development

## ④ Net Profit

[Net Profit in the first half]



- NP increased 44.8bn won(68% yoy), NP margin increased by 6.0%p
- Causes of an increase in NP
  - Operating profit growth
  - Dividends from affiliates
    - ① 2011. 1H : Jinro Soju 8bn won
    - ② 2012. 1H : Jinro Soju 10bn won, Jinro Japan 28.8bn won

## ⑤ Financial Statement - Statement of Financial Position

### Brief Statement of Financial Position

Item (Unit : won)	2012. 1H	Variation	Ratio	2011
<b>Assets</b>	<b>3,535,091,678,353</b>	<b>2.9%</b>	<b>100.0%</b>	<b>3,435,692,574,147</b>
<b>1. Current assets</b>	<b>707,307,587,529</b>	<b>-9.2%</b>	<b>20.0%</b>	<b>778,902,121,546</b>
(1) Cash and cash equivalents	34,150,337,765	-26.6%	1.0%	46,518,332,718
(2) Trade and other current receivables	507,215,027,422	20.1%	14.3%	422,470,747,436
(3) Other current financial assets	4,318,072,067	15.9%	0.1%	3,724,741,814
(4) Other current assets	44,642,041,757	-12.8%	1.3%	51,187,197,520
(5) Inventories	116,982,108,518	-10.6%	3.3%	130,795,433,483
(6) Non-current assets for disposal	0	-100.0%	0.0%	124,205,668,575
<b>2. Non-current assets</b>	<b>2,827,784,090,824</b>	<b>6.4%</b>	<b>80.0%</b>	<b>2,656,790,452,601</b>
(1) Trade and other current receivables	91,739,369,848	162.3%	2.6%	34,979,712,678
(2) Other non-current financial assets	59,707,896,604	10.5%	1.7%	54,052,765,576
(3) Non-current available-for-sale financial assets	4,376,802,198	19.2%	0.1%	3,672,265,698
(4) Investments in subsidiaries	295,494,789,087	-8.6%	8.4%	323,427,954,741
(5) Tangible assets	2,069,989,623,350	-0.5%	58.6%	2,080,653,573,133
(6) Intangible assets	203,772,206,333	724.3%	5.8%	24,721,066,913
(7) Investment property	29,067,230,642	-7.1%	0.8%	31,298,918,422
(8) Deferred tax asset	73,636,172,762	-29.2%	2.1%	103,984,195,440
<b>Liabilities</b>	<b>2,126,762,596,105</b>	<b>3.6%</b>	<b>60.2%</b>	<b>2,053,536,517,771</b>
<b>1. Current liabilities</b>	<b>1,614,725,668,100</b>	<b>11.5%</b>	<b>45.7%</b>	<b>1,448,392,570,026</b>
<b>2. Non-current liabilities</b>	<b>512,036,928,005</b>	<b>-15.4%</b>	<b>14.5%</b>	<b>605,143,947,745</b>
<b>Equity</b>	<b>1,408,329,082,248</b>	<b>1.9%</b>	<b>39.8%</b>	<b>1,382,156,056,376</b>
<b>1. Issued capital</b>	<b>365,562,745,000</b>	<b>0.0%</b>	<b>10.3%</b>	<b>365,562,745,000</b>
<b>2. Capital surplus</b>	<b>702,537,887,337</b>	<b>0.0%</b>	<b>19.9%</b>	<b>702,537,887,337</b>
<b>3. Elements of other stockholder's equity</b>	<b>-105,889,247,190</b>	<b>-0.5%</b>	<b>-3.0%</b>	<b>-106,423,285,857</b>
<b>4. Retained earnings</b>	<b>446,117,697,101</b>	<b>6.1%</b>	<b>12.6%</b>	<b>420,478,709,896</b>

## ⑤ Financial Statement - Income Statement

### Brief Income Statement

Item (Unit : won)	2012. 1H			2011. 1H	
	Value	Ratio	Variation	Value	Ratio
<b>Sales</b>	<b>797,937,493,400</b>	<b>100.0%</b>	<b>-5.5%</b>	<b>844,121,146,010</b>	<b>100.0%</b>
<b>Cost of Sales</b>	<b>459,963,655,546</b>	<b>57.6%</b>	<b>0.3%</b>	<b>458,734,727,980</b>	<b>54.3%</b>
<b>Gross Profit</b>	<b>337,973,837,854</b>	<b>42.4%</b>	<b>-12.3%</b>	<b>385,386,418,030</b>	<b>45.7%</b>
<b>SG&amp;A</b>	<b>273,673,097,027</b>	<b>34.3%</b>	<b>-3.2%</b>	<b>282,593,340,394</b>	<b>33.5%</b>
Other gains	83,897,732,352	10.5%	262.8%	23,123,769,330	2.7%
Other expense	14,549,952,840	1.8%	27.3%	11,433,950,208	1.4%
<b>Operating Income</b>	<b>133,648,520,339</b>	<b>16.7%</b>	<b>14.4%</b>	<b>114,482,896,758</b>	<b>13.6%</b>
Finance income	39,521,516,856	5.0%	217.8%	12,437,779,146	1.5%
Finance costs	36,896,377,888	4.6%	-8.2%	40,176,139,466	4.8%
Other non-operating profit(loss)	0	0.0%	-100.0%	-2,293,419,937	-0.3%
Profit(loss) before tax	136,273,659,307	17.1%	57.1%	86,744,536,438	10.3%
Income tax expense	25,916,532,502	3.2%	22.4%	21,174,919,118	2.5%
<b>Net Profits</b>	<b>110,357,126,805</b>	<b>13.8%</b>	<b>68.3%</b>	<b>65,569,617,320</b>	<b>7.8%</b>
Loss on valuation of available-for-sale financial	534,038,667	0.1%	-427.4%	-163,093,881	0.0%
Total comprehensive income(loss)	110,891,165,472	13.9%	69.5%	65,406,523,439	7.7%