



# Hyundai Motor Company Q4 2020 and Annual Business Results

Jan 26, 2021



# Cautionary Statement with Respect to Forward-Looking Statements

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In the presentation that follows and in related comments by Hyundai Motor's management, our use of the words "expect," "anticipate," "project," "estimate," "forecast," "objective," "plan," "goal," "outlook," "target," "pursue" and similar expressions is intended to identify forward looking statements.

The financial data discussed herein are presented on a preliminary basis before the audit from our Independent Auditor; final data will be included in HMC's Independent auditor's report. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, actual results may differ materially due to numerous important factors. Such factors include, among others, the following : changes in economic conditions, currency exchange rates or political stability; shortages of fuel, labor strikes or work stoppages; market acceptance of the corporation's new products; significant changes in the competitive environment; changes in laws, regulations and tax rates; and the ability of the corporation to achieve reductions in cost and employment levels to realize production efficiencies and implement capital expenditures at levels and times planned by management.

We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

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## Sales Summary

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Global wholesale

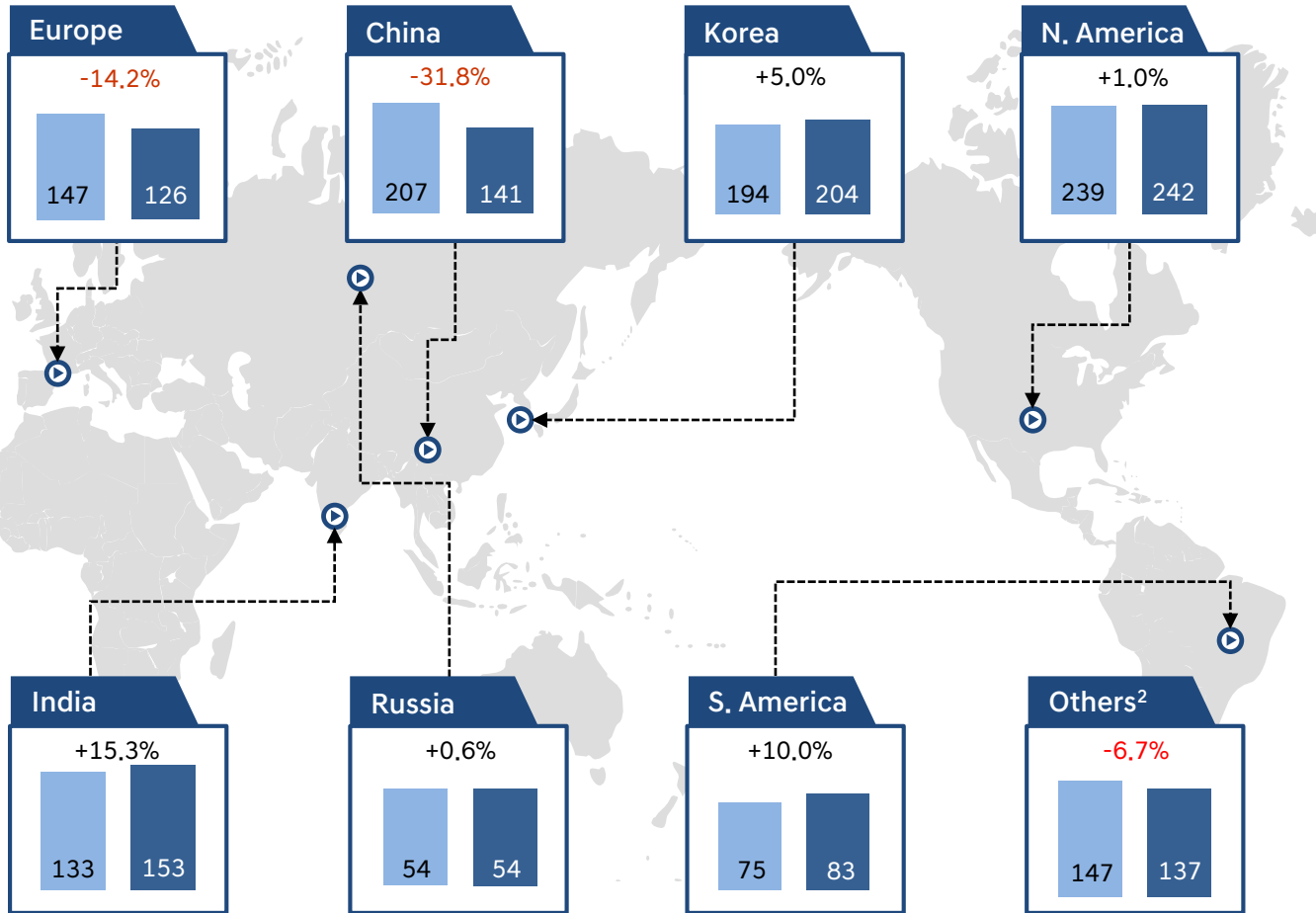
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Sales Analysis

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# Global Wholesale

■ Q4 2019 ■ Q4 2020 (Thousand units)

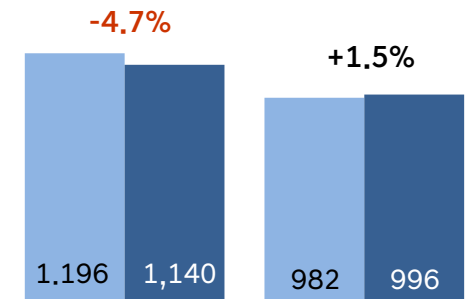


## Global Demand<sup>1</sup>

(10K units)

	Q4 2019	Q4 2020	YoY
Korea	48	49	+0.3%
US	430	419	-2.5%
Europe <sup>3</sup>	369	339	-8.0%
China	602	649	+7.8%
India	79	90	+14.5%
Global	2,232	2,210	-1.0%

## HMC Global Sales<sup>4</sup>



<sup>1</sup> US and Europe are based on retail sales, China ex-Factory, India wholesale

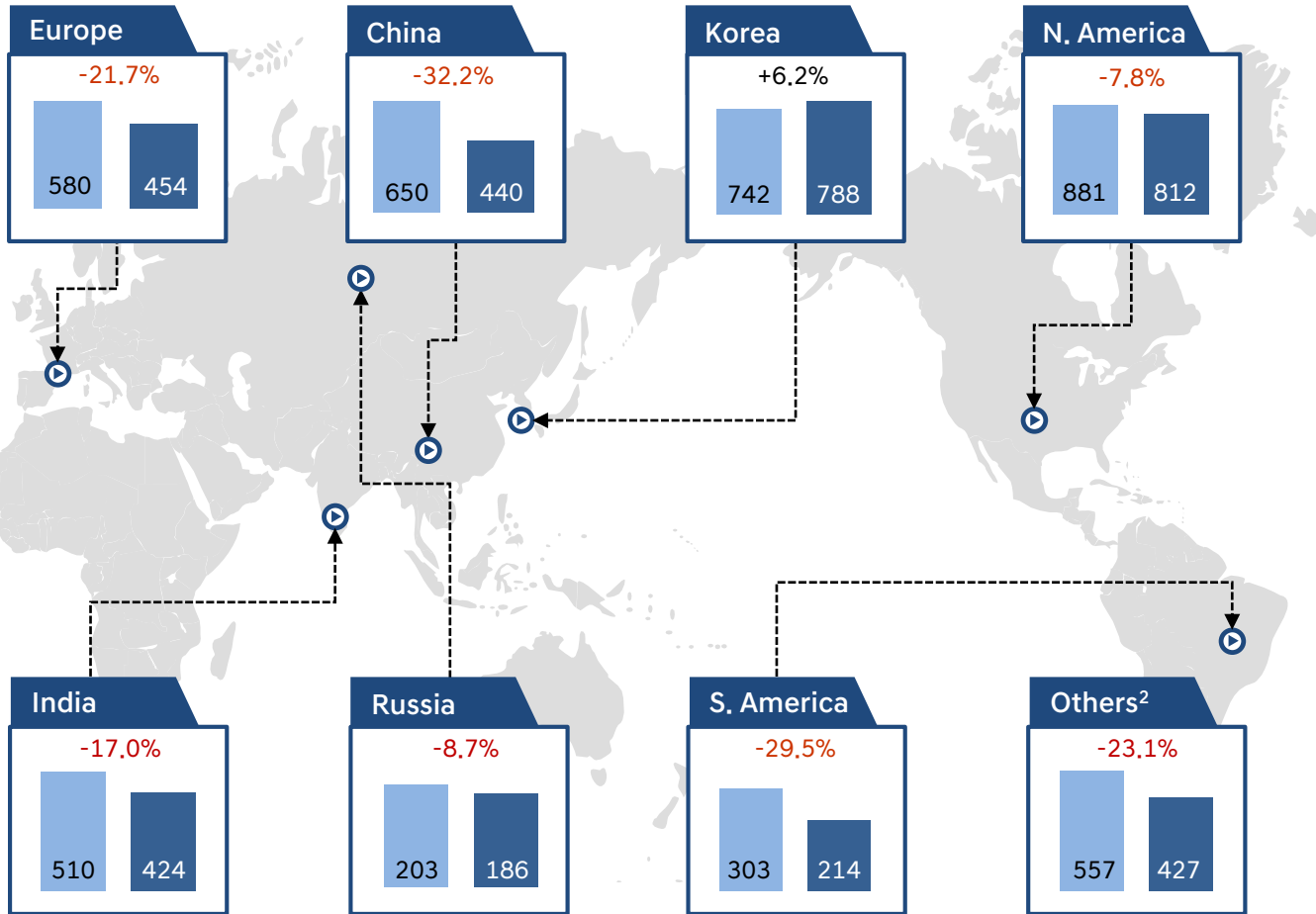
<sup>2</sup> Middle East and Africa, Asia-Pacific, Other regions and Commercial Vehicle (ex. Korea CV)

<sup>3</sup> Western Europe excluding CV

<sup>4</sup> Wholesale including CV, Q4 2020 sales including CKD sales

# Global Wholesale (Annual)

2019 2020 (Thousand units)

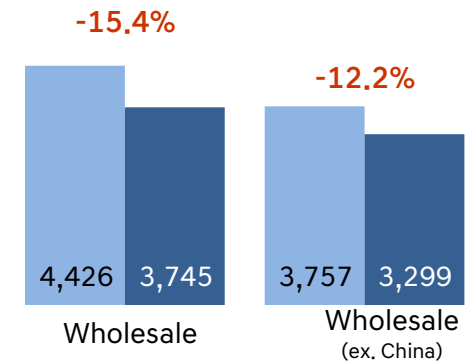


## Global Demand<sup>1</sup>

(10K units)

	2019	2020	YoY
Korea	174.4	185.0	+6.1%
US	1,706.1	1,457.5	-14.6%
Europe <sup>3</sup>	1,580.6	1,196.1	-24.3%
China	2,080.4	1,943.6	-6.6%
India	295.4	244.0	-17.4%
Global	8,670.0	7,264.0	-16.2%

## HMC Global Sales<sup>4</sup>

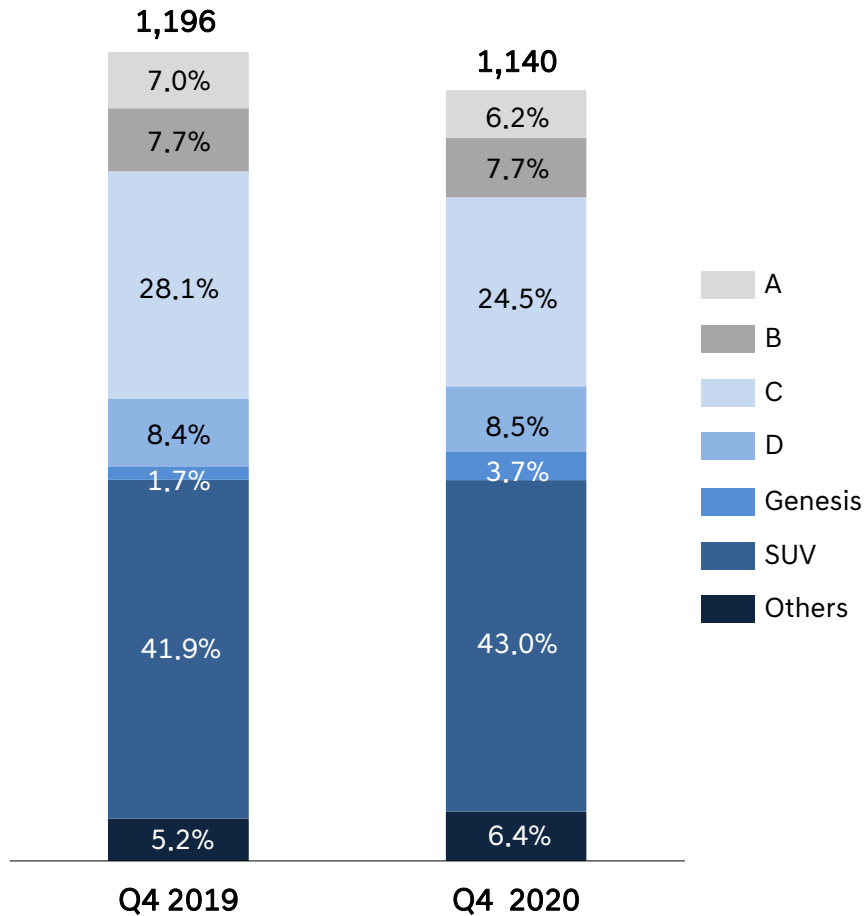


<sup>1</sup> US and Europe are based on retail sales, China ex-Factory, India wholesale  
<sup>2</sup> Middle East and Africa, Asia-Pacific, Other regions and Commercial Vehicle (ex. Korea CV)  
<sup>3</sup> Western Europe excluding CV  
<sup>4</sup> Wholesale including CV, Q4 2020 sales including CKD sales

# Sales Analysis (Q4 2020)

## Sales by Segment

(Thousand units)



※ GV80 and GV70 are included in Genesis, sales portion of SUV is 44.2% with GV80 and GV70

## Key Growth Factor

*“Mix Improvement led by strong sales of high-end vehicles”*

### Model

#### • GV70



- Launched in Dec. in Korea  
→ 140K units of backlog at the end of '20
- Expected to expand market presence in luxury SUV market in U.S. by launching in H1 '21

#### • GV80



- Launched GV80 and G80 in US in Q4
- Positive US customer reception with design and performance
- Scheduled to launch in other global markets

#### • Tucson



- 18K units sold since its launch in Q3 (backlog of 26K)
- Strong sales to be continued by launching in global markets (Europe in Q4 '20, US in Q1 '21)
- Line up expansion by launching HEV and PHEV

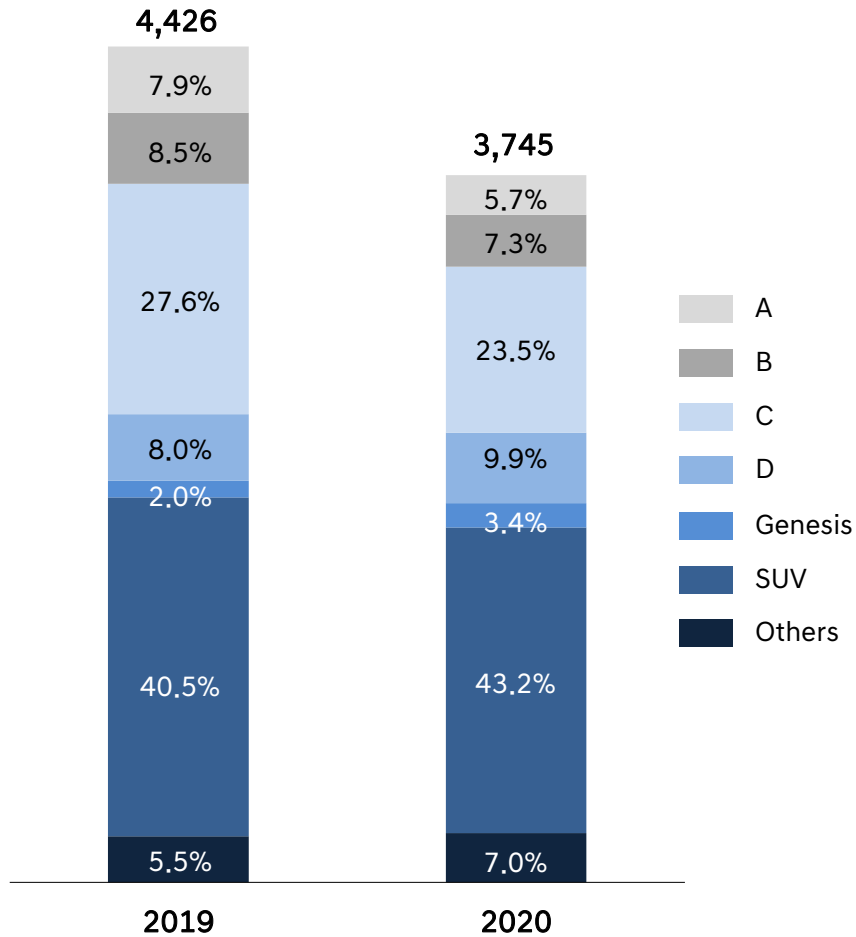
## Outlook

- Expect strong rebound YoY in global demand in '21
- Increase Genesis sales from line up expansion in global markets
- Strengthen eco friendly vehicle line up by launching Ioniq 5, Genesis EV, Tucson HEV and PHEV

# Sales Analysis (2020)

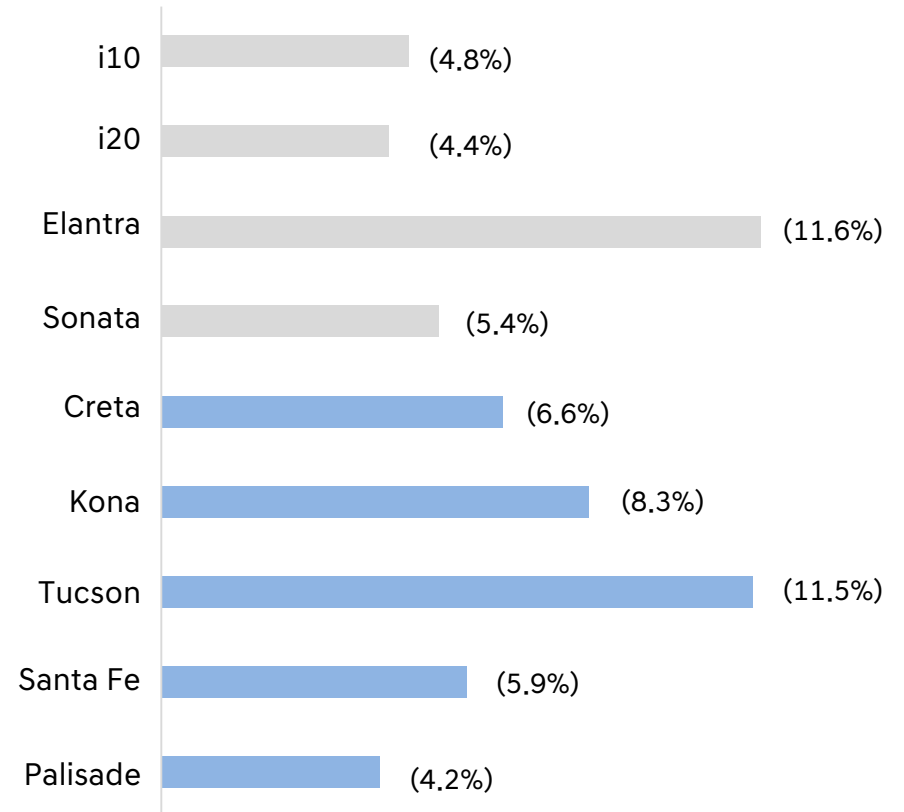
## Sales by Segment

(Thousand units)



## Global Sales by Model (wholesale)

■ SUV  
■ Sedan  
 ( ) Portion





# Financial Summary

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# Financial Summary (Q4 2020)

(Billion KRW)

	Q4 2019	Q3 2020	Q4 2020	YoY	QoQ
<b>Revenue</b>	<b>27,824</b>	<b>27,576</b>	<b>29,243</b>	+5.1%	+6.0%
Cost of Good Sold	23,133	22,451	23,864	+3.2%	+6.3%
<b>Gross Profit</b>	<b>4,691</b>	<b>5,125</b>	<b>5,379</b>	+14.7%	+5.0%
Margin (%)	16.9%	18.6%	18.4%		
SG&A	3,527	5,439	3,738	+6.0%	-31.3%
<b>Operating Income</b>	<b>1,164</b>	<b>-314</b>	<b>1,641</b>	+40.9%	Turn-to-Profit
Margin (%)	4.2%	-1.1%	5.6%		
Non-operating Income	-32	-48	-119	+268.2%	+146.2%
<b>Income before Tax</b>	<b>1,132</b>	<b>-362</b>	<b>1,522</b>	+34.4%	Turn-to-Profit
Tax	360	-174	145	-59.7%	Turn-to-Profit
<b>Net Income</b>	<b>772</b>	<b>-189</b>	<b>1,377</b>	+78.3%	Turn-to-Profit

# Financial Summary (2020)

(Billion KRW)

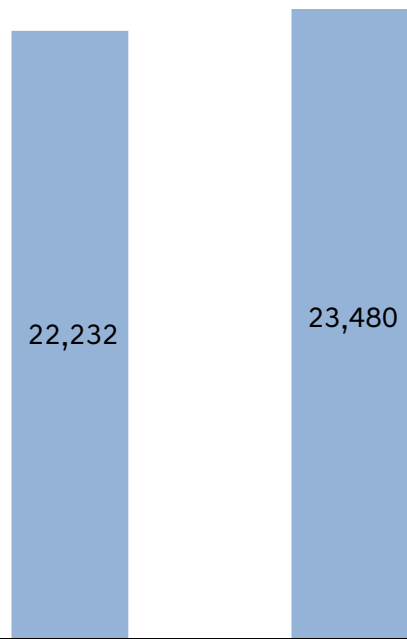
	2019	2020	YoY
<b>Revenue</b>	<b>105,746</b>	<b>103,998</b>	-1.7%
Cost of Good Sold	88,091	85,516	-2.9%
<b>Gross Profit</b>	<b>17,655</b>	<b>18,482</b>	+4.7%
Margin (%)	16.7%	17.8%	
SG&A	14,050	15,700	+11.8%
<b>Operating Income</b>	<b>3,606</b>	<b>2,781</b>	-22.9%
Margin (%)	3.4%	2.7%	
Non-operating Income	558	-301	Turn-to-Loss
<b>Income before Tax</b>	<b>4,164</b>	<b>2,480</b>	-40.4%
Tax	978	362	-63.0%
<b>Net Income</b>	<b>3,186</b>	<b>2,118</b>	-33.5%

# Revenue by Division (Q4 2020)

## Automotive

(Billion KRW)

+1,248  
(+5.6%)



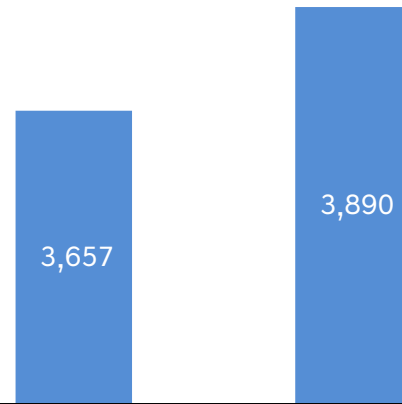
Q4 2019

Q4 2020

Mix improvement

## Finance

+233  
(+6.4%)



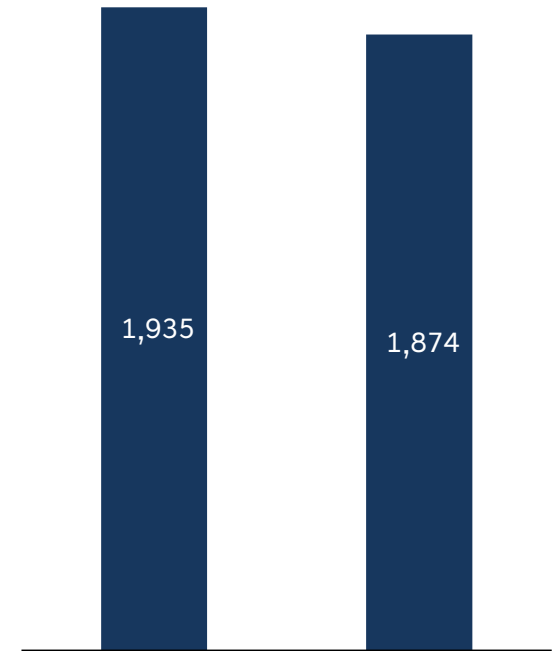
Q4 2019

Q4 2020

Increase in new vehicle sales

## Others

- 61  
(- 3.2%)



Q4 2019

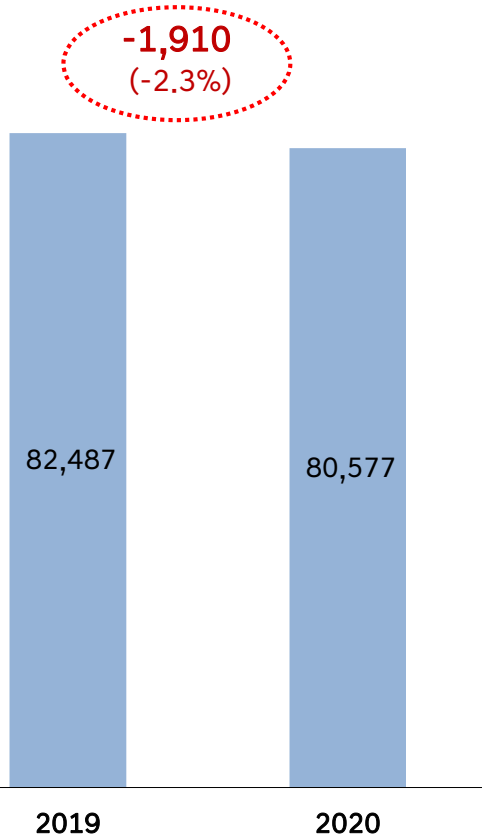
Q4 2020

Sales decline from COVID-19

# Revenue by Division (2020)

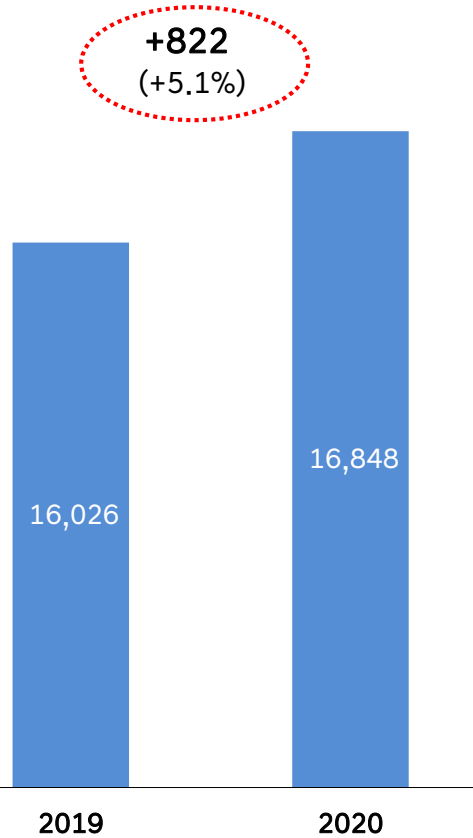
## Automotive

(Billion KRW)



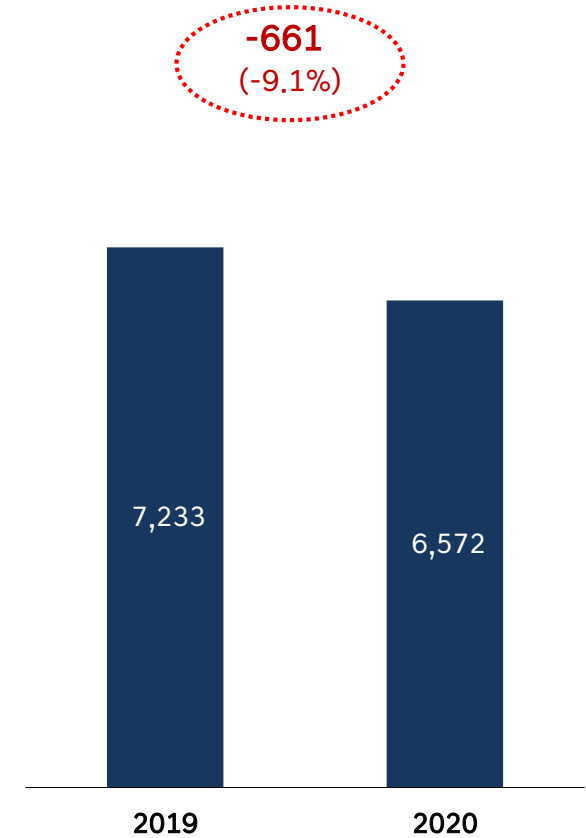
Sales decline from COVID-19

## Finance



Increase in new vehicle sales and used car prices

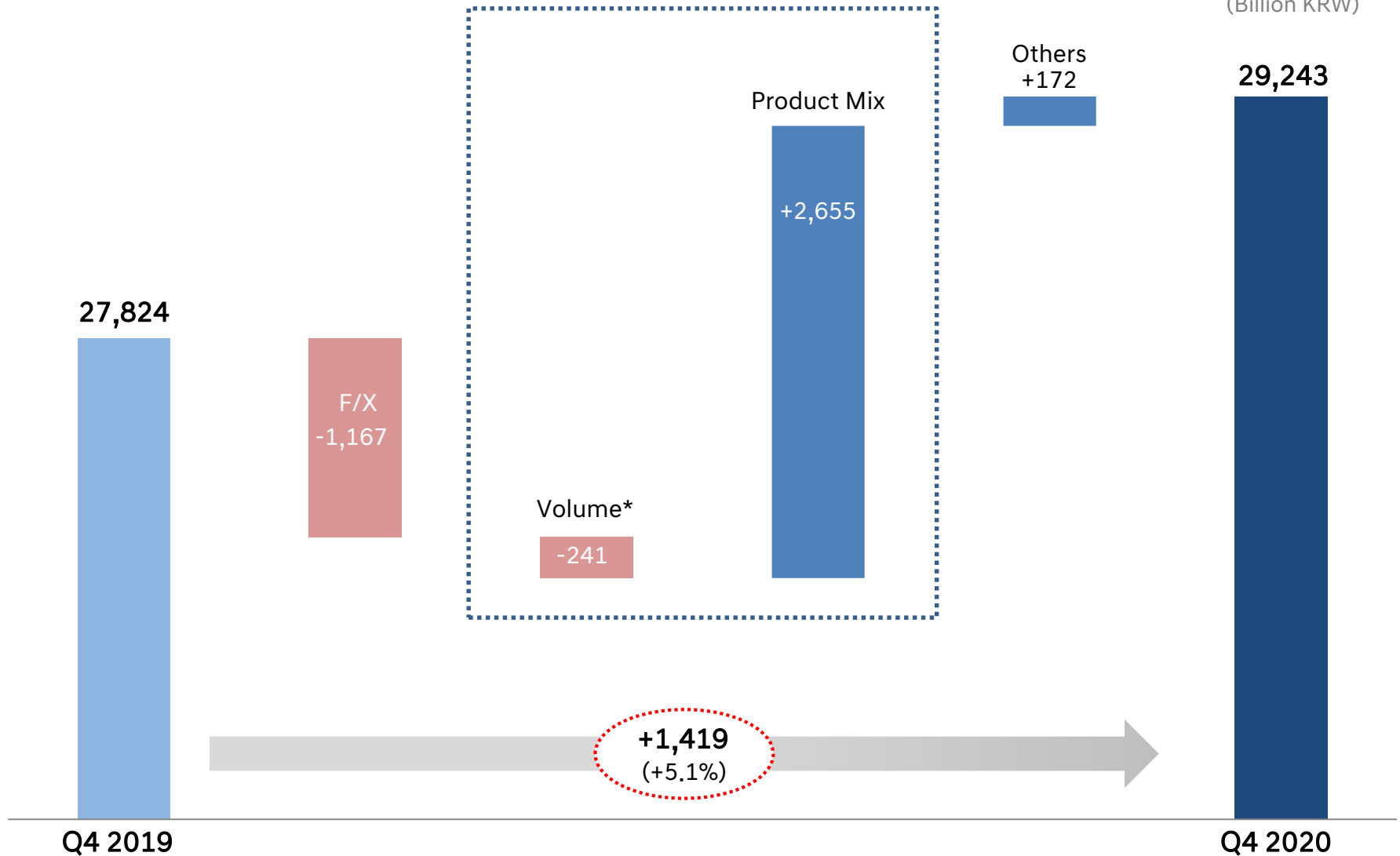
## Others



Sales decline from COVID-19

# Revenue Analysis (Q4 2020)

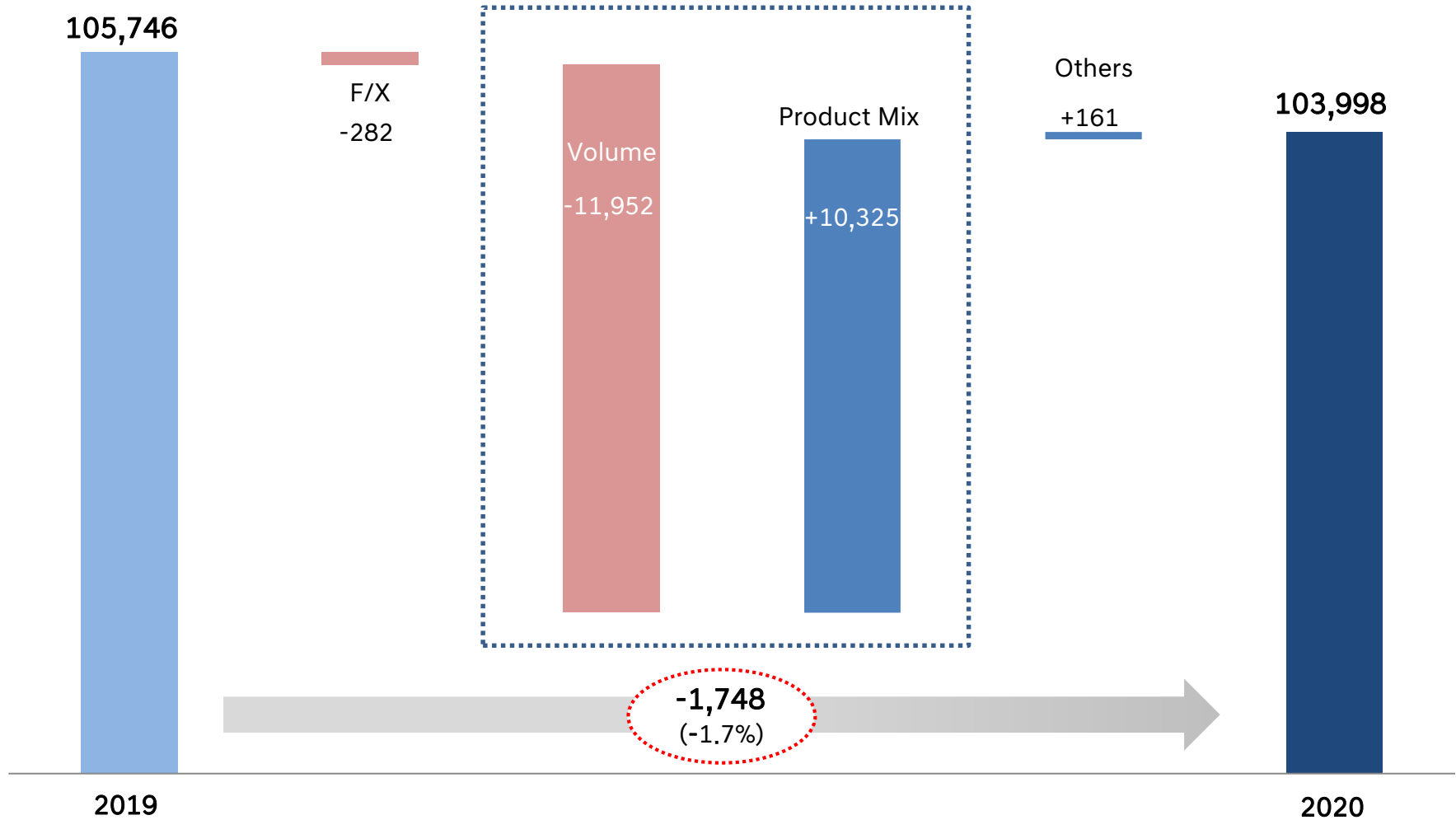
(Billion KRW)



\* Based on consolidated volume

# Revenue Analysis (2020)

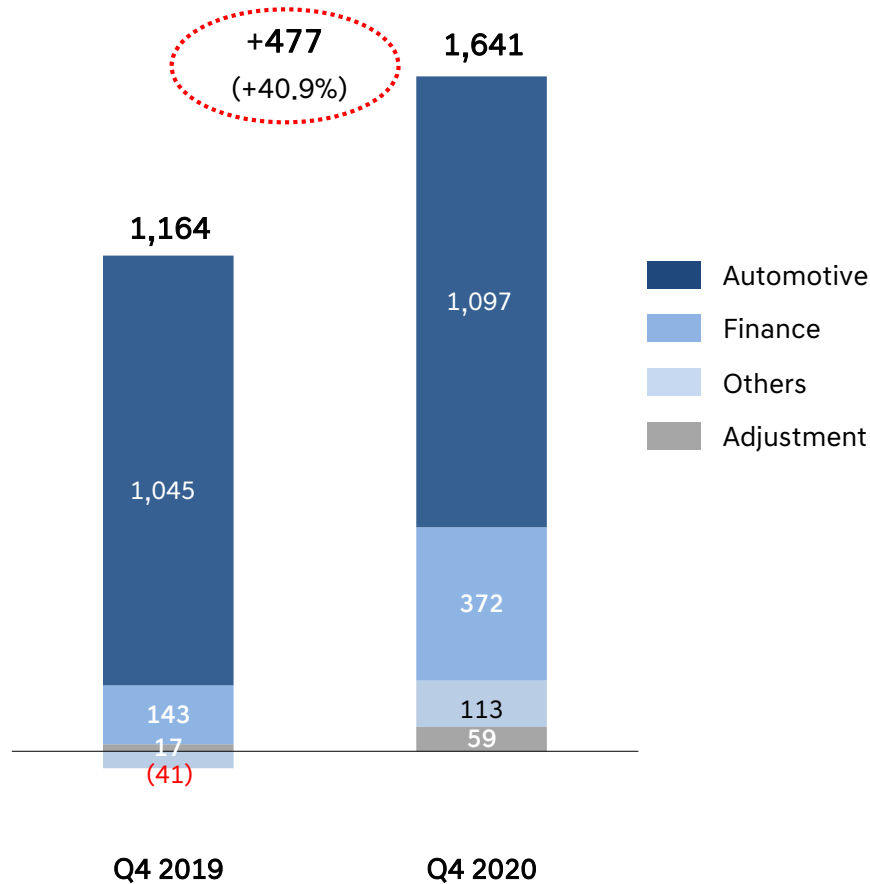
(Billion KRW)



# Operating Income Breakdown (Q4 2020)

## Operating Income by Division

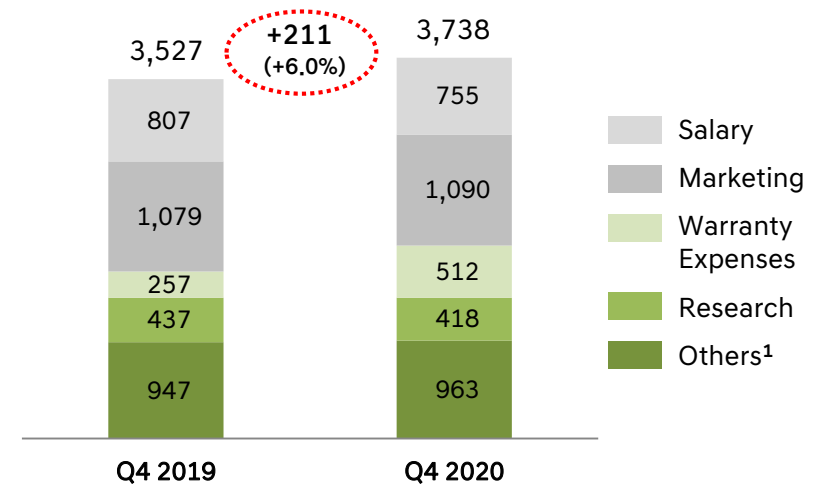
(Billion KRW)



## COGS ratio



## SG&A



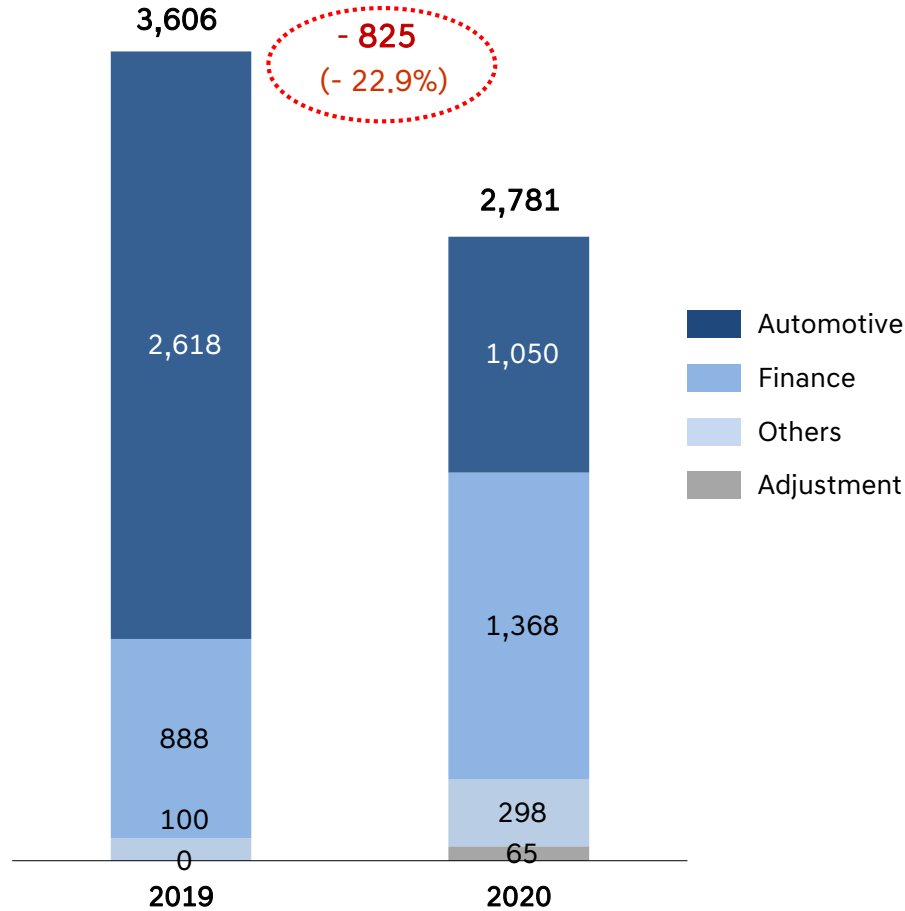
<sup>1</sup>Commission fees, depreciation, etc.



# Operating Income Breakdown (2020)

## Operating Income by Division

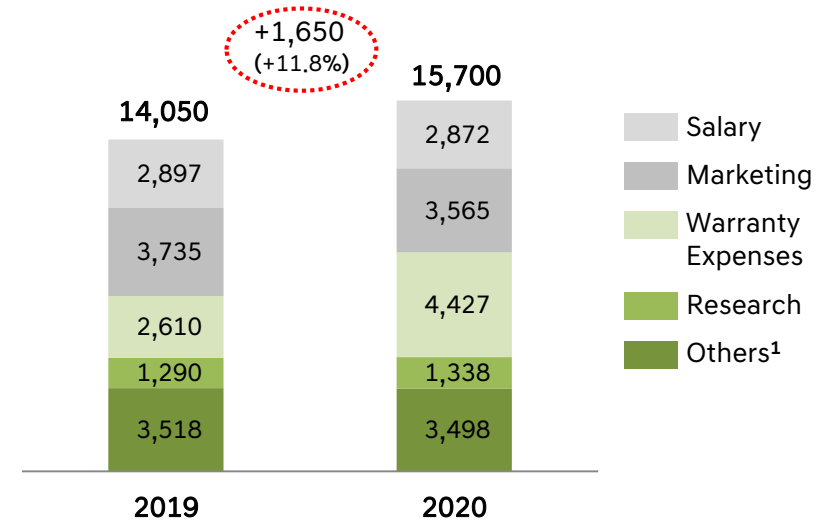
(Billion KRW)



## COGS ratio



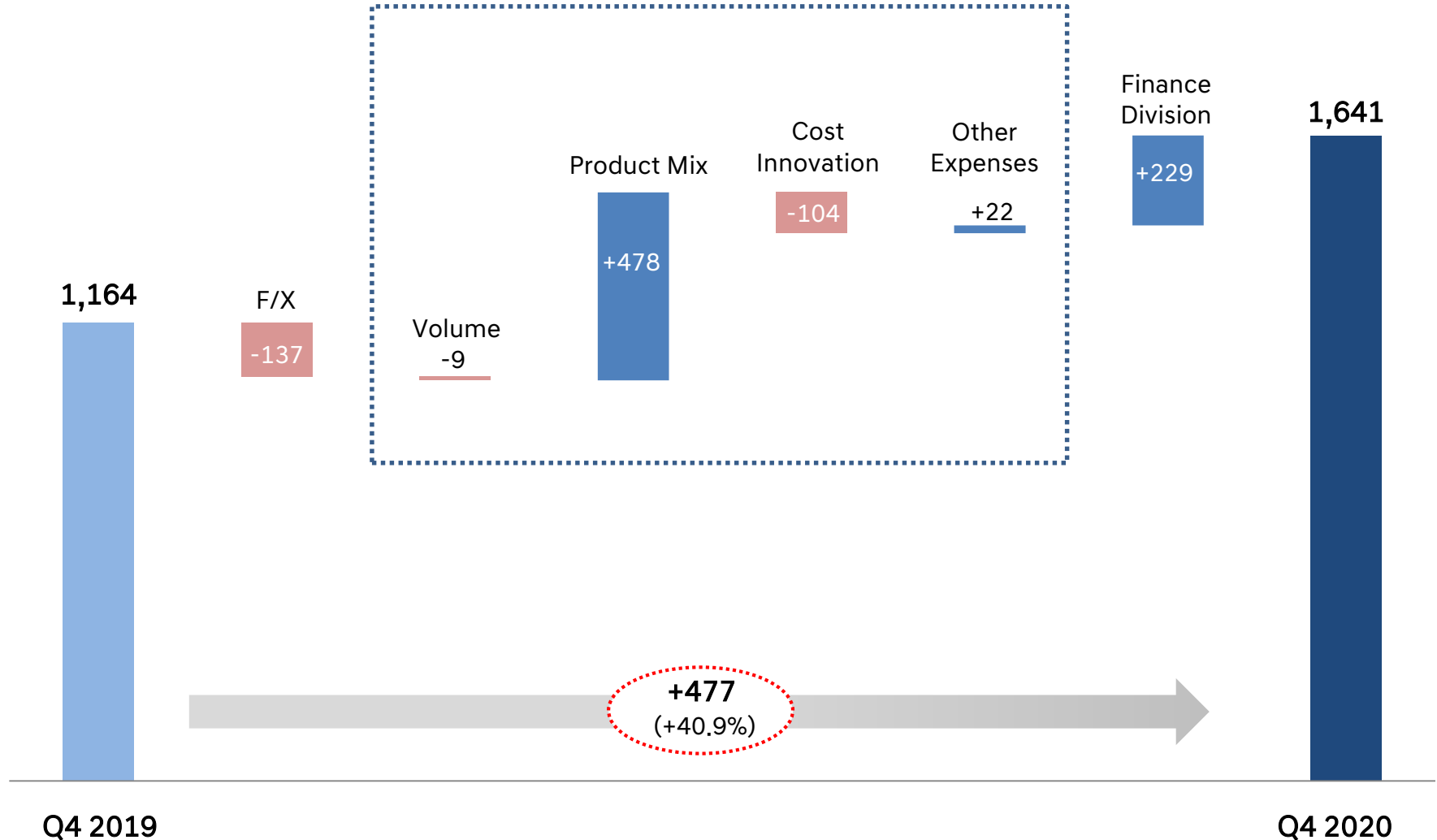
## SG&A



<sup>1</sup>Commission Fees, depreciation, etc.

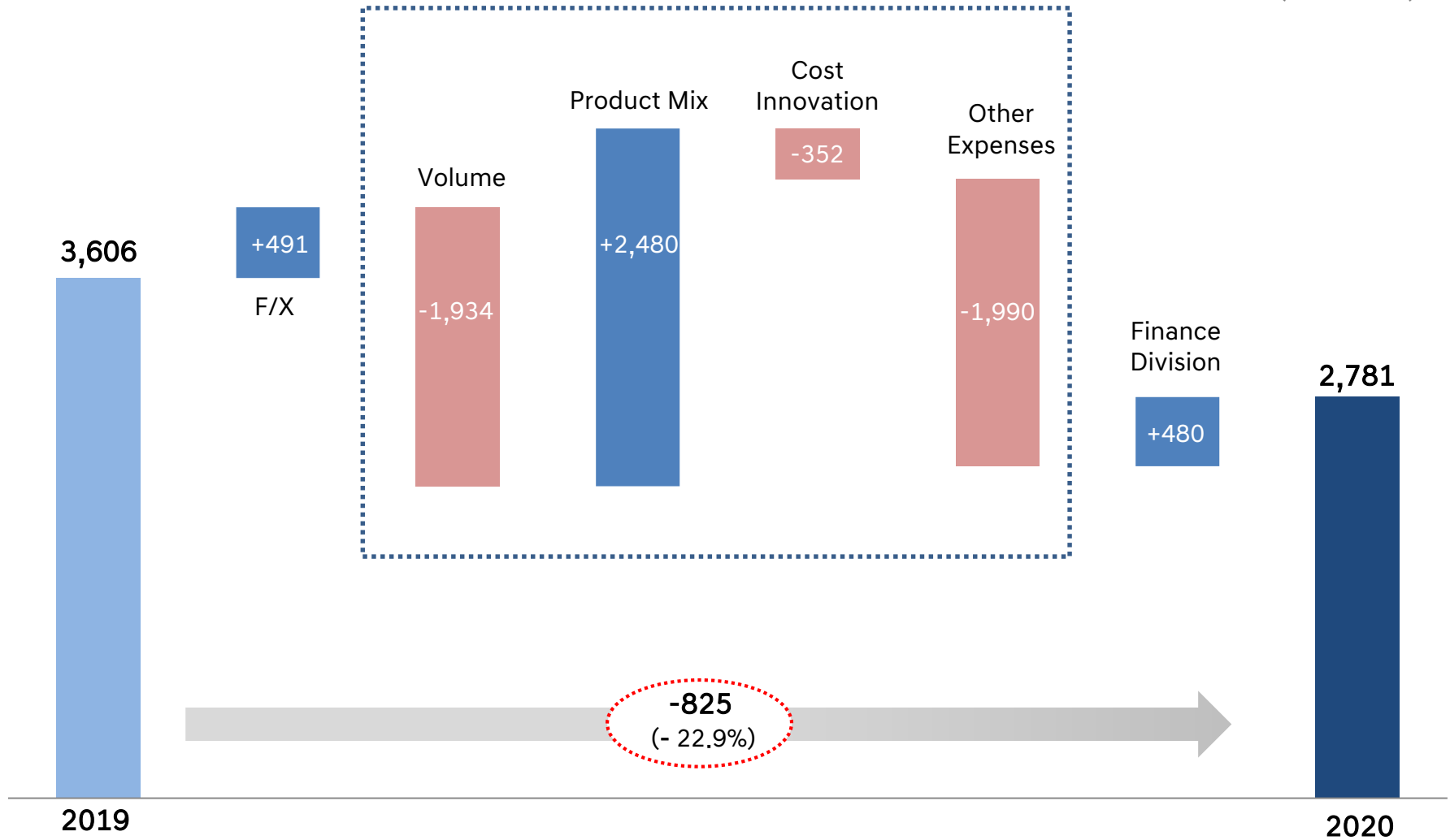
# Operating Income Analysis (Q4 2020)

(Billion KRW)



# Operating Income Analysis (2020)

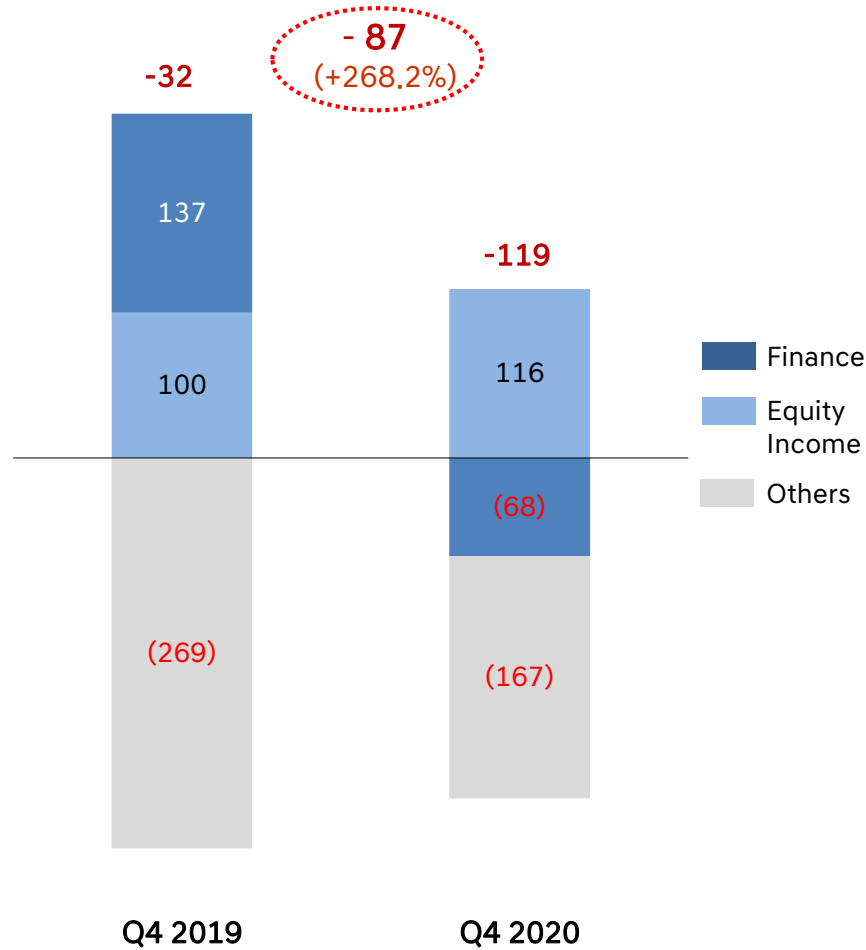
(Billion KRW)



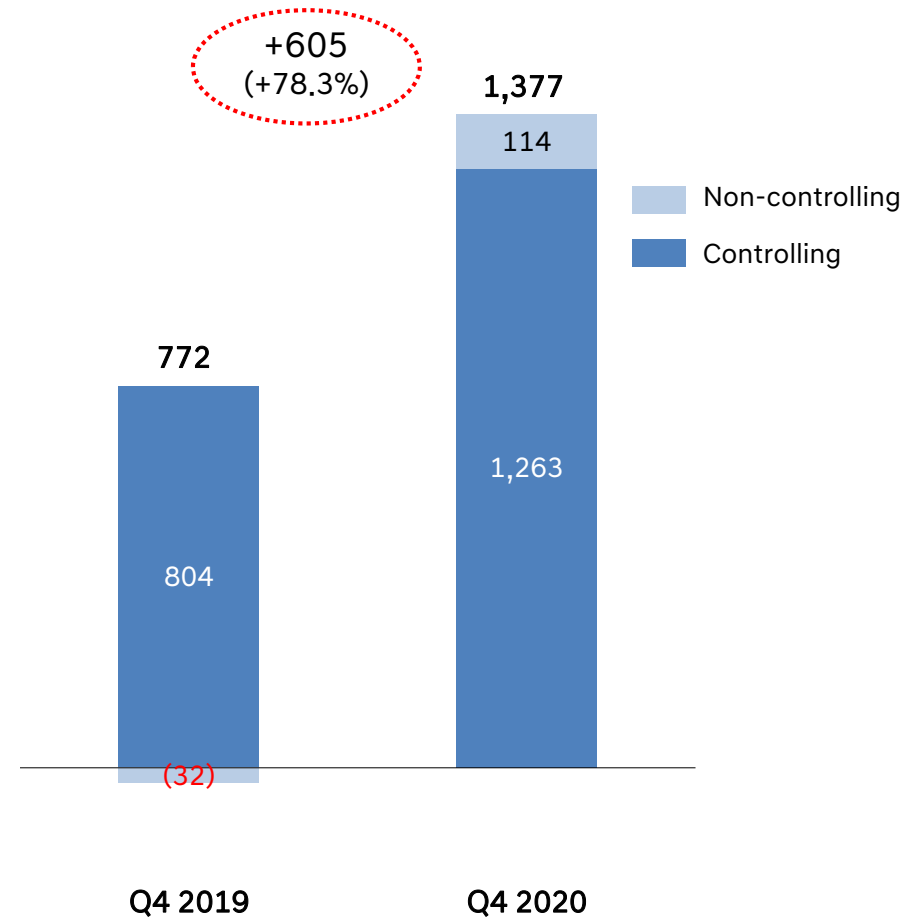
# Non-operating Income & Net Income (Q4 2020)

## Non-operating Income

(Billion KRW)



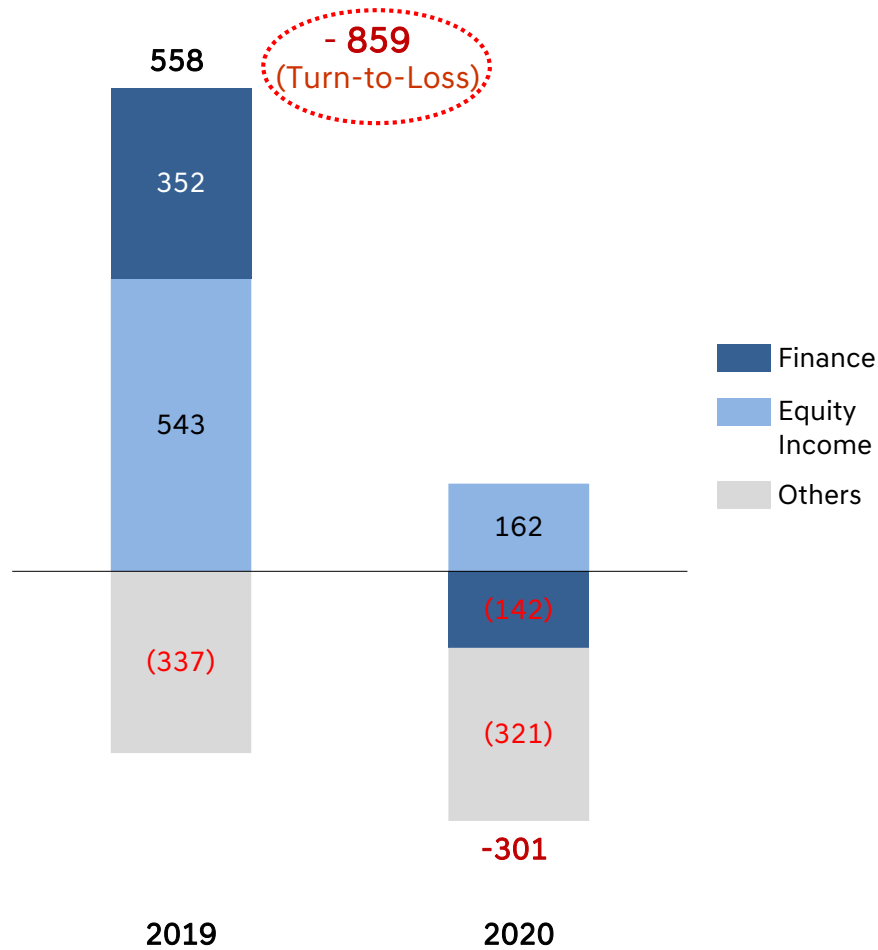
## Net Income



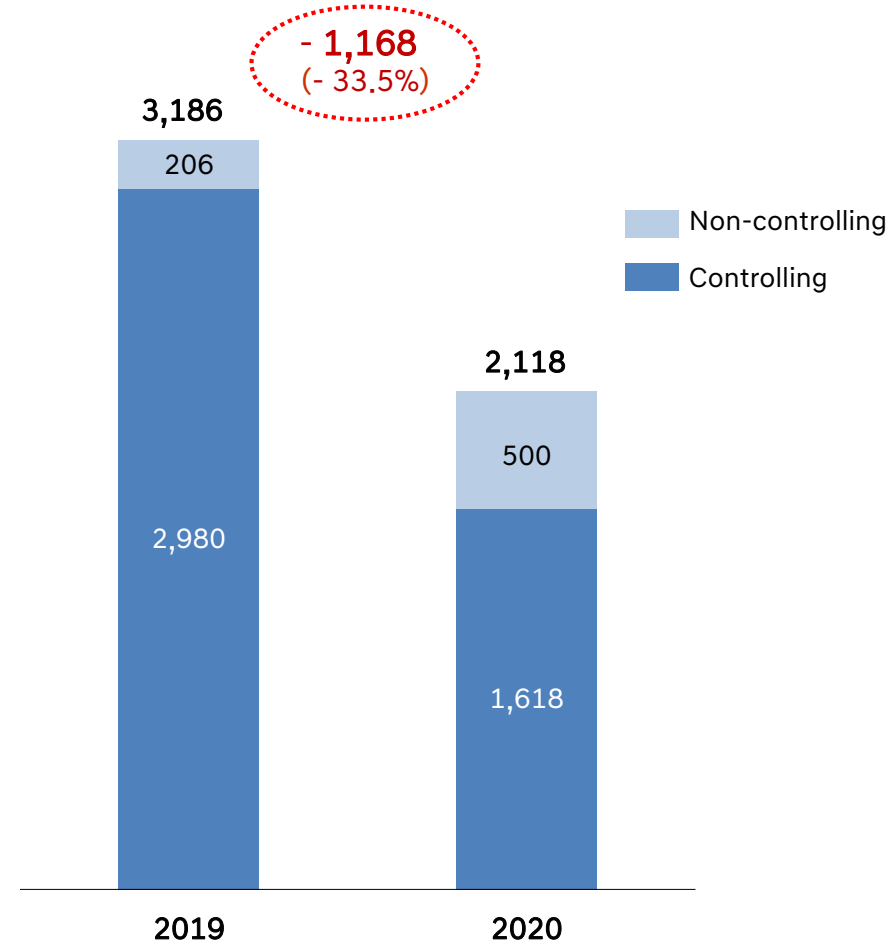
# Non-operating Income & Net Income (2020)

## Non-operating Income

(Billion KRW)



## Net Income



## **Appendix**

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<b>Statement of Cash Flows</b>	P. 25

# Retail Sales by Region

(Thousand units)	Q4 2019	Q4 2020	YoY
Korea	194	204	+5.0%
US	189	184	-2.5%
Western Europe	133	113	-14.6%
India	154	171	+11.6%
China	192	152	-20.8%
MEA	84	62	-26.4%
Brazil	49	53	+7.8%
Russia	48	50	+4.2%
Others	145	166	+14.5%
<b>Total</b>	<b>1,188</b>	<b>1,155</b>	<b>-2.8%</b>

※ 2020 sales includes CKD sales

# Statement of Income

(Billion KRW)	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	YoY	QoQ
<b>Revenue</b>	<b>27,824</b>	<b>25,319</b>	<b>21,859</b>	<b>27,576</b>	<b>29,243</b>	+5.1%	+6.0%
<b>Gross Profit</b>	<b>4,691</b>	<b>4,265</b>	<b>3,712</b>	<b>5,125</b>	<b>5,379</b>	+14.7%	+5.0%
Margin (%)	16.9	16.8	17.0	18.6	18.4		
<b>SG&amp;A</b>	<b>3,527</b>	<b>3,402</b>	<b>3,122</b>	<b>5,439</b>	<b>3,738</b>	+6.0%	-31.3%
Portion (%)	12.7	13.4	14.3	19.7	12.8		
<b>Operating Income</b>	<b>1,164</b>	<b>864</b>	<b>590</b>	<b>-314</b>	<b>1,641</b>	+40.9%	TTP
Margin (%)	4.2	3.4	2.7	-1.1	5.6		
<b>Income before tax</b>	<b>1,132</b>	<b>724</b>	<b>596</b>	<b>-362</b>	<b>1,522</b>	+34.4%	TTP
Margin (%)	2.9	2.7	-1.3	-1.3	5.2		
<b>Net Income</b>	<b>772</b>	<b>553</b>	<b>377</b>	<b>-189</b>	<b>1,377</b>	+78.3%	TTP
Margin (%)	2.8	2.2	1.7	-0.7	4.7		
<b>D&amp;A<sup>1</sup></b>	<b>1,041</b>	<b>1,059</b>	<b>1,088</b>	<b>1,114</b>	<b>1,120</b>		
<b>EBITDA</b>	<b>2,206</b>	<b>1,923</b>	<b>1,678</b>	<b>801</b>	<b>2,761</b>		

<sup>1</sup> IFRS 16, depreciation of lease assets included



# Statement of Financial Position

(Billion KRW)	End of 2019	End of 2020	Diff.	% change
<b>Asset</b>	<b>194,512</b>	<b>208,849</b>	+14,337	+7.4%
Current Asset <sup>(a)</sup>	76,083	83,297	+7,215	+9.5%
<b>Liabilities<sup>(b)</sup></b>	<b>118,146</b>	<b>132,315</b>	+14,168	+12.0%
Current Liability <sup>(c)</sup>	53,314	58,771	+5,457	+10.2%
Debt <sup>(d)</sup>	81,372	91,407	+10,034	+12.3%
Provision	7,145	9,682	+2,537	+35.5%
<b>Equity<sup>(e)</sup></b>	<b>76,366</b>	<b>76,534</b>	+168	-0.7%
Capital Stock	1,489	1,489	-	-
Capital Surplus	4,197	4,190	-7	-0.2%
Retained Earnings	68,250	69,105	+855	+1.3%
Current Ratio <sup>(a/c)</sup>	142.7%	141.7%		
Liability to Equity <sup>(b/e)</sup>	154.7%	172.9%		
Debt to Equity <sup>(d/e)</sup>	106.6%	119.4%		

# Statement of Cash Flows

(Billion KRW)	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
<b>Beginning</b>	<b>9,209</b>	<b>8,682</b>	<b>10,374</b>	<b>10,884</b>	<b>12,307</b>
Net Income	772	553	377	-189	1,377
Depreciation	665	663	676	703	708
Amortization	325	346	363	363	363
Acquisition of Tangible	-1,056	-1,128	-1,062	-1,030	-1,468
Acquisition of Intangible	-669	-331	-397	-417	-556
Dividends paid	-	-4	-890	0	-
Others <sup>1)</sup>	-563	1,593	1,442	1,993	-2,868
<b>Ending</b>	<b>8,682</b>	<b>10,374</b>	<b>10,884</b>	<b>12,307</b>	<b>9,862</b>

# Thank you

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# Q&A

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