



4Q FY18 Business Results

Jan. 24th 2019

Since this document has yet to be reviewed by external auditors, please note that the figures in the document may be revised following an independent review.

This document contains forward-looking statements or information that are based on estimates and assumptions.

Please be advised that such forward-looking statements involve known and unknown risks, uncertainties and assumptions, and are subject to change.

The financial information in this document has been prepared in accordance with K-IFRS.

Contents

I . 4Q FY18 Business Results

1. Income Statement

2. Financial Position

II . Divisional Results Analysis

※ Quarterly Business Results

I . 4Q FY18 Business Results

1. Income Statement



Unit: Bil. KRW

	4Q FY17	3Q FY18	4Q FY18	QoQ	YoY
Sales	240.5	344.5	336.0	▲2.5%	39.7%
Gross Profit	49.4	72.6	61.6	▲15.2%	24.7%
Operating Profit	26.1	48.9	38.9	▲20.4%	49.0%
Pre-tax Income	5.5	70.4	46.1	▲34.5%	738.2%
Net Income	7.6	54.7	36.4	▲33.5%	378.9%
Oil Price(WTI, \$/bbl)	55.44	69.50	58.77	▲15.4%	6.0%
Exchange Rate (₩/\$)	1,107.46	1,121.52	1,127.43	0.5%	1.8%

I . 4Q FY18 Business Results

2. Financial Position



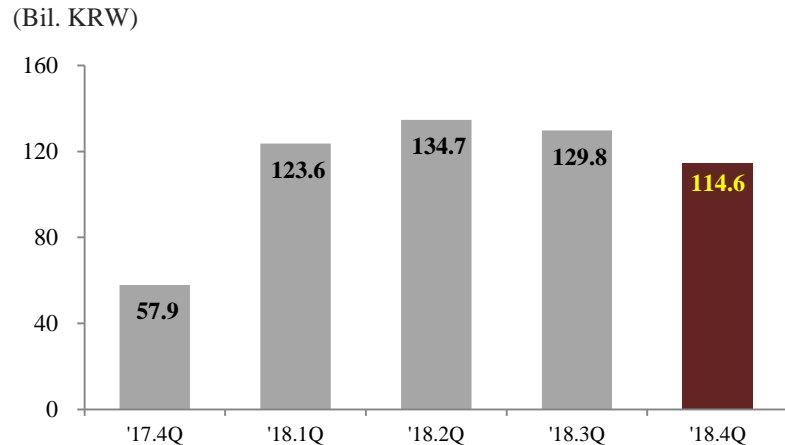
Unit: Bil. KRW

	Dec. 2017	Sep. 2018	Dec. 2018
Asset	1,641.3	1,686.4	1,704.8
Cash and Equivalents	131.7	144.1	6.8
Liabilities	448.6	335.6	323.3
Borrowings	281.0	81.2	81.2
Shareholder's Equity	1,192.7	1,350.8	1,381.5
Capital	129.0	129.0	129.0
Debt Ratio	37.6%	24.8%	23.4%
Capital Ratio	72.7%	80.1%	81.0%

※ 'Cash and cash equivalents' decreased due to reclassification of accounts according to changes in accounting standards.

II. Divisional Results : Chlorine

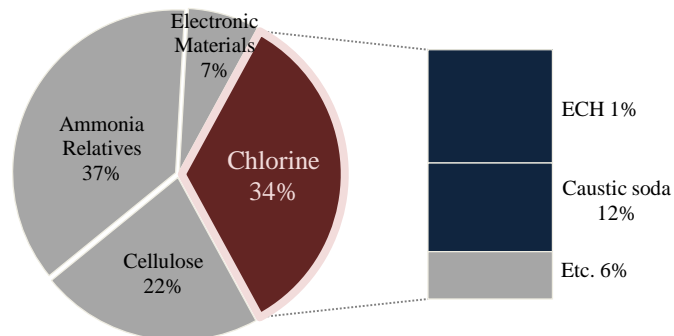
Sales



※ Q4 of 2017 saw the sales shrunken as affected by sales adjustment of Caustic Soda required due to revised accounting standard.

Sales Portion

(4Q FY18)



Review

• ECH

Weakened international prices affected by seasonal downturn in Q4 and depressed demand in downstream businesses brought down the sale price, resulting in the QoQ revenue fall.

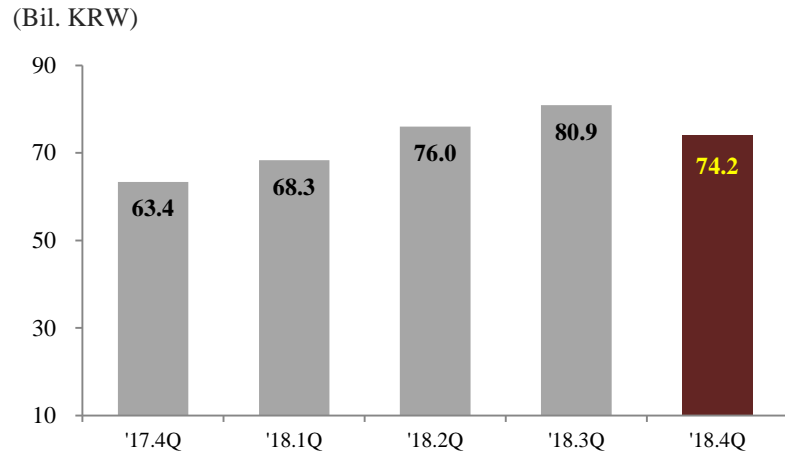
The sale price rise YoY pulled up the revenue.

• Caustic Soda

In the wake of the Q4 sale volume drop and the BIS certification matter, the revenue decreased QoQ as affected by continuously weakened international prices.

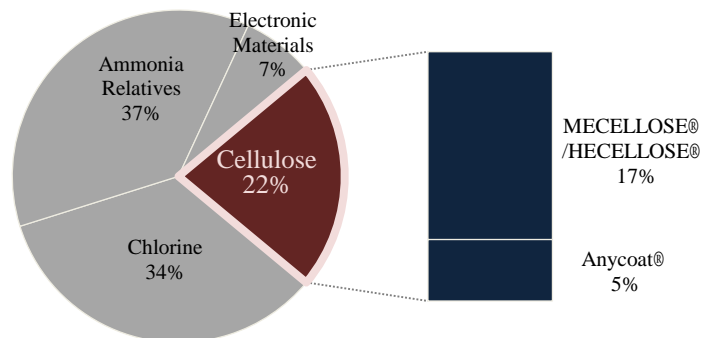
II. Divisional Results : Cellulose

Sales



Sales Portion

(4Q FY18)



Review

- **MECELLOSE® , HECCELLOSE®**

The sale volume dropped due to seasonality during Q4 brought down the revenue QoQ.

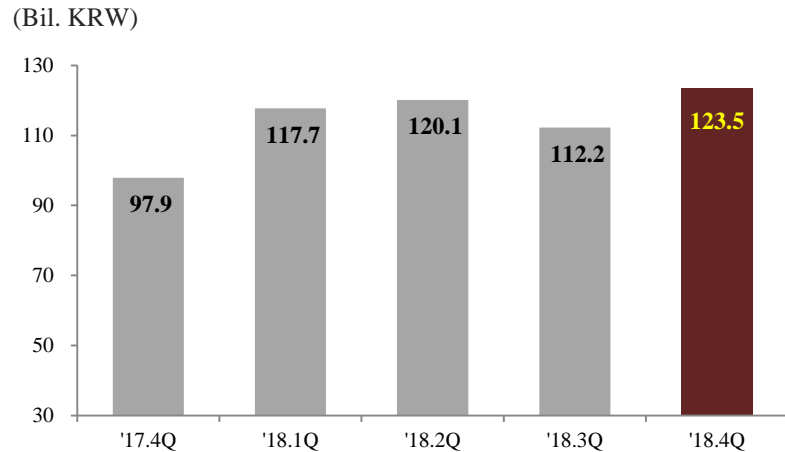
The revenue rose YoY thanks to new customer addition and hike in the sale price.

- **AnyCoat®**

With the stable sale, the revenue was recorded comparable to the previous quarter. And the demand volume increase led to the higher revenue YoY.

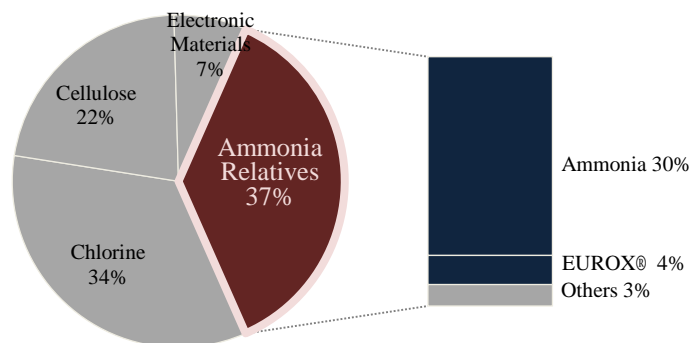
II. Divisional Results : Ammonia Relatives

Sales



Sales Portion

(4Q FY18)



Review

• Ammonia

The sale volume took a slight downturn due to slow downstream businesses, while the international price hike affected by major Me/Australian producers' trouble led to the revenue increase QoQ. Major producers' periodic maintenance pulled up the sale price YoY, resulting in the higher revenue.

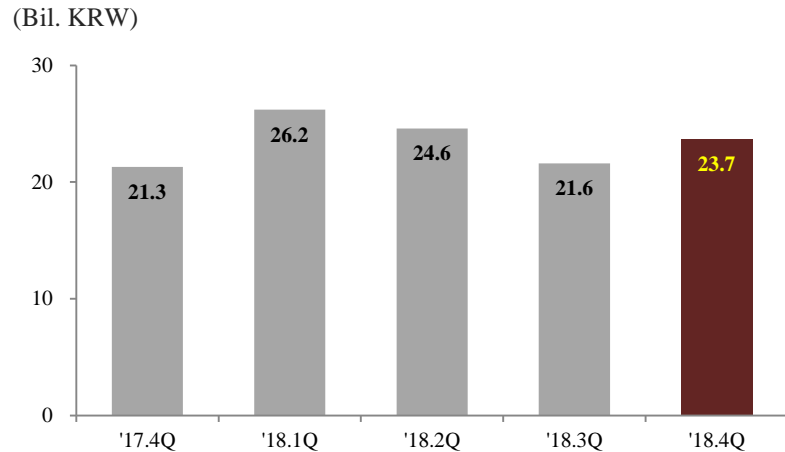
• EUROX®

Demand increase at the year-end season led to the sale volume increase, resulting in revenue increase QoQ.

The EURO6 in effect and the old vehicle replacement trend drove the urea solution market, contributing to the increased revenue YoY.

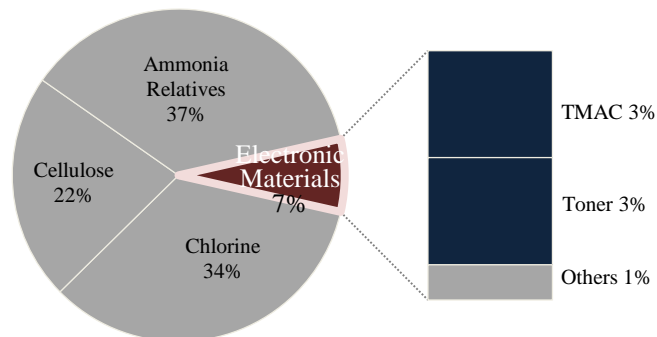
II. Divisional Results : Electronic Materials

Sales



Sales Portion

(4Q FY18)



Review

- **TMAC**

With stable sale, the revenue was recorded in the similar level with the previous quarter.

The selling volume increase enabled by customers production increase and material price hike were reflected in the price, contributing to the increased revenue YoY.

- **Toner**

Demand was recovered compared to the previous quarter, leading to increase in the volume sold and the revenue.

Appendix. Quarterly Business Results



Unit: Bil. KRW

	FY17					FY18				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Sales	286.6	323.0	309.3	240.5	1,159.5	335.8	355.4	344.5	336.0	1,371.7
Gross Profit	46.2	57.8	56.8	49.4	210.2	71.9	94.1	72.6	61.6	300.2
Operating Profit	22.1	33.6	29.4	26.1	111.1	49.8	73.1	48.9	38.9	210.7
Income Before Tax	24.8	39.5	40.9	5.5	110.7	70.8	87.8	70.4	46.1	275.2
Net Income	19.5	30.5	31.7	7.6	89.2	55.2	68.5	54.7	36.4	214.9
Oil Price (WTI, \$/bbl)	51.93	48.29	48.23	55.44	50.97	62.90	67.26	69.50	58.77	64.76
Exchange Rate (₩/\$)	1,154.93	1,129.35	1,132.26	1,107.46	1,131.00	1072.72	1,078.98	1,121.52	1,127.43	1,100.16

※ The difference between quarterly results and cumulative results is attributable to the round-off.

MISSION

사랑과 신뢰를 받는
제품과 서비스를 제공하여
인류의 풍요로운 삶에 기여한다

We enrich people's lives by providing
superior products and services that
our customers love and trust

