

Samsung C&T

4Q 2020 Earnings Release

January 2021

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The figures in this document are consolidated earnings estimates based on K-IFRS.

Please be advised that this document is provided solely for the purpose of investor convenience. It was prepared before the completion of the external auditor's review, and therefore is subject to change during this process.

4Q 2020 Earnings Release Summary

- ☐ 4Q20 Operating Profit was KRW 256.4bn, up KRW 40.9bn QoQ on back of improved profitability at E&C, Fashion entering peak season, and higher plant utilization at BioLogics
- ☐ FY21 Guidance (KRW 30.2tn sales, KRW 10.7tn new orders) : Maintain steady performance through emphasis on profitable growth, seek increase in new orders through repeat orders from key customers in strategic markets and expansion into new markets/products

[Key Financial Indicators]

	2018	2019	2020
EBITDA¹⁾	2.92tn (9.4%) ^{2) 3)}	2.09tn (6.8%)	2.0tn (6.6%)
Total Debt	4.52tn	3.42tn	3.15tn
Debt/Equity (%)	88%	72%	65%

1) (Cumulative) EBITDA : pre-tax profit + net Interest expense + depreciation and amortization cost

2) EBITDA margin : EBITDA/Sales

3) One time gain of approx. KRW 1tn realized in 2018 via proceeds from sale of Seocho building, disposable gain from Biogen's call option exercise, Hanwha General Chemical share valuation profit, etc.

1. Samsung C&T Results (K-IFRS Consolidated)

(KRW billion)

	4Q20	3Q20	Change	4Q19	Change	'20.FY	'19.FY	Change
Sales	8,182	7,850	+332	7,698	+484	30,216	30,762	(546)
E & C	3,111	3,107	+4	2,737	+374	11,702	11,652	+50
T & I	3,616	3,460	+156	3,440	+176	13,252	13,862	(610)
Fashion	470	341	+129	485	(15)	1,545	1,732	(187)
Leisure	122	100	+22	183	(61)	426	696	(270)
F & B*	489	567	(78)	540	(51)	2,127	2,118	+9
BioLogics**	374	275	+99	313	+61	1,164	702	+462
Gross profit	915	799	+116	1,157	(242)	3,366	3,803	(437)
SG&A	659	583	+76	833	(174)	2,509	2,936	(427)
Operating profit	256	216	+40	325	(69)	857	867	(10)
E & C	135	124	+11	136	(1)	531	540	(9)
T & I	12	46	(34)	20	(8)	94	106	(12)
Fashion	9	(14)	+23	30	(21)	(36)	32	(68)
Leisure	(4)	(10)	+6	23	(27)	(82)	49	(131)
F & B*	23	25	(2)	20	+3	103	94	+9
BioLogics**	81	45	+36	96	(15)	247	46	+201
Non-operating profit	0.1	110	(110)	114	(114)	467	572	(105)
Financial profit	(32)	4	(36)	(12)	(20)	(21)	(35)	+14
Equity method investment	16	88	(72)	73	(57)	162	123	+39
Pre-tax profit	240	418	(178)	499	(259)	1,465	1,527	(62)
Net profit	270	323	(53)	353	(83)	1,161	1,048	+113
└ Controlling	234	290	(56)	334	(100)	1,036	1,050	(14)

⁴ * Welstory : 100% Subsidiary, ** BioLogics : 43.4% Subsidiary

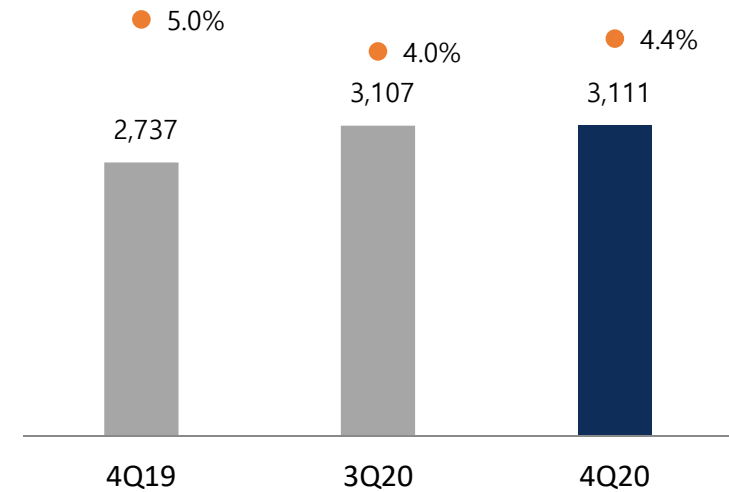
2. Performance by Business Group : Engineering & Construction

(KRW billion)

	4Q20	3Q20	Change	4Q19	Change
Sales	3,111	3,107	+4	2,737	+374
Building	1,939	2,044	(105)	1,698	+241
Civil	299	339	(40)	541	(242)
Plant	753	676	+77	450	+303
Domestic	2,101	2,113	(12)	1,666	+435
Overseas	1,010	994	+16	1,071	(61)
Gross Profit	271	256	+15	310	(39)
Operating Profit	135	124	+11	136	(1)

※ Total sales includes figures falling under Other Sales

■ Sales ● OP Margin



- Performance marked growth driven by progress in plant projects, etc.

New Orders

(KRW billion)

	4Q20	FY20	4Q20 Backlog
Total	2,960	9,497	24,521
Building	2,033	6,977	13,776
Civil	90	382	2,986
Plant	762	1,977	7,625
Domestic	1,946	6,232	12,736
Overseas	1,014	3,265	11,785

※ 4Q20 new orders: Vietnam power plant 760.4bn, Pyeongtaek fab EUV lower finishing 450bn, Hwaseong fab S3 296.7bn, Pyeongtaek fab phase 2 lower east finishing 250bn, etc.

※ Total/Domestic includes Resort Group landscaping orders (4Q20 75.5bn/ FY20 161.1bn/ Backlog 133.8bn)

2. Performance by Business Group : Trading & Investment, Fashion

Trading & Investment

(KRW billion)

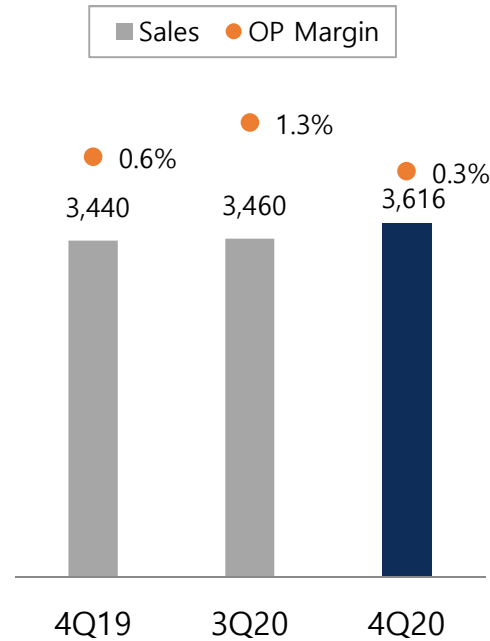
	4Q20	3Q20	Change	4Q19	Change
Sales	3,616	3,460	+156	3,440	+176
Chemicals	900	872	+28	872	-
Steel	902	886	+16	838	+64
Energy	122	162	(40)	181	(59)
Materials	1,527	1,313	+214	1,343	+184
Living Industrial etc.	165	227	(62)	206	(41)
Gross Profit	154	190	(36)	292	(138)
Operating Profit	12	46	(34)	20	(8)

Fashion

(KRW billion)

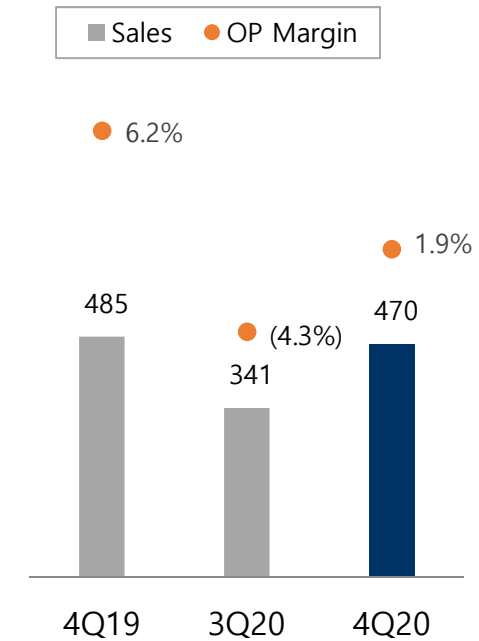
	4Q20	3Q20	Change	4Q19	Change
Sales	470	341	+129	485	(15)
Operating Profit	9	(14)	+23	30	(21)

Trading & Investment



• Sales marked growth from higher prices of commodities, e.g., copper cathode, whereas operating profit fell due to shipping fee hikes near year-end, etc.

Fashion



• Earnings grew QoQ as business entered peak season, but declined YoY from effects of COVID-19

2. Analysis by Business Group : Leisure, F&B , BioLogics

Leisure

	4Q20	3Q20	Change	4Q19	Change
Sales	122	100	+22	183	(61)
Operating Profit	(4)	(10)	+6	23	(27)

F&B

	4Q20	3Q20	Change	4Q19	Change
Sales	489	567	(78)	540	(51)
Operating Profit	23	25	(2)	20	+3

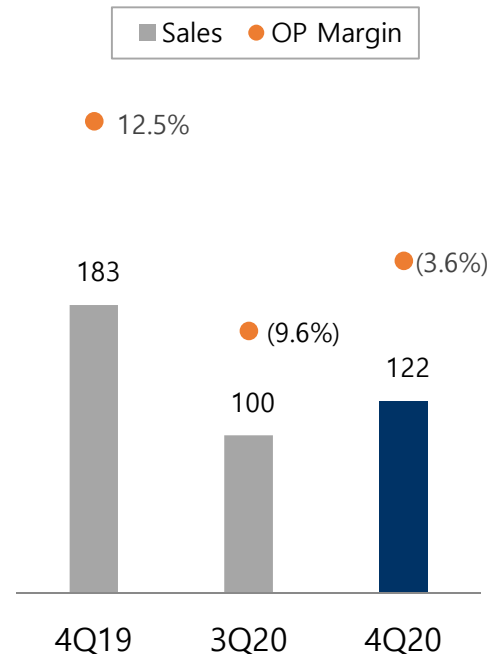
* Welstory : 100% Subsidiary

BioLogics

	4Q20	3Q20	Change	4Q19	Change
Sales	374	275	+99	313	+61
Operating Profit	81	45	+36	96	(15)

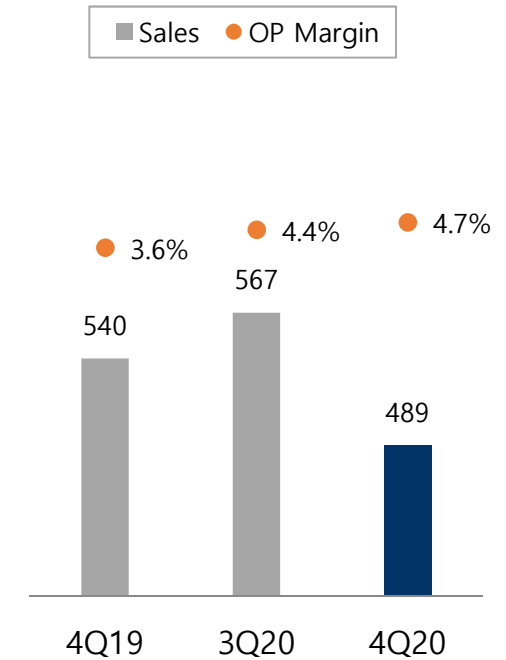
* BioLogics : 43.4% Subsidiary

Leisure



- Performance fell YoY due to effects of COVID-19, etc.

F&B



- Performance declined QoQ on fewer workdays, etc.

Appendix 1. Statement of Financial Position (K-IFRS Consolidated)

(KRW billion)

	End of 2020	3Q20	Change	End of 2019	Change
Assets	54,332	46,684	+7,648	45,906	+8,426
Current	12,901	12,851	+50	11,754	+1,147
└ C&CE*	3,555	3,595	(40)	3,366	+189
Non current	41,431	33,833	+7,598	34,152	+7,279
Liabilities	21,386	19,582	+1,804	19,214	+2,172
Current	10,888	11,190	(302)	10,930	(42)
Non current	10,498	8,392	+2,106	8,284	+2,214
※ Total debt	3,146	3,762	(616)	3,417	(271)
Equity	32,946	27,102	+5,844	26,692	+6,254
Controlling	30,198	24,384	+5,814	24,096	+6,102
Non controlling	2,748	2,718	+30	2,596	+152
Debt/Equity (%)	65%	72%	(7%p)	72%	(7%p)

* C&CE : Cash and cash equivalents + Short-term financial instruments, etc.

Appendix 2. Statement of Cash Flow (K-IFRS Consolidated)

(KRW billion)

	2020	2019	4Q20	3Q20
Cash (Beginning of period)	2,704	2,903	2,637	3,286
Cash flows from operating activities	+1,250	+771	+707	(240)
Net profit	+1,161	+1,048	+270	+324
Changes in operating assets and liabilities	(625)	(713)	+259	(656)
Others	+714	+436	+178	+92
Cash flows from investing activities	(822)	+607	(263)	(334)
Changes in tangible/intangible assets	(254)	(350)	(79)	(73)
Changes in financial assets/equities	(487)	+600	(155)	(107)
Others	(81)	+357	(29)	(154)
Cash flows from financing activities	(730)	(1,577)	(679)	(75)
Changes in borrowings	(202)	(1,137)	(544)	+11
Others	(528)	(440)	(135)	(86)
Increase in cash	(302)	(199)	(235)	(649)
Cash (End of period)	2,402	2,704	2,402	2,637

