



SONGWON Industrial Group delivers a solid result for FY 2018

- Sales in 2018 totaled 788,738 Mil. KRW
- Net profit amounted to 37,805 Mil. KRW for the FY
- SONGWON maintained a gross profit margin of 19.8% in 2018

Ulsan, South Korea – March 7, 2019 – SONGWON Industrial Group (www.songwon.com) today released its financial results for FY2018. Sales continued to grow in Q4/2018 compared to Q4/2017 and contributed to the overall stable growth over the entire year. SONGWON's overall consolidated sales revenues for FY 2018 totaled 788,738 Mil. KRW and marks an 8.8% increase over the previous year.

In Million KRW	Q4			YTD December		
	2018	2017	Δ%	2018	2017	Δ%
Sales	196,022	182,314	7.5%	788,738	724,853	8.8%
Gross profit	37,040	34,442	7.5%	156,156	155,060	0.7%
<i>Gross profit margin</i>	18.9%	18.9%		19.8%	21.4%	
Operating profit	10,168	8,500	19.6%	54,277	54,466	-0.3%
EBITDA	16,821	16,046	4.8%	86,938	86,769	0.2%
<i>EBITDA margin</i>	8.6%	8.8%		11.0%	12.0%	
EBIT	8,215	7,831	4.9%	53,148	54,485	-2.5%
<i>EBIT margin</i>	4.2%	4.3%		6.7%	7.5%	
Profit for the period	4,974	4,670	6.5%	37,805	34,706	8.9%

Despite the challenging environment with global trade tensions as well as economic uncertainty continuing throughout the year, the demand for SONGWON's products remained strong, and growth was recorded across all global regions, particularly in the Americas, Europe and the rest of Asia. However, SONGWON saw slightly less demand in Korea due to the generally weak economic outlook in the country and tight supply as well as pricing issues which negatively impacted sales in the region throughout 2018.

In contrast, polymer stabilizers (PS) saw steady sales in 2018, although the traditional customer destocking activities at the end of the year, unfavorable currency fluctuations, and higher raw material costs were predicted to have a negative effect on the product line. Sales were also up for SONGWON's TPP business with polyester diols and polyurethanes also performing well.

In 2018, SONGWON successfully increased capacities at its world-class manufacturing facilities in Korea. The installation of new production lines was also completed, and large-scale manufacturing of functional monomers was successfully initiated. During the year, the PS product portfolio was further strengthened, and the organization also continued the development and expansion of its specialty chemicals and fuel and lubricant additives product portfolios.

Looking ahead, SONGWON feels that political and trade uncertainties may lead to an economic slowdown in 2019. Nevertheless, although it is early to predict whether the situation will be temporary or more structural in nature at this point in time, SONGWON expects that the demand for its product offering will increase steadily across the regions in the medium term. Moving forward, the company will remain focused on building a world-class team, enhancing SONGWON's innovative edge and strengthening the company's overall ability to deliver specialty chemical products that match the needs of its broad customer base. By driving additional operating efficiencies and continuing to execute its key strategic growth initiatives with a cautious, prudent approach, SONGWON is confident that it can remain on track to achieve its long-term performance targets in the coming year.

The FY2018 Report can be downloaded at:

www.songwon.com/investors/reports-publications

www.songwon.com/ko/investors/reports-publications

About SONGWON Industrial Co., Ltd.

SONGWON, which was founded in 1965 and is headquartered in Ulsan, South Korea, is a leader in the development, production and supply of specialty chemicals. The second largest manufacturer of polymer stabilizers worldwide, SONGWON Industrial Group operates companies all over the world, offering the combined benefits of a global framework and readily accessible local organizations. Dedicated experts work closely together with customers to develop tailor-made solutions that meet individual requirements.

For further information, please go to: www.songwon.com.

This press release can be downloaded from www.PressReleaseFinder.com.

**For further information,
please contact:**

SONGWON Industrial Group
Giulia Boratto
Leader Global Marketing & Communications
Walzmühlestrasse 48
CH-8500 Frauenfeld
Switzerland
Tel: +41 52 635 0000
E-mail: marketing@songwon.com

**For editorial inquiries and clippings,
please contact:**

Marketing Solutions
Kevin Noels
Box 6
2950 Kapellen
Belgium
Tel: +32 3 31 30 311
E-mail: knoels@marketingsolutions.be

SWPR194EN0319
Issued on 07-03-2019

It's all about **the chemistry™**

