

## Kia Motors net profit down

SEOUL: South Korea's second largest automaker, Kia Motors, said on Friday (28 October 2011) its third-quarter net profit declined 8.0 percent from a year earlier, mainly due to foreign exchange losses and low equity gains.

Net profit was 648 billion won (US\$587 million) in the July-September period, down from a 705 billion won profit a year earlier, the company said in a regulatory filing.

Sales surged 14.9 percent to 9.99 trillion won in the same period as operating income spiked 21.9 percent to 828 billion won.

"Enhanced competitiveness helped Kia Motors weather the global financial crisis and economic slowdown," the company said in a statement.

"Business prospects in general remain gloomy in the fourth quarter and thenceforward but we will do the utmost to overcome the crisis by strengthening sales efforts and producing better cars," it said.

Kia Motors sold some 611,000 vehicles during the third quarter, up 19.3 percent from a year earlier, led by strong demand for the K5 sedan and Sportage R utility vehicle.

The automaker sold a total of 1.85 million units in the past three quarters, up 23.4 percent from a year earlier, it said.

Kia Motors posted a net profit of 2.73 trillion won in the first nine months of the year, up 45.2 percent from a year earlier, and operating income surged 51.4 percent to 2.69 trillion won over the cited period.

Sales also spiked 25.2 percent to 32.2 trillion won over the cited period, it said.

Kia Motors is an affiliate of the country's largest automaker, Hyundai Motor. The two form the world's fifth-largest carmaking group by sales.

*Source: AFP*