

# 2013 1H Earnings Release

**2013.08.14**

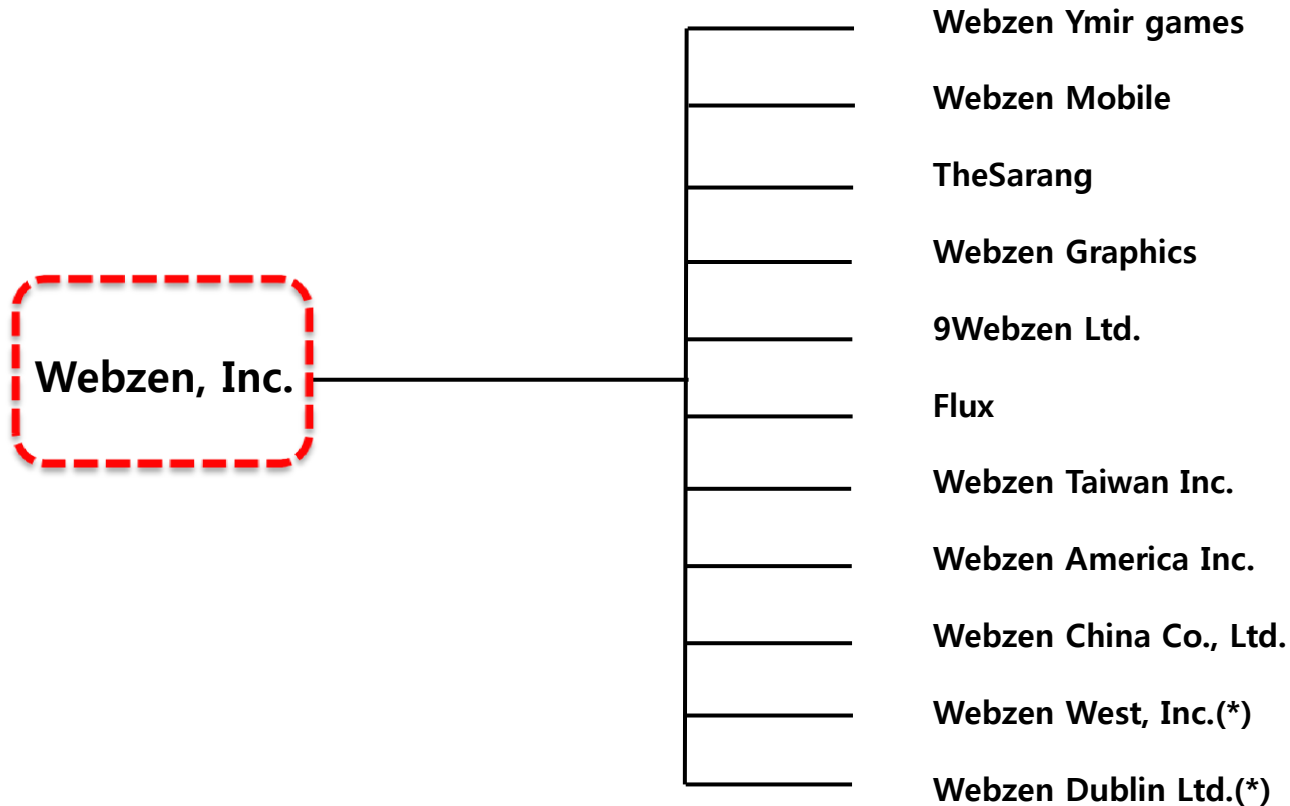
**Webzen**

# Consolidated corporations

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K-IFRS introduced since 1Q11, the followings are the subsidiaries of Webzen



(\*) Webzen West, Inc. has been acquired by Webzen Inc. since February 15,2013  
Webzen Dublin Ltd. is wholly owned by Webzen West, Inc.

# Summary of financial Results

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[Consolidated]

(Unit : KRW million)

	1H2013	1H2012	%
Revenue	34,317	28,925	19%
Revenues on Online-game Service	34,298	28,555	20%
Other revenues	20	369	-95%
Total Operating Expenses(*)	34,754	23,931	45%
Operating Profit (Loss)	(437)	4,993	turned to deficit
Profit (Loss) before tax	1,736	5,472	-68%
Profit (Loss)	161	4,082	-96%
Total Comprehensive Income	(188)	4,041	turned to deficit
Owners of parent company	(180)	4,198	turned to deficit
Non-controlling interests	(8)	(156)	-

(\*) The above operating expenses include the cancellation fee(1.7bil) for the stock option of the major subsidiary Webzen Dublin, Ltd.

# Summary of financial Results

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[Parent]

(Unit : KRW million)

	1H2013	1H2012	%
Revenue	19,795	21,043	-6%
Revenues on Online-game Service	19,468	20,634	-6%
Other revenues	327	410	-20%
Total Operating Expenses	19,786	19,543	1%
Operating Profit (Loss)	9	1,500	-99%
Profit (Loss) before tax	9,786	10,761	-9%
Profit (Loss)	9,130	10,281	-11%
Other Comprehensive Income	(172)	(38)	-
Total Comprehensive Income	8,958	10,243	-13%

# Results analysis (1H)

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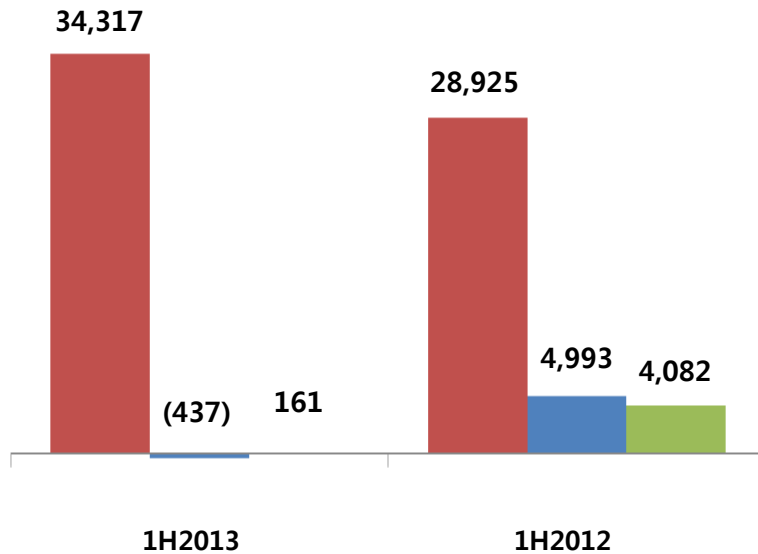


- ▶ Revenue : YoY ↑ 19% based on consolidated, YoY ↓ 6% based on parent
- ▶ Operating Profit : YoY turned to deficit based on consolidated , YoY ↓ 99% based on parent
- ▶ Profit (Loss) : YoY ↓ 96% based on consolidated, YoY ↓ 11% based on parent

## YoY(Consolidated)

Revenue Operating Profit Profit(Loss)

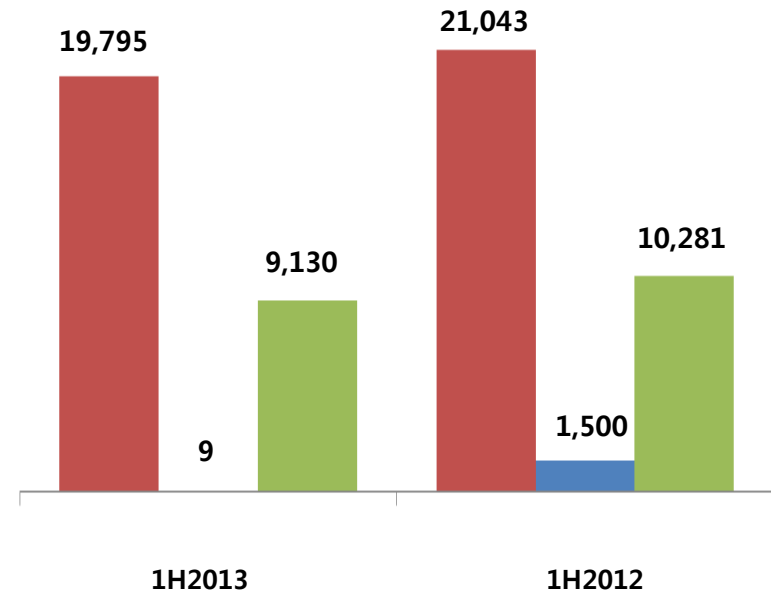
(Unit : KRW million)



## YoY(Parent)

Revenue Operating Profit Profit(Loss)

(Unit : KRW million)

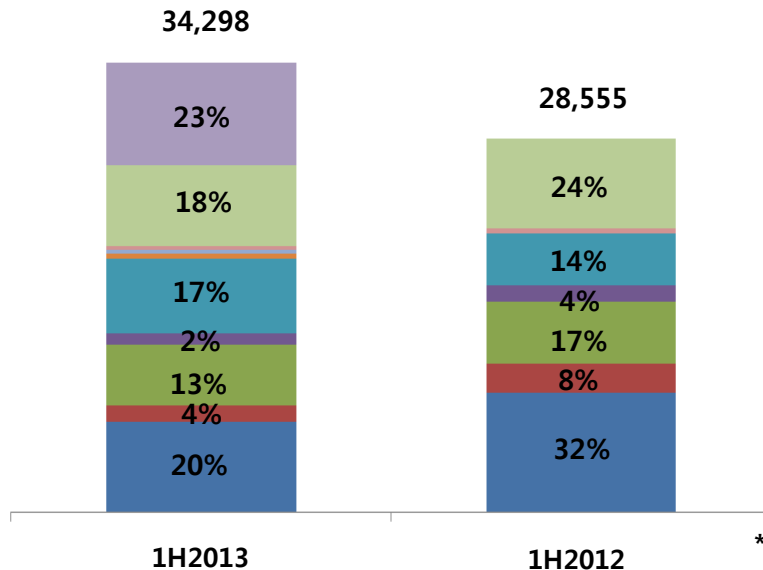


# Sales breakdown (by products)

- ▶ MU 6.8bil (YoY ↓ 25%) , SUN 1.3bil (YoY ↓ 39%)
- ▶ R2 4.6bil (YoY ↓ 5%) , Archlord 0.8bil (YoY ↓ 31%)
- ▶ C9 5.7bil (YoY ↑ 46%) , Metin2 6.1bil (YoY ↓ 11%)

## Sales breakdown (by products)

■ MU    ■ Archlord    ■ C9    ■ Metin2  
■ SUN    ■ R2    ■ BATTERY    ■ gpotato



(Unit : KRW million)

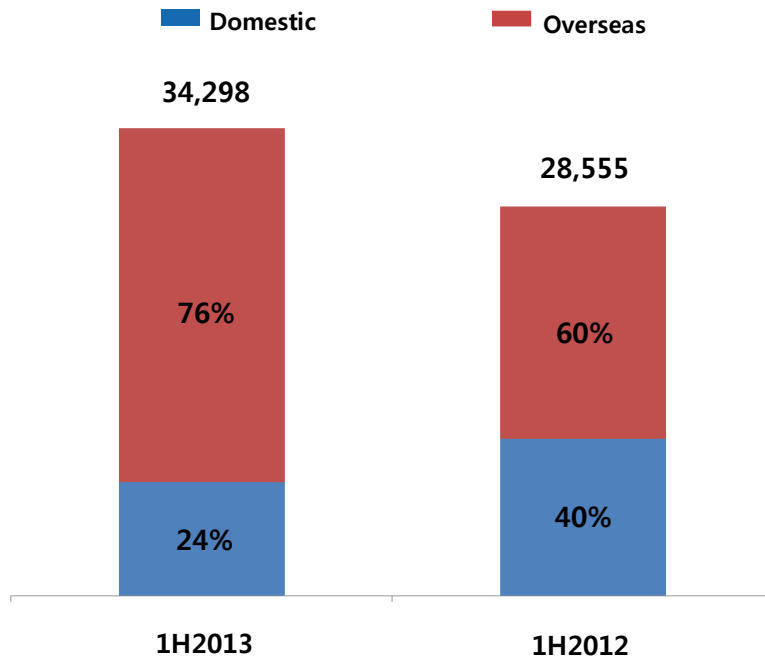
	1H2013	1H2012
<b>Total</b>	<b>34,298</b>	<b>28,555</b>
MU	6,872	9,124
SUN	1,328	2,177
R2	4,579	4,814
Archlord	837	1,212
C9	5,722	3,929
BATTERY	377	19
Others	288	28
Metin1	342	393
Metin2	6,115	6,860
gPotato(*)	7,839	0

\*G-Potato Game Portal(Game service platform operated by Webzen west) hosts a diverse portfolio of games such as Flyff, Rappelz etc .

# Sales breakdown (by markets)

- ▶ Domestic Sales : 8.4bil - YoY ↓ 27 %
- ▶ Overseas Sales : 25.9bil - YoY ↑ 52 %
- ▶ Portion of Overseas : YoY ↑ 16%P

## Sales Breakdown (by markets)



(Unit : KRW million)

	1H2013	1H2012
Total	34,298	28,555
Domestic	8,374	11,525
Overseas	25,924	17,030

# Summary of F/S(Consolidated)

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(Unit : KRW million)

	2013.06.30	2012.12.31
Current Assets	44,881	63,455
Non-Current Assets	115,324	95,566
<b>Total Assets</b>	<b>160,206</b>	<b>159,021</b>
Current Liabilities	14,752	16,130
Non-Current Liabilities	17,406	17,253
<b>Total Liabilities</b>	<b>32,158</b>	<b>33,383</b>
Contributed Equity	17,655	17,655
Capital Surplus for Equity	148,506	147,983
Accumulated Other Comprehensive Income for Equity	798	1,158
Elements of Other Stockholder's Equity	(41,454)	(43,528)
Retained Earnings	2,514	2,334
Non-Controlling Interests	29	37
<b>Total Equities</b>	<b>128,048</b>	<b>125,639</b>



# Summary of F/S(Parent)

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(Unit : KRW million)

	2013.06.30	2012.12.31
Current Assets	24,167	48,630
Non-Current Assets	134,368	106,057
<b>Total Assets</b>	<b>158,535</b>	<b>154,688</b>
Current Liabilities	6,865	13,766
Non-Current Liabilities	13,280	14,086
<b>Total Liabilities</b>	<b>20,145</b>	<b>27,852</b>
Contributed Equity	17,655	17,655
Capital Surplus for Equity	148,506	147,983
Accumulated Other Comprehensive Income for Equity	27	205
Elements of Other Stockholder's Equity	(41,454)	(43,528)
Retained Earnings	13,655	4,520
<b>Total Equities</b>	<b>138,390</b>	<b>126,835</b>

**Thank you**