



# 1Q'19 Earnings Release

May 2019

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- YoY

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- YoY

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# I . Summary of 1Q' 19 Earnings (YoY)

(Unit: B KRW, M CNH, B VND, M RUB)

Classification		(Currency)	1Q.'19	1Q.'18	B/W	%	Note
Korea	Sales	-	178.0	177.6	0.4	0.2%	. Market O Nature & etc 4.8, Pie 1.3, Chocolate -2.5, Snack -2.3, Biscuit -1.9, Candy etc 0.6
	O.P	-	23.2	24.0	-0.7	-3.1%	. G.P ↑0.9(Contribution M 54%), SG&A ↑1.6(Delivery ↑1.0, AD ↑0.6)
China	Sales	(KRW)	251.2	266.3	-15.0	-5.6%	. Candy 2.2, Biscuit 2.1, Gum -1.4, Pie -6.8, Snack -11.1
		(Local)	1,509	1,580	-71	-4.5%	. FX(KRW/CNH) ↓1.2%
	O.P	(KRW)	40.7	48.9	-8.2	-16.9%	. G.P ↓6.8(Contribution M 48%), SG&A ↑1.4(A&P ↑0.8, Delivery ↑0.7)
		(Local)	244	290	-46	-15.8%	. O.P(%) : 18.4% →16.2%, ↓2.2%p
Vietnam	Sales	(KRW)	56.7	67.4	-10.7	-15.8%	. Snack 1.0, Biscuit -2.9, Pie -9.3, Gum etc 0.5
		(Local)	1,170	1,428	-258	-18.1%	. FX(KRW/VND) ↑2.8%
	O.P	(KRW)	8.0	17.1	-9.1	-53.2%	. G.P ↓7.2(Contribution M 49%), SG&A ↑1.9(A&P ↑1.9)
		(Local)	165	363	-197	-54.4%	. O.P(%) : 25.4% →14.3%, ↓11.1%p
Russia	Sales	(KRW)	14.9	10.8	4.0	37.1%	. Pie 3.9, Biscuit 0.1
		(Local)	872	575	296	51.5%	. FX(KRW/RUB) ↓9.5%
	O.P	(KRW)	1.7	0.4	1.2	287.5%	. G.P ↑1.3(Contribution 41%), SG&A (-)
		(Local)	98	23	75	328.1%	. O.P(%) : 4.0% →11.2%, ↑7.2%p
ORION	Sales	-	497.6	516.3	-18.7	-3.6%	. 1Q'19 Elimination of internal transaction revenue such as royalty fee 3.2
Cont'd	O.P	-	77.3	93.6	-16.3	-17.4%	. 1Q'19 Net sales of inventory asset 3.7

## II. Summary of 1Q'19 Income Statement (YoY)

(Unit: Wbn)

Classification	1Q'19	1Q'18	B/W (%)	Note
<b>Sales</b>	<b>497.6</b>	<b>516.3</b>	<b>-3.6%</b>	. Korea(0.4), China(-15.0), Vietnam(-10.7), Russia(4.0)
C.O.G.S	272.8	280.3	-2.7%	
(%)	54.8%	54.3%	0.5% p	. Rise of COGS of Vietnam
G.P	224.8	236.0	-4.7%	
(%)	45.2%	45.7%	-0.5% p	
SG&A	147.5	142.4	3.6%	. A&P( ↑3.4), Delivery( ↑2.2)
(%)	29.6%	27.6%	2.1% p	
<b>O.P</b>	<b>77.3</b>	<b>93.6</b>	<b>-17.4%</b>	
<b>(%)</b>	<b>15.5%</b>	<b>18.1%</b>	<b>-2.6%p</b>	
Other Income	2.0	0.9	116.9%	. Miscellaneous profit( ↑0.9)
Other Expense	0.3	3.8	-93.5%	. Losses on disposition of tangible asset & etc in 1Q18
Net Other Income	1.7	-2.9	-158.4%	
Finance Income	4.2	3.5	20.8%	. Gains on FX( ↑0.4), Gains on FX translation( ↑0.5)
Finance Expense	4.2	6.3	-34.4%	. Interest Expenses( ↓1.3), Losses on FX( ↓0.1), Losses on FX translation( ↓0.7)
Net Finance Income	0.1	-2.8	-102.9%	
Equity Method Income	-0.0	-0.3	-88.2%	
<b>R.P</b>	<b>79.1</b>	<b>87.5</b>	<b>-9.7%</b>	
Corporate Tax	26.2	20.0	31.0%	. Corporate Tax rate 24.0% excluding deferred corporate tax(7.2)
<b>Continued operations N.P</b>	<b>52.9</b>	<b>67.5</b>	<b>-21.7%</b>	
<b>(%)</b>	<b>10.6%</b>	<b>13.1%</b>	<b>-2.5%p</b>	
Discontinued operations N.P	0.0	0.0	-	
<b>N.P</b>	<b>52.9</b>	<b>67.5</b>	<b>-21.7%</b>	
<b>(%)</b>	<b>10.6%</b>	<b>13.1%</b>	<b>-2.5% p</b>	
<b>N.P (ex. minority interest)</b>	<b>51.3</b>	<b>65.9</b>	<b>-22.2%</b>	
<b>(%)</b>	<b>10.3%</b>	<b>12.8%</b>	<b>-2.5%p</b>	

### Ⅲ. Sales breakdown/Income Statement by Country (Korea Sales)

(Unit: Wbn)

Category	1Q'19	1Q'18	1Q B/W	1Q Growth(%)	1Q Portion	Note (1Q Growth Brand)
Snack	54.9	57.3	(2.3)	-4.1%	33.5%	
Biscuit	41.8	43.7	(1.9)	-4.4%	25.5%	
Pie	35.8	34.5	1.3	3.7%	21.8%	Fresh cream pie
Chocolate	6.0	8.5	(2.5)	-29.7%	3.7%	
Gum	4.7	4.6	0.2	4.0%	2.9%	Sour gum
Candy	15.6	15.1	0.5	3.6%	9.5%	Sour gelly, Sour candy
Others	5.1	0.3	4.8	1580.6%	3.1%	Market O nature etc
<b>Domestic Confectionary Sales</b>	<b>164.0</b>	<b>164.0</b>	<b>0.0</b>	<b>0.0%</b>	<b>100.0%</b>	
Exports	6.7	7.3	(0.5)	-7.5%		
F&B(restaurant)	2.9	2.1	0.8	40.5%		

# Ⅲ. Sales breakdown/Income Statement by Country (Korea I.S)

(Unit: M KRW)

Classification	1Q.'19	1Q.'18	(%)	4Q.'18	(%)	1Q.'16	(%)	Note(1Q)
<b>Sales</b>	<b>177,992</b>	<b>177,618</b>	<b>0.2%</b>	<b>183,824</b>	<b>-3.2%</b>	<b>173,839</b>	<b>2.4%</b>	
COGS	94,037	94,520	-0.5%	96,501	-2.6%	91,134	3.2%	Efficiency of Manufacturing Cost
(%)	52.8%	53.2%	-0.4%p	52.5%	0.3%p	52.4%	0.4%p	
G.P	83,954	83,098	1.0%	87,322	-3.9%	82,705	1.5%	
(%)	47.2%	46.8%	0.4%p	47.5%	-0.3%p	47.6%	-0.4%p	
SG&A	60,708	59,109	2.7%	62,987	-3.6%	58,839	3.2%	
(%)	34.1%	33.3%	0.8%p	34.3%	-0.2%p	33.8%	0.3%p	
- Salaries	21,405	21,999	-2.7%	22,061	-3.0%	20,501	4.4%	
(%)	12.0%	12.4%	-0.4%p	12.0%	0.0%p	11.8%	0.2%p	
- A&M	3,616	3,022	19.7%	6,008	-39.8%	4,372	-17.3%	
(%)	2.0%	1.7%	0.3%p	3.3%	-1.2%p	2.5%	-0.5%p	
. Advertising(ATL)	3,569	2,979	19.8%	5,974	-40.3%	4,372	-18.4%	. Advertisement of new products
(%)	2.0%	1.7%	0.3%p	3.2%	-1.2%p	2.5%	-0.5%p	
. Promotion(BTL)	47	43	10.4%	34	39.1%	0	-	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.0%	0.0%p	
- Delivery	6,477	5,526	17.2%	6,111	6.0%	4,889	32.5%	. Renewing logistics company contract
(%)	3.6%	3.1%	0.5%p	3.3%	0.3%p	2.8%	0.8%p	
- Depreciation	1,798	2,007	-10.4%	1,804	-0.3%	2,679	-32.9%	
(%)	1.0%	1.1%	-0.1%p	1.0%	0.0%p	1.5%	-0.5%p	
- Amortization	466	382	22.0%	409	13.9%	335	39.2%	
(%)	0.3%	0.2%	0.0%p	0.2%	0.0%p	0.2%	0.1%p	
- Others	26,946	26,172	3.0%	26,595	1.3%	26,063	3.4%	
(%)	15.1%	14.7%	0.4%p	14.5%	0.7%p	15.0%	0.1%p	
<b>O.P</b>	<b>23,246</b>	<b>23,989</b>	<b>-3.1%</b>	<b>24,335</b>	<b>-4.5%</b>	<b>23,866</b>	<b>-2.6%</b>	
<b>(%)</b>	<b>13.1%</b>	<b>13.5%</b>	<b>-0.4%p</b>	<b>13.2%</b>	<b>-0.2%p</b>	<b>13.7%</b>	<b>-0.7%p</b>	
Other Income	1,022	536	90.6%	8,519	-88.0%	2,241	-54.4%	. Miscellaneous profit
(%)	0.6%	0.3%	0.3%p	4.6%	-4.1%p	1.3%	-0.7%p	
Other Expense	102	1,129	-90.9%	1,234	-91.7%	18,325	-99.4%	. Losses on disposition of tangible asset in 1Q18
(%)	0.1%	0.6%	-0.6%p	0.7%	-0.6%p	10.5%	-10.5%p	
Finance Income	678	386	75.9%	809	-16.1%	2,171	-68.8%	
(%)	0.4%	0.2%	0.2%p	0.4%	-0.1%p	1.2%	-0.9%p	
Finance Expense	2,204	2,313	-4.7%	2,182	1.0%	3,757	-41.3%	
(%)	1.2%	1.3%	-0.1%p	1.2%	0.1%p	2.2%	-0.9%p	
R.P	22,640	21,470	5.5%	30,247	-25.1%	6,196	265.4%	
(%)	12.7%	12.1%	0.6%p	16.5%	-3.7%p	3.6%	9.2%p	
Income tax	5,730	5,443	5.3%	7,007	-18.2%	2,816	103.5%	
(%)	3.2%	3.1%	0.2%p	3.8%	-0.6%p	1.6%	1.6%p	
<b>N.P</b>	<b>16,910</b>	<b>16,027</b>	<b>5.5%</b>	<b>23,240</b>	<b>-27.2%</b>	<b>3,380</b>	<b>400.3%</b>	
<b>(%)</b>	<b>9.5%</b>	<b>9.0%</b>	<b>0.5%p</b>	<b>12.6%</b>	<b>-3.1%p</b>	<b>1.9%</b>	<b>7.6%p</b>	

\* 4Q16 Sales & Expenses → No application of IFRS article 15 influence

### Ⅲ. Sales breakdown/Income Statement by Country (China Sales)

(Unit: 100M KRW)

Category	1Q'19	1Q'18	1Q B/W	1Q Growth(%)	1Q Portion	Note (1Q Growth Brand)
Pie	931	999	-68	-6.8%	37.0%	
Gum	129	143	-14	-9.8%	5.1%	
Candy	40	19	22	117.3%	1.6%	. My-gumi
Biscuit	473	452	21	4.7%	18.8%	. Choco-boy
Snack	939	1,050	-111	-10.6%	37.4%	
<b>Total</b>	<b>2,512</b>	<b>2,663</b>	<b>-150</b>	<b>-5.6%</b>	<b>100.0%</b>	

(Unit: 100M CNH)

Category	1Q'19	1Q'18	1Q B/W	1Q Growth(%)	1Q Portion	Note (1Q Growth Brand)
Pie	5.59	5.92	-0.34	-5.7%	37.0%	
Gum	0.78	0.85	-0.07	-8.7%	5.1%	
Candy	0.24	0.11	0.13	119.9%	1.6%	
Biscuit	2.84	2.68	0.16	6.0%	18.8%	
Snack	5.64	6.23	-0.59	-9.5%	37.4%	
<b>Total</b>	<b>15.09</b>	<b>15.80</b>	<b>-0.71</b>	<b>-4.5%</b>	<b>100.0%</b>	. 1Q'19 FX(KRW/CNH): 1.2% Depreciation

	1Q'19	1Q'18	1Q Growth(%)
F/X	166.51	168.56	-1.2%

# Ⅲ. Sales breakdown/Income Statement by Country (China I.S-KRW)

(Unit: M KRW)

Classification	1Q '19	1Q '18	(%)	4Q '18	(%)	1Q '16	(%)	Note(1Q)
<b>Sales</b>	<b>251,242</b>	<b>266,259</b>	<b>-5.6%</b>	<b>220,110</b>	<b>14.1%</b>	<b>378,382</b>	<b>-33.6%</b>	. Timing difference of new year holiday season
COGS	139,833	148,045	-5.5%	110,887	26.1%	178,574	-21.7%	
(%)	55.7%	55.6%	0.1%p	50.4%	5.3%p	47.2%	8.5%p	
G.P	111,410	118,215	-5.8%	109,223	2.0%	199,808	-44.2%	
(%)	44.3%	44.4%	-0.1%p	49.6%	-5.3%p	52.8%	-8.5%p	
SG&A	70,728	69,284	2.1%	76,323	-7.3%	131,702	-46.3%	
(%)	28.2%	26.0%	2.1%p	34.7%	-6.5%p	34.8%	-6.7%p	
- Salaries	23,337	22,839	2.2%	28,409	-17.9%	31,094	-24.9%	. Salary base increase in '19
(%)	9.3%	8.6%	0.7%p	12.9%	-3.6%p	8.2%	1.1%p	
- A&M	7,812	6,950	12.4%	12,604	-38.0%	49,055	-84.1%	
(%)	3.1%	2.6%	0.5%p	5.7%	-2.6%p	13.0%	-9.9%p	
. Advertising(ATL)	5,133	3,026	69.6%	10,290	-50.1%	21,741	-76.4%	. Advertisement of new products
(%)	2.0%	1.1%	0.9%p	4.7%	-2.6%p	5.7%	-3.7%p	
. Promotion(BTL)	2,679	3,923	-31.7%	2,315	15.7%	27,314	-90.2%	. Efficiency of product promotion cost
(%)	1.1%	1.5%	-0.4%p	1.1%	0.0%p	7.2%	-6.2%p	
- Delivery	12,843	12,128	5.9%	12,039	6.7%	19,294	-33.4%	. Period difference of new year holiday season
(%)	5.1%	4.6%	0.6%p	5.5%	-0.4%p	5.1%	0.0%p	
- Depreciation	1,335	1,471	-9.3%	1,325	0.7%	1,830	-27.1%	
(%)	0.5%	0.6%	0.0%p	0.6%	-0.1%p	0.5%	0.0%p	
- Amortization	298	284	4.6%	296	0.5%	310	-4.0%	
(%)	0.1%	0.1%	0.0%p	0.1%	0.0%p	0.1%	0.0%p	
- Others	25,103	25,613	-2.0%	21,650	15.9%	30,119	-16.7%	. Payment fee others etc
(%)	10.0%	9.6%	0.4%p	9.8%	0.2%p	8.0%	2.0%p	
<b>O.P</b>	<b>40,682</b>	<b>48,931</b>	<b>-16.9%</b>	<b>32,900</b>	<b>23.7%</b>	<b>68,106</b>	<b>-40.3%</b>	
<b>(%)</b>	<b>16.2%</b>	<b>18.4%</b>	<b>-2.2%p</b>	<b>14.9%</b>	<b>1.2%p</b>	<b>18.0%</b>	<b>-1.8%p</b>	
Other Income	730	283	157.8%	36	1946.1%	604	20.9%	. Miscellaneous profit
(%)	0.3%	0.1%	0.2%p	0.0%	0.3%p	0.2%	0.1%p	
Other Expense	61	4,186	-98.5%	1,008	-93.9%	3,272	-98.1%	. Losses on disposition of tangible asset in 1Q18 etc
(%)	0.0%	1.6%	-1.5%p	0.5%	-0.4%p	0.9%	-0.8%p	
Finance Income	4,397	4,174	5.3%	111,339	-96.1%	2,936	49.7%	
(%)	1.7%	1.6%	0.2%p	50.6%	-48.8%p	0.8%	1.0%p	
Finance Expense	2,983	5,840	-48.9%	2,953	1.0%	1,371	117.6%	. Interest expenses & decrease of Losses on
(%)	1.2%	2.2%	-1.0%p	1.3%	-0.2%p	0.4%	0.8%p	FX translation etc
R.P	42,765	43,362	-1.4%	140,313	-69.5%	67,004	-36.2%	
(%)	17.0%	16.3%	0.7%p	63.7%	-46.7%p	17.7%	-0.7%p	
Income tax	12,707	12,650	0.5%	10,196	24.6%	17,124	-25.8%	
(%)	5.1%	4.8%	0.3%p	4.6%	0.4%p	4.5%	0.5%p	
<b>N.P</b>	<b>30,058</b>	<b>30,712</b>	<b>-2.1%</b>	<b>130,117</b>	<b>-76.9%</b>	<b>49,879</b>	<b>-39.7%</b>	
<b>(%)</b>	<b>12.0%</b>	<b>11.5%</b>	<b>0.4%p</b>	<b>59.1%</b>	<b>-47.2%p</b>	<b>13.2%</b>	<b>-1.2%p</b>	

\* 4Q16 Sales & Expenses → No application of IFRS article 15 influence



# III. Sales breakdown/Income Statement by Country (China I.S-CNH)

(Unit: M CNH)

Classification	1Q'19	1Q'18	(%)	4Q'18	(%)	1Q'16	(%)	Note(1Q)
<b>Sales</b>	<b>1,509</b>	<b>1,580</b>	<b>-4.5%</b>	<b>1,353</b>	<b>11.5%</b>	<b>2,066</b>	<b>-27.0%</b>	1Q'19 FX(KRW/CNH): 1.2% depreciation
COGS	840	878	-4.4%	683	22.9%	975	-13.9%	
(%)	55.7%	55.6%	0.1%p	50.5%	5.2%p	47.2%	8.5%p	
G.P	669	701	-4.6%	670	-0.2%	1,091	-38.7%	
(%)	44.3%	44.4%	-0.1%p	49.5%	-5.2%p	52.8%	-8.5%p	
SG&A	425	411	3.3%	468	-9.2%	719	-40.9%	
(%)	28.2%	26.0%	2.1%p	34.6%	-6.4%p	34.8%	-6.7%p	
- Salaries	140	135	3.4%	174	-19.3%	170	-17.4%	
(%)	9.3%	8.6%	0.7%p	12.8%	-3.5%p	8.2%	1.1%p	
- A&M	47	41	13.8%	77	-39.0%	268	-82.5%	
(%)	3.1%	2.6%	0.5%p	5.7%	-2.6%p	13.0%	-9.9%p	
- Advertising(ATL)	31	18	71.7%	63	-50.7%	119	-74.0%	
(%)	2.0%	1.1%	0.9%p	4.6%	-2.6%p	5.7%	-3.7%p	
- Promotion(BTL)	16	23	-30.9%	14	12.1%	149	-89.2%	
(%)	1.1%	1.5%	-0.4%p	1.1%	0.0%p	7.2%	-6.2%p	
- Delivery	77	72	7.2%	74	4.4%	105	-26.8%	
(%)	5.1%	4.6%	0.6%p	5.5%	-0.3%p	5.1%	0.0%p	
- Depreciation	8	9	-8.1%	8	-1.7%	10	-19.8%	
(%)	0.5%	0.6%	0.0%p	0.6%	-0.1%p	0.5%	0.0%p	
- Amortization	2	2	5.9%	2	-1.5%	2	5.6%	
(%)	0.1%	0.1%	0.0%p	0.1%	0.0%p	0.1%	0.0%p	
- Others	151	152	-0.8%	133	13.0%	164	-8.3%	
(%)	10.0%	9.6%	0.4%p	9.9%	0.1%p	8.0%	2.0%p	
<b>O.P</b>	<b>244</b>	<b>290</b>	<b>-15.8%</b>	<b>202</b>	<b>20.7%</b>	<b>372</b>	<b>-34.3%</b>	
(%)	<b>16.2%</b>	<b>18.4%</b>	<b>-2.2%p</b>	<b>15.0%</b>	<b>1.2%p</b>	<b>18.0%</b>	<b>-1.8%p</b>	
Other Income	4	2	161.0%	0	1648.4%	3	33.0%	
(%)	0.3%	0.1%	0.2%p	0.0%	0.3%p	0.2%	0.1%p	
Other Expense	0	25	-98.5%	6	-94.1%	18	-97.9%	
(%)	0.0%	1.6%	-1.5%p	0.5%	-0.4%p	0.9%	-0.8%p	
Finance Income	26	25	6.6%	669	-96.1%	16	64.7%	
(%)	1.7%	1.6%	0.2%p	49.5%	-47.7%p	0.8%	1.0%p	
Finance Expense	18	35	-48.3%	18	-3.0%	7	139.3%	
(%)	1.2%	2.2%	-1.0%p	1.4%	-0.2%p	0.4%	0.8%p	
R.P	257	257	-0.2%	847	-69.7%	366	-29.8%	
(%)	17.0%	16.3%	0.7%p	62.6%	-45.6%p	17.7%	-0.7%p	
Income tax	76	75	1.7%	64	20.1%	93	-18.4%	
(%)	5.1%	4.8%	0.3%p	4.7%	0.4%p	4.5%	0.5%p	
<b>N.P</b>	<b>181</b>	<b>182</b>	<b>-0.9%</b>	<b>784</b>	<b>-77.0%</b>	<b>272</b>	<b>-33.7%</b>	
(%)	<b>12.0%</b>	<b>11.5%</b>	<b>0.4%p</b>	<b>57.9%</b>	<b>-46.0%p</b>	<b>13.2%</b>	<b>-1.2%p</b>	

\* 4Q16 Sales & Expenses → No application of IFRS article 15 influence

### III. Sales breakdown/Income Statement by Country (Vietnam Sales)

(Unit: 100M KRW)

Category	1Q'19	1Q'18	1Q B/W	1Q Growth(%)	1Q Portion	Note (1Q Growth Brand)
Pie	253	345	-93	-26.8%	48.5%	
Gum	24	19	5	27.4%	4.6%	. Xylitol gum
Biscuit	92	121	-29	-23.7%	17.7%	
Snack	153	142	10	7.3%	29.3%	. Toonies
<b>Total</b>	<b>521</b>	<b>627</b>	<b>-106</b>	<b>-16.9%</b>	<b>100.0%</b>	

(Unit: 100M VND)

Category	1Q'19	1Q'18	1Q B/W	1Q Growth(%)	1Q Portion	Note (1Q Growth Brand)
Pie	5,210	7,315	-2,106	-28.8%	48.5%	
Gum	491	396	95	24.0%	4.6%	
Biscuit	1,899	2,557	-658	-25.7%	17.7%	
Snack	3,145	3,013	132	4.4%	29.3%	
<b>Total</b>	<b>10,745</b>	<b>13,282</b>	<b>-2,537</b>	<b>-19.1%</b>	<b>100.0%</b>	. 1Q19 FX(KRW/VND): 2.8% Appreciator

	1Q'19	1Q'18	1Q Growth(%)
F/X	0.0485	0.0472	2.8%

# III. Sales breakdown/Income Statement by Country (Vietnam I.S-KRW)

(Unit: M KRW)

Classification	1Q'19	1Q'18	(%)	4Q'18	(%)	1Q'16	(%)	Note(1Q)
<b>Sales</b>	<b>56,734</b>	<b>67,394</b>	<b>-15.8%</b>	<b>69,821</b>	<b>-18.7%</b>	<b>58,860</b>	<b>-3.6%</b>	. Timing difference of new year holiday season
COGS	32,607	36,101	-9.7%	37,347	-12.7%	31,199	4.5%	
(%)	57.5%	53.6%	3.9%p	53.5%	4.0%p	53.0%	4.5%p	
G.P	24,127	31,293	-22.9%	32,474	-25.7%	27,662	-12.8%	
(%)	42.5%	46.4%	-3.9%p	46.5%	-4.0%p	47.0%	-4.5%p	
SG&A	16,110	14,181	13.6%	18,923	-14.9%	16,313	-1.2%	
(%)	28.4%	21.0%	7.4%p	27.1%	1.3%p	27.7%	0.7%p	
- Salaries	7,330	7,211	1.6%	7,477	-2.0%	8,811	-16.8%	
(%)	12.9%	10.7%	2.2%p	10.7%	2.2%p	15.0%	-2.0%p	
- A&M	3,798	1,927	97.1%	5,824	-34.8%	2,643	43.7%	
(%)	6.7%	2.9%	3.8%p	8.3%	-1.6%p	4.5%	2.2%p	
. Advertising(ATL)	2,331	1,038	124.7%	3,363	-30.7%	726	221.1%	. Advertisement of Pie & Snack products
(%)	4.1%	1.5%	2.6%p	4.8%	-0.7%p	1.2%	2.9%p	
. Promotion(BTL)	1,467	889	64.9%	2,461	-40.4%	1,916	-23.5%	. Product In-pack promotion etc
(%)	2.6%	1.3%	1.3%p	3.5%	-0.9%p	3.3%	-0.7%p	
- Delivery	1,589	1,164	36.6%	1,489	6.7%	830	91.5%	. Renewing logistics company contract
(%)	2.8%	1.7%	1.1%p	2.1%	0.7%p	1.4%	1.4%p	
- Depreciation	121	123	-1.4%	119	1.8%	125	-3.4%	
(%)	0.2%	0.2%	0.0%p	0.2%	0.0%p	0.2%	0.0%p	
- Amortization	0	0	-	0	-	0	-	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.0%	0.0%p	
- Others	3,272	3,757	-12.9%	4,014	-18.5%	3,904	-16.2%	
(%)	5.8%	5.6%	0.2%p	5.7%	0.0%p	6.6%	-0.9%p	
<b>O.P</b>	<b>8,017</b>	<b>17,112</b>	<b>-53.2%</b>	<b>13,551</b>	<b>-40.8%</b>	<b>11,349</b>	<b>-29.4%</b>	
(%)	<b>14.1%</b>	<b>25.4%</b>	<b>-11.3%p</b>	<b>19.4%</b>	<b>-5.3%p</b>	<b>19.3%</b>	<b>-5.2%p</b>	
Other Income	148	38	286.5%	162	-8.8%	69	113.4%	. Gains on FX, Gains on tangible asset etc
(%)	0.3%	0.1%	0.2%p	0.2%	0.0%p	0.1%	0.1%p	
Other Expense	34	14	135.3%	44	-22.4%	35	-2.1%	
(%)	0.1%	0.0%	0.0%p	0.1%	0.0%p	0.1%	0.0%p	
Finance Income	759	717	6.0%	699	8.6%	517	46.8%	
(%)	1.3%	1.1%	0.3%p	1.0%	0.3%p	0.9%	0.5%p	
Finance Expense	23	0	-	0	-	212	-89.0%	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.4%	-0.3%p	
R.P	8,867	17,853	-50.3%	14,369	-38.3%	11,689	-24.1%	
(%)	15.6%	26.5%	-10.9%p	20.6%	-5.0%p	19.9%	-4.2%p	
Income tax	1,653	1,007	64.1%	4,877	-66.1%	1,155	43.1%	
(%)	2.9%	1.5%	1.4%p	7.0%	-4.1%p	2.0%	1.0%p	
<b>N.P</b>	<b>7,214</b>	<b>16,845</b>	<b>-57.2%</b>	<b>9,492</b>	<b>-24.0%</b>	<b>10,534</b>	<b>-31.5%</b>	
(%)	<b>12.7%</b>	<b>25.0%</b>	<b>-12.3%p</b>	<b>13.6%</b>	<b>-0.9%p</b>	<b>17.9%</b>	<b>-5.2%p</b>	

\* 4Q16 Sales & Expenses → No application of IFRS article 15 influence

# III. Sales breakdown/Income Statement by Country (Vietnam I.S-VND)

(Unit: B VND)

Classification	1Q'19	1Q'18	(%)	4Q'18	(%)	1Q'16	(%)	Note(1Q)
<b>Sales</b>	<b>1,170</b>	<b>1,428</b>	<b>-18.1%</b>	<b>1,446</b>	<b>-19.1%</b>	<b>1,094</b>	<b>6.9%</b>	1Q'19 FX(KRW/VND): 2.8% appreciation
COGS	672	765	-12.1%	773	-13.0%	580	15.9%	
(%)	57.5%	53.6%	3.9%p	53.5%	4.0%p	53.0%	4.5%p	
G.P	497	663	-25.0%	673	-26.1%	514	-3.2%	
(%)	42.5%	46.4%	-3.9%p	46.5%	-4.0%p	47.0%	-4.5%p	
SG&A	332	300	10.6%	392	-15.3%	303	9.5%	
(%)	28.4%	21.0%	7.4%p	27.1%	1.3%p	27.7%	0.7%p	
- Salaries	151	153	-1.1%	155	-2.2%	164	-7.7%	
(%)	12.9%	10.7%	2.2%p	10.7%	2.2%p	15.0%	-2.0%p	
- A&M	78	41	91.8%	121	-35.3%	49	59.4%	
(%)	6.7%	2.9%	3.8%p	8.4%	-1.7%p	4.5%	2.2%p	
. Advertising(ATL)	48	22	118.7%	70	-31.2%	13	256.2%	
(%)	4.1%	1.5%	2.6%p	4.8%	-0.7%p	1.2%	2.9%p	
. Promotion(BTL)	30	19	60.5%	51	-41.0%	36	-15.1%	
(%)	2.6%	1.3%	1.3%p	3.5%	-1.0%p	3.3%	-0.7%p	
- Delivery	33	25	32.9%	31	6.1%	15	112.4%	
(%)	2.8%	1.7%	1.1%p	2.1%	0.7%p	1.4%	1.4%p	
- Depreciation	2	3	-4.0%	2	1.6%	2	7.1%	
(%)	0.2%	0.2%	0.0%p	0.2%	0.0%p	0.2%	0.0%p	
- Amortization	0	0	-	0	-	0	-	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.0%	0.0%p	
- Others	67	80	-15.2%	83	-18.8%	73	-7.0%	
(%)	5.8%	5.6%	0.2%p	5.7%	0.0%p	6.6%	-0.9%p	
<b>O.P</b>	<b>165</b>	<b>363</b>	<b>-54.4%</b>	<b>281</b>	<b>-41.2%</b>	<b>211</b>	<b>-21.6%</b>	
(%)	<b>14.1%</b>	<b>25.4%</b>	<b>-11.3%p</b>	<b>19.4%</b>	<b>-5.3%p</b>	<b>19.3%</b>	<b>-5.2%p</b>	
Other Income	3	1	276.2%	3	-8.8%	1	136.7%	
(%)	0.3%	0.1%	0.2%p	0.2%	0.0%p	0.1%	0.1%p	
Other Expense	1	0	128.9%	1	-22.5%	1	8.5%	
(%)	0.1%	0.0%	0.0%p	0.1%	0.0%p	0.1%	0.0%p	
Finance Income	16	15	3.1%	14	8.5%	10	62.8%	
(%)	1.3%	1.1%	0.3%p	1.0%	0.3%p	0.9%	0.5%p	
Finance Expense	0	0	-	0	-	4	-87.8%	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.4%	-0.3%p	
R.P	183	378	-51.7%	298	-38.6%	217	-15.9%	
(%)	15.6%	26.5%	-10.9%p	20.6%	-5.0%p	19.9%	-4.2%p	
Income tax	34	21	59.7%	102	-66.5%	21	58.7%	
(%)	2.9%	1.5%	1.4%p	7.0%	-4.1%p	2.0%	1.0%p	
<b>N.P</b>	<b>149</b>	<b>357</b>	<b>-58.3%</b>	<b>196</b>	<b>-24.2%</b>	<b>196</b>	<b>-24.0%</b>	
(%)	<b>12.7%</b>	<b>25.0%</b>	<b>-12.3%p</b>	<b>13.6%</b>	<b>-0.8%p</b>	<b>17.9%</b>	<b>-5.2%p</b>	

\* 4Q16 Sales & Expenses → No application of IFRS article 15 influence

### Ⅲ. Sales breakdown/Income Statement by Country (Russia Sales)

(Unit: 100M KRW)

Category	1Q'19	1Q'18	1Q B/W	1Q Growth(%)	1Q Portion	Note (1Q Growth Brand)
Pie	125	85	39	46.3%	83.8%	. Choco-pie
Biscuit	24	23	1	3.4%	16.2%	. Choco-boy
<b>Total</b>	<b>149</b>	<b>108</b>	<b>40</b>	<b>37.1%</b>	<b>100.0%</b>	

(Unit: M RUB)

Category	1Q'19	1Q'18	1Q B/W	1Q Growth(%)	1Q Portion	Note (1Q Growth Brand)
Pie	731	452	279	61.7%	83.8%	
Biscuit	141	123	18	14.2%	16.2%	
<b>Total</b>	<b>872</b>	<b>575</b>	<b>296</b>	<b>51.5%</b>	<b>100.0%</b>	. 1Q'19 FX(KRW/RUB): 9.5% Depreciation

	1Q'19	1Q'18	1Q Growth(%)
F/X	0.1706	0.1885	-9.5%

# III. Sales breakdown/Income Statement by Country (Russia I.S-KRW)

(Unit: M KRW)

Classification	1Q'19	1Q'18	(%)	4Q'18	(%)	1Q'16	(%)	Note(1Q)
<b>Sales</b>	<b>14,874</b>	<b>10,847</b>	<b>37.1%</b>	<b>22,092</b>	<b>-32.7%</b>	<b>13,668</b>	<b>8.8%</b>	Sales Dealer restructuring in 1H'18
COGS	10,223	7,473	36.8%	14,762	-30.7%	9,304	9.9%	
(%)	68.7%	68.9%	-0.2%p	66.8%	1.9%p	68.1%	0.7%p	
G.P	4,650	3,373	37.9%	7,330	-36.6%	4,364	6.6%	
(%)	31.3%	31.1%	0.2%p	33.2%	-1.9%p	31.9%	-0.7%p	
SG&A	2,982	2,942	1.4%	4,066	-26.7%	3,033	-1.7%	
(%)	20.1%	27.1%	-7.1%p	18.4%	1.6%p	22.2%	-2.1%p	
- Salaries	1,026	1,226	-16.4%	1,020	0.5%	1,277	-19.7%	Workforce efficiency
(%)	6.9%	11.3%	-4.4%p	4.6%	2.3%p	9.3%	-2.4%p	
- A&M	51	18	191.7%	75	-31.9%	397	-87.1%	
(%)	0.3%	0.2%	0.2%p	0.3%	0.0%p	2.9%	-2.6%p	
. Advertising(ATL)	51	18	191.7%	75	-31.9%	397	-87.1%	
(%)	0.3%	0.2%	0.2%p	0.3%	0.0%p	2.9%	-2.6%p	
. Promotion(BTL)	0	0	-	0	-	0	-	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.0%	0.0%p	
- Delivery	793	641	23.7%	1,194	-33.5%	676	17.4%	Sales Increase
(%)	5.3%	5.9%	-0.6%p	5.4%	-0.1%p	4.9%	0.4%p	
- Depreciation	72	54	33.7%	69	5.0%	48	49.1%	
(%)	0.5%	0.5%	0.0%p	0.3%	0.2%p	0.4%	0.1%p	
- Amortization	1	0	-	1	-0.5%	1	-24.4%	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.0%	0.0%p	
- Others	1,039	1,003	3.5%	1,707	-39.1%	634	63.9%	
(%)	7.0%	9.2%	-2.3%p	7.7%	-0.7%p	4.6%	2.3%p	
<b>O.P</b>	<b>1,668</b>	<b>431</b>	<b>287.5%</b>	<b>3,264</b>	<b>-48.9%</b>	<b>1,331</b>	<b>25.4%</b>	
<b>(%)</b>	<b>11.2%</b>	<b>4.0%</b>	<b>7.2%p</b>	<b>14.8%</b>	<b>-3.6%p</b>	<b>9.7%</b>	<b>1.5%p</b>	
Other Income	57	45	25.8%	133	-57.3%	380	-85.0%	
(%)	0.4%	0.4%	0.0%p	0.6%	-0.2%p	2.8%	-2.4%p	
Other Expense	45	42	7.8%	39	16.8%	311	-85.4%	
(%)	0.3%	0.4%	-0.1%p	0.2%	0.1%p	2.3%	-2.0%p	
Finance Income	122	278	-56.2%	80	52.0%	2,544	-95.2%	
(%)	0.8%	2.6%	-1.7%p	0.4%	0.5%p	18.6%	-17.8%p	
Finance Expense	110	211	-47.8%	-5	-2450.2%	2,288	-95.2%	
(%)	0.7%	1.9%	-1.2%p	0.0%	0.8%p	16.7%	-16.0%p	
R.P	1,692	501	237.5%	3,444	-50.9%	1,656	2.1%	
(%)	11.4%	4.6%	6.8%p	15.6%	-4.2%p	12.1%	-0.7%p	
Income tax	344	99	246.5%	709	-51.4%	247	39.6%	
(%)	2.3%	0.9%	1.4%p	3.2%	-0.9%p	1.8%	0.5%p	
<b>N.P</b>	<b>1,347</b>	<b>402</b>	<b>235.3%</b>	<b>2,735</b>	<b>-50.7%</b>	<b>1,409</b>	<b>-4.4%</b>	
<b>(%)</b>	<b>9.1%</b>	<b>3.7%</b>	<b>5.4%p</b>	<b>12.4%</b>	<b>-3.3%p</b>	<b>10.3%</b>	<b>-1.3%p</b>	

\* 4Q16 Sales & Expenses → No application of IFRS article 15 influence

# III. Sales breakdown/Income Statement by Country (Russia I.S-RUB)

(Unit: M RUB)

Classification	1Q'19	1Q'18	(%)	4Q'18	(%)	1Q'16	(%)	Note(1Q)
<b>Sales</b>	<b>872</b>	<b>575</b>	<b>51.5%</b>	<b>1,286</b>	<b>-32.2%</b>	<b>845</b>	<b>3.1%</b>	1Q'19 FX(KRW/RUB): 9.5% depreciation
COGS	599	396	51.1%	859	-30.3%	575	4.2%	
(%)	68.7%	68.9%	-0.2%p	66.8%	1.9%p	68.1%	0.7%p	
G.P	273	179	52.3%	427	-36.1%	270	1.0%	
(%)	31.3%	31.1%	0.2%p	33.2%	-1.9%p	31.9%	-0.7%p	
SG&A	175	156	12.0%	238	-26.5%	188	-6.8%	
(%)	20.1%	27.1%	-7.1%p	18.5%	1.6%p	22.2%	-2.1%p	
- Salaries	60	65	-7.6%	60	-0.4%	79	-23.8%	
(%)	6.9%	11.3%	-4.4%p	4.7%	2.2%p	9.3%	-2.4%p	
- A&M	3	1	222.3%	4	-31.2%	25	-87.8%	
(%)	0.3%	0.2%	0.2%p	0.3%	0.0%p	2.9%	-2.6%p	
. Advertising(ATL)	3	1	222.3%	4	-31.2%	25	-87.8%	
(%)	0.3%	0.2%	0.2%p	0.3%	0.0%p	2.9%	-2.6%p	
. Promotion(BTL)	0	0	-	0	-	0	-	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.0%	0.0%p	
- Delivery	47	34	36.7%	70	-33.1%	42	11.3%	
(%)	5.3%	5.9%	-0.6%p	5.4%	-0.1%p	4.9%	0.4%p	
- Depreciation	4	3	47.7%	4	4.6%	3	41.4%	
(%)	0.5%	0.5%	0.0%p	0.3%	0.2%p	0.4%	0.1%p	
- Amortization	0	0	-	0	0.0%	0	-28.4%	
(%)	0.0%	0.0%	0.0%p	0.0%	0.0%p	0.0%	0.0%p	
- Others	61	53	14.4%	99	-38.7%	39	55.3%	
(%)	7.0%	9.2%	-2.3%p	7.7%	-0.7%p	4.6%	2.3%p	
<b>O.P</b>	<b>98</b>	<b>23</b>	<b>328.1%</b>	<b>189</b>	<b>-48.2%</b>	<b>82</b>	<b>18.8%</b>	
<b>(%)</b>	<b>11.2%</b>	<b>4.0%</b>	<b>7.2%p</b>	<b>14.7%</b>	<b>-3.5%p</b>	<b>9.7%</b>	<b>1.5%p</b>	
Other Income	3	2	39.0%	8	-56.5%	24	-85.8%	
(%)	0.4%	0.4%	0.0%p	0.6%	-0.2%p	2.8%	-2.4%p	
Other Expense	3	2	19.2%	2	14.1%	19	-86.2%	
(%)	0.3%	0.4%	-0.1%p	0.2%	0.1%p	2.3%	-2.0%p	
Finance Income	7	15	-51.6%	5	48.7%	157	-95.5%	
(%)	0.8%	2.6%	-1.7%p	0.4%	0.4%p	18.6%	-17.8%p	
Finance Expense	6	11	-42.3%	0	606794.2%	142	-95.4%	
(%)	0.7%	1.9%	-1.2%p	0.0%	0.7%p	16.7%	-16.0%p	
R.P	99	27	272.9%	199	-50.2%	102	-3.2%	
(%)	11.4%	4.6%	6.8%p	15.5%	-4.1%p	12.1%	-0.7%p	
Income tax	20	5	282.9%	41	-50.8%	15	32.3%	
(%)	2.3%	0.9%	1.4%p	3.2%	-0.9%p	1.8%	0.5%p	
<b>N.P</b>	<b>79</b>	<b>21</b>	<b>270.5%</b>	<b>158</b>	<b>-50.1%</b>	<b>87</b>	<b>-9.4%</b>	
<b>(%)</b>	<b>9.1%</b>	<b>3.7%</b>	<b>5.4%p</b>	<b>12.3%</b>	<b>-3.2%p</b>	<b>10.3%</b>	<b>-1.3%p</b>	

\* 4Q16 Sales & Expenses → No application of IFRS article 15 influence

# IV. Appendix (Performance by Corporation)

## ■ 1Q.2019 Results for Key Affiliates

(Unit: Wbn)

Classification	Revenue			O.P		
	1Q'19	1Q'18	yoy	1Q'19	1Q'18	yoy
Orion	178.0	177.6	0.2%	23.2	24.0	-3.1%
OFC(China)	251.2	266.3	-5.6%	33.8	37.2	-9.2%
OAC(China)	0.0	0.0	—	-0.2	-0.3	—
OFS(China)	30.5	37.2	-17.9%	2.6	4.7	-44.1%
OFG(China)	22.6	29.4	-23.0%	3.1	5.3	-42.1%
OFSY(China)	14.9	18.6	-20.1%	1.5	2.8	-48.5%
OBC(China)	2.2	1.1	88.5%	0.0	-0.2	—
China I-Pak	3.6	1.1	233.5%	-0.1	-0.5	—
Pan Orion(China)	0.0	0.0	—	-0.0	-0.1	—
OFV(Vietnam)	56.7	67.4	-15.8%	8.0	17.1	-53.2%
OIE(Russia)	14.9	10.8	37.1%	1.7	0.4	287.5%
Total	—	—	—	73.6	90.5	-18.6%

<b>ORION Consolidated</b>	<b>497.6</b>	<b>516.3</b>	<b>-3.6%</b>	<b>77.3</b>	<b>93.6</b>	<b>-17.4%</b>
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## ■ 1Q.2019 Revenue & O.P Breakdown for Confectionary Business

Classification	Revenue			Revenue (Local currency)		
	1Q'19	1Q'18	yoy	1Q'19	1Q'18	yoy
Korea(domestic)	164.0	164.0	0.0%	—	—	—
China	251.2	266.3	-5.6%	1,509	1,580	-4.5% (MRMB)
Vietnam(domestic)	52.1	62.7	-16.9%	1,075	1,328	-19.1% (BVND)
Russia	14.9	10.8	37.1%	872	575	51.5% (MRUB)
Others	12.4	12.8	-3.3%	—	—	—
<b>Total</b>	<b>494.6</b>	<b>516.6</b>	<b>-4.3%</b>	<b>—</b>	<b>—</b>	<b>—</b>

Domestic Contribution	33.2%	31.7%	1.4%p
Overseas Contribution	66.8%	68.3%	-1.4%p

Classification	O.P			O.P (%)		
	1Q'19	1Q'18	yoy	1Q'19	1Q'18	yoy
Korea	23.2	24.0	-3.1%	13.1%	13.5%	-0.4%p
China	40.7	48.9	-16.9%	16.2%	18.4%	-2.2%p
Vietnam	8.0	17.1	-53.2%	14.1%	25.4%	-11.3%p
Russia	1.7	0.4	287.5%	11.2%	4.0%	7.2%p
<b>Total</b>	<b>73.6</b>	<b>90.5</b>	<b>-18.6%</b>	<b>14.9%</b>	<b>17.5%</b>	<b>-2.6%p</b>



