

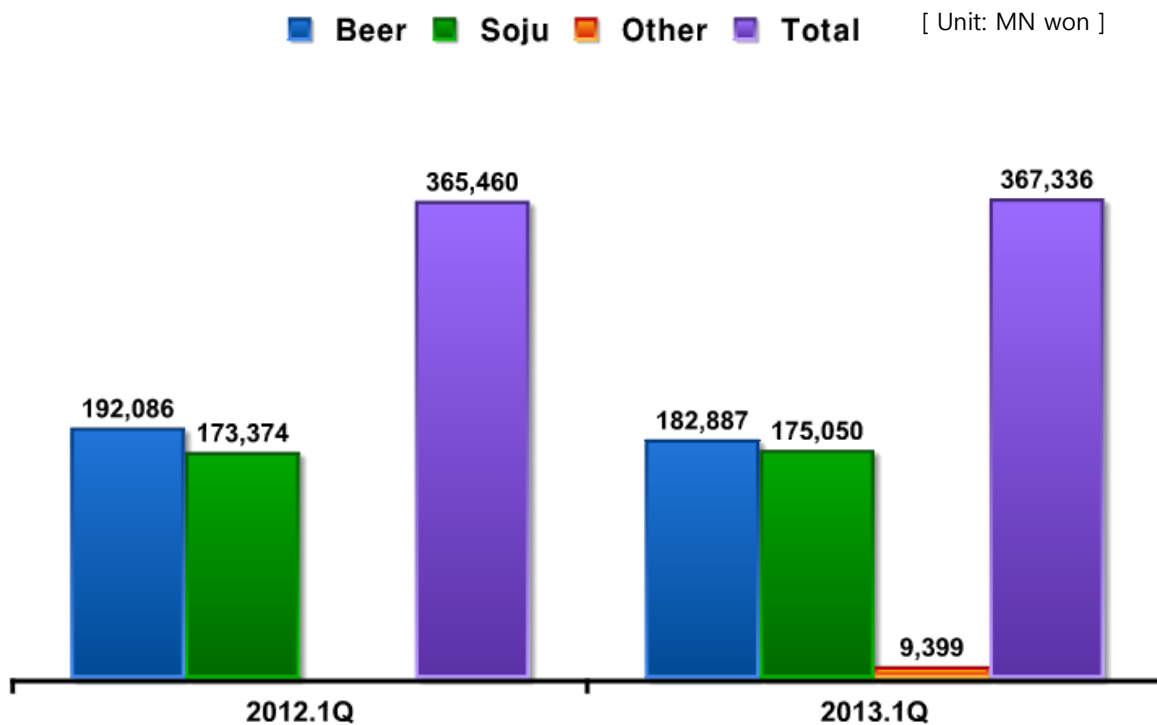
HiteJinro Result for 2013.1Q

2013.May

A decorative graphic at the bottom of the slide consisting of several overlapping, curved bands in shades of blue and purple, creating a sense of movement and depth.

① Sales

[Sales by each division]



▪ Sales increased 1.9bn won(yoy0.5% ↑)

① Beer : Decreased 9.2bn won (4.8% ↓)

- Volume decreased by 8.6%
- 5.9% of price hike (2012.July)

② Soju : 1.7bn won increased (1.0% ↑)

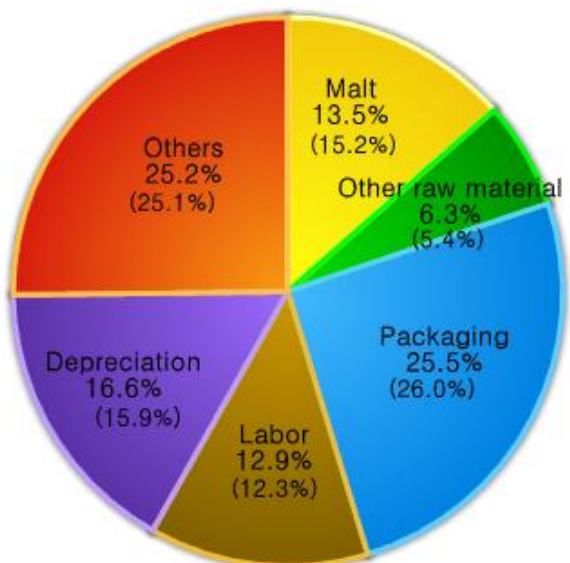
- Volume decreased by 6.5%
- 8.2% of price hike (2012.Dec)

③ Other :

- Add the result due to the merger with Hiscot in 2012.July

② Cost Breakdown

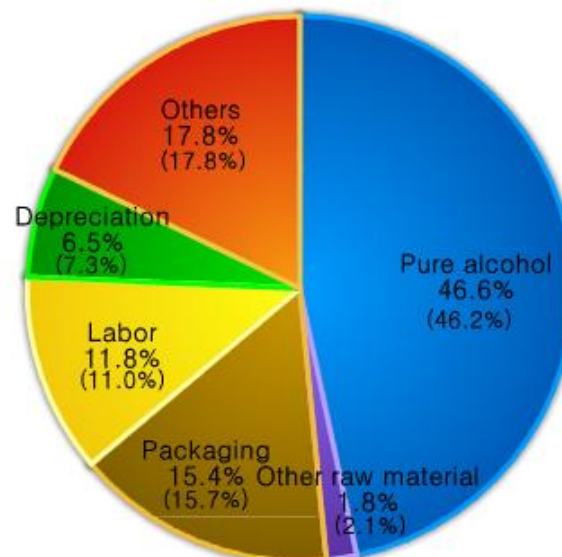
Beer Division



▪ Malt

- Total cost decreased (15.8bn won → 13.9bn won)
- ① Domestic malt : Volume decreased (632ton → 0ton)
- ② Imported malt : Volume increased (102,785ton → 108,652ton), Price including incidental expenses: about 730,000won/ton → 670,000won/ton

Soju Division



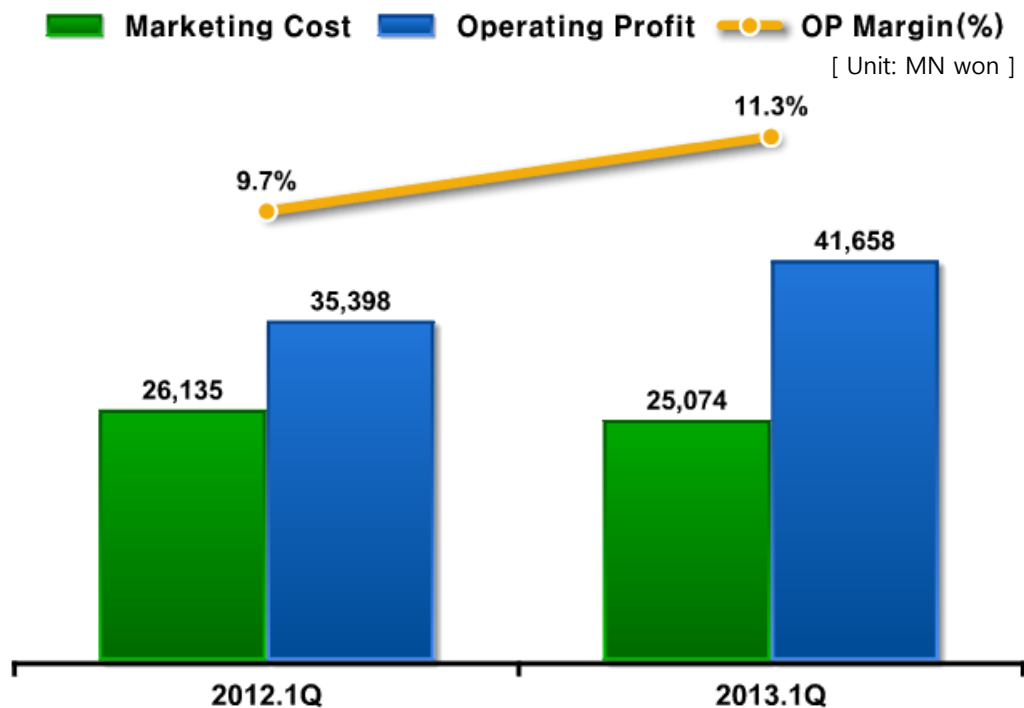
▪ Pure Alcohol

- 2013.1Q: 28,189KL (about 350,000won/drum)
- 2012.1Q: 29,269KL (about 330,000won/drum)

※ () : 2012.1Q Result

③ Operating Profit

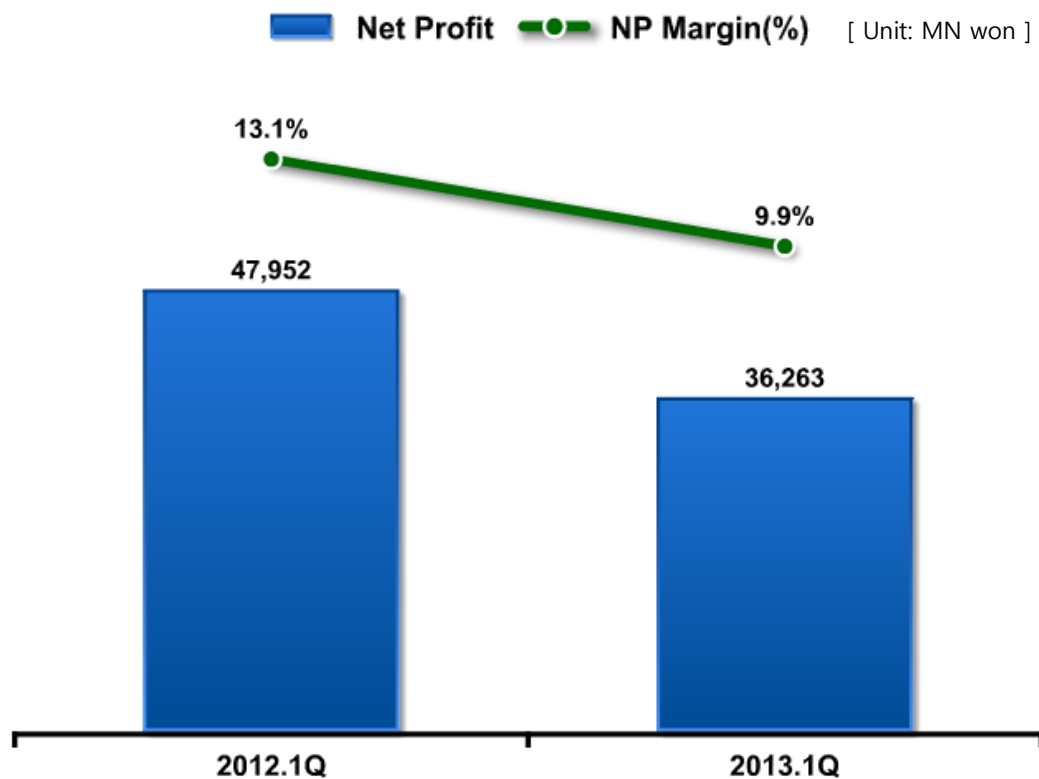
[Operating Profit & Marketing Cost*]



- **OP increased 6.3bn won**
(yoy 17.7% ↑)
OP Margin increased by 1.6%p
- Improve profit by price hike of beer and soju in 2012
- **Marketing cost 25.1bn won**
 - ① Decrease by 4.1% yoy
 - ② Reduce overlapped cost
 - ③ 21.7% of SG&A

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

④ Net Profit



- NP decreased 11.7bn won (yoy 24.4% ↓) , NP Margin decreased by 3.2%p
- Reason for a decrease in NP
 - Decrease of dividend from Jinro Inc (2013: 6.2bn won, 2012: 28.8bn won)
 - Increase of corporate tax

⑤ Financial Statement : Non-consolidated Statement of Financial Position

Brief Statement of Financial Position

Item (Unit : won)	2013.1Q	Variation	Ratio	2012
Assets	3,505,144,504,781	1.2%	100.0%	3,464,862,522,835
1. Current assets	730,865,329,874	12.0%	20.9%	652,782,686,658
(1) Cash and cash equivalents	59,210,178,059	546.1%	1.7%	9,163,861,663
(2) Trade and other current receivables	511,229,349,378	3.4%	14.6%	494,427,670,832
(3) Other current financial assets	514,910,871	-67.4%	0.0%	1,581,783,621
(4) Other current assets	49,981,311,085	41.9%	1.4%	35,234,810,803
(5) Inventories	109,929,580,481	-2.2%	3.1%	112,374,559,739
2. Non-current assets	2,774,279,174,907	-1.3%	79.1%	2,812,079,836,177
(1) Trade and other current receivables	81,651,769,056	-6.2%	2.3%	87,025,241,009
(2) Other non-current financial assets	46,645,342,296	-15.1%	1.3%	54,951,037,240
(3) Non-current available-for-sale financial assets	7,606,942,498	111.5%	0.2%	3,597,117,148
(4) Investments in subsidiaries	266,551,415,629	0.0%	7.6%	266,551,415,629
(5) Tangible assets	2,089,939,809,128	-0.7%	59.6%	2,104,075,805,011
(6) Intangible assets	198,376,246,721	-0.7%	5.7%	199,800,399,906
(7) Investment property	15,256,365,832	-0.1%	0.4%	15,269,381,224
(8) Deferred tax asset	68,251,283,747	-15.5%	1.9%	80,809,439,010
Liabilities	2,146,857,920,981	4.3%	61.2%	2,058,277,213,080
1. Current liabilities	1,384,365,267,676	-3.7%	39.5%	1,438,143,187,637
2. Non-current liabilities	762,492,653,305	23.0%	21.8%	620,134,025,443
Equity	1,358,286,583,800	-3.4%	38.8%	1,406,585,309,755
1. Issued capital	365,562,745,000	0.0%	10.4%	365,562,745,000
2. Capital surplus	694,063,051,715	0.0%	19.8%	694,063,051,715
3. Elements of other stockholder's equity	-106,324,085,033	-0.1%	-3.0%	-106,423,285,857
4. Retained earnings	404,984,872,118	-10.7%	11.6%	453,439,761,498

⑤ Financial Statement : Consolidated Statement of Financial Position

Brief Income Statement

Item (Unit : won)	2013.1Q	Variation	Ratio	2012
Assets	3,532,897,292,467	0.4%	100.0%	3,518,666,190,307
1. Current assets	865,480,324,021	6.6%	24.5%	811,948,777,383
(1) Cash and cash equivalents	116,398,967,010	50.2%	3.3%	77,484,443,501
(2) Trade and other current receivables	559,042,378,708	-0.8%	15.8%	563,580,115,138
(3) Other current financial assets	3,616,137,367	-3.0%	0.1%	3,729,683,014
(4) Other current assets	54,285,172,791	37.6%	1.5%	39,446,778,534
(5) Inventories	132,137,668,145	3.5%	3.7%	127,707,757,196
2. Non-current assets	2,667,416,968,446	-1.5%	75.5%	2,706,717,412,924
(1) Trade and other current receivables	81,860,904,894	-6.2%	2.3%	87,267,243,725
(2) Other non-current financial assets	49,849,734,675	-5.2%	1.4%	52,568,534,760
(3) Non-current available-for-sale financial assets	44,384,874,871	3.7%	1.3%	42,804,854,304
(4) Tangible assets	2,171,929,285,143	-0.7%	61.5%	2,187,835,805,536
(5) Intangible assets	219,390,317,551	-0.7%	6.2%	220,888,679,611
(6) Investment property	15,481,086,985	-0.1%	0.4%	15,495,767,451
(7) Deferred tax asset	84,441,600,003	-15.4%	2.4%	99,771,911,421
(8) Other non-current assets	79,164,324	-6.4%	0.0%	84,616,116
Liabilities	2,194,525,174,889	4.0%	62.1%	2,109,594,358,429
1. Current liabilities	1,413,533,056,180	-4.0%	40.0%	1,472,925,280,393
2. Non-current liabilities	780,992,118,709	22.7%	22.1%	636,669,078,036
Equity	1,338,372,117,578	-5.0%	37.9%	1,409,071,831,878
1. Equity attributable to owners of parent	1,337,847,881,238	-5.0%	37.9%	1,408,573,748,611
(1) Issued capital	365,562,745,000	0.0%	10.3%	365,562,745,000
(2) Capital surplus	710,136,940,074	0.0%	20.1%	710,136,940,074
(3) Treasury stock	-122,693,569,784	0.0%	-3.5%	-122,693,569,784
(4) Other equity	23,761,095,336	-13.9%	0.7%	27,586,727,695
(5) Surplus reserve	41,600,000,000	25.7%	1.2%	33,100,000,000
(6) Retained earnings	319,480,670,612	-19.1%	9.0%	394,880,905,626
2. Non-controlling interests	524,236,340	5.3%	0.0%	498,083,267

⑤ Financial Statement : Non-consolidated Income Statement

Brief Income Statement

Item (Unit : won)	2013.1Q			2012.1Q	
	Value	Ratio	Variation	Value	Ratio
Sales	367,335,899,042	100.0%	0.5%	365,459,692,232	100.0%
Cost of Sales	209,869,151,496	57.1%	-2.9%	216,051,865,804	59.1%
Gross Profit	157,466,747,546	42.9%	5.4%	149,407,826,428	40.9%
SG&A	115,808,287,274	31.5%	1.6%	114,009,366,050	31.2%
Operating Income	41,658,460,272	11.3%	17.7%	35,398,460,378	9.7%
Other gains	2,353,046,400	0.6%	-57.1%	5,486,432,185	1.5%
Other expense	3,722,456,339	1.0%	-53.7%	8,037,819,516	2.2%
Finance income	22,817,349,729	6.2%	-43.1%	40,076,649,476	11.0%
Finance costs	16,316,770,166	4.4%	-12.5%	18,652,938,864	5.1%
Profit(loss) before tax	46,789,629,896	12.7%	-13.8%	54,270,783,659	14.9%
Income tax expense	10,526,379,676	2.9%	66.6%	6,318,621,565	1.7%
Net Profits	36,263,250,220	9.9%	-24.4%	47,952,162,094	13.1%

⑤ Financial Statement : Consolidated Income Statement

Brief Statement of Financial Position

Item (Unit : won)	2013.1Q			2012.1Q	
	Value	Ratio	Variation	Value	Ratio
Sales	423,188,941,972	100.0%	-4.3%	442,308,896,569	100.0%
Cost of Sales	241,041,574,574	57.0%	-7.8%	261,347,862,458	59.1%
Gross Profit	182,147,367,398	43.0%	0.7%	180,961,034,111	40.9%
SG&A	134,634,142,039	31.8%	-3.7%	139,808,962,743	31.6%
Operating Income	47,513,225,359	11.2%	15.5%	41,152,071,368	9.3%
Other gains	2,896,584,650	0.7%	-55.9%	6,561,715,049	1.5%
Other expense	4,077,255,682	1.0%	-53.2%	8,718,945,336	2.0%
Finance income	2,121,714,987	0.5%	-67.7%	6,561,715,049	1.5%
Finance costs	16,405,378,656	3.9%	88.2%	8,718,945,336	2.0%
Equity method income	0	0.0%	-100.0%	1,758,130,927	0.4%
Investment returns	2,121,714,987	0.5%	-88.8%	18,999,900,062	4.3%
Investment costs	16,405,378,656	3.9%	678.2%	2,108,212,800	0.5%
Profit(loss) before tax	32,048,890,658	7.6%	34.3%	23,861,284,746	5.4%
Income tax expense	14,521,043,874	3.4%	133.4%	6,220,228,658	1.4%
Net Profits	17,527,846,784	4.1%	-0.6%	17,641,056,088	4.0%