



NEXON Co., Ltd



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This presentation includes forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “anticipate”, “assume”, “believe”, “estimate”, “expect”, “forecast”, “may”, “plan”, “potential”, “predict”, “seek”, “should”, or “will”, or by other similar terminology. These statements discuss expectations, identify strategies, contain projections of NEXON’s financial condition or results of operations or state other forward-looking information. The forward-looking statements in this presentation are subject to various risks, uncertainties and assumptions about NEXON’s business and results of operations. The expectations expressed in these forward-looking statements may not be achieved, and actual results could differ materially from and be worse than expectations. Potential risks and uncertainties that could cause actual results to differ materially from expectations include, without limitation:

- Continued growth and popularity of NEXON’s key titles;
- NEXON’s ability to maintain favorable relationships with key licensing partners;
- NEXON’s continued ability to offer games in China, through local partners or otherwise;
- NEXON’s ability to compete effectively in the online games industry;
- NEXON’s ability to address hacking, viruses, security breaches and other technical challenges;
- Fluctuations in currency exchange rates;
- NEXON’s ability to maintain and further develop its brand name;
- Effective acquisition of new companies, businesses, technologies and games from third parties and the possibility of recognizing impairment losses;
- Continued growth of the online games market, including the underlying infrastructure, and free-to-play/item-based revenue generation model;
- NEXON’s ability to adapt to new technologies;
- NEXON’s ability to enter into licensing arrangements for third-party titles on terms favorable to it;
- Effective defense of NEXON’s intellectual property; and
- Legislative, regulatory, accounting and taxation changes in the countries in which NEXON operates.

NEXON does not intend, and disclaims any duty, to update or revise any forward-looking statements contained in this presentation to reflect new information, future events or otherwise. We caution you not to place undue reliance on the forward-looking statements contained in this presentation.



sec. ① Business Overview

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NEXON is a **High-Growth**
provider of deeply immersive online games
with rich contents across a wide variety of genres
for a **global audience**

NEXON Overview

Business

Pioneer and Leader in F2P⁽¹⁾

Cumulative Customer Account Registrations

1.3 billion

Consolidated Revenue

JPY 87.6 billion

(FY 2011 Actual)

Creativity

Attractive Portfolio of Internally Developed Game Titles

Number of Game Titles

Over 50

(As of Dec. 31, 2011)

Globalization

Significant Number of Users Worldwide

Service

Over 100 Countries

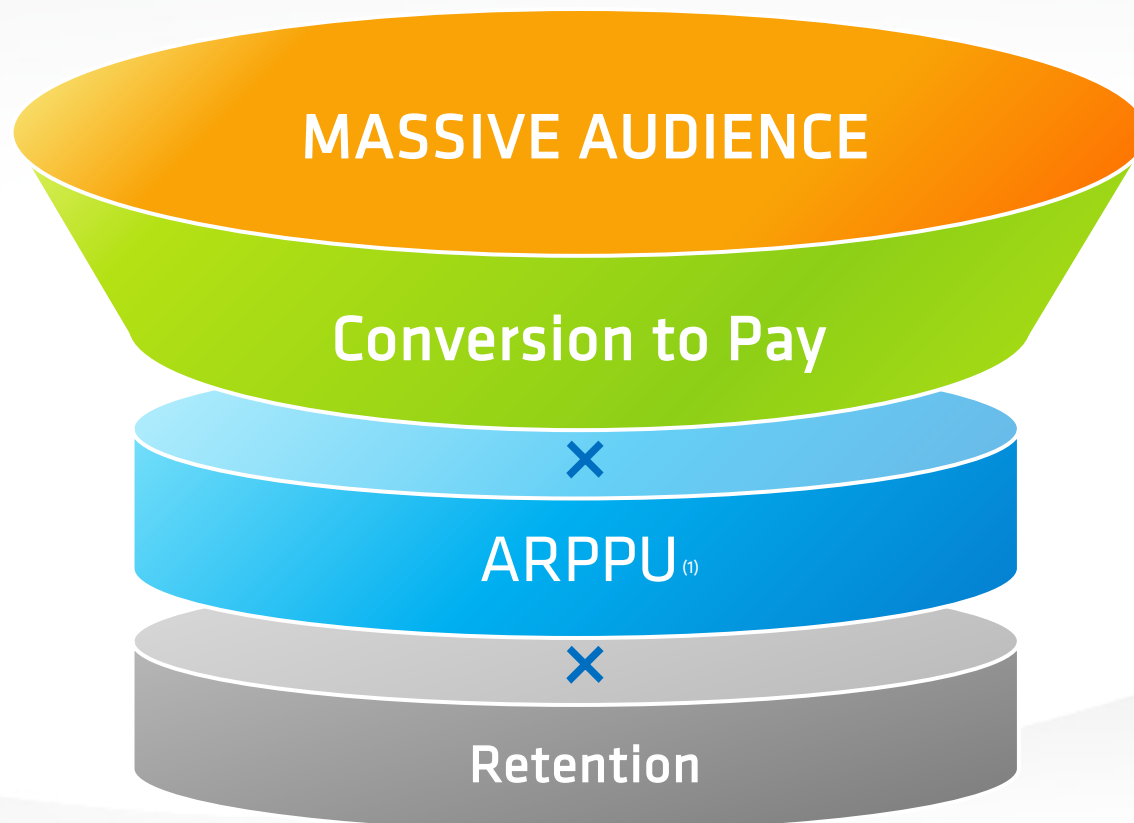
Monthly Active Users (MAUs)

80 million

(Q4 2011 average)

⁽¹⁾ F2P stands for free-to-play, which is a business model that allows users to play games without paying any fees.

F2P: Revenue Model



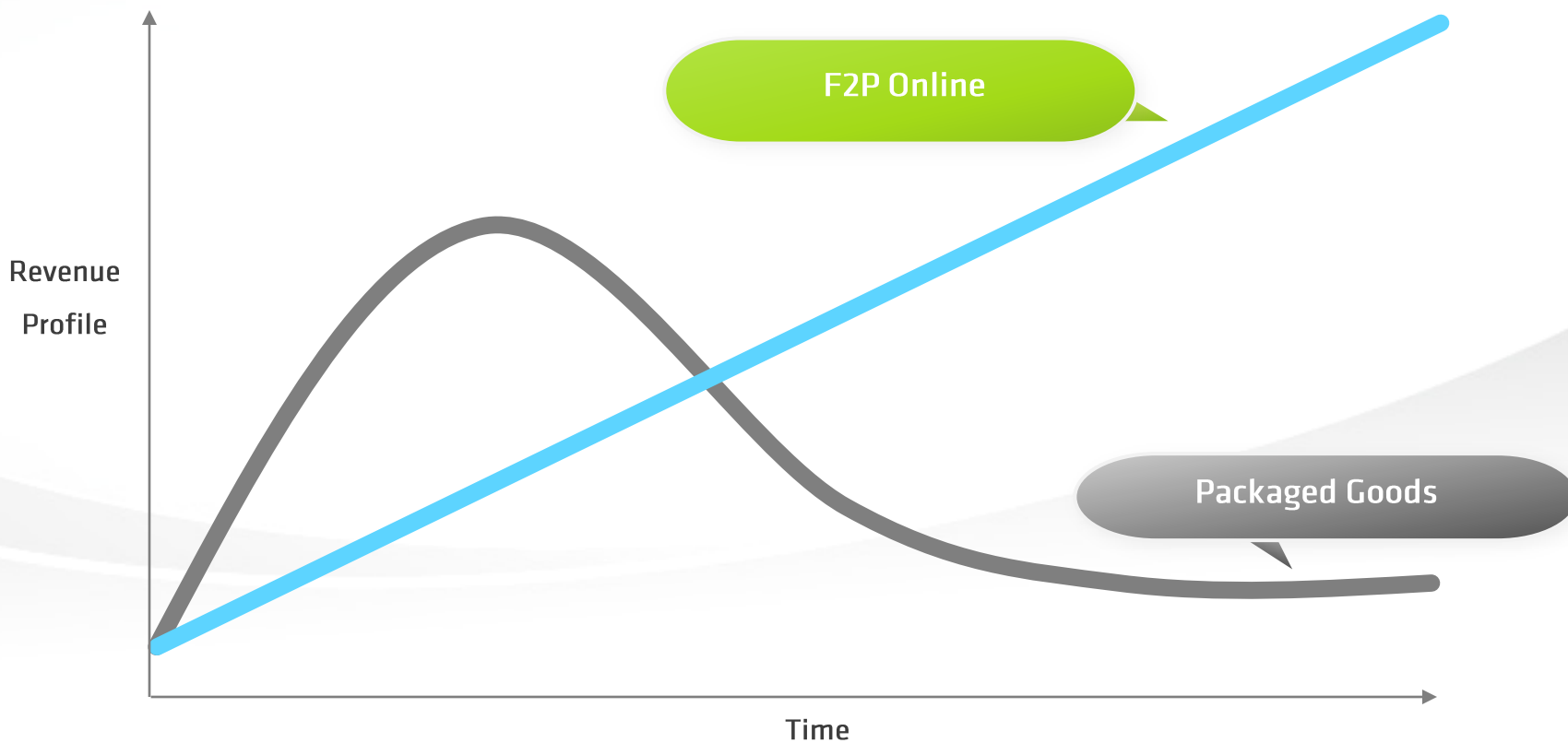
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FY2011 Consolidated Revenue: **JPY 87.6 billion**

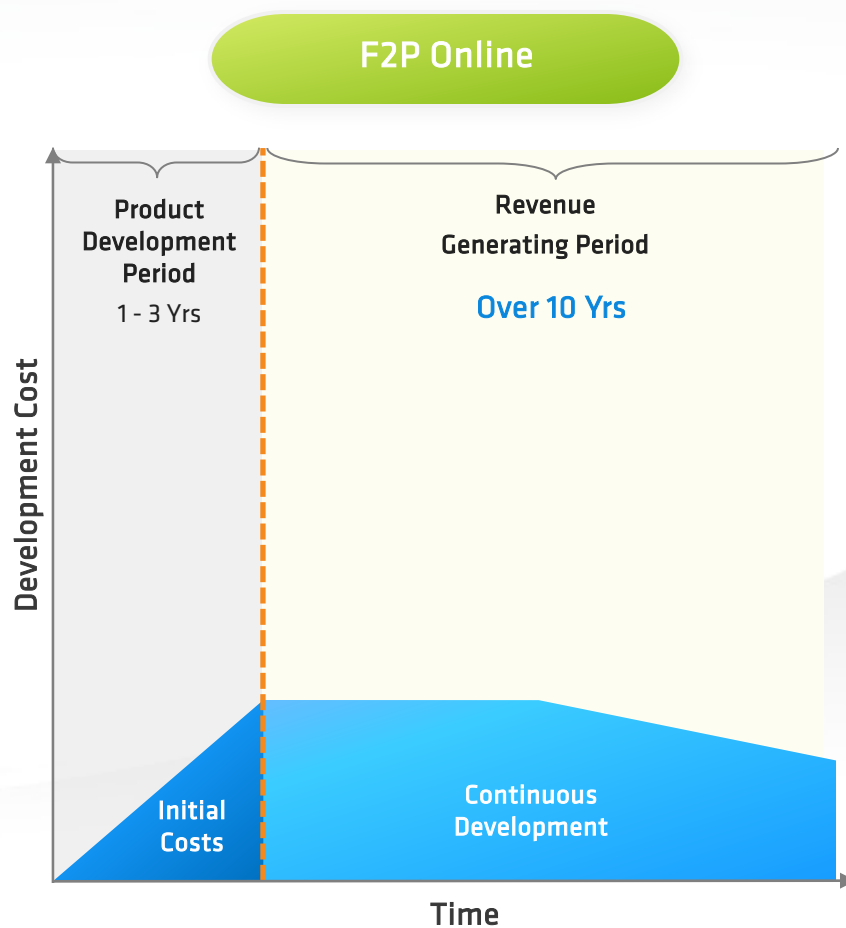
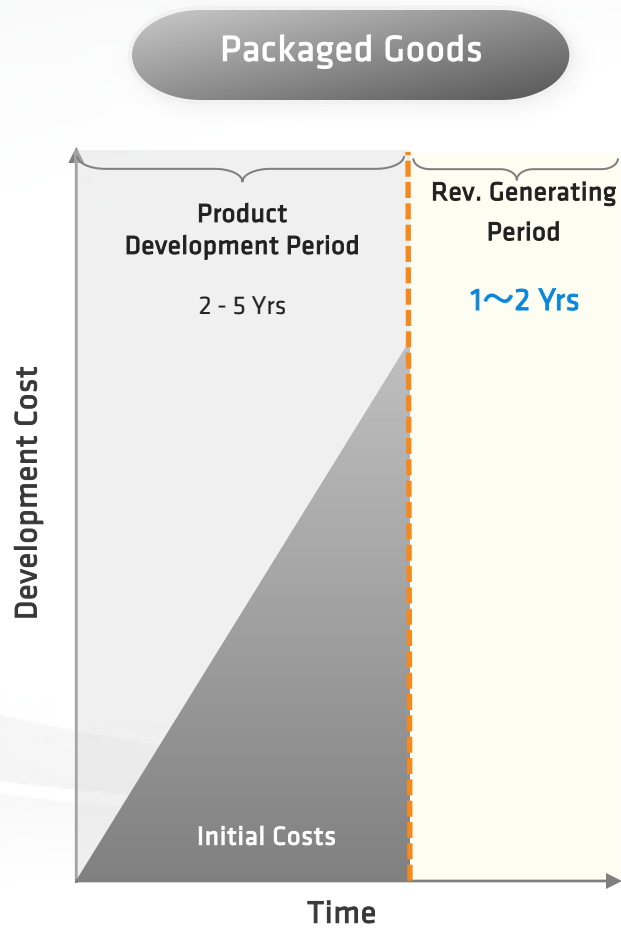
⁽¹⁾ Average Revenue Per Paying User

F2P: Revenue Trend

Revenue Trend of F2P Online vs Packaged Goods



F2P: Development Cost



The NEXON Advantage

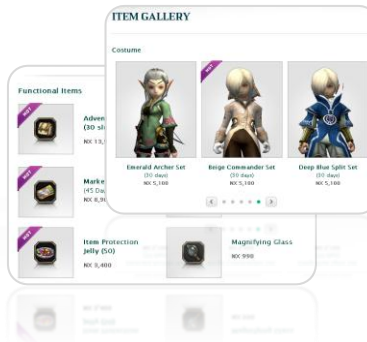
Creativity

- Rich Game-play Elements
- Global Consumer Appeal
- Contents designed for Long-Term Play



Merchandising

- Game Balance
- Pricing
- Store Display Know-How



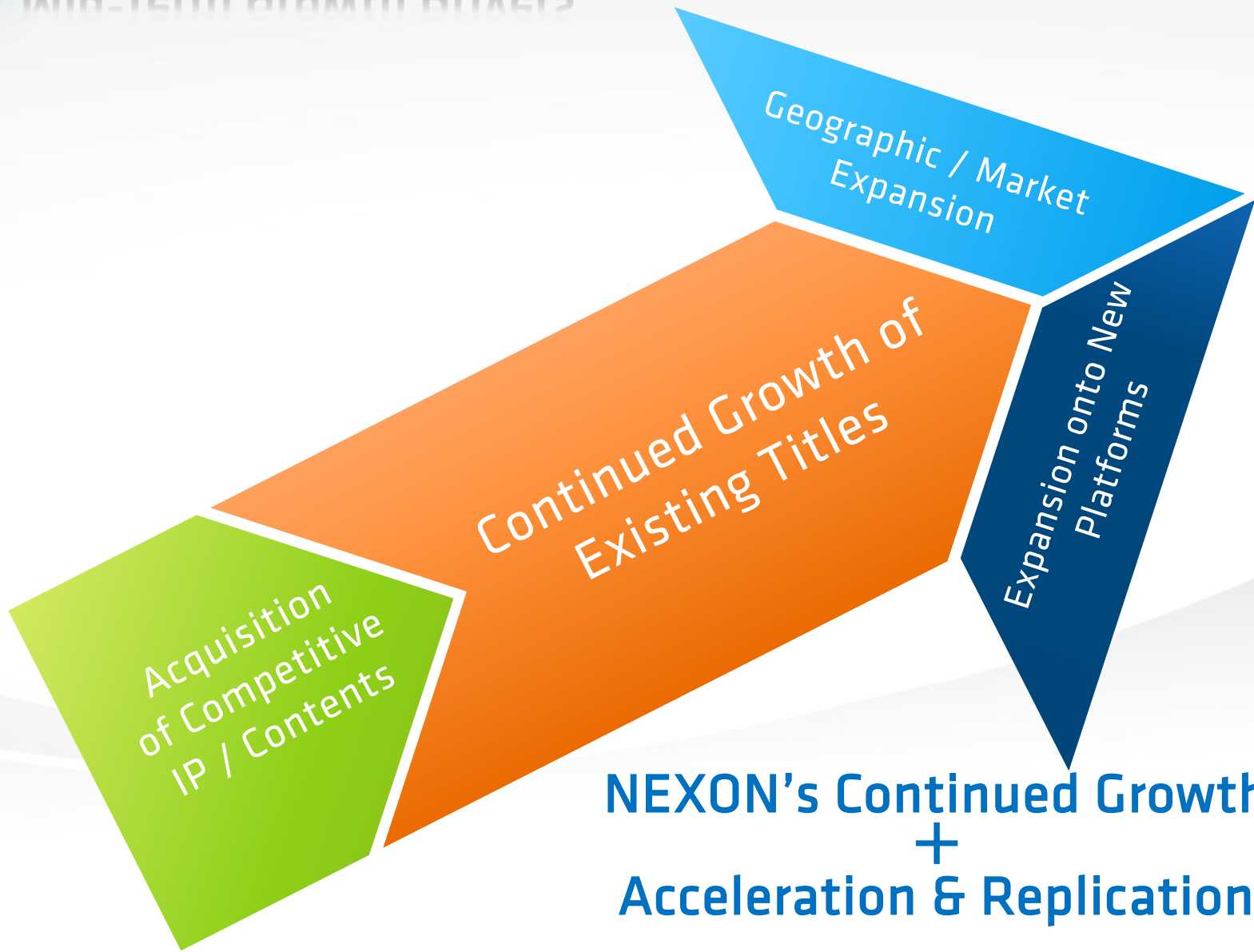
Localization

- Game Contents
- Marketing
- Payment Systems



Tie up with popular contents providers

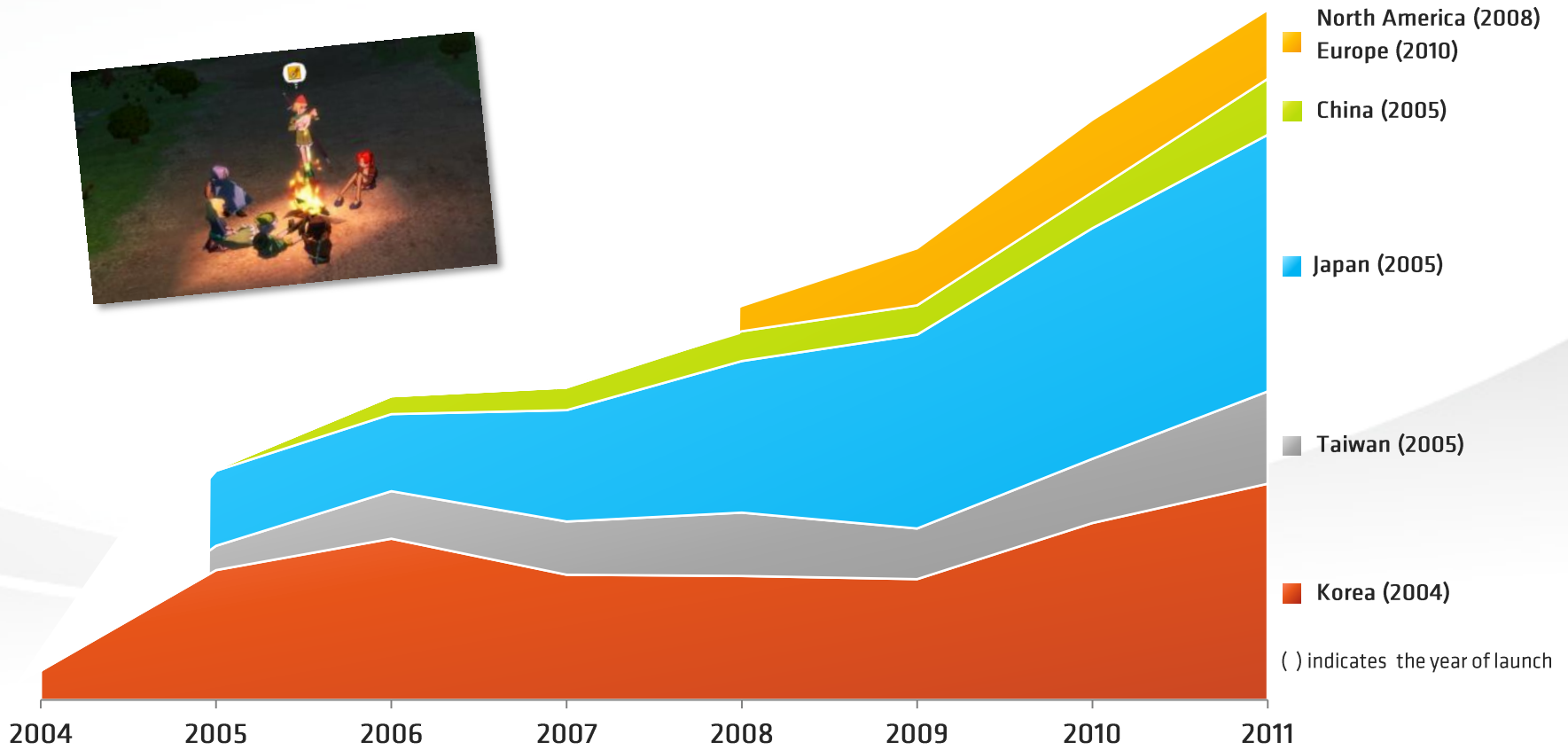
Mid-Term Growth Drivers



**NEXON's Continued Growth
+
Acceleration & Replication**

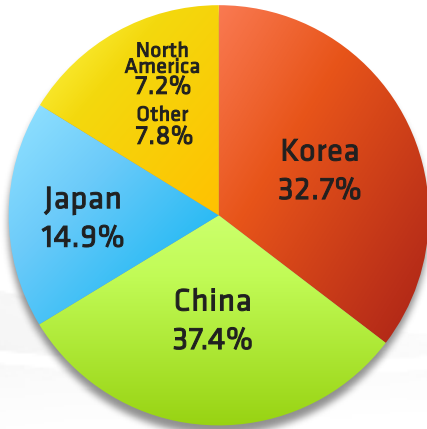
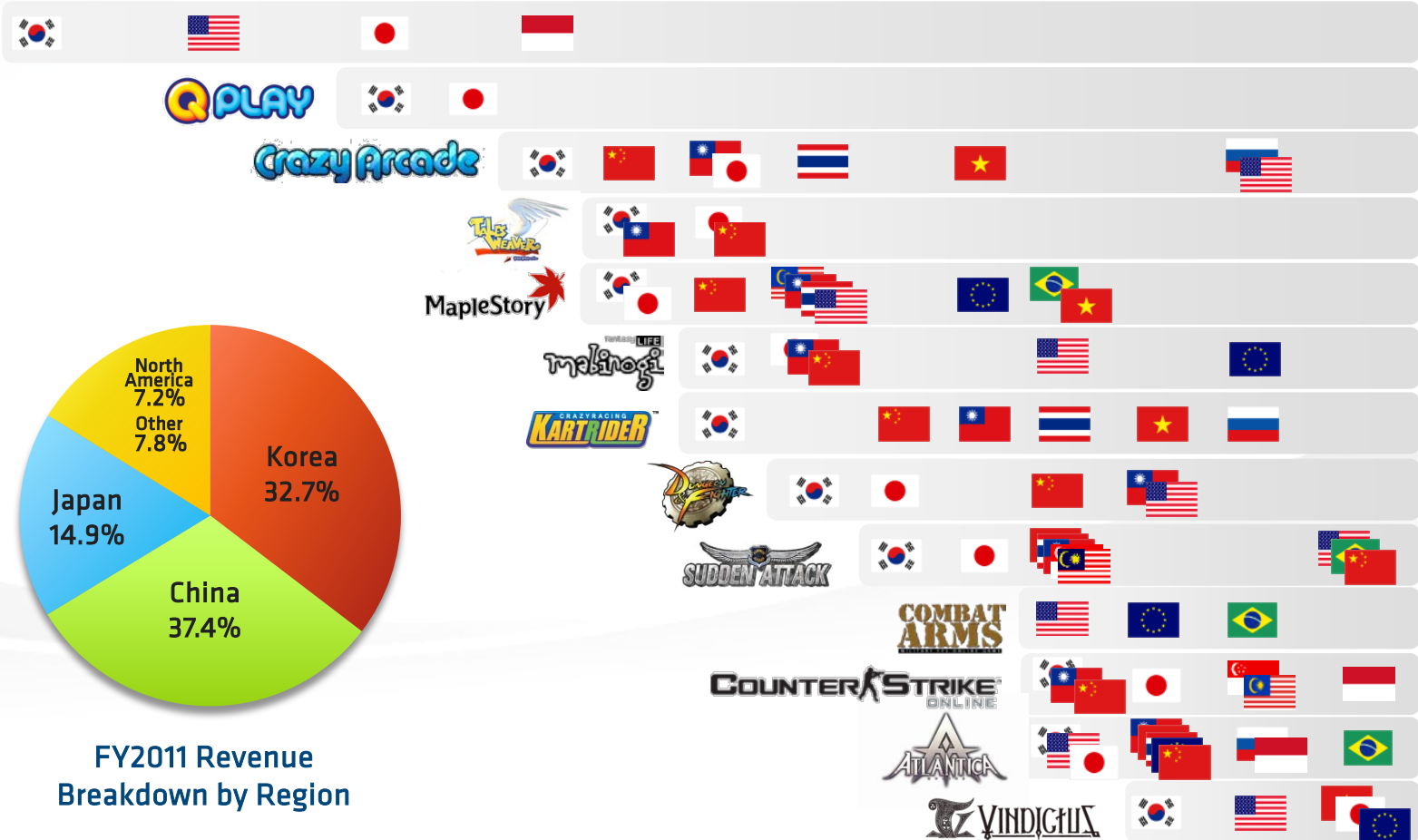
Growth Driver : Continuous Growth from Existing Title

“Mabinogi”



Growth Driver : Geographic / Market Expansion

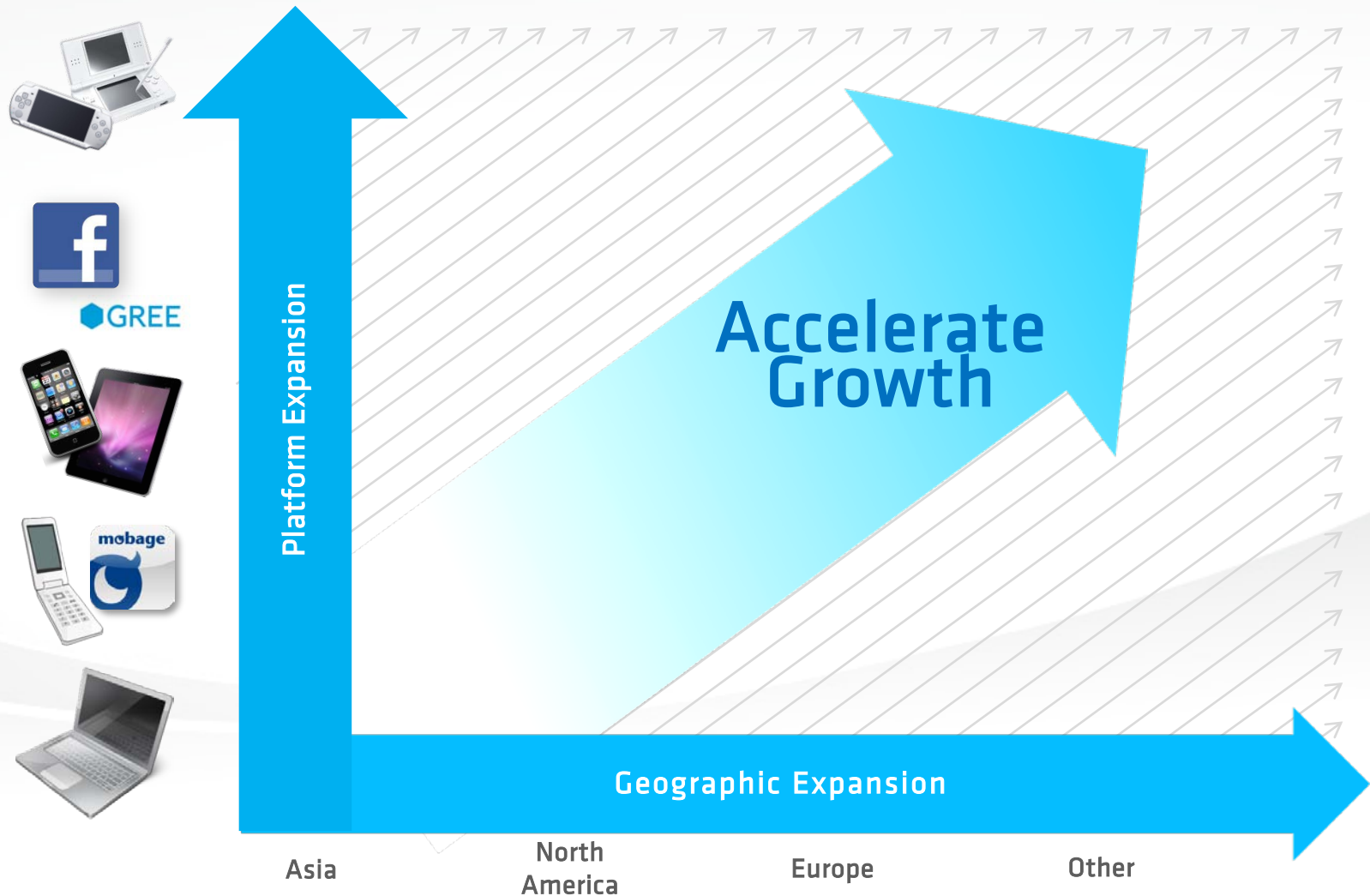
1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011



FY2011 Revenue Breakdown by Region

(1) The Kingdom of the Winds

Growth Driver : Expansion onto New Platforms



Game Portfolio: Our Key Titles

Title	Year of Launch	Cumulative Gross Revenue ⁽¹⁾
 MapleStory	2003	\$1,500,000,000+
 Tales of Vesperia テイルズオブヴェスペリア	2003	\$100,000,000+
 Fantasy Life mahinogi	2004	\$300,000,000+
 CRAZY RACING KART RIDER	2004	\$400,000,000+
 Dungeon & Fighter	2005	\$1,800,000,000+
 サドンアタック SUDDEN ATTACK	2006	\$300,000,000+
 COUNTER STRIKE (2) ONLINE	2008	\$300,000,000+
 ATLANTICA アトランティカ	2008	\$100,000,000+

(1) Cumulative gross revenue from end-users over the life cycle of each game. It includes revenue received from local publishing partners in areas where NEXON doesn't publish directly (e.g. China), and those generated prior to acquisition by NEXON (*MapleStory* in 2004, *Dungeon & Fighter* in 2008, *Sudden Attack* in 2010, and *Atlantica* in 2010)

(2) Shared franchise jointly developed by NEXON and Valve.



sec. ② FY2011 Financial Results Overview

26C' ② FY2011 Financial Results Overview



FY2011 Financial Results Highlights

■ Listed in 1st Section of Tokyo Stock Exchange

— December 14, 2011 Ticker Code: 3659

■ Record High Revenue and Profit

— Revenue Increased in All Regions from Previous Year

— Stable and High Profitability: Operating Margin 44%, Net Income Margin 29%

■ Unique Business Model with Steady Growth of Existing Titles

— FY2011 Revenue of 8 Key Titles Increased from Previous Year;

— 7 of Those Titles Achieved Record High Annual Revenue

■ Content and Geographic Expansion

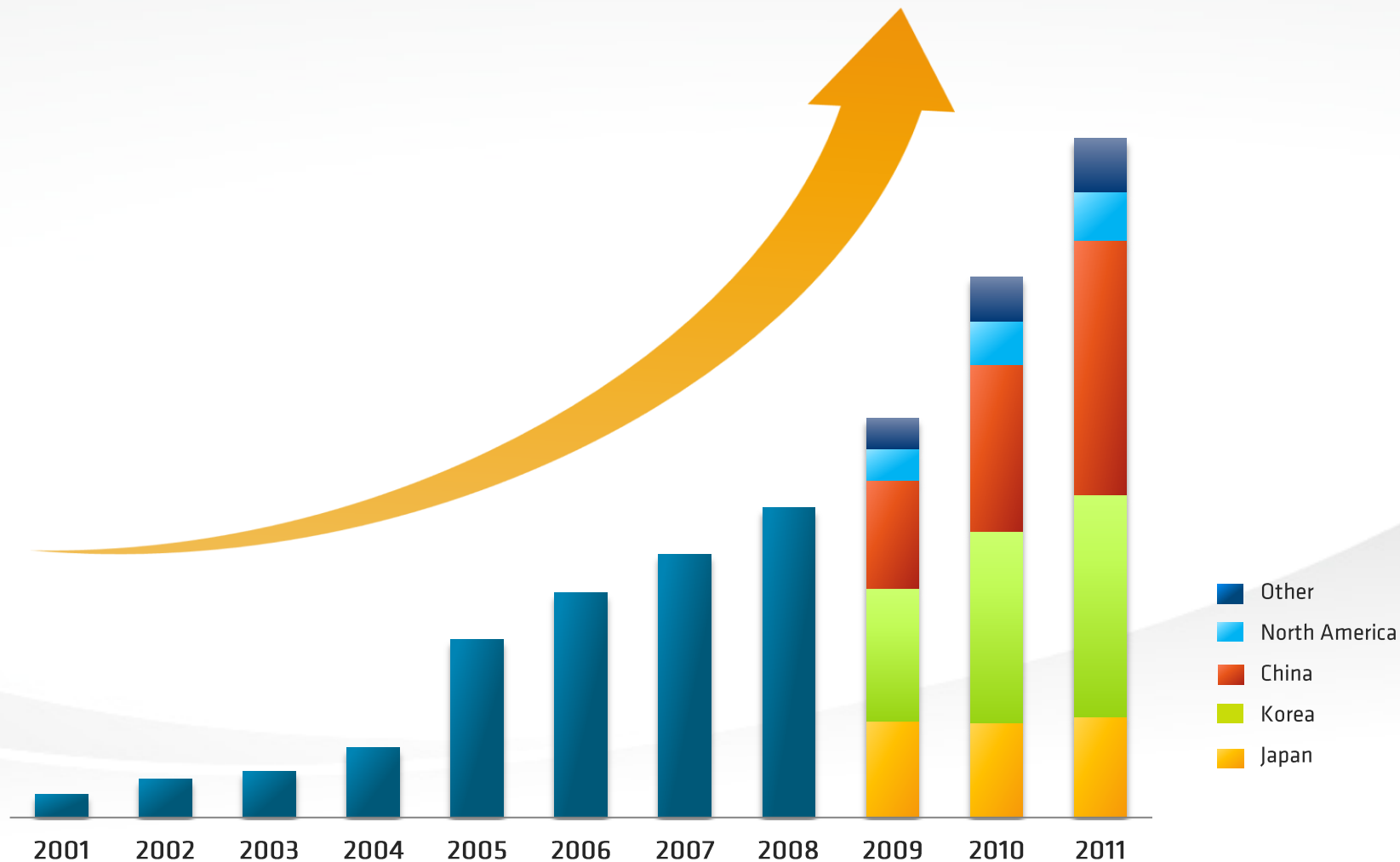
— Launch of New Titles and Geographic Expansion for Existing Titles

FY2011 Financial Results Summary (Income Statement)

(in Millions of ¥)	FY2010		FY2011						
	4Q ⁽¹⁾	Full Yr	1Q	2Q	3Q	4Q ⁽¹⁾	YOY	Full Yr	YOY
Revenue	18,065	69,781	20,809	20,456	24,156	22,190	23%	87,613	26%
Operating Income	6,660	30,183	9,340	8,605	10,948	9,354	40%	38,249	27%
Ordinary Income	6,355	28,479	10,154	7,953	10,170	8,627	36%	36,905	30%
Income Before Tax	5,700	29,282	10,241	7,193	9,984	8,082	42%	35,500	21%
Net Income	4,237	21,638	7,586	5,120	7,232	5,816	37%	25,755	19%
Depreciation & Goodwill Amortization	2,641	9,160	2,628	2,699	2,553	2,433	△8%	10,316	13%

⁽¹⁾ 4Q figures are calculated by subtracting 3Q cumulative figures from full year figures and unaudited.

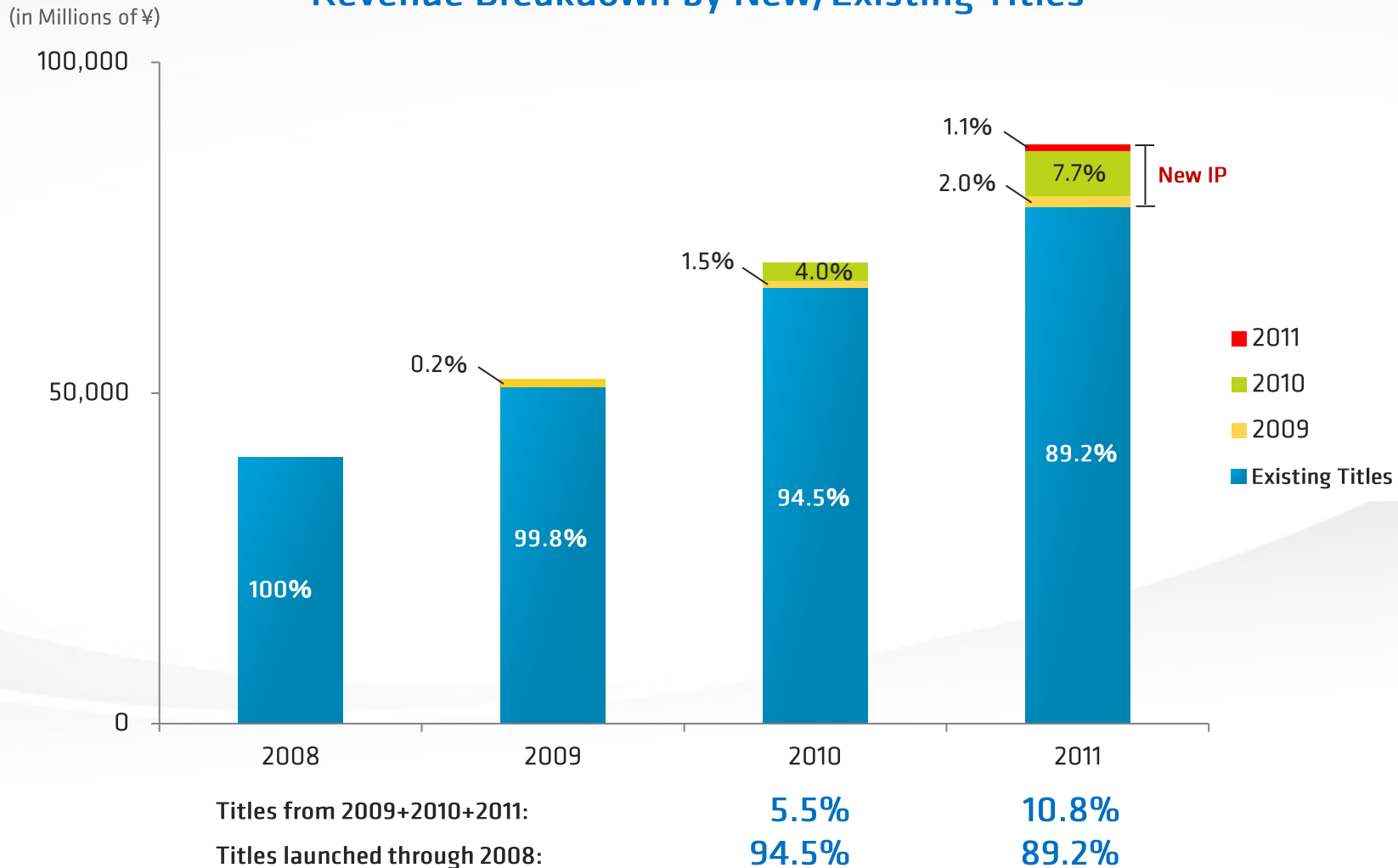
FY2011 Financial Results Summary (Revenue Growth)



(1) Source of 2001 to 2007 revenue figures is Audit Report of NXC, parent company of NEXON. Source of 2008 revenue figure is from unaudited Consolidated Financial Statements. Revenue breakdown by area is available from 2009.

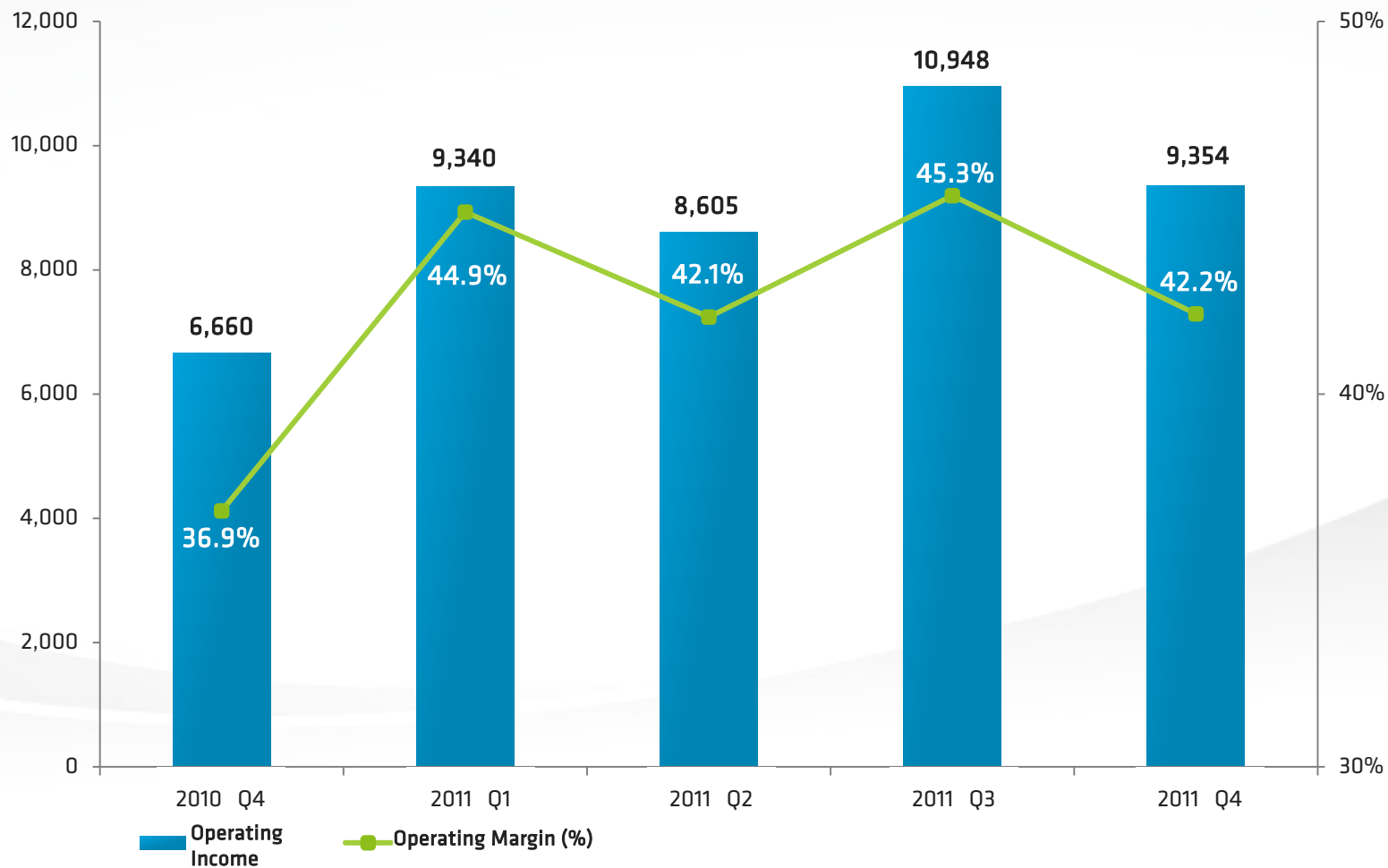
FY2011 Financial Results Summary (Revenue Breakdown)

Revenue Breakdown by New/Existing Titles



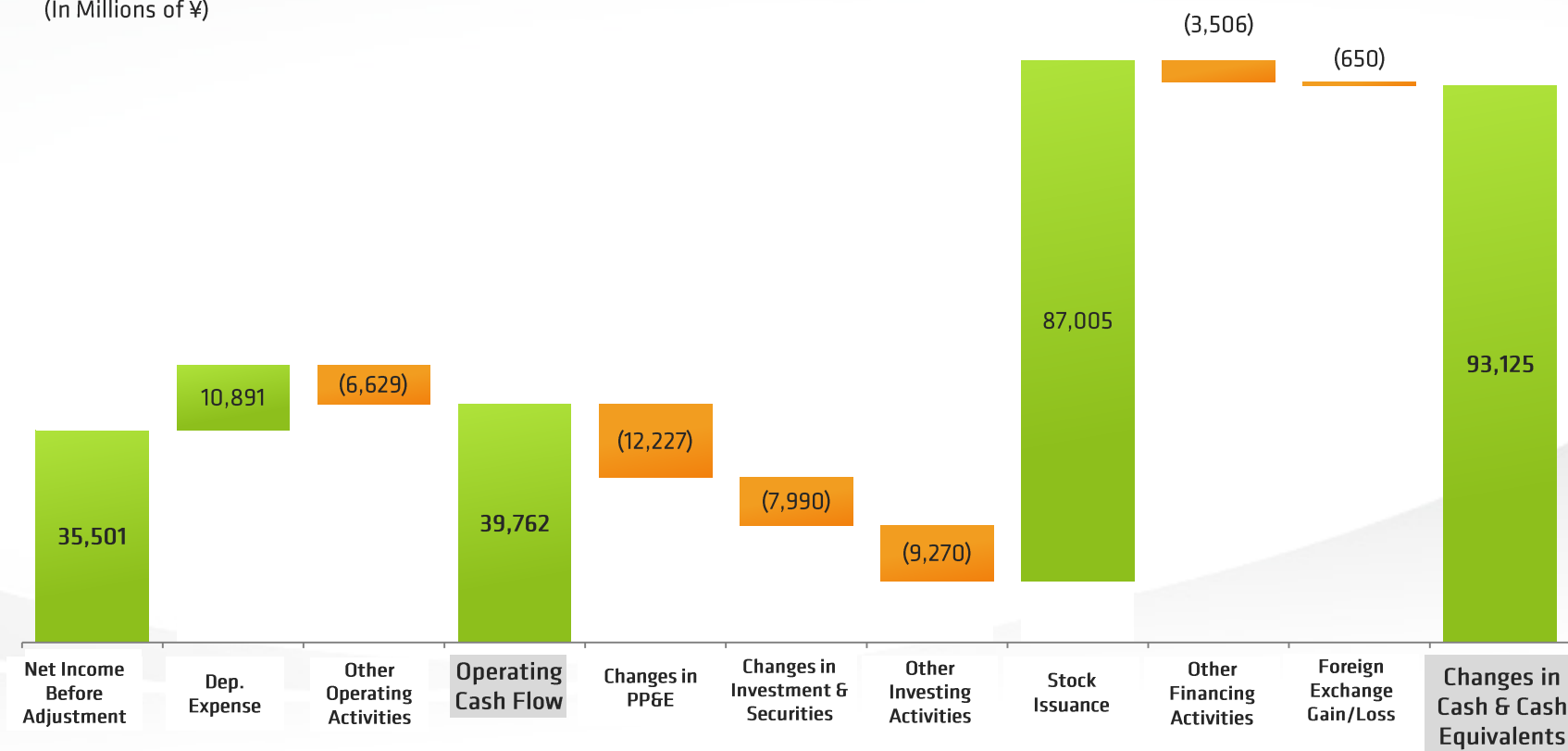
FY2011 Financial Results Summary (Changes in Operating Income)

(in Millions of ¥)



FY2011 Financial Results Summary (Cash Flow)

(In Millions of ¥)



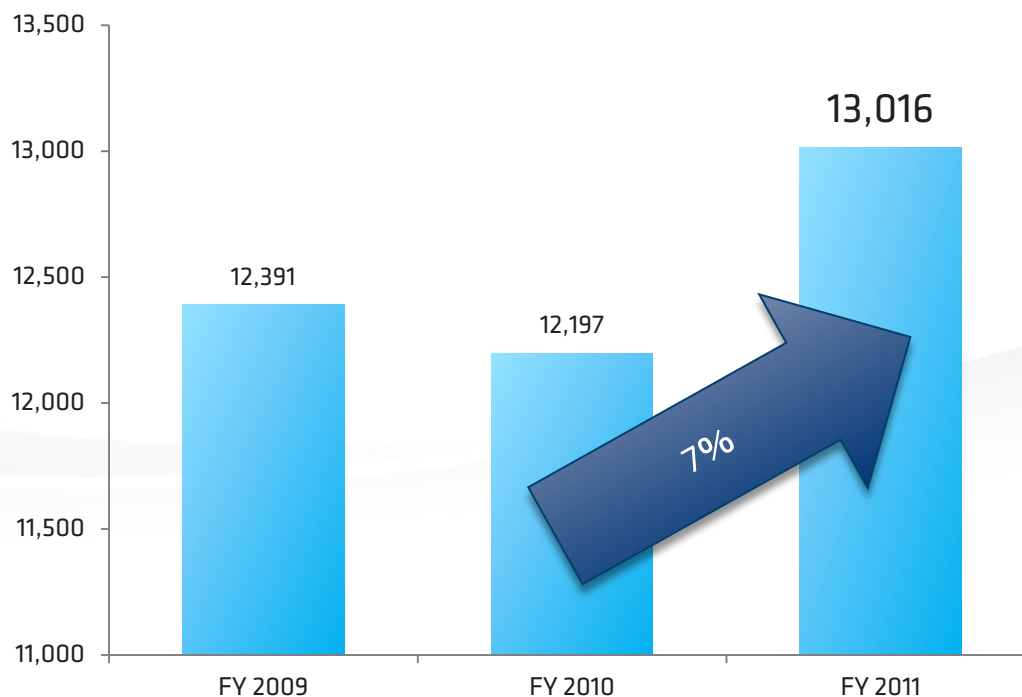
2011 Full Year Results: Japan

Record high revenue, with **7%** year-over-year increase, despite the impact of the earthquake

Major News

- Launched SNS “*MapleStory bokura no bouken*” (mobage) (October)
- “*MapleStory*” achieved record MCCUs of 42,000 (November)
- Announced launch of “*MapleStory DS*,” for Nintendo DS (November)

(In Millions of ¥)

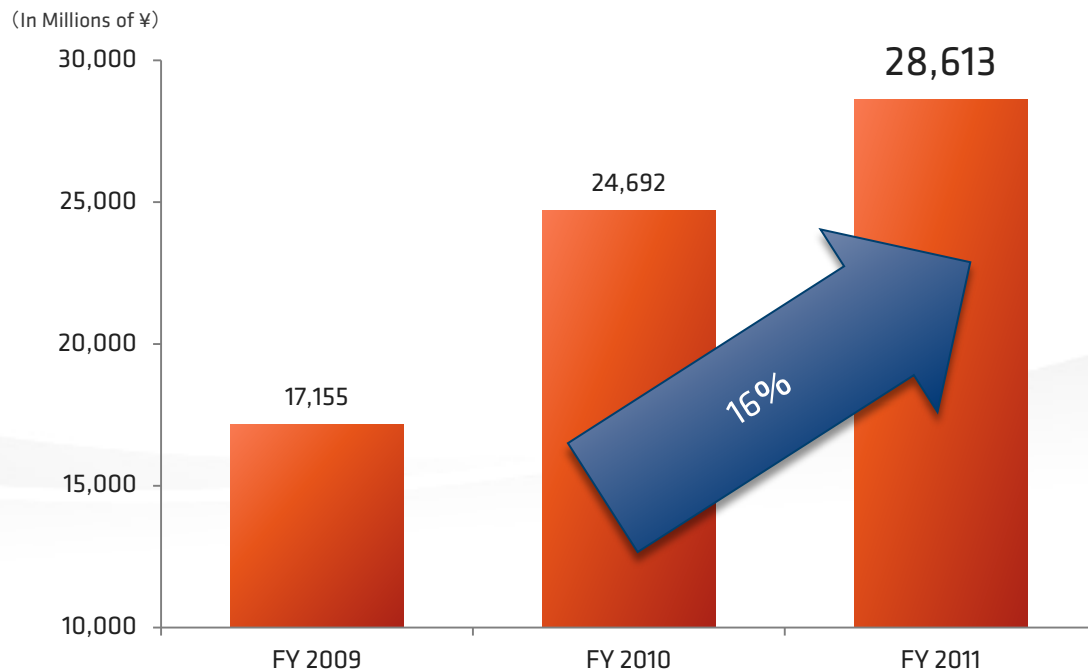


2011 Full Year Results: Korea

In the most competitive online game market, FY2011 revenue increased **16%** year-over-year
(22% year-over-year on a constant currency basis)

Major News

- “*The Kingdom of the Winds*” has been officially recognized as the longest running commercial graphical MMORPG by Guinness World Records (September)
- NEXON established a joint venture “NGL” with Perfect World, an online game developer and operator based in China (November)
- “*Cyphers*” won “Grand Prize” and “Popularity Award” at Korean Game Awards (November)

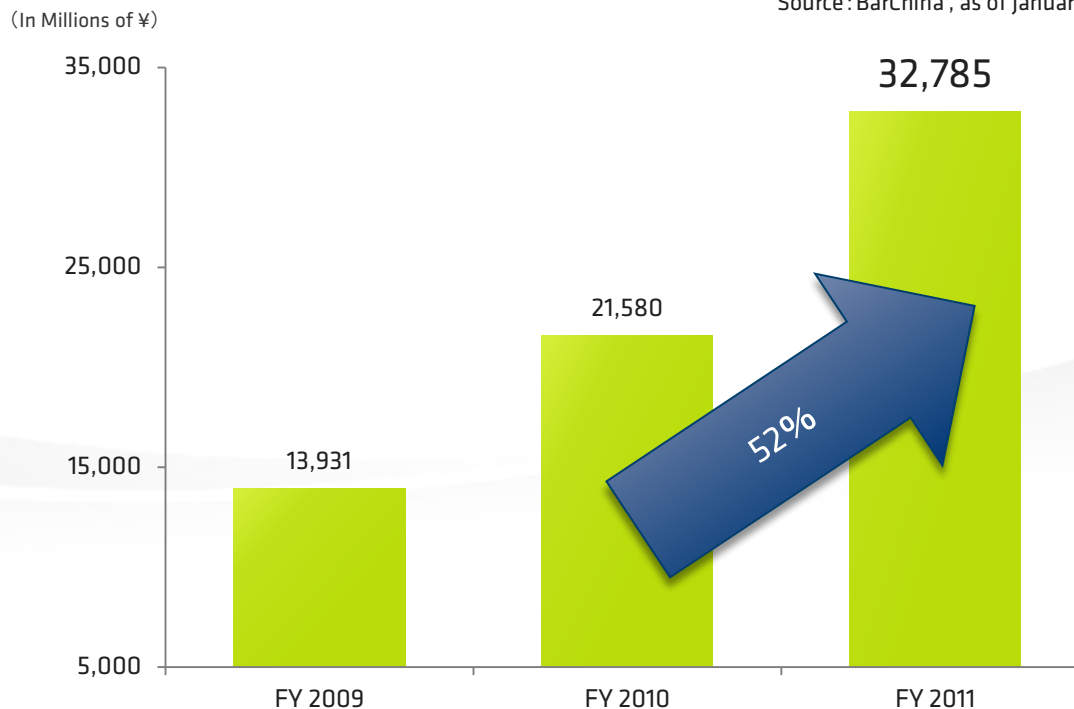


2011 Full Year Results: China

FY2011 revenue increased by **52%** year-over-year
(60% year-over-year on a constant currency basis)

Major News

- “*Dungeon & Fighter* (Japanese Name: *Arado Senki*)” hit record high MCCUs of over 2.6 million (July)
- “*Mabinogi Heroes*” (known as *Vindictus* in North America and Europe) won 2011 Golden Plume Awards Annual Best Games Election in China (November)



Top 10 Game Titles in China

Unit: %

Rank	English Title	Developer	Traffic
1	Cross Fire	Neowiz Games	35.41
2	Dungeon&Fighter	NEXON	24.64
3	QQ Speed	Tencent	8.74
4	QQ Dancer	Tencent	4.86
5	League of Legends	Riot	3.39
6	Three Dream Kingdoms	Soul&Shine	1.83
7	Counter Strike	NEXON	1.49
8	Fantasy Westward Journey	Neteaze	1.46
9	Cross Fire Trial Version	Neowiz Games	1.46
10	Audition	YD Online	1.26

Source : BarChina , as of January 2011

2011 Full Year Results: North America and Other

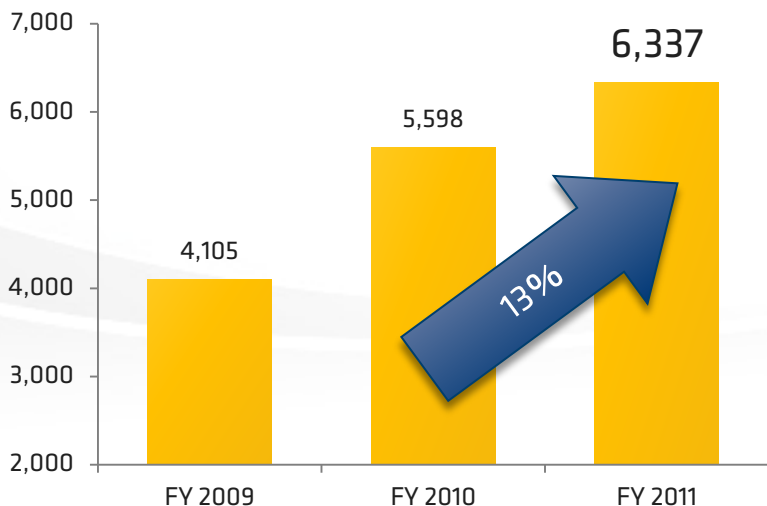
North America

FY2011 revenue increased by **13%** year-over-year
(24% year-over-year on a constant currency basis)

Major News

- “*Dragon Nest*” was rated 8.5 pt in review in North America (July)
- Launched “*MapleStory Adventures*” on Facebook (July)
- NEXON Korea and NEXON America jointly launched “*Combat Arms: Zombies*” for iPhone (December)

(In Millions of ¥)



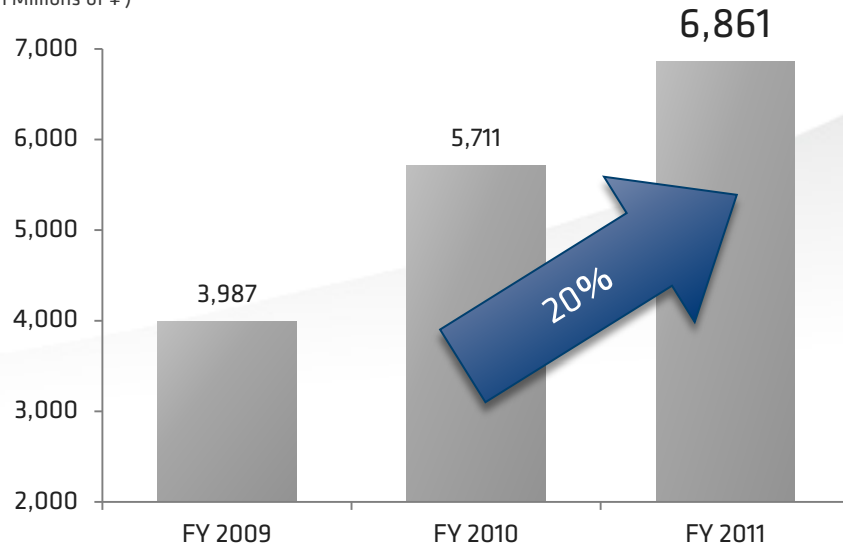
Other

FY2011 revenue increased by **20%** year-over-year
(27% year-over-year on a constant currency basis)

Major News

- Official launch of “*Vindictus*” (“*Mabinogi Heroes*” in Japan) in Europe (October)
- Launched “*Counter Strike Online*” in Indonesia (August)

(In Millions of ¥)





sec. ③ FY2012 Outlook



FY2012 Forecast

(In Millions of ¥)

	FY2011 1Q	FY2012 1Q	YOY (%)	FY2011 1H	FY2012 1H	YOY (%)	FY2011 Full Year	FY2012 Full Year	YOY ⁽¹⁾ (%)
Revenue	20,809	24,124	16%	41,266	46,720	13%	87,613	102,086	17% (24%)
Operating Income	9,340	10,410	12%	17,946	19,705	10%	38,249	45,259	18%
Ordinary Income	10,154	10,516	4%	18,107	19,940	10%	36,905	45,850	24%
Net Income	7,586	7,720	2%	12,707	14,563	15%	25,755	33,516	30%
EPS ⁽²⁾ (in Yen)	2,149.82 (21.50)	18.12	—	3,600.95 (36.01)	34.18	—	71.65	78.65	—

⁽¹⁾ Figures in parentheses are calculated on a constant currency basis.

⁽²⁾ Figures in parentheses are adjusted retrospectively to reflect the 1:100 stock split executed in July 21, 2011.

FY2012 Business Strategies

- Launch of New Major Title
- Addition of New Titles on Smart phones and Other New Platforms
- Record High Revenue from Major Titles
- Continued User Base Expansion
- Strengthening Global Operations by Expanding Platform



Appendix

New Game Titles



Mabinogi Heroes

RPG/Launched in December 2009 (Korea)

-----Market-----

Korea, Japan, China, Europe, North America

-----Awards-----

China 2011 Golden Plume Awards
Annual Best Games Election (November)



Cyphers

RPG/Launched in July 2011 (Korea)

-----Market-----

Korea

-----Awards-----

Korean Game Awards
Grand Prize and Popularity Prize (November)

New Platforms



MapleStory
Adventures
(Facebook; Launched in July)



MapleStory
bokura no bouken
(mobage; Launched in Oct)



KartRider
Rush
(iOS; Launched globally in March
Android; Launched in Nov in Korea)



MapleStory DS
(Nintendo DS;
Released in Korea in Apr 2010 /
Released in Japan in Nov 2011)

Popular Game Titles



MapleStory

2D action MMORPG / Worldwide Registrations : Approx. 116 millions
Launched in April 2003 (Korea)
Region: Korea, Japan, China, North America, Europe, Southeast Asia
(89 Countries in total, as of Dec. 2011)



Dungeon & Fighter

2D action MMORPG / Worldwide Registrations: Approx. 370 millions
Launched in November 2005 (Korea)
Region: Korea, Japan, China, North America, Europe, Southeast Asia
(8 Countries in total, as of Dec. 2011)



Counter Strike Online



Mabinogi



Sudden Attack

