



Nexen Tire 2013 1Q Result

Driving Tomorrow NEXEN

2013.05.02
Business Management

This presentation is consolidated financial result in compliance with K-IFRS with unaudited 1st quarter of 2013 for investors' convenience. Therefore, some parts may change upon the review of independent auditors.

China Plant result is based on China-GAAP.



I. Consolidated Result

II. Result by Plant



Income Statement

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Net Sales	432.9	411.3	408.2	5.2%	6.0%
Gross Profit	120.4	105.1	111.8	14.5%	7.7%
<i>Margin(%)</i>	<i>27.8%</i>	<i>25.6%</i>	<i>27.4%</i>	<i>2.3%P</i>	<i>0.4%P</i>
Operating Profit	47.7	24.3	49.5	96.2%	-3.6%
<i>Margin(%)</i>	<i>11.0%</i>	<i>5.9%</i>	<i>12.1%</i>	<i>5.1%P</i>	<i>-1.1%P</i>
Ordinary Profit	42.4	13.0	49.7	225.6%	-14.6%
<i>Margin(%)</i>	<i>9.8%</i>	<i>3.2%</i>	<i>12.2%</i>	<i>6.6%P</i>	<i>-2.4%P</i>
Depreciation	24.0	23.5	16.0	2.0%	50.1%
EBITDA	71.7	47.8	65.5	49.9%	9.5%
<i>Margin(%)</i>	<i>16.6%</i>	<i>11.6%</i>	<i>58.6%</i>	<i>4.9%P</i>	<i>-42.0%P</i>

Balance Sheet

(in KRW billion)

	2013 1Q (A)	2012 (B)	(A)-(B)
Assets	2,181.5	2,052.1	129.4
Current Assets	784.2	686.0	98.2
Quick Assets	521.8	420.7	101.1
Inventories	262.4	265.2	-2.9
<i>(Cash and Cash Equivalents)</i>	<i>180.9</i>	<i>133.6</i>	<i>47.3</i>
Non-current Assets	1397.3	1,366.1	31.2
Liabilities	1470.5	1,371.5	99.0
Current Liabilities	656.4	637.5	19.0
Non-current Liabilities	814.1	729.8	84.3
<i>(Debt)</i>	<i>920.3</i>	<i>833.2</i>	<i>87.0</i>
Shareholders' Equity	711.0	680.6	30.4

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2013 1Q	739.4	104.0%	206.8%	119.5%	32.6%
2012	699.6	102.8%	201.5%	107.6%	33.2%

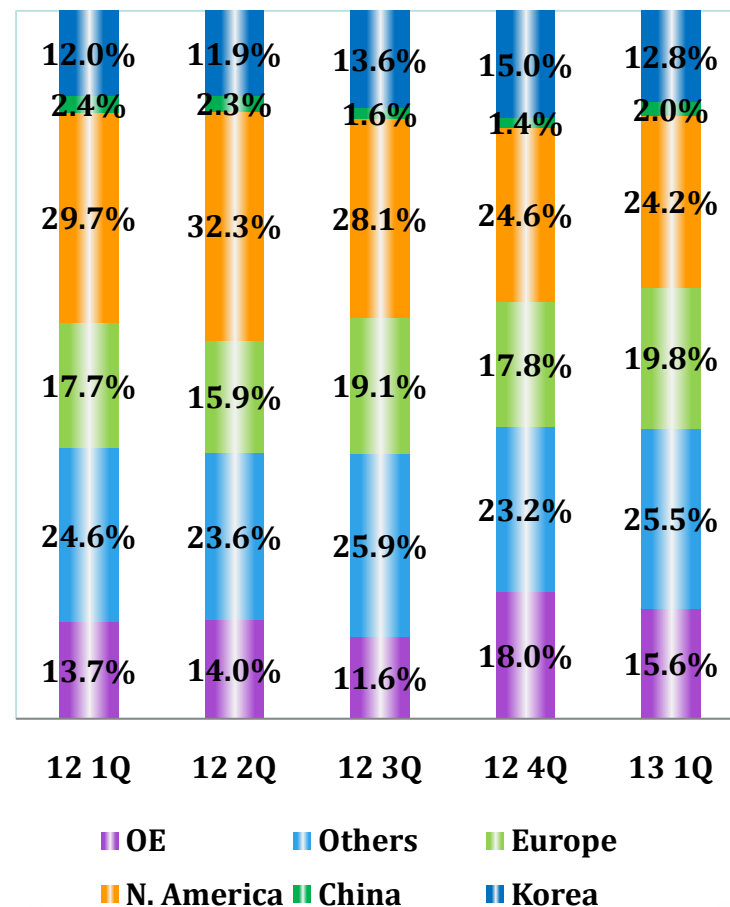
Sales Breakdown

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Sales	439.7	414.0	412.8	6.2%	6.5%
1. RE	371.1	339.3	356.4	9.4%	4.1%
-Korea	56.4	62.0	49.3	-9.0%	14.4%
-China	8.8	5.9	9.9	50.0%	-11.0%
-N. America	106.6	101.9	122.5	4.6%	-13.0%
-Europe	87.2	73.5	73.2	18.7%	19.2%
-Others	112.1	96.0	101.5	16.8%	10.4%
2. OE	68.6	74.7	56.4	-8.2%	21.5%

* Sum of each plant shipment, exclusive of the internal transaction.

<Sales breakdown>

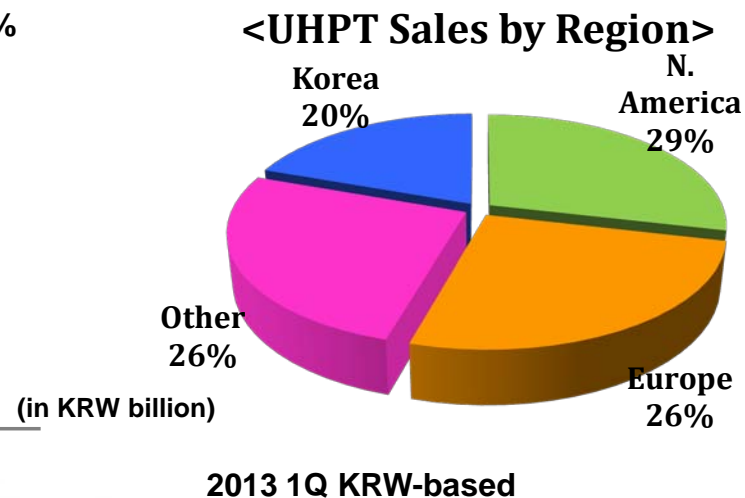
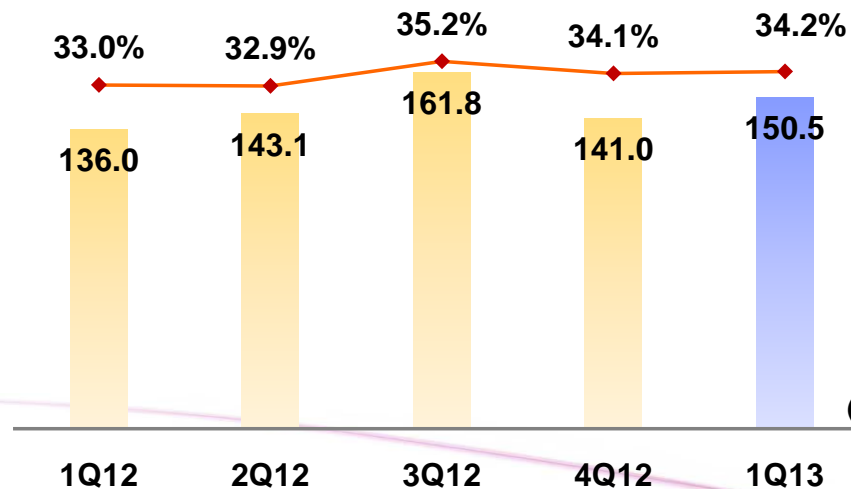


UHPT Sales

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
UHPT Sales	150.5	141.0	136.0	6.7%	10.7%
% / Net Sales	34.2%	34.1%	32.8%	0.2%	1.5%
% / Total Volume	29.9%	30.0%	27.4%	0.0%	2.6%

※ Sum of each plant shipment, exclusive of the internal transaction.



Operating Expenses

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Freight & Logistic Expense	19.7	21.5	16.2	-8.5%	22.0%
SG&A expenses	53.0	59.6	45.9	-11.0%	15.6%
- Salaries	16.0	20.5	14.8	-21.9%	8.0%
- R&D	12.4	13.0	8.8	-4.6%	40.1%
- Advertising	3.3	4.9	2.3	-32.3%	40.8%
- Others	21.4	21.3	19.9	0.4%	7.3%
Other income & expenses	0.5	-2.3	1.5	123.7%	-63.2%

Financial Income & Expenses

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Financial income & expenses	-5.8	-8.5	3.4	32.0%	-272.5%
- Interest	-7.1	-7.3	-3.3	3.3%	-113.9%
- Foreign Currency Transaction	1.4	2.9	0.4	-51.4%	291.0%
- Foreign Currency Translation	-0.1	-4.4	1.8	97.0%	-107.3%
- Others	-0.02	0.3	4.5	-106.4%	-100.4%



II. Consolidated Result

II. Result by Plant



Income Statement

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Net Sales	345.9	341.6	317.1	1.3%	9.1%
Gross Profit	95.0	85.9	90.5	10.6%	4.9%
<i>Margin(%)</i>	<i>27.5%</i>	<i>25.1%</i>	<i>28.6%</i>	<i>2.3%P</i>	<i>-1.1%P</i>
Operating Profit	36.9	21.9	42.4	68.1%	-13.0%
<i>Margin(%)</i>	<i>10.7%</i>	<i>6.4%</i>	<i>13.4%</i>	<i>4.2%P</i>	<i>-2.7%P</i>
Ordinary Profit	38.6	15.2	49.1	154.7%	-21.3%
<i>Margin(%)</i>	<i>11.2%</i>	<i>4.4%</i>	<i>15.5%</i>	<i>6.7%P</i>	<i>-4.3%P</i>
Depreciation	17.2	17.6	10.6	-2.1%	62.8%
EBITDA	54.0	39.5	52.9	36.9%	2.1%
<i>Margin(%)</i>	<i>15.6%</i>	<i>11.6%</i>	<i>16.7%</i>	<i>4.1%P</i>	<i>-1.1%P</i>

Balance Sheet

(in KRW billion)

	2013 1Q (A)	2012 (B)	(A)-(B)
Assets	1782.2	1,691.2	91.0
Current Assets	625.6	552.3	73.3
Quick Assets	451.8	372.7	79.1
Inventories	173.9	179.6	-5.8
<i>(Cash and Cash Equivalents)</i>	<i>163.5</i>	<i>132.0</i>	<i>50.1</i>
Non-current Assets	1,156.6	1,138.9	17.7
Liabilities	1,085.6	1,016.3	69.3
Current Liabilities	434.3	434.9	-0.6
Non-current Liabilities	651.3	581.5	69.9
<i>(Debt)</i>	<i>623.3</i>	<i>563.1</i>	<i>60.4</i>
Shareholders' Equity	696.6	674.9	21.7

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2013 1Q	459.8	66.0%	155.8%	144.1%	39.1%
2012	449.5	66.6%	150.6%	127.0%	39.9%

Operating Expenses

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Freight & Logistic Expense	15.6	16.5	12.2	-5.3%	28.1%
SG&A expenses	42.5	47.5	36.0	-10.5%	18.1%
- Salaries	12.8	16.9	12.2	-23.9%	4.9%
- R&D	11.4	12.5	8.5	-8.5%	34.9%
- Advertising	2.9	3.6	1.7	-18.9%	70.8%
- Others	15.3	14.5	13.6	5.5%	12.8%
Other income & expenses	4.0	0.8	5.3	427.7%	-24.5%

Financial Income & Expenses

(in KRW billion)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Financial income & expenses	-2.2	-7.5	1.5	70.7%	-250.1%
- Interest	-4.8	-4.9	-0.2	3.1%	-1,868.4%
- Foreign Currency Transaction	1.0	1.4	-0.3	-25.5%	392.9%
- Foreign Currency Translation	1.6	-4.4	1.9	136.3%	-14.8%
- Others	-0.1	0.4	0.2	-113.4%	-125.0%

Income Statement

(in RMB million)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Net Sales	485	457	470	6.2%	3.2%
Gross Profit	117	104	85	12.3%	37.9%
<i>Margin(%)</i>	<i>24.2%</i>	<i>22.8%</i>	<i>18.1%</i>	<i>1.3%P</i>	<i>6.1%P</i>
Operating Profit	33	30	13	10.2%	151.7%
<i>Margin(%)</i>	<i>6.9%</i>	<i>6.7%</i>	<i>2.8%</i>	<i>0.3%P</i>	<i>4.1%P</i>
Ordinary Profit	33	30	13	9.8%	163.8%
<i>Margin(%)</i>	<i>6.9%</i>	<i>6.7%</i>	<i>2.7%</i>	<i>0.2%P</i>	<i>4.2%P</i>
Depreciation	25	22	20	14.4%	21.6%
EBITDA	58	52	34	12.0%	72.9%
<i>Margin(%)</i>	<i>12.0%</i>	<i>11.4%</i>	<i>7.2%</i>	<i>0.6%P</i>	<i>4.8%P</i>

➤ China-GAAP

Income Statement

(in RMB million)

	2013 1Q	2012 4Q	2012 1Q	QoQ	YoY
Net Sales	485	457	470	6.2%	3.2%
Gross Profit	117	104	85	12.3%	37.9%
<i>Margin(%)</i>	<i>24.2%</i>	<i>22.8%</i>	<i>18.1%</i>	<i>1.3%P</i>	<i>6.1%P</i>
Operating Profit	51	32	25	61.2%	107.5%
<i>Margin(%)</i>	<i>10.6%</i>	<i>7.0%</i>	<i>5.3%</i>	<i>3.6%P</i>	<i>5.3%P</i>
Ordinary Profit	33	30	13	9.8%	163.8%
Depreciation	6.9%	6.7%	2.7%	0.2%P	4.2%P
<i>Margin(%)</i>	25	22	20	14.4%	21.6%
EBITDA	76	54	45	42.3%	68.7%
<i>Margin(%)</i>	<i>15.7%</i>	<i>11.7%</i>	<i>9.6%</i>	<i>4.0%P</i>	<i>6.1%P</i>

➤ K-IFRS standard format

Balance Sheet

(in RMB million)

	2013 1Q (A)	2012 (B)	(A)-(B)
Assets	2,841	2,744	96.5
Current Assets	911	847	63.9
Quick Assets	714	639	74.2
Inventories	198	208	-10.3
<i>(Cash and Cash Equivalents)</i>	<i>97</i>	<i>118</i>	<i>-20.4</i>
Non-current Assets	1,929	1,897	32.6
Liabilities	1,998	1,927	71.5
Current Liabilities	1,188	1,167	21.6
Non-current Liabilities	810	760	49.8
<i>(Debt)</i>	<i>1,659</i>	<i>1,573</i>	<i>86.7</i>
Shareholders' Equity	842	817	25.1

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2013 1Q	1,562	185.5%	237.3%	76.7%	29.6%
2012	1,455	178.1%	235.8%	72.6%	29.8%

Income Statement (Consolidated)

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(in KRW Billion)

	2007	(%)	2008	(%)	2009	(%)	2010	(%)	2011	(%)	2012	(%)
Net Sales	565.7	100.0	784.1	100.0	1,009.9	100.0	1,148.6	100.0	1,430.0	100.0	1,700.6	100.0
Cost of Goods Sold	397.9	70.3	590.8	75.3	669.0	66.2	801.2	69.8	1,085.7	75.9	1,246.2	73.3
Gross Profit	167.8	29.7	193.4	24.7	340.9	33.8	347.4	30.2	344.3	24.1	454.4	26.7
SG&A	116.5	20.6	153.9	19.6	175.8	17.4	210.8	18.3	232.3	16.2	277.5	16.3
Operation Profit	51.3	9.1	39.5	5.0	165.1	16.4	136.6	11.9	120.0	7.8	176.9	10.4
Non-Operating Income	12.1	2.1	78.7	10.0	45.2	4.5	36.4	3.2	67.8	4.7	62.8	3.7
Non-Operating Expenses	23.2	4.1	127.3	16.2	70.0	6.9	46.4	4.0	69.0	4.8	83.3	4.9
Ordinary Profit	40.3	7.1	-9.1	-1.2	140.3	13.9	130.9	11.4	113.1	7.9	156.7	9.2
Income Taxes	12.0	2.1	3.0	0.4	26.9	2.7	23.7	2.1	25.4	1.8	23.3	1.4
Net Income	28.2	5.0	-12.1	-1.5	113.3	11.2	107.2	9.3	87.8	6.1	133.4	7.8

➤ K-IFRS applied from 2010

Balance Sheet (Consolidated)

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(in KRW Billion)

	2007	2008	2009	2010	2011	2021
Asset	712.5	998.7	1,020.2	1,258.9	1,902.2	2,031.8
Current Assets	179.2	338.7	380.3	491.3	731.4	680.9
Quick Assets	105.7	212.2	244.9	306.5	455.4	415.7
Inventories	73.5	126.5	135.4	184.8	276.0	265.2
Non-Current Assets	533.2	660.1	639.9	767.6	1,170.8	1,350.9
Investment Assets	53.8	54.6	39.0	82.4	81.0	85.6
Property & Equipment	476.9	600.6	595.8	678.8	1,083.7	1,259.9
Intangible Assets	2.5	4.8	5.0	6.4	6.1	5.5
Liabilities	433.8	720.7	633.2	775.5	1,337.2	1,354.0
Current Liabilities	276.9	370.2	323.8	472.8	754.3	637.5
Non-current Liabilities	156.9	350.5	309.4	302.7	582.9	716.6
Capital	278.7	278.0	386.9	483.3	565.0	677.8

➤ K-IFRS applied from 2010



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Thank you !