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**Hyundai Motor Announces 2023 Q2 Business Results**

* Q2 revenue increased 17.4% Y/y to KRW 42.25 trillion
* Operating profit up 42.2% for a record-high of KRW 4.24 trillion; operating profit margin hit 10%
* Q2 net profit increased 8.5% Y/y to KRW 3.35 trillion
* The company sold 1,059,713 units during the Q2, up 8.5% Y/y, buoyed by the improvement of production and cemented demand for the brand

⋯ Sales of full electric models jumped 47% Y/y to nearly 78,000 units

* Hyundai updated its annual consolidated financial guidance

⋯ To target annual revenue growth of 14~15% from 2022 on a consolidated basis; consolidated operating profit margin around 8~9%

⋯ To start paying its quarterly dividend of KRW 1,500 per common share from Q2

* Hyundai Motor to enhance profitability through various measures despite global uncertainties, including fluctuations in interest rates and global inflation risk

**SEOUL, July 26, 2023** – Hyundai Motor Company today announced its business results for the second quarter of 2023, reflecting continued strong demand for its electric vehicles (EV), sport utility vehicles (SUV) and luxury models around the world.

Hyundai Motor’s second-quarter revenue increased 17.4 percent year-over-year to KRW 42.25 trillion, and operating profit rose 42.2 percent to a record quarterly figure of KRW 4.24 trillion. The company’s operating profit margin for the period hit 10 percent, the highest since the second quarter of 2013. Its net profit (including non-controlling interest) also was up 8.5 percent to KRW 3.35 trillion.

Hyundai Motor sold 1,059,713 units around the globe in the second quarter, an 8.5 percent increase from a year earlier. Sales in markets outside of Korea were up by 7.6 percent to 854,210 units, and sales in Korea increased by 12.7 percent to 205,503 units.

The overall sales increase, especially for SUV and Genesis luxury models, as well as favorable exchange rates, helped lift revenue in the second quarter. Hyundai Motor also sold nearly 78,000 units of EV models in the period, an increase of 47 percent from a year earlier.

The company expects to strengthen sales momentum through production improvements as chip and component supplies stabilize worldwide, cementing demand for the brand, and enhance profitability despite global uncertainties, such as interest rate fluctuations and expanding inflation.

**2023 Financial Guidance Updates**

Hyundai Motor updated its annual consolidated financial guidance with markets as part of its efforts for transparent communication.

The company is targeting 14~15 percent of consolidated revenue growth from 10.5~11.5 percent, which it announced early this year. It also revised its annual consolidated operating profit margin to 8~9 percent in 2023 due to increased sales, enhanced product mix with more SUVs and luxury models, and favorable exchange rates.

Hyundai Motor maintains its annual sales target of 4.32 million units and investment plans totaling KRW 10.5 trillion.

According to the announcement in April 2023, the company offers dividend policy with a payout ratio to 25 percent or higher of its consolidated net profit attributable to controlling interest, quarterly based dividends and cancelation of 1 percent of its existing treasury stock every year over the next three years.

The company will start to pay its quarterly dividend of KRW 1,500 per common share starting from this second quarter.

**Hyundai Motor to secure solid profitability as well as EV leadership**

Hyundai Motor aims to secure robust profitability and achieve its annual guidance through increased sales, enhanced product mix with more SUVs and luxury models, and production rate recovery, despite persistent external factors, such as expanding inflation and fluctuation of raw material costs and interest rates.

The company will continue to strengthen its global leadership position in eco-friendly EVs by growing sales of its World Car of the Year-winning IONIQ 6 and IONIQ 5 and launching more models, including Hyundai Kona EV, Genesis’ GV60, Electrified G80 and Electrified GV70 in markets around the world.

The company has also launched IONIQ 5 N, its first high-performance EV model, to further solidify its global EV leadership. In addition, IONIQ 6 will be introduced in more markets around the globe.

Hyundai Motor expects the fifth-generation, all-new Santa Fe midsize SUV, which will make its world premiere upcoming month, to strengthen its solid sales momentum this year.

(Revenue / Operating Profit / Net Profit unit: Billion KRW)

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2023 Q2** | **2022 Q2** | **Y/y Change** |
| **Vehicle sales (Units)** | **1,059,713** | **976,350** | **8.5%** |
|  | Korea | 205,503 | 182,298 | 12.7% |
|  | Rest of the world | 854,210 | 794,052 | 7.6% |
| **Revenue** | **42,249.7** | **35,999.9** | **17.4%** |
| **Operating profit** | **4,237.9** |  **2,979.8** | **42.2%** |
| **Net profit** | **3,346.8** | **3,084.8** | **8.5%** |

\* Net Profit includes non-controlling interest

\* Under K-IFRS

*Notes:*

*A. The above results are tentative consolidated business results under “Korean International Financial Reporting Standards (K-IFRS)”*

*B. The above results are preliminary and unaudited. Figures are subject to change after official audit.*

*C. The above sales volumes are based on wholesales unless otherwise specified.*

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**About Hyundai Motor Company**

Established in 1967, Hyundai Motor Company is present in over 200 countries with more than 120,000 employees dedicated to tackling real-world mobility challenges around the globe. Based on the brand vision ‘Progress for Humanity,' Hyundai Motor is accelerating its transformation into a Smart Mobility Solution Provider. The company invests in advanced technologies such as robotics and Advanced Air Mobility (AAM) to bring about revolutionary mobility solutions, while pursuing open innovation to introduce future mobility services. In pursuit of sustainable future for the world, Hyundai will continue its efforts to introduce zero emission vehicles equipped with industry-leading hydrogen fuel cell and EV technologies.

More information about Hyundai Motor and its products can be found at:

<http://worldwide.hyundai.com> or <http://globalpr.hyundai.com>

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