

FY2019 Earnings Release

2020.02.06

Webzen Inc.



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WEBZEN Inc.

WEBZEN ONNET Co., Ltd

ONNET Europe GmbH.

WEBZEN Taiwan Inc.

WEBZEN America, Inc.

WEBZEN West, Inc.

WEBZEN Dublin Ltd.

WEBZEN Japan Inc.

WEBZEN Cherryhill Inc.

WEBZEN A.Peak Games Inc.

WEBZEN Redcore Inc.

WEBZEN Warsmith Inc.

WEBZEN Dream Inc.

WEBZEN Kamp Inc.

Summary of Financial Results



[Consolidated]

(Unit : KRW million)

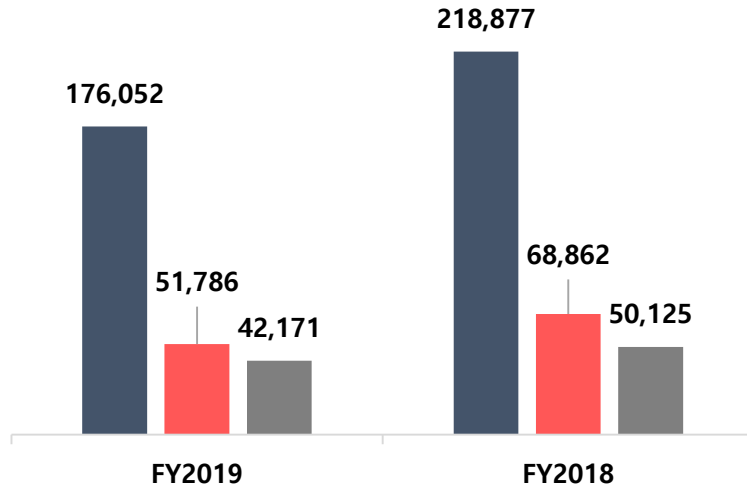
구 분	FY2019	FY2018	YoY	%
Revenue	176,052	218,877	(42,825)	-20%
Game Sales	175,957	218,230	(42,273)	-19%
Others	95	647	(552)	-85%
Operating Expenses	124,266	150,015	(25,749)	-17%
Operating Profit	51,786	68,862	(17,076)	-25%
Income before Tax	57,048	68,439	(11,391)	-17%
Income Tax Expenses	14,876	18,313	(3,437)	-19%
Net Income	42,171	50,125	(7,954)	-16%
Other Comprehensive Income	(613)	(726)	114	-
Total Comprehensive Income	41,559	49,399	(7,840)	-16%

Result Analysis(Consolidated)

- Revenue 176.1b (YoY ↓ 20%)
- Operating Profit 51.8b (YoY ↓ 25%)
- Net Income 42.2b (YoY ↓ 16%)

YoY (Consolidated)

■ Revenue ■ Operating Profit ■ Net Income



(Unit : KRW million)

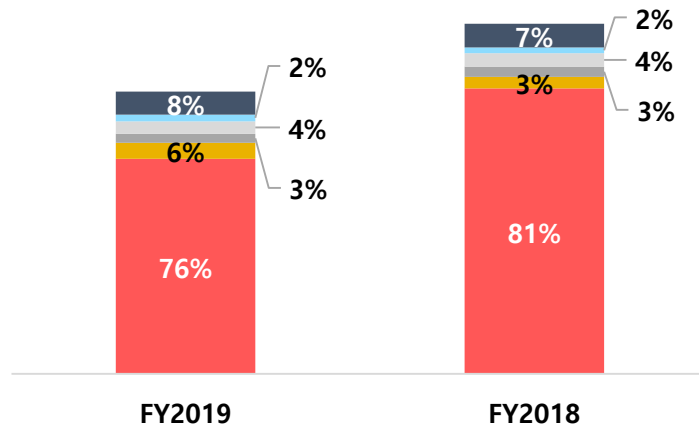
	FY2019	FY2018
Revenue	176,052	218,877
Operating Profit	51,786	68,862
Net Income	42,171	50,125

Sales Breakdown(Consolidated)

- MU 134.1b (YoY ↓ 25%)
- R2 9.8b (YoY ↑ 34%)
- ShotOnline 5.6b (YoY ↓ 12%)
- Metin2 7.9b (YoY ↓ 5%)

Sales breakdown

■ MU ■ R2 ■ ShotOnline ■ Metin2 ■ Webzen.com ■ Others



(Unit : KRW million)

	FY2019	FY2018
Total	175,957	218,230
MU(*)	134,118	177,849
R2	9,824	7,306
ShotOnline	5,633	6,370
Metin2	7,875	8,316
Webzen.com	4,106	3,712
Others	14,401	14,678

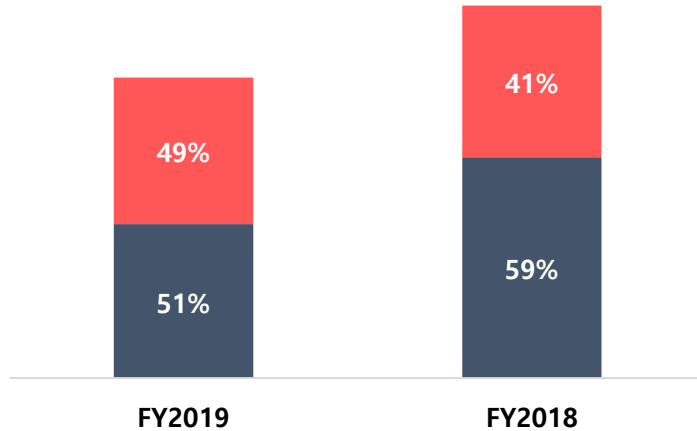
(*) MU includes the sales of MU IP franchising games.
(such as MU Origin2, 精灵盛典, 奇迹觉醒, 大天使之剑H5 etc.)

Sales Breakdown(Consolidated)

- Domestic Sales 90.1b (YoY ↓ 30%)
- Overseas Sales 85.8b (YoY ↓ 3%)
- Portion of Overseas YoY ↑ 8%P

Sales breakdown

■ Domestic ■ Overseas



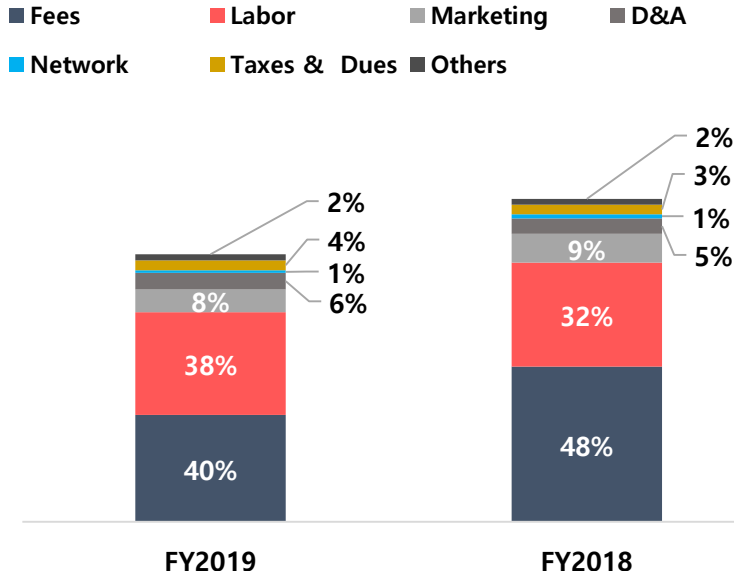
(Unit : KRW million)

	FY2019	FY2018
Total	175,957	218,230
Domestic	90,108	129,373
Overseas	85,849	88,857

Expenses Breakdown(Consolidated)

- Operating Expenses 124.3b (YoY ↓ 17%)
 - Fees 49.6b (YoY ↓ 31%)
 - Labor tendencies 47.8b (YoY ↓ 1%)
 - Marketing 10.5b (YoY ↓ 21%)

Expenses Breakdown



(Unit : KRW million)

	FY2019	FY2018
Total	124,266	150,015
Fees	49,616	72,057
Labor	47,799	48,403
Marketing	10,526	13,389
D&A	7,638	7,144
Network	1,290	1,812
Tax & Dues	4,590	4,531
Others	2,806	2,678

Summary of F/S(Consolidated)

(Unit : KRW million)

B/S	2019.12.31	2018.12.31
Current Assets	238,374	283,700
Non-Current Assets	175,588	113,089
Total Assets	413,962	396,789
Current Liabilities	42,305	67,896
Non-Current Liabilities	16,042	14,955
Total Liabilities	58,348	82,851
Contributed Equity	17,655	17,655
Capital Surplus for Equity	149,834	149,968
Accumulated Other Comprehensive Income for Equity	(432)	(532)
Elements of Other Stockholder's Equity	(48,718)	(48,718)
Retained Earnings	237,019	195,130
Non-Controlling Interests	255	435
Total Equities	355,615	313,939
Total Liabilities and Equities	413,962	396,789

Summary of F/S(Consolidated)



(Unit : KRW million)

I/S	FY2019	FY2018
Revenue	176,052	218,877
Game Sales	175,957	218,230
Others	95	647
Operating Expenses	124,266	150,015
Operating Profit	51,786	68,862
Profit (loss) before tax	57,048	68,439
Corporate Tax	14,876	18,313
Net Income	42,171	50,125
Other Comprehensive Income	(613)	(726)
Total Comprehensive Income	41,559	49,399
Controlling Interests	41,989	49,608
Non-Controlling Interests	(431)	(209)

Thank you