

Lawsuit (Charging More Than Certain Amount)

1. Title of Lawsuit		The arbitration relation to confirm of right of terminate the agreement according to breach of "Game Development and License Agreement" and requirement for execution of marketing expenses for marketing in North America
2. Plaintiff		Red 5 Studios, Inc.
3. Details of Claim		Complainant sued arbitration for confirm of right of terminate the agreement and legal obligation of Webzen(about execution marketing expenses "USD 500 mil")
4. Details of Amount Claimed	Amount Claimed(KRW)	5,332,000,000Won
	Equity Capital(KRW)	96,409,092,865Won
	Ratio to Equity Capital(%)	5.5%
	Applicability of Large-scale Corporation	-
5. Competent Court		International Chamber of Commerce(ICC)
6. Actions to be taken		Webzen will submit materials of reputation and claim against argument of complainant
7. Date of Filing/Application		2011-06-22
8. Date Confirmed		2011-07-04
9. Other references concerning investment decisions		<p>1) Jurisdiction : The state of California</p> <p>2) Webzen spent USD 2,470 mil for development investment expenses following the agreement with Red 5 studios (Reference to below Relevant Disclosure)</p> <p>3) Webzen transferred publishing right in North America/Europe to complainant according to "Amendment Agreement(May, 2009)".</p>

	<p>(Reference to below Relevant Disclosure')</p> <p>4) In case determined that Webzen has duty of the marketing expenses in North America, Webzen must spend in 1 year after commercialized service of the game("Firefall") in North America.</p> <p>5) The above "Amount Claimed" is based on exchange rate as of date of confirmed (USD 1 = KRW 1,066.40).</p> <p>6) The above "Date Confirmed" is the date of receipt of "Request for Arbitration" from international Chamber of Commerce(ICC).</p> <p>7) The above "Equity Capital" is based on December 30, 2010.</p>	
	<p>※ Relevant Disclosure</p>	<ul style="list-style-type: none"> - Other Material Management Information (Voluntary Disclosure)(2009.05.29) - Voluntary Disclosure(2006.02.28)