**Hankook Tire announces Global Financial Results for 2019**

**Hankook Tire reports sales of KRW 6.89 trillion and an operating profit of KRW 542.9 billion for the fiscal year 2019. Sales of high-inch tyres (over 17 inches) amount to 55.4%, which is an increase of 3.1% compared to the previous year. This result was driven by a strengthened SUV tyre competitiveness with additional original equipment delivered to SUV models of renowned global car makers.**

***Seoul, Korea / Neu-Isenburg, Germany, Feb 13, 2020*** – Hankook Tire announced the company’s 2019 financial results result with consolidated global sales of KRW 6.8964 trillion (approx. 5,285 billion Euro) and an operating profit of KRW 542.9 billion (approx. 416,076 million Euro).

Driven by global premium technologies and excellent product quality, sales of high-inch tyres (over 17 inches) amounted to 55.4% of all sales, a 3.1% YoY increase, thereby strengthening Hankook’s premium brand value. Especially, the sales proportion of high-inch tyres in China grew, leading to a much more stable growth in the replacement tyre market.

Aligned to the demand growth in the global SUV market, Hankook also strengthened its high-inch tyre line-up for this segment by expanding partnerships with renowned car makers, namely supplying original equipment (OE) tyres to Porsche’s third generation of the Cayenne, new Audi Q8, and Audi SQ8 TDI.

However, sales were affected from the intensified global tyre market competition due to slowdown in demand from the global automotive market and uncertainty stemming from trade disputes. Both led to an operating profit decrease.

With 2020’s target of reaching global sales revenues of KRW 7.2 trillion and improving YoY operating profit margins, Hankook Tire plans to focus on enhancing its premium image through increasing sales of high-inch tyres in major markets, supplying OE tyres for premium cars, and strengthening competitiveness in its product lines. In addition, the company plans to focus on enhancing competitiveness by building a stable growth structure through securing new distribution channels and strengthening synergies between the original equipment and replacement sector and continuously optimizing distribution strategies by region.

Moreover, in order to cope with the rapidly changing industry more effectively, Hankook Tire aims to continuously strengthen its corporate culture, thereby creating a proactive corporate culture through innovating the way employees work, and accelerate its road toward a global top-tier company.

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**Q4 2019 Consolidated Financial Result**

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| --- | --- | --- | --- |
| **(Unit: Billion KRW)** | **Q4 FY 2018** | **Q3 FY 2019** | **Q4 FY 2019** |
| **Sales** | **1,725.2**  | **1,835.3**  | **1,678.1**  |
| **Operating Profit** | **145.0**  | **180.4**  | **116.2**  |

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| --- | --- | --- | --- |
| **(Unit: Million USD)** | **Q4 FY 2018** | **Q3 FY 2019** | **Q4 FY 2019** |
| **Sales** | **1,530.1**  | **1,538.1**  | **1,427.2**  |
| **Operating Profit** | **128.6**  | **151.2**  | **98.8**  |

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Million EUR)** | **Q4 FY 2018** | **Q3 FY 2019** | **Q4 FY 2019** |
| **Sales** | **1,341.1**  | **1,382.1**  | **1,288.9**  |
| **Operating Profit** | **112.7**  | **135.9**  | **89.2**  |

***\*Exchange Rates:***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Q4 FY 2018** | **Q3 FY 2019** | **Q4 FY 2019** |
| **USD / KRW** | **1,127.52** | **1,193.24** | **1,175.81** |
| **EUR / KRW** | **1,286.42** | **1,327.86** | **1,301.97** |

**2019 Consolidated Financial Result**

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| --- | --- | --- |
| **(Unit: Billion KRW)** | **FY 2018** | **FY 2019** |
| **Sales** | **6,795.0** | **6,896.4**  |
| **Operating Profit** | **702.6** | **542.9**  |

|  |  |  |
| --- | --- | --- |
| **(Unit: Million USD)** | **FY 2018** | **FY 2019** |
| **Sales** | **6,175.76** | **5,916.4**  |
| **Operating Profit** | **638.6**  | **465.7**  |

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| --- | --- | --- |
| **(Unit: Million EUR)** | **FY 2018** | **FY 2019** |
| **Sales** | **5,232.54** | **5,285.4**  |
| **Operating Profit** | **541.10** | **416.1**  |

***\*Exchange Rates:***

|  |  |  |
| --- | --- | --- |
|  | **FY 2018** | **FY 2019** |
| **USD / KRW** | **1,100.30** | **1,165.65** |
| **EUR / KRW** | **1,298.63** | **1,304.81** |

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

**About Hankook Tire**

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/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, Austria, Poland, Russia, Serbia, Spain, Sweden, Turkey, UK and Ukraine. Hankook products are sold directly through regional distributors in other local markets. Hankook Tire employs approximately 21,000 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 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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