**Press release**

**Hankook Tire announces 2022 Q1 financial results**

* **Sales reached KRW 1,790.6 billion (EUR 1,323.9m), a 10.8 percent increase year-on-year (YoY), with sales of large-diameter tyres driving growth**
* **Uncertain global business environment impacts operating profit, down 32.2 percent YoY at KRW 126.0 billion (EUR 93.1m)**
* **Hankook aims to gain leadership in EV market with iON, its newly launched first family of tyres designed for EVs**

**Seoul, Korea / Neu-Isenburg, Germany, 11 May 2022 –** HankookTire announced the company’s 2022 Q1 financial results with consolidated global sales of KRW 1,790.6 billion (EUR 1,323.9m) and an operating profit of KRW 126.0 billion (EUR 93.1m).

With the challenges presented by the uncertain global business environment in the first quarter of 2022, the company saw a 32.2 percent decline in operating profit YoY. This decrease was largely due to the lingering effects of the ongoing global supply chain disruptions, rising raw material prices, the resurgence of COVID-19 and geopolitical issues.

However, the company’s sales continued to rise with an increase of 10.8 percent YoY through effective pricing and distribution strategies in major regions. In particular, sales of large-diameter car tyres (18 inches or more) continued to drive growth, accounting for 39.0 percent of the company’s total sales, up 1.3 percentage points (pp) YoY. The regions of Korea, China, and Europe played a key role in the sales growth. The share of large-diameter tyre sales for cars in the Chinese market was 49.1 percent, up 8.6pp YoY, while the Korean and European markets increased 2.3pp and 0.9pp YoY respectively. And the US market showed steady recovery in the first quarter.

In the meantime, Hankook’s competitiveness in product quality continued to be recognised by renowned automobile magazines in the summer tyre performance test category. Auto Bild, Europe’s most prestigious automobile magazine, gave Hankook Tire’s all-new Ventus Prime 4 the highest rating, “exemplary”. The 18-inch Ventus S1 evo 3 SUV was also crowned test winner and rated “exemplary” in Auto Bild Allrad magazine, Europe's largest all-terrain-vehicle magazine.

Hankook continued to expand its original equipment (OE) portfolio for flagship models and electric vehicles from premium carmakers. In the first half of this year, the company started supplying OE tyres to BMW’s first-ever four-door all-electric Gran Coupe, the BMW i4, and to Mercedes Benz’s luxurious S-Class saloon.

Furthermore, Hankook has introduced its first family of tyres designed especially for premium high-performance electric vehicles. The iON (pronounced as /ai'on/) products will be available in three designs: summer, winter and all-season. The iON will roll out starting from May in Europe first, and then be expanded to other markets globally in August.

Hankook Tire aims to achieve double-digit growth this year and increase its proportion of large-diameter tyre sales to 42 percent of total sales of car tyres. Hankook will sharpen its focus on gaining leadership in the electric vehicle tyre segment, strengthening cooperation with leading carmakers and expanding regional distribution channels and sales.

**Q1 2022 Consolidated Financial Result**

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| --- | --- | --- | --- |
| **(Unit: Billion KRW)** | **Q1 FY 2021** | **Q4 FY 2021** | **Q1 FY 2022** |
| **Sales** | **1,616.8** | **1,888.4** | **1,790.6** |
| **Operating Profit** | **186.0** | **88.3** | **126.0** |

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Million USD)** | **Q1 FY 2021** | **Q4 FY 2021** | **Q1 FY 2022** |
| **Sales** | **1,451.2** | **1,596.0** | **1,486.0** |
| **Operating Profit** | **166.9** | **74.6** | **104.5** |

|  |  |  |  |
| --- | --- | --- | --- |
| **(Unit: Million EUR)** | **Q1 FY 2021** | **Q4 FY 2021** | **Q1 FY 2022** |
| **Sales** | **1,204.2** | **1,396.2** | **1,323.9** |
| **Operating Profit** | **138.5** | **65.2** | **93.1** |

***\*Exchange Rates:***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Q1 FY 2021** | **Q4 FY 2021** | **Q1 FY 2022** |
| **USD / KRW** | **1,114.05** | **1,183.17** | **1,204.95** |
| **EUR / KRW** | **1,342.62** | **1,352.51** | **1,352.44** |

*(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/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 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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