



2010 Earnings Release



2011.02.24

Webzen



Summary of Results

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(Unit : mil. Won)

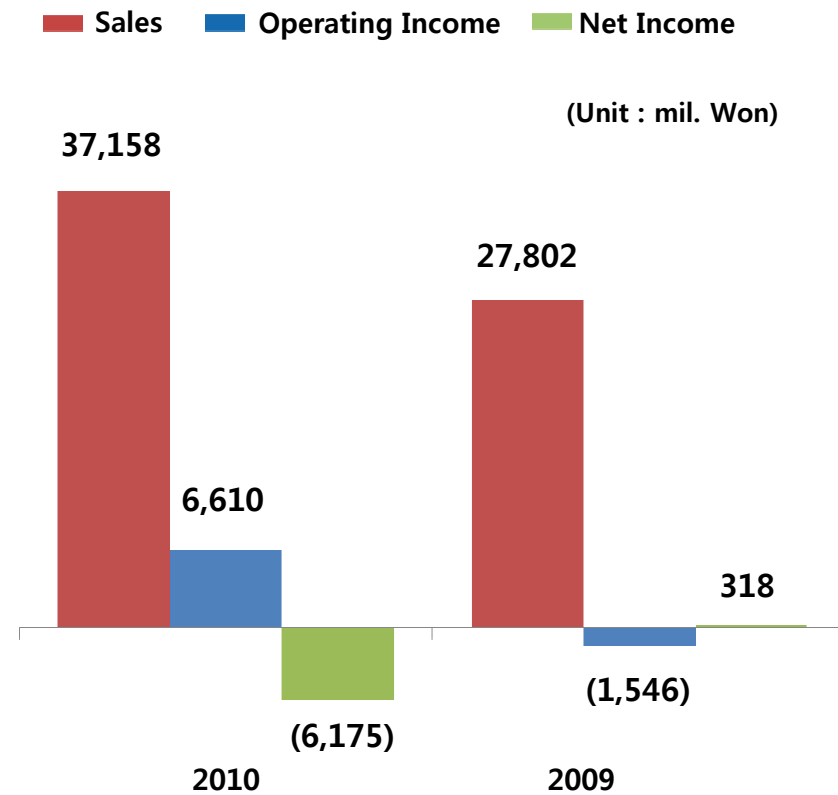
	2010	2009 (Webzen in Before merge)
Revenue	37,158	27,802
Operating Income	22,311	15,401
Non-Operating Profit(Loss)	6,610	(1,546)
<i>(%)</i>	<i>18%</i>	-
Non-Operating Profit	(9,025)	2,919
Income before ITE	(2,414)	1,373
<i>(%)</i>	-	5%
Net Income(Loss)	(6,175)	318
<i>(%)</i>	-	1%

Summary of Results

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Trend of Results (Based on Webzen in before merge)



- ▷ Sales : 37,158 mil won
 - Increase 9,356 mil. won(↑ 34%)
- ▷ Operating Income : 6,610 mil won
 - Turn around
- ▷ Net Income : -6,175 mil won
 - Turn deficit

Sales Breakdown(Product)

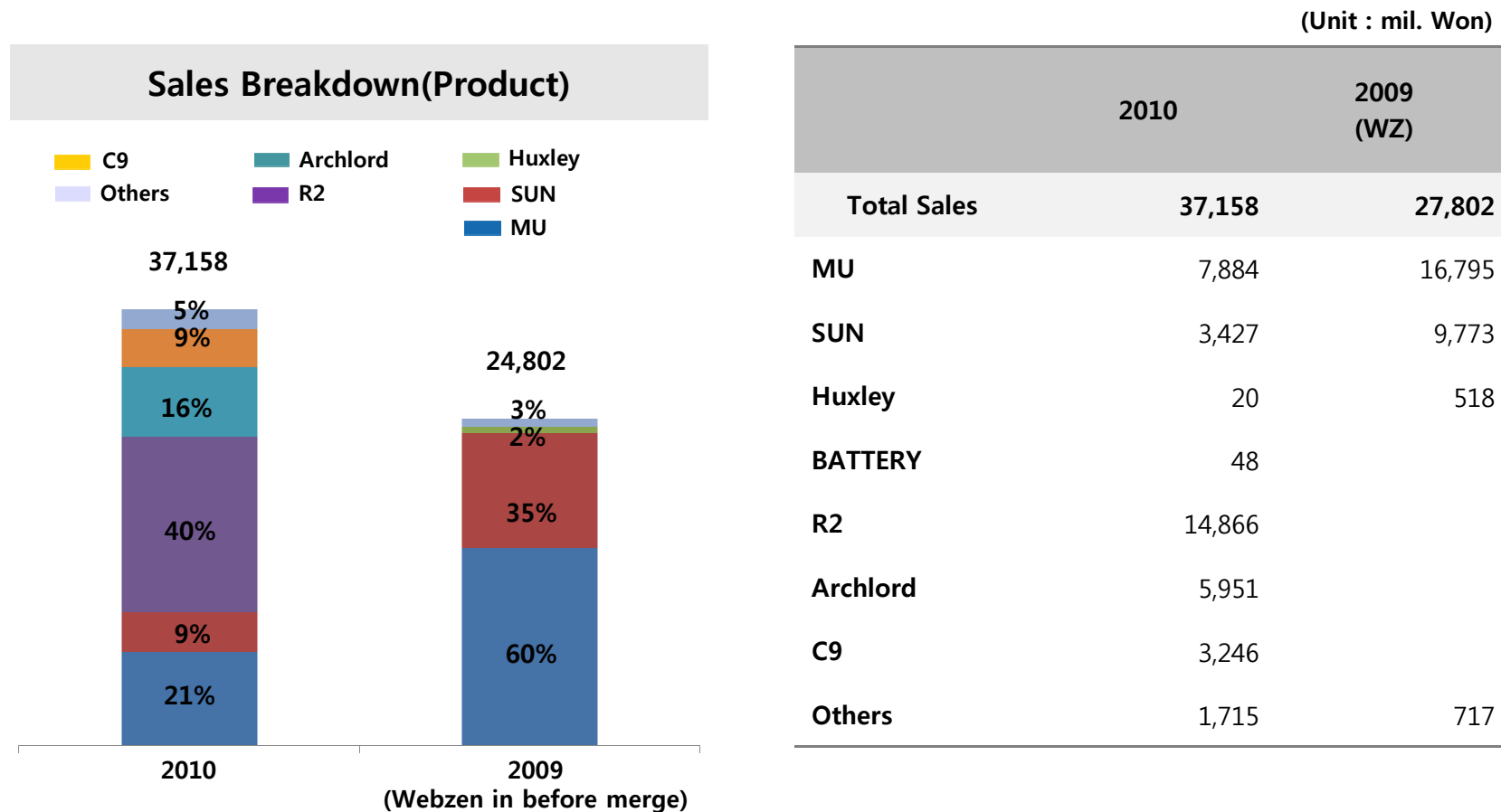
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▶ MU : 7,884 mil won - ↓ 53% YoY , SUN : 3,427 mil won - ↓ 65% YoY

(Effects of Outward following except for webzen's results in before merger, by reverse merger)

▶ C9 : 3,246 mil won - ↑ 87% YoY , R2 : 14,866 mil won - ↓ 8% YoY

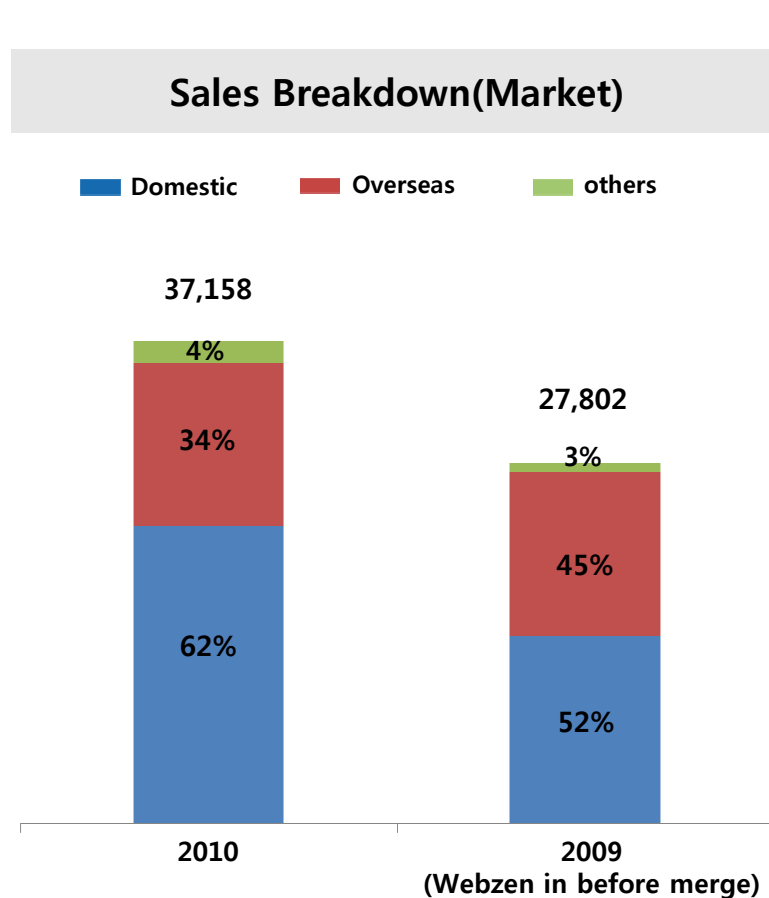


Sales Breakdown(Market)

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- ▶ Domestic : 22,920 mil won - ↑ 59% , Sales Weight ↑ 10%P YoY
- ▶ Overseas : 12,523 mi won - ↓ 1% , Sales Weight ↓ 11%P YoY
- ▶ Others : 1,715 mil won - ↑ 139% , Sales Weight ↑ 2%P YoY



	2010	2009 (WZ)
Total Sales	37,158	27,802
Domestic	22,920	14,449
Overseas	12,523	12,636
China	2,318	3,085
Japan	3,527	6,618
Taiwan	294	700
Global Portal	4,333	507
Others	2,050	1,726
Others	1,715	717

Operating Expenses

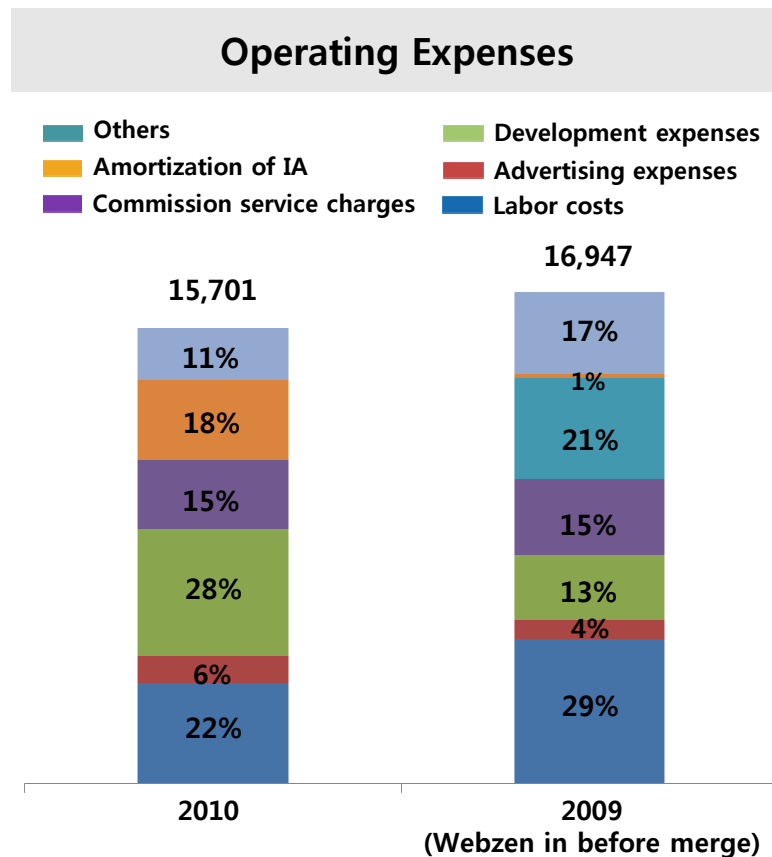
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- ▶ Total Operating Expenses : 15,701 mil won - ↓ 7% YoY
- ▶ Labor Costs : 3,464 mil won - ↓ 30% YoY
- ▶ Increase of Development expenses is following increase of employee by merger,

Amortization of IA include Amortization of Goodwill by merge

(Unit : mil. Won)



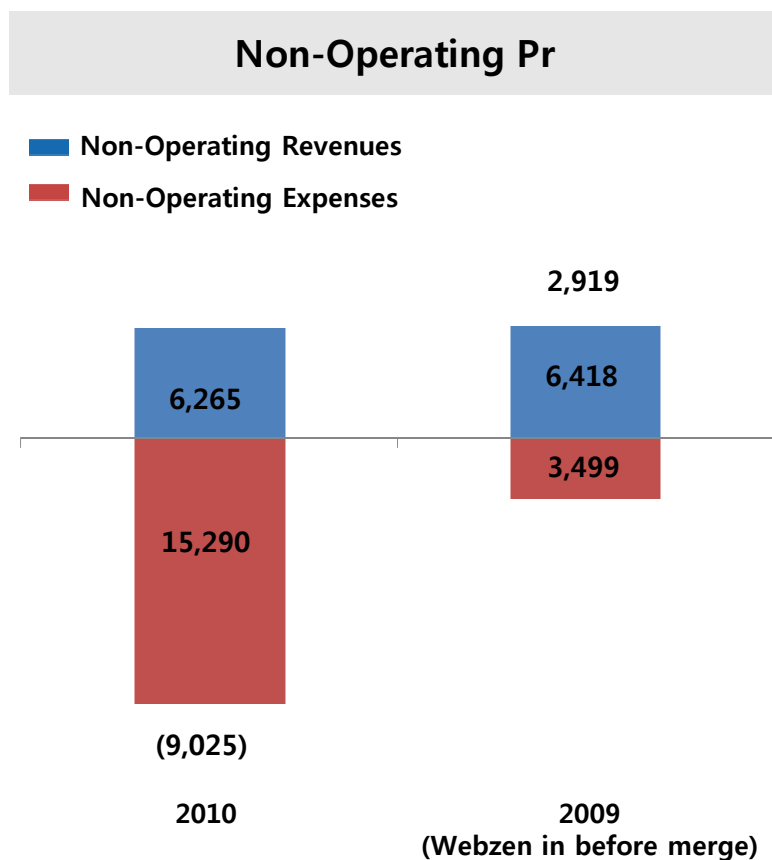
	2010	2009 (WZ)
Total Operating Expenses	15,701	16,947
Labor costs	3,464	4,965
Advertising expenses	944	655
Development expenses	4,362	2,254
Commission service charges	2,386	2,611
Uncollectible Account Expense		3,488
Amortization of Intangible Assets	2,787	135
Others	1,758	2,839

Non-Operating Profit

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- ▶ Non-Operating Revenues : 6,265 mil won - ↓ 2% YoY
- ▶ Non-Operating Expenses : 15,290 mil won - ↑ 337% YoY



(Unit : mil. Won)

	2010	2009 (WZ)
Non-Operating Profit	(9,025)	2,919
Non-Operating Revenues	6,265	6,418
Interest Income	1,082	2,214
Gain related to foreign currency	357	1,348
Gain related to derivatives	2,412	43
Others	2,414	2,813
Non-Operating Expenses	15,290	3,499
Interest cost	1,858	4
Loss related to foreign currency	945	1,506
Impairment Losses on I.A in NOE	3,745	
Other Allowance for Doubtful Accounts	6,740	44
Others	2,002	1,945

Summary of Balanced Sheet

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(Unit : mil. Won)

	2010.12.31	2010.09.30	2010.06.30(WZ)	2009.12.31(WZ)
Current Assets	76,653	72,905	85,752	88,921
Quick Assets	76,653	72,905	85,752	88,921
Non-Current Assets	54,645	67,947	47,684	43,327
Investments	6,367	7,029	4,464	459
Property, Plant and Equipment	4,156	4,278	3,687	3,879
Intangible Assets	16,930	22,552	5,579	5,344
Other non-current Assets	27,192	34,087	33,954	33,646
Total Assets	131,298	140,853	133,435	132,248
Current Liabilities	8,009	14,266	5,472	7,159
Non-Current Liabilities	26,880	19,887	5,155	4,852
Total Liabilities	34,889	34,153	10,627	12,012
Capital Stock	16,552	16,552	6,487	6,487
Capital Surplus	152,807	152,807	136,311	135,892
Capital Adjustment	(72,895)	(73,050)	(18,918)	(18,717)
Accumulated Other Comprehensive I/L	(1,983)	(1,999)	(2,306)	(1,442)
Retained Earnings	1,928	12,389	1,235	(1,983)
Total Shareholders' Equity	96,409	106,699	122,808	120,237

Summary of Income Statement

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(Unit : mil. Won)

	2010	2009	
		(WZ in before merge)	(NG in before merge)
Revenue	37,158	27,802	25,299
Cost of Revenue	14,847	12,401	6,666
Gross Profit	22,311	15,401	18,633
<i>(%)</i>	60%	55%	74%
Operating Expenses	15,701	16,947	6,160
Operating Income(Loss)	6,610	(1,546)	12,473
<i>(%)</i>	18%	-	49%
Non-Operating Profit	(9,025)	2,919	(5,298)
Non-Operating revenue	6,265	6,418	5,420
Non-Operating Expenses	15,290	3,499	10,718
Income before ITE	(2,414)	1,373	7,176
<i>(%)</i>	-	5%	28%
Income Tax Expenses	3,760	1,055	204
Net Income(Loss)	(6,175)	318	6,971
<i>(%)</i>	-	1%	28%

Summary of Income Statement

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(Unit : mil. Won)

	4Q2010	3Q2010	4Q2009	
			WZ	NG
Revenue	12,459	11,245	7,493	7,997
Cost of Revenue	5,697	4,562	3,595	3,248
Gross Profit	6,762	6,683	3,898	4,749
<i>(%)</i>	54%	59%	52%	59%
Operating Expenses	6,367	6,505	7,773	356
Operating Income(Loss)	386	178	(3,875)	4,394
<i>(%)</i>	3%	2%	-	55%
Non-Operating Profit	(9,082)	164	282	701
Non-Operating revenue	1,322	1,379	1,000	4,986
Non-Operating Expenses	10,404	1,215	718	4,284
Income before ITE	(8,696)	342	(3,593)	5,095
<i>(%)</i>	-	3%	-	64%
Income Tax Expenses	1,766	25	270	204
Net Income(Loss)	(10,461)	317	(3,862)	4,891
<i>(%)</i>	-	3%	-	61%



Thank you