

The logo for CJ Corporation features the letters 'CJ' in a bold, black, sans-serif font. To the right of 'CJ' are three overlapping, teardrop-shaped icons: a blue one at the top, an orange one to the right, and a red one at the bottom. To the right of these icons, the word 'CORPORATION' is written in a smaller, black, sans-serif font.

**CJ CORPORATION**

# **INVESTOR RELATIONS**

Sep. 2015

## Disclaimer

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This presentation was made as the dates shown and reflected management views as of these dates. All financial information regarding CJ corp. business results and forward looking statements and beliefs about future events are subject to known risks and uncertainties that may cause actual results to differ from those stated or implied.

The financial information in this document are consolidated earnings results based on K-IFRS. This document is provided for the convenience of investors only, before our external audit on financial results of our headquarter is completed. These statements involve risks and uncertainties, and actual results may differ.

CJ corp. is under no obligation or responsibility to update the information provided in the presentation in correspondence to their respective dates.

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# Company Overview



# COMPANY OVERVIEW

## Vision & Mission

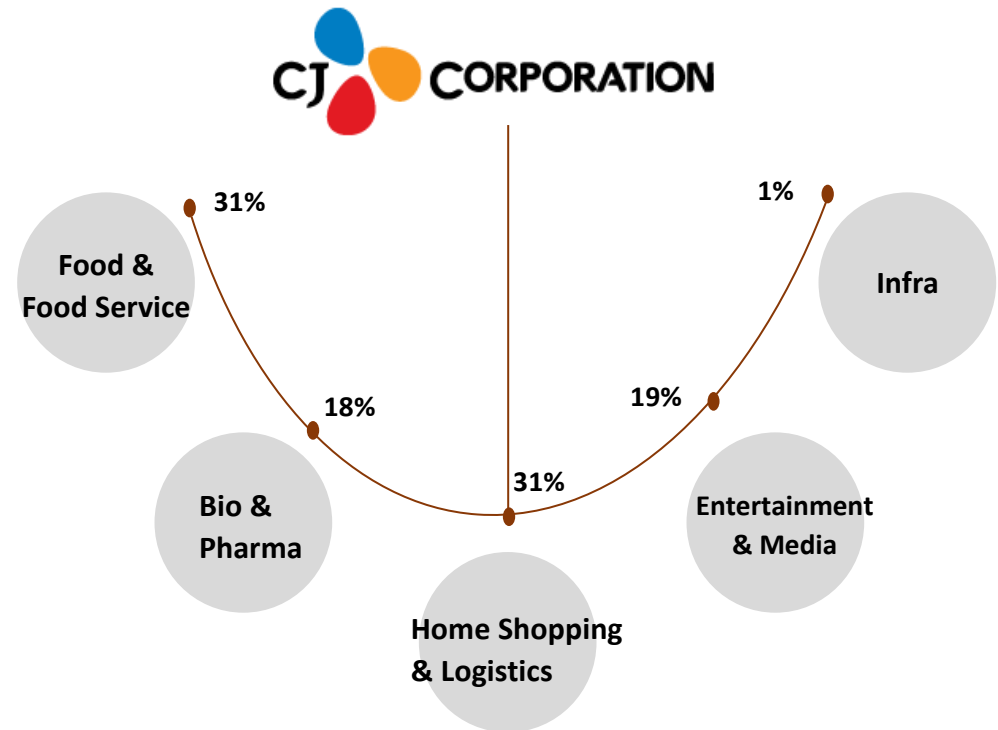
## 4 Core Business Areas

### 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



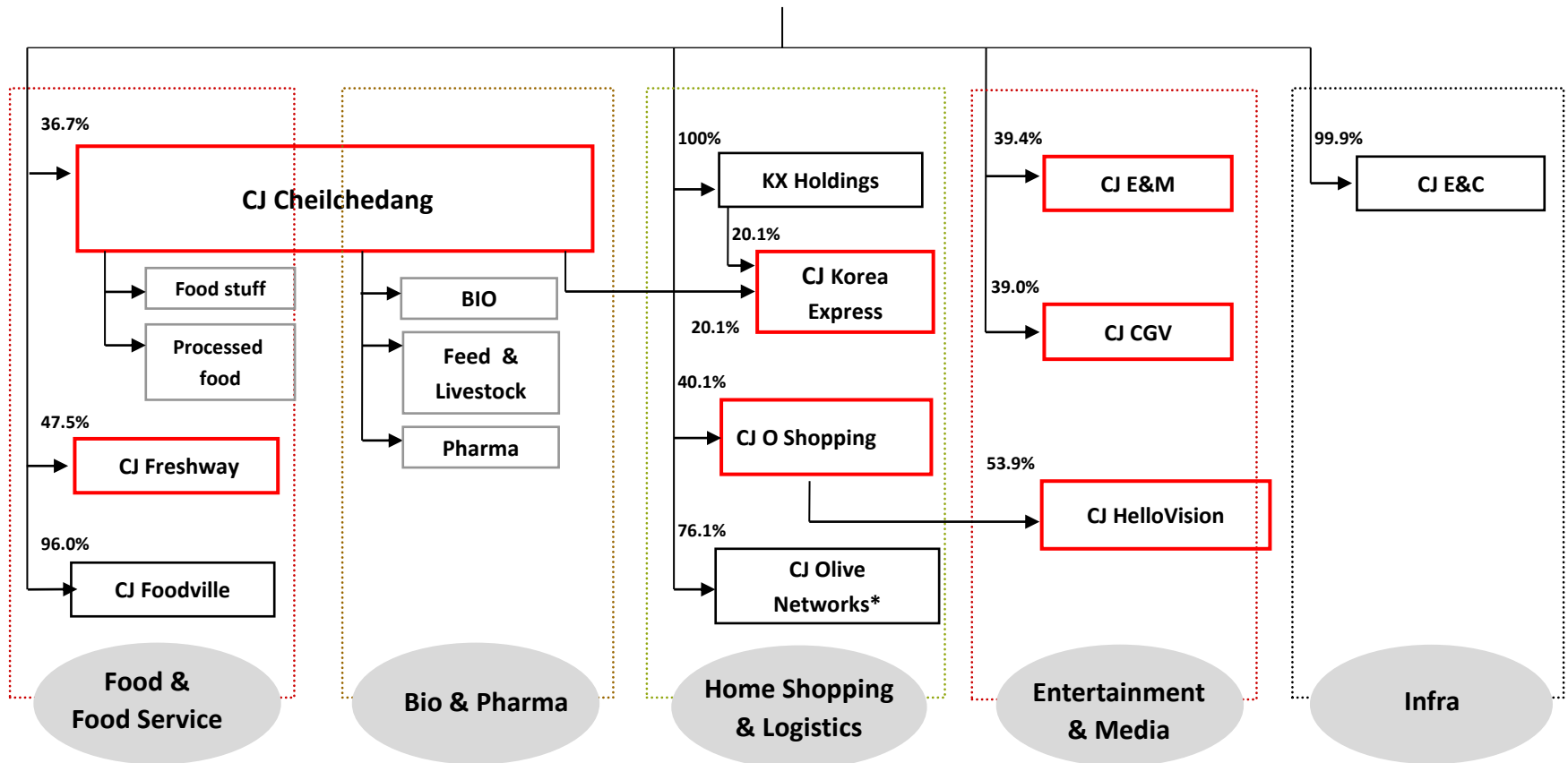
\*14 K-IFRS Consolidated, Revenue Breakdown

# COMPANY OVERVIEW



[As of Sep 30, 2015]

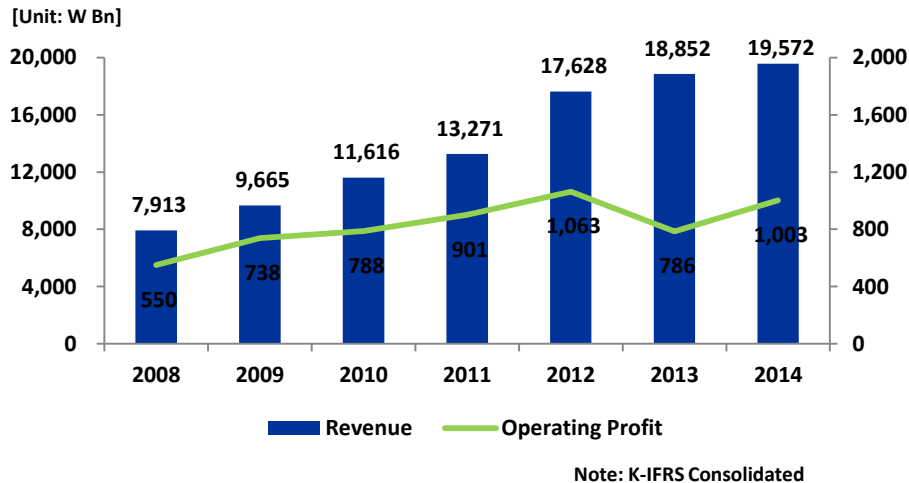
Listed



\*Note: CJ OliveYoung and CJ Systems were merged under the name of CJ OliveNetworks.

# COMPANY OVERVIEW

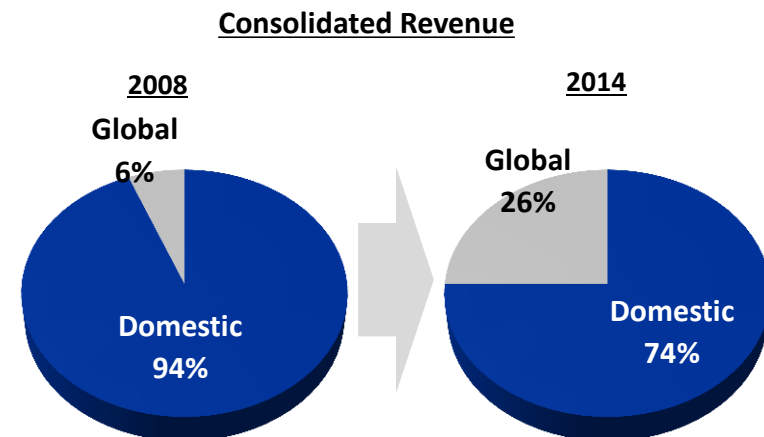
## Financial Summary



- Since the transition to a holdings company in Sept 2007, CJ Corp has achieved Sales CAGR of 16.3% and operating profit CAGR of 10.5% through adopting “choose and focus” strategy on 4 core business areas
- As of end of 2014, total assets have amounted to KRW 23 trillion, up 136% in the last 6 years and the company has recorded a total revenue of KRW19.6 trillion, a 147% increase in the same period

### CJ's Globalization

- Expand global presence of businesses which are already indisputably a domestic leader under the operations of CJ CJ O Shopping, CJ CGV and more
- Continue to increase global sales proportion which has seen a remarkable growth from 6% in 2008 up to 26% in 2014
- Increase market share already at unwavering global No. 1 of major Bio products, namely lysine and nucleotides



## 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 & Pharma : Secure global No. 1 position in green bio with outstanding R&D while fortifying presence as one of the leading pharmaceutical companies in the country**
- Home Shopping & Logistics : Provide the largest total logistics services and operate the country's top selling home shopping channel**
- 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	2014	2015 3Q	P/L	2014 3Q	2015 3Q
Asset	23,039	237,600	Revenue	144,718	156,662
Liability	13,969	139,461	Operating Profit	7,353	10,070
Equity	9,070	98,139	Net Income	5,231	5,396
Liability to Equity Ratio	154%	142%	OP Margin	5.1%	6.4%

Note: K-IFRS Consolidated

As of End of 1H 2015	Type	No. of Shares	Stake	Note
Shares	Common	29,128,248		
Outstanding	Preferred	2,260,223		
Treasury	Common	2,971,563	10%	
Shares	Preferred	1,119		
Major Shareholder	Common	12,275,574	42%	



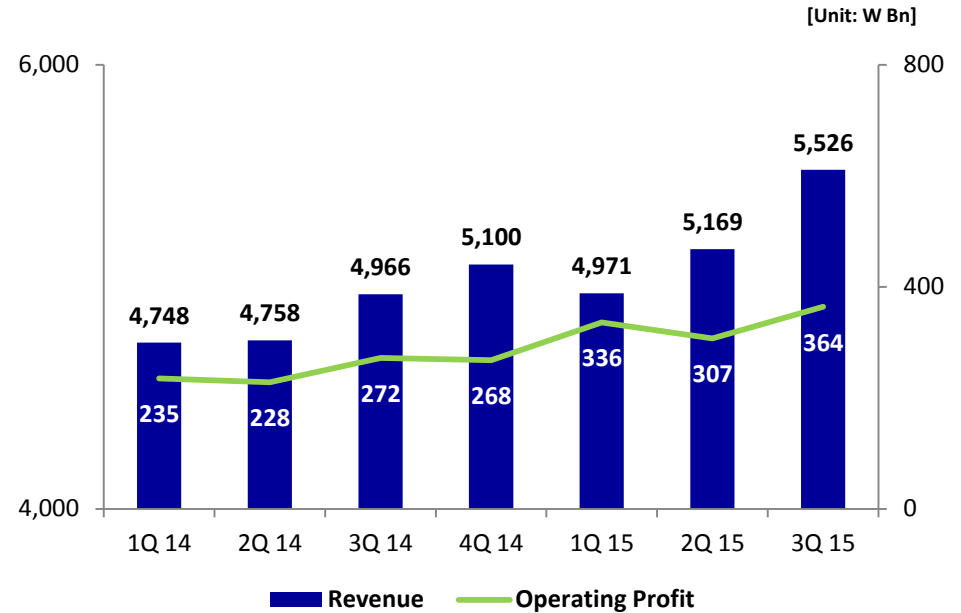
# 3Q15 Earnings Review



## Financial Highlights

[Unit: W Bn]

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15
Revenue	4,748	4,758	4,966	5,100	4,971	5,169	5,526
Operating Profit	235	228	272	268	336	307	364
(%)	5.0%	4.8%	5.5%	5.3%	6.8%	5.9%	6.6%



- Sales KRW 5,526.4 bn (YoY +11.3%), OP KRW 364.1 bn (YoY + 33.9%)**

- : Growth led by 1) continued growth momentum at CJ CJ's Processed Food division; 2) a sharp increase in sales of methionine at CJ CJ's Bio division; and 3) M/S gains in the Parcel Delivery at CJ Korea Express
  - : OP growth driven by a turn around at CJ CJ's bio division and CJ E&M amid improving profitability all across subsidiaries

- Solid earnings due to 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 Bio business, enhancing content producing capability at CJ E&M, expanding within the China market by CGV
  - : Inter-sub synergies – business portfolio includes F&B, entertainment, and logistics, all of which are synergistic to one another, promoting further growth

## 1H 15 Operating Results by business

### Revenue

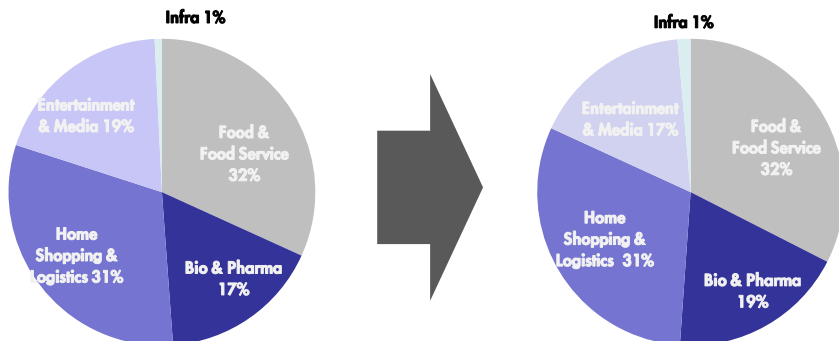
	[Unit: W Bn]		
	3Q 14	3Q 15	YoY
Food & Food Service	4,600	5,091	10.7%
Bio & Pharma	2,467	2,918	18.2%
Home Shopping & Logistics	4,506	4,813	6.8%
Entertainment & Media	2,787	2,629	-5.7%
Infra	110	215	95.2%
<b>Total</b>	<b>14,472</b>	<b>15,666</b>	<b>8.3%</b>

### Operating Profit

	[Unit: W Bn]		
	3Q 14	3Q 15	YoY
Food & Food Service	306	338	10.6%
Bio & Pharma	44	209	377.8%
Home Shopping & Logistics	222	252	13.6%
Entertainment & Media	142	196	37.7%
Infra	21	12	-44.7%
<b>Total</b>	<b>735</b>	<b>1,007</b>	<b>37.0%</b>

## Stability of the Business Portfolio

### Revenue

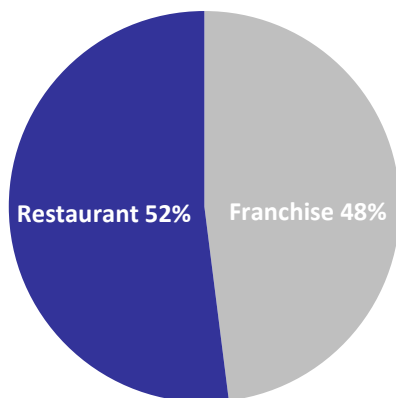


### Operating Profit



# Unlisted Subsidiary 1 - CJ Foodville

## Business Overview



As of End of June 2015

- Actively pursue global expansion while currently operating 2,125 sites in domestics and 225 sites in overseas including the US, China, the UK and Japan from 15 restaurant and franchise brands
- Promote further growth by constantly creating new brands including the newest "Season's Table"

## Financial Highlights



[Unit: W Bn, %]

B/S	2013	2014	P/L	2013	2014
Asset	483.7	490.0	Revenue	1,096.8	1,219.5
Liability	479.8	504.5	Operating Profit	(34.7)	3.9
Equity	3.9	(14.5)	Net Income	(55.1)	(15.7)
Liability to Equity Ratio	12,302%	-	OP Margin	(3.2%)	0.3%

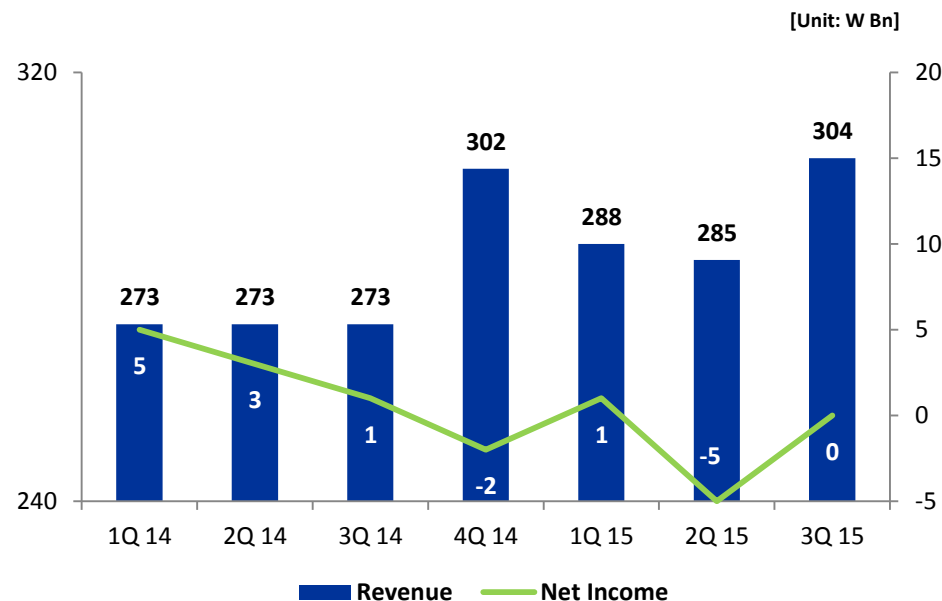
Note: 2010-2014 in K-IFRS/Consolidated basis, 2008-2009 in K-GAAP/Consolidated basis

## Unlisted Subsidiary 1 - CJ Foodville

### Financial Highlights 2

[Unit: W Bn]

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15
Revenue	273	273	273	302	288	285	304
Net Income	5	3	1	-2	1	-5	-0
Site(Domestic)	1,894	1,991	2,026	2,045	2,067	2,125	2,159
Direct control	233	249	256	253	253	266	277
Franchise	1,661	1,742	1,770	1,792	1,814	1,859	1,882
Overseas site	184	191	203	213	221	225	241



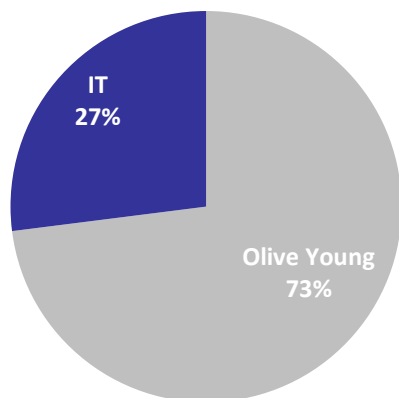
\* K-IFRS Separate

### ● Sales KRW 303.6 bn (YoY +11.1%), NI KRW -0 bn

- : The number of **Twosome Place** stores increased(from 578 to 674), while the number of **'Seasons' Table'** new stores also jumped(from 7 to 28), which helped deliver a solid top-line growth
- : Net income retreated due to higher fixed cost burden caused by the outbreak of MERS disease and new store launches
- : Secured a growth driver from continued growth momentum of key brands and a series of launches of new brand

# Unlisted Subsidiary 2 - CJ Olive Networks

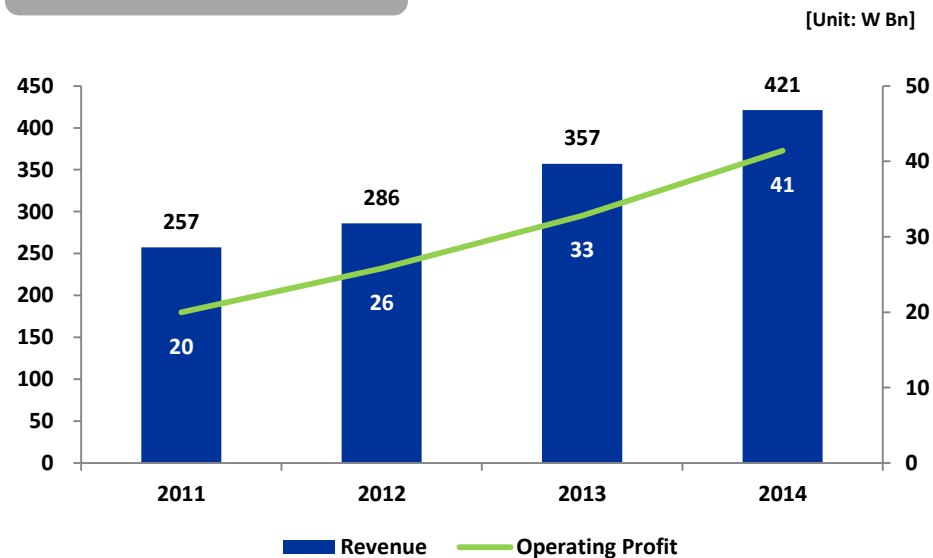
## Business Overview



As of End of June 2015

- As of December 2014, Korea's leading health & beauty (H&B) store brand, CJ Olive Young, and the IT service provider CJ Systems were merged under the name CJ OliveNetworks
- CJ OliveNetworks' Olive Young BU is an undisputed leader in Korea's H&B Store industry with its domestic store chain numbered 417 stores

## Financial Highlights 1



[Unit: W Bn, %]

B/S	2013	2014	P/L	2013	2014*
Asset	289.7	573.0	Revenue	357.2	421.3
Liability	192.5	379.4	Operating Profit	32.8	41.4
Equity	97.1	193.6	Net Income	18.7	26.6
Liability to Equity Ratio	198%	196%	OP Margin	9.2%	9.8%

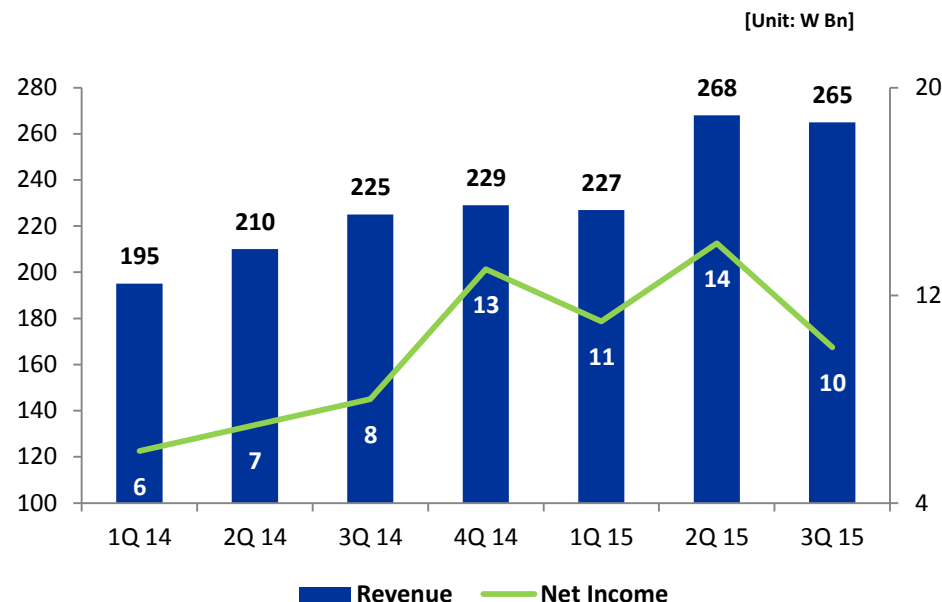
\* Note: K-IFRS Consolidated basis

• Including 1 month operating result of OliveYoung BU due to the consolidation from Dec. 2014

## Unlisted Subsidiary 2 - CJ Olive Networks

### Financial Highlights 2

	[Unit: W Bn]						
	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15
Revenue	195	210	225	229	227	268	265
OY	136	144	148	148	168	193	194
IT	59	66	77	80	60	75	71
Net Income	6	7	8	13	11	14	10
Store(Domestic)	376	387	400	417	441	473	506
Direct control	137	138	145	149	150	153	152
Franchise	239	249	255	268	291	320	354



\* 2014 financial results were based on the sum of Systems' and O'live Young's numbers

#### ● 2Q15 Sales KRW 264.8 bn (YoY +17.7%), NI KRW 10 bn (YoY +29.8%)

: 506 stores (354 direct management stores, 152 franchised stores), up +89 stores from the previous year

: Delivered both top-line and earnings growth, thanks to 1) new store launches; 2) improved efficiency per store; and 3) economies of scale

: H&B market share: 58.4%

# Appendix





## Financial statement

### Consolidated Statements

[Unit: W Bn]

	FY2014	3Q 15	YTD
<b>I. Current Assets</b>	<b>6,889</b>	<b>7,328</b>	<b>439</b>
1. Cash and Cash Equivalents	991	1,405	414
2. Short-term Financial Instruments	864	606	-258
3. Trade Receivables	2,516	2,755	239
4. Inventories	1,422	1,449	27
5. Other Current Assets	1,096	1,112	16
<b>II. Non-Current Assets Held for Sale</b>	<b>105</b>	<b>83</b>	<b>-22</b>
<b>III. Non-Current Assets</b>	<b>16,045</b>	<b>16,349</b>	<b>304</b>
<b>Total Asset</b>	<b>23,039</b>	<b>23,760</b>	<b>721</b>
<b>I. Current Liabilities</b>	<b>7,110</b>	<b>7,792</b>	<b>682</b>
<b>II. Non-Current Liabilities Held for Sale</b>	<b>91</b>	<b>85</b>	<b>-6</b>
<b>III. Non-Current Liabilities</b>	<b>6,769</b>	<b>6,069</b>	<b>-699</b>
<b>Total Liabilities</b>	<b>13,969</b>	<b>13,946</b>	<b>-23</b>
<b>I. Equity Attributable to Owners of the Company</b>	<b>3,405</b>	<b>3,600</b>	<b>194</b>
1. Capital Stock	157	158	0
2. Paid-in Capital in Excess of Par Value	984	988	4
3. Other Components of Equity	-97	-77	20
4. Retained Earnings	2,361	2,531	169
<b>II. Non-Controlling Interest</b>	<b>5,664</b>	<b>6,214</b>	<b>550</b>
<b>Total Equity</b>	<b>9,070</b>	<b>9,814</b>	<b>744</b>
<b>Debt Ratio</b>	<b>154%</b>	<b>142%</b>	<b>-12%</b>

[Unit: W Bn]

	3Q 14		3Q 15		YOY	
	3Q	Accumul.	3Q	Accumul.	3Q	Accumul.
<b>I. Revenue</b>	<b>4,966</b>	<b>14,472</b>	<b>5,526</b>	<b>15,666</b>	<b>11.3%</b>	<b>8.3%</b>
<b>II. COGS</b>	<b>3,430</b>	<b>9,991</b>	<b>3,755</b>	<b>10,635</b>	<b>9.5%</b>	<b>6.4%</b>
<b>III. Gross Profit</b>	<b>1,536</b>	<b>4,481</b>	<b>1,772</b>	<b>5,031</b>	<b>15.3%</b>	<b>12.3%</b>
<b>IV. Operating Profit</b>	<b>272</b>	<b>735</b>	<b>364</b>	<b>1,007</b>	<b>33.9%</b>	<b>37.0%</b>
<b>V. Profit before Income Tax</b>	<b>454</b>	<b>756</b>	<b>236</b>	<b>743</b>	<b>-48.1%</b>	<b>-1.8%</b>
<b>VI. Tax Expenses</b>	<b>144</b>	<b>233</b>	<b>80</b>	<b>203</b>	<b>-44.4%</b>	<b>-12.8%</b>
<b>VII. Net Profit</b>	<b>310</b>	<b>523</b>	<b>156</b>	<b>540</b>	<b>-49.9%</b>	<b>3.1%</b>
1. Profit Attributable to Owners of the Company	133	206	58	197	-56.3%	-4.6%
2. Profit Attributable to Non-Controlling Interests	177	317	97	343	-45.1%	8.2%

# Financial statement

## Separate Statements

	[Unit: W Bn]		
	FY2014	3Q 15	YTD
<b>I. Current Assets</b>	<b>183</b>	<b>208</b>	<b>25</b>
1. Cash and Cash Equivalents	22	96	74
2. Short-term Financial Instruments	144	98	-46
3. Other Current Assets	18	15	-3
<b>II. Non-Current Assets</b>	<b>2,795</b>	<b>2,795</b>	<b>0</b>
<b>Total Asset</b>	<b>2,979</b>	<b>3,004</b>	<b>25</b>
<b>I. Current Liabilities</b>	<b>73</b>	<b>76</b>	<b>3</b>
<b>II. Non-Current Liabilities</b>	<b>257</b>	<b>260</b>	<b>3</b>
<b>Total Liabilities</b>	<b>330</b>	<b>336</b>	<b>6</b>
<b>I. Capital Stock</b>	<b>157</b>	<b>158</b>	<b>0</b>
<b>II. Paid-in Capital in Excess of Par Value</b>	<b>984</b>	<b>988</b>	<b>4</b>
<b>III. Other Components of Equity</b>	<b>-163</b>	<b>-162</b>	<b>1</b>
<b>IV. Retained Earnings</b>	<b>1,670</b>	<b>1,684</b>	<b>14</b>
<b>Total Equity</b>	<b>2,649</b>	<b>2,668</b>	<b>19</b>
<b>Debt Ratio</b>	<b>12%</b>	<b>13%</b>	<b>1%</b>

	[Unit: W Bn]					
	3Q 14		3Q 15		YOY	
	3Q	Accumul.	3Q	Accumul.	3Q	Accumul.
<b>I. Operating Revenue</b>	<b>22</b>	<b>78</b>	<b>22</b>	<b>82</b>	<b>0.9%</b>	<b>5.0%</b>
Royalty Income and Others	19	55	20	56	4.3%	2.0%
Rental Income	2	6	2	6	-13.6%	-4.2%
Dividend Income and Others	0	17	0	20	-	17.9%
<b>II. Operating Expenses</b>	<b>9</b>	<b>34</b>	<b>13</b>	<b>34</b>	<b>38.0%</b>	<b>1.5%</b>
<b>III. Operating Profit</b>	<b>12</b>	<b>44</b>	<b>9</b>	<b>48</b>	<b>-27.6%</b>	<b>7.6%</b>
<b>IV. Profit before Income Tax Benefit(Expense)</b>	<b>1</b>	<b>29</b>	<b>7</b>	<b>43</b>	<b>687.2%</b>	<b>50.1%</b>
<b>V. Income Tax Benefit(Expense)</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>3</b>	<b>-55.9%</b>	<b>-31.3%</b>
<b>VI. Net Profit</b>	<b>-2</b>	<b>25</b>	<b>6</b>	<b>41</b>	<b>-480.5%</b>	<b>63.0%</b>

**Thank you**  CJ CORPORATION