



Hyundai Motor Company Q1 2020 and Annual Business Results

Apr 23, 2020



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

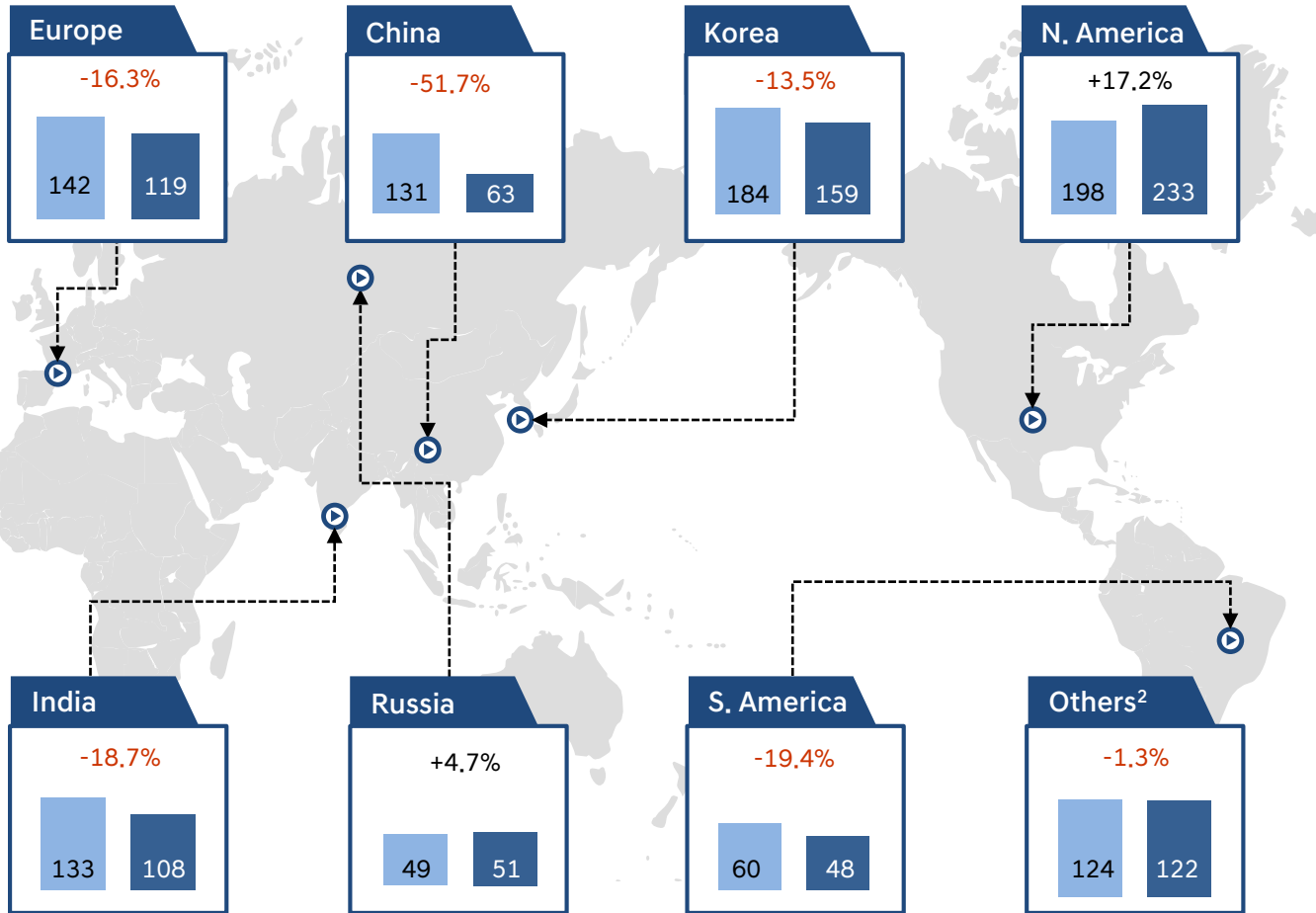
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Sales Analysis

P. 5

Global Wholesale

■ Q1 2019 ■ Q1 2020 (Thousand units)

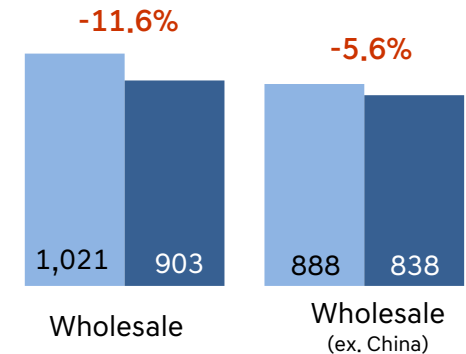


Global Demand¹

(10K units)

| | Q1 2019 | Q1 2020 | YoY |
|---------------------|---------|---------|--------|
| Korea | 41.4 | 38.4 | -7.1% |
| US | 4,007 | 3,507 | -12.5% |
| Europe ³ | 4,146 | 3,055 | -26.3% |
| China | 5,113 | 2,743 | -46.4% |
| India | 83.7 | 65.9 | -21.4% |
| Global | 2,248.1 | 1,710.8 | -23.9% |

HMC Global Sales⁴



¹ US and Europe are based on retail sales, China ex-Factory, India wholesale

² MEA, Asia-Pacific, Other regions, CV(ex. Korea CV)

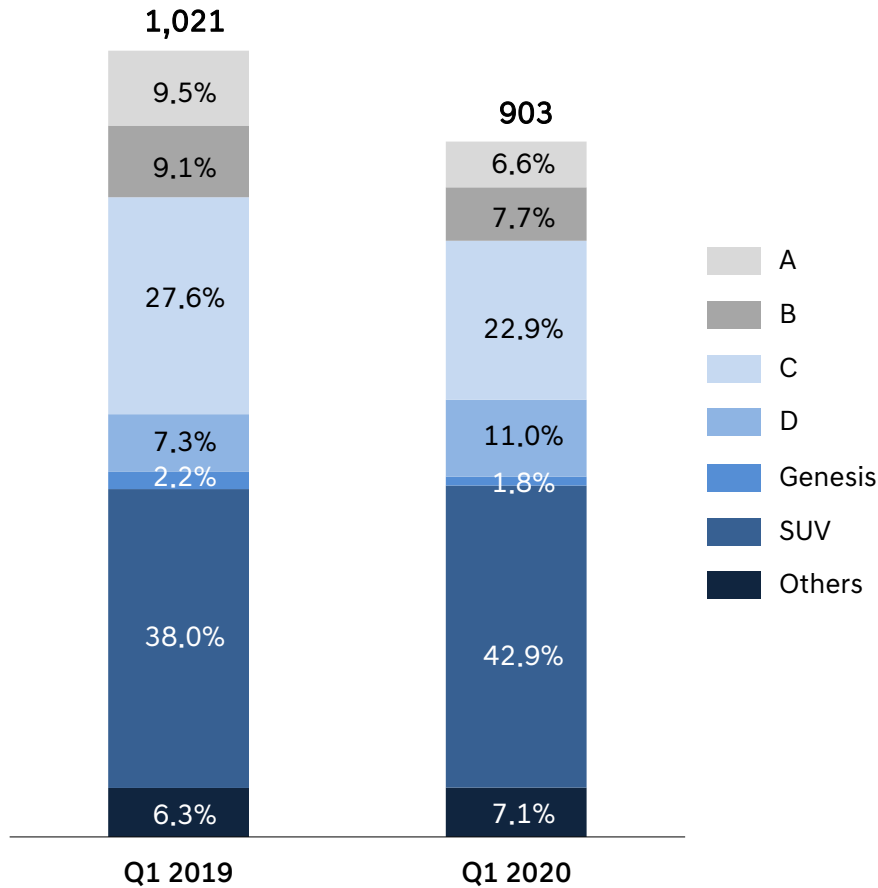
³ Western Europe excluding CV

⁴ Wholesale including CV, Q1 2020 sales including CKD sales

Sales Analysis

Sales by Segment

(Thousand units)



※ GV80 is included in Genesis, sales portion of SUV is 43.4% with GV80.

Key Growth Factors



The New Grandeur

- Launch of The New Grandeur in Nov 2019
- 'Best-selling Car of 2019', strong sales in Q1
 - March sales 17K units, Q1 34K units (YoY +18.3%)
- D-Seg : Q1 2019 7.3% → Q1 2020 11%



GV80

- First Genesis SUV, launched in Jan 2020
- Successful debut with design and performance
 - 15K contracts on debut day, Q1 sales 4.7K units



The All-new G80

- Launched in late March
- 22K contracts on launching day
- Reinforcing Genesis positioning in luxury segment

Outlook

- *Genesis line-up expansion* with G70 facelift and GV70 launches
- *SUV mix improvement* with Palisade, Venue, and new Creta
- *Continued new model momentum* with volume model launches including Elantra and Tucson

Financial Summary

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|-----------------------------------|-------|
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Financial Summary

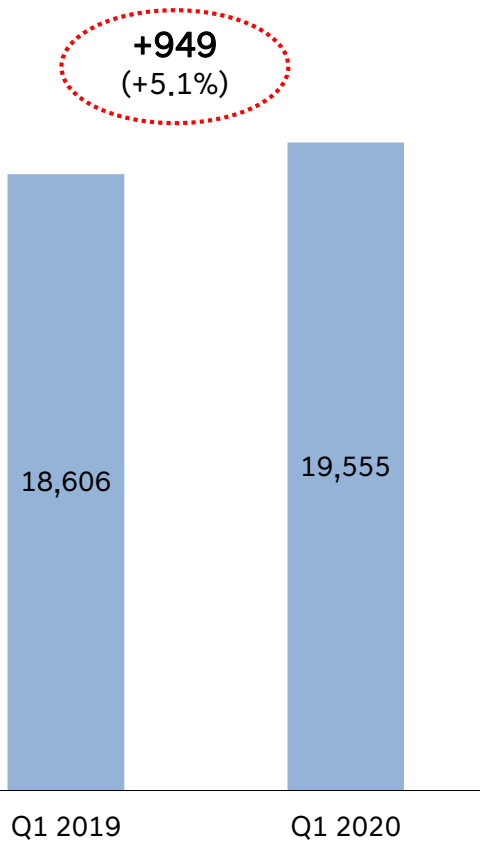
(Billion KRW)

| | Q1 2019 | Q4 2019 | Q1 2020 | YoY | QoQ |
|--------------------------|---------------|---------------|---------------|--------------|---------------|
| Revenue | 23,987 | 27,824 | 25,319 | +5.6% | -9.0% |
| Cost of Good Sold | 20,074 | 23,133 | 21,054 | +4.9% | -9.0% |
| Gross Profit | 3,913 | 4,691 | 4,265 | +9.0% | -9.1% |
| Margin (%) | 16.3% | 16.9% | 16.8% | | |
| SG&A | 3,088 | 3,527 | 3,402 | +10.2% | -3.5% |
| Operating Income | 825 | 1,164 | 864 | +4.7% | -25.8% |
| Margin (%) | 3.4% | 4.2% | 3.4% | | |
| Non-operating Income | 392 | - 32 | - 140 | Turn-to-Loss | Loss Increase |
| Income before Tax | 1,217 | 1,132 | 724 | -40.5% | -36.0% |
| Tax | 263 | 360 | 172 | -34.8% | -52.3% |
| Net Income | 954 | 772 | 553 | -42.1% | -28.4% |

Revenue by Division

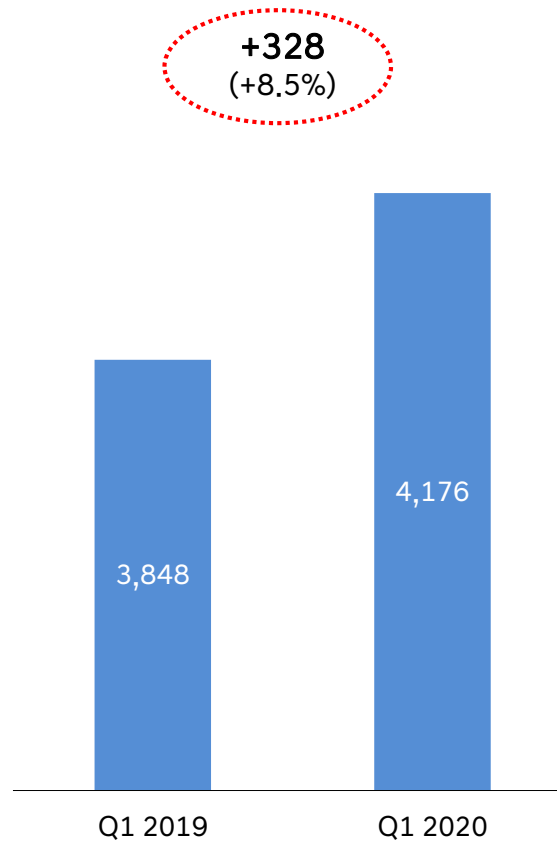
Automotive

(Billion KRW)



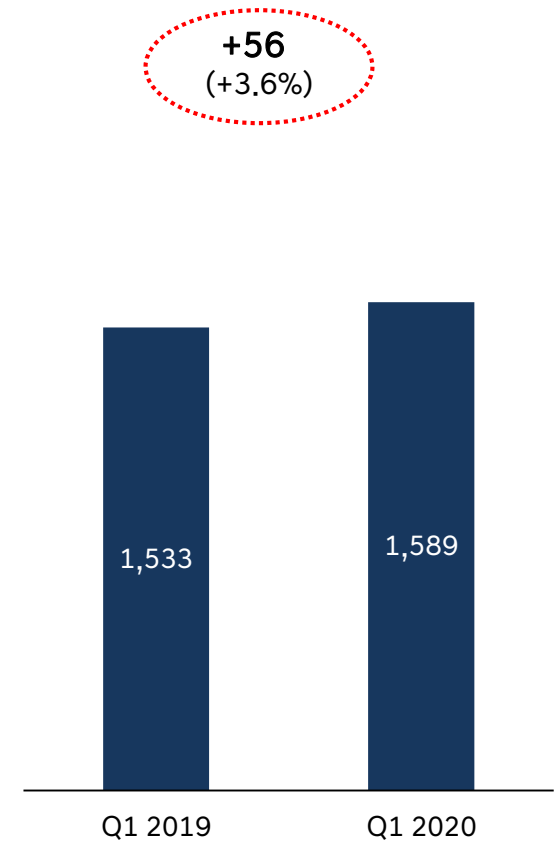
Mix improvement

Finance



F/X

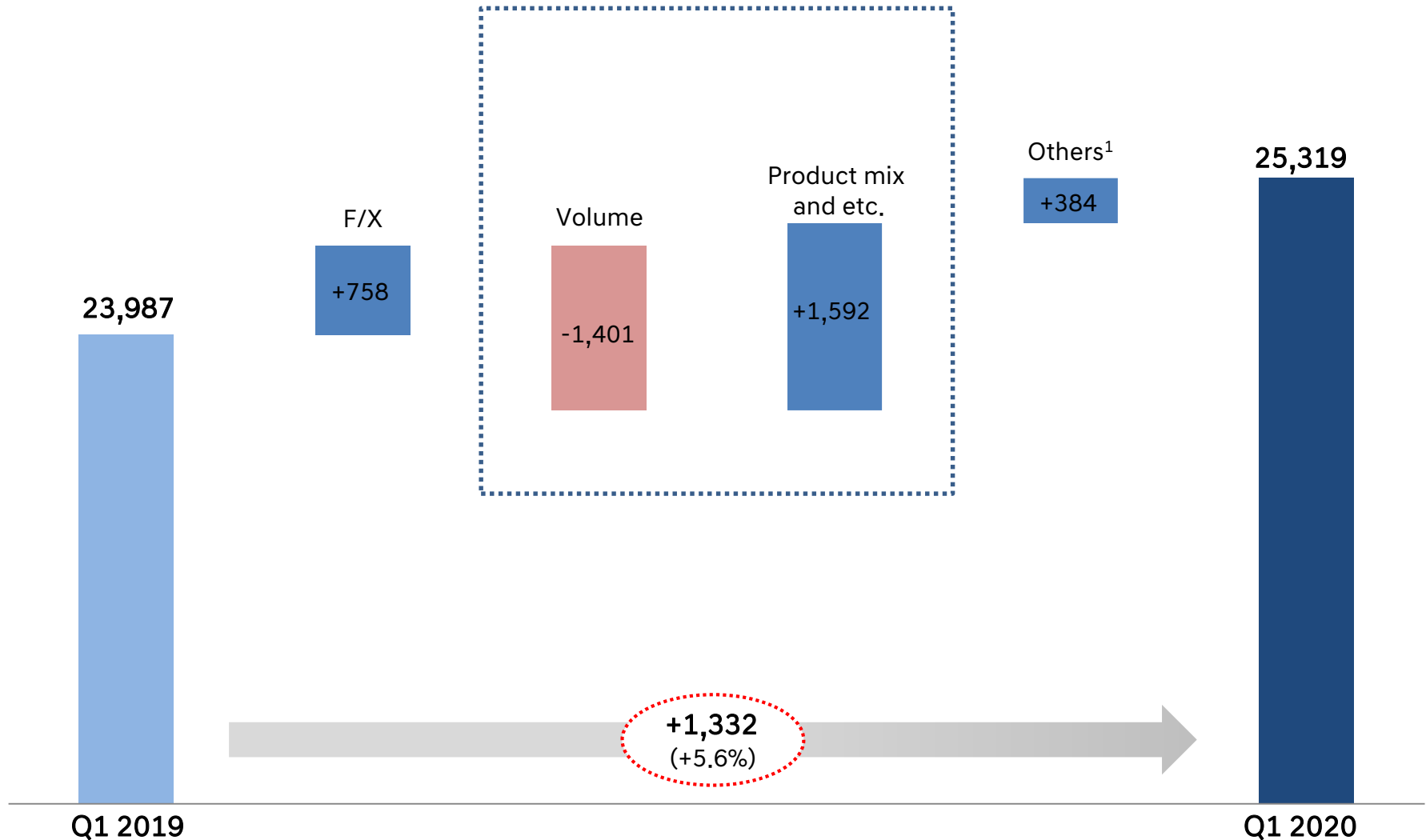
Others



Continued sales growth

Revenue Analysis

(Billion KRW)

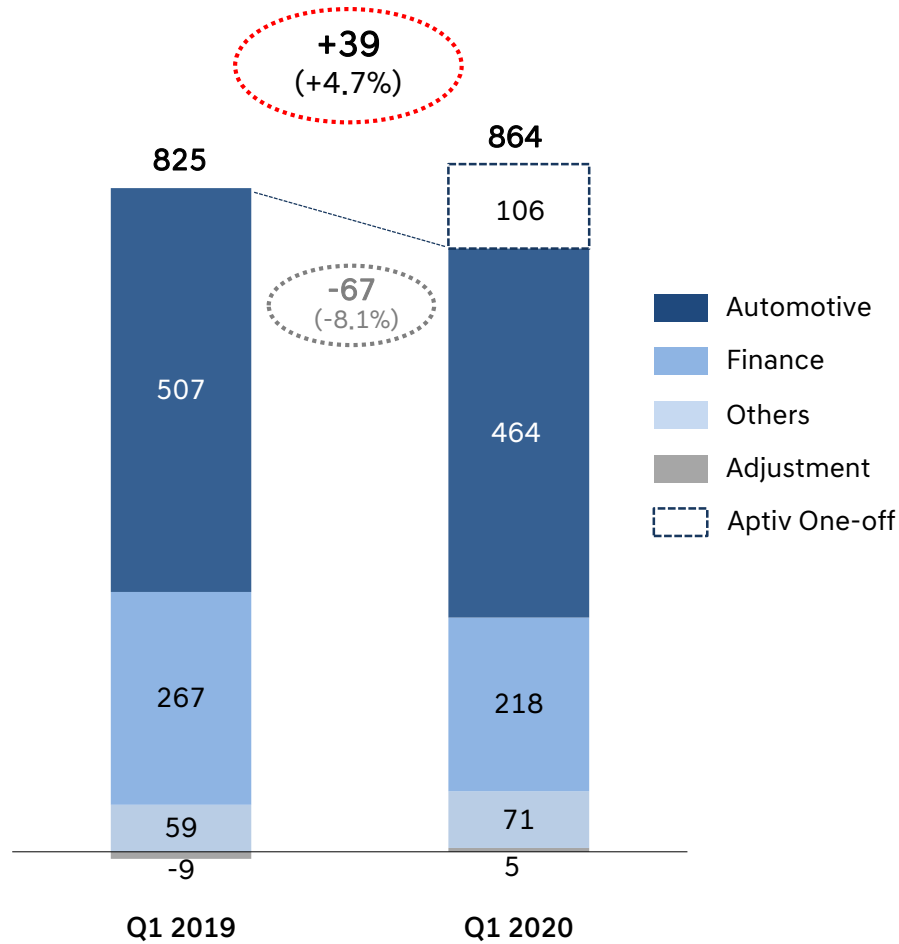


¹Includes one-off gain of 105.6 billion KRW from Aptiv JV deal

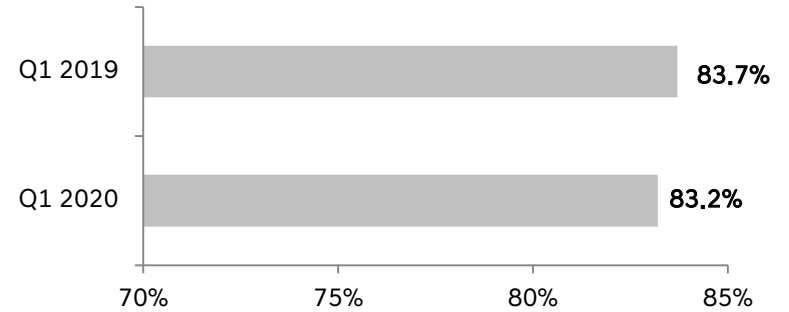
Operating Income Breakdown

Operating Income by Division

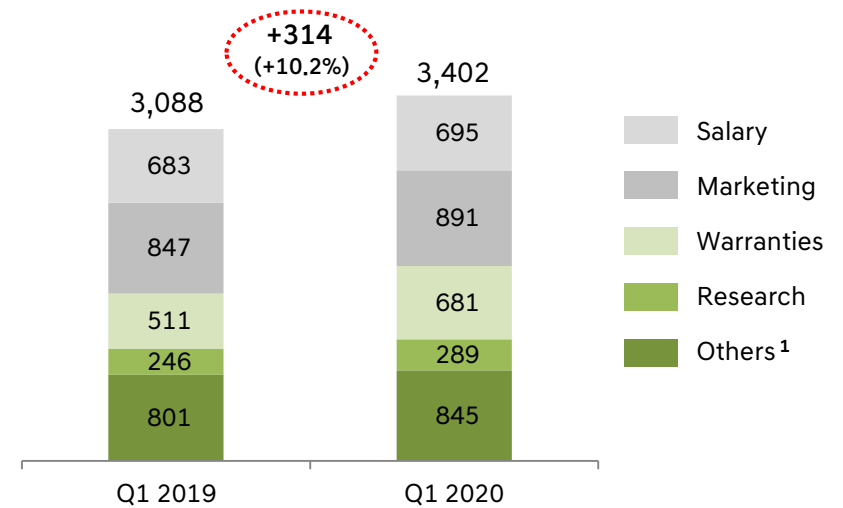
(Billion KRW)



COGS Ratio



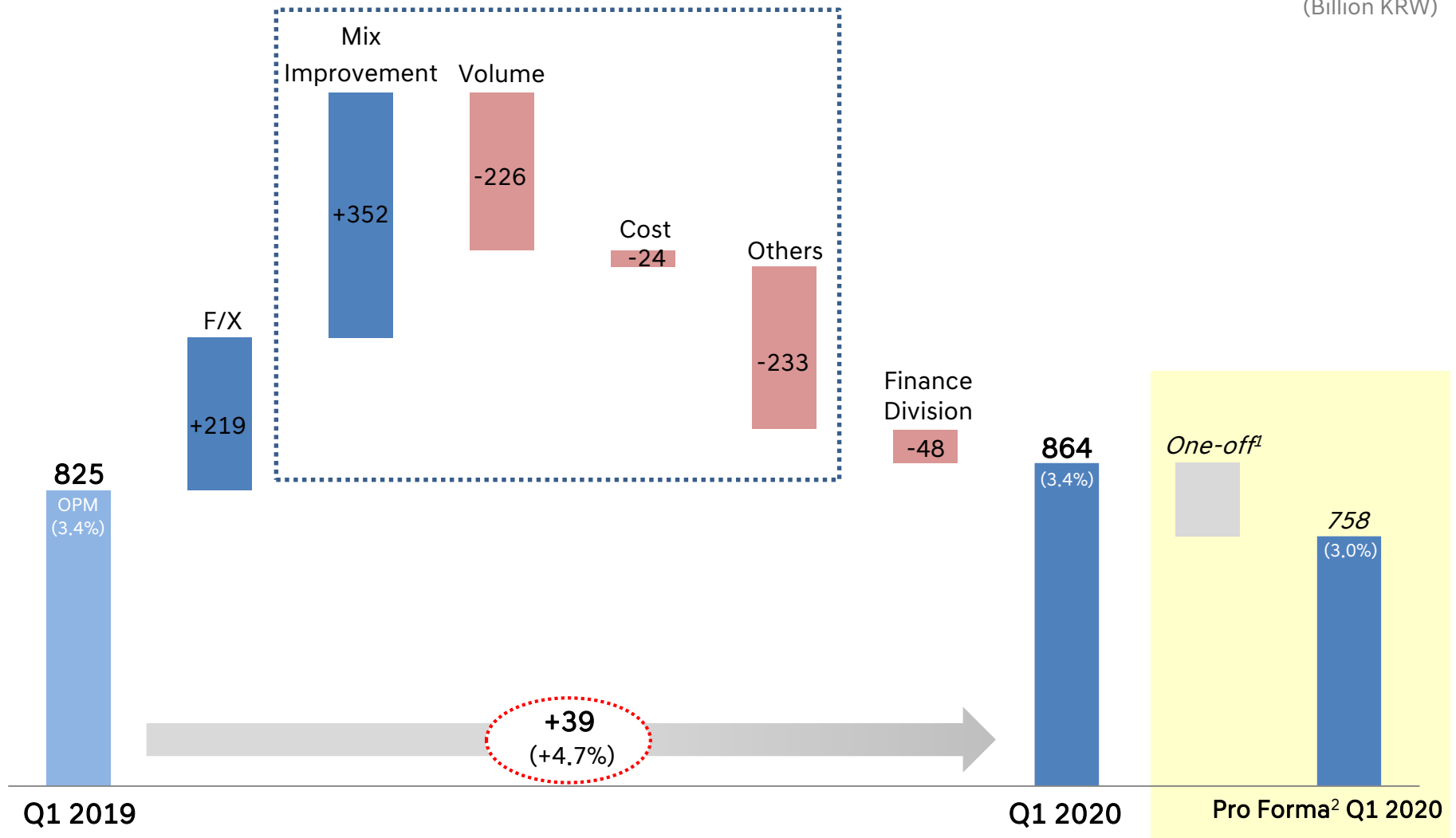
SG&A



¹Commission Fees, depreciation, etc.

Operating Income Analysis

(Billion KRW)



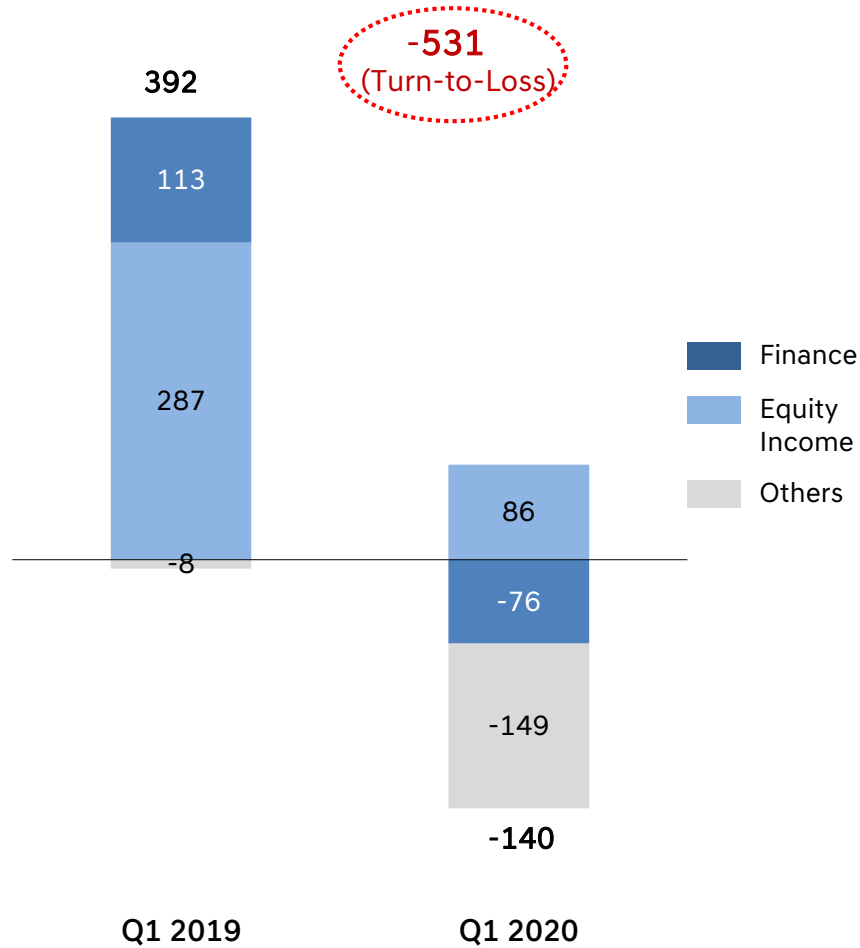
¹ One-off gain of 105,6 billion KRW from Aptiv JV deal

² Excluding the one-off gain

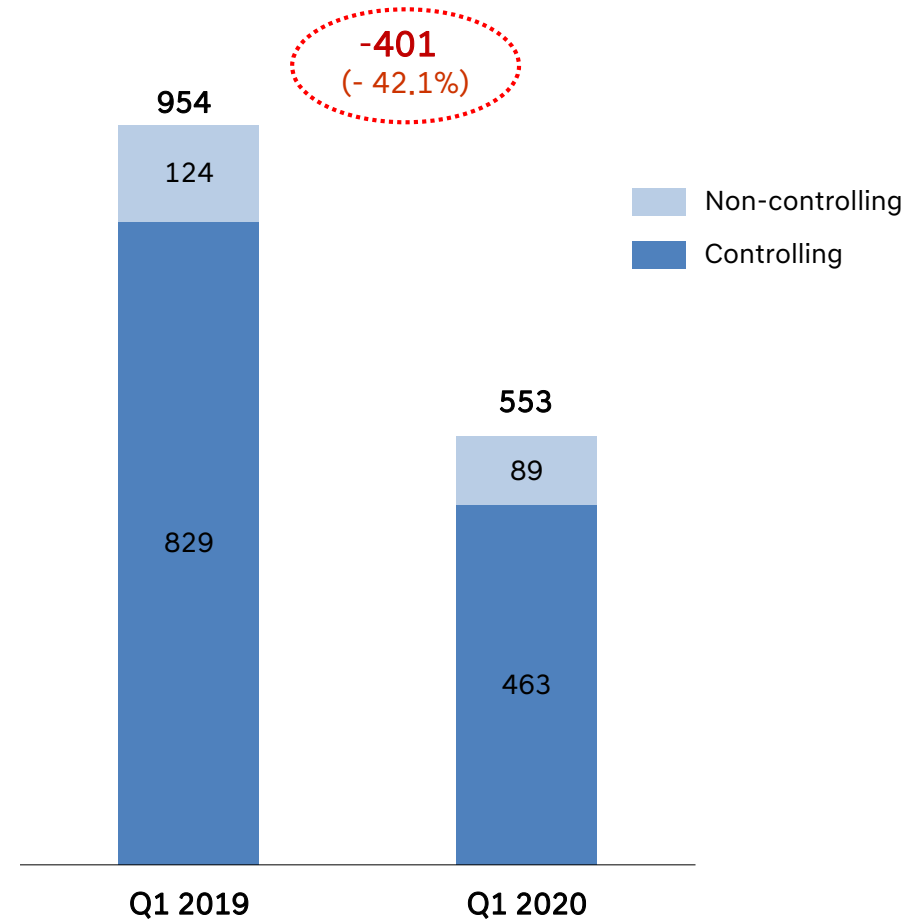
Non-operating Income & Net Income

Non-operating Income

(Billion KRW)



Net Income



Appendix

| | |
|---------------------------------|-------|
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Retail Sales by Region

| (Thousand units) | Q1 2019 | Q1 2020 | YoY |
|------------------|--------------|------------|---------------|
| Korea | 184 | 159 | -13.5% |
| US | 152 | 135 | -11.2% |
| Western Europe | 128 | 104 | -18.9% |
| India | 127 | 100 | -21.6% |
| China | 191 | 108 | -43.3% |
| AMEA | 76 | 73 | -3.5% |
| Brazil | 45 | 38 | -15.5% |
| Russia | 42 | 42 | -0.1% |
| Others | 125 | 119 | -4.4% |
| Total | 1,069 | 878 | -17.9% |

※ 2020 sales includes CKD sales

Statement of Income

| (Billion KRW) | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | YoY | QoQ |
|----------------------------|---------------|---------------|---------------|---------------|---------------|--------|--------|
| Revenue | 23,987 | 26,966 | 26,969 | 27,824 | 25,319 | 5.6% | -9.0% |
| Gross Profit | 3,913 | 4,623 | 4,428 | 4,691 | 4,265 | 9.0% | -9.1% |
| Margin (%) | 16.3 | 17.1 | 16.4 | 16.9 | 16.8 | | |
| SG&A | 3,088 | 3,385 | 4,050 | 3,527 | 3,402 | 10.2% | -3.5% |
| Portion (%) | 12.9 | 12.6 | 15.0 | 12.7 | 13.4 | | |
| Operating Income | 825 | 1,238 | 379 | 1,164 | 864 | 4.7% | -25.8% |
| Margin (%) | 3.4 | 4.6 | 1.4 | 4.2 | 3.4 | | |
| Income before tax | 1,217 | 1,386 | 429 | 1,132 | 724 | -40.5% | -36.0% |
| Margin (%) | 5.1 | 5.1 | 1.6 | 4.1 | 2.9 | | |
| Net Income | 954 | 999 | 460 | 772 | 553 | -42.1% | -28.4% |
| Margin (%) | 4.0 | 3.7 | 1.7 | 2.8 | 2.2 | | |
| D&A¹ | 959 | 994 | 1,018 | 1,041 | 1,059 | | |
| EBITDA | 1,784 | 2,232 | 1,396 | 2,206 | 1,923 | | |

¹ Includes lease amortization under IFRS 16

Statement of Financial Position

| (Billion KRW) | Q4 2019 | Q1 2020 | Diff. | % change |
|--------------------------------------|----------------|----------------|-------|----------|
| Asset | 194,512 | 198,851 | 4,339 | 2.2% |
| Current Asset ^(a) | 76,083 | 76,223 | 140 | 0.2% |
| Liabilities^(b) | 118,146 | 122,924 | 4,778 | 4.0% |
| Current Liability ^(c) | 53,314 | 54,207 | 893 | 1.7% |
| Debt ^(d) | 81,372 | 85,699 | 4,327 | 5.3% |
| Provision | 7,145 | 7,345 | 200 | 2.8% |
| Equity^(e) | 76,366 | 75,927 | -439 | -0.6% |
| Capital Stock | 1,489 | 1,489 | - | - |
| Capital Surplus | 4,197 | 4,197 | - | - |
| Retained Earnings | 68,250 | 67,900 | -349 | -0.5% |
| Current Ratio ^(a/c) | 142.7% | 140.6% | | |
| Liability to Equity ^(b/e) | 154.7% | 161.9% | | |
| Debt to Equity ^(d/e) | 106.6% | 112.9% | | |

Statement of Cash Flows

| (Billion KRW) | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 |
|---------------------------|--------------|--------------|--------------|--------------|---------------|
| Beginning | 9,114 | 8,953 | 9,492 | 9,209 | 8,682 |
| Net Income | 954 | 999 | 461 | 772 | 553 |
| Depreciation | 605 | 629 | 646 | 665 | 663 |
| Amortization | 314 | 322 | 325 | 325 | 346 |
| Acquisition of Tangible | -1,047 | -621 | -862 | -1,056 | -1,128 |
| Acquisition of Intangible | -279 | -351 | -418 | -669 | -331 |
| Dividends paid | -4 | -855 | -263 | - | -4 |
| Others | -705 | 416 | -172 | -563 | 1,593 |
| Ending | 8,953 | 9,492 | 9,209 | 8,682 | 10,374 |

Thank you
