

## **Analysis of 2014 First Half Business Performance and Stock Price Changes of Corporations Closing Accounts in December in the KOSPI Market**

### **1. Target Corporations and Criterion**

For the total 688 corporations in the KOSPI market that have to submit business reports, which close their accounts in December, 615 corporations were selected excepting cases where comparison is impossible due to such reasons as merger, spin-off, change of a fiscal year, new listing, suspension of trading, etc. The analysis was conducted for the business performance based on the financial report of individual corporations during the first half in 2014

- Business performance: based on an individual corporation's own business performance in terms of sales, operating profit and net profit in the business reports for the first half of 2014
- Period of stock price change: January 2, 2014 ~ September 5, 2014 (based on adjusted common stock price)

### **2. Results of Analysis**

- **In general, stock prices of corporations with improved business performance increased in terms of simplified arithmetic average**
  - Stock prices of 335 corporations with increased sales compared to preceding year rose by average 34.44%.
  - Stock prices of 263 corporations with increased operating profits compared to preceding year rose by average 41.97%.
  - Stock prices of 277 corporations with increased net profits compared to preceding year rose to average 37.47%.
- **In general, stock price of corporations with aggravated business performance revealed a relatively lower return compared to corporations with improved performance.**
  - Stock prices of 280 corporations with decreased sales compared to preceding year rose by average 9.57%.
  - Stock prices of 352 corporations with decreased operating profits compared to preceding year rose by average 9.03%.

- Stock prices of 338 corporations with decreased net profits compared to preceding year rose to average 11.35%.
- ▶ Rates of return in terms of stock prices of corporations with better business performance are higher in order of operating profits, net profit and sales.

*Attachment: Analysis of 2014 First Half Business Performance and Stock Price Changes of Corporations Closing Accounts in December in the KOSPI Market*

*Attachment*

**Analysis of 2014 First Half Business Performance and Stock Price Changes of Corporations Closing Accounts in December in the KOSPI Market**

**1. Business performance and stock price change**

(unit : %, %p)

Division	Sales		Operating profits		Net profits	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Company No.	335	280	263	352	277	338
Fluctuation rate	34.44	9.57	41.97	9.03	37.47	11.35
Against KOSPI	32.55	7.68	40.08	7.14	35.58	9.46

- ※ As for operating and net profits, cases of converting into and continuing of deficit are classified into the decrease items and turning into a profit-making into increase items.
- ※ ‘Against KOSPI’ means an excessive return rate against KOSPI (1.89%) during the same period.

**2. Stock price increase rate of corporations ranked high in sales increase**

(unit : KRW mil., %, %p)

Ranking	Company name	Sales	Growth rate YOY	Change	Against KOSPI
1	DI	39,883	195.18	-15.54	-17.43
2	SJM Holdings	1,997	173.39	2.63	0.74
3	Daesang Holdings	15,807	169.59	152.4	150.51
4	Shinhan	23,830	166.97	83.12	81.23
5	Hankook Tire Worldwide	114,933	160.47	-5.44	-7.33
6	Seah Holdings	76,661	121.64	84.66	82.77
7	T’way Holdings	8,845	120.20	92.08	90.19
8	GeneOne Life Science	11,922	94.37	1.13	-0.76
9	Shinsung Solar Energy	85,948	91.40	-2.21	-4.1
10	Wooshin Systems	78,486	77.21	19.68	17.79

- ※ Stock price change is based on the adjusted stock price reflecting market administration measures.
- ※ ‘Against KOSPI’ means an excessive return rate against KOSPI (1.89%) during the same period.

### 3. Stock price change of corporations ranked high in operating profits increase

(unit: KRW mil., %, %p)

Ranking	Company name	Operating profits	Growth rate YOY	Change	Against KOSPI
1	KEC	107,467	8,098.55	67.73	65.84
2	Farmsco	403,479	3,729.62	61.00	59.11
3	Iljin Electric	396,307	3,294.64	0.51	-1.38
4	Daelim B&Co	67,921	717.14	34.87	32.98
5	Hankook Cosmetics	17,953	682.76	245.98	244.09
6	F&F	122,493	559.62	64.31	62.42
7	Sunny Electronics	11,401	489.88	-50.95	-52.84
8	Daehan Flour Mills	184,028	483.85	34.85	32.96
9	SJM Holdings	1,997	430.38	2.63	0.74
10	DAYOU A-Tech	292,873	426.23	45.54	43.65

※ Stock price change is based on the adjusted stock price reflecting market administration measures.

※ ‘Against KOSPI’ means an excessive return rate against KOSPI (1.89%) during the same period.

※ Companies turning into a profit-making are excluded from ranking.

### 4. Stock price change of corporations ranked high in net profits increase

(unit : KRW mil., %, %p)

Ranking	Company name	Net profits	Growth rate YOY	Change	Against KOSPI
1	Daehan Flour Mills	184,028	5,031.35	34.85	32.96
2	NAMYEUNG	98,193	3,962.49	22.19	20.3
3	Hanwha Galleria Timeworld	68,830	2,376.58	118.36	116.47
4	SK Chemicals	595,529	2,294.72	20.11	18.22
5	Daewon Chemical	61,776	2,014.17	28.71	26.82
6	Youngheung Iron&Steel	74,934	1,850.39	39.46	37.57
7	KOR IND	89,607	1,516.87	115.65	113.76
8	Namsun Aluminum	170,672	1,355.85	92.43	90.54
9	Iljin Materials	123,320	1,273.86	-0.47	-2.36
10	Kumyang	69,170	1,008.55	16.59	14.7

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