



Press Release

April 21, 2011 (Thursday)

Ssangyong Motor Company Announces Sales Record Highest Since The Third Quarter of 2008

- **The sales totals at 24,741 units, 9,974 units in Korea and 14,767 units in export (including CKD), marking 65% increase compared with the same period of the previous year**
- **The company's financial status becomes sounder by servicing debt. The debt ratio has been reduced to 61%**

Ssangyong Motor Company (President and CEO Lee Yoo-il ; www.smotor.com), part of the US\$11.1 billion Mahindra Group announced on April 21st that the company has sold 24,741 units of vehicles, 9,974 units for Korean market and 14,767 units in the export (CKD included) during the first quarter of this year recording 620.5 billion won of sales income. This is the highest sales since the third quarter of 2008.

The sales record marks 65% increase over the same period of last year. It is especially meaningful since the company has enjoyed steady recovery since the second quarter of 2010 selling more than 20,000 units for 4 consecutive quarters.

The monthly sales in March, the first month to sell more than 10,000 units since 2007 and to achieve 100 million US dollars of export, led the increase along with the successful launch of Korando C in Korean market. Especially the export growth, increased by 75% compared with the same period of previous year, was the locomotive of the thrust.

The company also analyzed that business went ahead during the first quarter despite uneasy global circumstances in the Middle East and in Japan.

In profit and loss, however, the company has recorded an operational loss of 41.9 billion won, a slight increase over last year. The increase is caused by increased R&D cost, new product launching cost, and raw material purchasing cost as the prices of most raw materials including steel plate, petrochemical products and nonferrous metals have sharply increased.

The M&A process with Mahindra has completed during the past quarter, bringing financial security through debt servicing. The debt ratio, an index of a company's solvency, dropped to 61% from the previous 160%.

The sales growth is expected to continue for some time after the record monthly sales exceeding 10,000 units in March, and it will lead to optimistic outlook of the business operation in the future.

"The export in March exceeded 100 million US dollars and the growth is expected to continue into the future. The best sales record is yet to come," said Lee Yoo-il, President and CEO of Ssangyong Motor Company. "As the sales recovery continues with the improved financial status, our business for the rest of the year will be even stronger," he added.

■ Sales record in the first quarter of 2011

(Unit : Vehicles)

Classification	The 1st Quarter 2011(A)	The 1st Quarter 2010(B)	Variance(%) (A)/(B)	Remarks
Sales units	24,741	15,015	64.8%	-
Domestic	9,974	6,593	51.3%	-
Export (CKD)	14,767 (300)	8,422 (392)	75.3% -23.5%	-

■ Profit and financial record in the first quarter of 2011

(Unit : 100Million KRW)

Classification	The 1st Quarter 2011(A)	The 1st Quarter 2010(B)	Variance(%) (A)/(B)	Remarks
Sales	6,205	4,055	53.0%	-
Operating income(loss)	-419	-328	-	Consecutively in deficit
Income before income taxes(loss)	-434	-382	-	
Net income(loss)	-434	-382	-	