



Nexen Tire 2011 2Q Result

Driving Tomorrow NEXEN

2011.08.04
Business Management

This presentation is consolidated financial result in compliance with K-IFRS with unaudited 2nd quarter of 2011 for investors' convenience. Therefore, some parts may change upon the review of independent auditors.

China Plant result is based on China-GAAP.



I. Financial Result

II. China Plant Result





I. Financial Result

II. China Plant Result

Consolidated key figures

(in KRW billion)

	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Net Sales	333.8	328.5	280.7	18.9%	1.6%
Operating profit	27.2	37.4	33.2	△17.9%	△27.1%
<i>Margin(%)</i>	<i>8.2</i>	<i>11.4</i>	<i>11.8</i>	<i>△3.7%P</i>	<i>△3.2%P</i>
Financial income and expenses	0.7	3.3	△6.0	111.2%	△79.4%
Income before taxes	28.1	40.6	27.2	3.4%	△30.7%

➤ K-IFRS adoption

Financial Result (Parent)

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Balance Sheet

(in KRW billion)

	2011 2Q(A)	2010(B)	(A)-(B)
Assets	1,281.5	1,067.8	213.8
Current Assets	528.2	443.2	85.0
Quick Assets	382.5	320.1	62.4
Inventories	145.7	123.1	22.6
<i>(Cash and Cash Equivalents)</i>	<i>119.0</i>	<i>151.0</i>	<i>△32.0</i>
Non-current Assets	753.3	624.5	128.7
Liabilities	755.0	583.8	172.0
Current Liabilities	543.9	367.1	176.8
Non-current Liabilities	211.1	216.6	△5.5
<i>(Debt)</i>	<i>318.6</i>	<i>246.7</i>	<i>72.0</i>
Shareholders' Equity	526.5	484.0	42.5

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2011 2Q	199.6	37.9%	143.4%	97.1%	41.1%
2010	95.6	19.8%	120.6%	120.7%	45.3%

Income Statement

(in KRW billion)

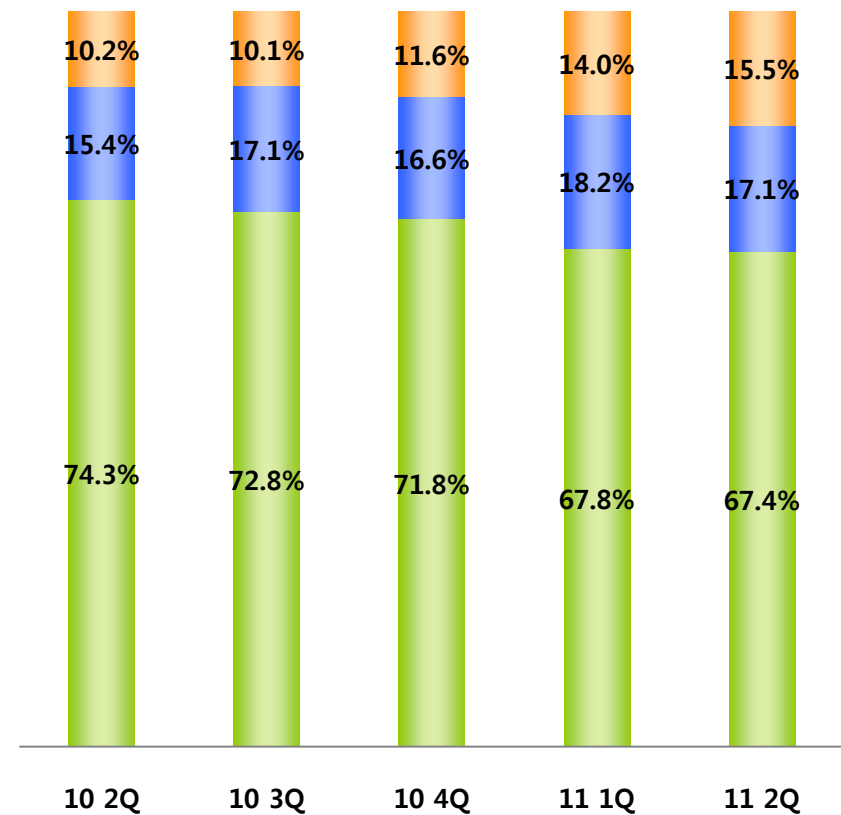
	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Net Sales	285.3	280.2	262.4	8.7%	1.8%
Gross Profit	64.7	72.0	67.6	△4.2%	△10.1%
<i>Margin(%)</i>	<i>22.7</i>	<i>25.7</i>	<i>25.8</i>	<i>△3.1%P</i>	<i>△3.0%P</i>
Operating Profit	25.5	34.4	27.1	△6.0%	△25.8%
<i>Margin(%)</i>	<i>8.9</i>	<i>12.3</i>	<i>10.3</i>	<i>△1.4%P</i>	<i>△3.3%P</i>
Financial Income & Expenses	0.7	2.6	△6.4	111.4%	△71.3%
Ordinary Profit	26.3	36.9	20.7	26.9%	△28.9%
Depreciation	7.8	7.7	7.8	△0.8%	1.8%
EBITDA	33.3	42.0	35.0	△4.8%	△20.8%
<i>Margin(%)</i>	<i>11.7</i>	<i>15.0</i>	<i>13.3</i>	<i>△1.7%P</i>	<i>△3.3%P</i>

Sales by Segment

(in KRW billion)

	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Net Sales	285.3	280.2	262.4	8.7%	1.8%
Export	192.4	189.9	195.1	△1.4%	1.3%
Domestic	93.0	90.3	67.4	38.0%	3.0%
- RE	48.8	51.1	40.5	20.4%	△4.6%
- OE	44.2	39.2	26.9	64.5%	12.8%

<Sales by Segment>



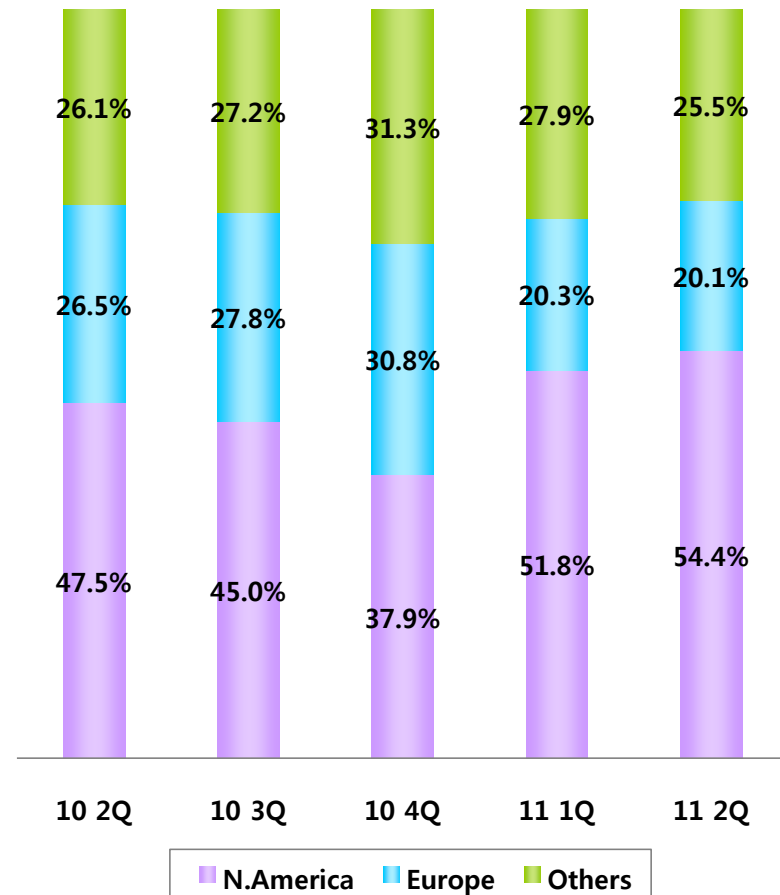
■ Export(EX) ■ Domestic(RE) ■ Domestic(OE)

Export by Region

(in KRW billion)

	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Net Sales	285.3	280.2	262.4	8.7%	1.8%
Export	192.4	189.9	195.1	△1.4%	1.3%
N. America	104.7	98.3	92.6	13.1%	6.5%
Europe	38.7	38.5	51.6	△25.1%	0.3%
Others	49.0	53.1	50.8	△3.6%	△7.6%
KRW/USD	1,083	1,120	1,167	△7.2%	△3.3%
KRW/EUR	1,557	1,530	1,483	5.0%	1.7%

<Export by Region>



Financial Result (Parent)

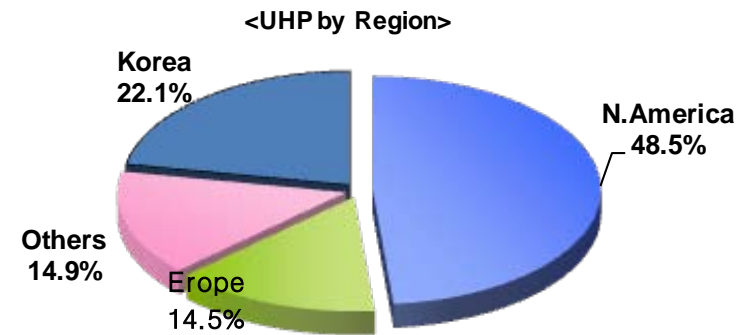
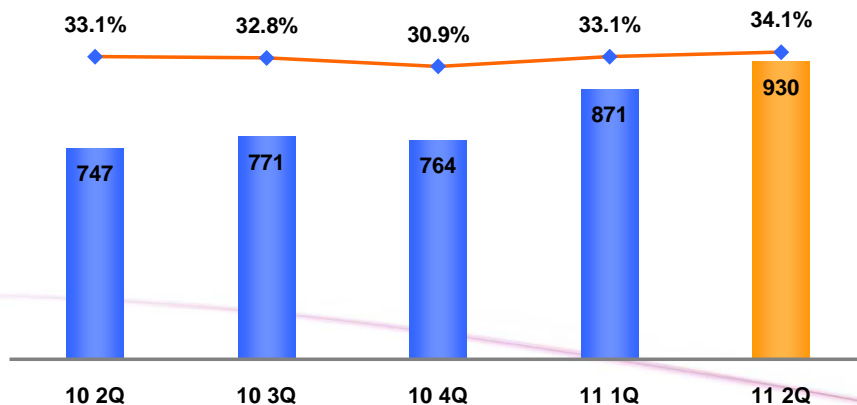
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UHPT Sales

(in KRW billion, thousand units)

	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
UHPT Sales	93.0	87.1	74.7	24.6%	6.9%
UHPT Volume	1,346	1,299	1,214	10.9%	3.6%
% / Net Sales	34.1%	33.1%	33.1%	0.9%P	1.0%P
% / Total Volume	29.8%	28.6%	28.0%	1.7%P	1.1%P

Parent only

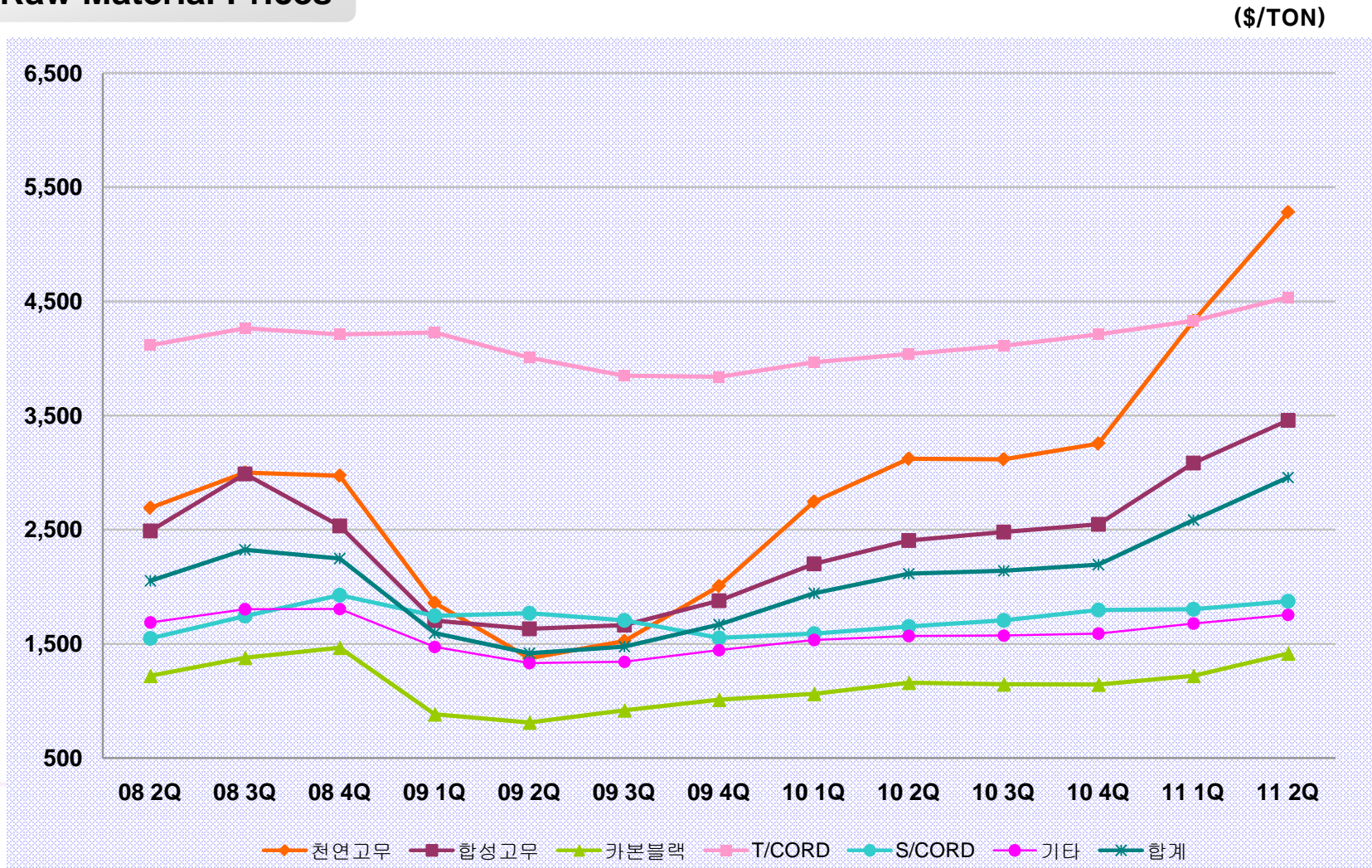


2011 2Q KRW-based

Raw Material Prices

	(\$/TON)				
	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Natural Rubber	5,281	4,328	3,121	69.2%	22.0%
Synthetic Rubber	3,459	3,084	2,406	43.8%	12.2%
Carbon Black	1,415	1,220	1,159	22.1%	16.0%
T/CORD	4,537	4,329	4,039	12.3%	4.8%
S/CORD	1,873	1,804	1,652	13.4%	3.8%
Chemicals	1,755	1,677	1,568	11.9%	4.7%
Total	2,959	2,584	2,116	39.8%	14.5%

Raw Material Prices



Operating Expenses

(in KRW billion)

구 분	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Freight & Logistic Expense	13.8	14.3	16.6	△16.4%	△3.4%
SG&A expenses	29.2	28.3	26.7	9.3%	3.1%
- Salaries	9.3	9.3	7.4	24.6%	△0.4%
- R&D	6.5	5.9	5.0	29.1%	9.0%
- Advertising	2.5	1.9	3.7	△33.0%	30.8%
- Others	11.0	11.2	10.5	4.0%	△1.8%
Other income & expenses	3.8	5.0	2.8	36.1%	△23.9%

Financial Income & Expenses

(in KRW billion)

	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Financial income & expenses	0.7	2.6	△5.6	113.3%	△71.3%
- Interest	-	1.0	△2.4	98.1%	△104.5%
- Foreign Currency Transaction	0.6	2.2	△3.9	115.6%	△72.0%
- Foreign Currency Translation	△0.8	0.4	△1.5	43.7%	△292.4%
- Others	1.0	△1.0	2.2	△55.1%	195.0%



I. Financial Result

II. China Plant Result

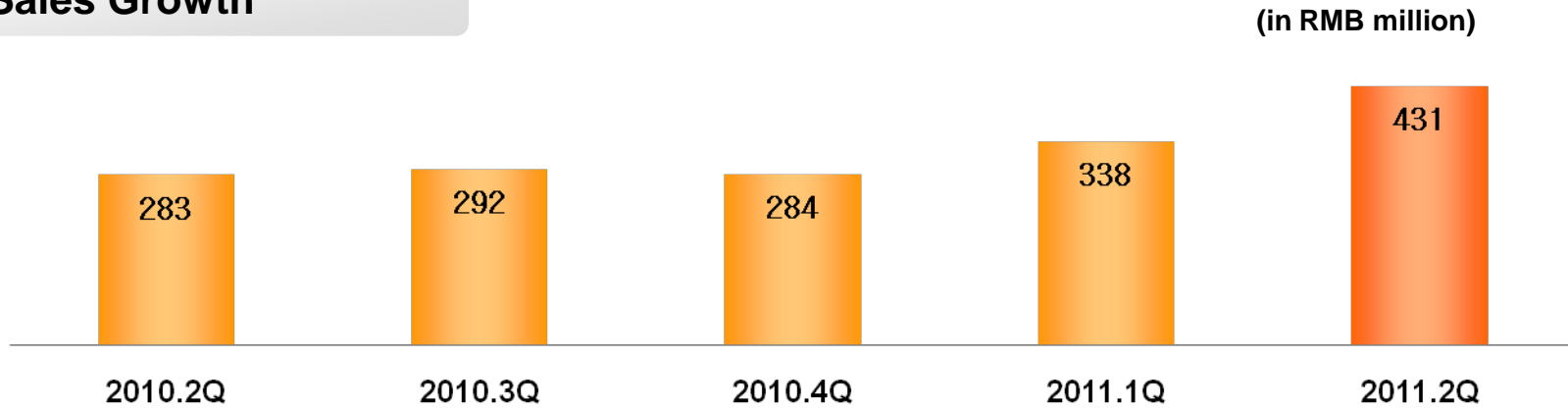
Income Statement

(in RMB million)

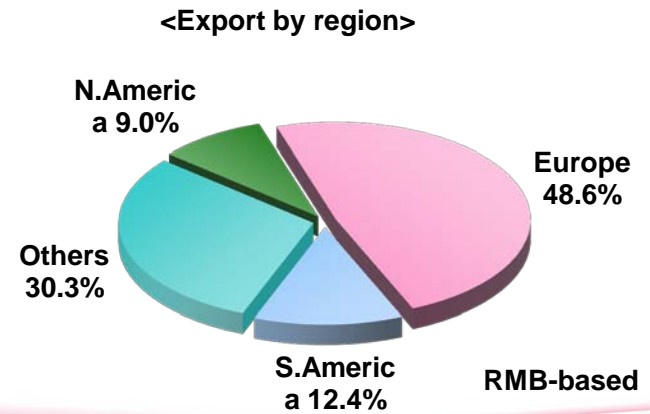
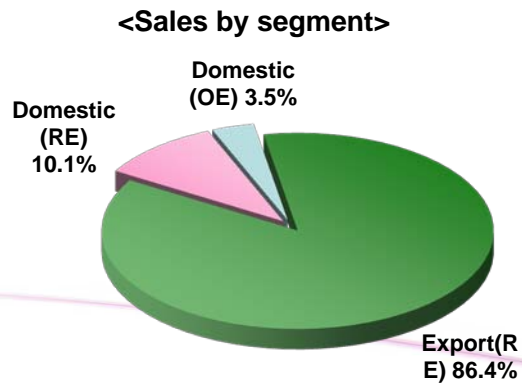
	2011 2Q	2011 1Q	2010 2Q	YoY	QoQ
Net Sales	431	338	283	52.3%	27.4%
Gross Profit	73	56	54	34.4%	30.0%
<i>Margin(%)</i>	17.0	16.7	19.3	△2.3%P	0.4%P
Operating Profit	12	12	11	11.9%	△4.3%
<i>Margin(%)</i>	2.8	3.7	3.8	△1.0%P	△0.9%P
Ordinary Profit	12	12	12	0.5%	△3.9%
Depreciation	17	16	16	1.1%	3.6%
EBITDA	28	28	27	5.4%	0.1%
<i>Margin(%)</i>	6.5	8.3	9.4	△2.9%P	△1.8%P

➤ China-GAAP

Sales Growth



Sales by Segment



Balance Sheet [Korea]

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(in KRW Billion)

	2004	2005	2006	2007	2008	2009	2010
Asset	434.0	505.4	536.7	597.4	766.1	791.4	925.9
Current Assets	77.6	96.7	105.9	124.0	229.4	303.4	331.2
Quick Assets	38.2	53.2	58.8	71.5	141.0	219.8	208.1
Inventories	39.4	43.6	47.1	52.4	88.5	83.6	123.1
Non-Current Assets	356.4	408.6	430.8	473.5	536.6	488.0	594.6
Investment Assets	58.9	56.9	44.9	61.1	87.7	75.3	126.3
Property & Equipment	296.9	351.2	360.9	389.3	423.5	397.8	450.0
Intangible Assets	0.6	0.6	0.6	1.0	1.0	0.7	1.0
Liabilities	200.3	254.4	275.9	306.1	478.2	393.4	462.8
Current Liabilities	143.6	113.8	100.0	201.0	283.1	213.8	251.8
Non-current Liabilities	56.8	140.6	175.8	105.1	195.1	179.5	211.0
Capital	233.7	251.0	260.9	291.4	287.8	398.0	463.1

Income Statement [Korea]

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(in KRW Billion)

	2004	(%)	2005	(%)	2006	(%)	2007	(%)	2008	(%)	2009	(%)	2010	(%)
Net Sales	304.9	100.0	400.6	100.0	476.8	100.0	567.9	100.0	754.6	100.0	966.2	100.0	1,080.3	100.0
Cost of Goods Sold	220.0	72.1	290.9	72.6	362.2	76.0	398.8	70.2	568.1	75.3	655.8	67.9	797.8	73.9
Gross Profit	84.9	27.8	109.7	27.4	114.4	24.0	169.0	29.8	186.5	24.7	310.4	32.1	282.4	26.1
SG&A	60.2	19.7	80.0	20.0	89.9	19.9	106.9	18.8	132.8	17.6	148.2	15.3	180.6	16.7
Operation Profit	24.6	8.1	29.7	7.4	24.5	5.1	62.1	10.9	53.7	7.1	162.2	16.8	101.8	9.4
Non-Operating Income	6.9	2.3	9.8	2.4	9.6	2.0	12.5	2.2	75.9	10.1	46.4	4.8	45.3	4.2
Non-Operating Expenses	6.8	2.3	11.4	2.8	15.8	3.3	26.1	4.6	142.3	18.9	66.8	6.9	49.8	4.6
Ordinary Profit	24.6	8.1	28.2	7.0	18.2	3.8	48.5	8.5	-12.7	-1.7	141.8	14.7	97.3	9.0
Income Taxes	-7.0	-2.2	6.3	1.6	5.0	1.1	12.3	2.2	3.3	0.4	27.5	2.8	20.5	1.9
Net Income	31.6	10.3	21.9	5.5	13.2	2.8	36.1	6.4	-16.0	-2.1	114.3	11.8	76.7	7.1



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Thank you !