



2008 Hankook Tire
2007 4th Quarter Result
2008 Global Target

2008 - 2 - 11

 **HANKOOK**
driving emotion

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The information in this presentation does not take into account the effects of a possible transaction or transactions involving an actual or potential change of control, which may have significant valuation and other effects.

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I. 2007 4Q Result

01 Korea

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01 Korea

- Income Statements

[Unit:100 Mil KRW]

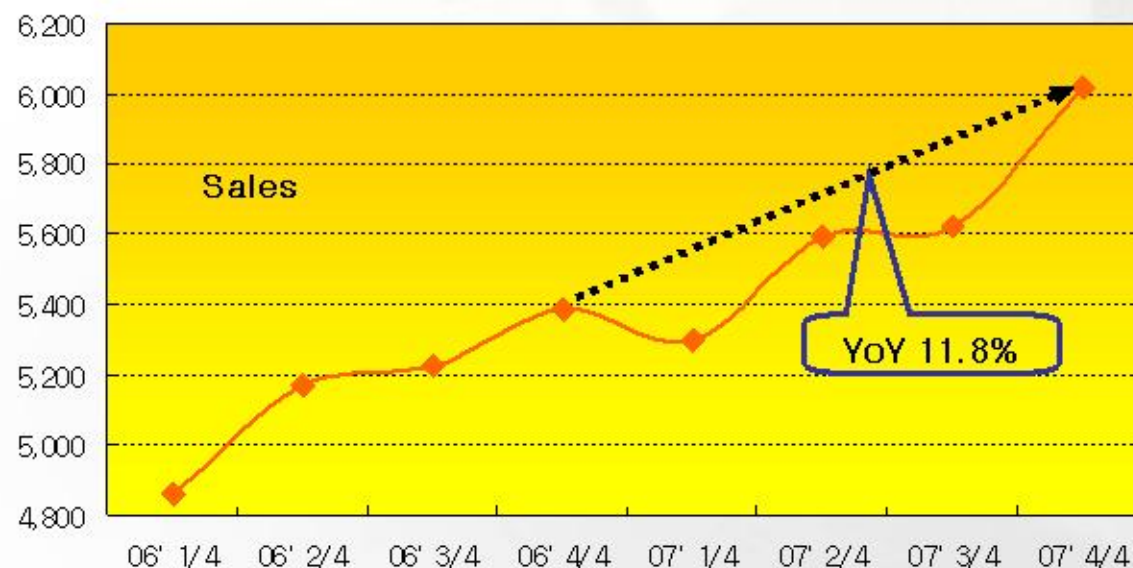
	2006 4Q		2007 3Q		2007 4Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,383	100.0	5,620	100.0	6,018	100.0	11.8	7.1
COGS	3,974	73.8	3,814	67.9	4,285	71.2	7.8	12.3
Gross Profit	1,409	26.2	1,805	32.1	1,733	28.8	23.0	-4.0
SG&A	1,042	19.4	1,035	18.4	1,248	20.7	19.7	20.6
O.P margin	367	6.8	771	13.7	485	8.1	32.4	-37.0
Non-operating Income/loss	-36	-0.7	-173	-3.1	-408	-6.8	-	-
Ordinary Profit	331	6.1	597	10.6	77	1.3	-76.6	-87.0
EBITDA	842	15.6	1,159	20.6	926	15.4	9.9	-20.1
Depreciation	476	8.8	388	6.9	440	7.3	-7.4	13.5

※ Year-End Special Bonus: 06 18.2 Bil, 07 29.8 Bil

• Sales Trend

[Unit: 100 Mil KRW]

	2006 4Q		2007 3Q		2007 4Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,383	100.0	5,620	100.0	6,018	100.0	11.8	7.1
Domestic	1,882	35.0	1,865	33.2	2,041	33.9	8.4	9.4
Export	3,500	65.0	3,755	66.8	3,977	66.1	13.6	5.9
UHPT Sales	683	12.7	829	14.8	851	14.1	24.5	2.6



Exchange Rate

	2006 4Q	2007 3Q	2007 4Q
USD	938	928	923
EUR	1213	1276	1341

- Sales Breakdown by Region

[Unit: 100 Mil KRW]

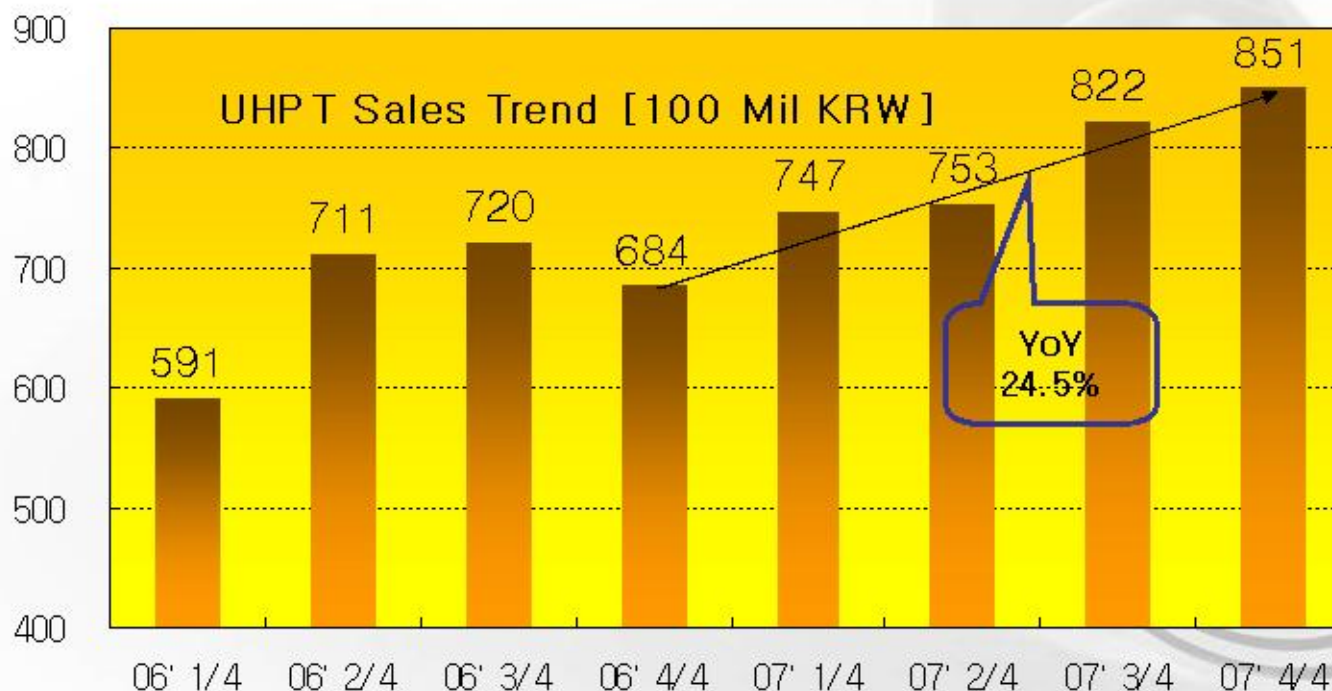
	2006 4Q		2007 3Q		2007 4Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Export	3,500	65.0	3,755	66.8	3,977	66.1	13.6	5.9
N. America	956	17.8	896	15.9	1,011	16.8	5.8	12.8
Europe	1,142	21.2	1,535	27.3	1,334	22.2	16.8	-13.1
Others	871	16.2	819	14.6	991	16.5	13.8	21.1
OE Local	531	9.9	505	9.0	641	10.7	20.7	26.9
Domestic	1,882	35.0	1,865	33.2	2,041	33.9	8.4	9.5
Total	5,383	100	5,620	100	6,018	100	11.8	7.1

Vehicle Export Volume: 06 4Q : 739,770 unit / 07 4Q: 813,897Q

- UHPT Sales Trend

[Unit: 100 Mil KRW, 1,000]

	2006 4Q		2007 3Q		2007 4Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	5,383	100.0	5,620	100.0	6,018	100.0	11.8	7.1
UHPT Sales	683	12.7	829	14.8	851	14.1	24.5	2.6
UHPT Sales Vol.	1,243		1,348		1,508		8.4	11.9



• Raw Material Price Trend

	2006 4Q	2007 3Q	2007 4Q	[USD/ton]	
				YoY (%)	QoQ (%)
N/R	2,259	2,152	2,131	-5.7	-1.0
S/R	1,834	1,799	1,813	-1.2	0.7
C/B	975	874	968	-0.7	10.7
T/C	4,437	4,357	4,458	0.5	2.3
S/C	1,984	1,871	1,882	-5.1	0.6
기타	1,724	1,757	1,732	0.5	-1.4
Weighted Average	1,816	1,749	1,769	-2.6	1.1



- SG&A, Non-Operating Gain & Loss

[Unit:100 Mil KRW]

	2006 4Q (a)	2007 3Q	2007 4Q (b)	(b-a)
SG&A				
Salaries	269	247	329	59
Ocean Freight	172	196	207	35
Product Warranty Expenses	11	23	15	4
Employee Benefits	25	33	31	6
Export Sales Expenses	21	18	18	-4
Depreciation	86	77	106	20
Advertising Expenses	131	105	164	33
Others	327	335	379	52
Total	1,042	1,035	1,248	206
Non-Operating				
Equity Method gain/loss	-80	-173	-289	-208
Foreign Currency Transactio	-14	51	-65	-51
Foreign Exchange Transacti	11	-9	-34	-46
Import Royalty	82	104	111	28
Others	-35	-146	-131	-96
Total	-36	-173	-408	-372

• B/S

[Unit: 100 Mil. KRW]

	2006		2007 4Q	
	Amt.	%	Amt.	%
Assets	21,659	100.0	23,691	100.0
Current Assets	5,860	27.1	6,931	29.3
Quick Assets	3,308	15.3	4,404	18.6
Inventories	2,552	11.8	2,527	10.7
Non-current Asset	15,799	72.9	16,760	70.7
Investment Assets	4,171	19.3	4,780	20.2
Property&Equipment	11,555	53.3	11,922	50.3
Intangible Assets	73	0.3	58	0.2
Liabilities	6,431	29.7	6,782	28.6
Current Liabilities	4,969	22.9	4,961	20.9
Non-current Liabilities	1,462	6.8	1,821	7.7
Capital	15,228	70.3	16,909	71.4
Net Debt	2,060		772	
Net Debt ratio		13.5%		4.6%
Debt Ratio		42.2%		40.1%
Net worth to Assets		70.3%		71.4%



02 China

- Income Statements

[000' RMB]

	2006 4Q		2007 3Q		2007 4Q		YoY (%)	QoQ (%)
	Amt.	%	Amt.	%	Amt.	%		
Sales	1,620,314	100.0	1,825,801	100.0	1,870,188	100.0	15.4	2.4
COGS	1,328,821	82.0	1,456,940	79.8	1,451,712	77.6	9.2	-0.4
Gross Profit	291,493	18.0	368,861	20.2	418,476	22.4	43.6	13.5
SG&A	268,695	16.6	305,048	16.7	314,908	16.8	17.2	3.2
O.P margin	22,798	1.4	63,813	3.5	103,568	5.5	354.3	62.3
Non-operating Income/Loss	-26,203	-1.6	-26,569	-1.5	22,197	1.2	-	-
Ordinary Profit	-3,405	-0.2	37,244	2.0	125,765	6.7	-	237.7
EBITDA	119,078	7.3	175,976	9.6	221,530	11.8	86.0	25.9
Depreciation	96,280	5.9	112,163	6.1	117,962	6.3	22.5	5.2

* China GAAP

- SG&A, Non-Operating Gain & Loss

[unit: '000 RMB]

	2006 4Q (a)	2007 4Q (b)	(b-a)
SG&A			
Salaries	17,393	23,375	5,982
Sales Promotion	-	18,632	18,632
Royalty Expense	57,318	69,387	12,069
Export Commission	26,642	29,707	3,065
Depreciation	8,558	11,622	3,064
Domestic Transportation Cos	25,626	31,270	5,644
Product Warranty	10,128	12,719	2,592
Cunsulting	13,544	13,302	-242
Advertising Expenses	17,508	26,172	8,663
Insurance	3,122	1,834	-1,288
Others	64,885	67,030	2,146
Total	244,723	305,049	60,326
Non-Operating Gain & Loss			
Non-operating income	73,855	83,867	10,012
Foreign currency translation gain/loss	44,917	64,910	19,993
Others	28,938	18,957	-9,981
Non-operating expenses	101,383	110,436	9,052
Interest expense	61,628	69,254	7,626
others	39,755	41,181	1,426



03 Hungary

- Income Statements

[000' HUF]

	2007 3Q		2007 4Q		QoQ
	Amt.	%	Amt.	%	%
Sales	1,318,765	100.0	2,477,929	100.0	87.9
COGS	2,881,852	218.5	4,249,965	171.5	47.5
Gross Profit	-1,563,088	-118.5	-1,772,036	-71.5	-
SG&A	510,572	38.7	695,650	28.1	36.2
O.P margin	-2,073,660	-157.2	-2,467,685	-99.6	-
Non-operating Income/Loss	-366,568	-27.8	-95,951	-3.9	-
Ordinary Profit	-2,440,228	-185.0	-2,563,636	-103.5	-
EBITDA	-1,209,944	-91.7	-187,885	-7.6	-
Depreciation	863,716	65.5	2,279,801	92.0	164.0

※ Hungary GAAP

2008.2.1 HUF/KRW=5,410



04 Consolidated

04 Consolidated

- Income Statements

[100 Mil KRW]

	2006 4Q		2007 3Q		2007 4Q		YoY (%)	QoQ (%)
	금액	%	금액	%	금액	%		
Sales	8,008	100.0	9,193	100.0	9,656	100.0	20.6	5.0
COGS	6,093	76.1	6,707	73.0	7,495	77.6	23.0	11.8
Gross Profit	1,915	23.9	2,486	27.0	2,161	22.4	12.8	-13.1
SG&A	1,664	20.8	1,709	18.6	1,767	18.3	6.2	3.4
O.P margin	251	3.1	778	8.5	394	4.1	57.1	-49.4
Non-operating Income/Loss	-87	-1.1	-183	-2.0	-308	-3.2	-	-
Ordinary Profit	164	2.0	595	6.5	85	0.9	-47.7	-85.6

- B/S

[Unit:100 Mil KRW]

	2006		2007 4Q	
	Amt.	%	Amt.	%
Assets	32,926	100.0	40,222	100.0
Current Assets	13,498	41.0	15,856	39.4
Quick Assets	7,475	22.7	9,350	23.2
Inventories	6,023	18.3	6,506	16.2
Non-current Asset	19,428	59.0	24,366	60.6
Investment Assets	1,126	3.4	1,132	2.8
Property&Equipment	18,084	54.9	23,060	57.3
Intangible Assets	218	0.7	174	0.4
Liabilities	17,311	52.6	23,431	58.3
Current Liabilities	13,850	42.1	16,393	40.8
Non-current Liabilities	3,461	10.5	7,038	17.5
Capital	15,615	47.4	16,791	41.7
Net Debt	7,281		9,764	
Net Debt ratio		46.6%		58.2%
Debt Ratio		110.9%		139.5%
Net worth to Assets		47.4%		41.7%

Contents

II. 2008 Guidance

01 Global Guidance



- Income Statements _(Tire Business Only)

[100 Mill KRW]

	2006		2007		2008 Target		07/08 차이	07/08 (%)
	—	%	—	%	—	%		
Sales	28,993	100.0	32,412	100.0	38,778	100.0	6,366	19.6
COGS	20,306	70.0	22,818	70.4	26,996	69.6	4,178	18.3
Gross Profit	8,687	30.0	9,594	29.6	11,781	30.4	2,187	22.8
SG&A	6,179	21.3	6,958	21.5	8,296	21.4	1,338	19.2
O.P margin	2,508	8.7	2,636	8.1	3,485	9.0	849	32.2
Non-operating Income/Loss	-248	-0.9	-438	-1.4	-60	-0.2	378	-
Ordinary Profit	2,260	7.8	2,199	6.8	3,425	8.8	1,226	55.8
EBITDA	5,002	17.3	5,405	16.7	7,101	18.3	1,696	31.4
Depreciation	2,494	8.6	2,769	8.5	3,616	9.3	847	30.6

02 Korea Guidance



- Income Statements

[100 Mil KRW]

	2006		2007		2008 Target		07/08 차이	07/08 (%)
		%		%		%		(%)
Sales	20,638	100.0	22,530	100.0	25,026	100.0	2,496	11.1
COGS	14,982	72.6	15,473	68.7	16,986	67.9	1,513	9.8
Gross Profit	5,656	27.4	7,057	31.3	8,040	32.1	983	13.9
SG&A	3,910	18.9	4,317	19.2	4,734	18.9	417	9.7
O.P margin	1,745	8.5	2,740	12.2	3,306	13.2	565	20.6
Non-operating Income/Loss	550	2.7	-476	-2.1	164	0.7	641	-
Ordinary Profit	2,295	11.1	2,264	10.0	3,470	13.9	1,206	53.3
EBITDA	3,487	16.9	4,258	18.9	4,926	19.7	668	15.7
Depreciation	1,741	8.4	1,517	6.7	1,620	6.5	103	6.8

03 China Guidance

- Income Statements

[000' RMB]

	2006		2007		2008 Target		06/07	07/08
	Amt.	%	Amt.	%	Amt.	%	(%)	(%)
Sales	5,958,344	100.0	7,046,163	100.0	8,300,801	100.0	18.3	17.8
COGS	4,675,572	78.5	5,620,279	79.8	6,665,801	80.3	20.2	18.6
Gross Profit	1,282,772	21.5	1,425,884	20.2	1,635,000	19.7	11.2	14.7
SG&A	942,809	15.8	1,178,747	16.7	1,351,662	16.3	25.0	14.7
O.P margin	339,963	5.7	247,137	3.5	283,337	3.4	-27.3	14.6
Non-operating Income/Loss	-133,791	-2.2	-57,985	-0.8	-180,000	-2.2	-	-
Ordinary Profit	206,172	3.5	189,152	2.7	103,337	1.2	-8.3	-45.4
EBITDA	686,637	11.5	683,048	9.7	801,737	9.7	-0.5	17.4
Depreciation	346,674	5.8	435,911	6.2	518,400	6.2	25.7	18.9

※ China GAAP

04 Hungary Guidance

- 요약 손익계산서

[000' HUF]

	2007		2008 Target		07/08 차이	YoY
		%		%		%
Sales	3,796,694	100.0	35,762,168	100.0	31,965,475	942
COGS	7,131,817	218.5	36,507,775	102.1	29,375,958	512
Gross Profit	-3,335,123	-118.5	-745,607	-2.1	2,589,517	-
SG&A	4,002,093	38.7	5,289,064	14.8	1,286,971	132
O.P margin	-7,337,216	-157.2	-6,034,671	-16.9	1,302,545	-
Non-operating Income/Loss	-406,678	-27.8	-4,233,400	-11.8	-3,826,722	-
Ordinary Profit	-7,743,894	-185.0	-10,268,071	-28.7	-2,524,177	-
EBITDA	-4,122,622	-91.7	3,315,079	9.3	7,437,701	-
Depreciation	3,214,594	65.5	9,349,847	26.1	6,135,253	291

※헝가리 회계 기준 적용

05 Global Capex

[Global]

[Mii KRW, %]

		2007년 (A)	2008 Plan(B)	B/A
Korea	Expansion	1,144	2,407	109.9%
	Maintanance	978	1,137	127.8%
China	Expansion	1,357	504	37.2%
	Maintanance	633	662	104.6%
Hungary	Expansion	2,333	607	26.0%
Global		6,445	5,317	66.4%

Korea

- Kumsan Expansion 143 Bil
- Daejeon SCM Upgrade/
13.2 Bil
- T'station / Service Center
30.3Bil
- Domestic Distribution W/H 17.8 Bil

China

- Jiaxing PCR 7,500 unit/day

Hungary

- Hungary 1st Expansion
(15,000 unit/day)
Complete in 2008



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