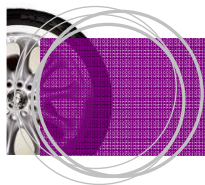




Nexen Tire

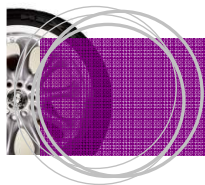
Driving Tomorrow NEXEN

Business Management Team



- I. Company Overview**
- II. Business Performance**
- III. China**





I. Company Overview

II. Business Performance

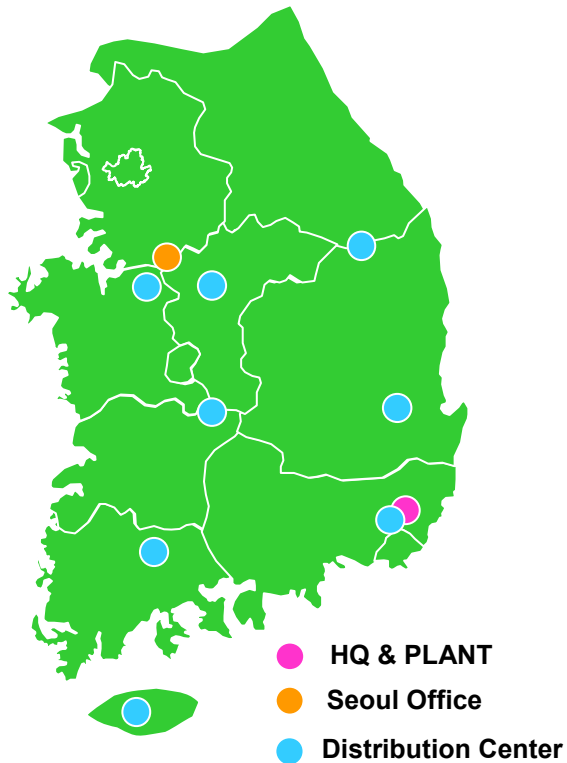
III. China





Company Overview

Driving Tomorrow NEXEN



HQ & Factory

Yangsan city, Kyongsangnam-do, Korea

Asset

816.7 billion won (Mar. 31 2009)

Capital Stock

52.7 billion won
(common stock 9,492 thousand, preferred stock 650 thousand)

Products

RADIAL TIRE (PCR , SUV, LTR)

Capacity

17.1 million units / year
(2009E)

Employees

2,261 (Dec. 31, 2008)

Affiliates

NEXEN CORPORATION
 NEXEN ENGINEERING INC
 NEXEN TIRE AMERICA INC
 QINGDAO NEXEN TIRE CORP

KNN
 NEXEN TECH
 NEXENTIRE EUROPE GMBP

Company History

Driving Tomorrow NEXEN

2000's

- 2008. 03 Established a company in Germany, NEXENTIRE EUROPE GMBH
- 2007. 11 Awarded a prize for exporting over US\$400 million
- 2006. 05 Start to build new plant in Qingdao, China
- 2005. 06 Established a corporate in the U.S. (NEXEN TIRE AMERICA., Inc.)
Registered a patent for nano-compound rubber production
- 2004. 07 Start operating the second plant at YQ and launched "N5000"
- 2003. 07 Clear off BIAS tires business
→ Restructuring of high value product Mix (UHPT & SUV)
- 2002. 06 Awarded the best prize for Fiscal Transparency
- 2000. 02 Launched brand new company name " NEXENTIRE CORP

1990's

- 1999. 03 Taken over by Heunga Tire Engineering
- 1997. 04 Commence the liquidation process because of Woosung Group
Bankruptcy
- 1992. 12 Developed the nation's first V-shape, rotation (unidirectional) tire
- 1991. 10 Forged technological alliance with OHTSU Tire & Rubber in Japan

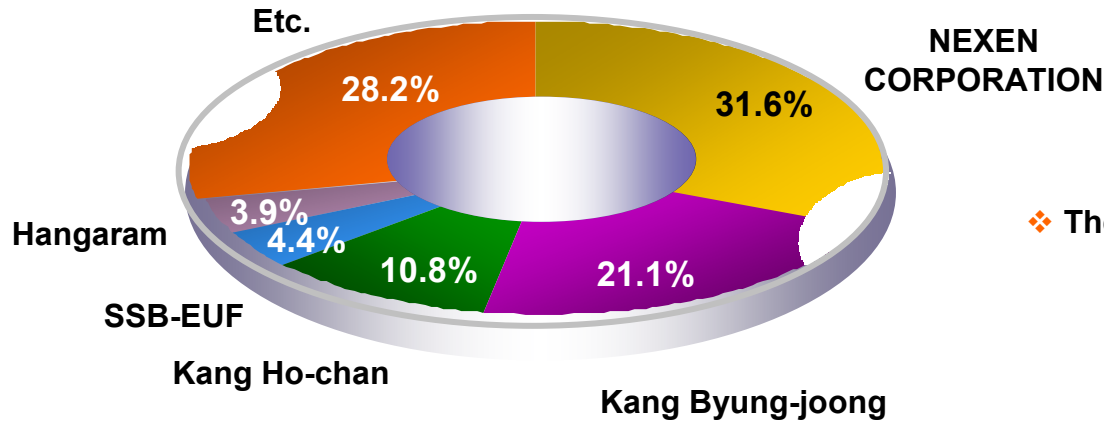
1980's

- 1987. 06 Set up Michelin Korea Tire, a joint venture company (50:50)
- 1985. 01 Construction work of Yangsan radial tire factory started

1940-50's

- 1956. 08 Manufactured the first-ever motor vehicle tires in Korea
- 1942. 10 Heung Ah Rubber Industry established

Shareholders' Equity



- ❖ The largest shareholder owns 63.4% shares including NEXEN CORP.

Stock Information



- ❖ Market : Stock Market
- ❖ Market Price : 5,320 won
- ❖ Total Amount : 515.9 billions won
- ❖ Shares Outstanding : common stock 9,492,026
preferred stock 650,000

(1 Jul. 2009)



I. Company Overview

II. Business Performance

III. China



Balance Sheet

(KRW Billion)

	2009 1Q	2008	Changes
Assets	816.7	766.2	50.5
Current Assets	291.0	229.4	61.6
Quick Assets	214.6	141.0	73.6
Inventories	76.4	88.4	△12.1
<i>(Cash and Cash Equivalents)</i>	<i>76.7</i>	<i>39.4</i>	<i>37.3</i>
Non-current Assets	525.6	536.7	△11.1
Liabilities	506.4	478.2	28.1
Current Liabilities	306.7	283.1	23.6
Non-current Liabilities	199.6	195.1	4.5
<i>(Debt)</i>	<i>320.5</i>	<i>297.5</i>	<i>22.9</i>
Shareholders' Equity	310.3	287.9	22.3

Income Statement

(KRW Billion)

	2009 1Q	2008 4Q	2008 1Q	YoY (%)	QoQ (%)
Net Sales	230.2	218.0	164.4	40.1	5.6
Gross Profit	66.0	49.4	50.2	31.3	33.4
<i>Margin(%)</i>	<i>28.7</i>	<i>22.7</i>	<i>30.6</i>	<i>△1.9P</i>	<i>6.0P</i>
Operating Profit	34.2	13.3	21.2	61.0	155.9
<i>Margin(%)</i>	<i>14.8</i>	<i>6.1</i>	<i>12.9</i>	<i>1.9P</i>	<i>8.7P</i>
Non-Op. Income (Loss)	△11.4	△30.1	△12.4	8.8	62.1
Ordinary Profit	22.8	△16.7	8.7	160.6	236.4
Depreciation	12.6	13.1	11.2	13.0	△3.5
EBITDA	46.8	26.4	32.4	44.5	77.0
<i>Margin(%)</i>	<i>20.3</i>	<i>12.1</i>	<i>19.7</i>	<i>0.6P</i>	<i>8.2P</i>

Sales Performance

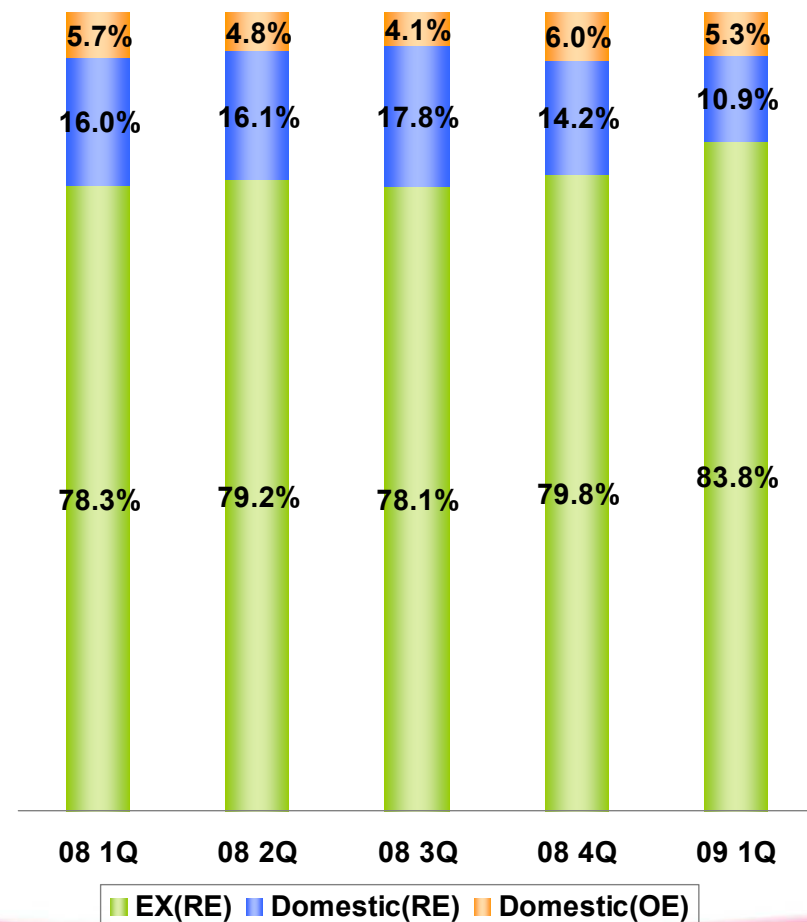
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Sales by Segment

(KRW Billion)

	2009 1Q	2008 4Q	2008 1Q	YoY (%)	QoQ (%)
Net Sales	230.2	218.0	164.4	40.1	5.6
Export	193.0	173.8	128.7	49.9	11.0
Domestic	37.3	44.1	35.6	4.5	△15.6
- RE	25.1	31.0	26.3	△4.7	△19.3
- OE	12.2	13.1	9.3	30.5	△6.8
FX Rate	1,412	1,374	960		

<Sales by Segment>





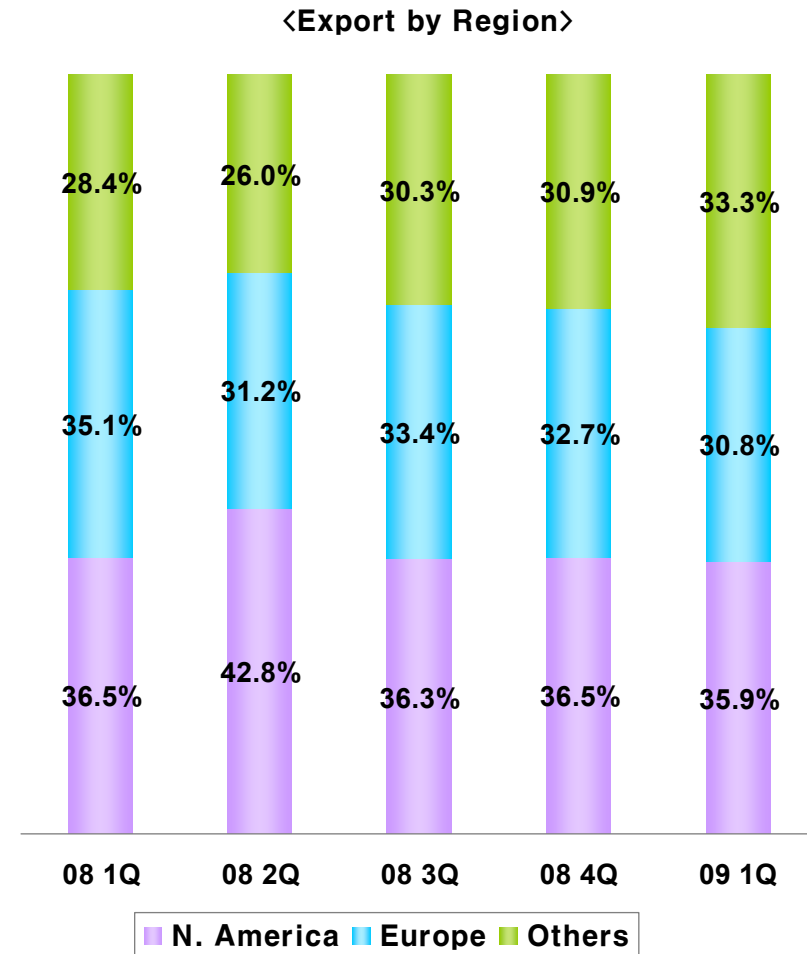
Sales Performance

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Export by Region

(KRW Billion)

	2009 1Q	2008 4Q	2008 1Q	YoY (%)	QoQ (%)
Net Sales	230.2	218.0	164.4	40.1	5.6
Export	193.0	173.8	128.7	49.9	11.0
N. America	69.3	58.0	47.0	47.4	19.5
Europe	59.4	54.1	45.2	31.5	9.8
Others	64.3	61.8	36.6	75.9	4.1





Sales Performance

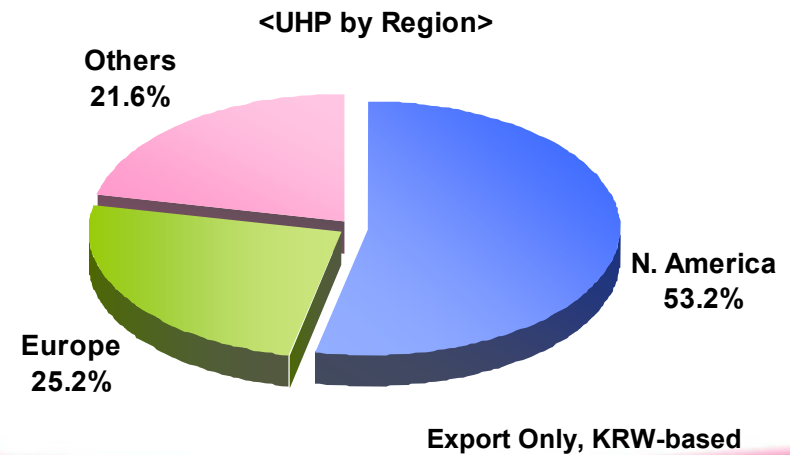
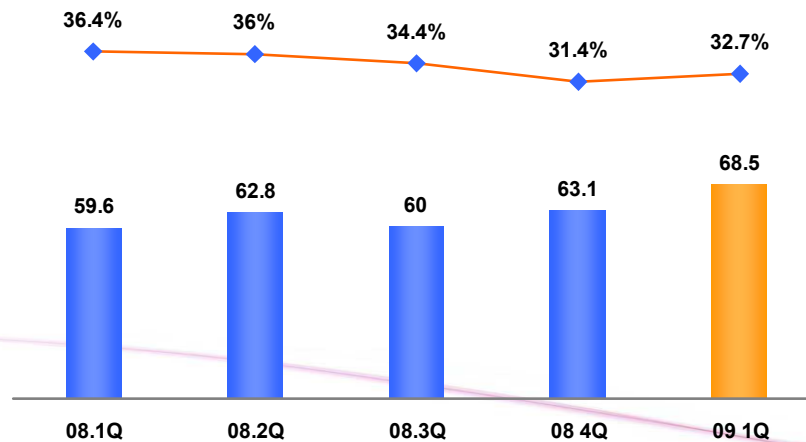
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UHPT Sales

(KRW Billion, 000units)

	2009 1Q	2008 4Q	2008 1Q	YoY (%)	QoQ (%)
UHPT Sales	68.5	63.1	59.6	14.8	8.5
UHPT Volume	998	928	1,072	△7.0	7.5
% / Net Sales	32.7%	31.4%	36.4%	△3.7P	1.3P
% / Total Volume	24.7%	24.4%	27.0%	△2.3P	0.3P

◆ Parents Product Only

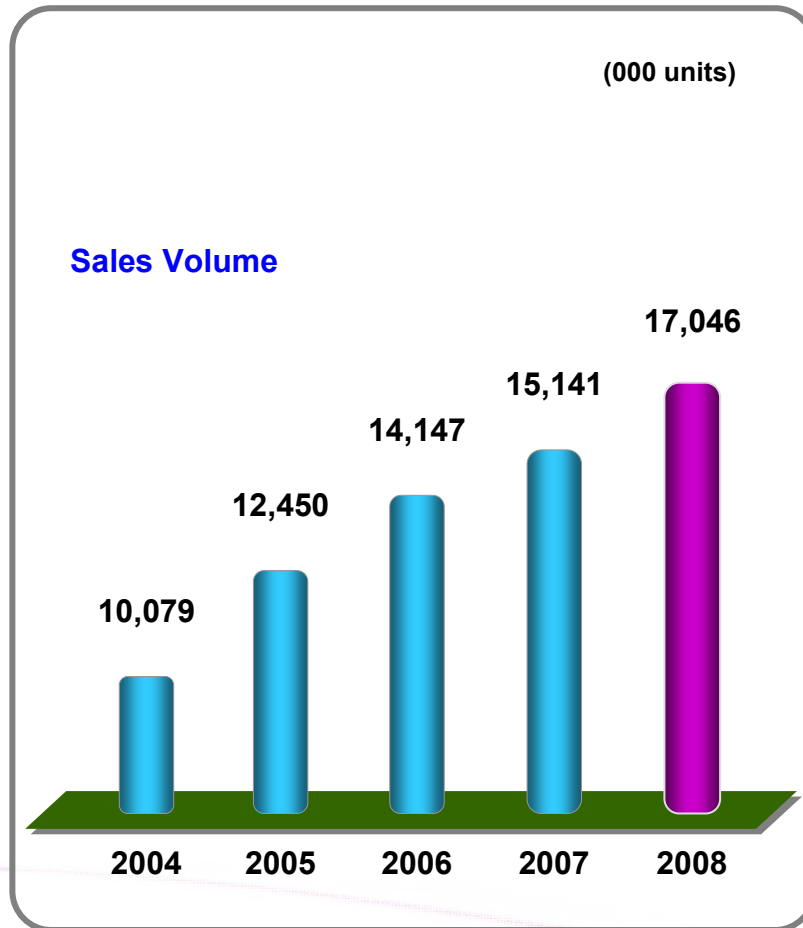




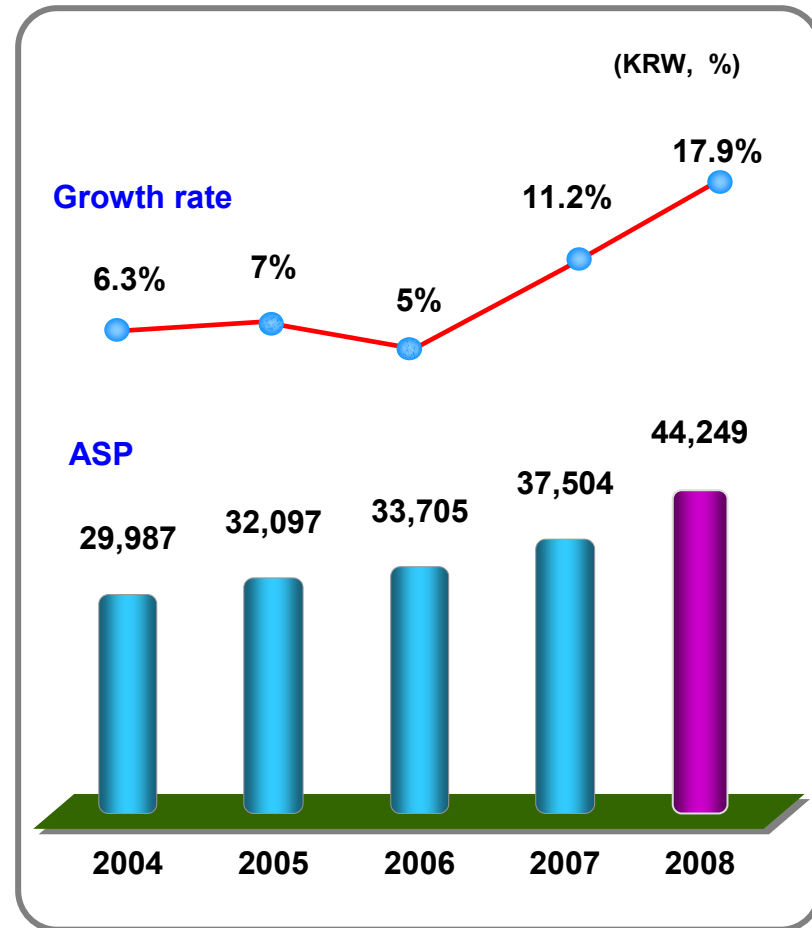
Sales Performance

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Annual Sales Volume



Annual ASP

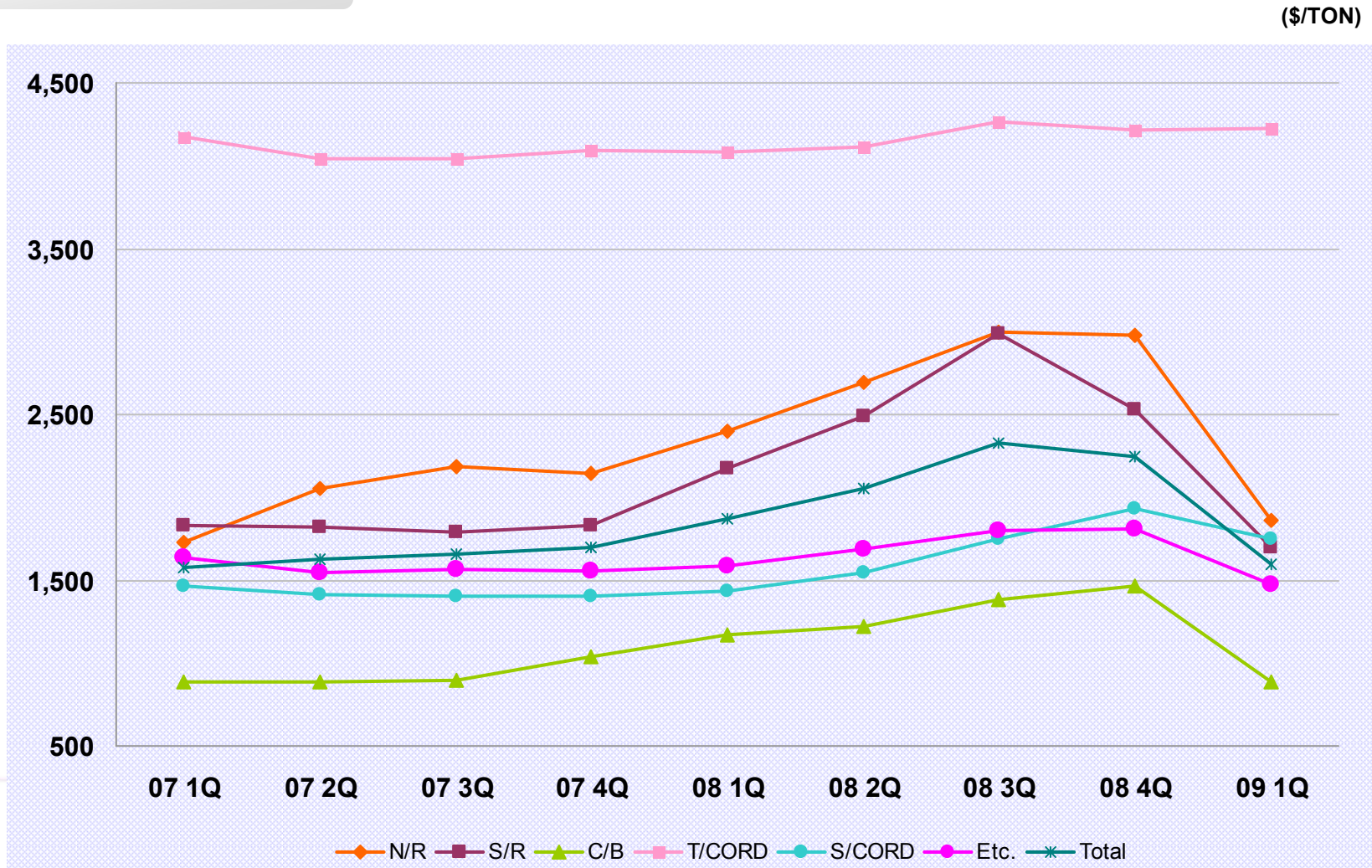




Raw Material

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Raw Material Prices





Raw Material

Driving Tomorrow NEXEN

Raw Material Prices

(\$/TON)

	2009 1Q	2008 4Q	2008 1Q	YoY (%)	QoQ (%)
Natural Rubber	1,860	2,973	2,401	△22.5	△37.4
Synthetic Rubber	1,703	2,526	2,174	△21.7	△32.6
Carbon Black	833	1,466	1,167	△24.3	△39.8
T/CORD	4,229	4,211	4,086	3.5	0.4
S/CORD	1,745	1,927	1,436	21.5	△9.4
Etc.	1,474	1,807	1,552	△7.2	△18.4
Total	1,594	2,245	1,872	△14.9	△29.0



Financial Result

Driving Tomorrow NEXEN

SG&A Expenses

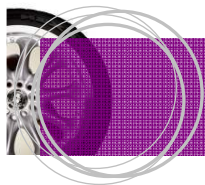
(KRW Billion)

	2009 1Q	2008 4Q	2008 1Q	YoY	QoQ
SG&A Expenses	31.8	36.1	29.0	9.6%	△11.9%
- Salaries	6.1	6.9	6.8	△10.1%	△11.0%
- Advertising	0.6	1.0	1.0	△40.7%	△35.5%
- R&D	3.9	4.0	3.0	30.0%	△2.0%
<i>% / Net Sales</i>	<i>1.7%</i>	<i>1.8%</i>	<i>1.8%</i>		
- Export Transportation	10.0	11.7	8.4	17.4%	△16.2%
- Others	9.8	12.5	11.3	15.8%	△9.8%

Non-Operating Income (Loss)

(KRW Billion)

	2009 1Q	2008 4Q	2008 1Q	YoY	QoQ
Non-Operating Income (Loss)	△11.4	△30.1	△12.5	8.8%	62.1%
- Foreign Currency Transaction Gain (Loss)	△3.1	△12.9	△1.6	△91.0%	75.8%
- Foreign Currency Translation Gain (Loss)	△10.0	△5.7	△0.5	△91.5%	△74.2%
- Interest Expenses	△4.3	△4.5	△2.3	86.4%	△3.3%
- Equity Method Losses	△3.5	△10.0	△2.1	68.7%	△64.9%
- Currency Swap Gain (Loss)	11.1	6.2	3.0	270.6%	79.4%
- Others	△1.5	△3.2	△4.2	△63.2%	51.0%



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Investment Plan



✓ 3rd STEP Investment will be implemented as a result of the previous step.

	2008	2009(E)
Net Sales	36.3 billion won	94.6 billion won
% of Sales	Export 90% Domestic 10%	Export 74% Domestic 26%
Operating Profit	-18.4 billion won	0.1 billion won



China Financial Result

Driving Tomorrow NEXEN

Income Statement

(RMB Million)

	2009 1Q	2008 4Q	2008 1Q	YoY (%)	QoQ (%)
Net Sales	124	92	4	3169.3	34.1
Gross Profit	11	△6	△4	380.4	279.7
<i>Margin(%)</i>	<i>9.2</i>	<i>△6.9</i>	<i>△107.6</i>	<i>116.8P</i>	<i>16.1P</i>
Operating Profit	△15	△30	△14	△7.3	48.4
<i>Margin(%)</i>	<i>△12.3</i>	<i>△32.0</i>	<i>△375.9</i>	<i>363.6P</i>	<i>19.7P</i>
Ordinary Profit	△15	△32	△23	33.5	52.6
Depreciation	21	17	9	136.8	20.8
EBITDA	5	△12	△5	209.1	148.0
<i>Margin(%)</i>	<i>4.7</i>	<i>△13.1</i>	<i>△140.8</i>	<i>17.8P</i>	<i>145.5P</i>

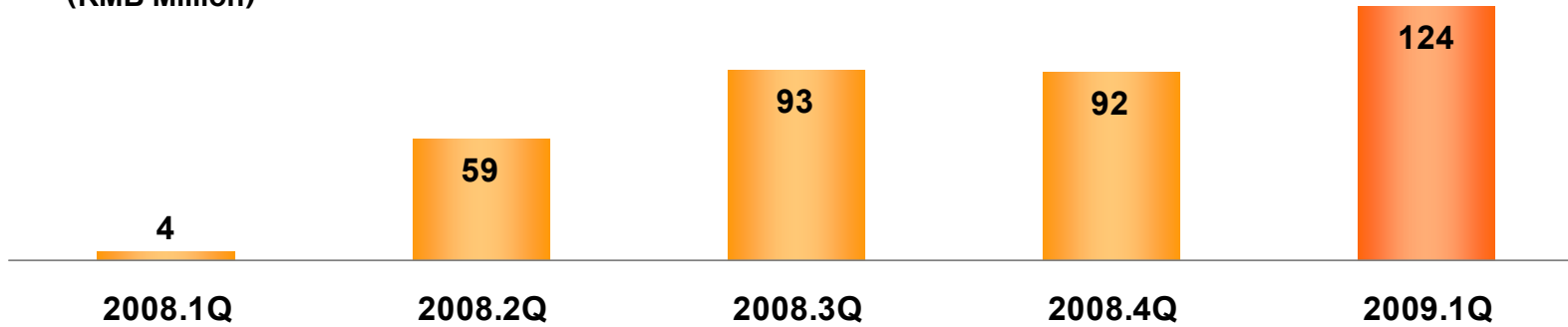


China Sales Performance

Driving Tomorrow NEXEN

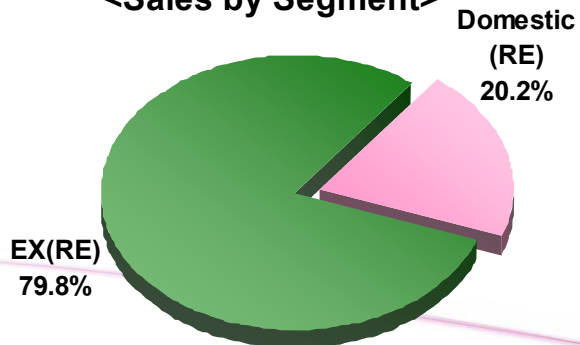
Sales Growth

(RMB Million)

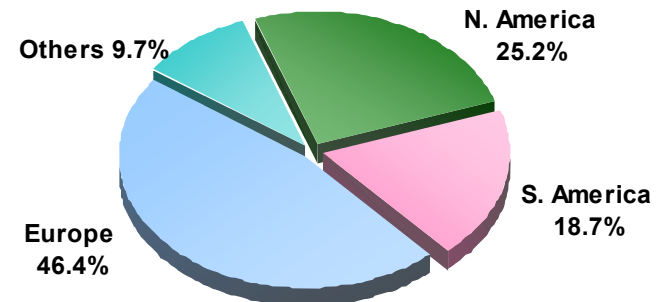


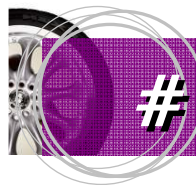
Sales by Segment

<Sales by Segment>



<Export by Region>



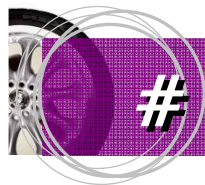


Income Statement [Korea]

Driving Tomorrow NEXEN

(KRW Billion)

	2003	(%)	2004	(%)	2005	(%)	2006	(%)	2007	(%)	2008	(%)
Net Sales	287.6	100.0	304.9	100.0	400.6	100.0	476.8	100.0	567.9	100.0	754.6	100.0
Cost of Goods Sold	207.1	72.0	220.0	72.1	290.9	72.6	362.2	76.0	398.8	70.2	568.1	75.3
Gross Profit	80.5	28.0	84.9	27.8	109.7	27.4	114.4	24.0	169.0	29.8	186.5	24.7
SG&A	48.5	16.9	60.2	19.7	80.0	20.0	89.9	19.9	106.9	18.8	132.8	17.6
Operation Profit	32.0	11.1	24.6	8.1	29.7	7.4	24.5	5.1	62.1	10.9	53.7	7.1
Non-Operating Income	4.6	1.6	6.9	2.3	9.8	2.4	9.6	2.0	12.5	2.2	75.9	10.1
Non-Operating Expenses	7.5	2.6	6.8	2.3	11.4	2.8	15.8	3.3	26.1	4.6	142.3	18.9
Ordinary Profit	29.1	10.1	24.6	8.1	28.2	7.0	18.2	3.8	48.5	8.5	-12.7	-1.7
Income Taxes	8.0	2.8	-7.0	-2.2	6.3	1.6	5.0	1.1	12.3	2.2	3.3	0.4
Net Income	21.1	7.3	31.6	10.3	21.9	5.5	13.2	2.8	36.1	6.4	-16.0	-2.1



Balance Sheet [Korea]

Driving Tomorrow NEXEN

(KRW Billion)

	2003	2004	2005	2006	2007	2008
Asset	336.7	434.0	505.4	536.7	597.4	766.1
Current Assets	80.8	77.6	96.7	105.9	124.0	229.4
Quick Assets	49.5	38.2	53.2	58.8	71.5	141.0
Inventories	31.3	39.4	43.6	47.1	52.4	88.5
Non-Current Assets	255.9	356.4	408.6	430.8	473.5	536.6
Investment Assets	48.7	58.9	56.9	44.9	61.1	87.7
Property & Equipment	206.7	296.9	351.2	360.9	389.3	423.5
Intangible Assets	0.5	0.6	0.6	0.6	1.0	1.0
Liabilities	130.1	200.3	254.4	275.9	306.1	478.2
Current Liabilities	76.9	143.6	113.8	100.0	201.0	283.1
Non-current Liabilities	53.2	56.8	140.6	175.8	105.1	195.1
Capital	206.6	233.7	251.0	260.9	291.4	287.8



Thank you !