



INVESTOR RELATIONS

AUG. 2019

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The financial information in this document are consolidated earnings results based on K-IFRS. These statements involve risks and uncertainties, and actual results may differ.

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COMPANY OVERVIEW

VISION & MISSION

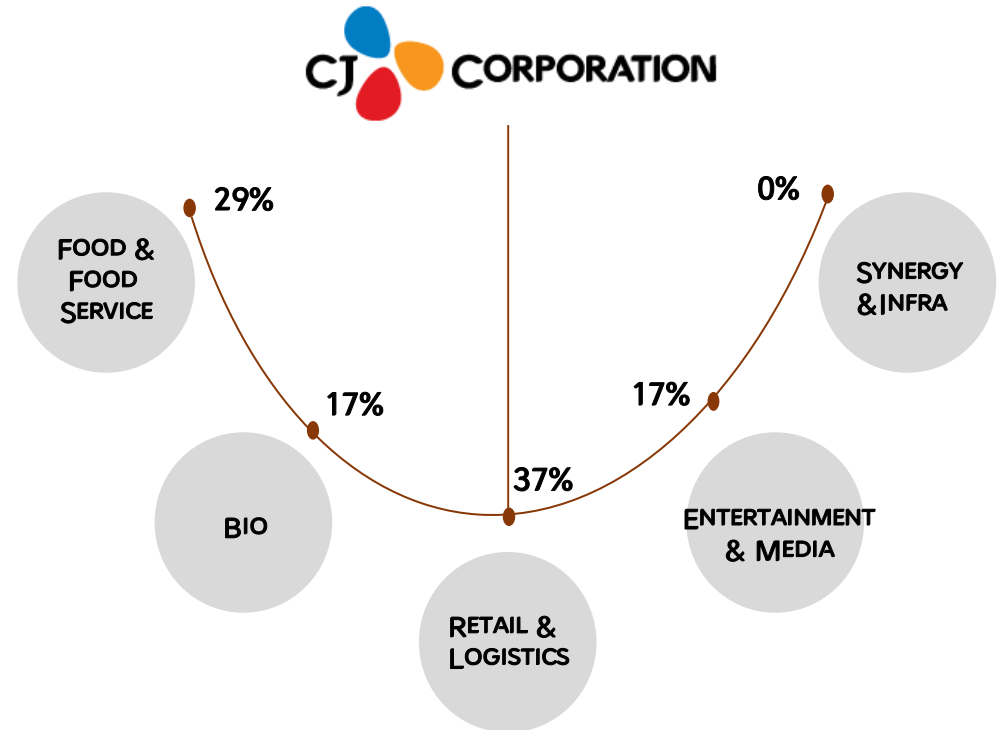
VISION

Create a New Culture
For Healthy, Happy and
Convenient Lifestyles

MISSION

Contribute to the global community
by providing the best value
to our customers
with ONLYONE products and services

CORE BUSINESS AREAS



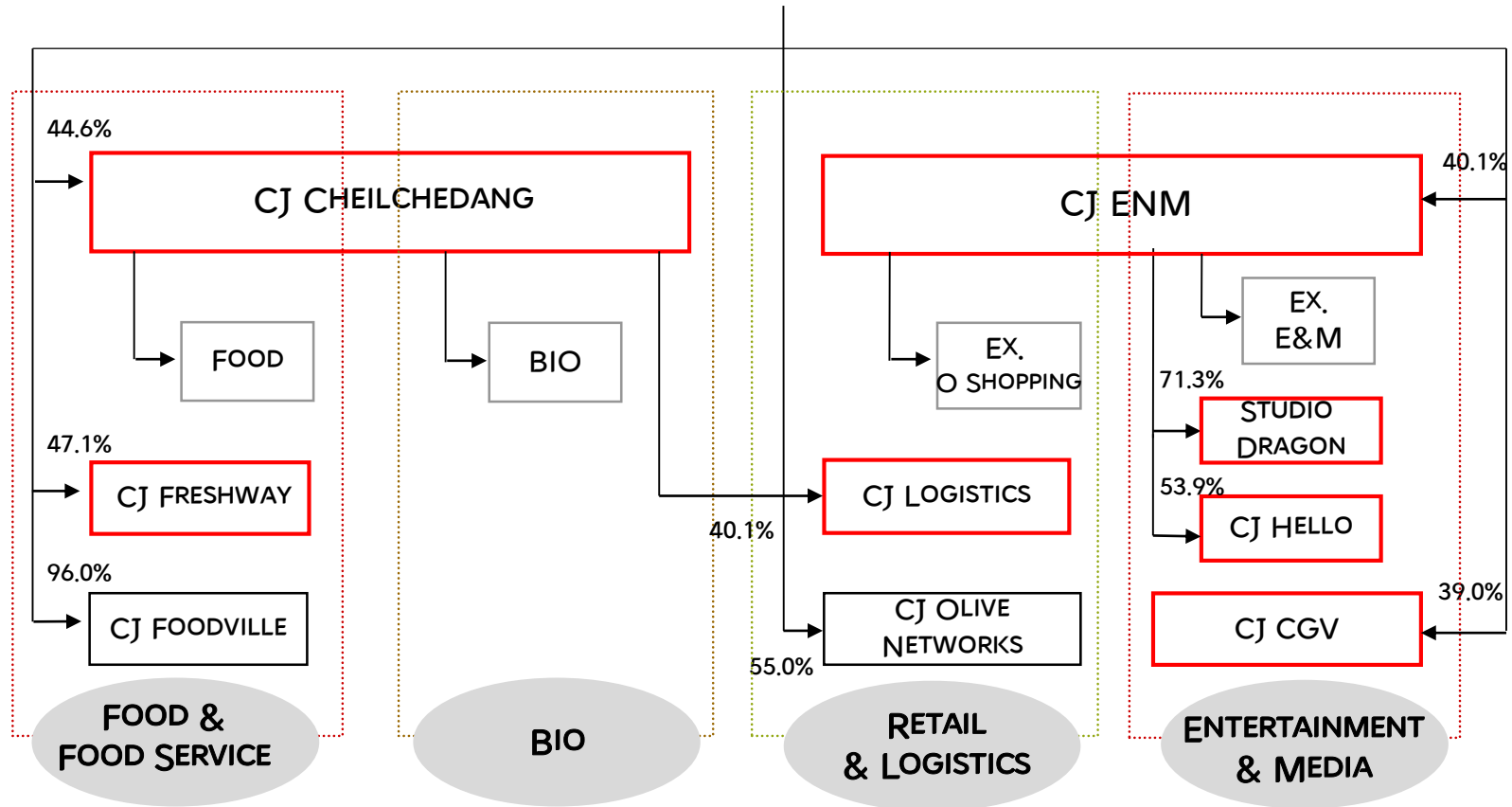
* 2018 K-IFRS Consolidated, Revenue Breakdown

COMPANY OVERVIEW



[AS OF END OF DEC, 2018]

LISTED

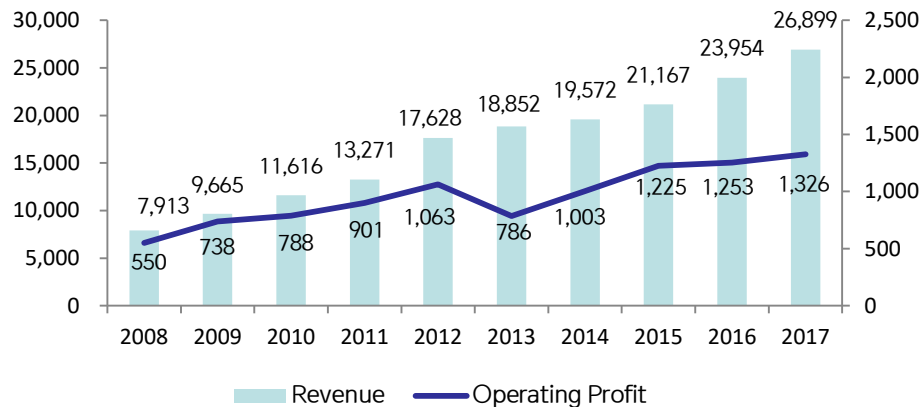


*Note: Common Stock Basis

COMPANY OVERVIEW

FINANCIAL SUMMARY

[Unit: W Bn]



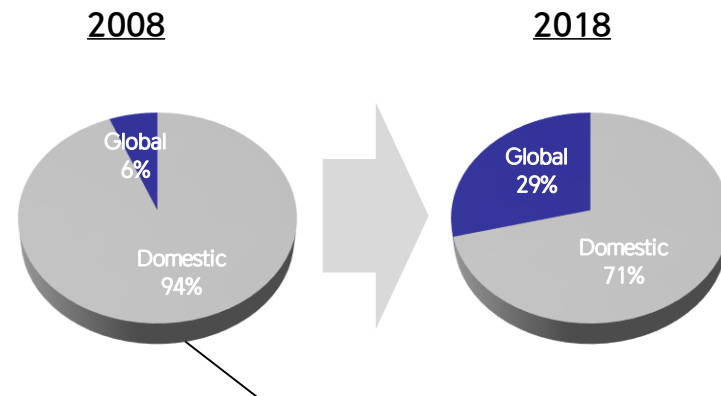
NOTE: K-IFRS CONSOLIDATED

- Since the transition to a holdings company in September 2007, CJ Corp has achieved Sales CAGR of 14.6% and operating profit CAGR of 10.3% through adopting “choose and focus” strategy on 4 core business areas.
- By the end of 2018, Company's total assets and revenue recorded KRW 31.7 trillion and KRW 29.5 trillion , which is 262% and 273% increase within past 10 years, respectively.

● CJ'S GLOBALIZATION

- Expand global presence of businesses which are already indisputably a domestic leader under the operations of CJ CJ, CJ Logistics, CJ CGV and more
- Continue to increase global sales proportion which has seen a remarkable growth from 6% in 2008 up to 29% in 2018
- Increase market share already at unwavering global No. 1 of major Bio products, namely lysine, nucleotides and tryptophan
- No.1 theater operator in Vietnam and Turkey

Consolidated Revenue



COMPANY OVERVIEW

BUSINESS OVERVIEW

- Strengthen competitiveness and maximize synergies between four core business areas in the group

❑ **Food & Food Services** : Actively pursue global expansion based on the experience as the country's leading producer and service provider

❑ **Bio** : Secure global No. 1 position in green bio with outstanding R&D and advanced technologies

❑ **Retail & Logistics** : Provide the largest total logistics services and operate the country's top selling home shopping channel and Korea's leading health & beauty (H&B) store brand

❑ **Entertainment & Media**: Create and produce contents unlimited to movies, music, drama and performance and operate the country's largest movie theater complex

[Unit: W Bn, %]

B/S	2017	2018	P/L	2017	2018
Asset	29,325	31,729	Revenue	26,899	29,523
Liability	17,333	19,207	Operating Profit	1,326	1,333
Equity	11,992	12,522	Net Income	1,137	880
Liability to Equity Ratio	145%	153%	OP Margin	4.9%	4.5%

Note: K-IFRS Consolidated

As of End of 2018	Type	No. of Shares	Stake	Note
Shares	Common	29,176,998		
Outstanding	Preferred	2,260,223		
Treasury	Common	2,971,575	10%	
Shares	Preferred	1,120		
Major Shareholder	Common	12,275,574	42%	

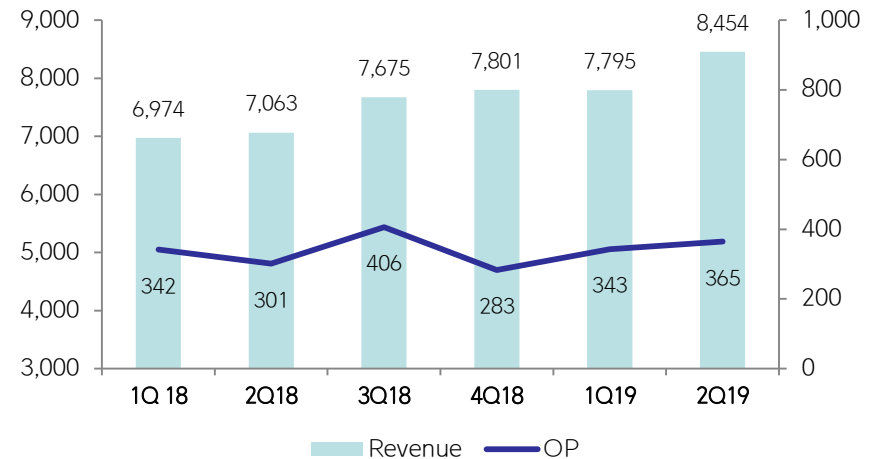
2Q19 EARNINGS REVIEW

FINANCIAL HIGHLIGHTS

[UNIT : W BN]

	1Q 18	2Q18	3Q18	4Q18	1Q 19	2Q 19
Revenue	6,974	7,063	7,675	7,801	7,795	8,454
Operating Profit	342	301	406	283	343	365
(%)	4.9%	4.3%	5.3%	3.6%	4.4%	4.3%

[UNIT : W BN]



- **2Q19: Revenue KRW 8,453.7bn (YoY +19.7%), OP KRW 365.2bn (YoY +21.2%)**

- : Growth led by CJ CJ's Food(Schwan's newly inclusion)/Bio, CJ Logistics' Global/Parcel and CJ ENM's Media/Commerce business
- : OP increased with improved profitabilities of CGV(7,733.3%yoy), CJ Logistics(+25.6%yoy), ENM(26.0%yoy), OliveNetworks(24.0%yoy)

- **Enhanced market competitiveness in all four main business areas, which has achieved more stability in diversified portfolio**

- : Driving future growth through globalization – continuous endeavors in diversifying product portfolio within the Food business, setting the cornerstone by acquisition of local company at CJ Logistics and enhancing content producing capability at CJ ENM
- : Inter-sub synergies – business portfolio includes Food, Entertainment, Retail and Logistics, all of which are synergistic to one another, promoting further

2Q19 OPERATING RESULTS BY BUSINESS

Revenue

[UNIT : W BN]

	2Q18	2Q19	YoY
Food & Food Service	2,085	2,771	32.9%
Bio	1,111	1,199	8.0%
Retail & Logistics	2,710	3,075	13.5%
Entertainment & Media	1,155	1,407	21.8%
Others	2.0	1.7	-15.0%
Total	7,063	8,454	19.7%

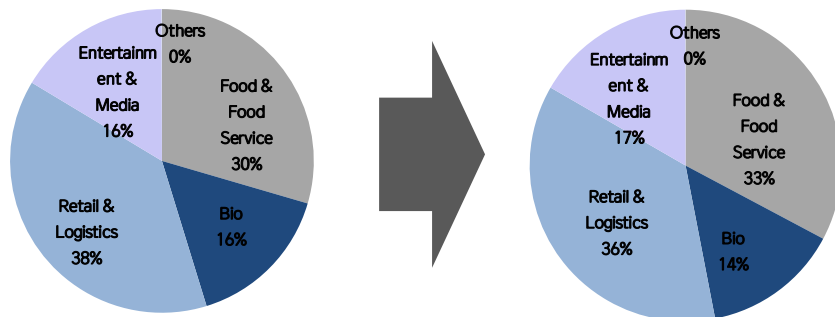
Operating Profit

[UNIT : W BN]

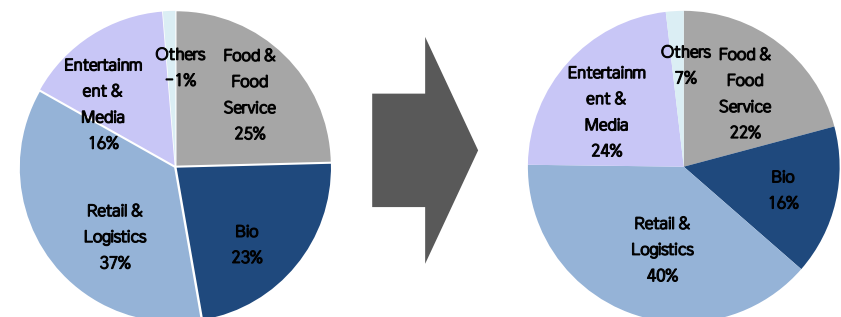
	2Q18	2Q19	YoY
Food & Food Service	76	79	3.9%
Bio	70	59	-16.0%
Retail & Logistics	111	147	31.7%
Entertainment & Media	48	87	83.9%
Others	-4	-7	-78.0%
Total	301	365	21.2%

STABILITY OF THE BUSINESS PORTFOLIO

REVENUE



OPERATING PROFIT

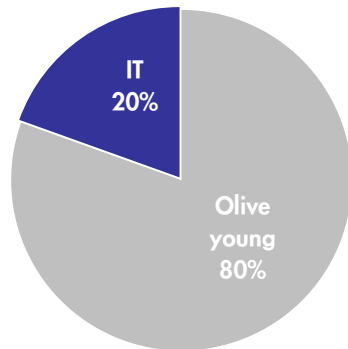


2Q19 FINANCIAL HIGHLIGHTS

Company		2Q19 W bn	YoY	Highlights
CJCJ	Revenue	3,186	+34.6%	· Up with processed food on the back of Schwan's company acquisition and growth from Bio
	OP	105	-19.7%	· Down with increased promotional costs, burden of fixed costs on a new factory and ASF
CJ Logistics	Revenue	2,535	+11.0%	· Solid growth from global(+25.4%yoy) and parcel(+9.6%yoy) division
	OP	72	+25.7%	· Up with the increase in strategic selling prices and operational efficiency in each sector
ENM	Revenue	1,260	+20.1%	· Solid growth driven by Media(+15.4%yoy), Commerce(+16.3%yoy), Movie(+88.2%yoy), Music(131.2%yoy)
	OP	97	+22.3%	· Up with growth of ads/contents sales and commerce portfolio reorganized based on high-yield products
CGV	Revenue	482	+19.0%	· Up with robust growth in Korea(+20.3%yoy), China(+27.3%yoy) and Vietnam(+32.5%yoy)
	OP	24	+7,733.3%	· Up with increased number of audiences due to market growth and efforts to increase non-ticket sales
FreshWay	Revenue	757	+3.8%	· Solid growth from food material distribution(+4.5%yoy) and food catering service(+13.5%yoy)
	OP	19	+40.6%	· Up with improving profitability on food catering service and food material distribution

※ CJCJ excluding CJ Logistics

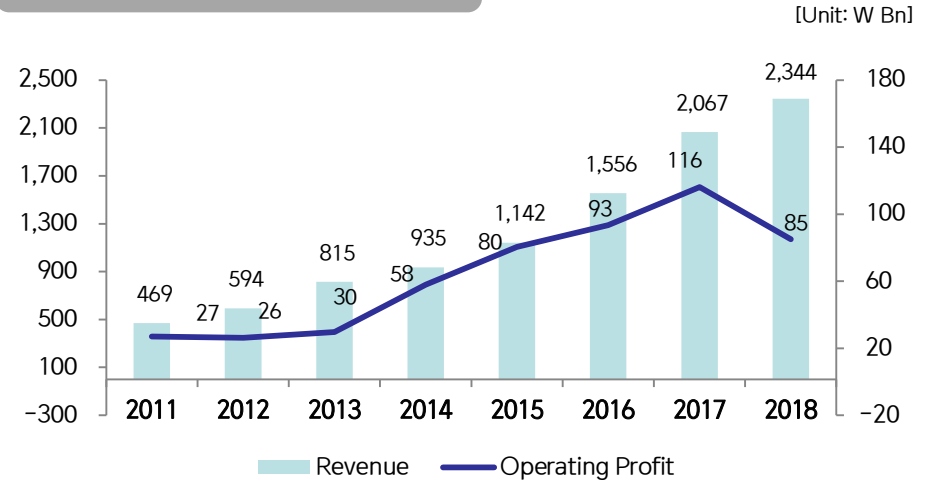
BUSINESS OVERVIEW



FY18, Sales Portion (domestics)

- CJ OliveNetworks operates Korea’s leading health & beauty (H&B) store, CJ Olive Young, and IT service.
- CJ OliveNetworks’ Olive Young BU is an undisputed leader in Korea’s H&B Store industry with its domestic store chain numbered 1,233 stores, as the end of 2Q19

FINANCIAL HIGHLIGHTS



* Note: K-IFRS Consolidated basis,
2011~2014 financial results were based on the sum of CJ OliveYoung and CJ Systems

		[Unit: W Bn, %]			
B/S	2017	2018	P/L	2017	2018
Asset	1,152.6	1,258.5	Revenue	2,067.4	2,343.6
Liability	668.1	730.7	Operating Profit	116.2	85.3
Equity	484.5	527.8	Net Income	81.3	59.9
Liability to Equity ratio	138%	138%	OP Margin	5.6%	3.6%

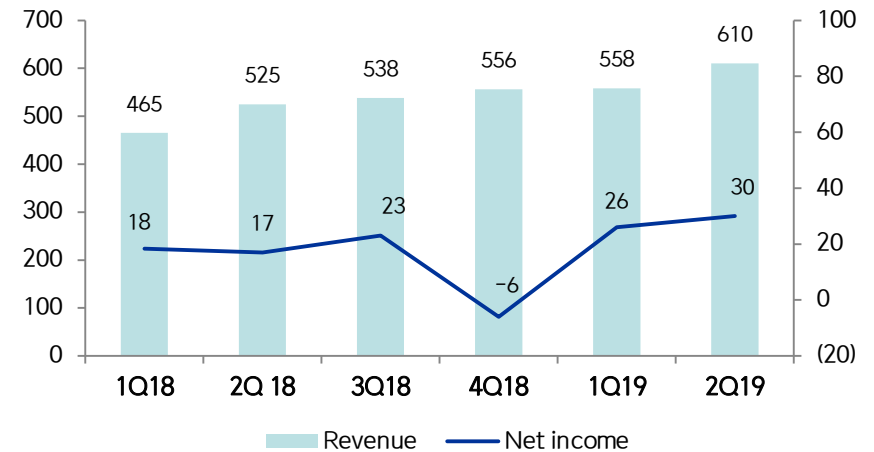
* Note: K-IFRS Consolidated basis

FINANCIAL HIGHLIGHTS

[Unit: W Bn]

	1Q 18	2Q 18	3Q18	4Q18	1Q 19	2Q19
Revenue	465	525	538	556	558	610
OY	375	425	435	425	456	485
IT	91	100	103	131	102	125
Net Income	18	17	23	-6	26	30
Store (Domestic)	1,104	1,144	1,178	1,198	1,214	1,233
Direct Control	891	925	952	966	980	992
Franchise	213	219	226	232	234	241

[Unit: W Bn]



* K-IFRS Separate

● 2Q19: Revenue KRW 609.6bn (YoY +16.2%), NI KRW 29.6bn(YoY +74.1%)

- 1,233stores (992 direct management stores, 241 franchised stores, up +19 stores from the end of 1Q19, +35 stores from end of 4Q18
- [Revenue] Up with new olive-young online sales increase and new SI project orders on IT business
- [NI] Up with olive-young's same store sales and online sales growth
- Strengthen market dominance through continuous store opening and increasing revenue per store (H&B market share 68.0%)

[OliveYoung business P/L Summary ¹]

(Unit: W Bn)	1H'18	1H'19	YoY	
			(%,%p)	(W Bn)
Revenue	796.3	940.7	18.1%	144.4
*Online P.P(%)	7.1%	9.8%	2.8%	-
Operating Profit	18.7	47.0	151.2%	28.3
OPM(%)	2.3%	5.0%	2.6%	
EBIT	14.0	40.3	187.5%	26.3
Net Income	11.9	31.9	168.6%	20.0

- [Revenue] Increased 18.1% by SSSG and online sales growth(+65%)
 - 1,144 Stores(1H'18)⇒1,233 Stores(1H'19)
 - Reinforce skincare(base) and expand premium beauty brands
 - Strong sales(Mar/Jun) based on SNS usage marketing and new events such as 'first-come-first-served special price'
- [OP] Increased 151%yoy due to improvement of interstore carnivalization according to change of store strategy based on profitability, expansion of high efficiency beauty MD(base/color etc.) and efficiency of labor and rental costs

[IT business P/L Summary ¹]

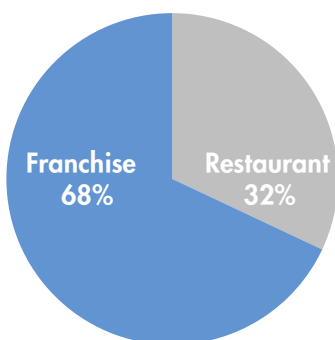
(Unit: W Bn)	1H'18	1H'19	YoY	
			(%,%p)	(W Bn)
Revenue	205.4	227.0	10.5%	21.5
Operating Profit	16.3	20.3	24.0%	3.9
OPM(%)	8.0%	8.9%	0.9%p	-
EBIT	29.6	31.4	6.2%	1.8
Net Income	23.6	24.0	1.8%	0.4

- [Revenue] Increased 10.5% with SI project orders and SM service area expansion and service revenue growth
 - Won new SI project such as CJCJ and OliveYoung online malls, CJ Logistics' Yangji-hub infrastructure etc. and new business SI orders such as factory operation system, smart store etc.
 - Expand SM service billing scope and group's common service usage as a result of group business' expansion
 - Increased use of IDC(Internet Data Center) and payment solution/messaging service
- [OP] Increased 24.0% with revenue growth and cost efficiencies (streamlining HR resources operation per project)

¹ On a separated P/L basis(1H'18 is a figure that has not been reviewed by an external accounting firm)

UNLISTED SUBSIDIARY : CJ FOODVILLE

BUSINESS OVERVIEW

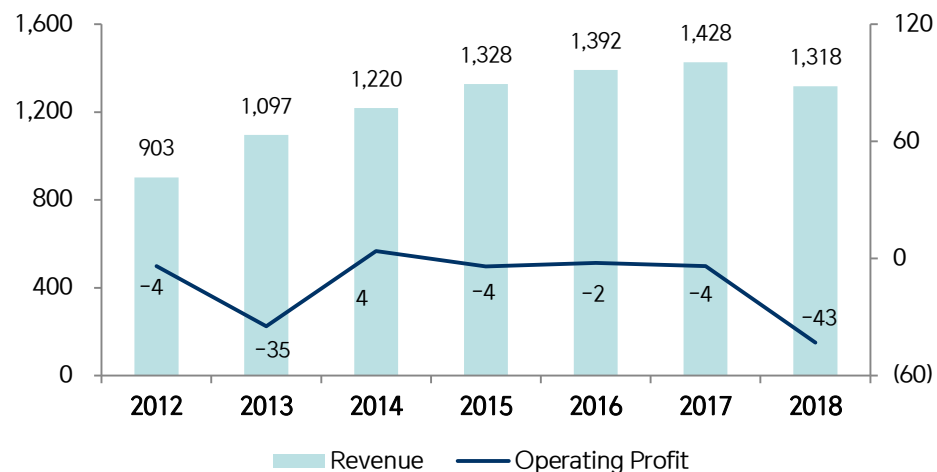


● FY18, Sales Portion (domestics)

- As the end of 2Q19, operating 2,596 sites in domestics and 358 sites in overseas
- Implement strategies for improving domestic and overseas business structures and promote further growth by constantly creating brands including “Tous Les Jours”, “A Twosome Place”, “VIPS”, “Season’s Table”, “The Place”

FINANCIAL HIGHLIGHTS

[Unit: W Bn]



[Unit: W Bn, %]

B/S	2017	2018	P/L	2017	2017
Asset	643.5	732.1	Revenue	1,427.5	1,371.6
Liability	680.5	721.1	Operating Profit	-3.8	-43.4
Equity	-37.0	11.0	Net Income	-32.5	-128.3
Liability to Equity Ratio	-	6,555.5%	OP Margin	-0.3%	-3.2%

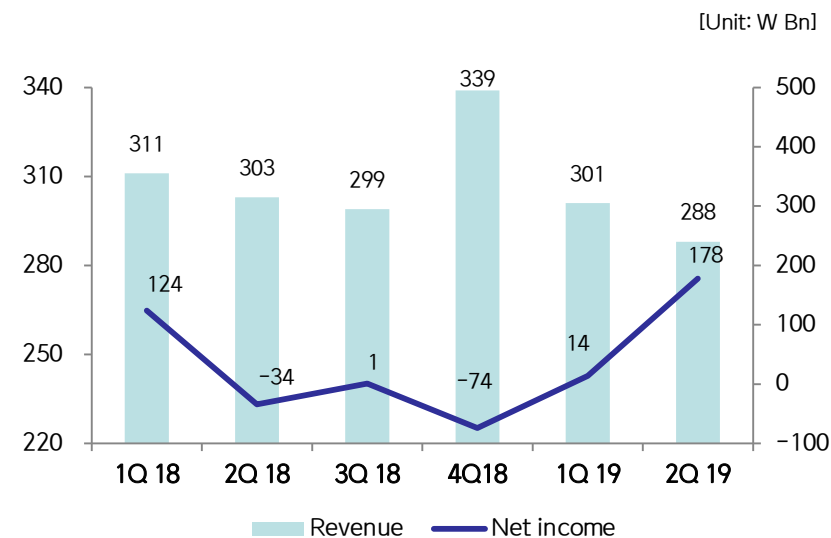
* Note: K-IFRS Consolidated basis

UNLISTED SUBSIDIARY : CJ FOODVILLE

FINANCIAL HIGHLIGHTS

[Unit: W Bn]

	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19
Revenue	311	303	299	339	301	288
Net Income	124	-34	1	-74	14	178
Site(Domestic)	2,509	2,550	2,557	2,566	2,558	2,954
Direct Control	279	279	274	252	230	237
Franchise	2,230	2,271	2,283	2,314	2,328	2,359
Overseas site	426	421	418	380	372	358



* K-IFRS Separate

* Sum of "Foodville" and "Twosome Place"

● 2Q19: Revenue KRW 288.2bn (YoY -4.9%), NI KRW 178.1bn (YoY Turn Pos)

- [Revenue] Slightly decreased with closing weak performance stores despite sales growth of Tous Les Jours and Twosome Place
- [NI] Up with strategies for improving domestic and overseas business structures (FV sold a part of Twosome Place stakes in 2Q19)
- Pursuing continuous key brands growth and enhancing brand competitiveness

APPENDIX

FINANCIAL STATEMENT

CONSOLIDATED STATEMENTS

[Unit: W Bn]

	2018	2Q19	YoY
I. Current Assets	8,867	10,103	1,236
1. Cash and Cash Equivalents	1,474	1,458	-16
2. Short-term Financial Instruments	163	253	90
3. Trade Receivables	3,535	3,785	251
4. Inventories	2,024	2,681	657
5. Other Current Assets	1,672	1,926	254
II. Non-Current Assets Held for Sale	2	1	-1
III. Non-Current Assets	22,860	30,622	7,762
Total Asset	31,730	40,726	8,996
I. Current Liabilities	10,998	13,546	2,548
III. Non-Current Liabilities	8,209	12,888	4,678
Total Liabilities	19,208	26,434	7,226
I. Equity Attributable to Owners of the Company	4,059	4,362	303
1. Capital Stock	158	179	21
2. Paid-in Capital in Excess of Par Value	993	993	-
3. Other Components of Equity	-429	-351	78
4. Retained Earnings	3,336	3,541	205
II. Non-Controlling Interest	8,463	9,930	1,467
Total Equity	12,522	14,292	1,770
Debt Ratio	153.4%	185.0%	31.6%pt.

[Unit: W Bn]

	2Q18	2Q19	YOY
I. Revenue	7,062.5	8,453.7	19.7%
II. COGS	5,075.3	6,134.0	20.9%
III. Gross Profit	1,987.2	2,319.7	16.7%
IV. Operating Profit	301.3	365.2	21.2%
V. Profit before Income Tax	1,151.0	362.2	-68.5%
VI. Tax Expenses	296.9	71.8	-75.8%
VII. Net Profit	854.0	290.4	-66.0%
1. Profit Attributable to Owners of the Company	363.5	215.1	-40.8%
2. Profit Attributable to Non-Controlling Interests	490.5	75.3	-84.6%

[Unit: W Bn]

	1H18	1H19	YOY
I. Revenue	14,036.7	16,248.7	15.8%
II. COGS	9,985.5	11,774.0	17.9%
III. Gross Profit	4,051.2	4,474.7	10.5%
IV. Operating Profit	642.8	708.5	10.2%
V. Profit before Income Tax	1,398.5	533.3	-61.9%
VI. Tax Expenses	353.9	128.7	-63.6%
VII. Net Profit	1,044.6	404.6	-61.3%
1. Profit Attributable to Owners of the Company	450.2	263.5	-41.5%
2. Profit Attributable to Non-Controlling Interests	594.4	141.2	-76.2%

FINANCIAL STATEMENT

SEPARATE STATEMENTS

[Unit: W Bn]

	2018	2Q19	YoY
I. Current Assets	54	27	-27
1. Cash and Cash Equivalents	31	1	-30
3. Other Current Assets	23	26	3
II. Non-Current Assets	2,758	2,767	8
Total Asset	2,812	2,794	-18
I. Current Liabilities	50	33	-17
II. Non-Current Liabilities	109	113	5
Total Liabilities	158	146	-12
I. Capital Stock	158	179	21
II. Paid-in Capital in Excess of Par Value	993	993	-
III. Other Components of Equity	-216	-216	-
IV. Retained Earnings	1,719	1,692	-27
Total Equity	2,654	2,648	-6
Debt Ratio	6.0%	5.5%	-0.5%pt.

[Unit: W Bn]

	2Q18	2Q19	YOY
I. Operating Revenue	24.2	25.3	4.5%
- Royalty Income	23.2	23.6	1.7%
- Dividend Income	-	-	-
- Others	1.0	1.6	60.0%
II. Operating Expenses	12.8	18.5	44.5%
III. Operating Profit	11.4	6.8	-40.4%
IV. Profit before Income Tax Benefit(Expense)	27.3	-9.7	Turn Neg.
V. Income Tax Benefit(Expense)	8.1	-1.4	Turn Neg.
VI. Net Profit	19.2	-8.3	Turn Neg.

[Unit: W Bn]

	1H18	1H19	YOY
I. Operating Revenue	84.7	93.8	10.7%
- Royalty Income	44.3	45.3	2.3%
- Dividend Income	38.4	45.3	-
- Others	2.0	3.2	60.0%
II. Operating Expenses	25.7	40.9	59.1%
III. Operating Profit	59.0	52.9	-10.3%
IV. Profit before Income Tax Benefit(Expense)	22.5	33.9	50.7%
V. Income Tax Benefit(Expense)	-1.0	-1.1	10.0%
VI. Net Profit	23.5	35.0	48.9%

THANK YOU