

**Notice of the 11th Annual
General Meeting of Shareholders**



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** To be reported on at the meeting

Notice of the 11th Annual General Meeting of Shareholders

February 28, 2011

To our shareholders,

Pursuant to Article 25 of the Articles of Incorporation of Webzen Inc. (“Webzen”). Webzen will hold the 11th Annual General Meeting of Shareholders (the “AGM”) as described below.

At the AGM, three items including the business report for the 11th fiscal year will be reported and Four items including the approval of financial statements will be resolved. Shareholders holding Webzen’s common shares as of December 31, 2010 will be entitled to vote at the AGM.

Webzen will do its best to establish the transparency of corporate governance and to recruit professional employees.

I look forward to our shareholders’ participation.

Chang Keun Kim
President and Chief Executive Officer

- Date and Time: March 25, 2011 (Friday) 10:30 A.M. (Korea Time)
- Place:
 - KICOX 3F Meeting Hall, No 3. 3-Gil Guro-Digital Complex Guro-gu Seoul #152-759 Korea
- Record Date : December 31, 2010

Matters to be Reported

Business Report for the 11th Fiscal Year

Pursuant to Article 449 of the Commercial Code (Approval of Financial Statement), Webzen's business performance is as follows.

Dear Valued Shareholders,
Sincerely appreciate of your trust and support to WEBZEN for the last year.

WEBZEN recorded revenue of 37.8 billion KRW and operating profit of 6.6billion KRW in the fiscal year 2010. The revenue increased by 11.9 billion KRW (47%), year-on-year, while the operating profit decreased by 5.9billion KRW (-47%), year-on-year.

The operating loss showed because of fiscal filling out caused by merger with NHN Games on July 7, 2010. this is to give notice: The merger fell under reverse merger, so the comparative financial statements are based on NHN Games (actual purchasing company) under the related financial law.

The recognition of the intangible asset impairments of Huxley and setting the allowance for uncollectible accounts except collected debts which were invested in RTW caused Net income before income tax in 4th quarter of 2010.

The reduction of the intangible property was caused by termination of Huxley service in Korea, and the second outcomes from the petition of bankruptcy of RTW in 2010 and the transfer the copyright of APB, developed by RTW, to the 3rd party.

On the other hand, WEBZEN added 'R2', 'Arclord' and 'C9' on the existing product portfolio by merger with NHN Games and started commercial service of new FPS game 'BATTERY (Battle Territory)' in November, 2010.

Furthermore, WEBZEN has launched global game portal 'WEBZEN.com' service since 2009 and promoted increasing overseas sales.

WEBZEN plans to drive new growth in 2011 by expanding the game service territories of 'C9' and 'BATTERY' to abroad and developing efficient marketing tools for live products, and besides, WEBZEN plans Long-term strategy to accelerate its growth by strengthen the next portfolio.

We always appreciate the continuing interest and support of our valued shareholders, and will do our best in order to raise shareholder value.

Matters Requiring Resolution

Agenda No.1

Approval of Balance Sheet, Income Statement and Statement of Appropriation of Retained Earnings for the 11th Fiscal Year

Pursuant to Article 449 of the Commercial Code (Approval and Public Notice of Financial Statements), approval of financial statements for the 11th fiscal year is requested

Balance sheet

December 31, 2010 and 2009

(Unit : KRW)

Description	As of Dec-31-2010	As of Dec-31-2009
Assets		
Current Assets	76,653,270,902	5,444,220,404
Non-Current Assets	54,644,675,651	56,786,920,075
Investments	6,366,507,270	54,141,869,300
Property, Plant and Equipment	4,156,137,630	328,778,450
Intangible Assets	16,929,851,950	782,277,869
Other non-current Assets	27,192,178,801	1,533,994,456
Total Assets	131,297,946,553	62,231,140,479
Liabilities		
Current Liabilities	8,008,877,456	20,648,933,832
Non-Current Liabilities	26,879,976,232	18,956,753,463
Total Liabilities	34,888,853,688	39,605,687,295
Shareholders' Equity		
Capital Stock	16,551,813,500	6,400,000,000
Capital Surplus	152,807,058,252	7,027,119,648
Capital Adjustment	(72,895,009,049)	723,741,134
Accumulated Other Comprehensive Income/Loss	(1,982,719,177)	371,991,160
Retained Earnings	1,927,949,339	8,102,601,242
Total Shareholders' Equity	96,409,092,865	22,625,453,184
Total Liabilities and Shareholders' Equity	131,297,946,553	62,231,140,479

Income Statement

For the year ended December 31, 2010 and 2009

(Unit : KRW)

Description	2010 Year ended	2009 Year ended
I. Revenue	37,158,409,488	25,299,164,702
II. Cost of Revenue	14,846,913,788	6,665,854,588
III. Gross Profit	22,311,495,700	18,633,310,114
IV. Operating Expenses	15,701,094,759	6,159,833,546
V. Operation Profit	6,610,400,941	12,473,476,568
VI. Other Income	6,265,095,151	5,419,887,763
VII. Other Expenses	15,289,672,636	10,717,795,201
VIII. Net Income before Income Taxes	(2,414,176,544)	7,175,569,130
IX. Income Tax Expenses	3,760,475,359	204,475,107
X. Net Income	(6,174,651,903)	6,971,094,023

Statements of Appropriation of Retained Earnings

For the Year Ended December 31, 2010 and 2009

(Unit : KRW)

Description	2010 Amount	2009 Amount
I. Retained Earnings before Appropriations	1,927,949,339	8,102,601,242
1. Unappropriated Retained Earnings Carried over from Prior Year	8,102,601,242	1,131,507,219
2. Retained Earnings Adjustment		
3. Net Income	(6,174,651,903)	6,971,094,023
II. Unappropriated Retained Earnings to be carried over forward to subsequent year	1,927,949,339	8,102,601,242

Agenda No. 2

Approval of Amendments of Articles of Incorporation

Pursuant to Article 433 of the Commercial Code (Method of Amendment of Articles of Incorporation), approval of the following amendment of Articles of Incorporation is requested due to the change of law.

Article	Before Amendment	After Amendment
Article 12	(1) The Company may issue new shares, (2) The Company may issue DRs, (3) The Company may issue new shares, (4) In the case the Company issues new shares	Deleted.
Article 13-1	The Company may grant stock optionsoutstanding shares. Outstanding Shares. <u>However the stock option granted by Board of Directors are approved at Shareholders meetings after that first.</u>
Article 20	The Company may issue convertible bonds, in the following cases: in the following cases, <u>but in the case of clause 2 and 4, not exceeding 20/100 of total number of issued and outstanding shares.</u>
Article 21	The Company may issue bonds with warrants in Article 20 of the Articles of Incorporation. in Article 20 of the Articles of Incorporation. <u>But in the case of clause 2 and 5, not exceeding 20/100 of total number of issued and outstanding shares.</u>
Article 26	The General Meeting of Shareholders shall be held at the head office of the Company; provided, however, such meetings may also be held at any other adjacent place as deemed necessary.	The General Meeting of Shareholders shall be held at the head office of the Company; provided, <u>under provision of Enforcement Degree of Commercial Act,</u>
Article 47 -3	In the event under the provision of Article 542-12(3) Commercial Actnot an outside director	In the event <u>under the provision of Article 17-1 Enforcement degree of Commercial Act</u>not an outside director
Addendum	<i>Newly established</i>	<u>These Articles are amended on March 25, 2011,</u>

Agenda No. 3

Election of Directors

Pursuant to Article 382 of the Commercial Code (Election and Relationship with Company) and Article 35 of Articles of Incorporation of Webzen Inc. , approval of election of director.

At the Annual General Meeting of Shareholders, Director shall be elected. According to Webzen's Article of Incorporation, Director shall be elected at the General Meeting of Shareholders among those nominated with the consent of the Board of Directors.

Biographies of the candidate nominated by the Board of Directors are as follow;

Candidate Name	D.O.B.	Whether candidate is outside Director or Not.	Relationship between said candidate and the Largest Shareholder	Person nominating said candidate
Chang Keun, Kim	1971.05.23	Not	Director of the Largest shareholder's affiliated Company	Board of Directors
Byoung Gwan, Kim	1973.01.15	Not	Director of the Largest shareholder's affiliated Company	Board of Directors

Candidate Name	Profile	Details of transactions between said candidate and the corporation concerned for the past three years
Chang Keun, Kim	Current Title : CEO of Webzen co.,Ltd Experience : - Chief of Hangame Division at NHN corp. - Group Chief of Publishing Division at NHN Corp.	None
Byoung Gwan, Kim	Current Title : CEO of Webzen co.,Ltd Experience : - CEO of NHNGames co., Ltd.	Merger agreement with NHNGames co., Ltd.

Agenda No. 4

Approval of Limitation on Remuneration of Directors

Pursuant to Article 388(Remuneration of Directors) of the Commercial Code and Article 41(Remuneration and Severance Pay for Directors) of Articles of Incorporation of Webzen Inc., approval of limit on remuneration of directors is requested

Pursuant to provisions of our Articles of Incorporation, the limit on remuneration of directors including outside directors shall be approved at the Annual General Meeting of Shareholders. The Board of Directors is empowered to determine the compensation of respective directors. The Board of Director proposes total remuneration limit for directors to be KRW 1,300 million in 2011.

Details of the Limitation on Remuneration of Directors

Approved Total Limitation on Remuneration of Directors in 2010	KRW 1,260,000,000
Total payment on Remuneration of Directors in 2010	KRW 980,335,000
Approval of Limitation on Remuneration of Directors in 2011	KRW 1,300,000,000

Agenda No. 5

Approval of Grant of Stock Purchase Option by the Board of Directors

Pursuant to Article 542-3(Stock Purchase Option) of the Commercial Code and Article 13(Stock Purchase Program) of Articles of Incorporation of Webzen Inc., approval of grant of stock option by the Board of Directors is requested.

Details of the stock purchase option to be granted by the Board of Directors are as below;

BOD Resolution Date	Grantees	Relationship to company	Shares to be Granted	
			Type of Share	Number of Shares
Feb 28, 2011	Jlhoon, Kang	Employee	Common Shares	12,000
Feb 28, 2011	Yungseo, Choi	Employee	Common Shares	12,000
Feb 28, 2011	Huijoon, Shin	Employee	Common Shares	12,000
Feb 28, 2011	Sejin, Lee	Employee	Common Shares	6,000
Feb 28, 2011	Younghwan, Kim	Employee	Common Shares	6,000
Feb 28, 2011	Gibum, Kim	Employee	Common Shares	8,000
Feb 28, 2011	Gidong, Park	Employee	Common Shares	8,000
Feb 28, 2011	Moungsu, Lee	Employee	Common Shares	5,000
Feb 28, 2011	Jaejun, Kang	Employee	Common Shares	5,000
Feb 28, 2011	Jighoon, Lee	Employee	Common Shares	12,000
Feb 28, 2011	Yanggi, Song	Employee	Common Shares	5,000
Feb 28, 2011	Heungrae, Cho	Employee	Common Shares	3,000
Feb 28, 2011	Yujin, Choi	Employee	Common Shares	3,000
Feb 28, 2011	Eunyoung, Kim	Employee	Common Shares	3,000
Feb 28, 2011	Imho, Jeung	Employee	Common Shares	3,000
Feb 28, 2011	Jognhun, Park	Employee	Common Shares	3,000
Feb 28, 2011	Jinwoo, Lee	Employee	Common Shares	3,000
Feb 28, 2011	Daeyoung, Lee	Employee	Common Shares	3,000
Feb 28, 2011	Chanwook, Jeong	Employee	Common Shares	3,000
Total				118,000

Details of remaining stock purchase option as of February 28, 2011

Total number of shares outstanding	Range of stock purchase options that can be granted	Type of shares	Remaining number of shares that can be granted	Remaining
33,103,627	15% of the total number of shares outstanding	Common Shares	766,931	4,194,613

Additional Information

The number and classification of voting stocks

The record date to exercise Voting Rights at the 11th Annual General Meeting of Shareholders is December 31, 2010. As of the record date, the number of Webzen's total shares issued was 33,103,627. The number of common stocks entitled to exercise Voting Rights excluding treasury stocks was 5,519,456.

Method of Resolution

Pursuant to the provisions of the Commercial Code, Agenda 1, 3 and 4 shall be passed by majority vote of shareholders present and over one-fourth of total Voting Rights shares entitled to Voting Right. Agenda 2 and 5 shall be passed by over two-thirds of Voting Rights shares voted at the meeting and over one-third of total shares entitled to Voting Right.