**Hankook Tire Announces Financial Results for the First Quarter of 2020**

**Hankook Tire reports that sales have declined due to the worldwide economic downturn and slowing consumer sentiment caused by the spread of COVID-19. Sales of high inch tyres (18 inches and over) continue to grow with sales ratio reaching 33.7% within passenger car and light truck tyre segment, which represents an increase of 2.7% compared to the same period last year.**

***Seoul, Korea / Neu-Isenburg, Germany, May 07, 2020*** – Premium tyre maker Hankook Tire announced today the company’s financial result for Q1 2020 with consolidated global sales of KRW 1.4357 trillion (approx. 1.0905 billion Euro) and an operating profit of KRW 105.8 billion (approx. 80.4 million Euro).

Hankook Tire's earnings declined due to a sharp drop in demand for tyres caused by the worldwide economic slowdown due to the COVID-19 pandemic and lower consumer sentiment. COVID-19 has had an overall impact on the major global markets, including a decrease in demand for original equipment tyres and replacement tyres, as well as the adjustment of the operating days of global production facilities.

Despite the aftermath of COVID-19, high-inch tyres equal to or above 18 inches accounted for 33.7% of the sales of tyres for passenger cars, which is an increase of 2.7% compared to the same period last year. This result was driven by Hankook's global top tier technologies and quality. The stable growth of high inch tyres over 18 inches in North America, South Korea and China has further consolidated its premium brand image.

Moving forward, Hankook Tire plans to further solidify its standing as a premium brand by expanding sales of high inch tyres (over 18 inches) in major markets, supplying OE tyres for premium cars and strengthening product competitiveness. By optimizing the sales strategies for each region, Hankook aims to improve sales to help the company overcome the challenging market environment. Measures will include a diversified product portfolio and a continuous expansion of sales channels based on global production and distribution networks.

**Q1 2020 Consolidated Financial Result**

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Billion KRW)** | **Q1 FY 2019** | **Q4 FY 2019** | **Q1 FY 2020** |
| **Sales** | **1,642.4** | **1,664.9** | **1,435.7** |
| **Operating Profit** | **140.6** | **117.2** | **105.8** |

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Million USD)** | **Q1 FY 2019** | **Q4 FY 2019** | **Q1 FY 2020** |
| **Sales** | **1,459.8** | **1,416.0** | **1,202.8** |
| **Operating Profit** | **125.0** | **99.7** | **88.6** |

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Million EUR)** | **Q1 FY 2019** | **Q4 FY 2019** | **Q1 FY 2020** |
| **Sales** | **1,285.3** | **1,278.8** | **1,090.5** |
| **Operating Profit** | **110.0** | **90.0** | **80.4** |

***\*Exchange Rates:***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Q1 FY 2019** | **Q4 FY 2019** | **Q1 FY 2020** |
| **USD / KRW** | **1,125.08** | **1,175.81** | **1,193.60** |
| **EUR / KRW** | **1,277.88** | **1,301.97** | **1,316.58** |

**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)

|  |
| --- |
| **Contact:****Hankook Tire Europe GmbH |** Corporate Communications Europe/CIS **|** Siemensstr. 14, 63263 Neu-Isenburg **|** Germany |
| **Felix Kinzer**Directortel.: +49 (0) 61 02 8149 – 170f.kinzer@hankookreifen.de | **Larissa Büsch**PR Managertel.: +49 (0) 6102 8149 – 173l.buesch@hankookreifen.de | **Stefan Prohaska**PR Assistanttel.: +49 (0) 6102 8149 – 171s.prohaska@hankookreifen.de  |  |