



Another day, another dollar — Dollar bills are displayed at Hana Bank's main branch in Myeong-dong of Jung District, central Seoul, on Wednesday. The International Monetary Fund (IMF)'s Assessing Reserve Adequacy on Wednesday rated Korea's foreign exchange reserve adequacy last year at 97 percent. Korea's foreign reserve fell short of the IMF's advisory rating for three straight years.

Hyundai Mobis posts net profit of \$630 million

BY SARAH CHEA

Hyundai Mobis posted a consensus-beating 841.8 billion won (\$630 million) in net profit in the first quarter helped by surging parts orders of electric vehicles.

On year, net was up by 61.6 percent, far beating the market expectation of 685.3 billion won compiled by market tracker FnGuide.

Quarterly operating profit rose 8.1 percent on year to 418.1 billion won, but fell slightly short of the consensus of 556.4 billion won.

Revenue stood at 14.7 trillion won during the first three months of the year, up 29.7 percent, overshooting the analyst expectations.

"Profit rose contributed by robust sales of auto parts for eco-friendly vehicles, as well as high-margin cars like medium- and large-sized SUVs," Hyundai Mobis explained in a statement.

More specifically, the company's auto component sales for eco-friendly vehicles surged 76.4 percent to 3.3 trillion won. The core auto parts orders from global automakers rose 21.1 percent on year to 2.5 trillion won in the first quarter.

Sales of modules increased 24 percent to 6.2 trillion won.

Hyundai Mobis aims to reach \$5.36 billion in exports this year.

Hyundai Mobis shares plunged 6.5 percent to close at 220,000 won Wednesday.

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SK hynix loses almost \$2 billion

Company hit in the first quarter by collapse of chip prices

BY PARK EUN-JEE

SK hynix, the world's second largest memory chip maker, lost nearly \$2 billion in the first quarter as overcapacity and weak pricing in memory continued to be a drag on earnings.

It logged a net loss of 2.6 trillion won (\$1.9 billion) in the first three months of the year, followed by a record net loss of 3.5 trillion won in the fourth quarter.

The company's stock jumped by 2.22 percent following the earnings report released Wednesday, boosted by the hope that the semiconductor industry bottomed out in the first quarter.

The loss, a dramatic shift from nearly 2 trillion won of net profit during the same period last year, was still less than the market consensus of a 3.47-trillion-won loss.

Its operating loss came in at 3.4 trillion won, below the market estimate of 3.6 trillion won, which was tracked by FnGuide.

The Icheon, Gyeonggi-based chip producer posted 5.1 trillion won in sales, down 58.1 percent on year.

"As the memory chip downturn continued through the first quarter, the

company posted a sequential drop in revenues and widened operating loss on sluggish demand and falling product prices," SK hynix said in a statement.

"But we expect revenue to rebound in the second quarter after bottoming out in the first, driven by a gradual increase in sales volume," it said.

The rationale behind the positive outlook is the belief that the current chip supply glut is beginning to ease especially after Samsung Electronics, the world's largest memory chip producer, announced a cutback in production.

SK hynix and Micron made it clear last year that they are slashing facility investment and production, but Samsung made it official only earlier this

month that it is cutting production to a meaningful degree.

"The company forecasts an improvement in market conditions from the second half of 2023, as memory inventory levels at customers declined throughout the first quarter, while inventory across the memory industry is expected to improve from the second quarter, with a production cut by suppliers taking into effect," it said in the statement.

With reduced investment, the chipmaker will focus on high-end products such as DDR5s and HBMs. HBMs, in particular, have enjoyed a surge in demand as they are used in training generative AI systems like ChatGPT.

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Posco Future M signs deal with LG Energy Solution

BY SARAH CHEA

Posco Future M inked a 30-trillion-won (\$22.5-billion) deal with LG Energy Solution for high-nickel cathodes, the key material in making electric vehicle batteries.

The Korean battery materials company said Wednesday it will provide LG Energy Solution with nickel, cobalt and aluminum (NCA) cathodes, as well as nickel, cobalt, manganese and aluminum (NCMA) cathodes for seven years starting later this year.

It means Posco Future M will offer around 4.3 trillion won of cathodes every year, the biggest deal in the company's history in monthly supply.

Cathodes are one of four core materials in lithium-ion batteries, which power EVs. Made of lithium, nickel, cobalt and manganese, cathode materials account for 40 percent of the production cost of an electric vehicle bat-

tery. NCA and NCMA cathodes both excel in capacity, durability and resistance and even support quick charging.

"The growth of Posco Future M's battery material business was only available due to the close cooperation with LG Energy Solution, which started at the very beginning of our business," said Posco Future M President Kim Joon-hyeong.

Posco Future M's accumulated deal with LG Energy exceeds 52 trillion won so far, around 60 percent of its total cathode order.

The two signed a 1.9-trillion-won cathode deal in 2020, with Posco garnering around 22 trillion won worth of two orders with Ultium Cells, a 50:50 joint battery venture between LG Energy Solution and General Motors, in 2022.

Posco Future M aims to boost its cathode capacity to 340,000 tons in 2025 and 610,000 tons in 2030. The



A bird's-eye view of Posco Future M's cathode plant in Gwangyang, South Jeolla.

company currently has a 90,000-ton facility in Gwangyang, South Jeolla, a 10,000-ton facility in Gumi, North Gyeongsang and a 5,000-ton facility in China.

It is also building a 30,000-ton cathode plant in Quebec, Canada, with General Motors, and another 30,000-ton plant in Zhejiang, China, in a joint

venture with Zhejiang Huayou Cobalt. Posco Chemical recently changed its name to Posco Future M to better capture its focus on the battery material business.

Posco Future M shares closed 332,500 won Wednesday, down 4.32 percent from the previous trading day.

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Kia reports all-time high of ₩2.12T in Q1 net

BY SARAH CHEA

Kia's first-quarter net profit more than doubled from a year earlier, buoyed by increased production and strong sales of high-margin SUV models.

The automaker reported an all-time high of 2.12 trillion won (\$1.6 billion) in net profit in the first quarter, up 105.3 percent on year, beating the market consensus of 2 trillion won compiled by FnGuide.

Operating profit also hit a new quarterly high of 2.87 trillion won, a

78.9 percent year-on-year jump, also surpassing market expectations.

Quarterly revenue rose 29.1 percent to 23.7 trillion won, also a record high, in line with analyst consensus.

"Increased production amid improving chip supplies, higher average selling prices, and robust sales of high-margin SUVs contributed to the net result," said Joo Woo-jeong, chief finance officer at Kia, during a conference call Wednesday.

Kia sold a total of 768,251 vehicles in the global market, up 12 percent on year. Domestic sales rose 16.5 percent

to 141,740 while overseas sales were up 11.1 percent to 626,511. Of the total, recreational vehicles, which include SUVs and vans, made up 66.1 percent, up by 5 percentage points.

Sales of eco-friendly increased by 21.1 percent to 133,000. Of all car sales, accounting for 18.1 percent of the total.

"We will focus on boosting sales of high-margin models in target markets such as Telluride SUV in the U.S. market, and Sportage and Seltos SUVs in Europe and Indian markets," Joo added. "EV9, Kia's second all-electric vehicle and Korea's first large-size elec-

tric SUV, will be introduced in global markets this year after its introduction Korea in the first half." Telluride SUV is a North America-dedicated model that is not available in Korea.

With Hyundai Motor announcing an earnings surprise on Tuesday, the combined operating profit of Hyundai and Kia came in at 6.5 trillion won in the first quarter, even beating Toyota Motor, the world's largest automaker.

Kia shares closed at 85,700 won Wednesday, down 1.04 percent from the previous day.

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Incheon National University celebrates 10 years of being nation's school

GUEST REPORT



President Park Jong-tae of Incheon National University

Incheon National University, under the leadership of President Park Jong-tae, marked its 10th anniversary since becoming a national university. It has varied innovative experiences as a university in Korea, having started with Incheon Technical College in 1979 and converting to Incheon National University in 2013. Since it is the only national university corporation along with Seoul National University, Incheon National University aims to build a new national university model based on its flexible management structure and become the fastest growing innovators in Korea.

Since transitioning into a national university, it aims to continue to lay the groundwork for university development by improving its infrastructure and educational research environment, while boosting its competitiveness by strengthening research capabilities and specialization. With the establishment of the university development plan INU Vision 2030+, Incheon National University has its eyes set on becoming one of the top 10 universities in Korea.

Since becoming a national university, the number of faculty papers published in international academic journals has increased by over 400 percent, its ratio of SCI-level papers jointly written with overseas institutions ranked among the top alongside major national universities including Seoul National University, and more than 60 percent of its professors are relatively young and creditable. These figures from Incheon National University are

an all-time high, up about 20 percent from 2019, according to the 2023 Times Higher Education World University Rankings. In addition, it is working to transition into a research-based university by establishing a cooperative research system centered on university research laboratories, since individual research alone has its limits, while also improving evaluations and support systems of laboratories and increasing the budget and personnel for its laboratories. It plans to hold Incheon National University's unique Signature Laboratory to these standards.

For employment rates, Incheon National University ranked second among national flagship universities last year, through running its career support system for the local youth, students and graduates. It has enjoyed remarkable success, as shown in the 2022 JoongAng Ilbo evaluation, in which it ranked third in the country and first among national universities in the start-up sector. It fosters about 60 student start-ups every year through start-up colleges, while its company employment results are excellent as well.

Incheon National University also landed a total of 73.3 billion won (\$55.4 million) in financial support projects in 2022, laying the foundation for its long-term growth. In addition, it is also showing robust growth in various internal and external evaluations, including ranking 21st in the 2022 JoongAng Ilbo college rankings and 20th among Korean universities in the 2022 Times Higher Education

World University Rankings, and even winning the Grand Prize among Korean national universities in a brand assessment ranking organized by New York Festivals and a local news outlet.

Incheon National University keeps its communal tie to the local society as it was converted into a national university with the help of Incheon citizens. Seeking to fulfill its role as a national university which accompanies the local community, the university has established a community companion platform, organizing community-linked projects efficiently. It is participating in the environmental sector of the small and intensive special research and development zone industry as a technology-intensive institution, while establishing a graduate school for master's and doctorate professionals training in the field, together with the White Bio Industry Professional Training Project hosted by the Ministry of Trade, Industry and Energy.

Incheon National University is still pushing to establish a public medical college, its main pending issue as of late. It has presented related law amendments at the National Assembly, and about 145,000 people signed a petition for its foundation. With the aim to call for the establishment of Incheon National University Public Medical College, a citizens' council was formed which considered holding various events including a public cheering ceremony, parliamentary debate, signature campaigns and feasibility services. It is expected to be a



Incheon National University marked its 10th anniversary since converting to a national university.

catalyst for improving Incheon's poor medical infrastructure and its imbalance, as well as resolving the public's desire for health care.

Celebrating the 10th anniversary since becoming a national university this year, Incheon National University has organized charming events to celebrate its achievements, grown from a smaller university to one with international competitiveness over the past ten years, and looking forward to the next 10 years. The event is expected to be an opportunity to show its leading image as a global university and part of the local community, and university members will be invited to promote its performance externally.

Kicking off the 10-year celebration, symposiums, tributes for donors,

and concerts will be held on April 28, and a variety of extra events will take place from May 9 to 11, including a homecoming day for the professor emeritus and alumni association, a 10th anniversary festival Union, programs with local residents, and a citizen cheering festival for the establishment of a public medical college.

For its 10th anniversary, Incheon National University hopes to stand as a major global university, establishing its status as a local national university that contributes to the country as well as society with an international competitiveness. And with this effort, it will no doubt continue to improve its promising image.

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