

## Financial Statement Analysis for Q1 2023

\*Quarterly financial statement analyses are compiled using non-financial enterprises' financial information provided based on their financial statements. The key accounting items, including sales and total assets, are surveyed at 3,907 corporations, which are selected using stratified systematic sampling from the business register for non-financial companies legally obliged to be audited by an independent external auditor. The statistics represent the activities of those companies in Korea.

In the first quarter of 2023, growth indicators of non-financial companies worsened compared to same period last year, and profitability and financial stability indicators worsened compared to the previous quarter

### **(Growth)**

Sales increased by 0.4% in the first quarter of 2023 compared to the same quarter last year and total assets rose by 1.9% compared to the end of last quarter.

### **(Profitability)**

Operating income to sales ratio (6.3%→2.8%) and income before taxes to sales ratio (8.1%→5.0%) decreased over the same period last year.

### **(Financial stability)**

The debt to equity ratio (92.1%→95.0%) and bonds payable to total assets ratio (25.3%→26.0%) increased compared to the previous quarter.

## Key Financial Indicators<sup>1)</sup>

(%)

<b>1. Growth</b>	<b>2022</b>	<b>2023</b>
	<b>Q4</b>	<b>Q1</b>
Sales <sup>2)</sup>	6.9 (2.6)	0.4 (-2.1)
	<b>2022</b>	<b>2023</b>
	<b>Q1</b>	<b>Q1</b>
Total assets <sup>3)</sup>	3.7 (4.8)	1.9 (2.7)
<b>2. Profitability</b>	<b>2022</b>	<b>2023</b>
	<b>Q1</b>	<b>Q1</b>
Operating income to sales ratio	6.3 (8.4)	2.8 (2.5)
Income before taxes to sales ratio	8.1 (10.5)	5.0 (5.8)
<b>3. Financial Stability</b>	<b>2022</b>	<b>2023</b>
	<b>end-Dec</b>	<b>end-Mar</b>
Debt ratio	92.1 (69.6)	95.0 (72.9)
Total borrowings and bonds payable to total assets ratio	25.3 (19.7)	26.0 (20.7)

Notes: 1) Figures in parentheses refer to the manufacturing sector.

2) Year-on-year basis

3) Quarter-end to quarter-end basis