

(011780)

BUY

3Q08 review: 3 ...

02) 3777 - 8072  
yjkim@kbsec.co.kr

- 3Q08 1,219 3
  - 3Q08 9,575 (78.8% YoY, 15.9% QoQ), Full & Full
  - 3Q08 1,219 (140.9% YoY, 20.3% QoQ)
  - ✓ 6.5%(75), 13.3%(143)
  - ✓
  - ✓ 가 : 3Q07, 2,017\$/mt 2Q08, 3,127\$/mt 3Q08, 3,384\$/mt
  - ✓ , ( )

- 4Q08 : , 2010
  - 4Q08 993 (+210.3% YoY, -18.5% QoQ)
  - ✓ 가 ,
  - ✓ 가 가
  - ✓ 가 BR
  - , 2010 3,716 (8.1% YoY), 2012 4,130
  - ✓ (SBR 11 / '09.4 , BR 12 / '09.9 ) 가
  - ✓ 2 가

- 가 75,800
  - (SBR, BR ) , 2009 1
  - '07~'10 가 32.2%('07 1,608 '10 3,716 )
  - 가 Valuation

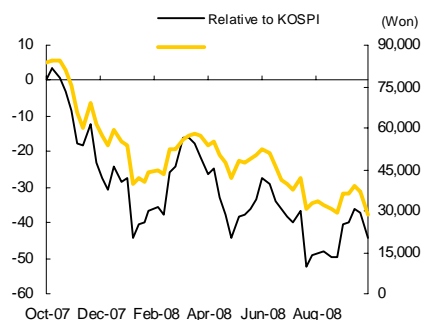
Valuation Summary

	2006	2007	2008E	2009E	2010E
( )	1,753	2,125	3,428	3,987	4,156
( )	87	161	376	344	372
EBITDA( )	159	218	423	396	426
( )	88	134	212	231	265
EPS( )	3,083	4,717	7,449	8,110	9,326
PER(X)	8.8	11.5	4.1	3.8	3.3
PBR(X)	0.9	1.7	0.8	0.7	0.6
ROE(%)	10.6	15.7	21.9	20.0	19.2
EV/EBITDA(X)	14.3	14.0	5.7	5.7	4.8

: , KB

	BUY( )
가	75,800 ( )
가	30,450( )
가	774( )
(60 )	408( )
(60 )	13,740( )
(%)	1M 3M 12M
가	-16.6 -23.9 -63.6
가	-4.3 -7.4 -42.8

가 KOSPI



BUY, 가 75,800

BUY, 가 75,800 . 1) 1 , 2  
3 , 2) ( 10%  
) (SBR, BR ) 2009 1 ( ) ,  
3) 2007~2010 가 32.2%  
, 4) 가

3Q08 review: 3 , ...

2008 3 78.8%, 15.9% 가  
9,575 . 140.9%, 20.3% 가  
1,219 , 6.5%(75 ) , 13.3%(143 ) 3

Full & 가  
가 가  
1,675\$/mt '08.7 3,300\$/mt '08.9 2,950\$/mt 가  
( SBR 1500 ) 2Q08 3,127\$/mt 3Q08 3,384\$/mt 가  
'08.4 (15 , )  
가 Steam, 가 , ('08.9 ,  
47 70 ) 가

1.	3Q08, 3				( : )							
	2007A				3Q08			4Q		(3Q08)		
	1 Q	2Q	3Q	4Q	1Q	2Q	3Q(P)	QoQ	YoY	4Q(E)	Consensus	
	492.4	535.9	535.4	560.8	651.1	825.9	957.5	15.9%	78.8%	993.9	1,009.7	941.4
	259.2	278.3	262.9	295.3	349.2	488.0	597.1					
	197.8	223.9	232.5	223.6	246.5	283.2	278.6					
	35.4	33.7	40.0	41.9	55.4	54.6	81.8					
	31.6	46.6	50.6	32.0	53.4	101.3	121.9	20.3%	140.9%	99.3	114.4	107.6
	22.3	36.0	39.1	22.6	35.0	80.5						
	-1.4	0.2	0.3	-4.2	0.5	5.5						
	10.7	10.4	11.2	13.6	17.9	15.3						
	6.4%	8.7%	9.5%	5.7%	8.2%	12.3%	12.7%	0.5%p	3.3%p	10.0%	11.3%	11.4%
	8.6%	12.9%	14.9%	7.7%	10.0%	16.5%						
	-0.7%	0.1%	0.1%	-1.9%	0.2%	1.9%						
	30.2%	30.9%	28.0%	32.5%	32.3%	28.0%						

: , KB

4Q08(E) : 4Q08 , 2010

4Q08(E) 3Q08( )  
 가 Formosa 가 , 가  
 가 BR 가 .

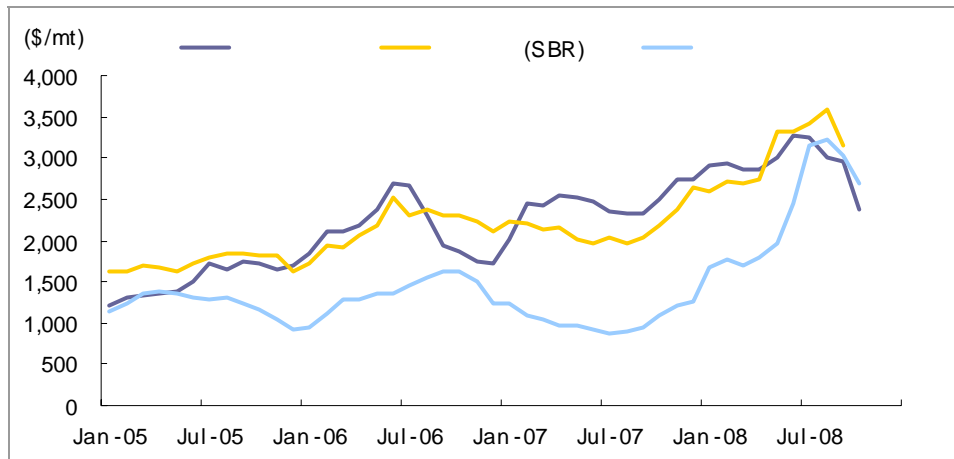
2008 4 210.3% 가 ,  
 18.5% 993 2008 3 2008 2009 3,762 (+134.0%, YoY), 3,438  
 (-8.6%, YoY)

2010 (SBR 11 / '09.4 , BR 12 /  
 '09.9 ) 2 가 8.1% 가 3,716  
 ,2012 4,130 가

가 ,  
 ( or ) , , SOC

가 가 가

1. ( ) 가 (SBR) 가



: Datastream, KB  
 : ( RSS1), (FEA), SBR( , 1500Grade) 가

2. / & Valuation														
	가	가 (Mil.\$)	PER		EV/EBITDA		PBR		ROE		EPS Growth		EBITDA Margin	
			08E	09E	08E	09E	08E	09E	08E	09E	08E	09E	08E	09E
	<b>30,450</b>	<b>774</b>	<b>4.1</b>	<b>3.8</b>	<b>5.7</b>	<b>5.7</b>	<b>0.8</b>	<b>0.7</b>	<b>21.9</b>	<b>20.0</b>	<b>57.9</b>	<b>8.9</b>	<b>12.3%</b>	<b>9.9%</b>
LG	80,800	4,649	5.5	5.9	3.2	3.3	1.3	1.1	26.7	20.1	58.8	-7.6	13.7%	12.2%
	281,500	4,501	12.9	11.0	9.2	7.1	4.1	2.8	36.8	33.3	219.1	17.2	33.5%	34.5%
	42,000	1,606	11.1	9.5	6.8	5.7	1.2	1.1	10.6	11.3	20.9	17.6	10.0%	10.6%
	57,000	1,389	5.0	5.1	4.2	4.6	0.6	0.5	12.1	10.8	-21.4	-3.0	10.7%	9.6%
	8,980	963	5.3	6.0	4.5	5.2	0.5	0.5	9.8	8.5	-12.0	-11.5	12.7%	12.2%
	39,500	1,061	7.5	5.0	5.6	5.1	0.8	0.7	11.2	14.8	5.7	47.8	8.4%	8.4%
			<b>7.3</b>	<b>6.6</b>	<b>5.6</b>	<b>5.2</b>	<b>1.3</b>	<b>1.1</b>	<b>18.4</b>	<b>17.0</b>	<b>47.0%</b>	<b>9.9%</b>	<b>14.5%</b>	<b>13.9%</b>
SAUDI BASIC INDUSTRIES	n/a	71,865	9.2	9.8	5.6	5.5	2.4	2.1	24.8	19.7	-9.2	-6.0	33.8%	32.1%
BASF( )	25.5	31,780	5.9	6.1	3.0	3.1	1.2	1.1	20.6	19.2	3.6	-3.6	17.3%	16.5%
BAYER( )	40.8	42,077	10.8	9.5	6.1	5.2	1.8	1.6	13.9	15.6	-1.1	13.7	20.7%	21.9%
DOW CHEMICAL( )	24.4	22,569	8.0	8.4	4.7	5.1	1.2	1.1	15.2	12.9	-19.0	-4.7	10.2%	10.8%
NAN YA PLA.	n/a	10,481	9.5	8.7	n/a	n/a	1.1	1.1	11.5	10.9	-39.5	8.8	15.2%	14.0%
FORMOSA PLA.	n/a	9,046	8.1	8.2	n/a	n/a	1.1	1.1	14.2	13.5	-23.9	-2.0	15.3%	16.9%
PPG INDS	46.3	7,599	9.0	8.0	5.2	4.7	1.6	1.4	20.9	19.5	-2.4	12.8	13.5%	14.0%
SOLVAY	75.5	8,635	9.9	9.9	5.2	5.0	1.3	1.2	14.1	13.2	-16.3	0.2	15.7%	15.8%
SUMITOMO CHEMICALLIMITE	337.0	5,592	22.6	7.2	5.6	5.7	0.7	0.6	2.0	9.5	-60.9	215.8	10.2%	9.3%
ASAHI KASEI CORP	338.0	4,752	7.7	7.3	3.1	3.1	0.7	0.6	8.9	8.9	-12.2	5.9	10.6%	10.8%
SINOPEC SHANGHAI PETROCHEMICAL(HK)	1.5	3,924	28.3	6.9	4.8	2.3	0.5	0.4	-1.7	6.5	-80.0	312.3	3.0%	5.2%
MITSUI CHEMICALS INC	337.0	2,676	10.7	9.8	5.4	5.1	0.5	0.5	4.7	4.7	-2.3	9.6	7.4%	7.6%
PTT CHEMICAL PCL	31.8	1,382	2.5	3.2	2.4	3.1	0.5	0.4	18.7	14.1	-1.8	-20.4	28.4%	22.0%
BHARAT PETROLEUM	337.8	2,520	8.6	8.3	5.9	4.6	0.9	0.8	10.7	10.9	-20.2	4.7	2.5%	2.7%
TOSOH CORPORATION	211.0	1,272	5.7	5.3	4.9	5.0	0.6	0.6	10.9	9.0	-12.5	8.3	10.6%	9.6%
			<b>10.4</b>	<b>7.8</b>	<b>4.8</b>	<b>4.4</b>	<b>1.1</b>	<b>1.0</b>	<b>12.6</b>	<b>12.5</b>	<b>-19.8%</b>	<b>37.0%</b>	<b>14.3%</b>	<b>13.9%</b>
CONTINENTAL( )	38	8,300	6.0	5.5	4.9	4.4	0.9	0.8	11.3	13.9	-6.2	9.3	13.1%	13.7%
BRIDGESTONE( )	1,510.0	12,307	15.7	11.7	5.1	4.3	0.9	0.8	5.6	7.4	-43.1	33.9	10.5%	11.5%
GOODYEAR( )	12.2	2,942	6.1	4.7	2.7	2.4	0.7	0.6	16.1	16.8	21.9	28.8	8.5%	9.1%
JSR( )	1,045.0	2,680	7.4	6.7	2.5	2.1	0.9	0.8	13.2	13.1	-4.5	10.2	19.2%	19.3%
LANXESS( )	14.9	1,674	4.6	4.8	3.2	3.1	0.8	0.7	15.8	15.6	-3.2	-3.3	10.8%	10.8%
<b>&amp;</b>			<b>8.0</b>	<b>6.7</b>	<b>3.7</b>	<b>3.3</b>	<b>0.8</b>	<b>0.8</b>	<b>12.4</b>	<b>13.4</b>	<b>-7.0%</b>	<b>15.8%</b>	<b>12.4%</b>	<b>12.9%</b>

: I/B/E/S, KB

: 가 2008 10 11 가 ( , 10 13 ), 가

( )						( )					
	2006	2007	2008E	2009E	2010E		2006	2007	2008E	2009E	2010E
	1,753	2,125	3,428	3,987	4,156		2,615	2,869	3,205	3,344	3,391
가	1,542	1,812	2,857	3,426	3,557		463	489	726	821	821
	211	312	571	561	599	가	3	11	18	21	22
	124	151	195	218	228		1	0	0	0	0
	19	22	24	27	29		180	198	295	333	335
가	2	1	1	1	1		243	257	379	435	432
	56	68	113	132	137		36	22	33	31	31
	48	60	57	58	60		2,151	2,380	2,479	2,524	2,570
	87	161	376	344	372		1,514	1,578	1,583	1,617	1,655
(% of sales)	5.0	7.6	11.0	8.6	8.9		576	727	826	833	839
	131	156	169	78	81	- ,	61	75	70	73	76
	8	2	5	6	7		1,794	1,985	2,152	2,085	1,891
	15	13	62	6	4		795	713	874	845	760
가	103	107	47	56	62		183	201	295	344	347
	5	34	56	9	9		282	179	214	184	159
	106	140	266	121	104		210	165	210	160	90
	61	77	90	74	64		120	168	155	157	164
	11	15	107	11	3		999	1,272	1,278	1,240	1,131
가	3	9	40	3	3		611	500	550	535	505
	31	39	28	33	34		289	637	637	612	532
	25	16	-97	-43	-23		98	135	91	93	94
	112	177	279	301	349		821	884	1,053	1,260	1,499
(% of sales)	6.4	8.3	8.1	7.5	8.4		142	142	142	142	142
	24	43	67	70	83		303	303	292	292	292
	88	134	212	231	265		324	439	628	835	1,074
	0	0	0	0	0		-40	-40	-40	-40	-40
	88	134	212	231	265		91	40	31	31	31
(% of sales)	5.0	6.3	6.2	5.8	6.4		1,388	1,470	1,593	1,470	1,264
EBITDA	159	218	423	396	426		1,393	1,481	1,611	1,491	1,286

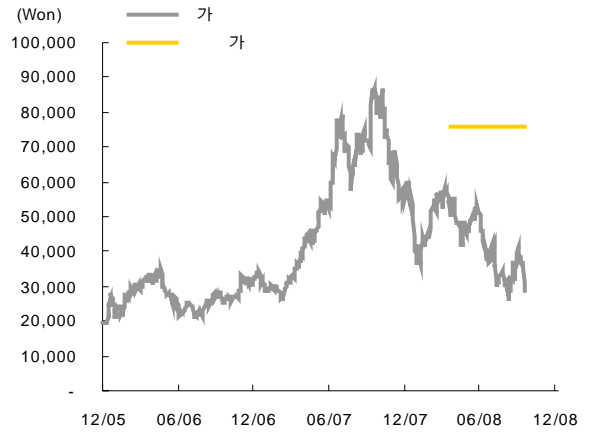
( )						( )					
	2006	2007	2008E	2009E	2010E		2006	2007	2008E	2009E	2010E
	68	169	233	271	350	(yoy, %)					
	88	134	212	231	265		2.6	21.2	61.4	16.3	4.2
+	102	105	89	76	75		-27.8	84.9	134.0	-8.6	8.1
, ,	72	57	46	53	55		-30.0	58.3	57.7	7.7	15.9
	10	11	13	14	15		-27.8	53.0	57.9	8.9	15.0
	0	3	44	5	0	EBITDA	-11.9	37.1	93.8	-6.2	7.5
	20	35	-15	5	5	EPS	-27.8	53.0	57.9	8.9	15.0
-	108	141	7	53	59	가	32.5	9.7	11.7	4.4	1.4
	2	2	0	0	0	(%)					
가	103	107	7	53	59		5.0	7.6	11.0	8.6	8.9
	3	32	0	0	0		6.4	8.3	8.1	7.5	8.4
*Gross CashFlow	82	99	294	253	281	EBITDA	5.0	6.3	6.2	5.8	6.4
(가)	-11	-21	-132	-52	-5	ROE	10.6	15.7	21.9	20.0	19.2
	-3	91	71	70	74	ROA	3.8	4.9	7.0	7.0	7.9
	-853	-309	-339	-129	-125	( )					
	-97	-206	-139	-53	-51	EPS	3,083	4,717	7,449	8,110	9,326
**Free CashFlow	-29	-38	94	218	299	BPS	28,852	31,074	37,014	44,275	52,701
(가)	-749	-64	-4	-34	-38	CFPS	2,878	3,479	10,326	8,908	9,882
	-7	-38	-195	-42	-36	EBITDA	5,591	7,665	14,856	13,936	14,981
	616	148	113	-138	-225	DPS( )	700	750	800	850	900
가( )	631	165	130	-120	-205	/ (%)	169.7	167.5	153.0	118.4	85.8
가( )	0	0	0	0	0	/ (%)	169.1	166.2	151.2	116.7	84.3
	-15	-16	-17	-18	-20	( )	1.4	2.1	4.2	4.7	5.8
	0	0	0	0	0	( )	9.8	11.2	13.9	12.7	12.4
	-169	8	7	3	1		58.3	68.6	83.0	97.1	108.0
	172	3	11	18	21						
	3	11	18	21	22						

Compliance Notice  
2008 10 14

가 , 가

2

		가	가 KB	가
2008 - 4 - 15	BUY	75,800		
2008 - 4 - 25	BUY	75,800		
2008 - 5 - 23	BUY	75,800		
2008 - 8 - 1	BUY	75,800		
2008 - 9 - 23	BUY	75,800		
2008 - 10 - 14	BUY	75,800		



		( 1 )
(Sector)	OVERWEIGHT ( )	7%
	NEUTRAL ( )	-7%~7%
	UNDERWEIGHT ( )	7%
(Report)	BUY ( )	가 15%
	HOLD ( )	가 - 15%~15%
	SELL ( )	가 15%

KB 가 , KB

# KB \*b 투자증권