

LOCK & LOCK

IR Book 2017. 1Q



LOCK&LOCK

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Certain information contained in these materials represents or is based on forward-looking statements or information. Forward-looking statements are inherently uncertain and changing factors, general or specific, may cause events or results to differ from those discussed in the materials. Therefore, undue reliance should not be placed on such statements or the conclusions drawn from them.



01. Company Overview

Name	Lock&Lock Co. Ltd.
CEO	Joon-il Kim, Sung-Tae Kim
Establishment	1978. 10. 1.
IPO	2010. 1. 28. (KOSPI)
Share Outstanding	55,000,000 (Face value 500 KRW)
Capital	27,500,000,000 (KRW)
Number of Employees	5,066 (Including overseas employees)
Logistics Center in Korea	Asan(Automated logistics center), Ansung
Overseas Plants	China(Suzhou, Weihai2), Vietnam(DongNai, VungTau)
Overseas Branches	China(Shanghai, Shenzhen, Beijing, Shandong, Suzhou) Vietnam (HoChiMinh, Hanoi) Indonesia, Thailand, Germany, U.S.A
Homepage	www.locknlock.com

[Update on 2017. 03.]



02. Lock&Lock History

Establish

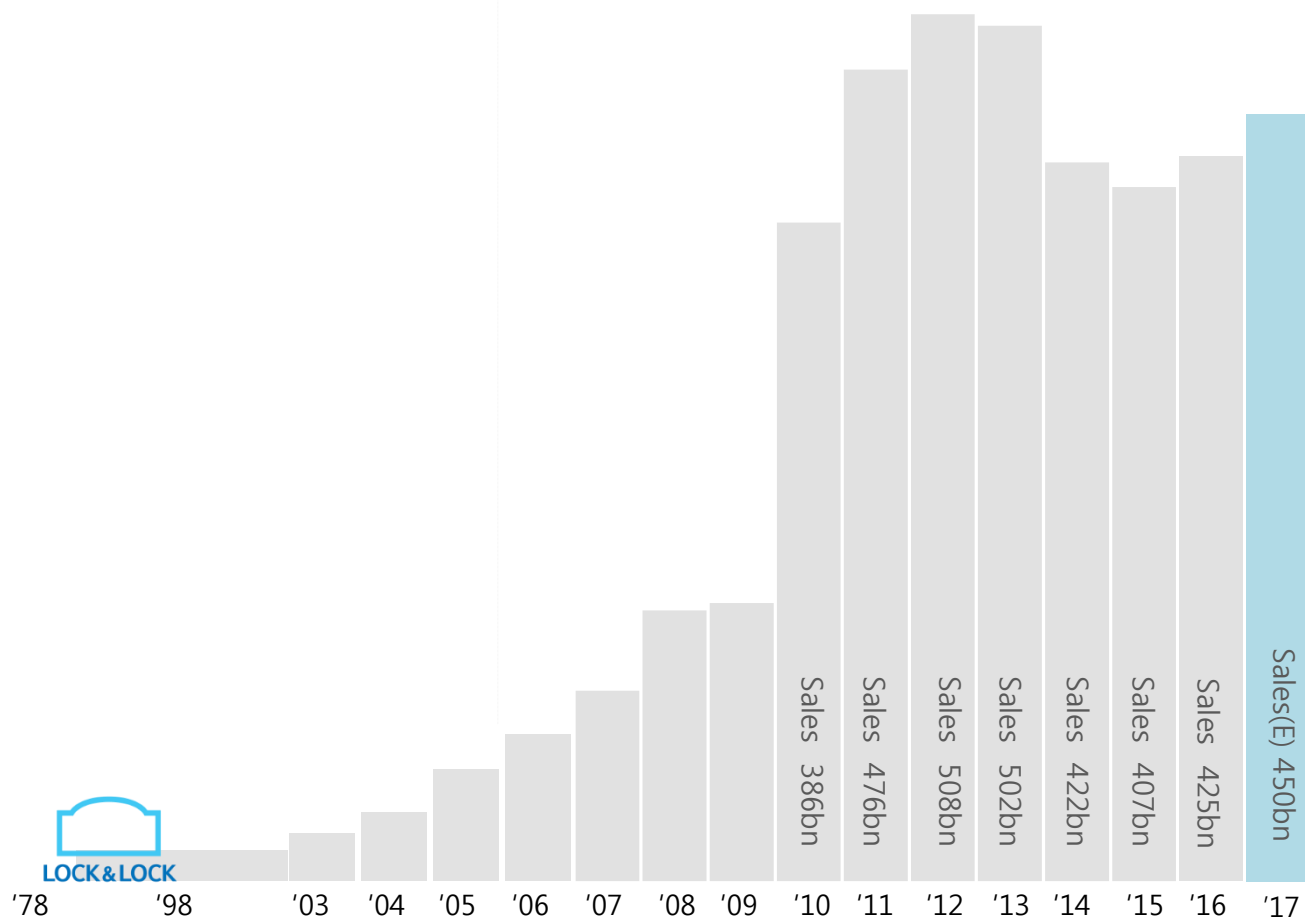
Brand Integration

Global No.1

'78

'98~'05

'06~



- Established KUKJIN Distribution
- Launched the food container L&L.
- QVC launching. (Home shopping)

- Inroads into Chinese market.
- Factory completed in Asan
- Chinese factory completed

- Sales entities established in Indonesia and Vietnam.

- Listed on KOSPI.
- 1st franchise opened.
- Cookware factory completed

- China, Korea, Vietnam, etc No.1 Brand
- Export to more than 100 countries.

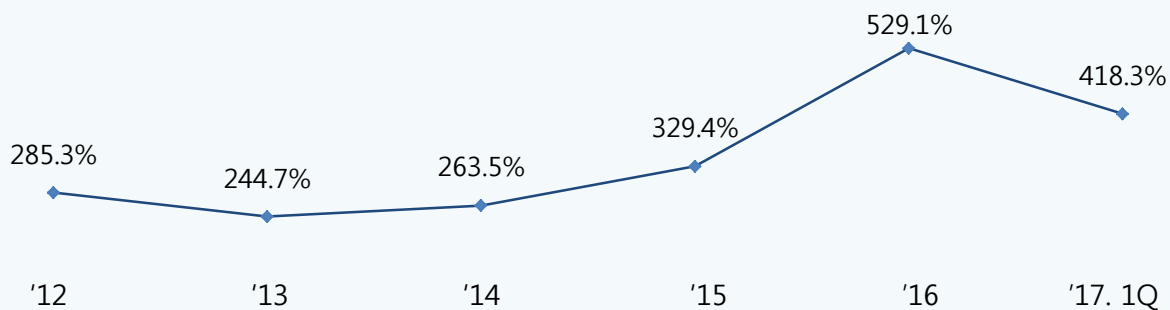
(unit: KRW)



03. Assets

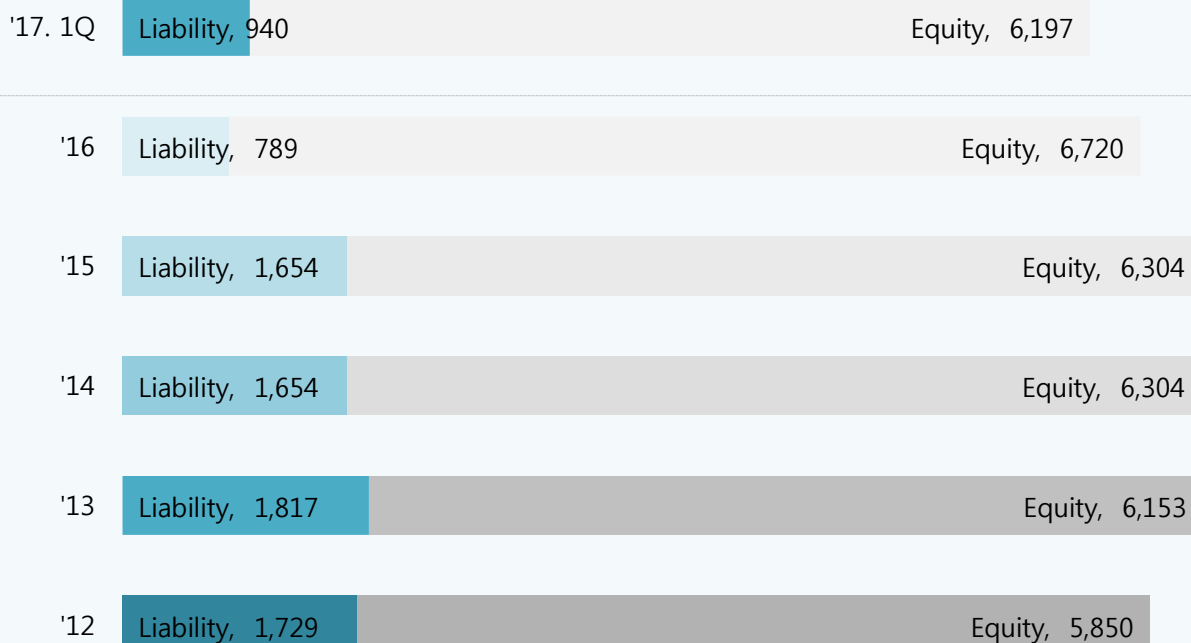
Current ratio

[unit : %]



Assets and Liabilities (Consolidated)

[unit : 100mm, KRW]



[Update on 2017. 03.]



04. Organization



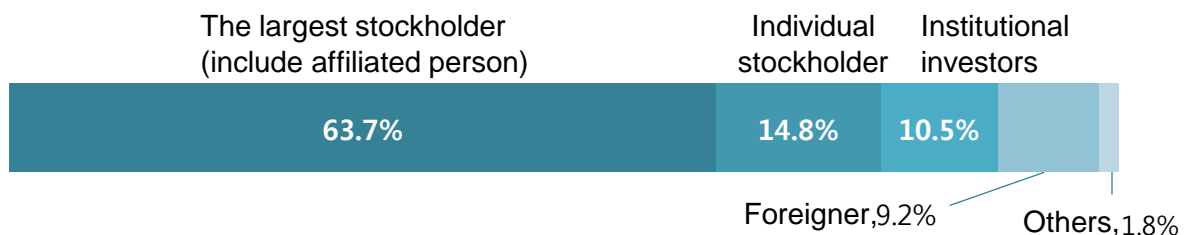
Korea	China	Vietnam	Overseas Offices
Domestic Sales	Shanghai Sales branch	HaNoi Sales branch	Germany Sales branch
Overseas Sales	Beijing Sales branch	HoChiMinh Sales branch	Indonesia Sales branch
Logistics Centers	Shenzhen Sales branch	Dong Nai Plant	Thailand Sales branch
	Suzhou Sales branch	Vung Tau Plant -Glass -Cookware -Plastic	U.S.A Sales branch
	Shandong Sales branch		
	Manshan Plant		
	Suzhou Plant		



05. Stock Ownership

Name	Lock&Lock Co. Ltd.
IPO	2010. 1. 28. (KOSPI)
Share Outstanding	55,000,000 (Face value 500 KRW)
Major shareholder	The largest stockholder(include affiliated person) 63.69% National pension 5.00% ShinYouong Asset Management 5.00% Treasury stock 1.48%
Foreign Investor Ownership	9.17% [Update on 2017. 03.]

Stockholder [Update on 2016. 12.31]



06. Product Portfolio

Food Storage Containers + Kitchen Appliances

Food storage containers (L&L classic, L&L special, L&L Bisfree, L&L ovenglass, etc)

Outdoor (L&L aqua, L&L hot and cool, etc)

Household items (L&L living box, Inplus, etc)

Cookware (L&L Cookplus, Hard&Light etc)

Kitchen appliances (L&L taste, L&L cutlery, etc)

Livingware (Electronics, travel goods, etc)



L&L
Hot&Cool



L&L
Bisfree



L&L
ovenglass



Cookplus,
Hard&Light



L&L classic



L&L aqua



L&L Lunch



Inplus



Tontarelli

07. Brand Power

Customer Confidence

C-BPI No. 1(for 6 years) - Airtight containers (April, 2017)

C-BPI No. 1(for 5 years) – Thermos (April, 2017)

K-BPI No. 1(for 14 years)

KWCI(Korea Well-Being Consumer Index) No. 1(for 8 years)

Korea Brand Recommendation Index No. 1

By Vietnam economic times 'Consumer Confidence Top 100 items (2016)



C-BPI



KS-WCI 1위
한국소비자웰빙지수



K-BPI



Vietnam Consumer
Confidence Top 100
items



Korea Brand
Recommendat
ion Index



National Brand
Competitiveness
Index



reddot award 2015
honourable mention



World class
product of Korea



LOHAS

08. Intellectual Property

Property	Procedure	Korea	Overseas
Patents /Utility Models	Application	3	3
	Registered	9	22
Designs	Application	45	60
	Registered	255	353
Trademarks / Service Mark	Application	34	170
	Registered	258	693

[Update on 2017. 03]



09. Overseas Plants

Selected and Concentrated Production Strategy

China

[Suzhou]

- Facilities : Injection Molding Machine 40, ISBM 3
- Production capacity : 79,935,000 PCS/year
- Product line : Plastic · Beverage Container, Character Product, etc.

[Manshan]

- Facilities : Injection Molding Machine 26
- Production capacity : 42,705,000 PCS/year
- Product line : Plastic · Beverage Container, Trash can, etc.

Vietnam

[DongNai]

- Facilities : Injection Molding Machine 54
- Production capacity : 124,246,000 PCS/year
- Product line : Plastic · Beverage Container, etc.

[VungTau] - Injection

- Facilities : Injection Molding Machine 104, ISBM 8
- Production capacity : 140,580,000 PCS/year
- Product line : Plastic · Beverage Container, Inplus, etc.

[VungTau] - Cookware

- Production capacity : 5,831,000 PCS/year
- Product line : Plastic · Hard & light, Salong, etc

[VungTau] - Glass

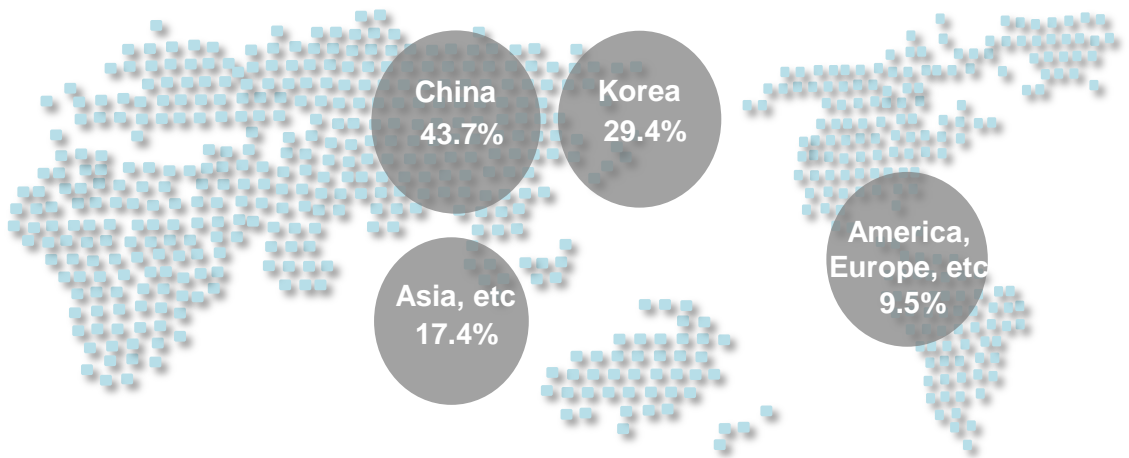
- Facilities : Furnance VT-1
- Production 16,800,000 PCS/year(VT-1 Capa)
- Product line : Glass



10. Sales

Overseas sales offices 11, Export to 116 countries

[Geographical Sales]



[Updated on 2017.03.]

[Branches]

China(Shanghai, Beijing, Shenzhen, Shandong, Suzhou)

Vietnam(HoChiMinh, Hanoi)

Indonesia(Jakarta)

U.S.A(Los Angeles)

Thailand(Bangkok)

Germany(Frankfurt)

11. Distribution Networks

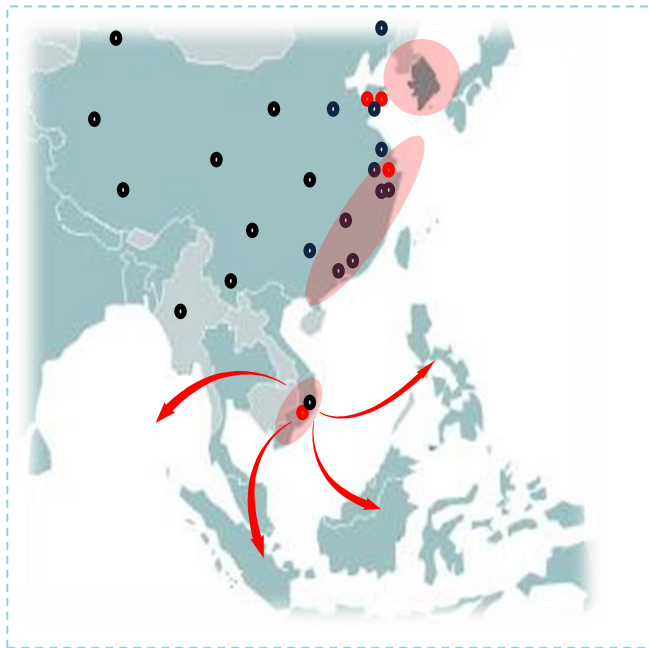
Diversify Sales Channel



12. Growth Strategy

Growth in Vietnam and Korea(domestic+export) sales

- Concentrating on on-line sales and B2B in China.
- Grow revenue in Vietnam.
 - Discount stores and B2B market growth.
- Increase of domestic and export sales in Korea.
- Improve efficiency of manufacturing facilities in Vietnam.



12. Growth Strategy

Select exclusive items for on-line and
create mobile optimized contents

- Diversifying category
- New items
(exclusively available
at on-line stores)



Only for on-line

- Mobile marketing
- Mobile -friendly
contents
- User communities.



Mobile optimized

- Interactive
communication
with customers.
SNS, Youtube, etc.
- K-Star ad.



Brand marketing

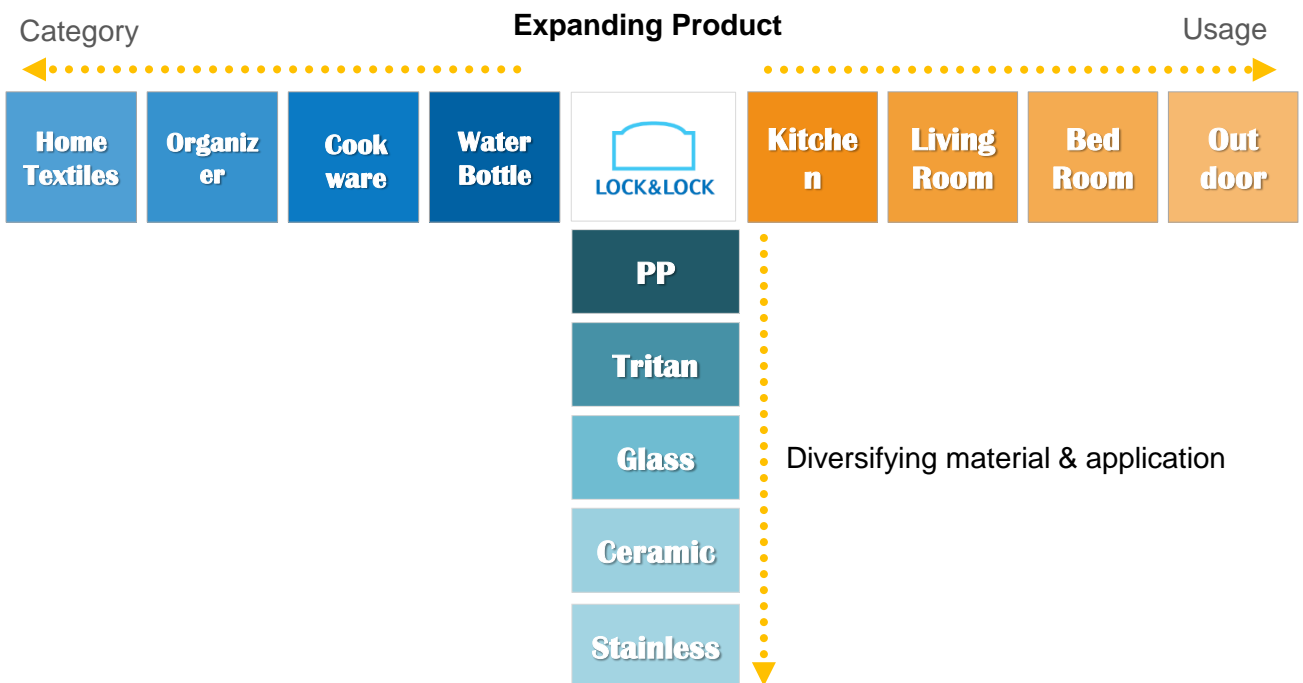
ON-LINE

13. Business Model

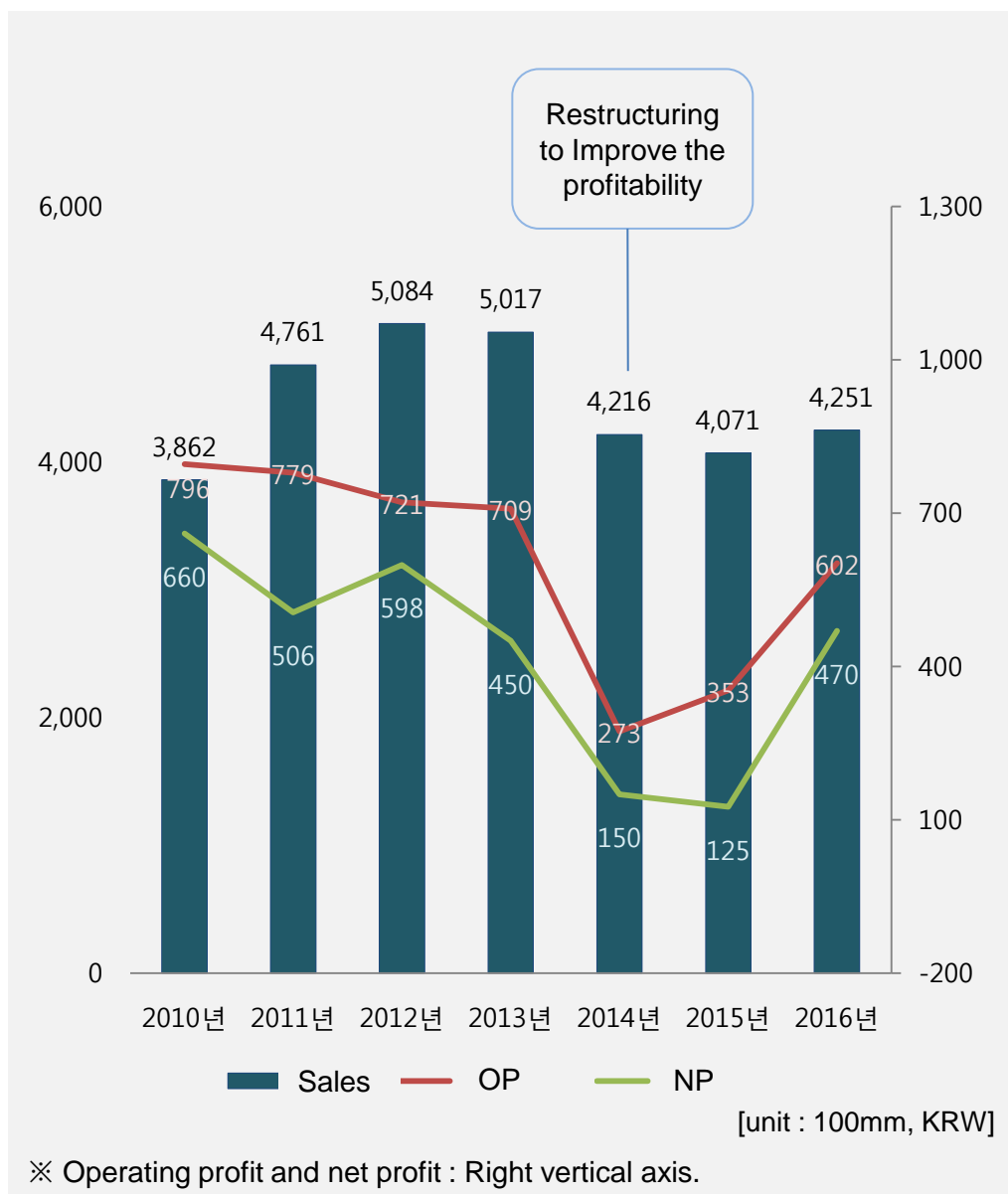
Expanding Business Category

[Lock & Lock moved beyond its image as a container company by adopting a “T-shaped” growth strategy to expand the scope.]

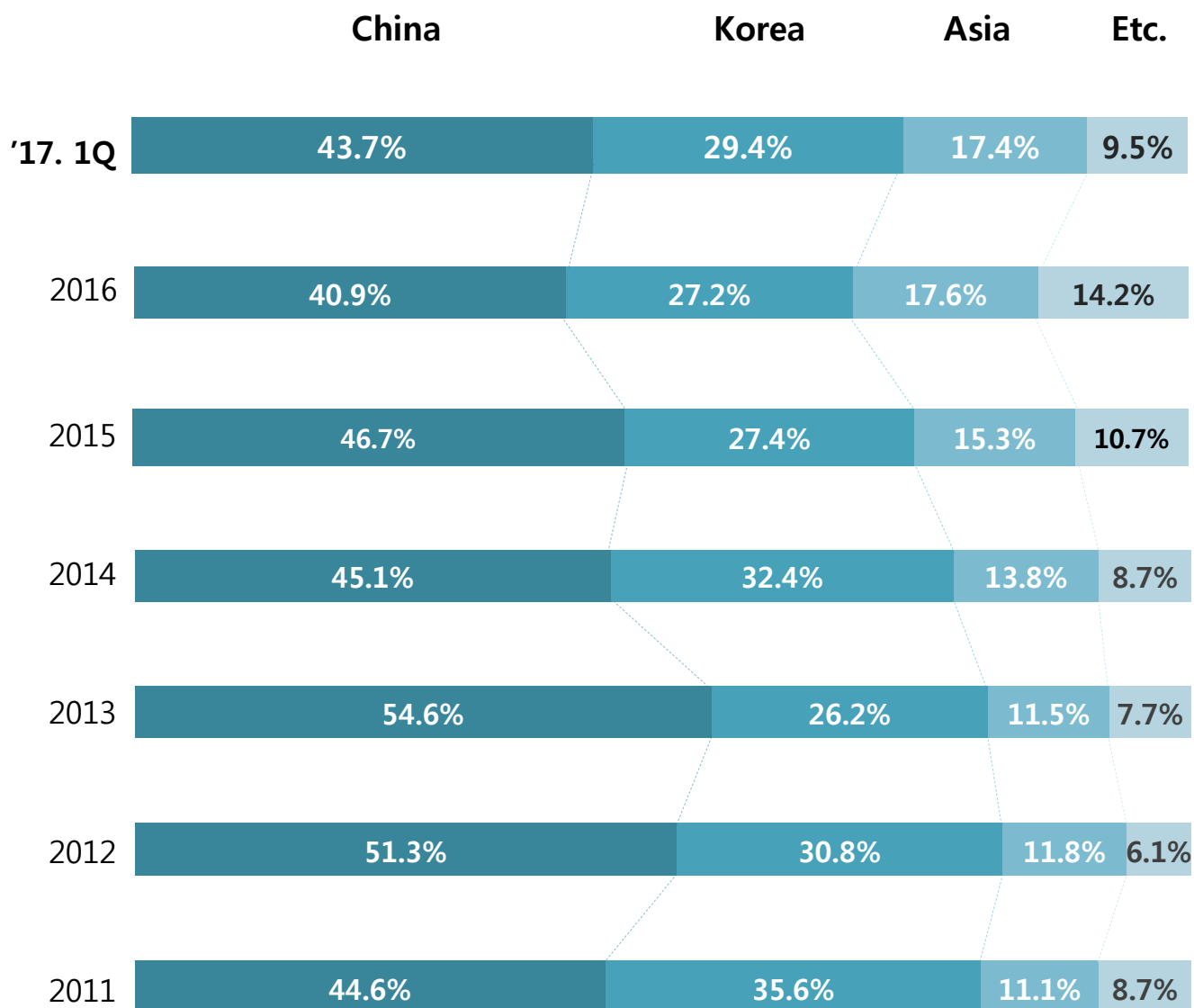
- Diversifying material & application.
- Expanding business category into kitchenware and small home appliance.
 - Differentiation by our well-established brand image of “safe” and “fresh”.
 - High correlation with current business.
 - Sharing distribution channels and customers.



14. Sales and Profit(Consolidated)



15. Geographical Sales Mix



* K- IFRS Consolidated, Region Breakdown (unit : %)





16. Appendix

01. Quarterly Sales and Profit (Consolidated)

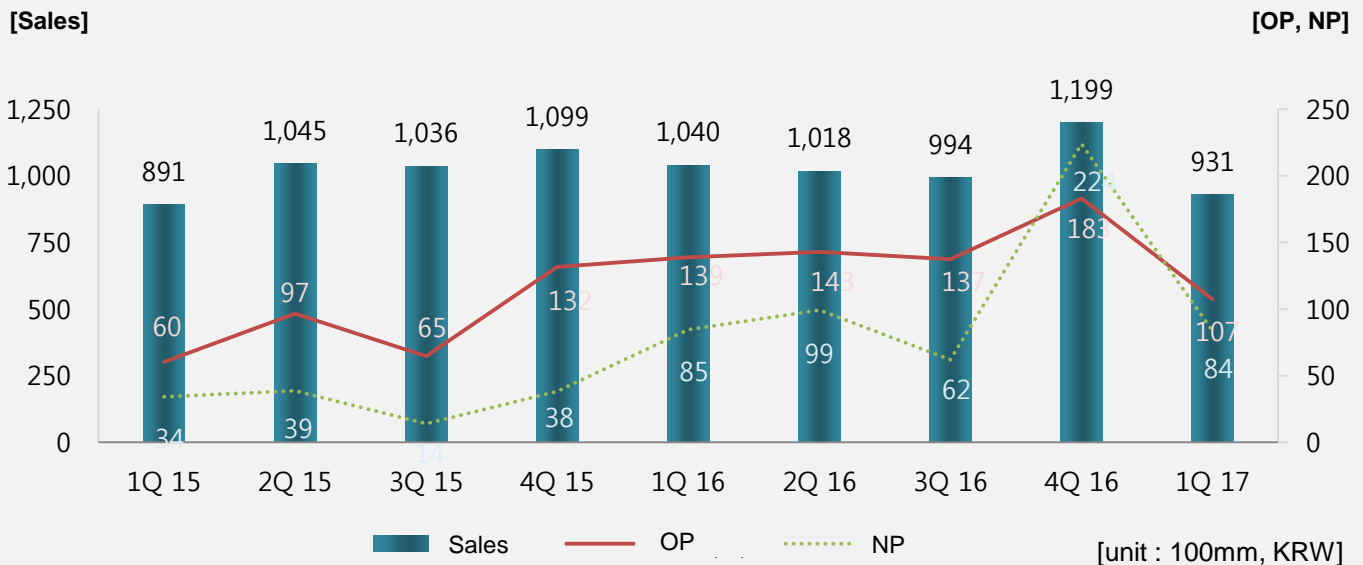
02. Balance sheet(Consolidated)



16-1) Quarterly Sales and Profit (Consolidated)

[unit : 100mm, KRW, %]

구분	2016				2017				QoQ	YoY
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Sales	1,040	1,018	994	1,198	931				-22.3%	-10.5%
COGS	542	523	504	638	478				-25.1%	-11.9%
Gross Profit	498	495	490	560	453				-19.2%	-8.9%
Sg&A Expenses	359	352	353	378	346				-8.4%	-3.6%
Operating Profit	139	143	137	183	107				-41.3%	-22.7%
Pretax income	136	136	127	269	119				-55.9%	-13.0%
Net Profit	85	99	62	224	84				-62.6%	-1.2%



16-2) Balance Sheet Summery(Consolidated)

[unit : mm, KRW]

	2016	1Q. 2017	Gap
Current assets	386,822	366,770	-20,052
Non-current assets	364,075	346,909	-17,166
Total assets	750,897	713,679	-37,218
Current liabilities	73,105	87,674	14,569
Non-current liabilities	5,801	6,315	514
Total liabilities	78,906	93,989	15,083
Issued capital	27,500	27,500	-
Capital surplus	314,809	314,809	-
Capital adjustment	-23,371	-23,371	-
Other Comprehensive income accumulated	-11,958	-45,463	-33,505
Retained earnings	364,619	345,848	-18,771
Non-controlling Interest	392	368	-24
Total equity	671,991	619,690	-52,301
Total equity and liabilities	750,897	713,679	-37,218

