**Hankook Tire Reports Global Financial Results for 2017**

**In comparison to 2016, the company’s sales increased by 2.9% in 2017. This result was driven by an expansion of the premium OE segment and a sales growth of larger size tyres starting from 17-inch especially in Europe and the U.S.**

***Seoul, Korea / Neu-Isenburg, Germany, February 9, 2018*** ‒ Premium tyre maker Hankook announced its global financial results for the fiscal year 2017 with consolidated sales of KRW 6.81 trillion (5.34 billion Euro) and an operating profit of KRW 793.7 billion (621.8 million Euro).

In comparison to 2016’s results, the sales increased by 2.9%. This growth is attributed to increased sales of larger size passenger and SUV tyres starting from 17-inch based on Hankook Tire’s global top-tier technology and product quality. A balanced growth in all regions also contributed to higher sales. The operating profit decreased by 28%, affected by factors such as the increased price of raw materials.

The sales of high inch tyres (over 17 inch) accounted for 48.4% of the total sales. It increased by 3.9% from the previous year, leading Hankook Tire’s growth into a global top-tier company. The company's achievement is driven by the increased supply of original equipment (OE) tyres as well as tyres for the replacement market (RE) especially in Europe and China. Additionally, increased sales of RE tyres due to strengthened distribution channels in North America and an expanded supply of OE tyres to Japanese companies contributed to a positive sales growth.

With 2018’s target of reaching global sales revenues of KRW 7.4 trillion and operating profits of KRW 1.02 trillion, Hankook Tire plans to focus on strengthening the company’s position as a premium brand through improving competitive products, expanding sales of high inch tyres in major markets and continuous supplying OE tyres for new models of major premium automobile brands. Moreover, the company will diversify the OE portfolio to build a stable earning structure. Hankook will also optimise each regional distribution strategy.

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**Q4 2017 Consolidated Financial Result**

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| --- | --- | --- | --- |
| **(Unit: Billion KRW)** | **Q4 FY 2016** | **Q3 FY 2017** | **Q4 FY 2017** |
| **Sales** | **1,610.6** | **1,824.5** | **1,682.8** |
| **Operating Profit** | **239.2** | **217.1** | **139.7** |

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Million USD)** | **Q4 FY 2016** | **Q3 FY 2017** | **Q4 FY 2017** |
| **Sales** | **1,391.6** | **1611.41** | **1521.90** |
| **Operating Profit** | **206.6** | **191.7** | **126.3** |

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Million EUR)** | **Q4 FY 2016** | **Q3 FY 2017** | **Q4 FY 2017** |
| **Sales** | **1,291.5** | **1371.60** | **1292.66** |
| **Operating Profit** | **191.8** | **163.2** | **107.3** |

***\*Exchange Rates:***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Q4 FY 2016** | **Q3 FY 2017** | **Q4 FY 2017** |
| **USD / KRW** | **1,157.37** | **1,132.24** | **1,105.72** |
| **EUR / KRW** | **1,247.02** | **1,330.2** | **1,301.81** |

**2017 Consolidated Financial Result**

|  |  |  |
| --- | --- | --- |
| **(Unit: Billion KRW)** | **FY 2016** | **FY 2017** |
| **Sales** | **6,621.8** | **6,813.3** |
| **Operating Profit** | **1,103.2** | **793.7** |

|  |  |  |
| --- | --- | --- |
| **(Unit: Million USD)** | **FY 2016** | **FY 2017** |
| **Sales** | **5,706** | **6,024.9** |
| **Operating Profit** | **950.6** | **701.8** |

|  |  |  |
| --- | --- | --- |
| **(Unit: Million EUR)** | **FY 2016** | **FY 2017** |
| **Sales** | **5,160** | **5,337.9** |
| **Operating Profit** | **859.7** | **621.8** |

***\*Exchange Rates:***

|  |  |  |
| --- | --- | --- |
|  | **FY 2016** | **FY 2017** |
| **USD / KRW** | **1,160.50** | **1,130.84** |
| **EUR / KRW** | **1,283.30** | **1,276.39** |

*(NOTE: Average exchange rates for the given annual period, retrieved from Korea Exchange Bank)*

**About Hankook Tire**

Hankook Tire is one of the global top 5 companies in the mass production of tyres and manufactures innovative, award winning radial tyres of proven superior quality for passenger cars, light trucks, SUVs, RVs, trucks, and buses as well as motorsports (circuit racing/rallies).

Aspiring to bring consumers the utmost excellence in product quality, technological excellence and driving satisfaction, Hankook Tire continuously invests in research and development maintaining five R&D centres and eight production facilities around the world. Bespoke tyre solutions for the European markets as well as European Original Equipment according to the requirements of leading premium car manufacturers, are developed in the company’s regional Technical Centre in Hanover/Germany. Production for the European region is taking place in the state-of-the-art manufacturing site in Rácalmás/Hungary which was inaugurated in June 2007 and is continuously being expanded. Currently more than 3,000 employees produce up to 19 million tyres a year for passenger cars, SUVs and light trucks.

Hankook Tire’s European headquarters are located in Neu-Isenburg near Frankfurt am Main in Germany. The manufacturer operates further branches in Czech Republic, France, Germany, Hungary, Italy, the Netherlands, Poland, Russia, Spain, Sweden, Turkey, UK and Ukraine. Hankook products are sold directly through regional distributors in other local markets. Hankook Tire employs more than 22,000 people worldwide and are selling their products in over 180 countries. Internationally leading car manufacturers rely on tyres made by Hankook for their original equipment. Approximately 30 percent of the company's global sales are generated within the European and CIS-Region. Hankook Tire has been represented in the renowned Dow Jones Sustainability Index World (DJSI World) since 2016.

For more information please visit [www.hankooktire-mediacenter.com](https://www.hankooktire-mediacenter.com/index.php?id=8&L=2&flt=1) or [www.hankooktire.com](http://www.hankooktire.com/)

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