



Hyundai Motor Company Q1 2019 Business Results

April 24, 2019



Cautionary Statement with Respect to Forward-Looking Statements

In the presentation that follows and in related comments by Hyundai Motor's management, our use of the words "expect," "anticipate," "project," "estimate," "forecast," "objective," "plan," "goal," "outlook," "target," "pursue" and similar expressions is intended to identify forward looking statements.

The financial data discussed herein are presented on a preliminary basis before the audit from our Independent Auditor; final data will be included in HMC's Independent auditor's report. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, actual results may differ materially due to numerous important factors. Such factors include, among others, the following : changes in economic conditions, currency exchange rates or political stability; shortages of fuel, labor strikes or work stoppages; market acceptance of the corporation's new products; significant changes in the competitive environment; changes in laws, regulations and tax rates; and the ability of the corporation to achieve reductions in cost and employment levels to realize production efficiencies and implement capital expenditures at levels and times planned by management.

We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

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Sales Summary

Global wholesale

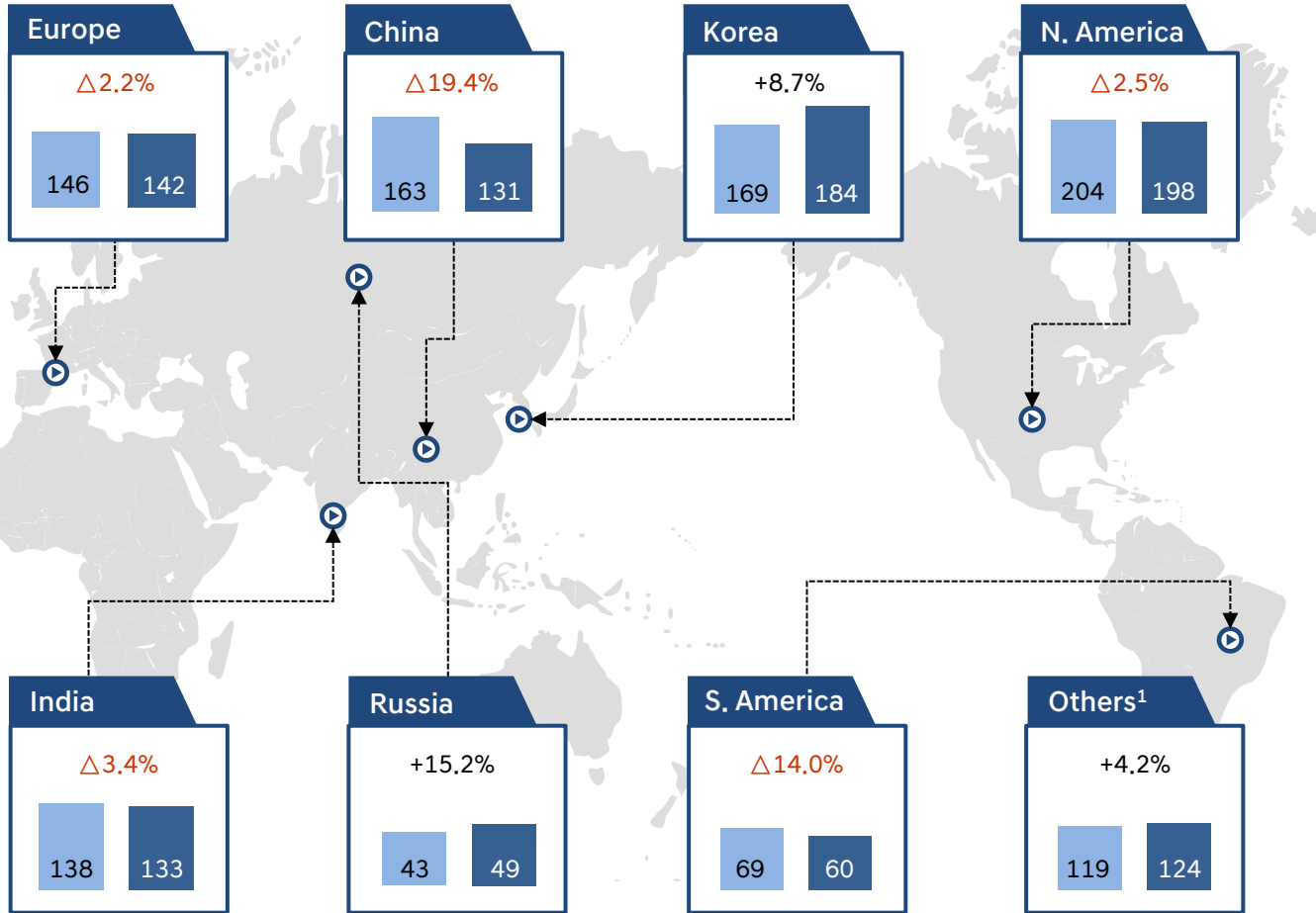
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Sales Analysis

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Global Wholesale

■ Q1 2018 ■ Q1 2019 (Thousand units)

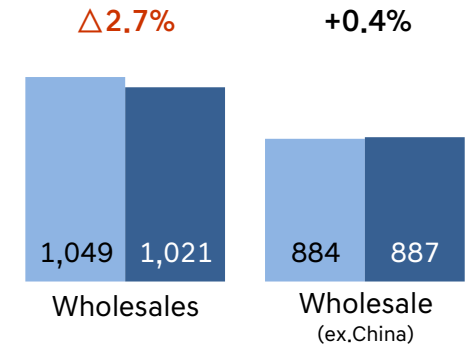


Global Demand²

(Thousand units)

	Q1 2018	Q1 2019	YoY
Korea	427	414	Δ3.0%
US	4,111	4,007	Δ2.5%
Europe	4,289	4,146	Δ3.3%
China	5,674	5,080	Δ10.5%
India	853	837	Δ1.9%
Global	24,091	22,468	Δ6.7%

HMC Global Sales³



¹ AMEA, Asia-Pacific, Other regions, Commercial vehicles(ex. Korea CV)

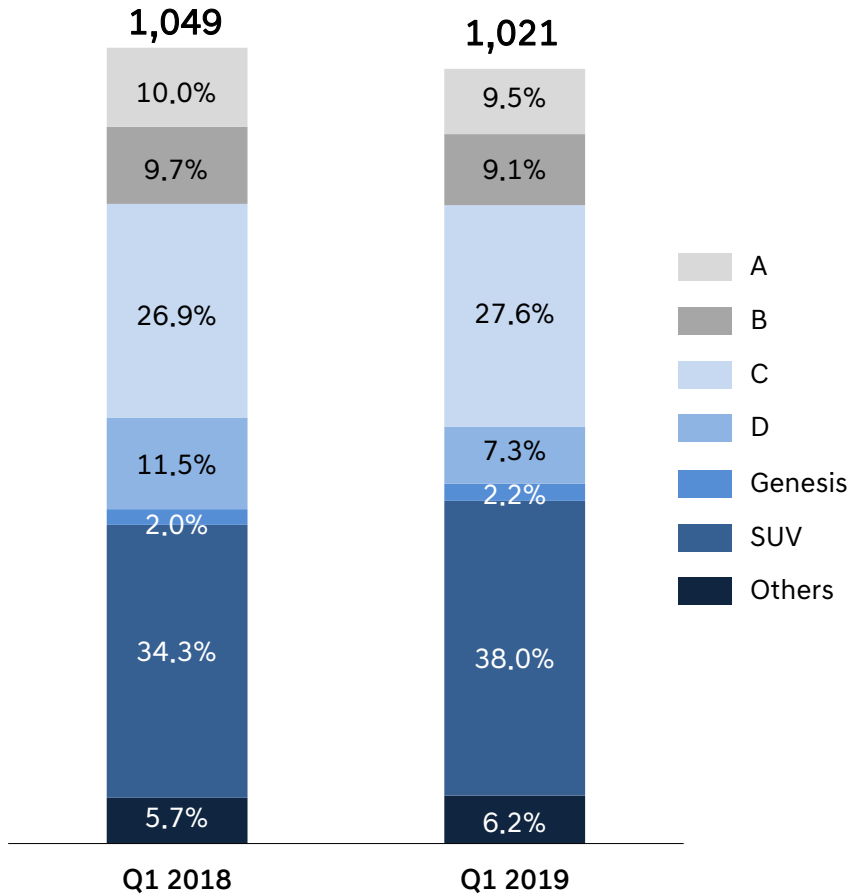
² Europe demand in passenger vehicle excluding CV

³ Wholesales including CV

Sales Analysis

Sales by segment

(Thousand units)



Key Growth Factors



Palisade

- Expanding model line-up with new large sized flagship SUV model
- Increased production capacity responding to higher market demand



Sonata

- First model with next gen. design and platform
- Starting point of HMC's mid-long term new model big cycle



G90

- Strengthening brand recognition
- Profitability improvement through higher Genesis sales

Outlook

- Expect further sales growth in Q2 '19 with global launches of Palisade and new Sonata
- Enhance brand competitiveness of Genesis by expanding line-ups into SUV segment
- Key new models : Venue, G80, and Genesis SUV

Financial Summary

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Financial Summary

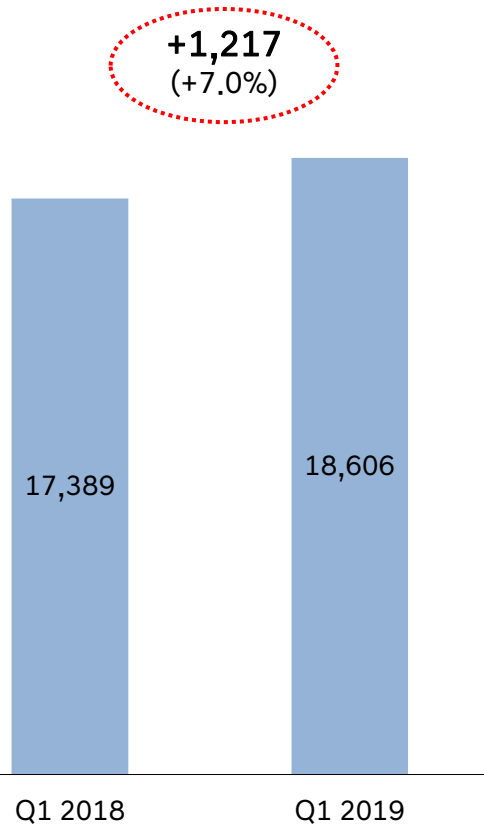
(Billion KRW)

	Q1 2018	Q4 2018	Q1 2019	YoY	QoQ
Revenue	22,437	25,231	23,987	+6.9%	△4.9%
Cost of Good Sold	18,969	21,175	20,074	+5.8%	△5.2%
Gross Profit	3,468	4,056	3,913	+12.8%	△3.5%
Margin (%)	15.5%	16.1%	16.3%		
SG&A	2,786	3,555	3,088	+10.8%	△13.1%
Operating Income	681	501	825	+21.1%	+64.6%
Margin (%)	3.0%	2.0%	3.4%		
Non-operating Income	245	△389	392	+60.0%	Turn Profit
Tax	194	316	263	+35.4%	△16.7%
Net Income	732	△203	954	+30.4%	Turn Profit

Revenue by Division

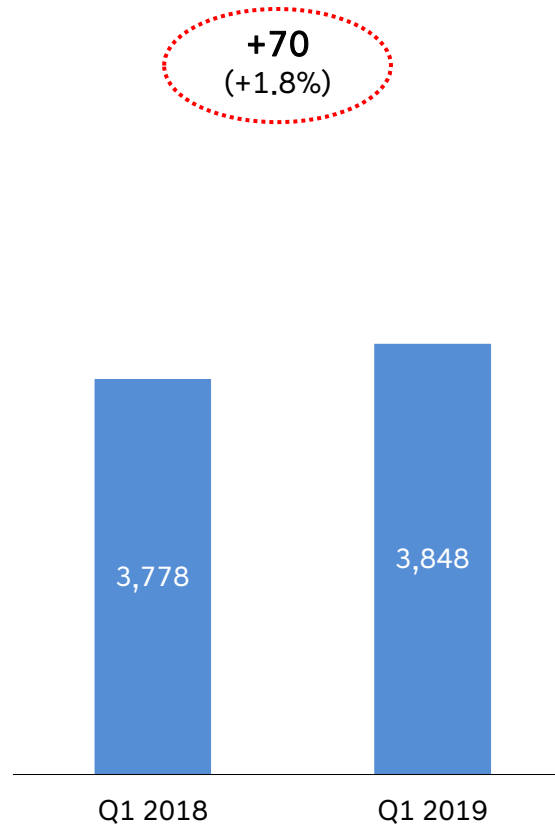
Automotive

(Billion KRW)



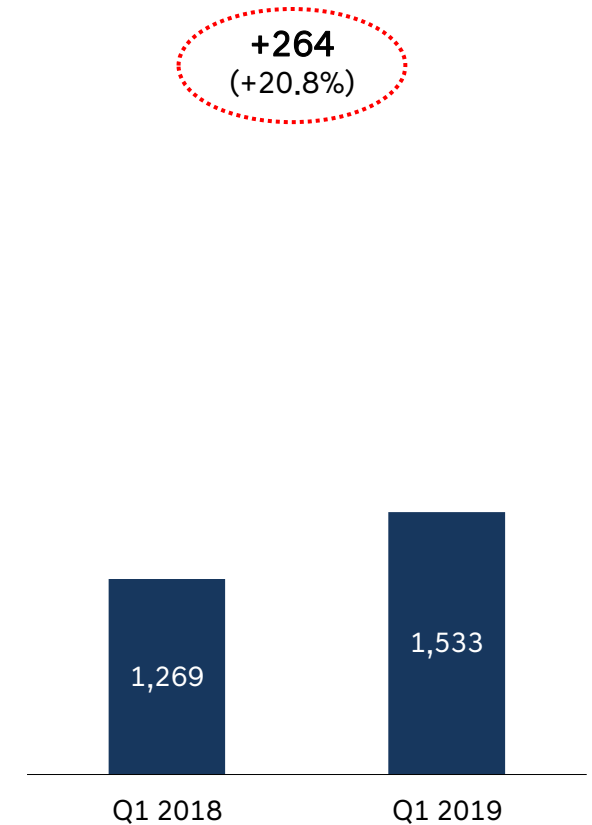
Sales increase from newly launched vehicles and SUV

Finance



Overall improvement of residual value in used car market

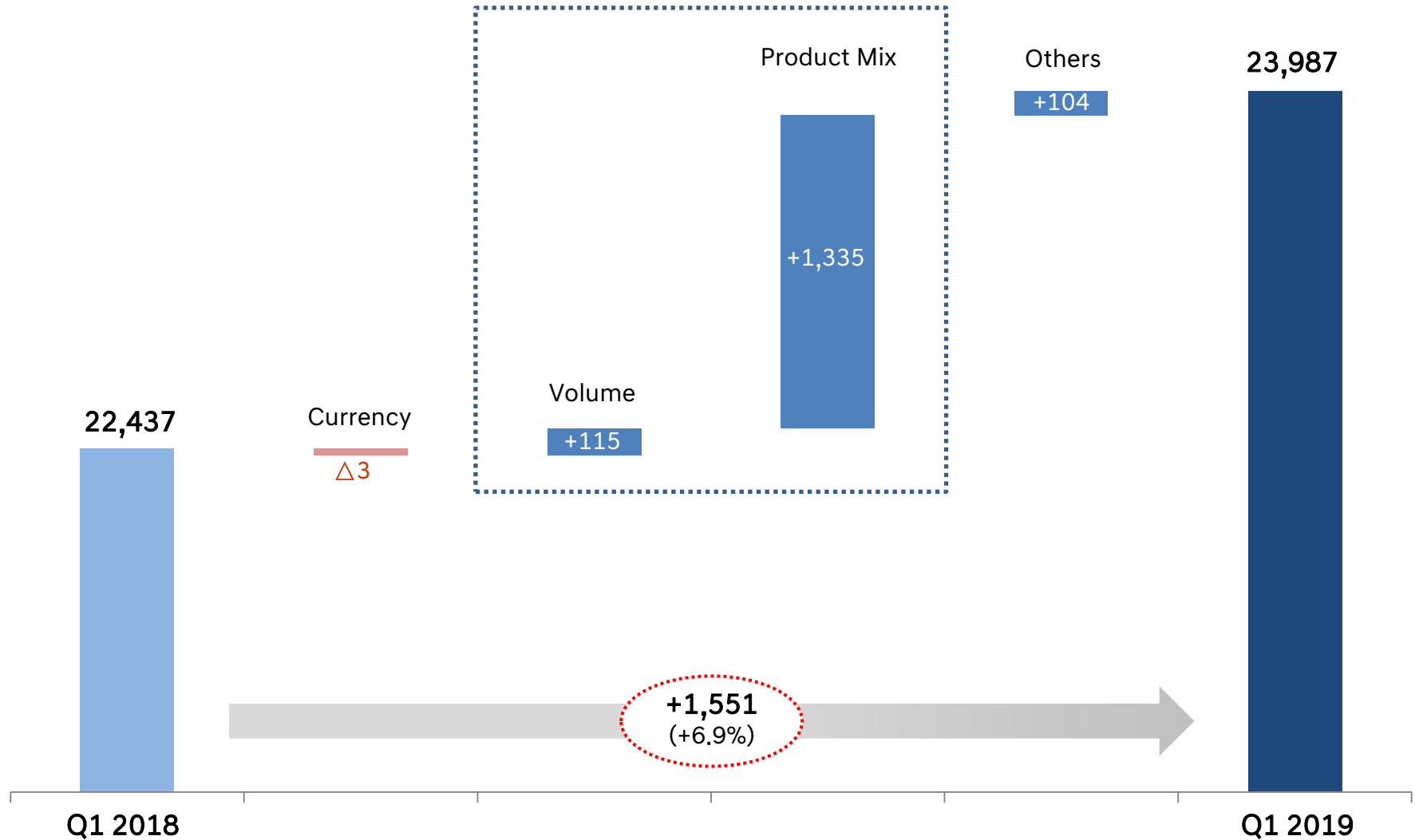
Others



Continuous sales growth of other divisions

Revenue Analysis

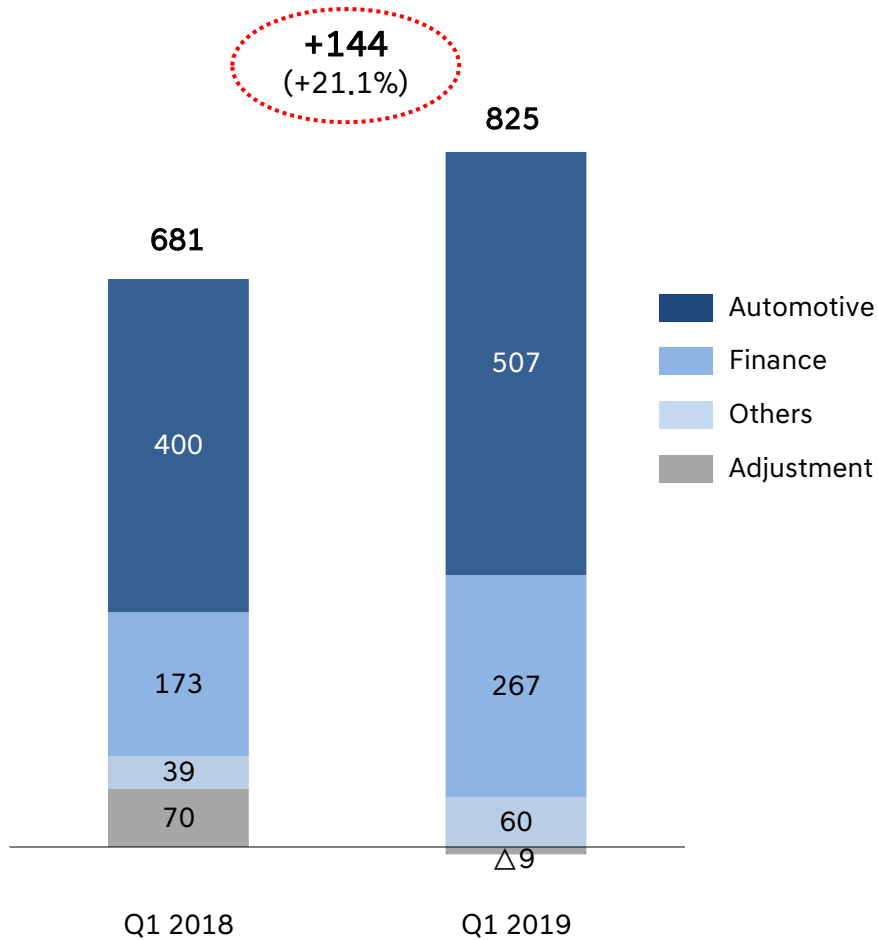
(Billion KRW)



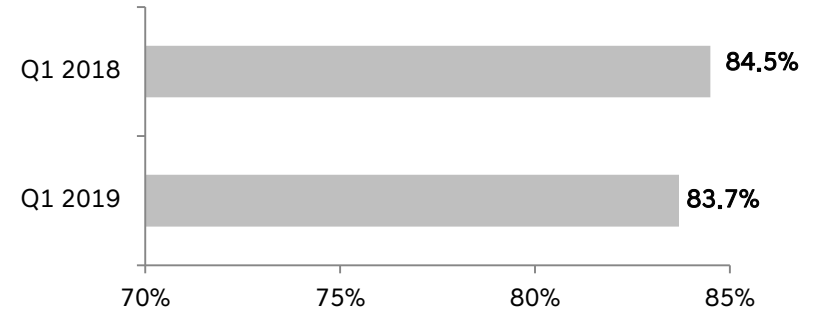
Operating Income Breakdown

Operating Income by Division

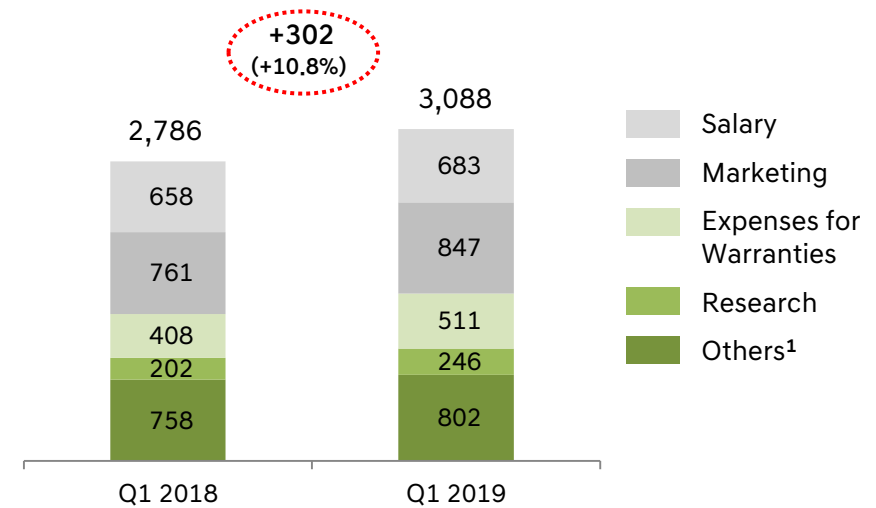
(Billion KRW)



Cost of good sold



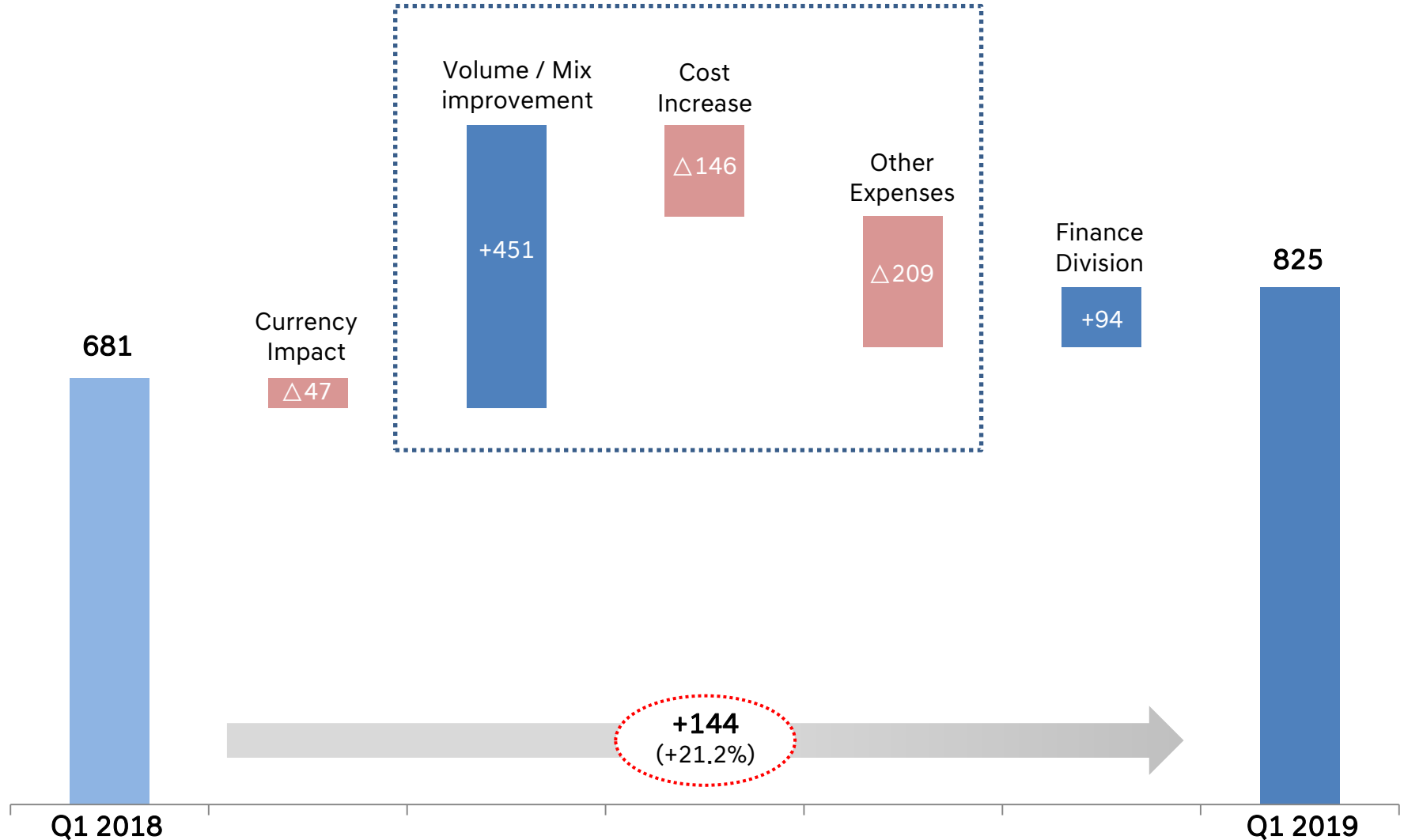
SG&A



¹Commission fees , depreciations, etc.

Operating Income Analysis

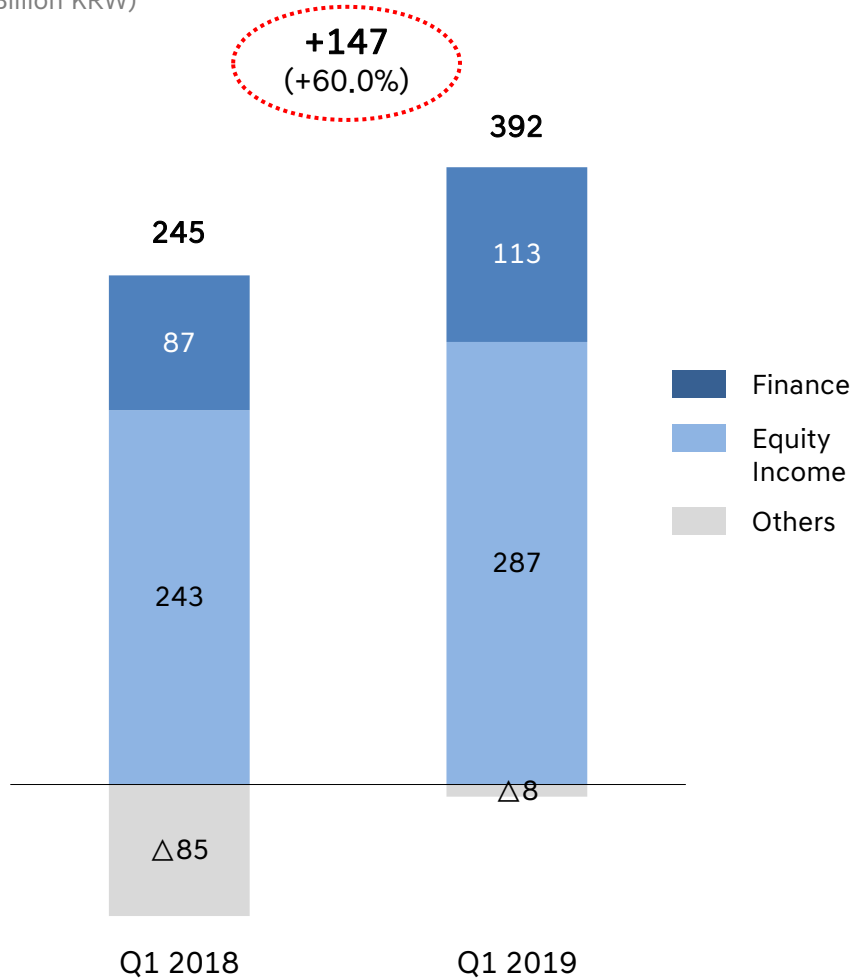
(Billion KRW)



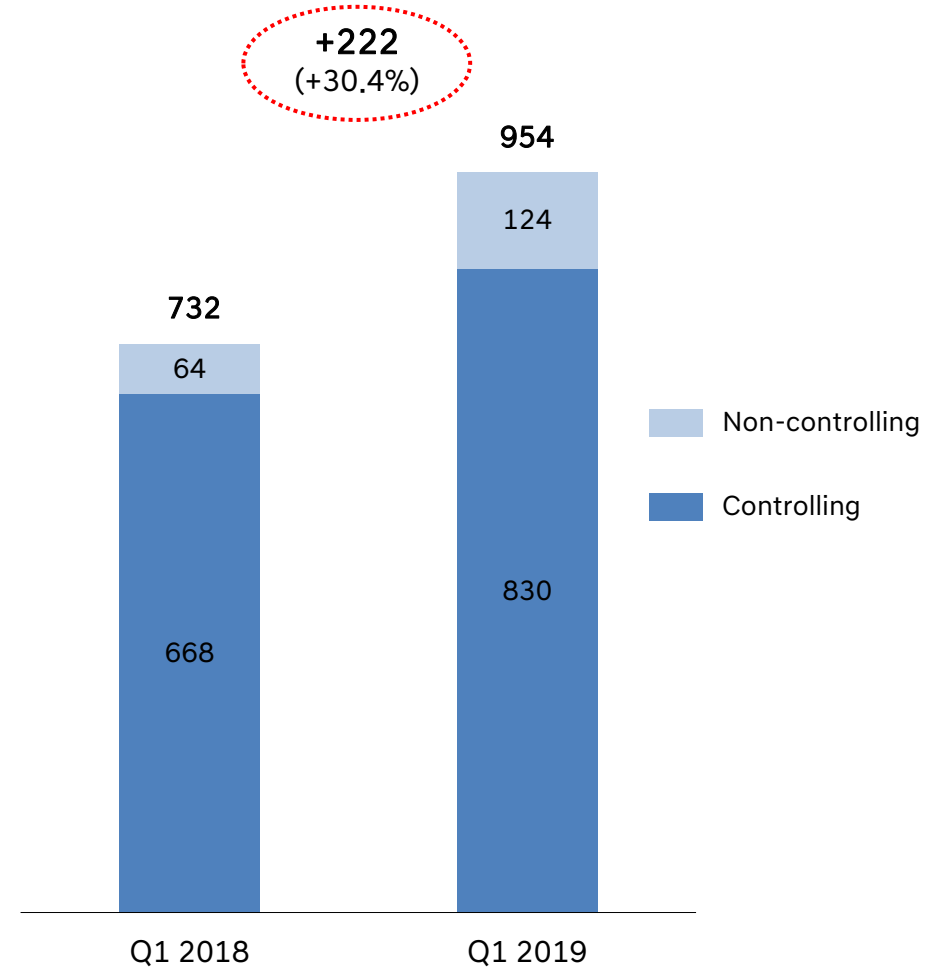
Non-operating Income & Net Income

Non-operating Income

(Billion KRW)



Net Income



Appendix

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Retail Sales by Region

(Thousand units)	Q1 2018	2018	Q1 2019	2019	Q1 2019 Vs Q1 2018	2019 vs 2018
Korea	169	169	184	184	+8.7%	+8.7%
US	149	149	152	152	+2.0%	+2.0%
Western Europe	134	134	128	128	△4.6%	△4.6%
India	133	133	127	127	△4.2%	△4.2%
AMEA	65	65	76	76	+16.3%	+16.3%
Brazil	43	43	45	45	+3.9%	+3.9%
Russia	39	39	42	42	+7.5%	+7.5%
Others	128	128	122	122	△4.9%	△4.9%
Sub-total (ex-China)	861	861	876	876	+1.7%	+1.7%
China	175	175	191	191	+9.1%	+9.1%
China (CV)	4	4	2	2	△54.4%	△54.4%
Total	1,040	1,040	1,069	1,069	+2.8%	+2.8%

Statement of Income

(Billion KRW)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	YoY	QoQ
Revenue	22,437	24,712	24,434	25,231	23,987	+6.9%	△4.9%
Gross Profit	3,468	3,926	3,693	4,056	3,913	+12.8%	△3.5%
Margin (%)	15.5	15.9	15.1	16.1	16.3		
SG&A	2,786	2,976	3,404	3,555	3,088	+10.8%	△13.1%
Portion (%)	12.4	12.0	13.9	14.1	12.9		
Operating Income	681	951	289	501	825	+21.1%	+64.6%
Margin (%)	3.0	3.8	1.2	2.0	3.4		
Income before tax	926	1,129	362	113	1,217	+31.4%	+980.9%
Margin (%)	4.1	4.6	1.5	0.4	5.1		
Net Income	732	811	306	△203	954	+30.4%	Turn Profit
Margin (%)	3.3	3.3	1.3	△0.8	4.0		
Depreciation	571	576	600	611	605		
Amortization	344	352	364	343	314		
EBITDA	1,596	1,879	1,254	1,455	1,745		

State of Financial Position

(Billion KRW)	End-2018	End-Q1 2019	Diff.	% chg.
Asset	180,656	182,666	+2,010	+1.1%
Current Asset ^(a)	73,008	73,669	+660	+0.9%
Liabilities^(b)	106,760	108,458	+1,698	+1.6%
Current Liability ^(c)	49,438	48,461	△978	△2.0%
Debt ^(d)	73,296	74,439	+1,143	+1.6%
Provision	6,800	6,840	+40	+0.6%
Equity^(e)	73,896	74,208	+312	+0.4%
Capital Stock	1,489	1,489	0	0.0%
Capital Surplus	4,201	4,195	△6	△0.1%
Retained Earnings	66,490	66,509	+19	0.0%
Current Ratio ^(a/c)	147.7%	152.0%		
Liability to Equity ^(b/e)	144.5%	146.2%		
Debt to Equity ^(d/e)	99.2%	100.3%		

Cash Flows

(Billion KRW)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Beginning	8,822	8,393	8,777	9,336	9,114
Net Income	732	811	306	△203	954
Depreciation	571	576	600	611	605
Amortization	344	352	364	343	314
Acquisition of Tangible	△914	△554	△707	△1,051	△1,047
Acquisition of Intangible	△288	△317	△376	△651	△279
Dividends paid	△4	△858	△266	-	△4
Others	△868	373	638	729	△705
Ending	8,393	8,777	9,336	9,114	8,953

Thank you
