**Press release**

**Hankook Tire announces 2022 Q3 financial results**

* **Global sales reached KRW 2,299.7 billion (approx. EUR 1,706.6m), a 25.7 percent increase year-on-year (YoY), while operating profit rose 6.4 percent YoY to KRW 192.4 billion (EUR 142.7m)**
* **Sales in original equipment and 18-inch and larger tyre sectors contributed to strong financial performance, while the replacement tyre sector overall saw slight downturn in demand**
* **Company continues to focus on strengthening leadership in EV and sustainable mobility with FIA Formula E partnership and expansion of EV tyre line-up**

**Seoul, Korea / Neu-Isenburg, Germany, 02 November 2022** –Premium tyre maker Hankook has announced the company’s 2022 Q3 financial results, with consolidated global sales of KRW 2,299.7 billion (EUR 1,706.6m) and operating profit of KRW 192.4 billion (EUR 142.7m).

Amid global economic uncertainties, political conflicts and continued COVID-19-related supply chain disruptions, Hankook Tire recorded positive financial performance during the third quarter of this year. Company sales increased 25.7 percent YoY and 12.7 percent quarter-on-quarter, while operating income rose by 6.4 percent and 9.8 percent respectively, helped by a strong pricing strategy and the impact of foreign exchange rates. Sales of premium tyres improved during the quarter, as did original equipment (OE) tyres in key markets including the U.S., Europe, China, and Korea. However, demand for replacement equipment (RE) tyres declined slightly compared to the same quarter last year.

One of Hankook Tire’s strongest segments, the large-diameter tyre segment, remained an important growth driver in the third quarter. Global sales of passenger car tyres 18 inches or higher accounted for 41.1 percent of the company’s total passenger car tyre sales, up 4.7 percentage points (pp) compared to last year. Broken down by region, Hankook Tire recorded the largest growth in 18 inch and higher passenger car tyres in the Chinese market, rising 8.9pp to 52.3 percent year-on-year, followed by an increase of 4.4pp to 30.1 percent in Europe, up 4.2pp in Korea to 51.4 percent, and up 3.6pp to 51.2 percent in the U.S. market.

Continuing its commitment to OE supply for premium electric vehicle (EV) models, Hankook recently launched its iON family of EV-specific tyres. Furthermore, from the 2022/23 season, Hankook will be the exclusive supplier and technical partner of the world’s first all-electric racing series, the ABB FIA Formula E World Championship.

By the end of this year, Hankook is aiming for double-digit growth compared to the previous year, even though the market uncertainties triggered by the economic downturn and surging energy prices are likely to persist. The company will focus on further increasing the share of high-inch tyres in total passenger tyre sales and becoming the leader in the electric vehicle tyre segment.

**Q3 2022 Consolidated Financial Result**

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Billion KRW)** | **Q3 FY 2021** | **Q2 FY 2022** | **Q3 FY 2022** |
| **Sales** | **1,829.4** | **2,039.9** | **2,299.7** |
| **Operating Profit** | **180.8** | **1,75.2** | **192.4** |

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| --- | --- | --- | --- |
| **(Unit: Million USD)** | **Q3 FY 2021** | **Q2 FY 2022** | **Q3 FY 2022** |
| **Sales** | **1,580.6** | **1,619.5** | **1,718.7** |
| **Operating Profit** | **156.2** | **139.0** | **143.7** |

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| --- | --- | --- | --- |
| **(Unit: Million EUR)** | **Q3 FY 2021** | **Q2 FY 2022** | **Q3 FY 2022** |
| **Sales** | **1,340.3** | **1,520.3** | **1,706.6** |
| **Operating Profit** | **132.4** | **130.5** | **142.7** |

***\*Exchange Rates:***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Q3 FY 2021** | **Q2 FY 2022** | **Q3 FY 2022** |
| **USD / KRW** | **1,157.35** | **1,259.57** | **1,337.98** |
| **EUR / KRW** | **1,364.90** | **1,341.71** | **1,347.50** |

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

**2021/2022 Consolidated Financial Result (Q1-Q3)**

|  |  |  |
| --- | --- | --- |
| **(Unit: Billion KRW)** | **2021** | **2022** |
| **Sales** | **5,252.6** | **6,130.3** |
| **Operating Profit** | **553.8** | **493.7** |

|  |  |  |
| --- | --- | --- |
| **(Unit: Million USD)** | **2021** | **2022** |
| **Sales** | **4,644.7** | **4,836.5** |
| **Operating Profit** | **489.7** | **389.5** |

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| --- | --- | --- |
| **(Unit: Million EUR)** | **2021** | **2022** |
| **Sales** | **3,882.7** | **4,550.3** |
| **Operating Profit** | **409.3** | **366.4** |

***Exchange Rates:***

|  |  |  |
| --- | --- | --- |
|  | **2021** | **2022** |
| **USD / KRW** | **1,130.88** | **1,267.50** |
| **EUR / KRW** | **1,352.79** | **1,347.22** |

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

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**About Hankook**

Hankook Tire manufactures globally 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/street circuits/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 around 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 several European countries and sells its products through regional distributors in other local markets. Hankook Tire employs approximately 20,000 people worldwide and sells products in over 160 countries. The company has been selected as the technical partner and exclusive tyre supplier of the Generation 3 for the FIA ABB Formula E World Championship, starting 2023. Internationally leading car manufacturers rely on tyres made by Hankook for their original equipment. Approximately 34 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](http://www.hankooktire-mediacenter.com) or [www.hankooktire.com](http://www.hankooktire.com)

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