

Fourth-Quarter 2015 Results

February 4, 2016



Recent Highlights

✓ Delivered strong consolidated 4Q results

4Q15

- Sales of 1,430 billion KRW
- Operating profit of 76 billion KRW (OP margin: 5.3%)
- Net profit of 39 billion KRW

FY 2015

- Sales of 5,297 billion KRW
- Operating profit of 264 billion KRW (OP margin: 5.0%)
- Net profit of 132 billion KRW

✓ Business fundamentals have strengthened

- Continued leadership position in China region
- Record new business wins and re-wins in 2015 (11 trillion KRW)

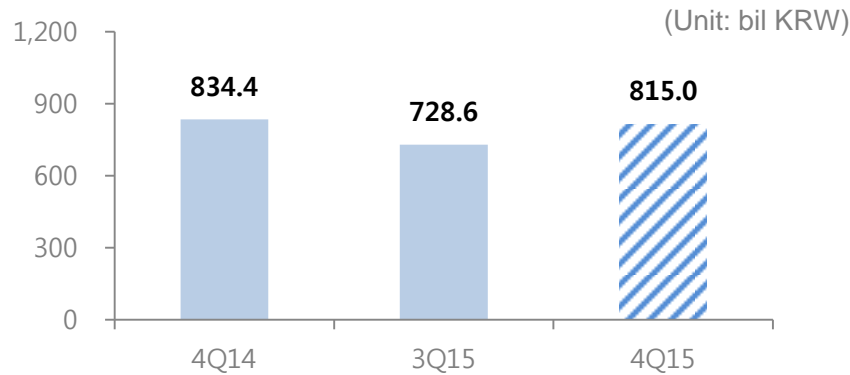
✓ Continue to reinforce shareholder friendly policy

- Provide 4,800 KRW/share dividend payout for FY15 as announced
- Maintain more than 25% dividend payout policy for 2016 and beyond

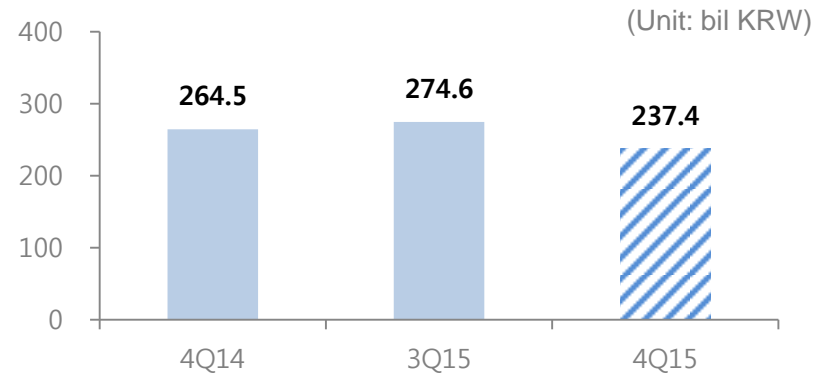
Greater earnings stability - Meet market consensus three quarters in a row

4Q Sales by Regions

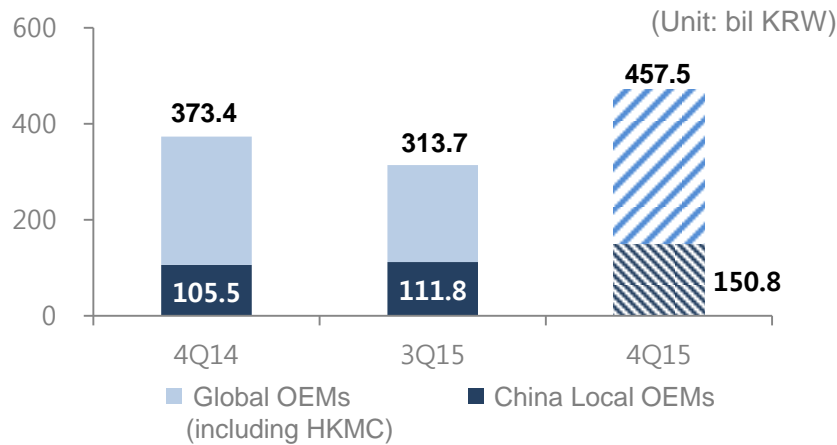
Korea



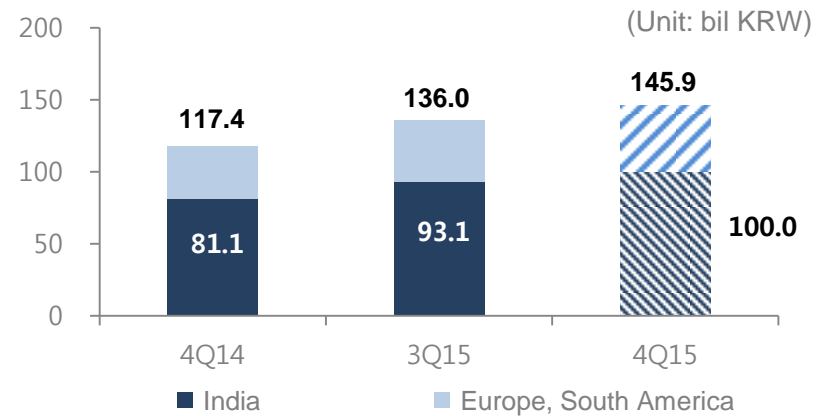
US



China

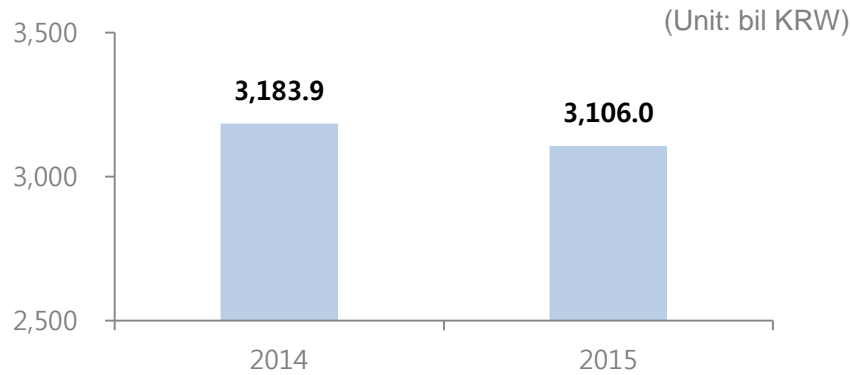


Others

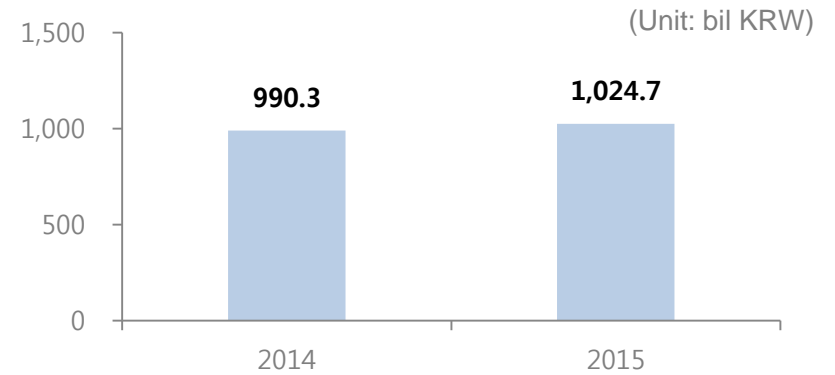


2015 Sales by Regions

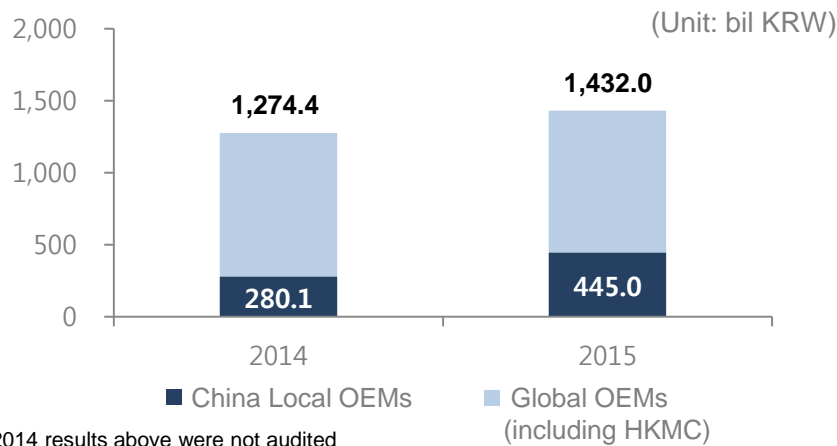
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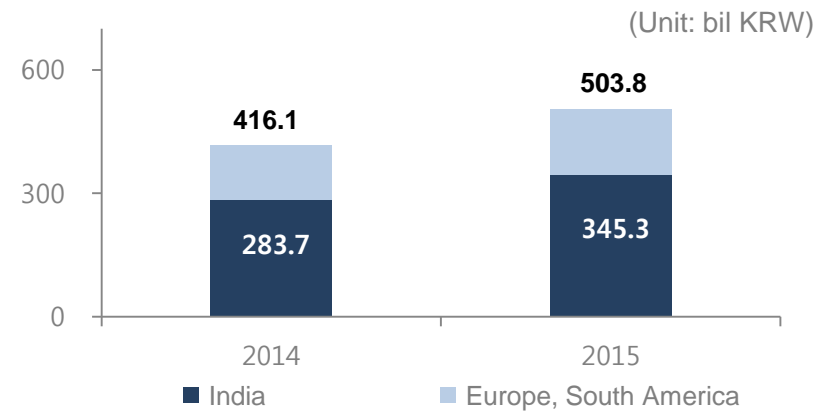
US



China



Others



※ 2014 results above were not audited

Sales growth driven by China and India

FY 2016 Guidance and Key Areas of Focus

2016 Guidance

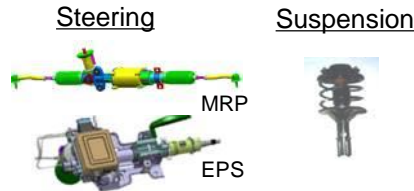
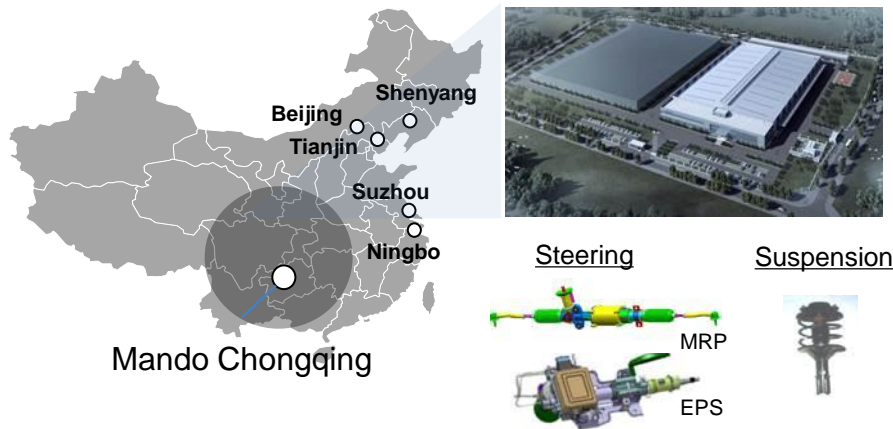
	Guidance	YoY
Sales	5.5 trillion KRW	3.8% up

Key areas of focus

- ✓ Focus on free cash flow management
- ✓ Further diversify customer portfolio
 - 2016 new business wins target of 8 trillion KRW
- ✓ Demonstrate technology leadership and build up a track record
 - Secure new business wins with innovative products, e.g. IDB(integrated dynamic brake), Gen3 EPS

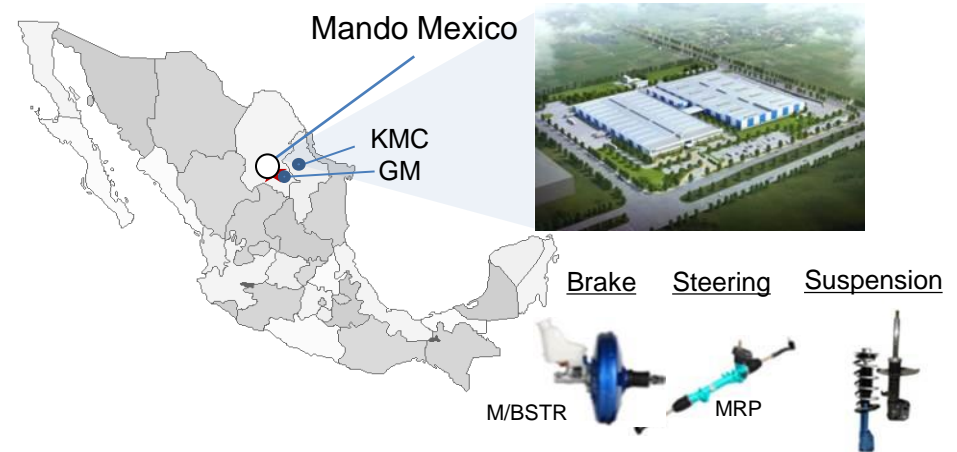
Expansion of Global Manufacturing Footprint

Chongqing in China



- Optimize manufacturing footprint in China
- Meet inland demand and save logistics costs
- 100% ownership
- Products: Steering, Suspension
- Capex: Total 66 billion KRW
- SOP: March, 2017

Saltillo in Mexico



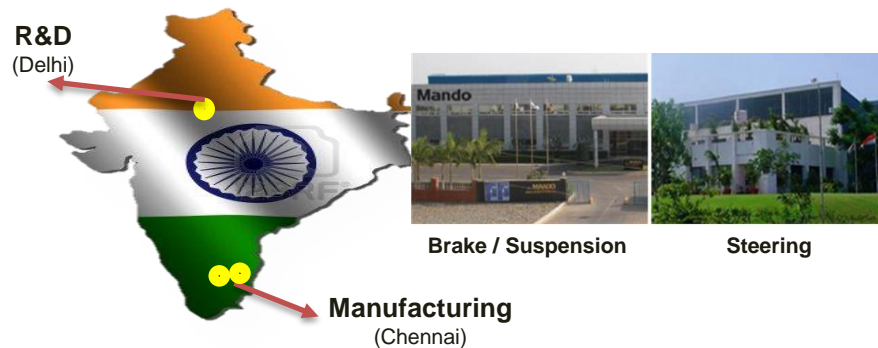
- Serve as a sourcing hub for North America region
- Optimize cost structure and enhance competitiveness
- 100% ownership
- Products: Brake, Steering, Suspension
- Capex: Total 100 billion KRW
- SOP: January, 2017

Further optimize global footprint, cost structure, and lead times

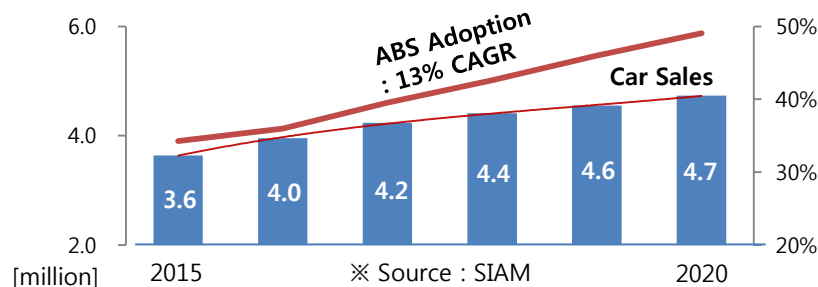
Mando in India

Mando in India Overview

- 2015 sales of 345 billion KRW
- Key customers: Hyundai, Renault/Nissan, GM, Ford, Tata, Mahindra
- 2 manufacturing and 1 R&D center

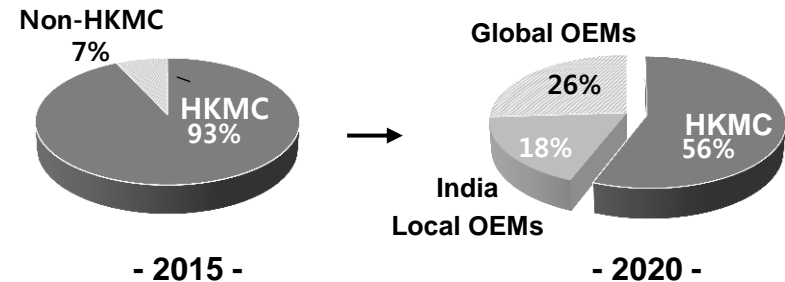


- ABS adoption rate in India

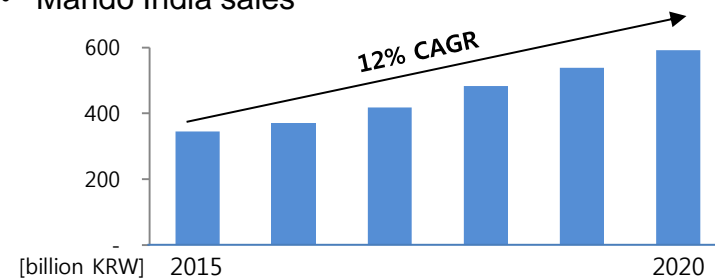


Growth Drivers

- Customer diversification





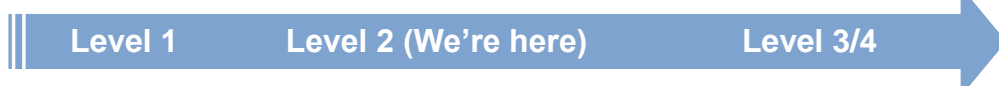
- Accelerate localization efforts and improve cost efficiency
 - 68% in 2015 to 87% in 2020
- Expand electronics products (ABS/ESC, EPS)
- Reinforce S/W & application engineering with R&D center
- Strengthen risk management for F/X loss
- Mando India sales



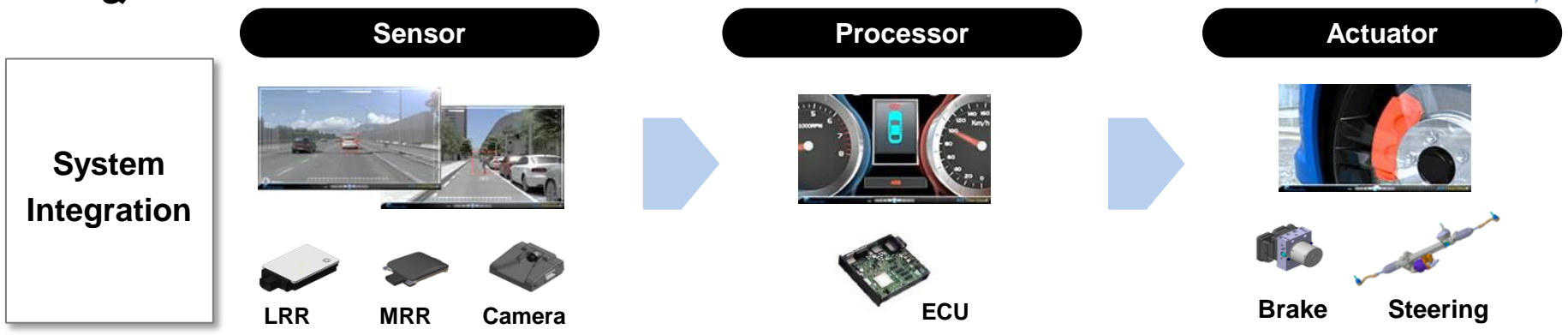
Enhance competitive position in India through balanced portfolio (customer, product)

Mando's ADAS solutions

ADAS Solutions		 GENESIS	 EQ900	Mid-term	Long-term
	AEB Autonomous Emergency Braking	★	★	★	★
LKAS Lane Keeping Assist System	★	★	★	★	
SCC Smart Cruise Control	★	★	★	★	
HDA Highway Driving Assist			★	★	Highly Automated Driving
Driver Attention Alert			★	★	
TJA Traffic Jam Assist			★	★	



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Mando is transforming the ADAS experience

Strategic Imperatives

- ✓ Strengthen cash cow business - pursue global No. 1 market share of brake caliper
- ✓ Expand electronic products including ADAS and EV related solutions
- ✓ Diversify customer portfolio and expand product offerings
- ✓ Accelerate growth in China and India region
- ✓ Further develop cost competitiveness and product quality leadership

Drive growth through customer diversification and electronic product expansion

Appendix

Consolidated Statements of Income, 4Q15

(Unit: bil KRW)

Description	4Q15	3Q15	FY 2015	QoQ		4Q14	YoY	
				Amount	%		Amount	%
Sales	1429.6	1,278.1	5,297.4	+151.6	+11.9%	1,326.1	+103.5	+7.8%
Operating Profit	75.8	63.0	264.0	+12.8	+20.3%	56.4	+19.4	+34.3%
(%)	5.3%	4.9%	5.0%	+0.4%P		4.3%	+1.0%P	
Pre-tax Profit	61.9	42.3	202.3	+19.6	+46.3%	39.2	+22.6	+57.7%
(%)	4.3%	3.3%	3.8%	+1.0%P		3.0%	+1.4%P	
Net Income	39.1	26.4	131.6	+12.7	+48.2%	33.2	+5.9	+17.7%
(%)	2.7%	2.1%	2.5%	+0.7%P		2.5%	+0.2%P	

Consolidated Statements of Financial Position, 4Q15

(Unit: bil KRW)

Description	4Q15	3Q15	Change
Asset	4,159.7	4,026.6	+133.1
(Cash)	199.8	190.2	+9.6
Liability	2,791.9	2,659.8	+132.1
(Debt)	1,237.2	1,241.8	-4.6
Equity	1,367.8	1,366.8	+1.0
(Capital)	47.0	47.0	-
L/E ratio	204.1%	194.6%	+9.5%P
D/E ratio	90.5%	90.9%	-0.4%P

※ L/E ratio & D/E ratio: Liability to Equity & Debt to Equity

Disclaimer

The 4Q 2015 results of Mando corporation are prepared on a consolidated basis in accordance with IFRS.

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