

# Hite Jinro 3Q Results

2011. 12

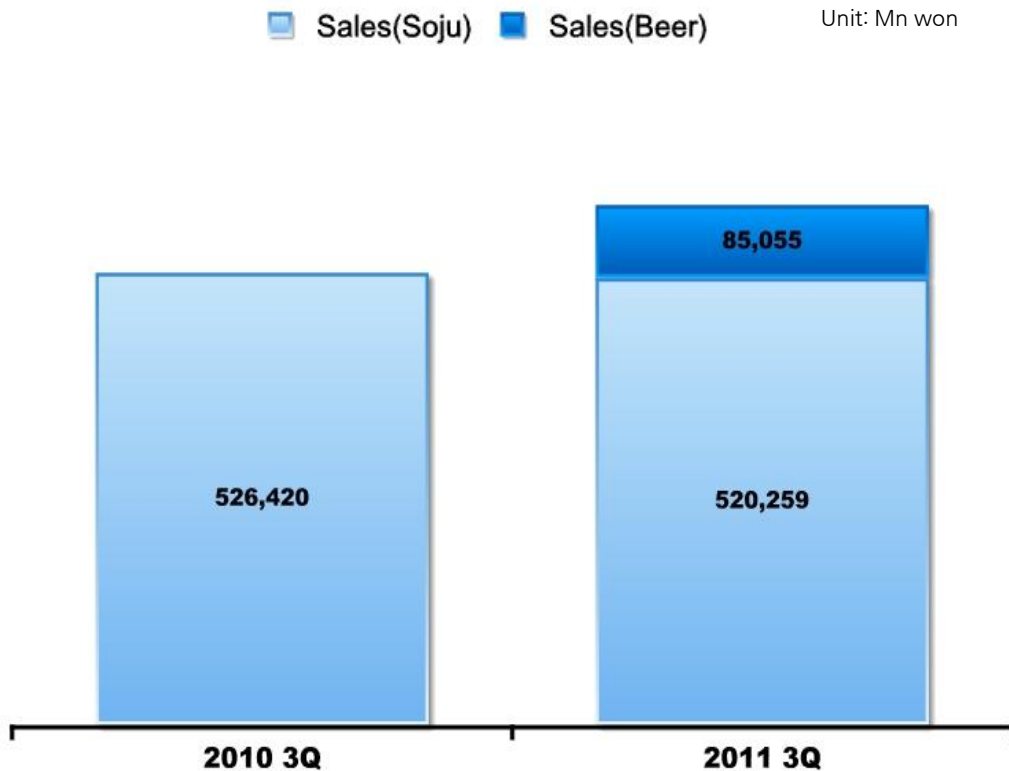


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# 1. Sales

## Sales & Volume



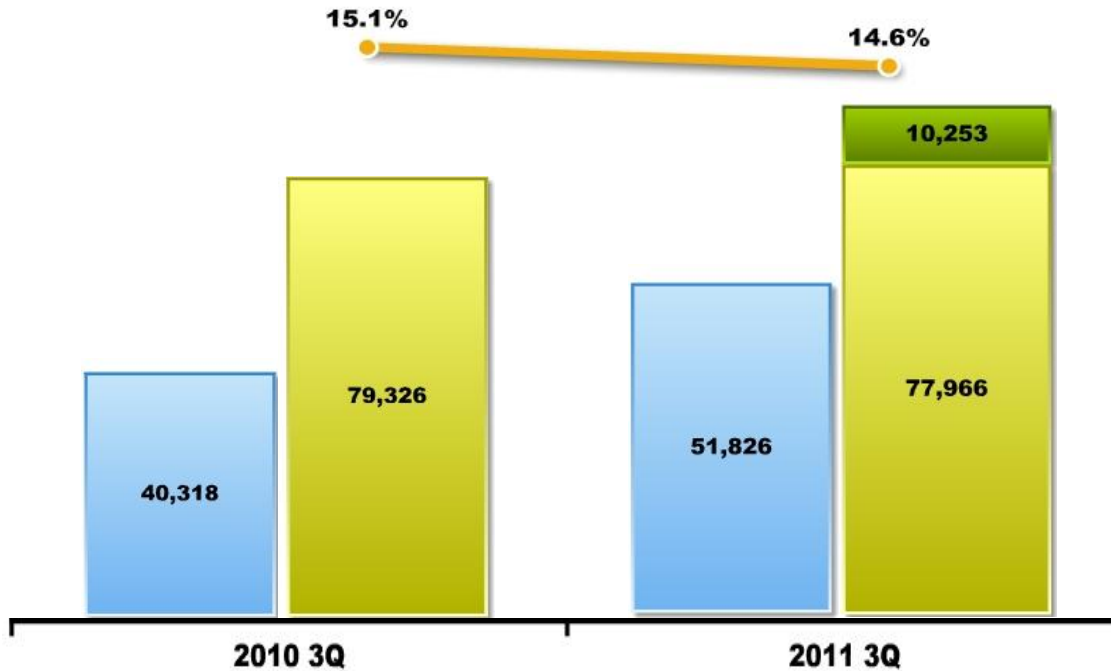
- Sales 605bn won increased by 15% yoy
  - Included Beer results of Sep due to merger in Sep.2011
- Volume
  - Jinro: 3,865 Thousand c/s (Accumulated since Jan)
  - Hite: 8,506 Thousand c/s (September Only)

## 2. Operating Profit & Marketing Cost

### Operating Profit & Marketing Cost

Unit: Mn won

■ Marketing cost(Soju)    ■ Operating profit(Soju)    —●— OP Margin(%)  
■ Marketing cost(Beer)    ■ Operating profit(Beer)



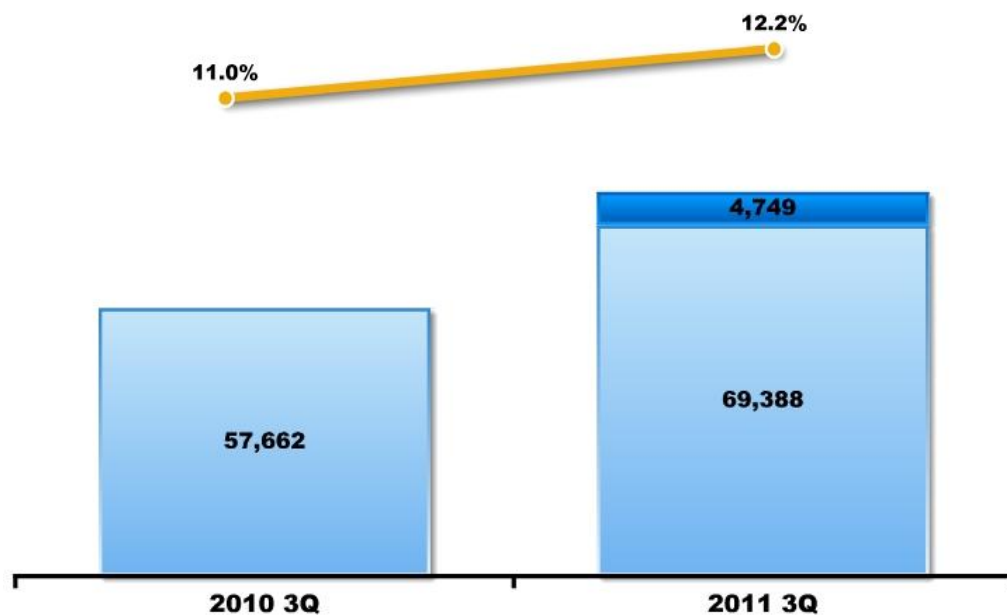
- OP margin decreased by 0.5% yoy
  - Refund the penalty charged 15.7 bn won on the price fixing
  - Op margin 14.6% (Hite 12.1%, Jinro 15.0%)
- Marketing cost 51.8 bn won 8.6% of total sales

※ 마케팅 비용= 광고 선전비 + 시장 조사비 + 판매 촉진비 + 시장개척비 + 해외시장 개척비

# 3. Net profits

## Net profits

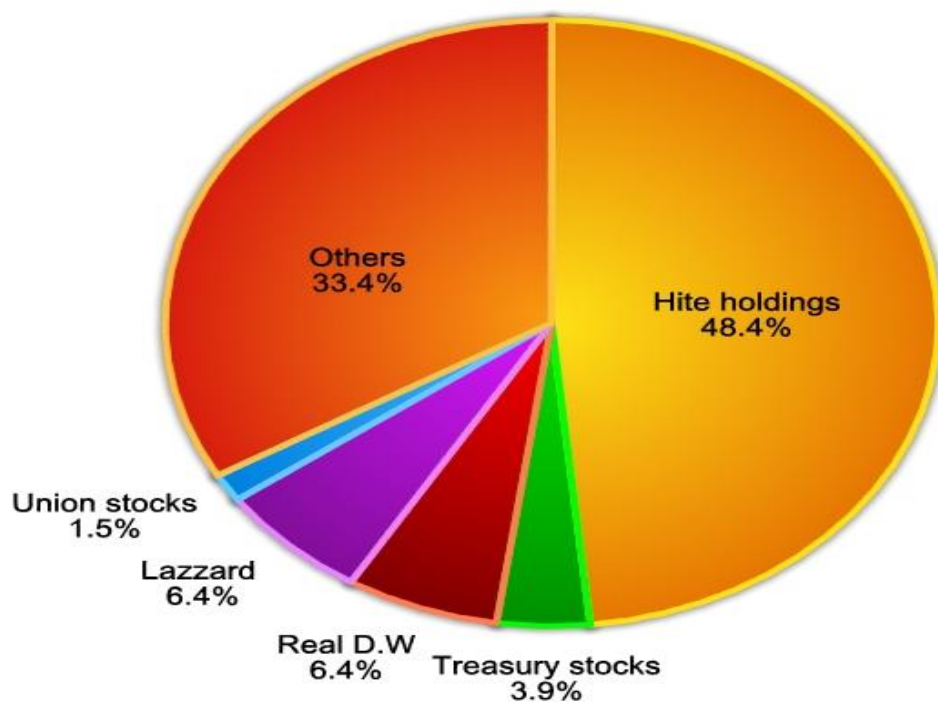
Net Profit(Soju) Net profit(Beer) NP Margin(%) Unit: Mn won



- Net profits 74.1bn won
- NP margin increased by 1.2%p yoy
- Issue of Financial profit and cost
  - Dividends : Jinro Soju 18bn won  
PRIK 2.5 bn won  
(Pernod Ricard imperial Korea)
  - Cost: Interest cost 6.9bn increased
- No cash out 15 bn won of Jinro's corporate tax out of total Corporate tax 17 bn won

# 4. Shareholders

## Shareholders



- Total issued stocks
  - Common 69,477,714 stocks
  - Preferred 1,130,138 stocks
- Status of Primary shareholders (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 1,046,047
  - ⑥ Others 23,223,752

※ by Sep 30

# 6. Appendix -Separate Financial Statements

Unit: Mn won

Items	2011 3Q	In/Decrease	Ratio	2010 3Q
<b>Total assets</b>	<b>3,453,084</b>	<b>162.79%</b>	<b>100.00%</b>	<b>1,314,002</b>
1. Current assets	674,106	206.88%	19.52%	219,662
(1) Cash and cash equivalents	20,217	-74.97%	0.59%	80,760
(2) Trade and other current receivables	464,612	413.34%	13.45%	90,507
(3) Other current financial assets	3,019	1327.16%	0.09%	212
(4) Other current assets	53,337	254.10%	1.54%	15,063
(5) Inventories	132,923	301.33%	3.85%	33,121
2. Non-current assets	2,778,977	153.94%	80.48%	1,094,340
(1) Trade and other current receivables	31,219		0.90%	
(2) Other non-current financial assets	51,636	45.90%	1.50%	35,391
(3) Non-current available-for-sale financial assets	3,503	17.60%	0.10%	2,979
(4) Investments in subsidiaries	323,428	12.51%	9.37%	287,467
(5) Tangible assets	2,201,140	299.58%	63.74%	550,861
(6) Intangible asset	24,632	537.30%	0.71%	3,865
(7) Investment assets	47,768	-29.21%	1.38%	67,476
(8) Deferred tax assets	95,652	-34.62%	2.77%	146,301
<b>Total liabilities</b>	<b>2,043,602</b>	<b>178.51%</b>	<b>59.18%</b>	<b>733,764</b>
1. Current liabilities	1,450,786	164.75%	42.01%	547,977
2. Non-current liabilities	592,816	219.08%	17.17%	185,787
<b>Total equity</b>	<b>1,409,481</b>	<b>142.91%</b>	<b>40.82%</b>	<b>580,238</b>
1. Issued capital	365,563	70.03%	10.59%	215,000
2. capital surplus	702,538		20.35%	0
3. Other equity interest	-106,538	79.67%	-3.09%	-59,297
4. Retained earnings	447,918	5.51%	12.97%	424,535

## 6. Appendix- Separate Income Statements

Unit: Mn won

ITEM	2011 3Q	In/Decrease	Ratio	2010 3Q	Ratio
<b>Sales</b>	<b>605,313</b>	<b>15.0%</b>	<b>100.0%</b>	<b>526,420</b>	<b>100.0%</b>
Cost of Sales	(352,488)	16.3%	58.2%	(303,090)	57.6%
<b>Gross Profit</b>	<b>252,825</b>	<b>13.2%</b>	<b>41.8%</b>	<b>223,330</b>	<b>42.4%</b>
Selling general administrative expenses	(179,346)	26.8%	29.6%	(141,407)	26.9%
(Marketing Cost)	51,826	28.5%	8.6%	40,318	7.7%
Other gains	26,449	134.9%	4.4%	11,259	2.1%
Other expense	(11,709)	15.5%	-1.9%	(13,856)	2.6%
<b>Operating Income</b>	<b>88,219</b>	<b>11.2%</b>	<b>14.6%</b>	<b>79,326</b>	<b>15.1%</b>
Finance income	27,672	155.6%	4.6%	10,825	2.1%
Finance costs	(24,704)	102.2%	4.1%	(12,218)	2.3%
Investment profit				3,034	0.6%
<b>Quaterly Net Income</b>	<b>74,138</b>	<b>28.6%</b>	<b>12.2%</b>	<b>57,662</b>	<b>11.0%</b>
Loss on valuation of available-for-sale financial	(216)	408.6%	0.0%	70	0.0%
<b>Total comprehensive income(loss)</b>	<b>73,922</b>	<b>28.0%</b>	<b>12.2%</b>	<b>57,733</b>	<b>11.0%</b>
Basic earnings per share	<b>1,756 won</b>			<b>1,422 won</b>	



# 6. Appendix- Consolidated Financial Statements

Unit: Mn won

Items	2011 3Q	In/Decrease	Ratio	2010 3Q
<b>Total assets</b>	<b>3,591,283</b>	<b>154.1%</b>	<b>100.0%</b>	<b>1,413,449</b>
1. Current assets	925,655	126.8%	25.8%	408,131
(1) Cash and cash equivalents	110,337	-28.7%	3.1%	154,837
(2) Trade and other current receivables	573,102	216.6%	16.0%	181,021
(3) Other current financial assets	3,211	35.5%	0.1%	2,369
(4) Other current assets	60,288	264.0%	1.7%	16,564
(5) Inventories	178,717	235.1%	5.0%	53,340
2. Non-current assets	2,665,629	165.2%	74.2%	1,005,318
(1) Trade and other current receivables	31,275			0
(2) Other non-current financial assets	53,258	41.7%	1.5%	37,592
(3) Non-current available-for-sale financial assets	37,591	-39.0%	1.0%	61,638
(4) Investments in subsidiaries	38,126	19.5%	1.1%	31,906
(5) Tangible assets	2,303,552	261.1%	64.1%	637,875
(6) Intangible asset	47,022	858.6%	1.3%	4,905
(7) Other non-current assets	182	310.9%	0.0%	44
(8) Investment property	34,434	-43.4%	1.0%	60,867
(9) Deferred tax assets	120,188	-29.5%	3.3%	170,490
<b>Total liabilities</b>	<b>2,138,830</b>	<b>167.4%</b>	<b>59.6%</b>	<b>799,853</b>
1. Current liabilities	1,529,225	156.5%	42.6%	596,207
2. Non-current liabilities	609,605	199.3%	17.0%	203,646
<b>Total equity</b>	<b>1,452,454</b>	<b>136.7%</b>	<b>40.4%</b>	<b>613,596</b>
1. Equity attributable to owners of parent	1,452,065	136.8%	40.4%	613,280
(1) Issued capital	365,563	70.0%	10.2%	215,000
(2) capital surplus	710,140			0
(3) Other equity interest	-69,879	379.8%	-1.9%	-14,564
(4) Retained earnings	446,240	8.1%	12.4%	412,844
2. Non-controlling interests	389	23.0%	0.0%	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.

# 6. Appendix- Consolidated Income Statements

Unit: Mn won

ITEM	2011 3Q	In/Decrease	Ratio	2010 3Q	Ratio
<b>Sales</b>	<b>894,391</b>	<b>14.26%</b>	<b>100.00%</b>	<b>782,786</b>	<b>100.00%</b>
Cost of Sales	(536,365)	16.52%	59.97%	(460,304)	58.80%
<b>Gross Profit</b>	<b>358,025</b>	<b>11.02%</b>	<b>40.03%</b>	<b>322,482</b>	<b>41.20%</b>
Selling general administrative expenses	254,568	21.11%	28.46%	210,190	26.85%
(Marketing Cost)	74,345	19.16%	8.31%	62,390	7.97%
Other gains	28,704	116.60%	3.21%	13,252	1.69%
Other expense	(13,060)	-12.45%	-1.46%	(14,917)	1.91%
<b>Operating Profit</b>	<b>119,102</b>	<b>7.66%</b>	<b>13.32%</b>	<b>110,627</b>	<b>14.13%</b>
Finance income	9,103	156.65%	1.02%	3,547	0.45%
Finance costs	(24,783)	102.68%	2.77%	(12,228)	1.56%
Gains on investments	9,090	-23.82%	1.02%	11,932	1.52%
Losses on investments	(1,830)	-53.50%	0.20%	(3,935)	0.50%
<b>Profit before tax</b>	<b>110,682</b>	<b>0.67%</b>	<b>12.38%</b>	<b>109,944</b>	<b>14.05%</b>
Income tax expense	(28,345)	-16.99%	3.17%	(34,149)	4.36%
<b>Quarterly Net Income</b>	<b>82,337</b>	<b>8.63%</b>	<b>9.21%</b>	<b>75,795</b>	<b>9.68%</b>
<b>Basic earnings per share</b>	<b>1,951 won</b>			<b>1,869 won</b>	



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Thanks

