**Hankook Tire Announces Second Quarter 2018 Financial Result**

**In the second quarter of 2018 Hankook Tire achieved a sales growth in major markets such as Europe and China, as well as stable growth of Original Equipment, resulting in a sales increase of 2.3% as compared to the same period last year. Sales of high inch tyres (over 17 inch) accounted for 52.1% of passenger car tyre sales. This marks a 3.5% increase compared with the same period last year and strengthens Hankook’s premium brand reputation.**

***Seoul, Korea / Neu-Isenburg, Germany, August 3, 2018*** – Premium tyre maker Hankook Tire announced the company’s 2018 Q2 financial result with consolidated global sales of KRW 1.706 trillion (1.325 billion Euro) and an operating profit of KRW 183.2 billion (142.4 million Euro).

In comparison to the second quarter of 2017, sales increased by 2.3%. This is attributed to balanced growth in regions such as Europe, China, and US, as well as Original Equipment tyre expansion based on global top-tier technology and premium product quality. Moreover, the sales of larger size tyres starting from 17-inch accounted for 52.1% of passenger car tyres, leading to 3.5% increase compared to the same period last year and enhancing premium brand image.

Hankook Tire’s achievement was driven by an increase in premium Original Equipment supply and stable sales growth, especially in Europe and China. Meanwhile, due to the initial operation cost of US Tennessee Plant and increase in competition in the Korean market, the operating profit decreased by around 10% in comparison to last year.

Hankook Tire plans to accelerate its move towards becoming a global top-tier company by strengthening competitiveness in premium product lines through expanding the ultra-high performance tyre (UHPT) line-up. The focus will be on larger size tyres that are expected to see a growth in sales, starting from 17-inch. During the latter half of this year, through the stabilisation of the US Tennessee plant and increased sales of the replacement tyre market, sales performance is expected to improve.

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**Q2 2018 Consolidated Financial Result**

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| **(Unit: Billion KRW)** | **Q2 FY 2017** | **Q1 FY 2018** | **Q2 FY 2018** |
| **Sales** | **1,666.9** | **1,609.1** | **1,705.5** |
| **Operating Profit** | **204.6** | **184.8** | **183.2** |

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| **(Unit: Million USD)** | **Q2 FY 2017** | **Q1 FY 2018** | **Q2 FY 2018** |
| **Sales** | **1,475.88** | **1,500.62** | **1,581.26** |
| **Operating Profit** | **181.15** | **172.34** | **169.85** |

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| **(Unit: Million EUR)** | **Q2 FY 2017** | **Q1 FY 2018** | **Q2 FY 2018** |
| **Sales** | **1,341.20** | **1,221.57** | **1,325.34** |
| **Operating Profit** | **164.62** | **140.29** | **142.36** |

***\*Exchange Rates:***

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| --- | --- | --- | --- |
|  | **Q2 FY 2017** | **Q1 FY 2018** | **Q2 FY 2018** |
| **USD / KRW** | **1,129.43** | **1,072.29** | **1,078.57** |
| **EUR / KRW** | **1,242.84** | **1,317.24** | **1,286.84** |

**About Hankook Tire**

Hankook Tire 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 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 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 approximately 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](http://www.hankooktire-mediacenter.com/) or [www.hankooktire.com](http://www.hankooktire.com)

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