

# KET – KOREA ELECTRIC TERMINAL IR BOOK (2018.12) (5018'15)

## Investor Relations

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# Introduction

**Korea Electric Terminal : (7-38, songdo-dong),  
Getbulo 38, Yeonsu-gu, Incheon Metropolitan**

■ Established in April 20<sup>th</sup>, 1973

■ C.E.O : Chang-Won Lee

■ Capital : 5.2 Billion WON

( Total issued shares: 10,415,000, Face value: 500 won )

■ Sales : 746.4 Billion WON (2018) <Consolidate accounting standards>  
721.9 Billion WON (2018) <Specific accounting standards>

■ Employees : 1,170 (December, 31<sup>th</sup>, 2018)

■ Main Products :  
Connectors for Car and IT Products, IT Module, LED Lead Frame



# History



## 1973 ~ '1995

### Pioneering of connector market

- 1973** Established in yeonji-dong, Busan  
Developed connectors for electronic products
- 1974** Moved the headquarter&facilities to  
Kajwa-dong, Incheon
- 1983** Develop connectors for car
- 1987** Formed a Technical Alliance with  
YAZAKI, JAPAN
- 1990** Moved the headquarters&facilities to  
Nonhyun-dong, Incheon
- 1992** Built the Hanam plant in Gwangju
- 1994** Built the 2<sup>nd</sup> plant in Namdong
- 1995** Acquisition of ISO-9001 Certification

## 1996 ~ '2005

### Constant Growth

- 1996** Listed in the K.R.X
- 1997** Built the R&D Center  
Selected as "Excellent Company in  
Labor&Management Reconciliation by  
the Ministry of Labor)  
YAZAKI made a stock investment in KET,  
receiving 7% ownership
- 1998** Made A general technical support  
contract with YAZAKI  
Acquisition of QS-9000 (KSA-QA)
- 2000** Built Pyungtaek facility  
Won the Grand prix of accounts  
information by "KAI"  
Selected as an admirable corp. by 'KRX'
- 2001** Awarded SINGLE PPM grand pix by  
president
- 2003** Awarded "Grand prize of transparent  
accounting contest" by 'KAI'
- 2004** Established and operated local  
corporation in Weihai, China  
Moved Head Office&R&D Center to Song-  
do Technopark, Incheon
- 2005** Introduced ERP System (SAP R3)

## 2006 ~ NOW

### Growth to the global general parts company

- 2006** Completed Pyeongtaek Distribution Center
- 2007** Attained Presidential Citation on the National  
Taxation Day
- 2008** Renew A General technical support contract with YAZAKI  
Established and operated local corporation in  
Gaesung Industrial, North Korea(Kyungwon Industry)
- 2009** Established affiliated company, Kyungwon Electronics
- 2010** Established local corporation for LED Leadframe at  
Paju (KET Solution)  
Established Shanghai branch of Chinese local  
corporation.
- 2011** Extend a Pyungtaek factory and distribution center
- 2012** Awarded "A exemplary taxpayer" by prime minister
- 2013** Completion of KETS Paju 2<sup>nd</sup> facility construction
- 2014** Completed Fyeongdong Factory in Gwangju  
Expanded Pyeongtaek Logistics Center&R&D Center
- 2015** Extend a KETS Paju 2<sup>nd</sup> facility construction  
Established and operated local corporation in Vietnam  
(KET VINA)
- 2016** Extend Pyeongtaek Factory
- 2017** Established Factory in Hawsung, Kyunggi  
Extend a Vietnam factory (mold line)
- 2018** Established local corporation 'Hanbitnuri'  
Established corporation "Poland KET"



# Facilities

Provision of the growth foundation through building a large scale produce system

## H.Q & R&D CENTER

Yeonsu-gu, Incheon  
Scale : 16,502 m<sup>2</sup>



## NONHYUN FACILITY

Namdong-gu, Incheon  
Scale : 6,600m<sup>2</sup>  
Terminal, Molding



## NAMDONG FACILITY

Namdong-gu, Incheon  
Scale : 6,597m<sup>2</sup>  
Injection, Assembly



## PYUNGTAEK FACILITY

Pyungtaek, Kyunggi  
Scale : 40,268m<sup>2</sup>  
J/B,F&R Box,IPDM



## DISTRIBUTION CENTER

Pyungtaek, Kyunggi  
Scale : 20,134m<sup>2</sup>



## Gwangju(hanam) FACILITY

Gwansan-gu, Gwangju  
Scale : 12,943m<sup>2</sup>  
Housing



## Gwangju(pyungdong) FACILITY

Gwansan-gu, Gwangju  
Scale : 9,917m<sup>2</sup>  
Junction Box, Fuse Box



## Affiliate Company

### Weihei ELECTRONICS

Weihei, China  
Scale : 37,147m<sup>2</sup>  
Housing, Assembly

### KET VINA CO., LTD

Diem Thuy Industrial complex,  
Vietnam  
Scale : 41,357m<sup>2</sup>  
Assembly Parts

### KYUNGWON ELECTRONICS

Gaesung, North Korea  
Scale : 8,116m<sup>2</sup>  
Assembly Parts

### KET SOLUTION

Paju, Kyunggi  
Scale : 48,016m<sup>2</sup>  
LED L/F Products

### KET NETWORK

Gwansan-gu, Gwangju  
Scale : 6,865m<sup>2</sup>  
Wiring Harness

### Gongyoung INDUSTRIAL

Seo-gu, Incheon  
Scale : 17,045.4m<sup>2</sup>  
Terminal

### Kyungwon ELECTRONICS

Gwansan-gu, Gwangju  
Scale : 6,612m<sup>2</sup>  
IT Connector

Weihei

Gaesung

Paju

Incheon

Pyungtaek

Gwangju

Cheongdo

# Main Product Of Business Parts



## Automobile Of Business Part

  
• Terminal

  
• J/B

  
• BFT

  
• HEV Comp.

  
• DMB

  
• Bluetooth

  
• Connector

  
• PCB Connector

  
• Device Frame

  
• M/F S/W

  
• GPS

  
• Wi-Fi

시장의 특성 : 2019년 1분기는 신차출시(소나타, 쏘울 부스터, 모하비 북미형 외 신규모델) 및 기 신차효과 지속으로 인한 내수 및 수출판매 회복, 신형시장 판매 증가로 2018년1분기대비 글로벌판매량 반등이 예상됩니다. [자료 : 한국자동차산업협회]



## Electric Of Business Part

  
• Connector

  
• FPC (0.3/0.5mm)

  
• HDMI

  
• SIM Card

  
• Floating B to B

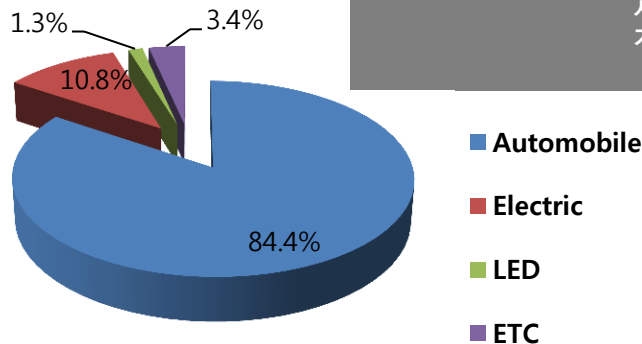
  
• Lamp Conn.

  
• RF Conn.

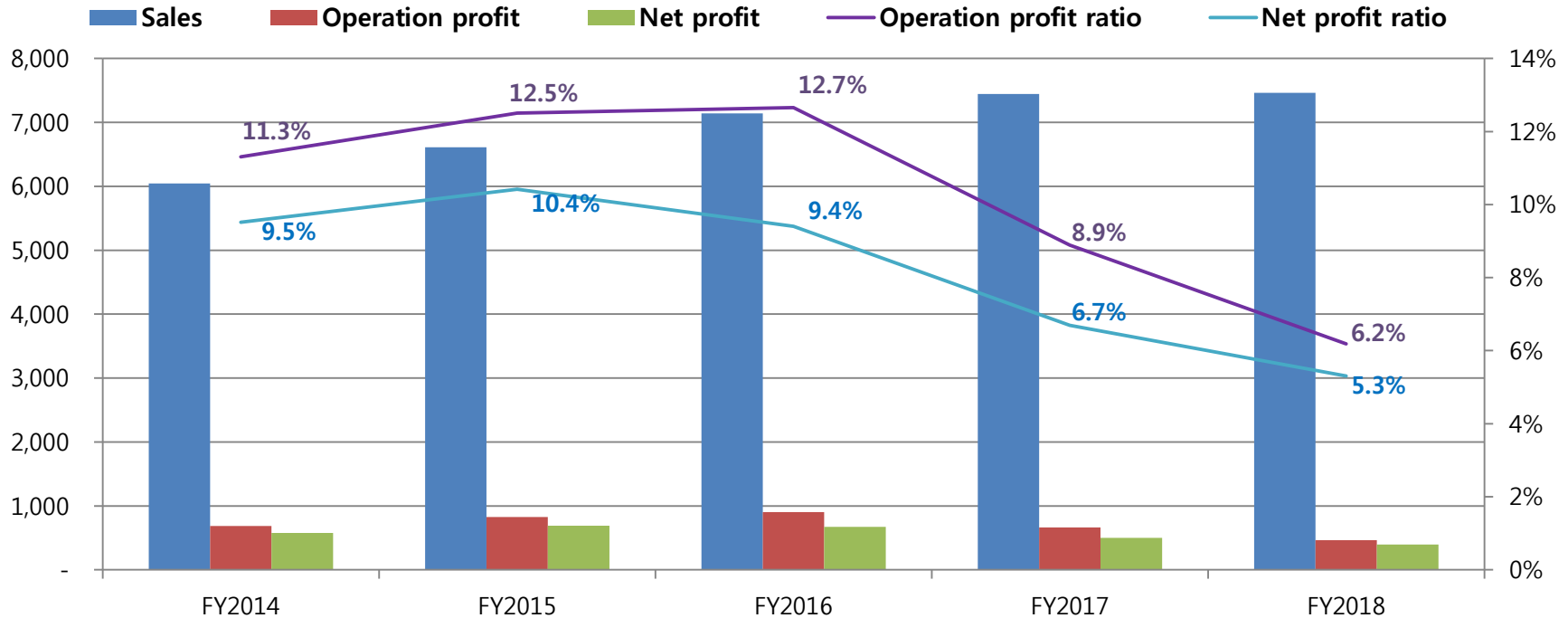
  
• I/O Conn.

시장의 특성 : 2018년 생활가전 시장은 프리미엄 제품을 중심으로 전년 대비 성장이 지속되었습니다. 특히 연초부터 미세먼지와 황사의 영향으로 공기청정기, 정수기 등 청정가전의 판매가 증가하였습니다. 2019년에도 달라진 가사노동문화나 기후변화의 영향으로 의류건조기, 무선청소기, 공기청정기, 전기레인지 등의 제품이 수요 증가가 지속될 것으로 예상됩니다.

**Sales Percentage of Business Parts (2018Year)**



# Business Record for recent years



## © Business record for recent years

(unit: 1 Million won)

	FY2014	FY2015	FY2016	FY2017	FY2018
	K-IFRS	K-IFRS	K-IFRS	K-IFRS	K-IFRS
Sales	6,045	6,613	7,142	7,444	7,464
Operation profit	684	827	904	661	462
Net profit	575	689	672	498	396

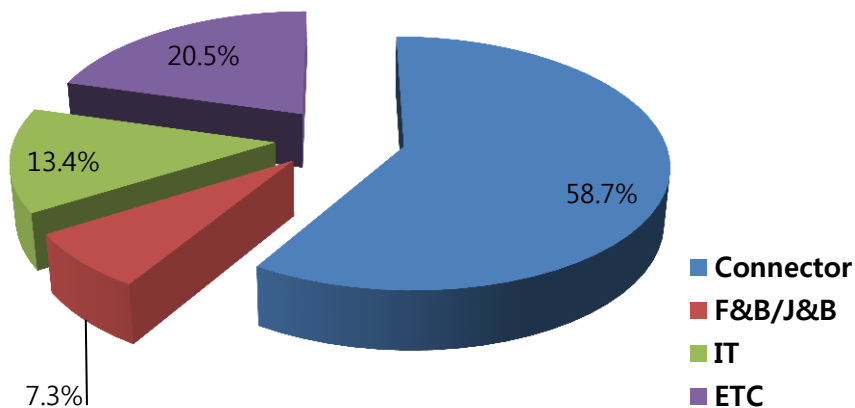
# Sales Organization of Business Parts

## Automobile

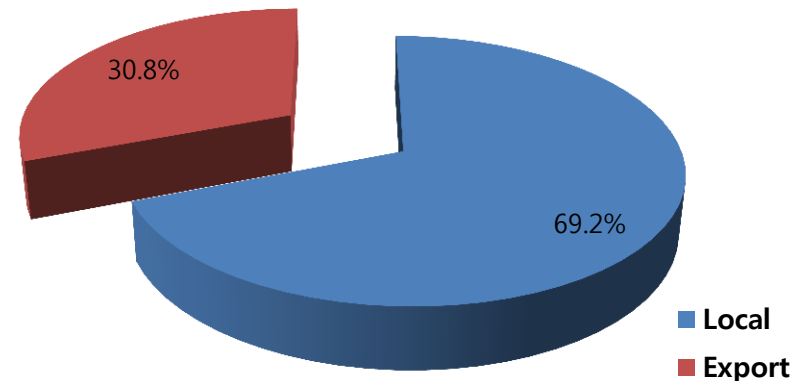
(unit : 1 million won)

	Automobile business part								Total	
	Connector		F/B&J/B		IT		ETC			
	Local	Export	Local	Export	Local	Export	Local	Export	Local	Export
Sales	293,935	83,148	30,009	16,796	25,036	61,269	94,945	36,712	443,925	197,925

Automobile Sales by products



Automobile Sales by type





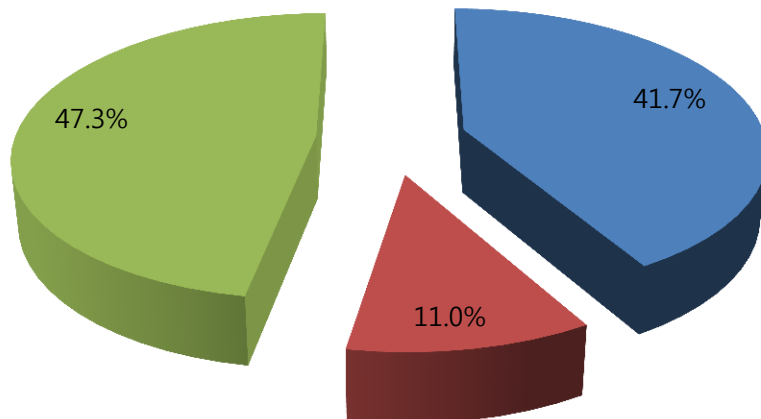
# Sales Organization of Business Parts

## Electric

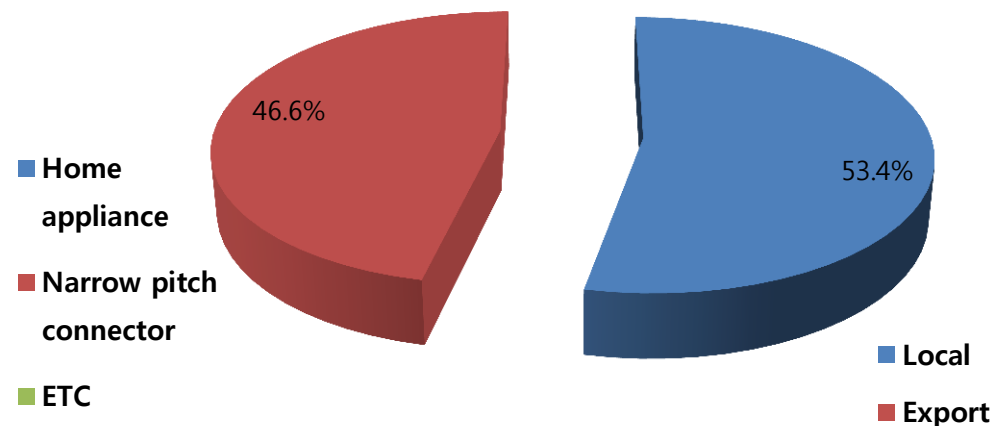
(unit : 1 million won)

	Electric Business Parts						Total	
	Home appliance		Narrow Pitch Connector		ETC			
	Local	Export	Local	Export	Local	Export	Local	Export
Sales	24,869	10,419	420	8,939	19,929	20,132	45,218	39,490

Electric Sales by products

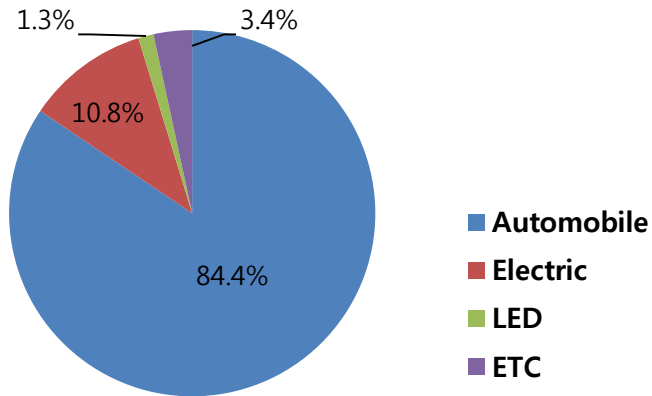


Electric Sales by type



# Sales Organization of Business Parts

## Sales by Business Part



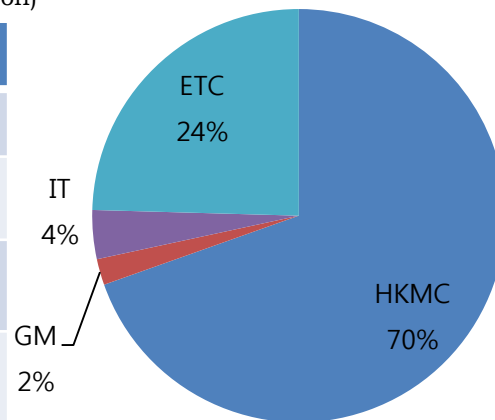
(unit : 1 million won)

Business part	Sales
Automobile	641,850
Electric	84,708
LED	46,896
ETC	87,778
Consolidated adjustments	(114,849)
Total	746,383

## Main sales by business parts and companies

### Automobile (uni : 1 million won)

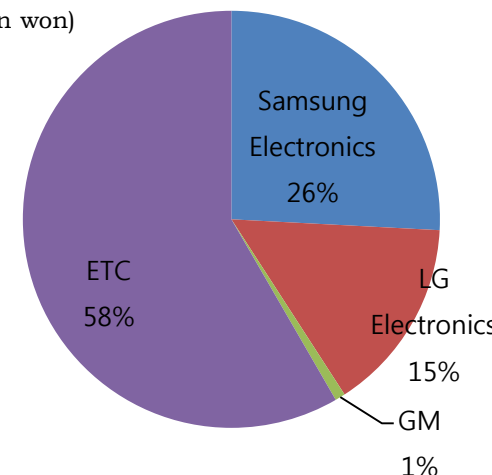
Company	Sales
HKMC	446,804
GM	13,098
IT	24,543
ETC	157,710
Total	641,850



### Electric (uni : 1 million won)

(uni : 1 million won)

Company	Sales
Samsung Electronics	21,880
LG Electronics	12,741
GM	667
ETC	49,420
Total	84,708

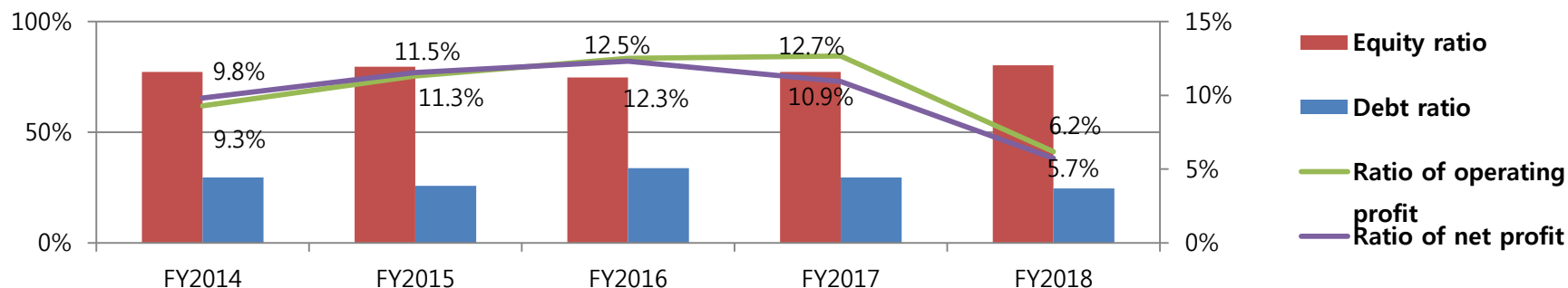


# Main Financial Index

## Stability Index

(unit : %)

	FY 2014	FY 2015	FY 2016	FY2017	FY2018
	K-IFRS	K-IFRS	K-IFRS	K-IFRS	K-IFRS
Current ratio	234.5	284.0	256.6	267.7	321.8
Debt ratio	29.6	25.8	33.8	29.5	24.6
Equity ratio	77.2	79.5	74.8	77.2	80.3
Quick ratio	176.3	223.2	214.3	208.0	248.7
Dependence on borrowings	1.4	1.3	0.4	0.3	0.4
Retained earning ratio	9481.8	10646.8	11698.5	12872.9	13167.4



## Profitability Index

(unit : %)

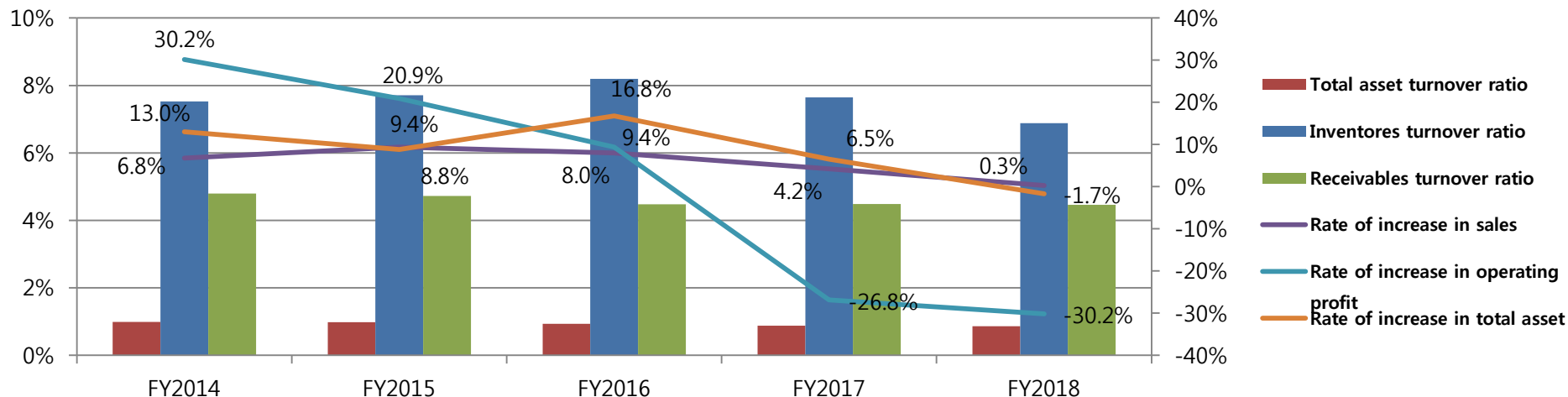
	FY 2014	FY 2015	FY 2016	FY2017	FY2018
	K-IFRS	K-IFRS	K-IFRS	K-IFRS	K-IFRS
Ratio of operating profit	11.3	12.5	12.7	8.9	6.2
Ratio of net profit	9.5	10.4	9.4	6.7	5.3
Return on assets(ROA)	8.9	9.8	8.2	5.7	4.6
Return on equity(ROE)	11.5	12.3	10.9	7.4	5.7

# Main Financial Index

## Activity Index

(unit : %)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	K-IFRS	K-IFRS	K-IFRS	K-IFRS	K-IFRS
Total asset turnover ratio	1.0	1.0	0.9	0.9	0.9
Inventories turnover ratio	7.5	7.7	8.2	7.7	6.9
Receivables turnover ratio	4.8	4.7	4.5	4.5	4.5



## Growth Index

(unit : %)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	K-IFRS	K-IFRS	K-IFRS	K-IFRS	K-IFRS
Rate of increase in sales	6.8	9.4	8.0	4.2	0.3
Rate of increase in operating profit	30.2	20.9	9.4	-26.8	-30.2
Rate of increase in total asset	13.0	8.8	16.8	6.5	-1.7

# Thank You!

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[HTTP://www.KET.com](http://www.KET.com)

## 미래 예측정보에 대한 주의사항

본 자료는 미래에 대한 “예측정보”를 포함하고 있습니다. 본 자료는 투자자 여러분의 편의를 위하여 작성된 것으로 2019년 손익 추정 등 미래에 대한 예측정보를 포함하고 있습니다. “예측정보”는 성격상 불확실한 사건들을 언급하는데, 이러한 불확실성으로 인해 회사의 실제 미래실적은 “예측정보”에 명시적 또는 묵시적으로 포함된 내용과 중대한 차이가 있을수 있음을 양지하시기 바랍니다. 이 자료는 투자자의 투자판단을 위한 참고자료로 작성된 것으로, 당사는 이 자료의 내용에 대하여 투자자 여러분에게 어떠한 보증을 제공하거나 책임을 부담하지 않습니다.

## Financial Accounting Office

**TEL** 82-32-814-9981

**FAX** 82-32-814-8860

**E-mail** [jbseo77@ket.com](mailto:jbseo77@ket.com)