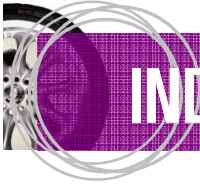




# *Nexen Tire 2010 3Q Result*

*Driving Tomorrow NEXEN*

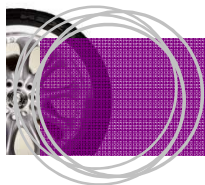
2010.10.27  
Business Management



## **I. Financial Result**

## **II. China**





# I. Financial Result

## II. China

# 2010 3Q Financial Result

Driving Tomorrow NEXEN

## Balance Sheet

(KRW Billion)

	2010 3Q(A)	2009 (B)	(A)-(B)
<b>Assets</b>	<b>882.2</b>	<b>791.4</b>	<b>90.7</b>
<b>Current Assets</b>	<b>336.2</b>	<b>306.4</b>	<b>29.9</b>
Quick Assets	224.8	222.8	1.9
Inventories	111.4	83.6	27.9
<i>(Cash and Cash Equivalents)</i>	<i>143.6</i>	<i>140.7</i>	<i>3.0</i>
<b>Non-current Assets</b>	<b>545.9</b>	<b>485.0</b>	<b>60.9</b>
<b>Liabilities</b>	<b>430.6</b>	<b>393.4</b>	<b>37.2</b>
<b>Current Liabilities</b>	<b>249.5</b>	<b>213.8</b>	<b>35.6</b>
<b>Non-current Liabilities</b>	<b>181.1</b>	<b>179.5</b>	<b>1.6</b>
<i>(Debt)</i>	<i>244.0</i>	<i>220.3</i>	<i>23.7</i>
<b>Shareholders' Equity</b>	<b>452.6</b>	<b>398.0</b>	<b>53.6</b>

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2010 3Q	100.3	22.2%	95.3%	134.8%	51.2%
2009	79.6	20.0%	98.8%	143.3%	50.3%

# 2010 3Q Financial Result

Driving Tomorrow NEXEN

## Income Statement

(KRW Billion)

	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
Net Sales	278.9	262.4	244.4	14.1%	6.3%
Gross Profit	75.8	63.6	85.7	△11.6%	19.1%
<i>Margin(%)</i>	<i>27.2</i>	<i>24.2</i>	<i>35.1</i>	<i>△7.9%P</i>	<i>2.9%P</i>
Operating Profit	29.9	21.0	52.4	△42.9%	42.2%
<i>Margin(%)</i>	<i>10.7</i>	<i>8.0</i>	<i>21.4</i>	<i>△10.7%P</i>	<i>2.7%P</i>
Non-Op. Income (Loss)	2.5	1.5	0.3	802.6%	62.8%
Ordinary Profit	32.4	22.6	52.7	△38.5%	43.6%
Depreciation	13.3	13.2	13.3	△0.5%	0.8%
EBITDA	43.2	34.2	65.8	△34.3%	26.2%
<i>Margin(%)</i>	<i>15.5</i>	<i>13.0</i>	<i>26.9</i>	<i>△11.4%P</i>	<i>2.5%P</i>

# 2010 3Q Financial Result

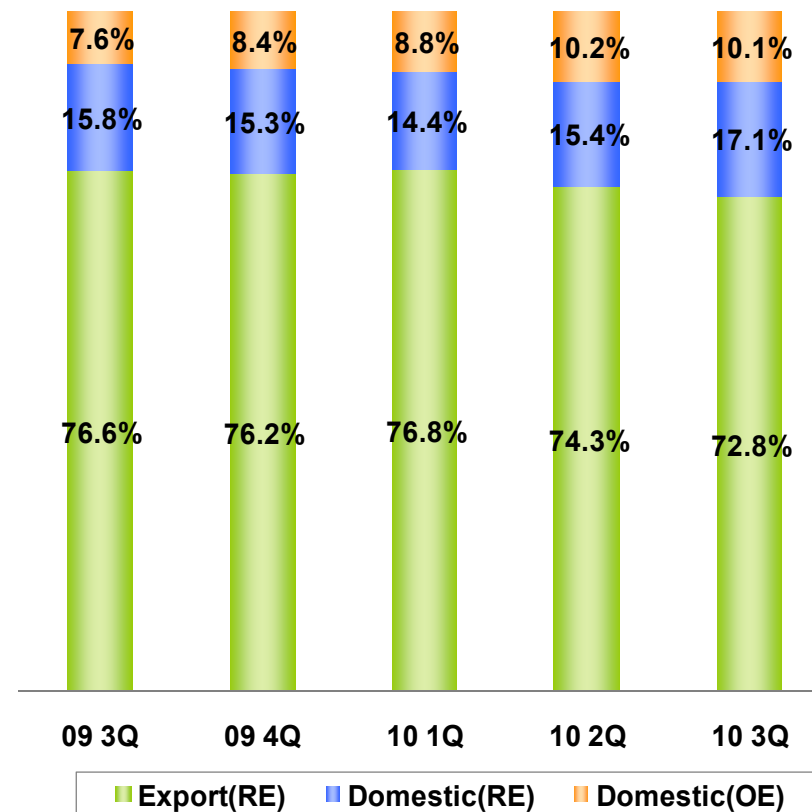
Driving Tomorrow NEXEN

## Sales by Segment

(KRW Billion)

	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
Net Sales	278.9	262.4	244.4	14.1%	6.3%
Export	203.0	195.1	187.3	8.4%	4.1%
Domestic	75.8	67.3	57.1	32.9%	12.6%
- RE	47.6	40.5	38.6	23.4%	17.6%
- OE	28.2	26.9	18.5	52.8%	5.0%

<Sales by Segment>



# 2010 3Q Financial Result

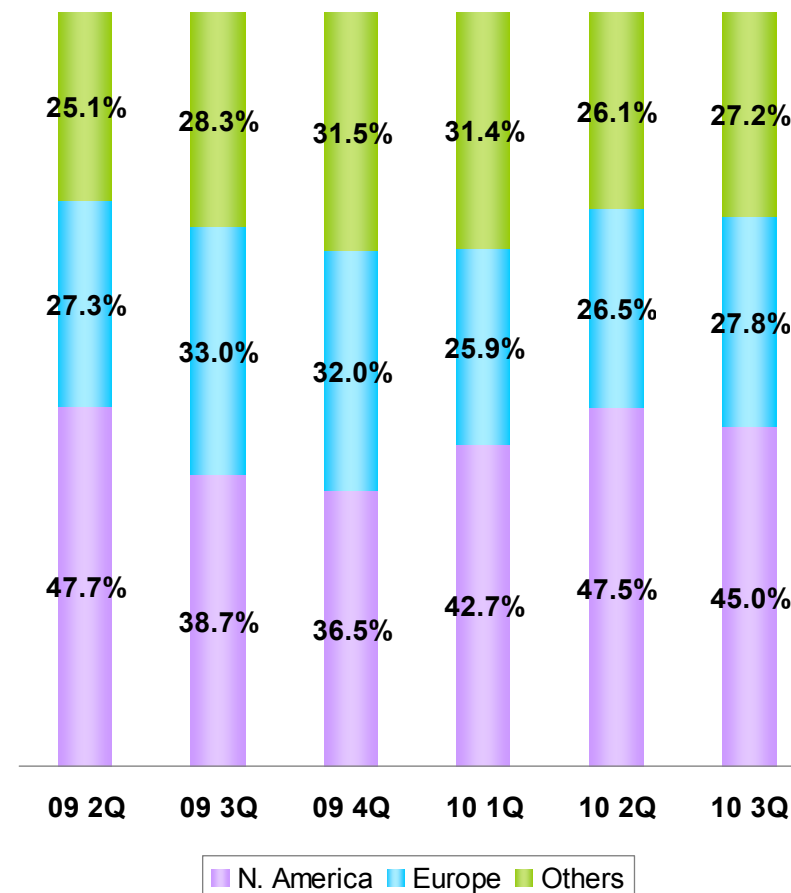
Driving Tomorrow NEXEN

## Export by Region

(KRW Billion)

	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
Net Sales	278.9	262.4	244.4	14.1%	6.3%
Export	203.0	195.1	187.3	8.4%	4.1%
N. America	91.4	92.6	72.5	26.1%	△1.3%
Europe	56.4	51.6	61.9	△8.8%	9.3%
Others	55.2	50.8	52.9	4.3%	8.5%
KRW/USD	1,182	1,167	1,239	△4.6%	1.3%
KRW/EUR	1,528	1,483	1,771	△13.7%	3.0%

<Export by region>



# 2010 3Q Financial Result

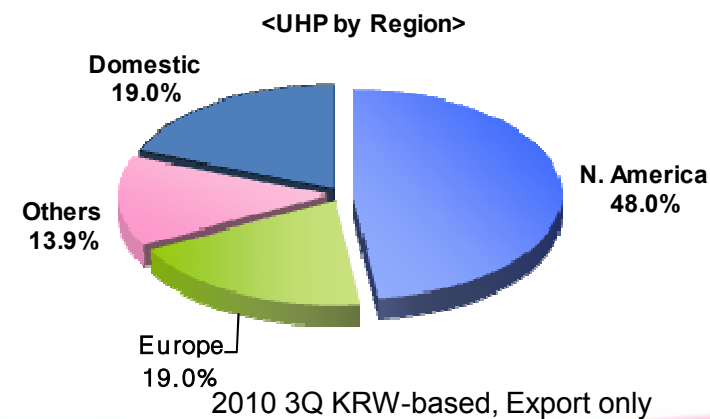
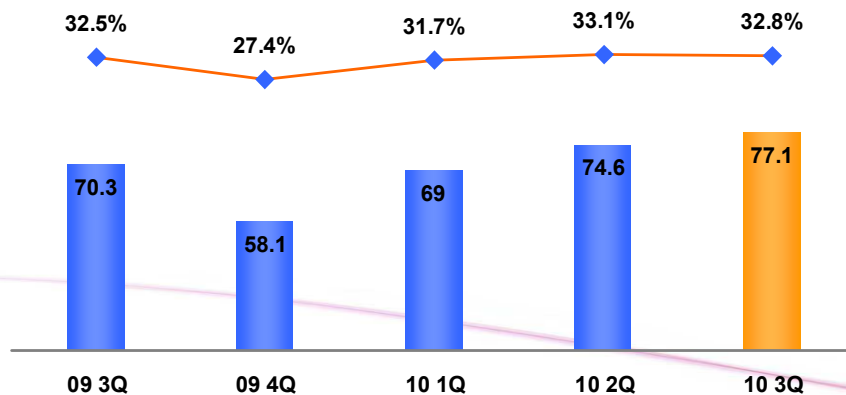
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## UHPT Sales

(KRW Billion, 000units)

	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
UHPT Sales	77.1	74.6	70.3	9.7%	3.3%
UHPT Volume	1,173	1,214	1,121	4.7%	△3.3%
% / Net Sales	32.8%	33.1%	32.5%	0.2%P	△0.4%P
% / Total Volume	28.4%	28.0%	25.7%	2.7%P	0.4%P

◆ Parent only





# 2010 3Q Financial Result

Driving Tomorrow NEXEN

## Raw Material Prices

	(\$/TON)				
	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
Natural Rubber	3,117	3,121	1,524	104.6%	△0.1%
Synthetic Rubber	2,479	2,406	1,664	48.9%	3.0%
Carbon Black	1,145	1,159	919	24.6%	△1.2%
T/CORD	4,111	4,039	3,848	6.8%	1.8%
S/CORD	1,706	1,652	1,554	9.8%	3.3%
ETC	1,574	1,568	1,344	17.1%	0.4%
<b>Total</b>	<b>2,141</b>	<b>2,116</b>	<b>1,476</b>	<b>45.1%</b>	<b>1.2%</b>

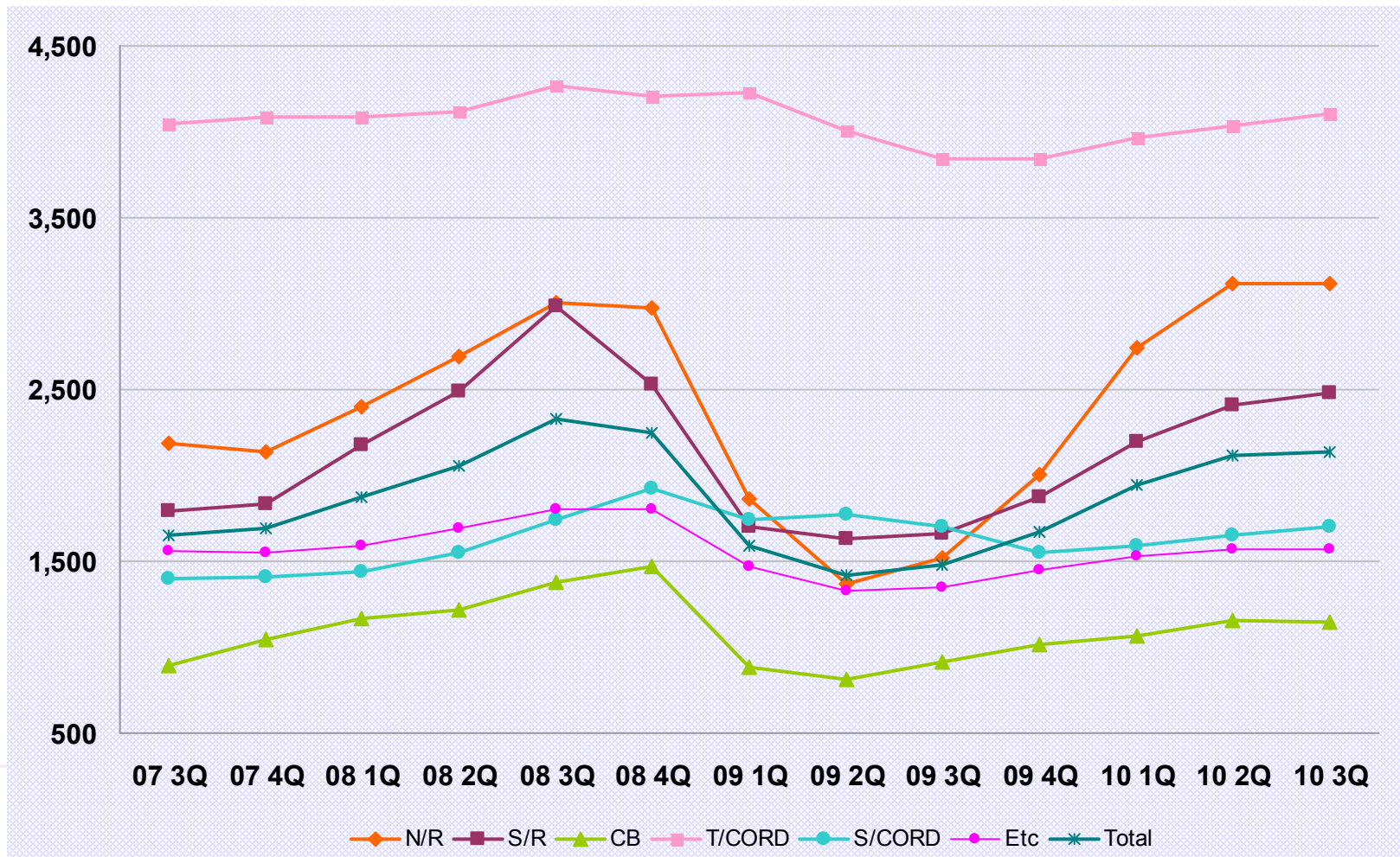


# 2010 3Q Financial Result

Driving Tomorrow NEXEN

## Raw Material Prices

(\$/TON)





# 2010 3Q Financial Result

Driving Tomorrow NEXEN

## SG&A Expenses

(KRW Billion)

	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
<b>SG&amp;A Expenses</b>	<b>45.8</b>	<b>42.6</b>	<b>33.3</b>	<b>37.5%</b>	<b>7.7%</b>
- Export Transportation	16.3	14.4	8.8	84.4%	13.0%
- R&D	4.9	5.0	3.8	28.3%	△2.9%
- Salaries	9.7	6.8	6.7	44.8%	42.4%
- Advertising	2.4	3.7	2.5	△2.0%	△34.3%
- Others	12.5	12.6	11.5	8.9%	△0.6%

# 2010 3Q Financial Result

Driving Tomorrow NEXEN

## Non-Operating Income (Loss)

(KRW Billion)

	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
<b>Non-Operating Income (Loss)</b>	<b>2.5</b>	<b>1.5</b>	<b>0.3</b>	<b>802.6%</b>	<b>62.8%</b>
- Foreign Currency Transaction Gain (Loss)	△0.2	△3.9	-	△1180.7%	△94.0%
- Foreign Currency Translation Gain (Loss)	4.1	△1.4	7.1	△42.0%	383.3%
- Interest Expenses	0.5	△2.5	△1.9	127.6%	133.2%
- Equity Method Losses	△2.7	4.4	△1.6	△63.9%	△160.6%
- Currency Swap Gain (Loss)	△1.8	2.3	△6.8	72.8%	△179.6%
- Others	2.6	1.7	3.5	△24.7%	49.2%



## I. Financial Result

## II. China

## Income Statement

(RMB Million)

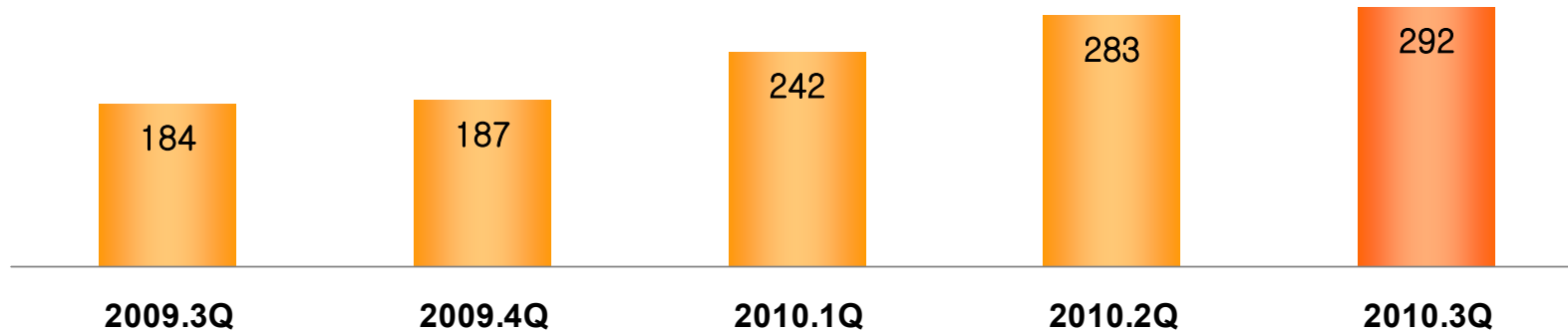
	2010 3Q	2010 2Q	2009 3Q	YoY	QoQ
Net Sales	292	283	184	58.8%	3.1%
Gross Profit	46	54	32	45.7%	△15.7%
<i>Margin(%)</i>	<i>15.8</i>	<i>19.3</i>	<i>17.2</i>	<i>△1.4%P</i>	<i>△3.5%P</i>
Operating Profit	8	11	△4	291.7%	△27.1%
<i>Margin(%)</i>	<i>2.7</i>	<i>3.8</i>	<i>△2.2</i>	<i>4.9%P</i>	<i>△1.1%P</i>
Ordinary Profit	9	12	△4	336.2%	△28.3%
Depreciation	14	14	23	△37.5%	△2.0%
EBITDA	22	25	18	18.2%	△12.7%
<i>Margin(%)</i>	<i>7.5</i>	<i>8.8</i>	<i>10.1</i>	<i>△2.6%P</i>	<i>△1.3%P</i>



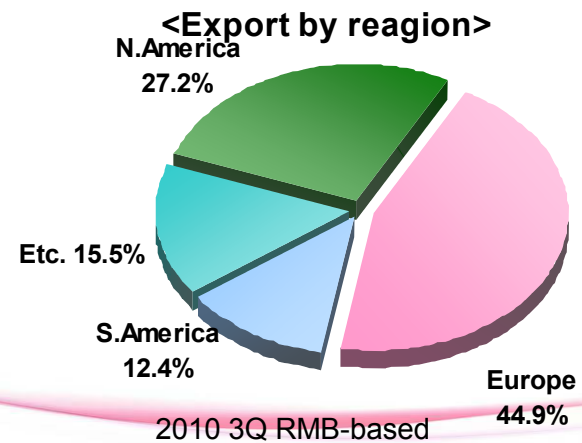
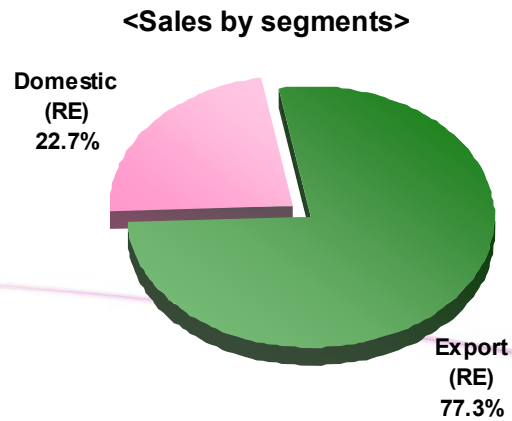
# 2010 3Q China

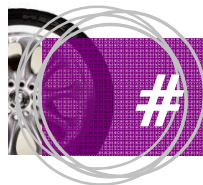
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## Sales Growth



## Sales by Segment





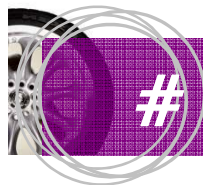
# # Balance Sheet [Korea]

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(KRW Billion)

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





# # Income Statement [Korea]

Driving Tomorrow NEXEN

(KRW Billion)

	2004	(%)	2005	(%)	2006	(%)	2007	(%)	2008	(%)	2009	(%)
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
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
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
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
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
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
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
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
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
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



**Thank you !**