

*2008 Hankook Tire  
2008 3rd Quarter Result*

2008.10.31

 **HANKOOK**  
driving emotion

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**01 Korea**

## Income Statements

[Unit:100 Mil KRW]

	2007 3Q		2008 2Q		2008 3Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,620	100.0	6,687	100.0	6,677	100.0	18.8	-0.1
COGS	3,814	67.9	4,660	69.7	4,974	74.5	30.4	6.8
Gross Profit	1,805	32.1	2,027	30.3	1,703	25.5	-5.7	-16.0
SG&A	1,037	18.4	1,266	18.9	1,165	17.4	12.3	-8.0
O.P margin	769	13.7	761	11.4	539	8.1	-29.9	-29.2
Non-operating Income/Loss	-154	-2.7	27	0.4	-703	-10.5	-	-
Ordinary Profit	614	10.9	788	11.8	-164	-2.5	-	-
EBITDA	1,161	20.7	1,137	17.0	998	14.9	-14.1	-12.2
Depreciation	393	7.0	375	5.6	459	6.9	17.0	22.4

※Averager Exchange rate

	2007 3Q	2008 2Q	2008 3Q
USD	928	1020	1068
EUR	1276	1594	1612

- Sales Breakdown by Region

[Unit:100 Mil KRW]

	2007 3Q		2008 2Q		2008 3Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Export	3,755	66.8	4,852	72.6	4,841	72.5	28.9	-0.2
N. America	896	15.9	1,338	20.0	1,263	18.9	41.0	-5.6
Europe	1,535	27.3	1,590	23.8	1,359	20.3	-11.5	-14.5
Others	819	14.6	1,246	18.6	1,710	25.6	108.8	37.2
OE Local	505	9.0	678	10.1	509	7.6	0.8	-24.9
Domestic	1,865	33.2	1,835	27.4	1,836	27.5	-1.5	0.1
Total	5,620	100	6,687	100	6,677	100	18.8	-0.1

- UHPT Sales Trend

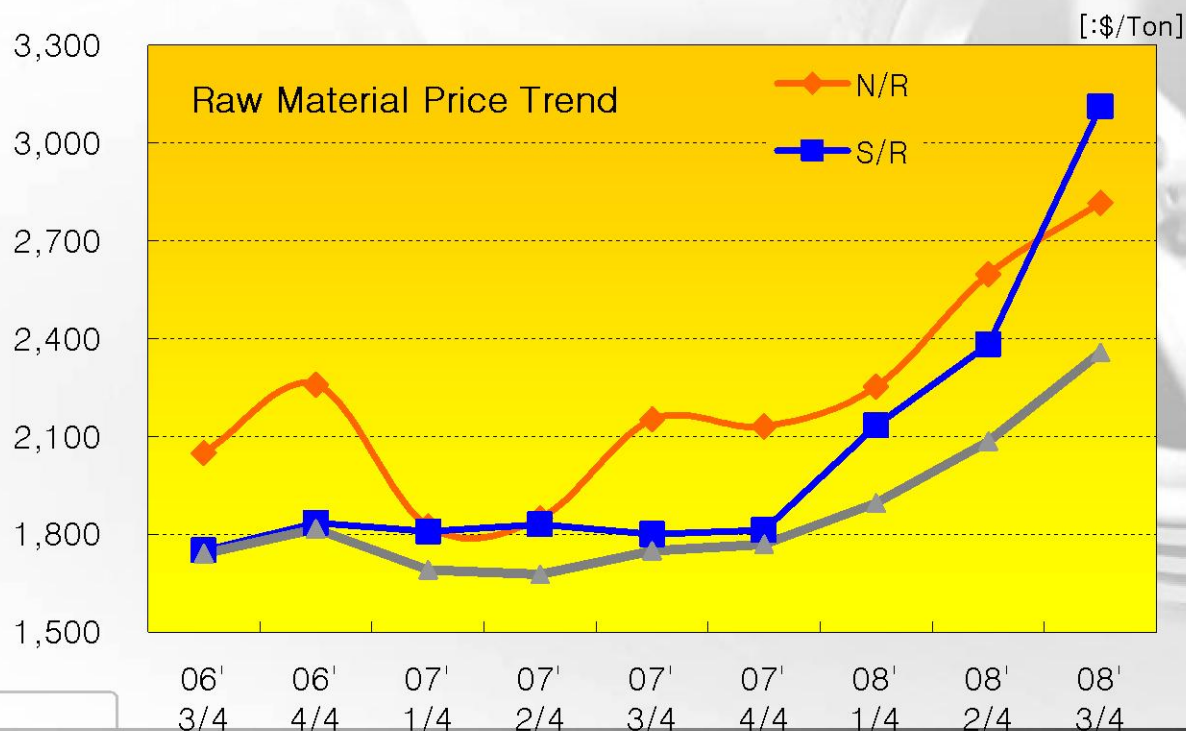
[Unit:100 Mil KRW, 1,000 unit]

	2007 3Q		2008 2Q		2008 3Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,620	100.0	6,687	100.0	6,677	100.0	18.8	-0.1
UHPT Sales	829	14.8	1,126	16.8	1,048	15.7	26.3	-6.9
UHPT Sales Vol.	1,383		1,709		1,512		23.5	-11.5

## Raw Material Price Trend

[Unit:USD/ton]

	2007 3Q	2008 2Q	2008 3Q	YoY (%)	QoQ (%)
N/R	2,152	2,597	2,816	30.9	8.4
S/R	1,799	2,382	3,112	72.9	30.7
C/B	874	1,165	1,333	52.4	14.4
T/C	4,357	4,442	4,552	4.5	2.5
S/C	1,871	1,939	2,082	11.3	7.4
기타	1,757	1,863	1,946	10.8	4.5
W-Average	1,749	2,084	2,358	34.8	13.1



- **SG&A, Non-Operating Gain & Loss**

[Unit:100 Mil KRW]

	2007 3Q (a)	2008 2Q	2008 3Q (b)	차이 (b-a)
<b>SG&amp;A</b>				
Salaries	247	284	292	45
Ocean Freight	196	259	258	62
Product Warranty Expenses	23	22	13	-9
Employee Benefits	33	32	41	8
Export Sales Expenses	17	19	20	4
Depreciation	82	79	94	12
Advertising Expenses	105	224	108	3
Others	333	347	338	4
<b>Total</b>	<b>1,037</b>	<b>1,266</b>	<b>1,165</b>	<b>128</b>
<b>Non-Operating</b>				
Equity Method gain/loss	-173	-12	-650	-476
Foreign Currency Transaction	0	-66	81	80
Foreign Exchange Transaction	-94	-66	-299	-205
Import Royalty	104	165	172	68
Others	8	5	-7	-16
<b>Total</b>	<b>-154</b>	<b>27</b>	<b>-703</b>	<b>-549</b>



- B/S

[Unit:100 Mil KRW]

	2007		2008 3Q		Variance	
	Amt.	%	Amt.	%	Amt.	%
<b>Assets</b>	23,590	100.0	27,962	100.0	4,372	18.5
Current Assets	6,931	29.4	10,660	38.1	3,728	53.8
Quick Assets	4,404	18.7	6,682	23.9	2,277	51.7
Inventories	2,527	10.7	3,978	14.2	1,451	57.4
Non-current Asset	16,658	70.6	17,302	61.9	644	3.9
Investment Assets	4,679	19.8	5,172	18.5	493	10.5
Property&Equipment	11,922	50.5	12,084	43.2	162	1.4
Intangible Assets	58	0.2	47	0.2	-11	-19.4
<b>Liabilities</b>	6,782	28.7	10,094	36.1	3,312	48.8
Current Liabilities	4,961	21.0	7,731	27.6	2,770	55.8
Non-current Liabil	1,821	7.7	2,363	8.5	542	29.8
<b>Capital</b>	16,808	71.3	17,868	63.9	1,060	6.3
Net Debt	772		1,795		1,023	132.5
Net Debt ratio		4.6%		10.0%		
Debt Ratio		40.3%		56.5%		
Net worth to Assets		71.3%		63.9%		



**02 China**

- Income Statements

[Unit: Mil RMB]

	2007 3Q		2008 2Q		2008 3Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	1,825.8	100.0	1,957.6	100.0	2,001.9	100.0	9.6	2.3
COGS	1,456.9	79.8	1,620.9	82.8	1,828.6	91.3	25.5	12.8
Gross Profit	368.9	20.2	336.7	17.2	173.3	8.7	-53.0	-48.5
SG&A	305.0	16.7	277.5	14.2	285.4	14.3	-6.5	2.8
O.P margin	63.8	3.5	29.7	1.5	-112.1	-5.6	-	-
Non-operating Income/Loss	-26.6	-1.5	-4.7	-0.2	-70.4	-3.5	-	-
Ordinary Profit	37.2	2.0	25.1	1.3	-182.5	-9.1	-	-
EBITDA	176.0	9.6	161.0	8.2	21.2	1.1	-87.9	-86.8
Depreciation	112.2	6.1	131.2	6.7	133.3	6.7	18.8	1.6

\* China GAAP

\*RMB Average Ex-rate

	2007 3Q	2008 2Q	2008 3Q
USD/RMB	7.56	6.96	6.84

- SG&A, Non-Operating Gain & Loss

[Unit: Mil RMB]

	2007 3Q (a)	2008 3Q (b)	차이 (b-a)
SG&A	305.0	285.4	-19.7
Salaries	23.4	30.9	7.5
Sales Promotion	18.6	0.0	-18.6
Royalty Expense	69.4	75.2	5.8
Cunsulting	13.3	12.2	-1.1
Export Commission	29.7	30.8	1.1
Depreciation	14.7	15.3	0.6
Domestic Transportation Cost	39.3	37.7	-1.6
Advertising Expenses	26.1	11.5	-14.5
Others	70.6	71.8	1.3
Non-Operating Gain & Loss	-26.6	-70.4	-43.8
Non-operating income	83.9	58.3	-25.5
Foreign currency translation gain/loss	53.2	24.9	-28.3
Others	30.7	33.4	2.8
Non-operating expenses	110.4	128.7	18.3
Interest expense	69.3	64.2	-5.1
others	41.2	64.6	23.4



**03 Hungary**

## Income Statements

[Unit: Mil HUF]

	2007 3Q		2008 2Q		2008 3Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	1,319	100.0	8,043	100.0	7,900	100.0	499.0	-1.8
COGS	2,882	218.5	8,883	110.4	8,557	108.3	196.9	-3.7
Gross Profit	-1,563	-118.5	-840	-10.4	-657	-8.3	-	-
SG&A	511	38.7	1,222	15.2	1,135	14.4	122.3	-7.1
O.P margin	-2,074	-157.2	-2,062	-25.6	-1,792	-22.7	-	-
Non-operating Income/Loss	-367	-27.8	4,239	52.7	-2,384	-30.2	-	-
Ordinary Profit	-2,440	-185.0	2,177	27.1	-4,176	-52.9	-	-
EBITDA	-2,073	-157.2	211	2.6	564	7.1	27.2	167.5
Depreciation	0.4	0.0	2,273	28.3	2,357	29.8	-	3.7

※ Hungary GAAP

2008.9.30 HUF/KRW=7.025

※ Hungary Local Ex-rate

	2008 1Q	2008 2Q	2008 3Q
EUR/HUF	260.24	236.86	242.11



**04 Consolidated**

## Income Statements

[단위: 억원]

	2007 3Q		2008 2Q		2008 3Q		YoY (%)	QoQ (%)
	금액	%	금액	%	금액	%		
매 출 액	9,193	100.0	11,117	100.0	11,396	100.0	24.0	2.5
매 출 원 가	6,707	73.0	8,228	74.0	8,817	77.4	31.5	7.2
매출 총 이익	2,486	27.0	2,889	26.0	2,579	22.6	3.8	-10.7
판매 관리비	1,709	18.6	2,099	18.9	2,153	18.9	26.0	2.6
영 업 이 익	778	8.5	790	7.1	426	3.7	-45.2	-46.1
영업외 손익	-183	-2.0	107	1.0	-467	-4.1	-	-
경 상 이 익	595	6.5	898	8.1	-41	-0.4	-	-



- Balance Sheet

[Unit:100 Mil KRW]

	2007		2008 3Q		Variance	
	Amt.	%	Amt.	%	Amt.	%
<b>Assets</b>	41,293	100.0	47,280	100.0	5,987	14.5
Current Assets	16,174	39.2	19,375	41.0	3,202	19.8
Quick Assets	9,270	22.4	9,765	20.7	495	5.3
Inventories	6,903	16.7	9,610	20.3	2,707	39.2
Non-current Asset	25,119	60.8	27,905	59.0	2,786	11.1
Investment Assets	1,096	2.7	1,180	2.5	84	7.7
Property&Equipment	23,828	57.7	26,519	56.1	2,691	11.3
Intangible Assets	195	0.5	206	0.4	11	5.7
<b>Liabilities</b>	24,199	58.6	29,050	61.4	4,851	20.0
Current Liabilities	17,770	43.0	20,035	42.4	2,264	12.7
Non-current Liabil	6,429	15.6	9,015	19.1	2,586	40.2
<b>Capital</b>	17,093	41.4	18,231	38.6	1,137	6.7
Net Debt	9,578		14,469		4,891	51.1
Net Debt ratio		56.0%		79.4%		
Debt Ratio		141.6%		159.3%		
Net worth to Assets		41.4%		38.6%		



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