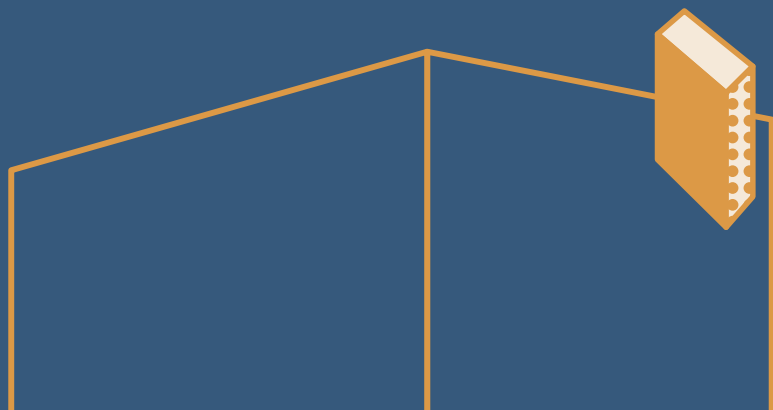


KPIPA Publishing Industry Trends

H1
2019



한국출판문화산업진흥원
Publication Industry Promotion Agency of Korea



Korea's Publishing Industry in the First Half of 2019

- **KPIPA Publication Statistics for 1H** : Publication of new books fell by 0.5% year on year in the first half
- **Production·Sales·Consumption Index** : Production increased year on year, while sales and consumption decreased
- **Revenue[Publicly Listed Publishers]** : Revenue for the first half was 1.2939 trillion KRW, an increase of 2.9% year on year

KPIPA Publication Statistics for First Half of 2019

- New Book Publication : 42,533 titles were published in the first half of 2019 with an average of 7,089 titles published per month; 31.2% or one third of all new books were published in the education category
※ 0.5% decrease (215 titles) compared to the first half of 2018
- Active Publishers : A total of 5,720 publishers were active in the first half of 2019, with 40.3% (2,303 publishers) issuing one title and 75.2% (4,302 publishers) publishing five or fewer books
※ 1.8% decrease (107 publishers) compared to the first half of 2018

KPIPA 2019 1H Publication Statistics

(unit : titles, %)

Top Category	Basic Category	Number of Titles Published				
		2018 1H	2019 1H	Share	Change	Percentage Change
Early Childhood	Toddlers, Children	3,646	3,267	7.7	△379	△10.4
Education	Educational Materials Foreign Languages Test Prep/Accreditation	12,942	13,291	31.2	349	2.7
Literature	Fiction/Poetry/Essays/Drama	7,012	6,984	16.4	△28	△0.4
Humanities	Philosophy/Psychology History/Culture Religion Other	5,777	5,683	13.4	△94	△1.6
Art/Pop Culture	Art/Pop Culture	2,020	1,653	3.9	△367	△18.2
Practical/Hobbies	Self-Development Home/Lifestyle Cooking/Hobbies Health/Sports/Leisure Travel	2,649	2,778	6.5	129	4.9
Social Sciences	Politics/Society Economy/Business Management	4,589	5,303	12.5	714	15.6
Science and Technology	IT/Computers Natural Sciences Technology and Engineering	4,113	3,574	8.4	△539	△13.1
Total		42,748	42,533	100.0	△215	△0.5

KPIPA Overview of Publishers by Number of Issues in 2019 1H

(unit : count, %)

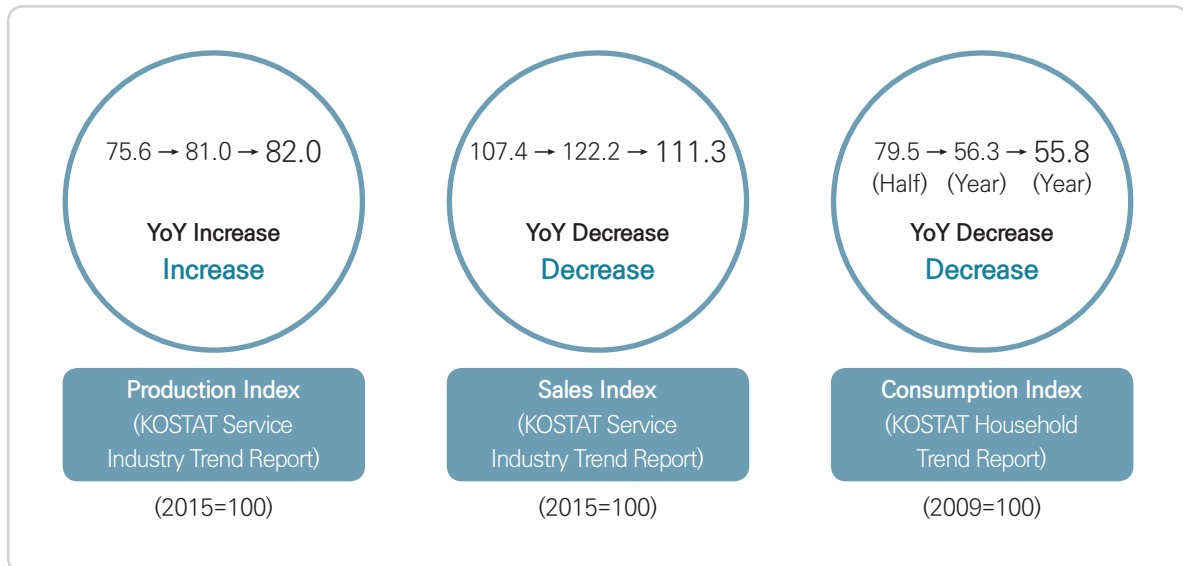
No. of Books		2018 1H		2019 1H		Change
		Publishers	Share	Publishers	Share	
1-5	1	2,331	40.0	2,303	40.3	△1.2
	2	945	16.2	902	15.8	△4.6
	3	534	9.2	522	9.1	△2.2
	4	341	5.9	339	5.9	△0.6
	5	260	4.5	236	4.1	△9.2
	Subtotal	4,411	75.7	4,302	75.2	△2.5
6-10	6	198	3.4	197	3.4	△0.5
	7	155	2.7	158	2.8	1.9
	8	126	2.2	118	2.1	△6.3
	9	103	1.8	107	1.9	3.9
	10	71	1.2	61	1.1	△14.1
	Subtotal	653	11.2	641	11.2	△1.8
11-30	11-15	273	4.7	265	4.6	△2.9
	16-20	134	2.3	131	2.3	△2.2
	21-25	76	1.3	94	1.6	23.7
	26-30	56	1.0	48	0.8	△14.3
	Subtotal	539	9.3	538	9.4	△0.2
Over 31	31-40	53	0.9	65	1.1	22.6
	41-50	40	0.7	41	0.7	2.5
	51-100	79	1.4	84	1.5	6.3
	Over 101	52	0.9	49	0.9	△5.8
	Subtotal	224	3.8	239	4.2	6.7
Total		5,827	100.0	5,720	100.0	△1.8

● Production · Sales · Consumption Index

- Production Index : Compared against the 2015 benchmark (100), the production index for the first half of 2019 was 82.0, representing a 1.0p increase year on year and a consistent increase for the last 3 years

- Sales Index : Compared against the 2015 benchmark (100), the retail sales index for books and stationery supplies for the first half of 2019 was 111.3 for a 10.9p decrease year on year, with fluctuations across the past 3 years
- Consumption Index : Compared against the 2009 1H benchmark (100), monthly average purchases of books by Korean households (with 1 person or more) in 2018 was 55.8 (Following a 2017 adjustment to household trend reports to incorporate annual statistics instead of half year statistics, half year statistics are no longer provided)
- Given the trends in the first half of each year, production tends to increase slightly, while sales and consumption figures tend to decline

Changes in 1H Production·Sales·Consumption Index in the Last 3 Years



● Analysis of Publicly Traded Publishers

- Revenue : Revenue for 2019 1H was 1.2939 trillion KRW, or a 2.9% increase year on year and 1.2% decrease quarter on quarter
 - ※ Since 2017 1H, the industry has recorded quarterly fluctuations, with a decline in 2019 1H
- Per Capita Revenue : In 2019 1H, per capita revenue was approximately 164 million KRW for a 6.3% increase year on year and no change quarter on quarter
 - ※ Per capita revenue has seen a slight decline quarter on quarter since 2017 1H but reverted to positive growth beginning 2018 1H
- Operating Profit : Operating profit for 2019 1H was approximately 38.8 billion KRW for a significant 111.4% increase year on year but a 38.0% decrease quarter on quarter
 - ※ This was a rather significant change since 2017 1H, with a large decrease in 2019 1H

- OP Margin : Operating profit margin was approximately 3.0% in 2019 1H for a 1.5%p growth year on year
 ※ Margin levels saw significant fluctuations after 2017 1H, with a 1.8%p quarter on quarter decline in 2019 1H
- Current Ratio: Current ratio in 2019 1H was approximately 147.2%, representing a 13.2%p decrease year on year and a 0.3%p increase quarter on quarter
 ※ The current ratio has been on a decline since 2017 1H and only increased slightly in 2019 1H
- Exports : Export volume in 2019 1H was approximately 13.4 billion KRW for a 8.5% increase year on year and a 0.1% decrease quarter on quarter
 ※ Since 2017 2H, exports have consistently risen before dipping slightly in 2019 1H
- Workforce : Number of persons employed in this sector was 7,881 in 2019 1H, or a 3.2% decrease year on year and 1.2% decrease quarter on quarter
 ※ Since 2017 2H, number of persons employed in this sector has been recording quarter on quarter decline

Key Changes in Financials for Publishing Industry (Publicly Listed Companies)

(unit : 100 million KRW, persons, %, %p)

Category	2017		2018		2019	2019 2H (YoY)
	2017 1H (QoQ)	2017 2H (QoQ)	2018 1H (QoQ)	2018 2H (QoQ)	2019 1H (QoQ)	
Revenue	12,295.5 (△3.8)	12,769.1 (3.9)	12,576.3 (△1.5)	13,102.1 (4.2)	12,939.3 (△1.2)	2.9
Average Per Capita Revenue	1.71 (△11.3)	1.54 (△10.1)	1.55 (0.4)	1.64 (6.3)	1.64 (0.0)	6.3
Operating Profit	613.2 (△30.7)	710.8 (15.9)	183.5 (△74.2)	626.2 (241.3)	388.0 (△38.0)	111.4
OP Margin	5.0 (△1.9p)	5.6 (0.6p)	1.5 (△4.1p)	4.8 (3.3p)	3.0 (△1.8p)	1.5p
Current Ratio	175.3 (2.8p)	161.4 (△13.9p)	160.4 (△1.1p)	146.9 (△13.5p)	147.2 (0.3p)	△13.2p
Exports	126.2 (1.4)	123.1 (△2.5)	124.0 (0.7)	134.6 (8.5)	134.5 (△0.1)	8.5
Workforce	7,186 (8.5)	8,301 (15.5)	8,140 (△1.9)	7,975 (△2.0)	7,881 (△1.2)	△3.2

● Publishing Industry Economic Trend Index (2019 1H - 2020 1H)

2019 1H Trends : Economy 68, Planning 79, Production 78, Retail 83, Marketing/PR 82, Revenue 76, Funding 80, Employment 90, E-Publishing 83, Import/Export 85

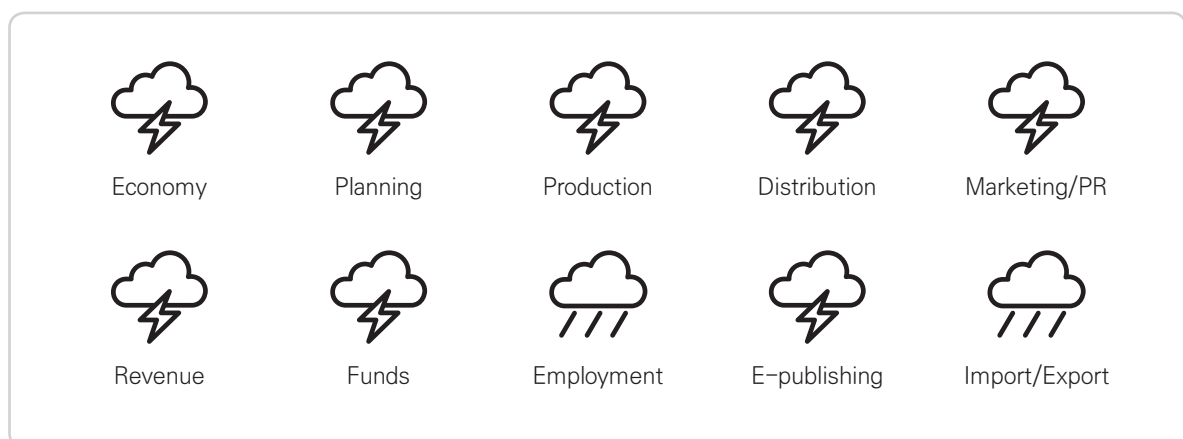
2019 2H Trends : Economy 66, Planning 77, Production 77, Retail 83, Marketing/PR 79, Revenue 77, Funding 78, Employment 89, E-Publishing 81, Import/Export 80

2020 1H Forecast : Economy 70, Planning 79, Production 82, Retail 85, Marketing/PR 83, Revenue 78, Funding 79, Employment 88, E-Publishing 88, Import/Export 85

* Scores given against benchmark of 100 → under 84 : very poor / 85–94 : poor / 95–104 : good / over 105 : very good

- Following the trends of the first half of 2019, the first half of 2020 is expected to see positive growth
- Excluding employment, the economy has recorded a downturn in all sectors in the first half of 2019, and in 2020 1H, all sectors, excluding employment and e-publishing, will likely experience a recession
- Compared to 2019 1H, the second half will likely see an industry downturn, but it is expected to rebound slightly in 2020 1H versus 2019 2H

Publishing Industry Economic Weather Map (2019 1H)

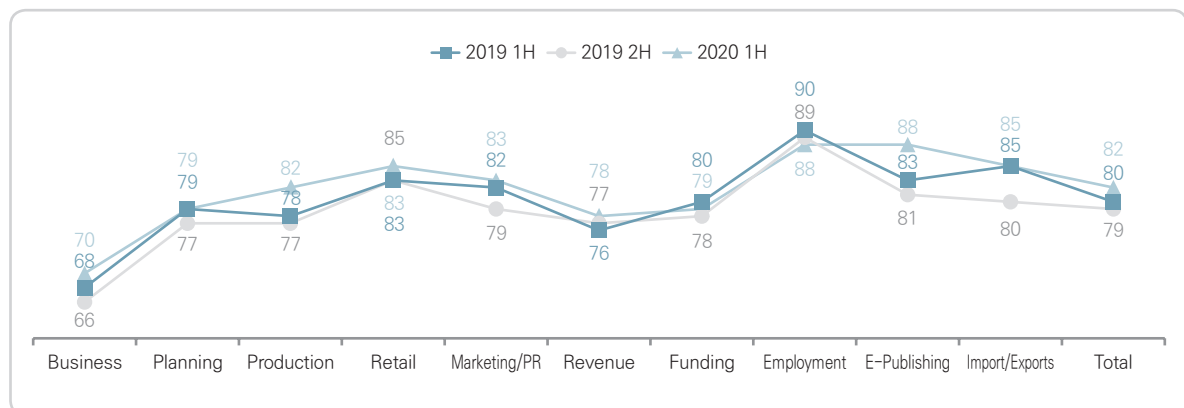
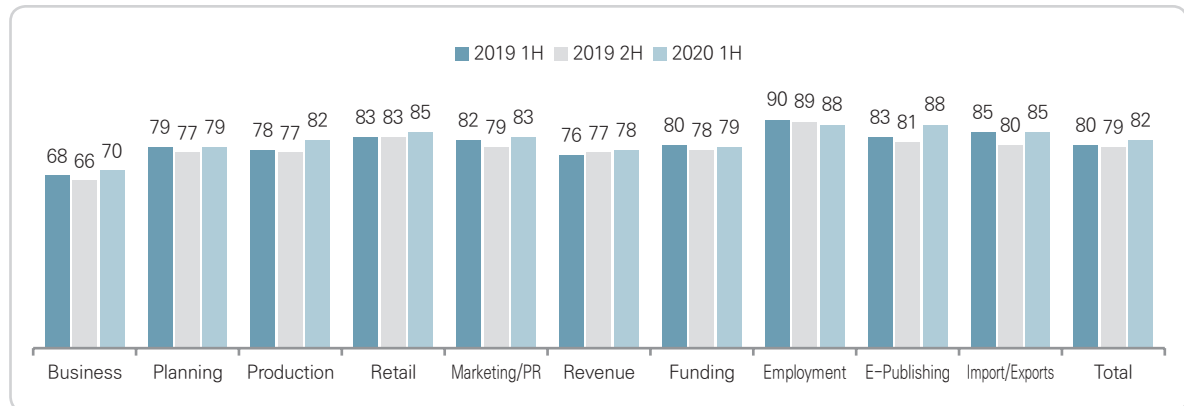


Economic Trend Index for 2019 1H – 2020 1H

Category	2019 1H	2019 2H	2020 1H
Business	68	66	70
Planning	79	77	79
Production	78	77	82
Retail	83	83	85
Marketing/PR	82	79	83
Revenue	76	77	78
Funding	80	78	79
Employment	90	89	88
E-Publishing	83	81	88
Import/Exports	85	80	85
Total	80	79	82

* Scores given against benchmark of 100 → under 84 : very poor / 85–94 : poor / 95–104 : good / over 105 : very good

Publishing Industry Economic Trend Indices (2019 1H – 2020 1H)



KPIPA Annual Statistics

- **KPIPA Statistics for 2018**

A total of 81,890 new books were published in 2018, representing a 2.2% increase (1,760 titles) year on year

- **Active Publishers in 2018**

In 2018, there were 8,058 active publishers (81.8% of which published 10 or fewer books), for a 3.6% increase year on year

- New Book Publication : 81,890 new titles were published in 2018, with the education category accounting for the largest share at over a quarter (27.6%) of the total volume, whereas the genres of science/technology and children's books saw a 11.3% and 9.0% year on year decrease respectively
※ 2.2% increase (1,760 titles) compared to previous year
- Active Publishers : In 2018, there was a total of 8,058 active publishers, with 36.6% (2,951) printing one title and 69.8% (5,628) publishing five or fewer books
※ 3.6% increase (283 publishers) compared to previous year

KPIPA Annual Statistics (2017 – 2018)

(unit : titles, %)

Top Category	Basic Category	Number of Titles Published				
		2018 1H	2019 1H	Share	Change	Percentage Change
Early Childhood	Toddlers, Children	8,021	7,298	8.9	△723	△9.0
Education	Educational Materials Foreign Languages Test Prep/ Accreditation	21,298	22,617	27.6	1,319	6.2
Literature	Fiction/Poetry/ Essays/Drama	14,221	14,637	17.9	416	2.9
Humanities	Philosophy/ Psychology History/ Culture Religion Other	11,373	11,677	14.3	304	2.7
Art/Pop Culture	Art/Pop Culture	2,978	3,835	4.7	854	28.8
Practical/ Hobbies	Self-Development Home/ Lifestyle Cooking/ Hobbies Health/ Sports/Leisure Travel	5,085	5,110	6.2	25	0.5
Social Sciences	Politics/Society Economy/ Business Management	8,940	9,434	11.5	494	5.5

2019 KPIPA Publishing Industry Trends

Top Category	Basic Category	Number of Titles Published				
		2018 1H	2019 1H	Share	Change	Percentage Change
Science and Technology	IT/Computers Natural Sciences Technology and Engineering	8,214	7,282	8.9	△932	△11.3
Total		80,130	81,890	100.0	1,760	2.2

KPIPA Overview of Publishers by Number of Issues (2017 – 2018)

(unit : count, %)

No. of Books	2017		2018		Change	Percentage Change
	Publishers	Share	Publishers	Share		
1–5	5,397	69.4	5,628	69.8	231	4.3
6–10	969	12.5	967	12.0	△2	△0.2
11–30	917	11.8	980	12.2	63	6.9
Over 31	492	6.3	483	6.0	△9	△1.8
Total	7,775	100.0	8,058	100.0	283	3.6