



**LOCK&LOCK**

# **1Q 2018 Earnings Release**

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# AGENDA

## I . 1Q 2018 Preliminary Earnings Release

1. 1Q 2017
2. BS
3. Sales Breakdown

## II. Sales Analysis by Region

1. Korea
2. China
3. Vietnam

# I. 1Q 2018 Preliminary Earnings

## 1. 1Q 2018

[Unit : Wmm, %]

Description	1Q 17	4Q 17	1Q 18(E)	QoQ	YoY
<b>Sales</b>	<b>93,105</b>	<b>119,147</b>	<b>108,187</b>	<b>-9.2%</b>	<b>16.2%</b>
COGS	47,786	62,257	56,672	-9.0%	18.6%
(%)	51.3%	52.3%	52.4%		
Gross Profit	45,319	56,890	51,515	-9.4%	13.7%
(%)	48.7%	47.7%	47.6%		
Sg&A Expenses	34,584	44,179	37,980	-14.0%	9.8%
(%)	37.1%	37.1%	35.1%		
<b>Operating Profit</b>	<b>10,735</b>	<b>12,711</b>	<b>13,535</b>	<b>6.5%</b>	<b>26.1%</b>
(%)	<b>11.5%</b>	<b>10.7%</b>	<b>12.5%</b>		
Pretax income	11,856	5,097	14,740	189.2%	24.3%
(%)	12.7%	4.3%	13.6%		
Corporate tax	3,496	1,999	3,499	75.0%	0.1%
<b>Net Profit</b>	<b>8,360</b>	<b>3,098</b>	<b>11,241</b>	<b>262.9%</b>	<b>34.5%</b>
(%)	<b>9.0%</b>	<b>2.6%</b>	<b>10.4%</b>		

### 1Q 2018 PL Analysis (YoY)

#### 1) Sales

- Total sales increased 16.2% YoY to W108.2bn.
- Korea domestic sales increased 7.9% YoY to W29.6bn.
- China domestic sales increased 9.9% YoY to W44.7bn.
- Vietnam domestic sales increased 73.3% YoY to W13.3bn.
- Other overseas sales increased 46.7% YoY to W5.3bn.
- Export sales increased 11.4% YoY to W15.3bn.

#### 2) COGS

- Rate of COGS increased 1.1%p YoY to 52.4%.

#### 3) Sg&A Expenses

- Increased to W3.4bn YoY – The rise in home shopping sales has affected the increase in sales commissions.

#### 4) Operating Profit

- OP increased 26.1% W13.5bn.
- OPM 12.5%, increased 1.0%p YoY.

#### 5) Net Profit

- Net income increased 34.5% W11.2bn.
- NPM 10.4%, increased 1.4%p YoY.

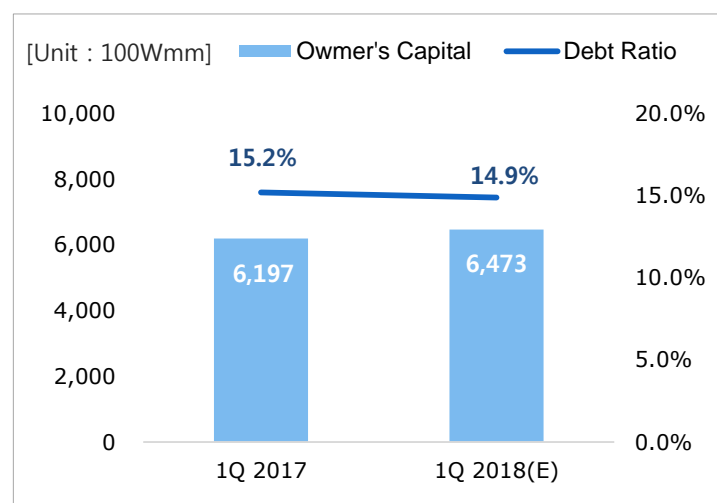
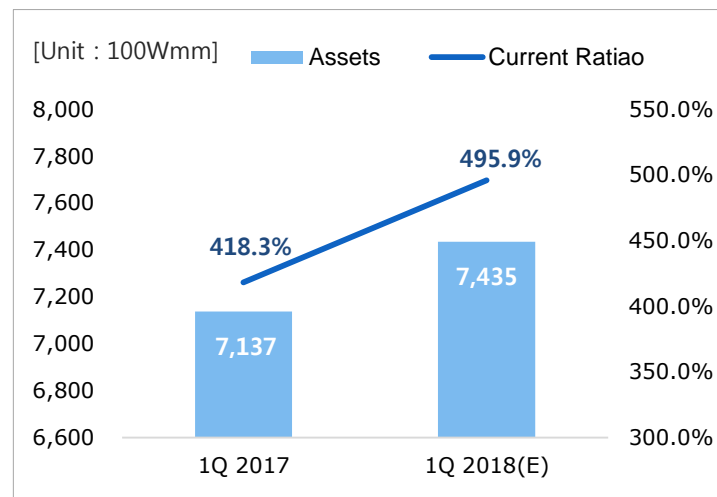
# I. 1Q 2018 Preliminary Earnings

## 2. BS

[Unit : Wmm, %]

Description	1Q 17	1Q 18(E)	Increase/Decrease	
				%
<b>Total Assets</b>	<b>713,679</b>	<b>743,543</b>	<b>29,864</b>	<b>4.2%</b>
Current Assets	366,770	374,224	7,453	2.0%
Non-Current Assets	346,909	369,319	22,410	6.5%
<b>Total Liabilities</b>	<b>93,989</b>	<b>96,217</b>	<b>2,228</b>	<b>2.4%</b>
Current Liabilities	87,674	75,457	-12,217	-13.9%
Non-Current Liabilities	6,315	20,760	14,445	228.7%
<b>Total Equity</b>	<b>619,690</b>	<b>647,326</b>	<b>27,636</b>	<b>4.5%</b>
Capital Stock	27,500	27,500	0	0.0%
Additional Paid-in and Other Capital	314,809	314,809	0	0.0%
Capital Adjustment	-23,371	-23,372	-1	0.0%
Accumulated Other Comprehensive Income	-45,463	-48,288	-2,824	6.2%
Earned Surplus	345,848	376,266	30,418	8.8%
External Shareholder's Equity	368	410	42	11.5%

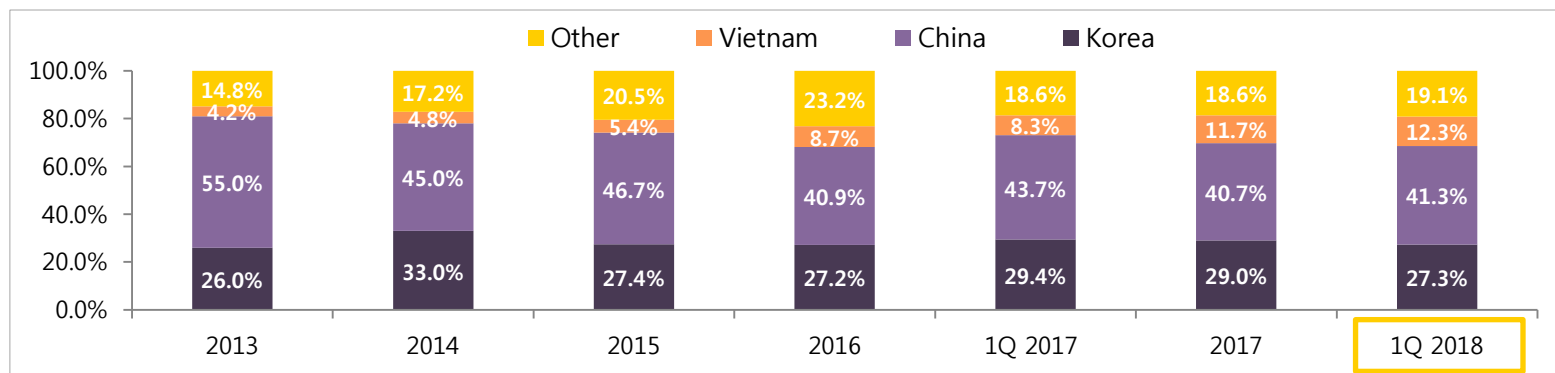
\*1Q 18(E) : Net cash W114.2



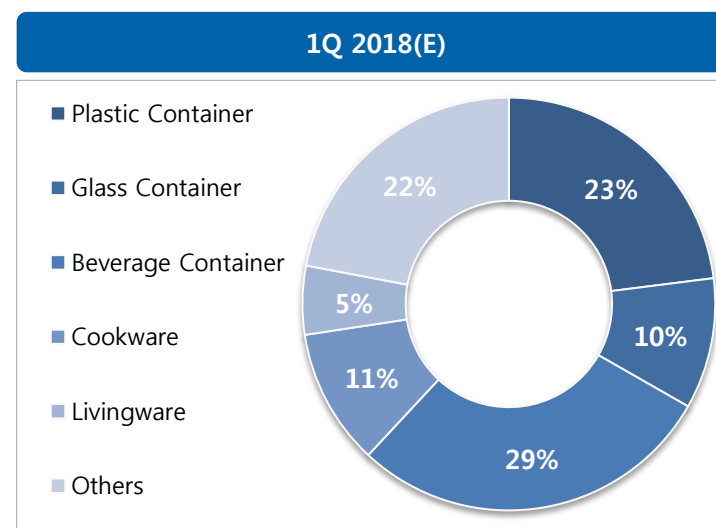
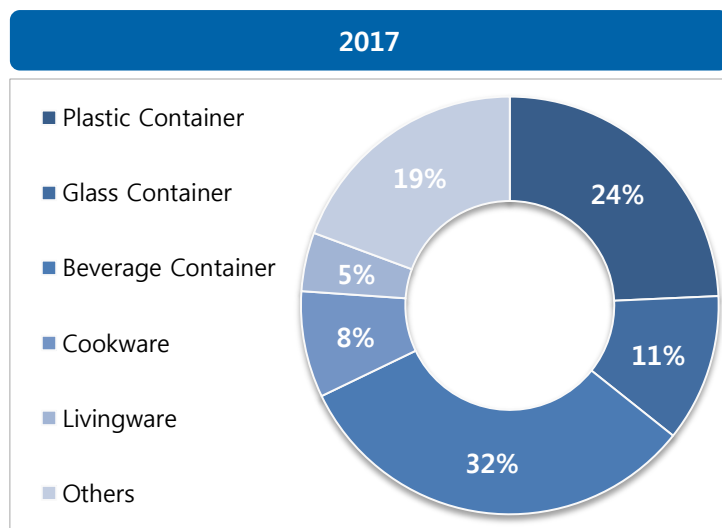
# I . 1Q 2018 Preliminary Earnings

## 3. Sales Breakdown

### 1) Sales Breakdown by Region



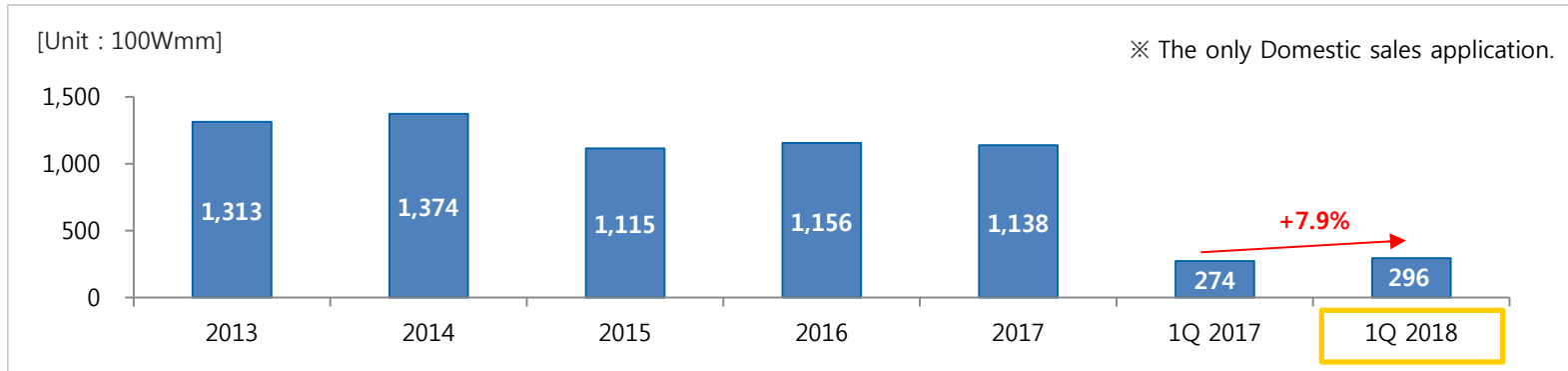
### 2) Sales Breakdown by Product



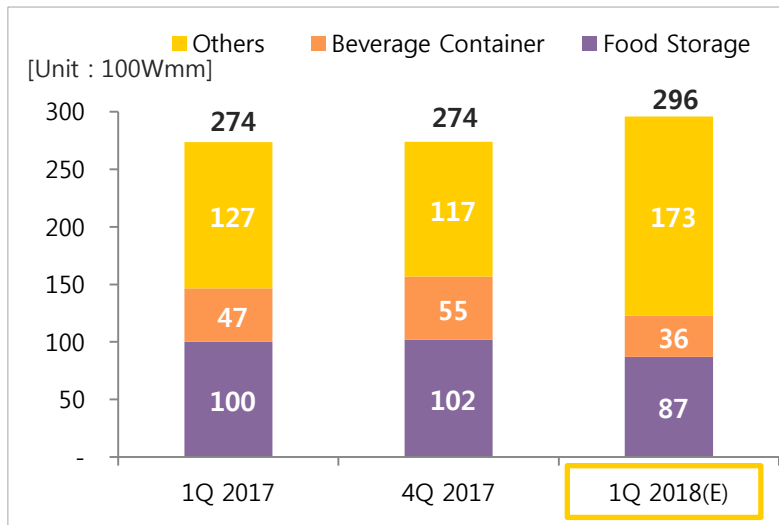
## II. Sales by region

### 1. Korea

#### 1) Annual sales trend



#### 2) 1Q 2018 Sales analysis



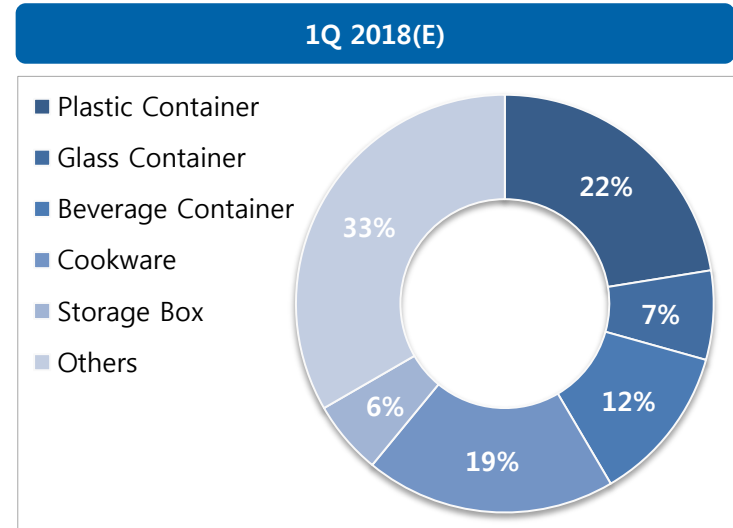
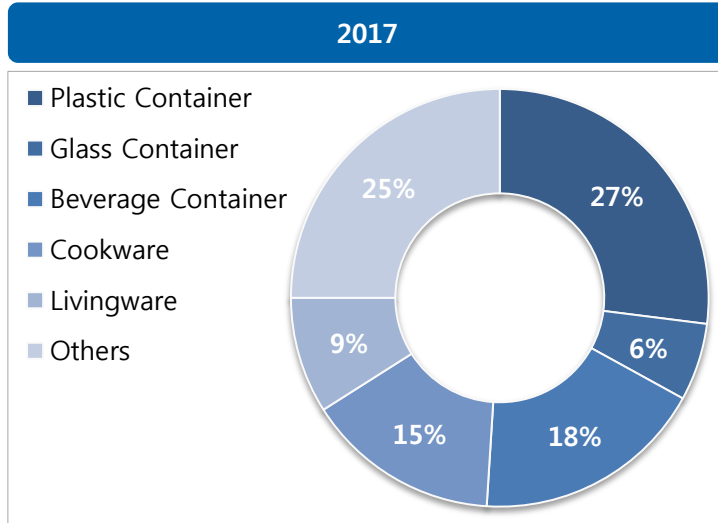
#### 1Q Increase and decrease details(YoY)

- **Sales** : Sales increased 7.9% YoY to W29.6bn.
- **Sales by product** : Food storage and Beverage Container sales decreased 13.0%, 22.9%, Others sales increased 36.2% YoY.(Others – Cookware and Puredome mask sales was up)
- **Sales by distribution channel** : Home shopping and online channel sales have driven overall sales growth.

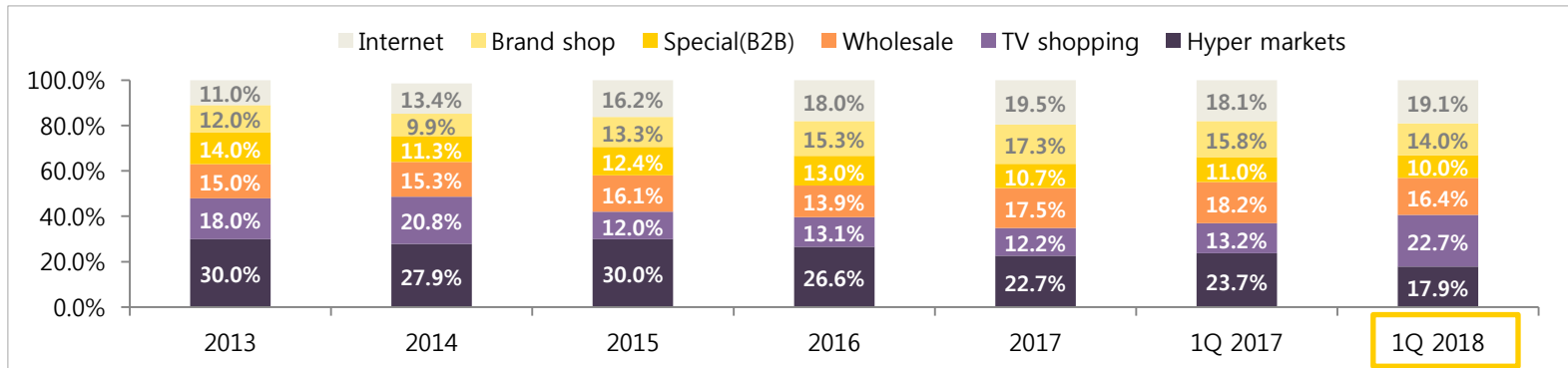
## II. Sales by region

### 1. Korea

#### 3) Sales Breakdown by Product



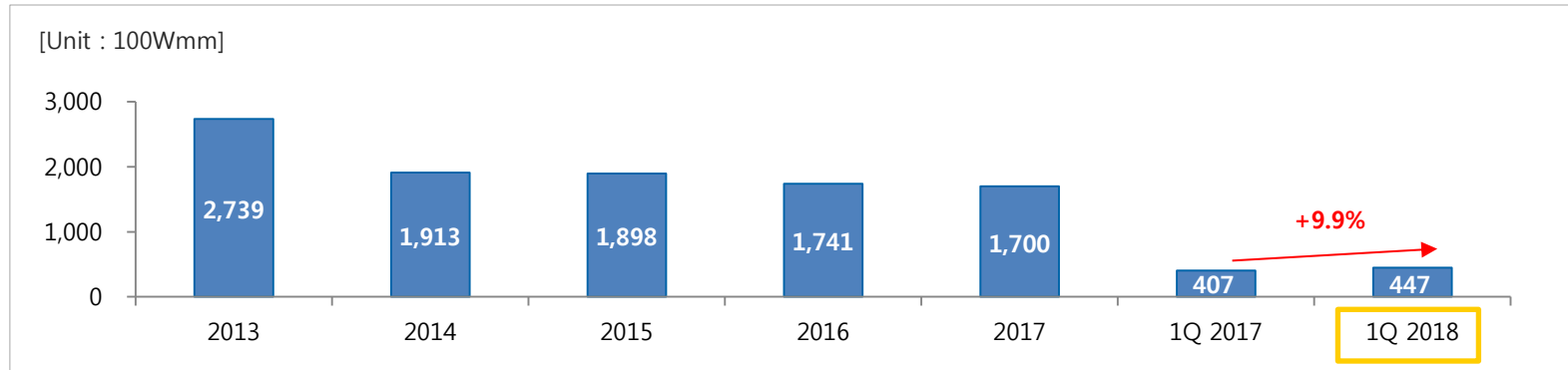
#### 4) Sales Breakdown by Channel



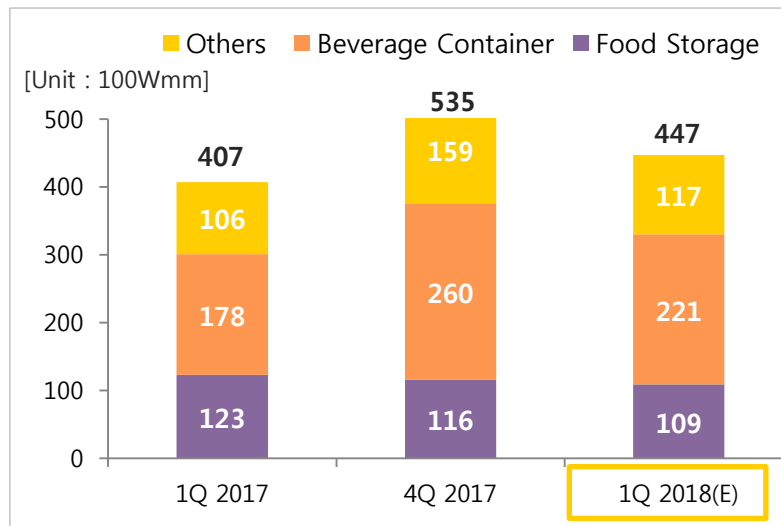
## II. Sales by region

### 2. China

#### 1) Annual sales trend



#### 2) 1Q 2018 Sales analysis



#### 1Q Increase and decrease details(YoY)

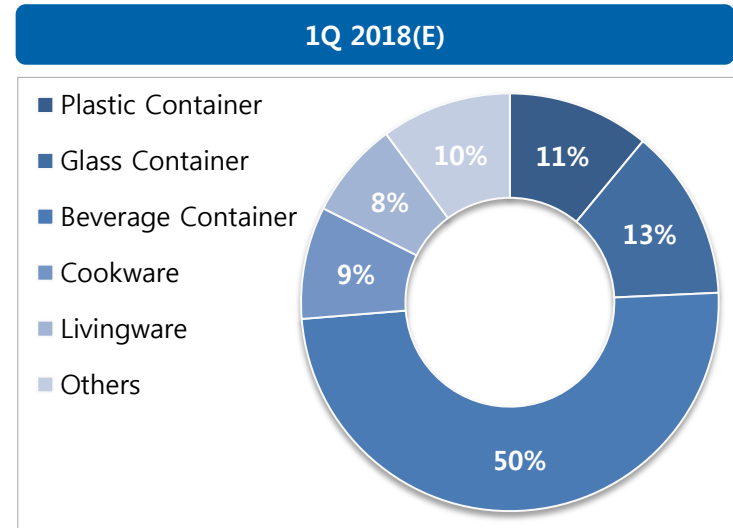
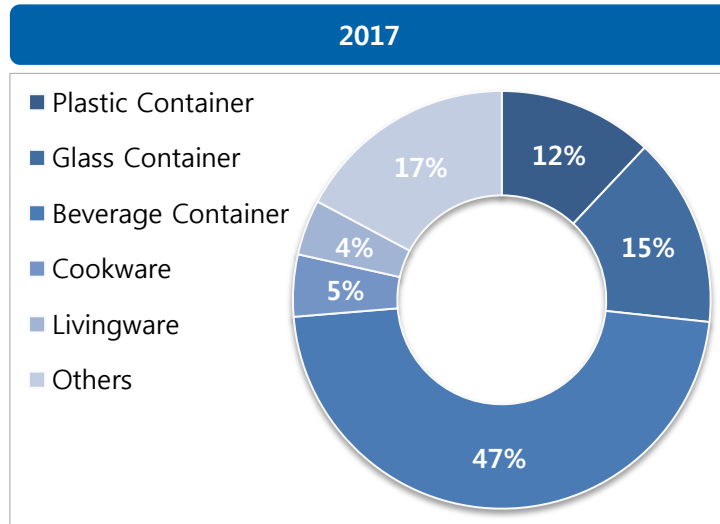
- **Sales** : Sales increased 9.9% YoY to W44.7bn.
- **Sales by product** : Food storage sales decreased 11.4%, Beverage Container and Others sales increased 24.2%, 10.4% YoY(Hot&Cool, Cookware sales was up)
- **Sales by distribution channel** : B2B, Home shopping , Hyper market channel sales have driven overall sales growth.



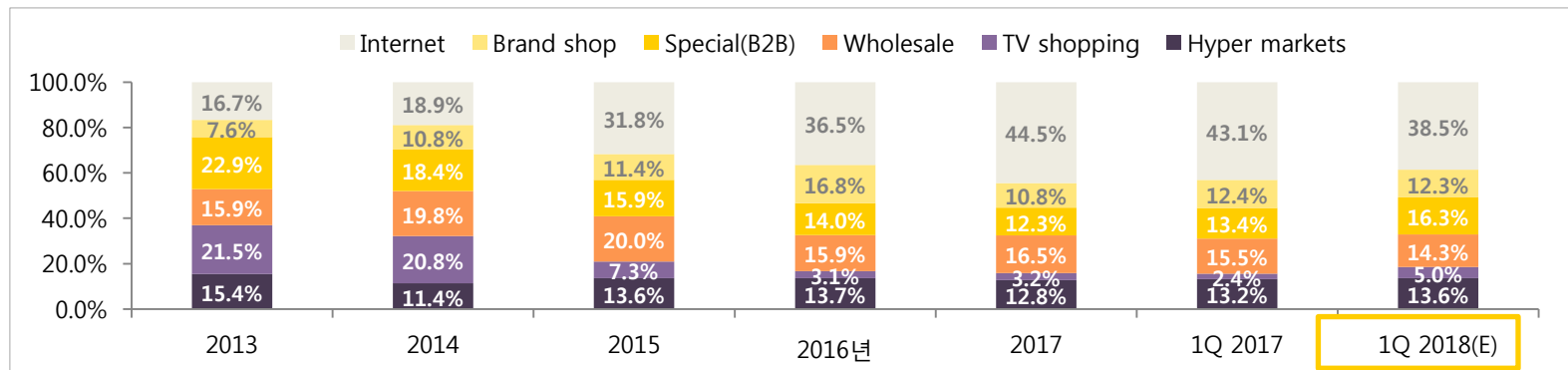
## II. Sales by region

### 2. China

#### 3) Sales Breakdown by Product



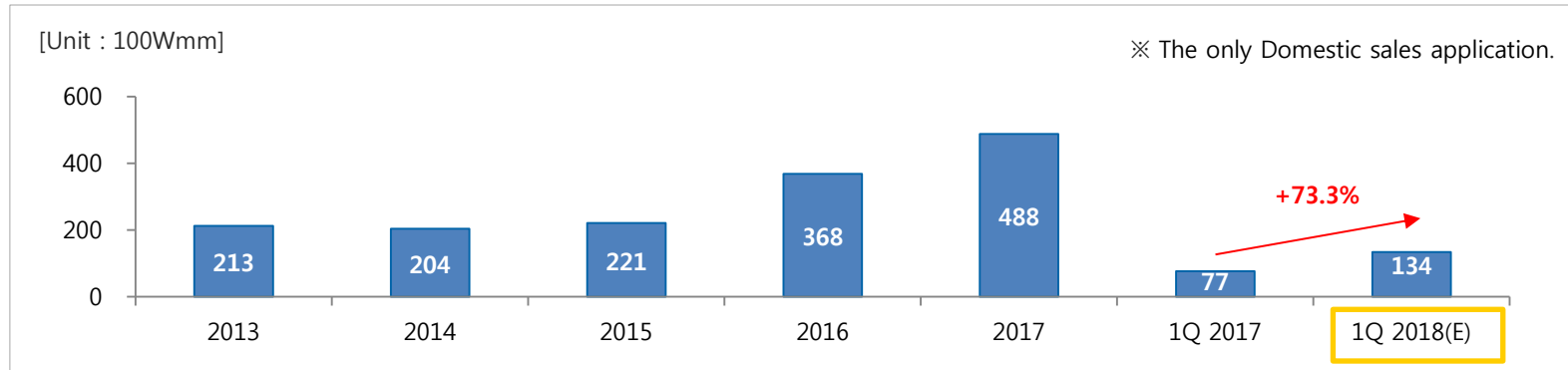
#### 4) Sales Breakdown by Channel



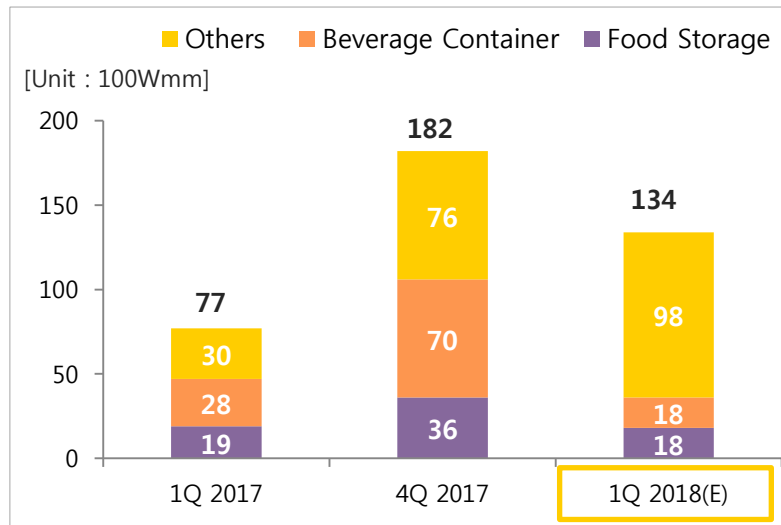
## II. Sales by region

### 3. Vietnam

#### 1) Annual sales trend



#### 2) 1Q 2018 Sales analysis



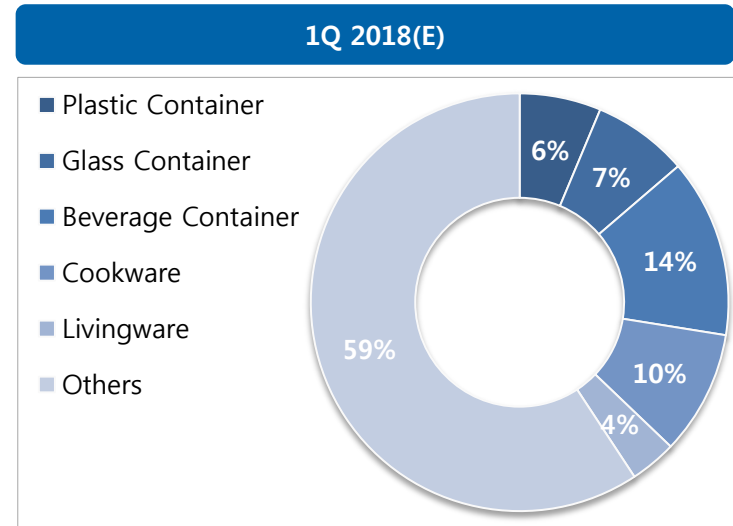
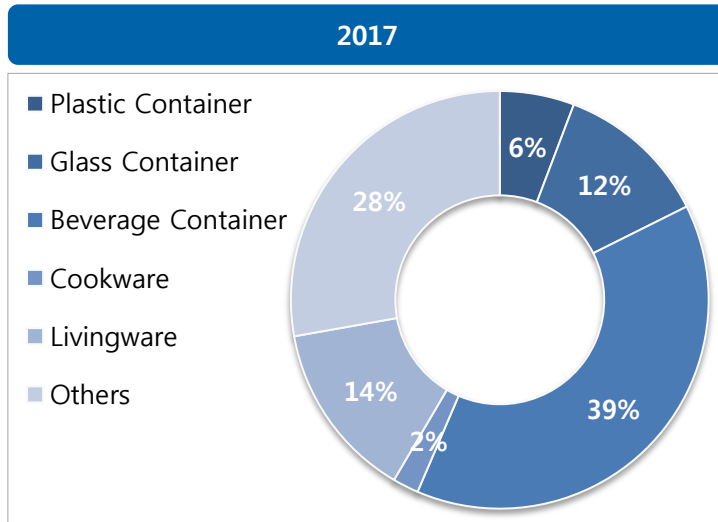
#### 1Q Increase and decrease details(YoY)

- **Sales** : Sales increased 73.3% YoY to W13.4bn.
- **Sales by product** : Food storage and Beverage Container sales decreased 5.3%, 35.7%, Others sales increased 226.7%, YoY(Home Appliances sales was up)
- **Sales by distribution channel** : B2B, Hyper market, Brandshop channel sales have driven overall sales growth.

## II. Sales by region

### 3. Vietnam

#### 3) Sales Breakdown by Product



#### 4) Sales Breakdown by Channel

