

2023 Earnings & 2024 Outlook

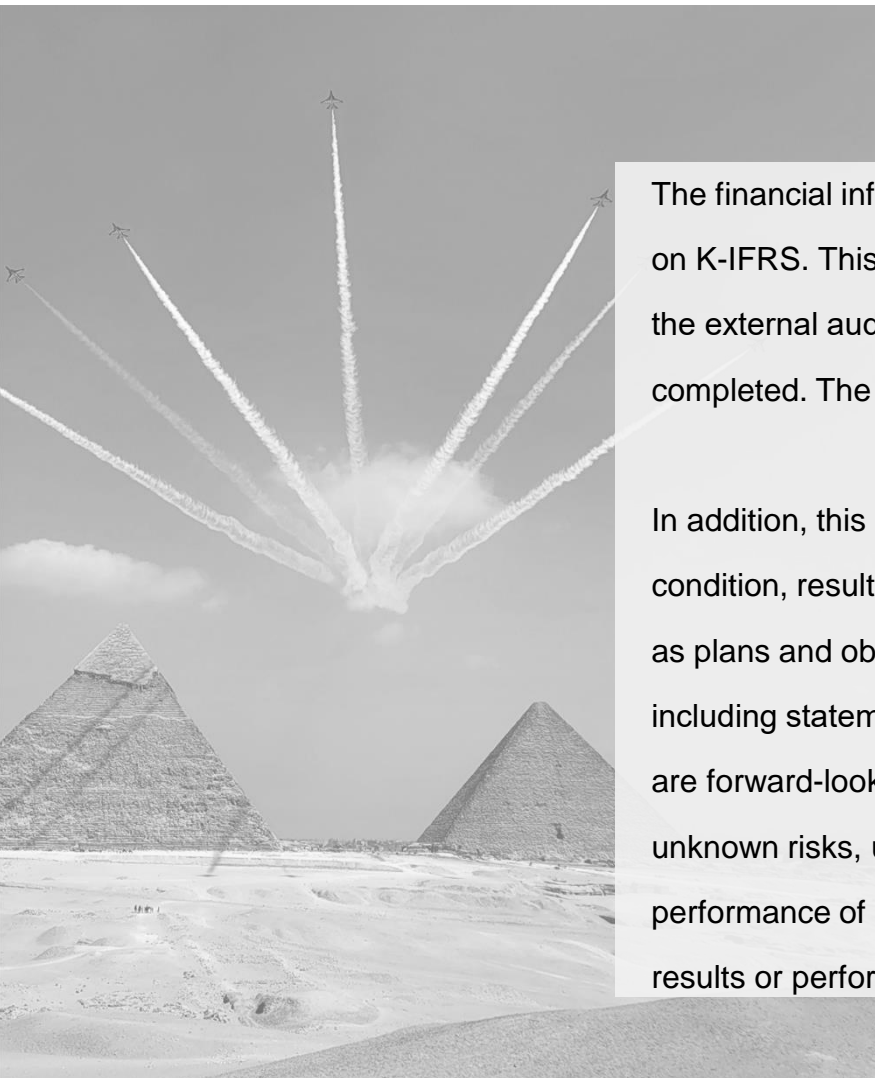
Feb. 8, 2024

Korea Aerospace Industries, Ltd.

Investor Relations Team



Disclaimer



The financial information in this document are consolidated earnings results based on K-IFRS. This document is provided for the convenience of investors only, before the external audit on Korea Aerospace Industries' Q4 2023 financial results is completed. The audit outcomes may cause some parts of this document to change.

In addition, this document contains forward-looking statements on the financial condition, results of operations, and business of Korea Aerospace Industries as well as plans and objectives of the management. Statements that are not historical facts, including statements about Korea Aerospace Industries' beliefs and expectations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of Korea Aerospace Industries to be materially different from any future results or performance expressed or implied by such forward-looking statements.

Overview : Company & Shareholders



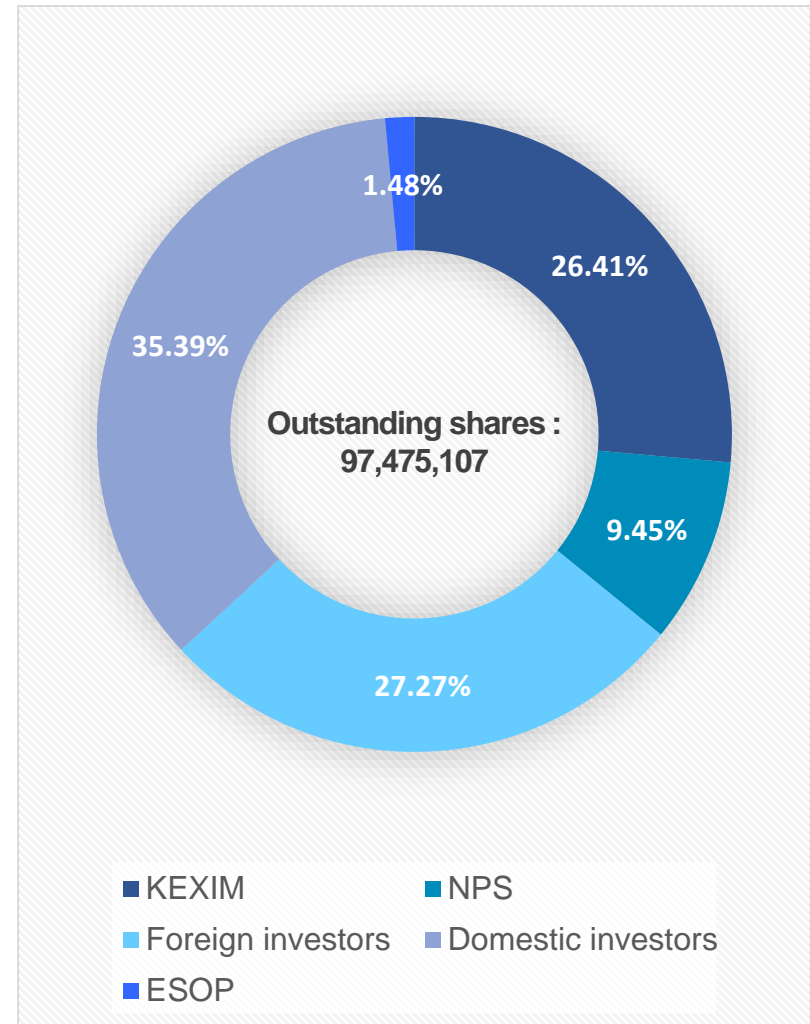
Company

Name	Korea Aerospace Industries, Ltd.
CEO	Kang, Goo-young
Established	Oct 1, 1999
Listed	Jun 30, 2011(KRX)
Location	HQs: Sacheon, Gyeongnam Office: Seoul Sites: Sancheong/Jongpo/Goseong, Gyeongnam Overseas: Offices & Subsidiaries in Europe, North America, South East Asia
Employee	5,072 (Incl. 831 temporary employees)

Major products

Category	Products
Fixed-wing	T-50 platforms i.e. T-50, FA-50, KF-21 platforms, KT-1 platforms, Simulators, etc.
Rotary-wing	KUH/LAH platforms, Other military products
Aerostructure	Aerostructures for Boeing, Airbus, etc.
Others	Satellite, UAV, Export, etc.

Shareholders



2023 Performance



(Unit: KRW Billion)

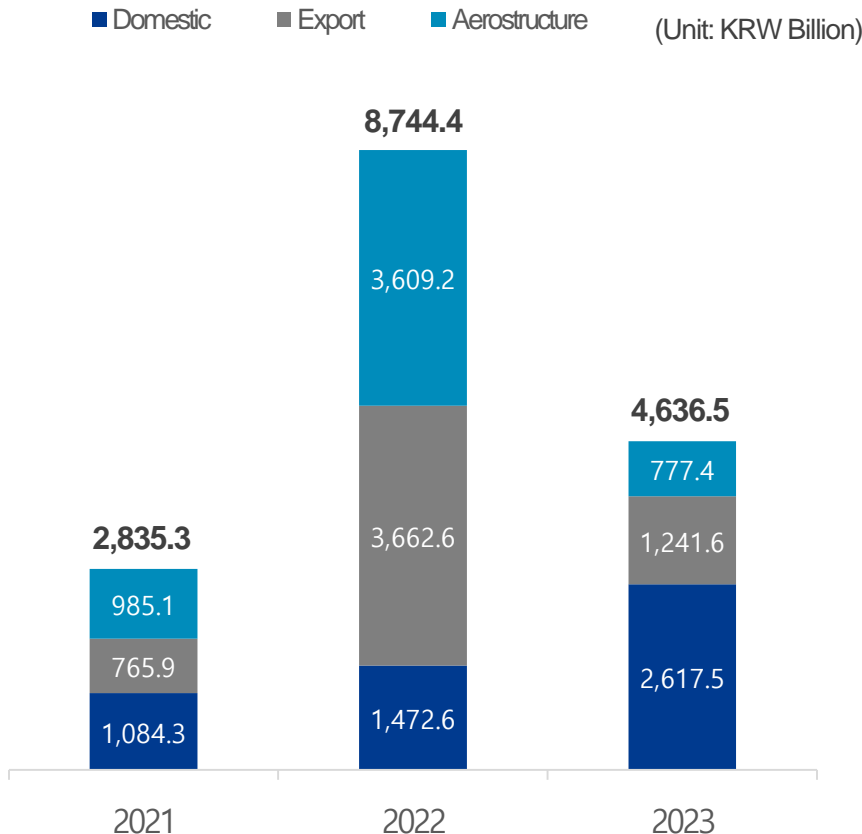
Category		YR23 Target	YR23 Performance	YR22 Performance	YR23 Q4 Performance	YR22 Q4 Performance	YR23 Backlog
O R D E R S	Domestic Business	2,464.3	2,617.5	1,472.6	2,378.7	1,358.9	9,067.1
	Export of Finished Aircraft	1,166.9	1,241.6	3,662.6	14.5	6.2	5,329.4
	Aerostructure	845.7	777.4	3,609.2	402.8	3,517.4	7,379.4
	Total	4,476.9	4,636.5	8,744.4	2,796.0	4,882.5	21,775.9
R E V E N U E	Domestic Business	1,786.9	1,945.3	1,896.5	598.6	587.6	-
	Export of Finished Aircraft	1,235.4	1,047.0	127.1	655.0	43.5	-
	Aerostructure	803.0	806.1	748.4	247.4	230.1	-
	Consolidated	-	20.9	14.9	9.0	7.6	-
	Total	3,825.3	3,819.3	2,786.9	1,510.0	868.8	-

2023 Business Performance | Orders Breakdown



- New orders : KRW 4tn 363.58bn (Backlog 21.8tn: Domestic 9.1tn, Export 5.3tn, Aerostructure 7.4tn)

Orders trend per business division



Summary of new orders

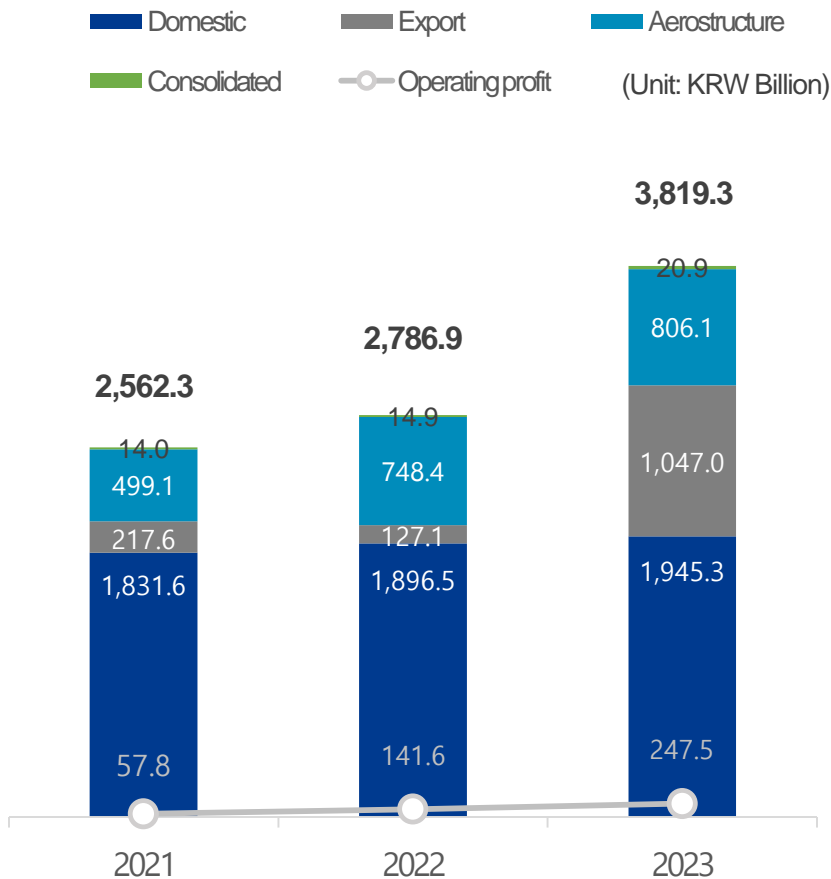
Domestic	<p>2tn 617.5bn</p> <p>LAH 2nd production, SATURN upgrade, Smallsat, Helicopter programs(5th Coast Guard, 2nd National 119 Rescue, 8th Police), etc.</p>
Export	<p>1tn 241.6bn</p> <p>FA-50 to Malaysia, Spare and parts(FA-50PH, T-50TH, T-50i), etc.</p>
Aero-structure	<p>777.4bn</p> <p>Single Aisle SLAT TRACK ASSY, Main Landing Gear Box for Boeing, Single Aisle Wing Rib, etc.</p>

2023 Business Performance | Revenue Breakdown

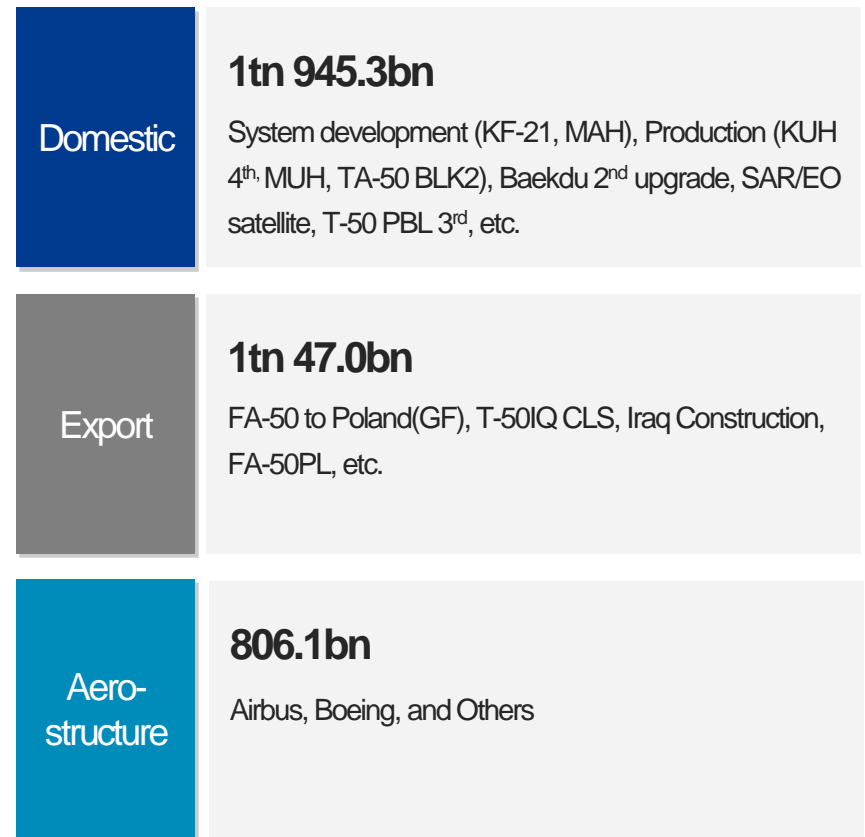


- Revenue : 3tn 819.3bn, Operating Profit : 247.5bn

Revenue trend per business division



Summary of revenue



2024 Outlook



Orders : 5tn 914.7bn, Revenue : 3tn 768.4bn

(Unit: KRW Billion)

Category		YR23 Performance(A)	YR24 Guidance(B)	Difference(B-A)		YR24 Backlog (F)
O R D E R S	Domestic Business	2,617.5	1,770.4	△847.1	32.36%↓	8,996.9
	Export of Finished Aircraft	1,241.6	3,036.8	1,795.2	144.59%↑	7,282.7
	Aerostructure	777.4	1,107.5	330.1	42.46%↑	7,649.1
	Total	4,636.5	5,914.7	1,278.2	27.57%↑	23,928.7
R E V E N U E	Domestic Business	1,945.3	1,901.2	△44.1	2.27%↓	-
	Export of Finished Aircraft	1,047.0	963.7	△83.3	7.96%↓	-
	Aerostructure	806.1	903.5	97.4	12.08%↑	-
	Consolidated	20.9	-	-	-	-
	Total	3,819.3	3,768.4	△30.0	0.79%↓	-

Domestic

Export

Aerostructure

Orders

KF-21 initial production, 1st KF-21 PBL, Para-public helicopters, etc.

KUH, FA-50 ,International Co-development of transport aircraft, etc.

B737MAX H. STAB., Machined hard-to-cut materials, etc.

Revenue

KF-21 system development, Baekdu 2nd upgrade, TA-50 BLK2, etc.

FA-50 to Poland, CLS, T-50TH 4th program, Iraq Construction, etc.

Single Aisle Wing Bottom Panel, A350 Wing Rib, A319/320 Wing Top Panel, etc.

Income Statement (Consolidated)



(Unit: KRW Billion)

Category	2023	2022	2021
Revenue	3,819.3	2,786.9	2,562.3
Gross Profit	463.9	373.8	307.0
SG&A	216.3	232.2	248.7
Operating Profit	247.5	141.6	58.3
(%)	6.48%	5.10%	2.30%
Income before Tax	260.9	122.1	54.4
Corporate Tax	39.0	6.2	1.1
Net Income	221.8	115.9	53.3
(%)	5.81%	4.20%	2.10%

Financial Position (Consolidated)



(Unit: KRW Billion)

Category	Dec. 2023	Dec. 2022	Dec. 2021
Total Assets	7,143.6	7,772.4	5,855.2
Liabilities	5,523.2	6,319.2	4,557.8
Equities	1,620.4	1,453.2	1,297.4
Debt to Equity Ratio	341%	435%	351%
Debts	608.2	1,123.7	1,203.2
Cash and cash equivalents	760.1	2,189.7	1,075.9
Net Debts	△ 151.9	△ 1,066.0	127.2
Investments	131.8	227.1	241.0
Facilities	40.7	103.0	97.1
R&D	90.4	120.4	129.6
Capital	0.7	3.7	14.3
Employees	5,098	5,079	5,012

※ In 2023, the Company expensed total 373.8bn in R&D

- Development & Ordinary development(163.2bn), Development investment(165.3bn), Future business investment(23.6bn), Infrastructure investment(21.7bn), etc.

ESG & Shareholder Return



▪ ESG Progress : Acquired International Standards

- Acquired ISO 50001 : Energy management
- Acquired ISO/IEC 27001 : Information security management systems
- Acquired ISO37301 : Compliance management systems
- Renewed ISO37001 : Anti-bribery management systems

▪ ESG Ratings

※ Korea Corporate Governance Service Ratings

Category	2023	2022	2021	2020	2019
Comprehensive	B+	C	A	A	A
Environment	B+	B	A	A	B+
Social	A	A	A+	A+	A+
Governance	B+	D	B+	B+	A

▪ Dividends payment

Category	2022	2021	2020	2019	2018
Par Value(Won)	5,000	5,000	5,000	5,000	5,000
Net Income(KRW Mil)	115,919	63,900	74,619	170,403	57,188
Earnings Per Share(Won)	1,215	656	766	1,748	587
Dividend Per Share(Won)	250	200	200	400	200
Dividend Yield(%)	0.5	0.6	0.8	1.2	0.6
Payout Ratio(%)	21	31	26	23	34