



1Q 2020 Earnings Release

**KOREA SHIPBUILDING &  
OFFSHORE ENGINEERING**

**KSOE**

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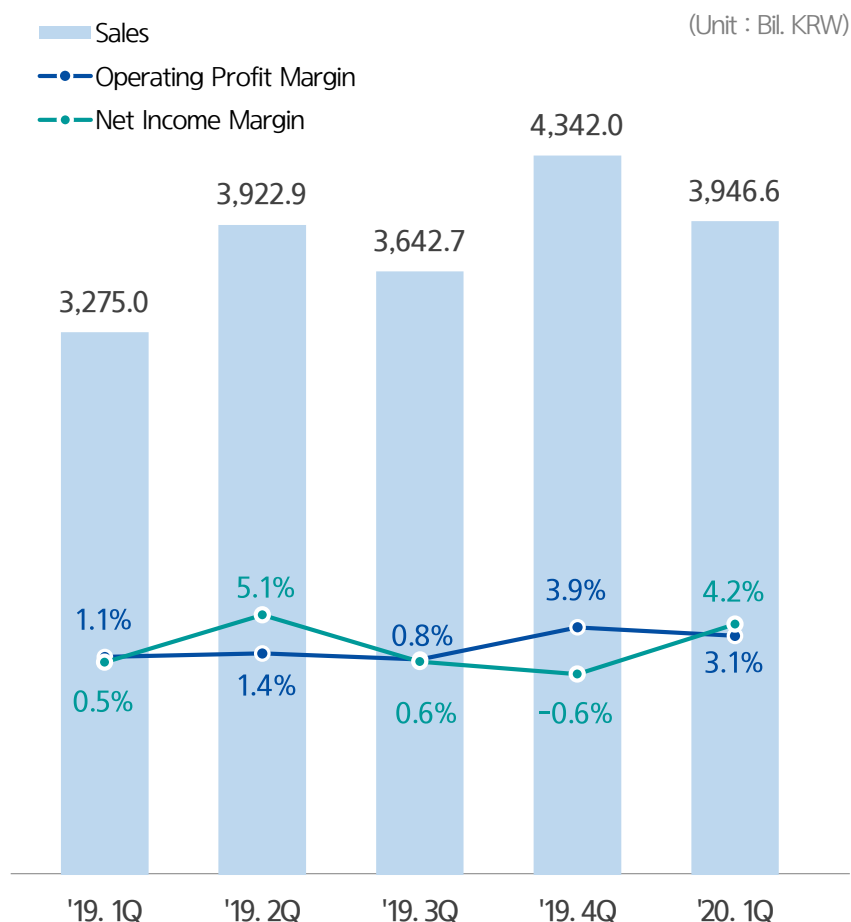
[Appendix]

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# 1. 1Q Consolidated Earnings

## 1Q operating result remains strong YoY but declined QoQ. Non-operating result jumped QoQ

### Quarterly Sales and Operating Profit



### 1Q Consolidated Highlights (QoQ)

- **Sales KRW 3,946.6 Bil.**

- QoQ -9.2% (YoY +20.4%)

Despite continuous sales improvement in commercial shipbuilding, sales declined due to elimination of previous quarter's one-off effect in offshore, and decreased volume in naval shipbuilding.

- **Operating Profit KRW 121.7 Bil.**

- QoQ -28.4% (YoY +251.7%)

Profitability in commercial shipbuilding recovered on Won depreciation, but operating profit declined due to absence of previous quarter's one-off gain in offshore.

- **Net Income KRW 164.9 Bil.**

- QoQ Profit Turnaround (YoY 853.2%)

Exclusion of previous quarter's impairment loss recognition and FX gains on Won depreciation contributed sharp increase in net income.

## 2. Consolidated Financial Results by Business Segments

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(Unit : Bil. KRW)

Business Segments	1Q 2020			4Q 2019			1Q 2019		
	Sales	OP	OPM	Sales	OP	OPM	Sales	OP	OPM
Shipbuilding	3,390.0	165.6	4.9%	3,362.9	-8.2	-0.2%	2,775.0	35.5	1.3%
Offshore & Engineering	84.9	-33.5	-39.5%	363.3	193.1	53.2%	71.6	100.9	140.9%
Industrial Plant	153.1	-4.6	-3.0%	242.6	25.7	10.6%	166.3	-45.8	-27.5%
Engine & Machinery	144.3	26.4	18.3%	188.1	12.3	6.5%	123.8	2.4	1.9%
Green Energy	108.8	6.0	5.5%	124.2	4.9	3.9%	73.3	2.2	3.0%
Others	63.5	-38.2	-	60.9	-57.9	-	65.0	-60.6	-
Total	3,944.6	121.7	3.1%	4,342.0	169.9	3.9%	3,275.0	34.6	1.1%

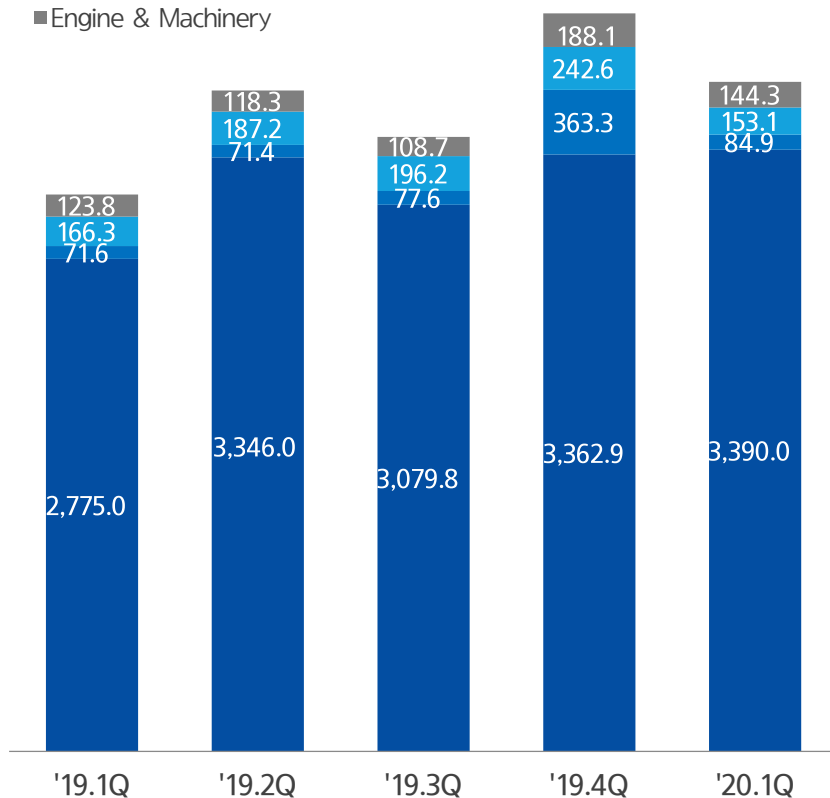
Note 1 : Before distribution of common expense

## 2-1. Analysis on Consolidated Sales by Business Segments

### Consolidated Sales

- Shipbuilding
- Offshore
- Industrial Plant
- Engine & Machinery

(Unit : Bil. KRW)



### Consolidated Sales Analysis (QoQ)

**Shipbuilding**  
(+0.8%)

▲ Sales continuously increased in commercial shipbuilding on Won depreciation and higher priced vessel mix, despite sales decline in naval shipbuilding due to decreased volume.

**Offshore**  
(-76.6%)

▼ Sales declined due to absence of previous quarter's one-off effect, despite sales expansion of King's Quay FPU.

**Industrial Plant**  
(-36.9%)

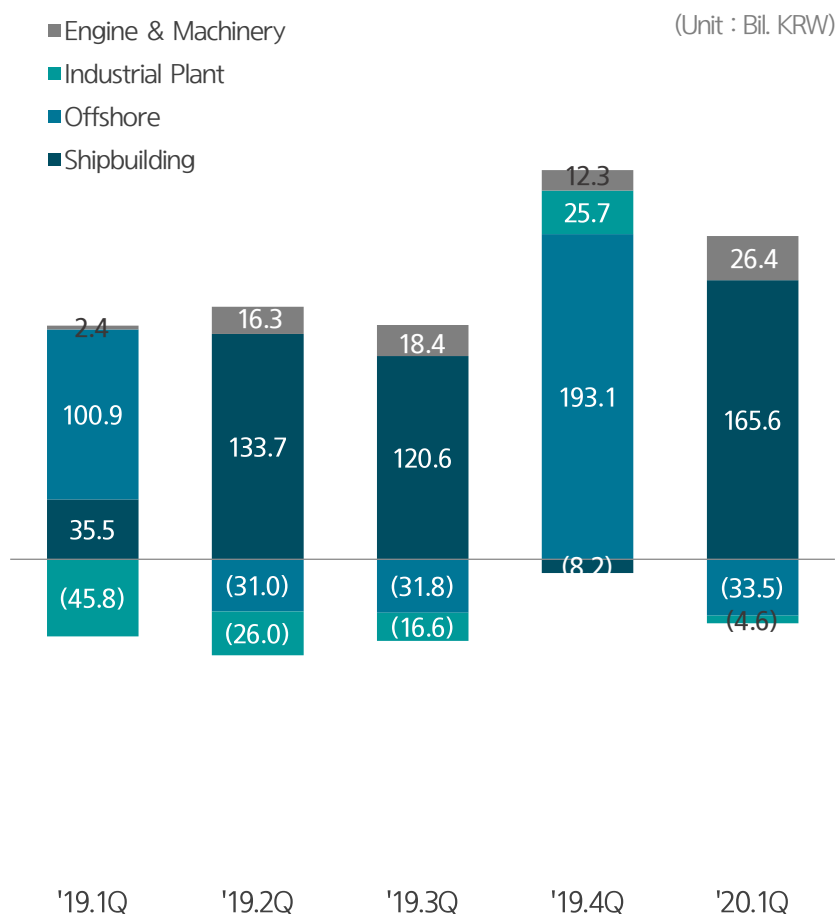
▼ Sales declined for both industrial plant and Hyundai Power Systems due to difference in construction schedule and delivery delays in scrubber respectively.

**Engine & Machinery**  
(-23.3%)

▼ Sales declined due to increase in internal sales despite increased sales for marine related equipment such as propulsion engines.

## 2-2. Analysis on Consolidated Operating Profit by Business Segments

### Consolidated Operating Profit



### Consolidated Operating Profit Analysis

<b>Ship-building</b> (Profit Turnaround)	▲ Won depreciation, downward adjustment to estimated steel plate price, and positive operational leverage resulted profitability improvement.
<b>Offshore</b> (Turned to Loss)	▼ Exclusion of previous quarter's one-off gain and negative operational leverage resulted operating loss
<b>Industrial Plant</b> (Turned to Loss)	▼ Turned to loss due to negative operational leverage and deteriorated profit of Hyundai Power Systems.
<b>Engine &amp; Machinery</b> (+114.6%)	▲ Operating profit increased mainly driven by Won depreciation.

Note 1 : Before distribution of common expense

### 3. Separate Financial Results of Major Subsidiaries

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(Unit : Bil. KRW)

Subsidiaries	1Q 2020			4Q 2019			1Q 2019		
	Sales	OP	OPM	Sales	OP	OPM	Sales	OP	OPM
KSOE	61.5	21.7	35.3%	35.0	-18.8	-53.8%	1,861.4	23.9	1.3%
Hyundai Heavy Industries	2,178.6	31.2	1.4%	2,675.7	207.7	7.8%	-	-	-
<sup>1)</sup> Total	2,240.1	52.9	2.4%	2,710.7	188.9	7.0%	1,861.4	23.9	1.3%
Hyundai Samho Heavy Industries	1,051.5	40.6	3.9%	923.7	-47.9	-5.2%	772.7	-9.1	-1.2%
Hyundai Mipo Dockyard	778.1	30.1	3.9%	726.1	-1.9	-0.3%	701.8	13.8	2.0%
<sup>2)</sup> Hyundai Vietnam Shipyard	147.6	2.8	1.9%	129.5	5.4	4.2%	130.1	12.1	9.3%
Hyundai Energy Solution	120.8	4.3	3.6%	122.9	5.0	4.1%	73.3	2.2	3.0%

1) 1Q 2020 and 4Q 2019 operating results are summation for QoQ and YoY comparisons.

2) Before : Hyundai Vinashin Shipyard



### 3-1. Analysis on Separate Financials of Major Subsidiaries

(Unit : Bil. KRW)

Categories	1Q 2020 Financial Results						Comments (QoQ)
	Sales			Operating Profit			
1)KSOE & HHI	1,861.4	2,710.7	2,240.1	23.9	188.9	52.9	<p>Sales declined mainly due to decreased volume in naval shipbuilding and absence of previous quarter's one-off effect in offshore.</p> <p>Despite profitability improvement in shipbuilding, operating profit decreased due to absence of previous quarter's one-off gain in offshore.</p>
	'19.1Q	'19.4Q	'20.1Q	'19.1Q	'19.4Q	'20.1Q	
Hyundai Samho Heavy Industries	772.7	923.7	1,051.5	-9.1	-47.9	40.6	<p>Sales increased due to Won depreciation and increased high priced vessel mix such as LNGC and D/F equipped vessels.</p> <p>Profitability improvement due to Won depreciation, write-back of steel plate price provision, and positive operational leverage.</p>
	'19.1Q	'19.4Q	'20.1Q	'19.1Q	'19.4Q	'20.1Q	

Note 1 : 1Q 2020 and 4Q 2019 operating results are summation for QoQ and YoY comparisons.

### 3-1. Analysis on Separate Financials of Major Subsidiaries

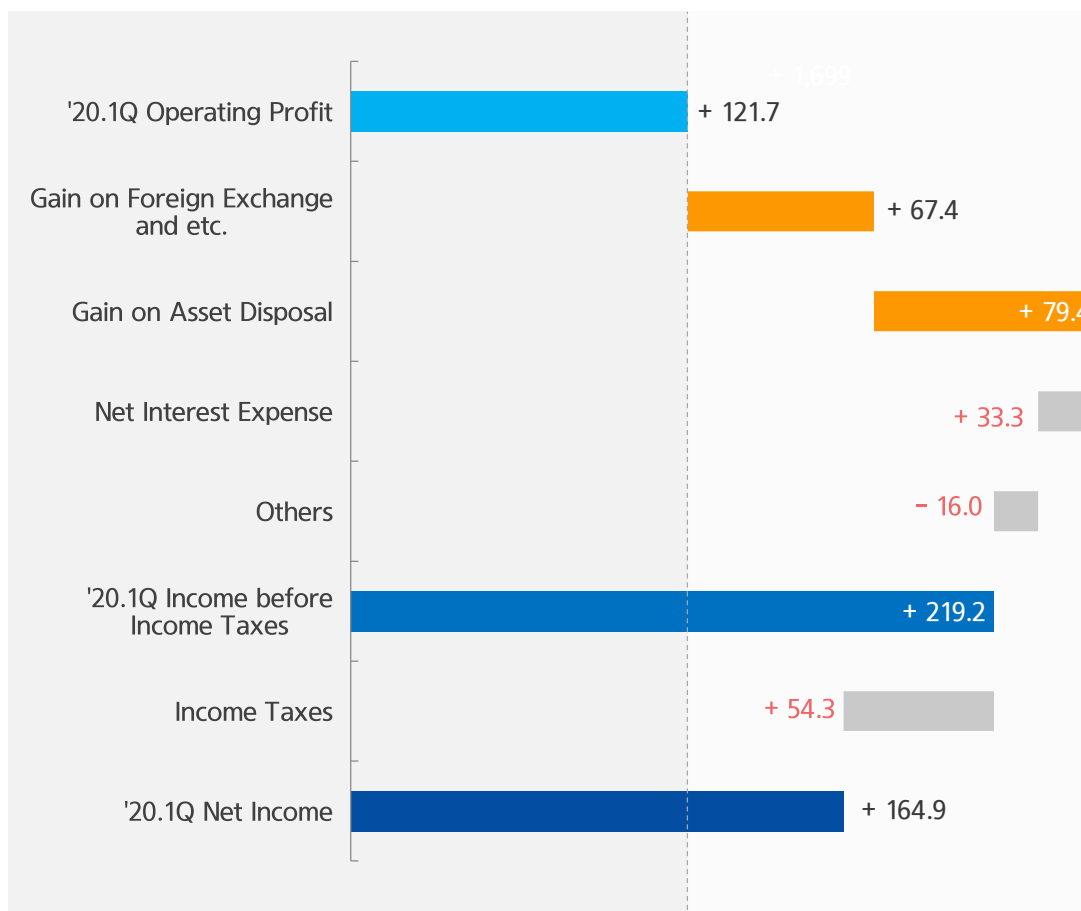
(Unit : Bil. KRW)

	1Q 2020 Financial Results		Comments (QoQ)													
	Sales	Operating Profit														
Hyundai Mipo Dockyard	<table border="1"> <caption>Hyundai Mipo Dockyard Financial Data</caption> <thead> <tr> <th>Quarter</th> <th>Sales</th> <th>Operating Profit</th> </tr> </thead> <tbody> <tr> <td>'19.1Q</td> <td>701.8</td> <td>13.8</td> </tr> <tr> <td>'19.4Q</td> <td>726.1</td> <td>-1.9</td> </tr> <tr> <td>'20.1Q</td> <td>778.1</td> <td>30.1</td> </tr> </tbody> </table>		Quarter	Sales	Operating Profit	'19.1Q	701.8	13.8	'19.4Q	726.1	-1.9	'20.1Q	778.1	30.1	Sales (+7.2%)	▲ Sales increased due to Won depreciation and increased work volume.
	Quarter	Sales	Operating Profit													
'19.1Q	701.8	13.8														
'19.4Q	726.1	-1.9														
'20.1Q	778.1	30.1														
			Operating Profit (Profit Turnaround)	▲ Profitability improved due to Won depreciation, write-back on steel plate price provision, absence of provisions on new orders, and positive operational leverage.												
Hyundai Vietnam Shipyard	<table border="1"> <caption>Hyundai Vietnam Shipyard Financial Data</caption> <thead> <tr> <th>Quarter</th> <th>Sales</th> <th>Operating Profit</th> </tr> </thead> <tbody> <tr> <td>'19.1Q</td> <td>130.1</td> <td>12.1</td> </tr> <tr> <td>'19.4Q</td> <td>129.5</td> <td>5.4</td> </tr> <tr> <td>'20.1Q</td> <td>147.6</td> <td>2.8</td> </tr> </tbody> </table>		Quarter	Sales	Operating Profit	'19.1Q	130.1	12.1	'19.4Q	129.5	5.4	'20.1Q	147.6	2.8	Sales (+14.0%)	▲ Bigger revenue recognition due to Won depreciation and increased work volume.
	Quarter	Sales	Operating Profit													
'19.1Q	130.1	12.1														
'19.4Q	129.5	5.4														
'20.1Q	147.6	2.8														
			Operating Profit (-48.1%)	▼ Despite increased sales, profitability deteriorated due to mix shift towards less lucrative bulk carriers.												

## 4. Consolidated Non-operating Profit and Net Income

### 1Q 2020 Non-operating Profit and Net Income

(Unit : Bil. KRW)



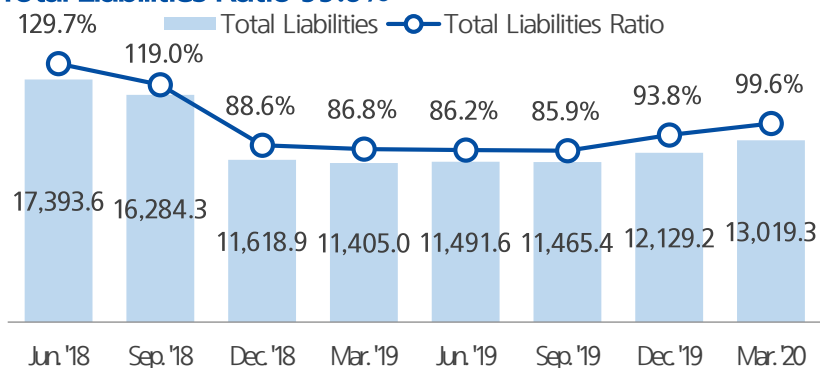
- Details
  - Gain on FX and others : 67.4 Bil. KRW
  - Gain on Asset Disposal : 79.4 Bil. KRW
  - Net Interest Expense : 33.3 Bil. KRW
  - Others : -16.0 Bil. KRW

- Controlling Interest : 135.5 Bil. KRW

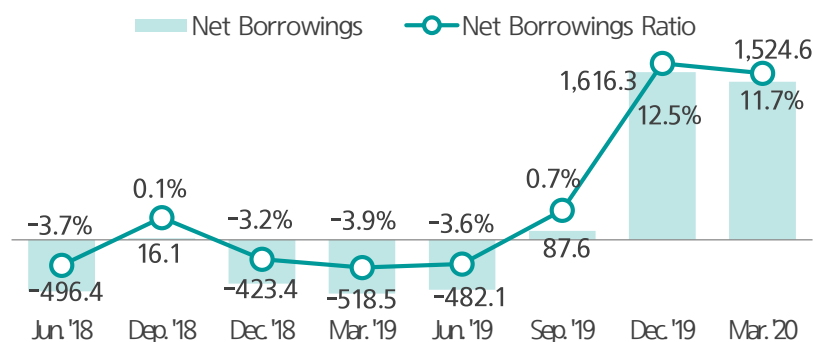
# 5. Financial Ratios

## Consolidated Financial Ratios

- **Total Liabilities Ratio 99.6%** (Unit : Bil. KRW)



- **Net Borrowings Ratio 11.7%** (Unit : Bil. KRW)



## Separate Financial Ratios (as of Mar 31, 2020)

(Unit : Bil. KRW)

Categories	Total Liabilities (Total Liabilities Ratio)	Net Borrowings (Ratio)
Korea Shipbuilding & Offshore Engineering	246.6 Bil. KRW (2.3%)	-1,262.0 Bil. KRW(*) (-11.5%)
Hyundai Heavy Industries	8,967.1 Bil. KRW (159.5%)	2,470.6 Bil. KRW (43.9%)
Hyundai Samho Heavy Industries	2,711.8 Bil. KRW (137.6%)	575.2 Bil. KRW (29.2%)
Hyundai Mipo Dockyard	1,133.6 Bil. KRW (48.3%)	-372.5 Bil. KRW(*) (-15.9%)

(\*) Cash and cash equivalents including short-term investments exceed borrowings

Note 1 : Cash and cash equivalents include short-term investments

[Appendix]

## Condensed Financial Statements

1. Korea Shipbuilding & Offshore Engineering (Consolidated)
2. Hyundai Mipo Dockyard (Consolidated)
3. Hyundai Heavy Industries (Consolidated)
4. Hyundai Samho Heavy Industries (Separate)

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# 1. Korea Shipbuilding & Offshore Engineering

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## Consolidated Income Statement

(Unit : Bil. KRW)

	1Q20	QoQ	YoY	4Q19	1Q19
Sales	3,944.6	-9.2%	20.4%	4,342.0	3,275.0
Cost of Sales	3,654.6	-7.7%	15.4%	3,961.1	3,167.9
Gross Profit	290.0	-23.9%	170.8%	380.9	107.1
Operating Profit	121.7	-28.4%	251.7%	169.9	34.6
OPM(%)	3.1	-0.8p	+2.0p	3.9	1.1
Non-operating Income	97.5	-	-	-175.4	-7.2
EBIT	219.2	-	-	-5.5	27.4
Income Taxes	54.3	-	-	20.7	10.1
Net Income	164.9	Profit Turnaround	853.2%	-26.2	17.3

Note 1 : K-IFRS Consolidated Financial Statements Basis

## Consolidated Statement of Financial Positions

(Unit : Bil. KRW)

	As of Mar. 31 2020	As of Dec. 31 2019	As of Dec. 31 2018
Current Assets	13,575.9	12,546.0	12,316.7
(Cash & Cash Equivalents)	4,162.5	2,225.1	3,041.8
(Disposal group held for distribution)	6.0	211.6	376.5
Non-current Assets	12,517.3	12,509.4	12,413.2
<b>Total Assets</b>	<b>26,093.2</b>	<b>25,055.4</b>	<b>24,729.9</b>
Current Liabilities	9,884.9	8,942.0	9,410.2
(Short-term borrowings)	3,734.5	2,811.3	2,858.8
(Liabilities associated with disposal group held for distribution)	0	0	0
Non-current Liabilities	3,134.4	3,187.1	2,208.7
(Long-term borrowings)	2,430.9	2,510.3	1,041.6
<b>Total Liabilities</b>	<b>13,019.3</b>	<b>12,129.1</b>	<b>11,618.9</b>
Common stock	353.9	353.9	353.9
Others	-5,019.2	-4,967.6	-4,515.3
Retained Earnings	16,356.0	16,180.6	16,043.7
Non-controlling interests	1,383.3	1,359.4	1,228.7
<b>Total Equity</b>	<b>13,073.9</b>	<b>12,926.3</b>	<b>13,111.0</b>

Note 1 : K-IFRS Consolidated Financial Statements Basis

## 2. Hyundai Mipo Dockyard

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### Consolidated Income Statement

(Unit : Bil. KRW)

	1Q20			4Q19	1Q19
		QoQ	YoY		
Sales	777.3	7.0%	10.3%	726.2	705.0
Cost of Sales	722.1	5.8%	9.9%	682.6	656.9
Gross Profit	55.2	26.6%	14.8%	43.6	48.1
Operating Profit	33.6	211.1%	28.2%	10.8	26.2
OPM(%)	4.3	+2.8p	+0.6p	1.5	3.7
Non-operating Income	19.9	-	-	-11.6	2.9
EBIT	53.5	-	-	-0.8	29.1
Income Taxes	12.4	-	-	5.3	5.2
Net Income	41.1	Profit Turnaround	72.0%	-6.1	23.9

Note 1 : K-IFRS Consolidated Financial Statements Basis

### Consolidated Statement of Financial Positions

(Unit : Bil. KRW)

	As of Mar. 31 2020	As of Dec. 31 2019	As of Dec. 31 2018
Current Assets	1,842.1	1,744.8	1,801.3
(Cash & Cash Equivalents)	528.5	331.6	280.5
(Disposal group held for distribution)	0	0	0
Non-current Assets	1,643.8	1,635.8	1,662.4
<b>Total Assets</b>	<b>3,485.9</b>	<b>3,380.6</b>	<b>3,463.7</b>
Current Liabilities	1,064.0	1,001.6	1,076.4
(Short-term borrowings)	280.5	229.8	283.0
(Liabilities associated with disposal group held for distribution)	0	0	0
Non-current Liabilities	36.3	25.0	70.1
(Long-term borrowings)	0	0	0
<b>Total Liabilities</b>	<b>1,100.3</b>	<b>1,026.6</b>	<b>1,146.5</b>
Common stock	199.7	199.7	199.7
Others	276.6	274.2	273.1
Retained Earnings	1,870.7	1,843.6	1,816.8
Non-controlling interests	38.6	36.5	27.6
<b>Total Equity</b>	<b>2,385.6</b>	<b>2,354.0</b>	<b>2,317.2</b>

Note 1 : K-IFRS Consolidated Financial Statements Basis

### 3. Hyundai Heavy Industries

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#### Consolidated Income Statement

(Unit : Bil. KRW)

	1Q20	QoQ	YoY	4Q19	Jun. 2019
Sales	2,178.6	-18.6%	-	2,675.7	738.4
Cost of Sales	2,033.1	-12.5%	-	2,323.8	769.4
Gross Profit	145.5	-58.7%	-	351.9	-31.0
Operating Profit	31.2	-85.0%	-	207.7	-57.1
OPM(%)	1.4	-6.4p	-	7.8	-7.7
Non-operating Income	-21.2	-	-	-161.2	-38.4
EBIT	10.0	-	-	46.5	-95.5
Income Taxes	3.8	-	-	25.9	-25.6
Net Income	6.2	-69.9%	-	20.6	-69.9

Note 1 : K-IFRS Consolidated Financial Statements Basis

#### Consolidated Statement of Financial Positions

(Unit : Bil. KRW)

	As of Mar. 31 2020	As of Dec. 31 2019	As of Jun. 1 2019
Current Assets	7,797.6	7,085.2	7,415.1
(Cash & Cash Equivalents)	1,872.1	993.6	1,198.9
(Disposal group held for distribution)	0.7	5.0	4.4
Non-current Assets	6,791.9	6,784.3	6,800.8
<b>Total Assets</b>	<b>14,589.5</b>	<b>13,869.5</b>	<b>14,215.9</b>
Current Liabilities	6,733.3	5,914.3	5,782.0
(Short-term borrowings)	2,766.7	2,020.4	1,830.8
(Liabilities associated with disposal group held for distribution)	0	0	0
Non-current Liabilities	2,233.8	2,332.3	2,273.5
(Long-term borrowings)	1,755.3	1,881.9	1,454.1
<b>Total Liabilities</b>	<b>8,967.1</b>	<b>8,246.6</b>	<b>8,055.5</b>
Common stock	353.9	353.9	353.9
Others	5,367.3	5,373.9	5,806.5
Retained Earnings	-98.8	-104.9	0
Non-controlling interests	0	0	0
<b>Total Equity</b>	<b>5,622.4</b>	<b>5,622.9</b>	<b>6,160.4</b>

Note 1 : K-IFRS Consolidated Financial Statements Basis



## 4. Hyundai Samho Heavy Industries

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### Separate Income Statement

(Unit : Bil. KRW)

	1Q20			4Q19	1Q19
		QoQ	YoY		
Sales	1,051.5	13.8%	36.1%	923.7	772.7
Cost of Sales	977.6	4.5%	31.4%	935.6	744.1
Gross Profit	73.9	Profit Turnaround	158.4%	-11.9	28.6
Operating Profit	40.6	Profit Turnaround	Profit Turnaround	-47.9	-9.1
OPM(%)	3.9	+9.1p	+5.1p	-5.2	-1.2
Non-operating Income	16.4	-	-	-1.5	5.6
EBIT	57.0	-	-	-49.4	-3.5
Income Taxes	12.7	-	-	-9.0	-1.2
Net Income	44.3	Profit Turnaround	Profit Turnaround	-40.4	-2.3

Note 1 : K-IFRS Consolidated Financial Statements Basis

### Separate Statement of Financial Positions

(Unit : Bil. KRW)

	As of Mar. 31 2020	As of Dec. 31 2019	As of Dec. 31 2018
Current Assets	2,546.8	2,191.1	1,920.7
(Cash & Cash Equivalents)	446.1	133.1	296.2
(Disposal group held for distribution)	0	0	0
Non-current Assets	2,136.1	2,123.4	2,105.3
<b>Total Assets</b>	<b>4,682.9</b>	<b>4,314.5</b>	<b>4,026.0</b>
Current Liabilities	2,167.1	1,890.6	1,976.4
(Short-term borrowings)	650.8	531.6	601.8
(Liabilities associated with disposal group held for distribution)	0	0	0
Non-current Liabilities	544.7	491.4	112.8
(Long-term borrowings)	397.5	358.8	9.3
<b>Total Liabilities</b>	<b>2,711.8</b>	<b>2,382.0</b>	<b>2,089.1</b>
Common stock	153.4	153.4	153.4
Others	-534.8	-534.2	-532.5
Retained Earnings	2,352.5	2,313.3	2,316.0
Non-controlling interests	0	0	0
<b>Total Equity</b>	<b>1,971.1</b>	<b>1,932.5</b>	<b>1,936.9</b>

Note 1 : K-IFRS Consolidated Financial Statements Basis

The background features a complex geometric pattern of thin, light gray lines that create a sense of depth and perspective, resembling a tunnel or a series of overlapping spheres. In the center, a larger sphere is rendered with a grid of small, light gray dots, giving it a textured, three-dimensional appearance. The overall color palette is monochromatic, consisting of various shades of gray and white, with a solid dark teal horizontal bar at the bottom.

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이 종목의 더 많은 IR정보 [확인하기](#)

**IR GO** 주주와 기업을 연결하고 응원합니다.