

Investor Relations 2019

# Doosan Solus

## 3Q19 Earnings Report



## Disclaimer

The information herein is provided for your information purposes only and contains preliminary figures which may be materially different from the final figures.

Forecasts and projections contained in this material are based on current business environments and management strategies, and they may differ from the actual results upon changes and unaccounted variables. We make no guarantees and assume no responsibility for the use of information provided. We trust your decisions will be based on your own independent judgment.

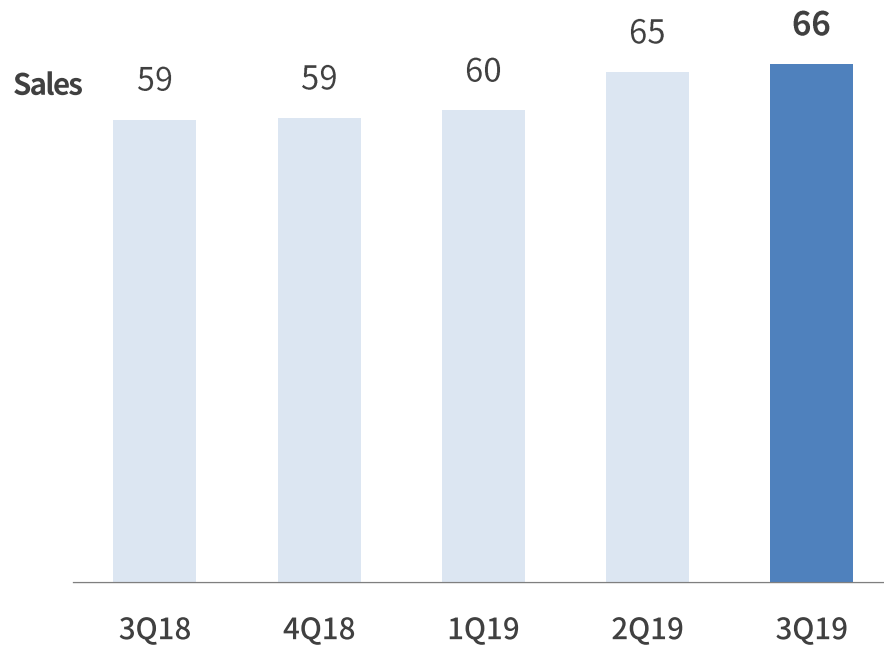
Financial data in this presentation is on a IFRS consolidated and IFRS parent basis.

## 3Q19 Overview

- 3Q19: **Both sales and EBIT increased on YoY/QoQ basis** due to sales expansion in OLED materials and copper foil for 5G
  - OLED materials : New products release from company “A” and “S” / Expansion of Chinese customer base
  - Copper foil : Increases in demand of copper foil for 5G
- 4Q19: **Sales are expected to increase by 24% YoY** due to application of OLED materials to new phone models (company “S”) and expanded demand of copper foil for 5G

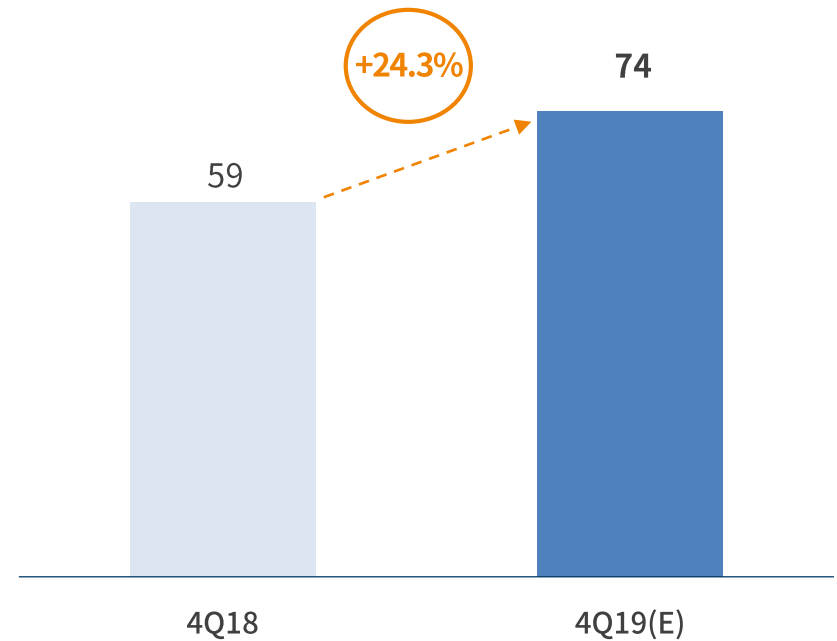
### [Quarterly Earnings Trend]

KRW 1B



### [4Q19 Sales Forecast]

KRW 1B



## Progress of Elec-foil Business

- Progress rate is 64% for construction of the plant in Hungary (Based on 10,000ton)
  - Construction will be completed in March, 2020
  - Additional extension plan will be decided under the consideration of market conditions after securing a 10,000 ton-capacity
- By signing contracts with global major customers, Doosan Solus has secured firm demands, which account for more than 50% of capacity
  - Negotiations for supply contract and quality evaluation with major battery manufacturers in Europe are in progress so there will be no issue in securing demand

### [Construction site]

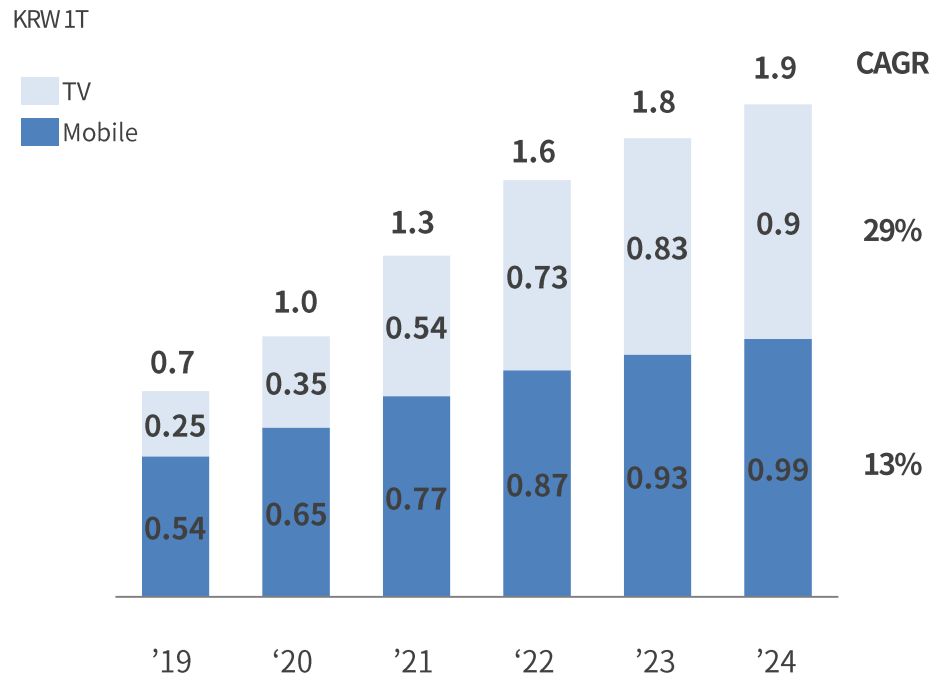


- Summary of elec-foil plant
  - Környe, Üveggyár u., Hungary
  - Area : 143,714m<sup>2</sup>(site), 29,140 m<sup>2</sup>(plant)
  - Progress rate : 64% (based on 10,000ton)
  - Completion : March, 2020
- Secured demand, which is more than 50% of capacity
  - Completed quality evaluation and signed supply contract (with 1 maker)
  - Discussion of details for supply contract and quality evaluation are in progress (with 1 maker)
  - Negotiations and quality evaluation are in progress (with 3 makers)

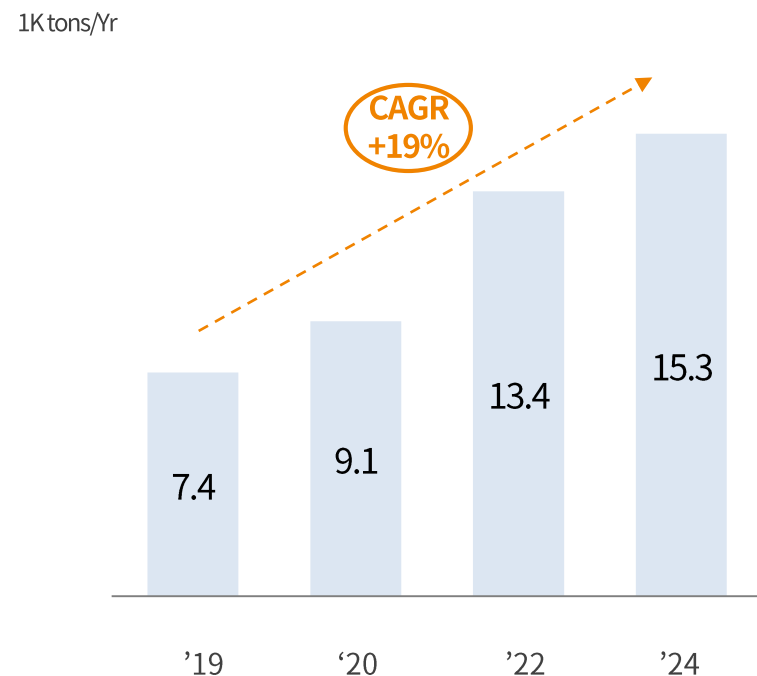
## Growth Expectation Led by Rapid Change of Industry

- OLED : Increasing Applications for Mobile Devices & Expanding Applications to Premium TVs
  - Mobile: Releases of Foldable Phones / Increasing Applications of OLEDs by Chinese Display Manufacturers  
Market size: KRW 0.54T in 2019 →KRW 1T in 2025
  - TV: Expanding Applications to Premium TVs such as a KRW 13T-amount of QD OLED Investment Announcement by Company “S,” Market Size: KRW 0.25T in 2019 →KRW 0.9T in 2025
- Copper Foil : Expected to Improve Revenue and EBIT by Increasing Revenue Proportion of High-end Copper Foil Sales
  - Expected to Increase the volume of telecommunication usages by 33 times due to 5G→Increasing Demand for Copper Foils for Telecommunication Devices and Servers by 1.5 times (High Frequency, Low Loss, etc.)

### [OLED Display Market Forecast]



### [5G-related Copper Foils Revenue Forecast]



\* Source : Stone partners, Yuanta Securities