

# YR22 Earnings & YR23 Outlook

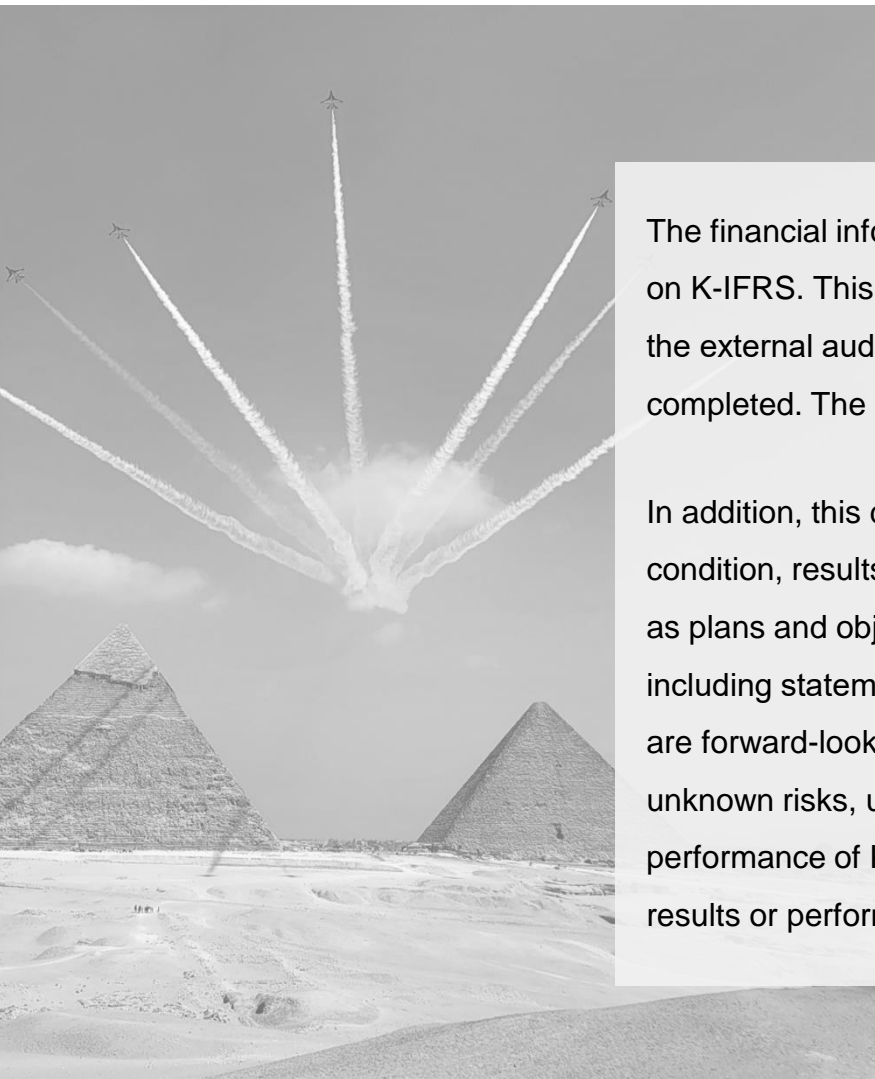
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Korea Aerospace Industries, Ltd.

Finance & IR Team



# Disclaimer



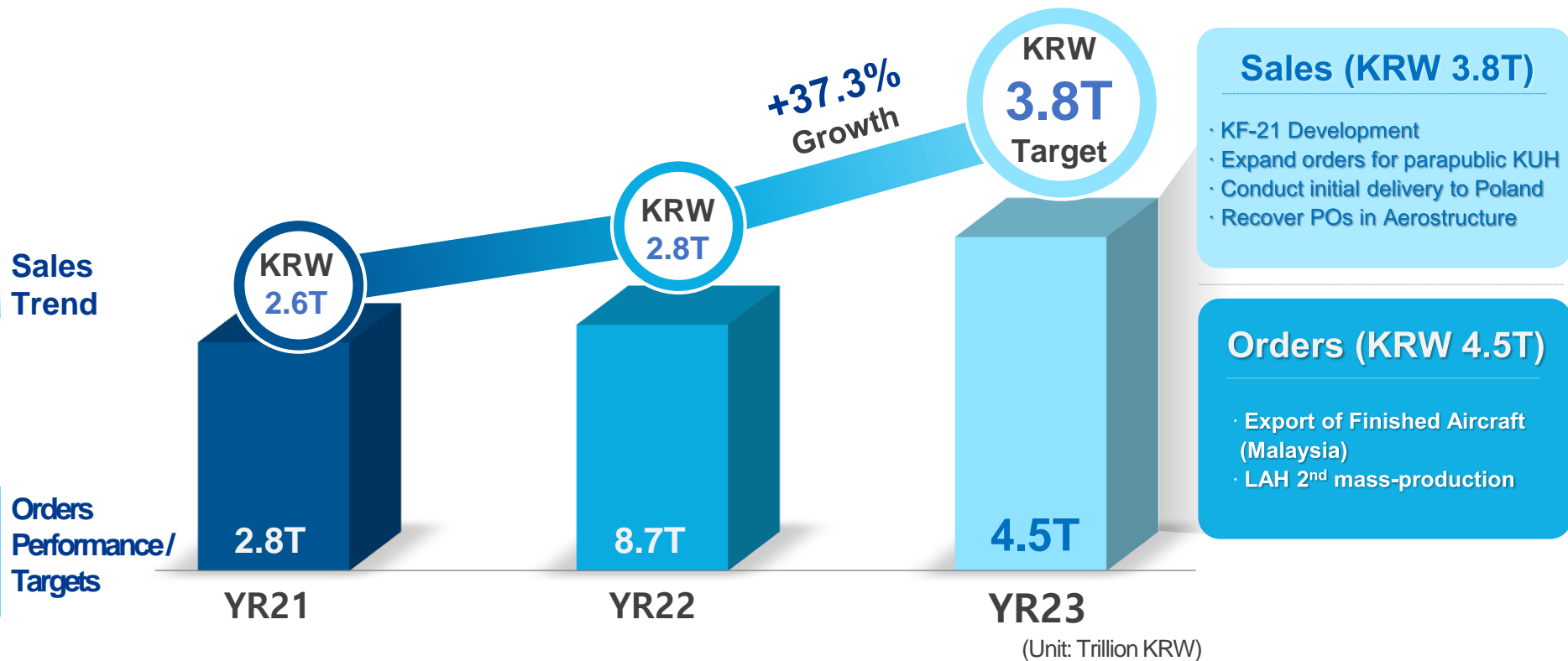
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# YR22 Performance & YR23 Outlook



- (YR23 Outlook - Targets) KRW 3.8 Trillion in Sales & 4.5 Trillion in Orders



## Point

In accordance with **export of finished aircraft** and **recovery of aero-structure business**, KAI's sales target in 2023 will be **KRW 3.8 Trillion** (+37.3% growth compared to the previous fiscal year).

# Earnings in 2022



(Unit: Billion KRW)

| Category |                             | YR22 Target    | YR22 Performance | YR21 Performance | 4Q YR22 Performance | 4Q YR21 Performance | YR22 Backlog    |
|----------|-----------------------------|----------------|------------------|------------------|---------------------|---------------------|-----------------|
| Orders   | Domestic Business           | 2,263.2        | 1,472.6          | 1,084.3          | 1,358.9             | 973.6               | 8,325.0         |
|          | Export of Finished Aircraft | 1,316.0        | 3,662.6          | 765.9            | 6.2                 | 401.2               | 5,003.2         |
|          | Aerostructure               | 609.8          | 3,609.2          | 985.1            | 3,517.4             | 152.1               | 11,267.9        |
|          | <b>Total</b>                | <b>4,189.0</b> | <b>8,744.4</b>   | <b>2,835.3</b>   | <b>4,882.5</b>      | <b>1,526.9</b>      | <b>24,596.1</b> |
| Sales    | Domestic Business           | 1,991.9        | 1,896.5          | 1,831.6          | 587.6               | 590.5               | -               |
|          | Export of Finished Aircraft | 331.8          | 127.1            | 217.6            | 43.5                | 61.4                | -               |
|          | Aerostructure               | 623.9          | 748.4            | 499.1            | 230.1               | 142.0               | -               |
|          | Adjust Consolidation        | -              | 14.9             | 14.0             | 7.6                 | 3.0                 | -               |
|          | <b>Total</b>                | <b>2,947.6</b> | <b>2,786.9</b>   | <b>2,562.3</b>   | <b>868.8</b>        | <b>796.9</b>        | <b>-</b>        |

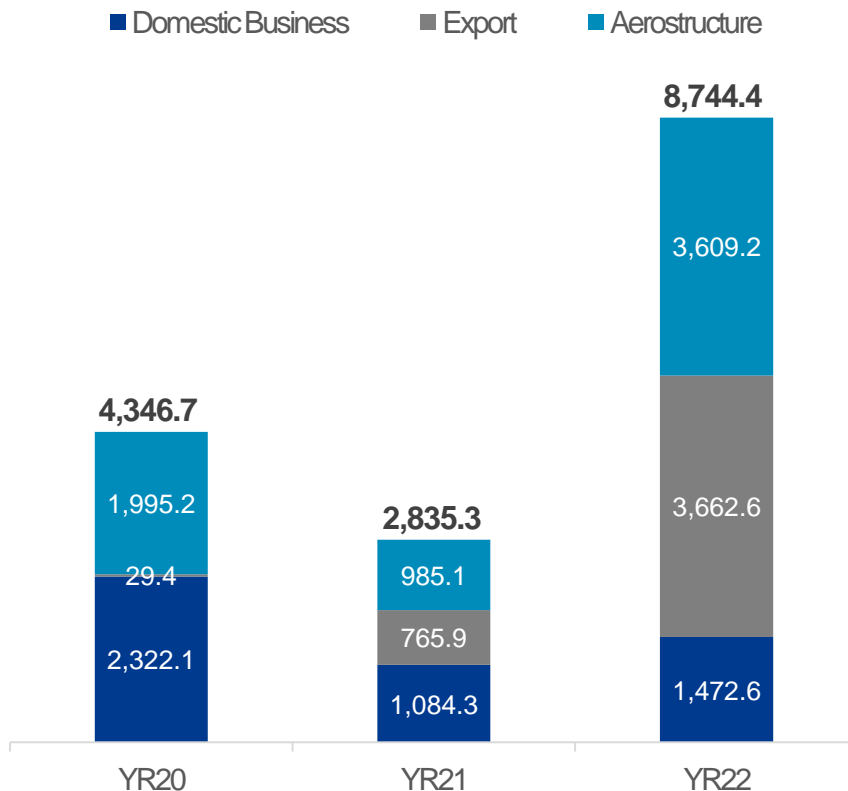
# 2022 Business Performance | Annual Orders Breakdown



- KRW 8 Trillion and 744.4 Billion in Orders  
(KRW 24.5T Backlog: Domestic 8.3T, Export of Finished Aircraft 5.0T, Aerostructure 11.3T)

## Orders Trend by Business Division

(Unit: Billion KRW)



## Summary of Performance

### Domestic Business

#### KRW 1 Trillion and 472.6 Billion

System development of Marine Attack HELO & Mine sweeping HELO, Initial production of LAH, KUH derivatives (7<sup>th</sup> KUH-1P: KRW 48.8B, 2<sup>nd</sup> KUH-1FS, etc.)

### Export of Finished Aircraft

#### KRW 3 Trillion 662.6 Billion

FA-50 to Poland, T-50 Spare & parts, etc.

### Aero-structure

#### KRW 3 Trillion 609.2 Billion

Embraer's TPNG, F-15EX Bulkhead, P-8 H. STAB & V.FIN, FMC Fairing package, etc.

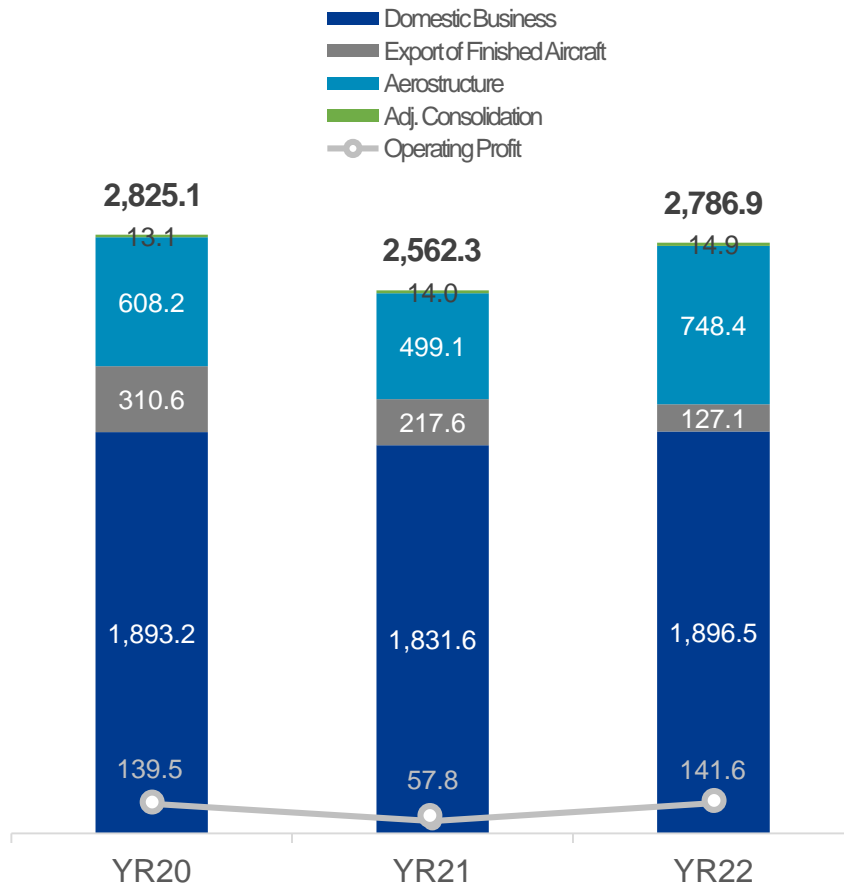
# 2022 Business Performance | Annual Sales Breakdown



- KRW 2 Trillion and 786.9 Billion in Sales, KRW 141.6 Billion in Operating Profits

## Sales Trend by Business Division

(Unit: Billion KRW)



## Summary of Performance

### Domestic Business

#### KRW 1 Trillion 896.5 Billion

KF-21 System development, 3<sup>rd</sup> & 4<sup>th</sup> KUH production, Marine Utility Helicopter, SAR/EO Satellite, KUH derivatives (6<sup>th</sup> KUH-1P, KUHC-1), Baekdu System Upgrade, etc.

### Export of Finished Aircraft

#### KRW 127.1 Billion

KT-1B Basic Trainer, T-50IQ CLS, Iraqi airfield reconstruction, FA-50PH/T-50 spare and parts, etc.

### Aero-structure

#### KRW 748.4 Billion

Airbus, Boeing, and others

# 2023 Outlook



- KRW 4 Trillion and 476.9 Billion (Orders), KRW 3 Trillion and 825.3 Billion (Sales)

(Unit: Billion KRW)

| Category     |                             | YR22(A)        | YR23(B)        | Difference(B-A) |               | YR23 Backlog    |
|--------------|-----------------------------|----------------|----------------|-----------------|---------------|-----------------|
| Orders       | Domestic Business           | 1,472.6        | 2,464.3        | 991.7           | 67.3%↑        | 9,095.9         |
|              | Export of Finished Aircraft | 3,662.6        | 1,166.9        | △2,495.7        | 68.1%↓        | 4,954.0         |
|              | Aerostructure               | 3,609.2        | 845.7          | △2,763.5        | 76.6%↓        | 11,325.8        |
|              | <b>Total</b>                | <b>8,744.4</b> | <b>4,476.9</b> | <b>△4,267.5</b> | <b>48.8%↓</b> | <b>25,375.7</b> |
| Sales        | Domestic Business           | 1,896.5        | 1,786.9        | △109.6          | 5.8%↓         | -               |
|              | Export of Finished Aircraft | 127.1          | 1,235.4        | 1,108.3         | 872.0%↑       | -               |
|              | Aerostructure               | 748.4          | 803.0          | 54.6            | 7.3%↑         | -               |
|              | Adjust Consolidation        | 14.9           | -              | -               | -             | -               |
| <b>Total</b> |                             | <b>2,786.9</b> | <b>3,825.3</b> | <b>1,038.4</b>  | <b>37.3%↑</b> | <b>-</b>        |

|        | Domestic Business   | Export of Finished Aircraft                            | Aerostructure   |
|--------|---|--|---|
| Orders | LAH 2 <sup>nd</sup> production, 2 <sup>nd</sup> phase for power transmission, On-board VTOL, Next-Generation Corps-level UAV Production | Malaysia FA-50, etc.                                   | SA/A350 Rack & Pinion, B777X, B787 MLGB program, etc. |
| Sales  | KF-21 System development/Baekdu system upgrade, 425 Satellite System Development, KUH 4 <sup>th</sup> delivery, etc.                    | Poland FA-50, CLS, Iraqi airfield reconstruction, etc. | SA WBP, A350 WR, A319/302 WTP, etc.                   |

# Income Statement (Consolidated)



(Unit: Billion KRW)

| Category                 | YR 2022        | YR 2021       | YR 2020        |
|--------------------------|----------------|---------------|----------------|
| <b>Sales</b>             | <b>2,786.9</b> | <b>2562.3</b> | <b>2,825.1</b> |
| Gross Profit             | 373.8          | 307.0         | 331.9          |
| SG&A                     | 232.2          | 248.7         | 192.4          |
| <b>Operating Profit</b>  | <b>141.6</b>   | <b>58.3</b>   | <b>139.5</b>   |
| (%)                      | 5.1%           | 2.3%          | 4.9%           |
| <b>Income before Tax</b> | <b>122.1</b>   | <b>54.4</b>   | <b>82.5</b>    |
| Corporate Tax            | 6.2            | 1.1           | 10.2           |
| <b>Net Income</b>        | <b>115.9</b>   | <b>53.3</b>   | <b>72.3</b>    |
| (%)                      | 4.2%           | 2.1%          | 2.6%           |



# Financial Position (Consolidated)



(Unit: Billion KRW)

| Category                         | YR 2022        | YR 2021        | YR 2020        |
|----------------------------------|----------------|----------------|----------------|
| <b>Total Assets</b>              | <b>7,795.2</b> | <b>5,855.2</b> | <b>5,159.1</b> |
| Liabilities                      | 6,342.0        | 4,557.8        | 3,924.8        |
| Equities                         | 1,453.2        | 1,297.4        | 1,234.3        |
| Debt Ratio                       | 436.4%         | 351.3%         | 318.0%         |
| <b>Debts</b>                     | <b>1,123.7</b> | <b>1,203.2</b> | <b>980.2</b>   |
| Cashable Assets                  | 2,189.7        | 1,075.9        | 678.9          |
| Net Debts                        | △ 1,066.0      | 127.2          | 301.3          |
| <b>Investments</b>               | <b>225.8</b>   | <b>241.0</b>   | <b>99.5</b>    |
| Facilities                       | 103.0          | 97.1           | 52.6           |
| R&D                              | 119.0          | 129.6          | 40.9           |
| Capital                          | 3.8            | 14.3           | 6.0            |
| ※ Employees<br>(Unit: Headcount) | 5,004          | 4,968          | 5,028          |