



# 2011 1H Earnings Release

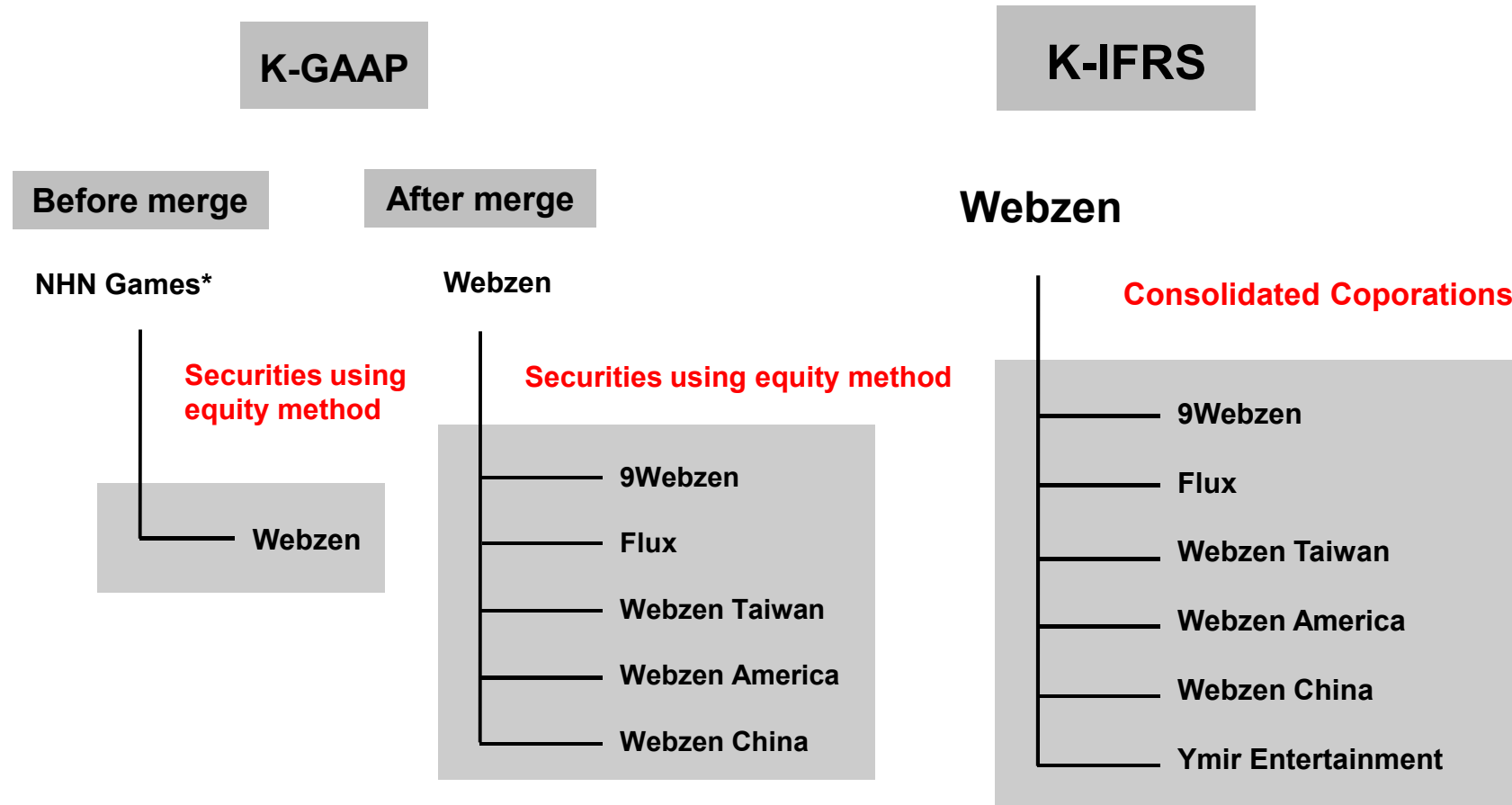


**2011.08.26**

**Webzen**

# Consolidated Coporations

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\* This company was merged with NHNGames as of 7 July 2010.

The merger fell under reverse merger, so the comparative F/S before the merger are based on NHNGames.

\* Ymir Entertainment is added to Consolidated Coporations during this half-yearly.

# Summary of Results

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## [Consolidated Results]

(Unit : mil. Won)

	1H2011	1H2010	YoY
Revenue	27,559	13,476	104.5%
Revenues on Online-Game Service	26,828	13,454	99.4%
Other Revenues	731	22	3,282.6%
Operating Income(Loss)	3,634	6,167	-41.1%
Profit (loss) before tax	1,968	8,754	-77.5%
Profit (loss)	256	6,761	-96.2%
Total comprehensive income	749	6,510	-88.5%
Attributable to owners of parent	841	6,510	-87.1%
Attributable to non-controlling interests	(92)	-	-

# Summary of Results

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## [Separated Results]

(Unit : mil. Won)

	1H2011	1H2010	YoY
Revenue	20,394	13,476	51.3%
Revenues on Online-Game Service	19,346	13,454	43.8%
Other Revenues	1,049	22	4,753.2%
Operating Income(Loss)	455	6,167	-92.6%
Profit (loss) before tax	(1,292)	7,814	Turn deficit
Profit (loss)	(2,122)	5,821	Turn deficit
Other comprehensive income	44	(66)	Turn deficit
Total comprehensive income	(2,077)	5,756	Turn deficit

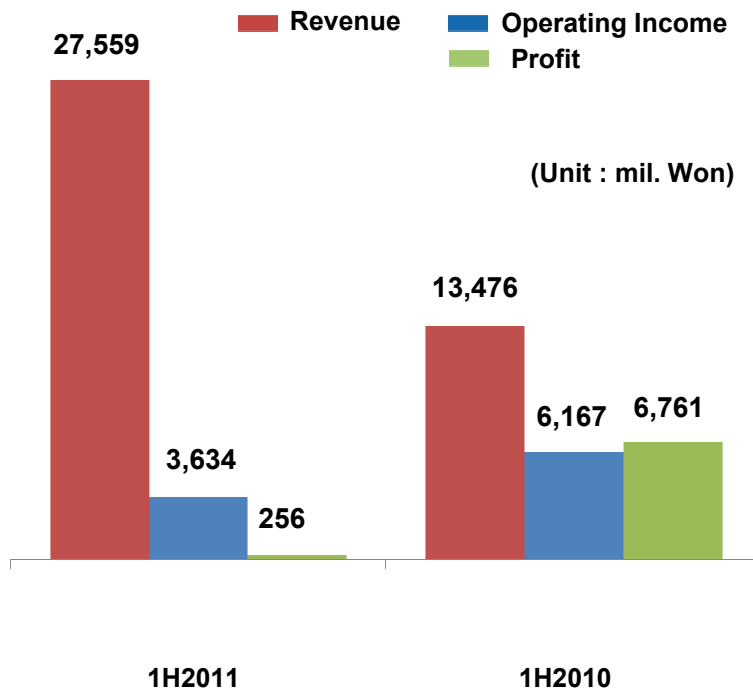
# Results Analysis

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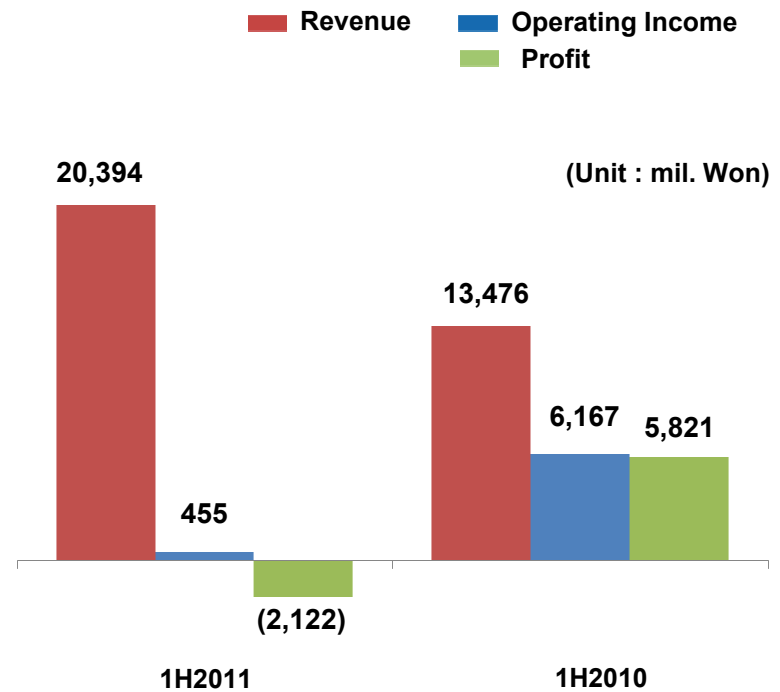


- ▶ Revenue : YoY ↑ 105% based on consolidated , YoY ↓ 51% based on separated
- ▶ Operating Income(Loss) : YoY ↓ 41% based on consolidated , YoY ↓ 93% based on separated
- ▶ Profit(Loss) : YoY ↓ 96% based on consolidated , YoY turn deficit based on separated

YoY(Consolidated)



YoY(Separated)

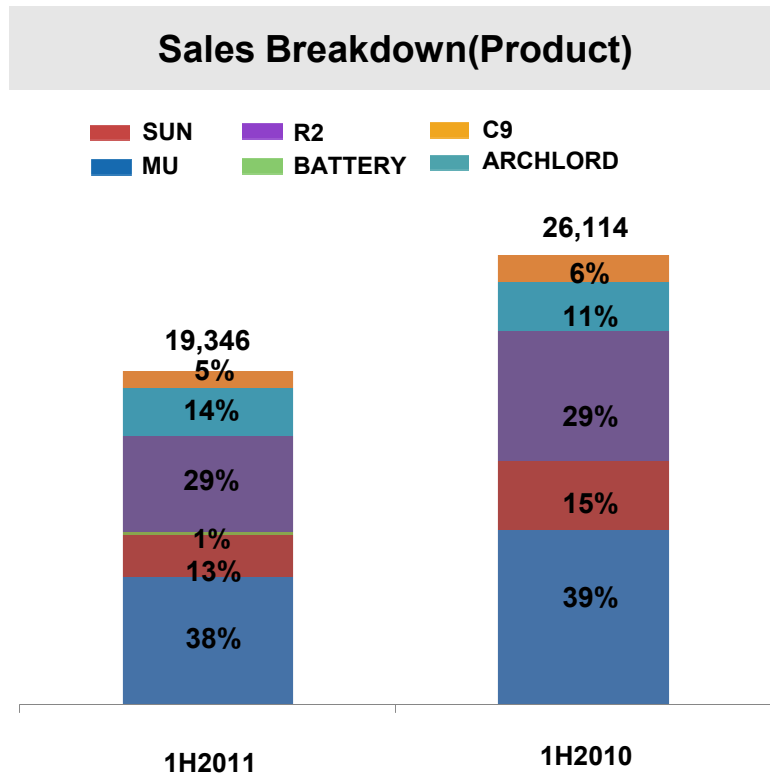


# Sales Breakdown(Product)

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- ▷ MU 7.4 bil won ( YoY ↓ 28% ) , SUN 2.5 bil won ( YoY ↓ 38% )
- ▷ R2 5.6 bil won ( YoY ↓ 25% ) , Archlord 2.8 bil won
- ▷ C9 1.0 bil won ( YoY ↓ 34% ) , BATTERY 0.1 bil won



(Unit : mil. Won)

	1H2011	1H2010
<b>Total</b>	<b>19,346</b>	<b>26,114</b>
MU	7,353	10,148
SUN	2,466	3,978
BATTERY	100	
R2	5,564	7,565
ARCHLORD	2,840	2,866
C9	1,024	1,556

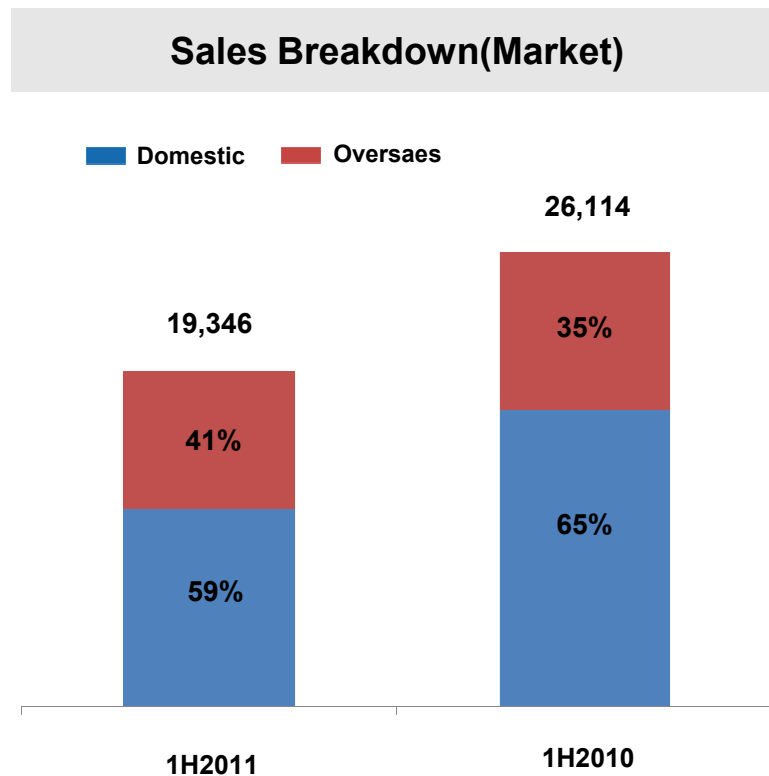
\* Total of 1H2010 is sum of Webzen's sales and NHNGames's sales, so it can be different from Total Sales based on accounting data.

# Sales Breakdown(Market)

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- ▶ Domestic : 11.3 bil won - YoY ↓ 33 %
- ▶ Overseas : 8.0 bil won - YoY ↓ 12 %
- ▶ The portion of overseas YoY ↑ 6%P



(Unit : mil. Won)

	1H2011	1H2010
<b>Total</b>	<b>19,346</b>	<b>26,114</b>
<b>Domestic</b>	<b>11,332</b>	<b>17,007</b>
<b>Overseas</b>	<b>8,014</b>	<b>9,107</b>

\* Total of 1H2010 is sum of Webzen's sales and NHNGames's sales, so it can be different from Total Sales based on accounting data.

# Summary of F/S(Consolidated)

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(Unit : mil won)

	2011.06.30	2010.12.31
<b>Current Assets</b>	33,753	79,119
<b>Non-Current Assets</b>	113,162	45,559
<b>Total Assets</b>	146,915	124,678
<b>Current Liabilities</b>	29,985	24,209
<b>Non-Current Liabilities</b>	28,908	14,089
<b>Total Liabilities</b>	58,893	38,298
<b>Contributed equity</b>	16,552	16,552
<b>Capital Surplus for Equity</b>	131,650	131,556
<b>Accumulated Other Comprehensive Income for Equity</b>	678	180
<b>Elements of other stockholder's equity</b>	(56,109)	(56,907)
<b>Retained earnings</b>	(4,723)	(5,065)
<b>Non-controlling interests</b>	(27)	65
<b>Total equity</b>	88,022	86,380



# Summary of F/S(Consolidated)

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(Unit : mil won)

	1H2011	1H2010
Revenue	27,559	13,476
Revenues on Online-Game Service	26,828	13,454
Other Revenues	731	22
Total Operating Expenses	23,925	7,309
<b>Operating Income(Loss)</b>	<b>3,634</b>	<b>6,167</b>
Finance income (Loss)	(1,666)	1,647
<b>Profit (loss) before tax</b>	<b>1,968</b>	<b>8,754</b>
Income tax expense	1,711	1,993
<b>Profit (loss)</b>	<b>256</b>	<b>6,761</b>
Other comprehensive income	492	(251)
<b>Total comprehensive income</b>	<b>749</b>	<b>6,510</b>
Attributable to owners of parent	841	6,510
Attributable to non-controlling interests	(92)	

# Summary of F/S(Separated)

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(Unit : mil won)

	2011.06.30	2010.12.31
<b>Current Assets</b>	11,343	76,666
<b>Non-Current Assets</b>	130,063	45,359
<b>Total Assets</b>	141,406	122,026
<b>Current Liabilities</b>	25,883	8,123
<b>Non-Current Liabilities</b>	30,319	27,515
<b>Total Liabilities</b>	56,202	35,637
<b>Contributed equity</b>	16,552	16,552
<b>Capital Surplus for Equity</b>	131,650	131,556
<b>Accumulated Other Comprehensive Income for Equity</b>	51	3
<b>Elements of other stockholder's equity</b>	(56,109)	(56,907)
<b>Retained earnings</b>	(6,941)	(4,816)
<b>Total equity</b>	85,204	86,388

# Summary of F/S(Separated)

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(Unit : mil won)

	1H2011	1H2010
<b>Revenue</b>	20,394	13,476
<b>Revenues on Online-Game Service</b>	19,346	13,454
<b>Other Revenues</b>	1,049	22
<b>Total Operating Expenses</b>	19,940	7,309
<b>Operating Income(Loss)</b>	455	6,167
<b>Finance income (Loss)</b>	(1,747)	1,647
<b>Profit (loss) before tax</b>	(1,292)	7,814
<b>Income tax expense</b>	829	1,993
<b>Profit (loss)</b>	(2,122)	5,821
<b>Other comprehensive income</b>	44	(66)
<b>Total comprehensive income</b>	(2,077)	5,756



**Thank you**