



Nexen Tire 2011 4Q Result

Driving Tomorrow NEXEN

2012.01.30
Business Management



- I. Financial Result***
- II. China Plant Result***
- III. 2011 Annual Result***





I. Financial Result

II. China Plant Result

III. 2011 Annual Result



Consolidated key figures

(in KRW billion)

	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Net Sales	401.1	366.5	303.4	32.2%	9.4%
Gross Profit	92.6	84.8	88.0	5.2%	9.1%
<i>Margin(%)</i>	<i>23.1%</i>	<i>23.1%</i>	<i>29.0%</i>	<i>-5.9%P</i>	<i>-0.1%P</i>
Operating profit	16.2	33.5	24.0	-32.5%	-51.7%
<i>Margin(%)</i>	<i>4.0%</i>	<i>9.1%</i>	<i>7.9%</i>	<i>-3.9%P</i>	<i>-5.1%P</i>
Financial income and expenses	7.0	-12.4	1.9	274.4%	156.4%
Income before taxes	23.3	21.1	24.2	-3.8%	10.5%

➤ K-IFRS adoption

Balance Sheet

(in KRW billion)

	2011(A)	2010(B)	(A)-(B)
Assets	1,559.2	1,067.8	491.4
Current Assets	593.2	458.6	134.6
Quick Assets	429.1	335.5	93.6
Inventories	164.1	123.1	41.0
<i>(Cash and Cash Equivalents)</i>	<i>151.8</i>	<i>149.6</i>	<i>2.2</i>
Non-current Assets	966.0	609.2	356.8
Liabilities	1,000.7	583.8	417.0
Current Liabilities	582.0	367.1	214.9
Non-current Liabilities	418.7	216.6	202.1
<i>(Debt)</i>	<i>463.7</i>	<i>246.7</i>	<i>217.0</i>
Shareholders' Equity	558.5	484.0	74.5

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2011	311.9	55.8%	179.2%	101.9%	35.8%
2010	97.0	20.0%	120.6%	124.9%	45.3%

Income Statement

(in KRW billion)

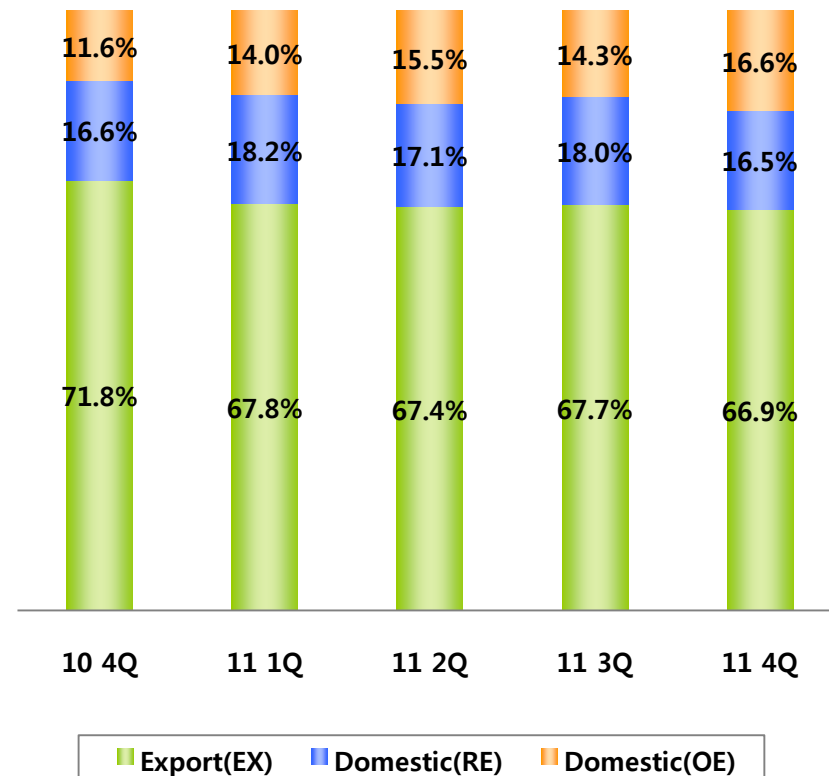
	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Net Sales	322.2	289.3	289.1	11.5%	11.4%
Gross Profit	83.6	65.8	84.7	-1.3%	27.1%
<i>Margin(%)</i>	<i>26.0%</i>	<i>22.8%</i>	<i>29.3%</i>	<i>-3.4%P</i>	<i>3.2%P</i>
Operating Profit	26.8	30.7	35.6	-24.9%	-12.8%
<i>Margin(%)</i>	<i>8.3%</i>	<i>10.6%</i>	<i>12.3%</i>	<i>-4.0%P</i>	<i>-2.3%P</i>
Financial Income & Expenses	6.5	-12.6	-4.3	250.9%	151.1%
Ordinary Profit	33.2	18.0	31.4	6.0%	84.1%
Depreciation	8.6	8.2	7.9	10.0%	5.5%
EBITDA	35.4	38.9	43.6	-18.5%	-8.9%
<i>Margin(%)</i>	<i>11.0%</i>	<i>13.5%</i>	<i>15.1%</i>	<i>-4.1%P</i>	<i>-2.5%P</i>

Sales by Segment

(in KRW billion)

	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Net Sales	322.2	289.3	289.1	11.5%	11.4%
Export	215.6	195.9	207.6	3.8%	10.0%
Domestic	106.7	93.4	81.5	30.9%	14.2%
- RE	53.2	52.1	47.9	11.0%	2.1%
- OE	53.5	41.3	33.5	59.5%	29.6%

<Sales by Segment>

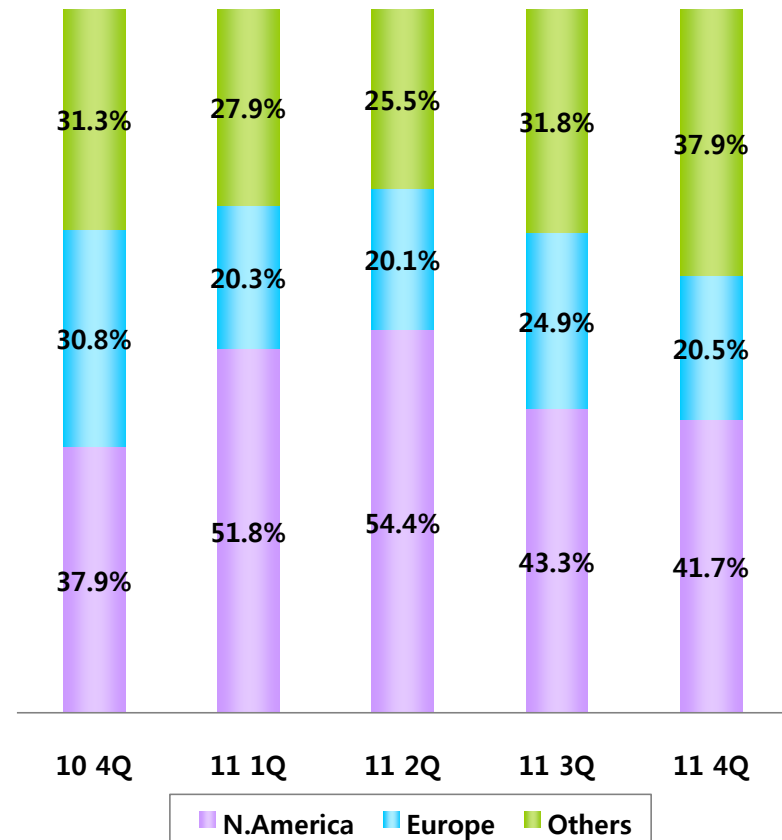


Export by Region

(in KRW billion)

	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Net Sales	322.2	289.3	289.1	11.5%	11.4%
Export	215.6	195.9	207.6	3.8%	10.0%
N. America	89.8	84.8	78.6	14.2%	5.9%
Europe	44.2	48.9	64.0	-31.0%	-9.6%
Others	81.6	62.2	65.0	25.6%	31.1%
KRW/USD	1,146	1,087	1,135	0.9%	5.4%
KRW/EUR	1,541	1,540	1,534	0.5%	0.1%

<Export by Region>



Financial Result (Parent)

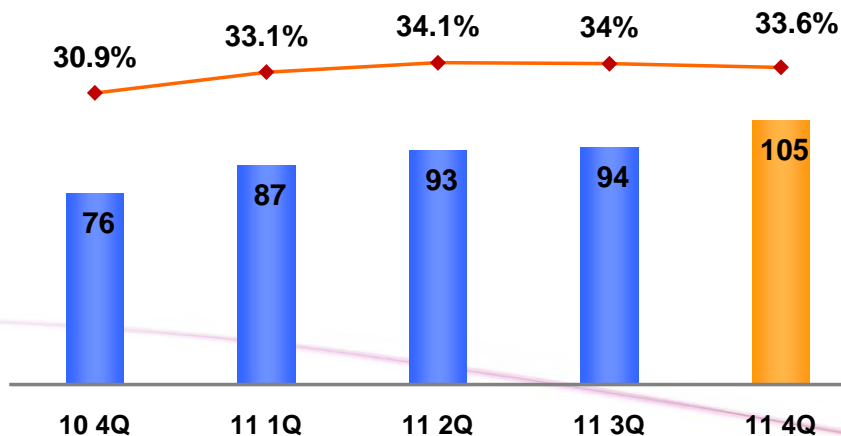
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UHPT Sales

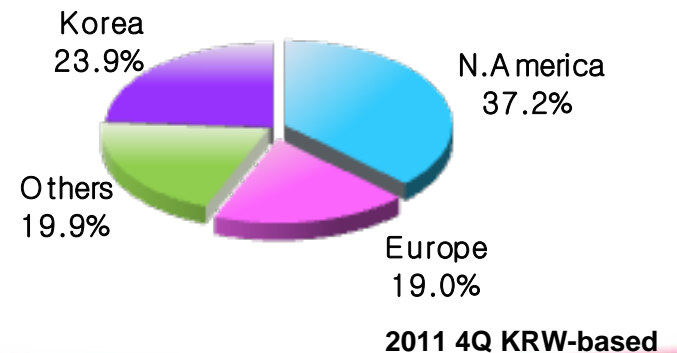
(in KRW billion, thousand units)

	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
UHPT Sales	105.0	93.5	76.4	37.5%	12.3%
UHPT Volume	1,396	1,297	1,174	18.9%	7.6%
% / Net Sales	33.6%	34.0%	30.9%	-0.4%P	2.6%P
% / Total Volume	29.6%	29.9%	26.9%	-0.3%P	2.7%P

Parent only



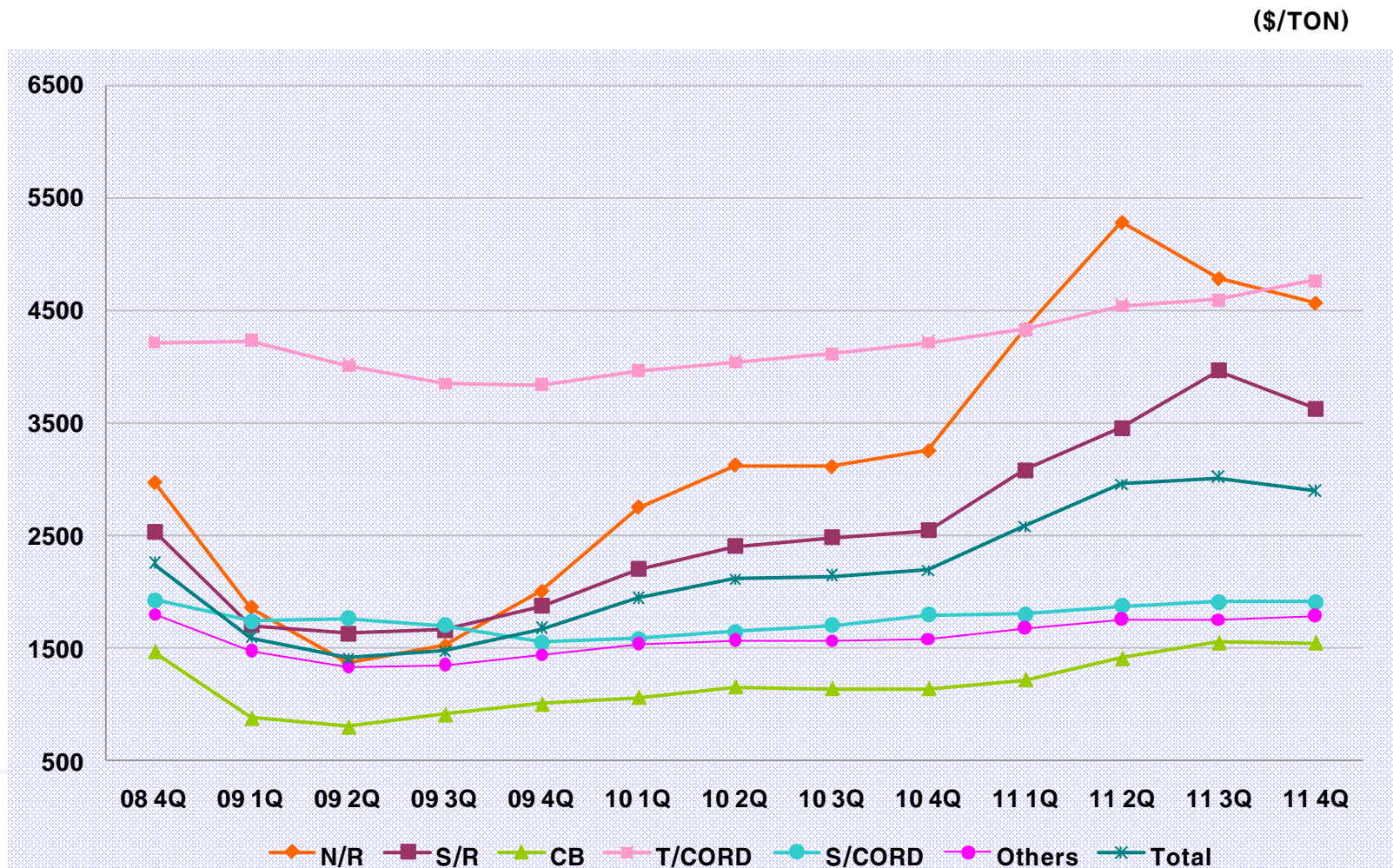
<UHPT sales by region>



Raw Material Prices

	(\$/TON)				
	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Natural Rubber	4,565	4,785	3,781	20.7%	-4.6%
Synthetic Rubber	3,627	3,963	2,978	21.8%	-8.5%
Carbon Black	1,544	1,551	1,305	18.4%	-0.4%
T/CORD	4,766	4,594	5,109	-6.7%	3.7%
S/CORD	1,911	1,912	2,088	-8.4%	0.0%
Chemicals	1,780	1,759	1,929	-7.7%	1.2%
Total	2,893	3,013	2,573	12.4%	-4.0%

Raw Material Prices



Operating Expenses

(in KRW billion)

구 분	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Freight & Logistic Expense	16.5	16.4	15.5	6.2%	0.4%
SG&A expenses	54.2	39.4	44.9	20.7%	37.4%
- Salaries	17.8	12.2	14.6	21.9%	46.7%
- R&D	8.7	6.8	6.3	39.4%	29.0%
- Advertising	3.9	3.2	4.2	-7.4%	21.3%
- Others	23.7	17.3	19.8	20.0%	37.2%
Other income & expenses	-5.7	4.5	-3.6	-57.1%	-226.5%

Financial Income & Expenses

(in KRW billion)

	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Financial income & expenses	7.0	-12.4	1.9	274.4%	156.4%
- Interest	-3.0	-1.7	-3.3	8.0%	-76.2%
- Foreign Currency Transaction	-6.4	3.3	0.3	-2,398.2%	-297.1%
- Foreign Currency Translation	16.1	-14.0	4.5	261.8%	215.4%
- Others	0.3	-	0.4	-22.5%	7,105.0%

Operating Expenses

(in KRW billion)

구 분	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Freight & Logistic Expense	12.2	12.4	16.7	-26.7%	-1.7%
SG&A expenses	43.5	31.3	35.7	22.0%	39.1%
- Salaries	15.1	10.0	12.1	24.8%	51.5%
- R&D	8.4	6.6	6.2	35.4%	27.1%
- Advertising	2.8	2.8	3.1	-7.9%	2.5%
- Others	17.2	12.0	14.3	20.2%	43.9%
Other income & expenses	-1.1	8.6	3.3	-133.7%	-112.8%

Financial Income & Expenses

(in KRW billion)

	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Financial income & expenses	6.5	-12.6	-4.3	250.9%	151.1%
- Interest	-0.4	0.6	-2.0	80.1%	-161.8%
- Foreign Currency Transaction	-6.8	2.3	-0.4	-1,536.2%	-398.6%
- Foreign Currency Translation	13.9	-15.6	-2.3	705.6%	189.2%
- Others	-0.2	-	0.4	-151.9%	-4,886.6%

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- I. Financial Result*
 - II. China Plant Result*
 - III. 2011 Annual Result*

Income Statement

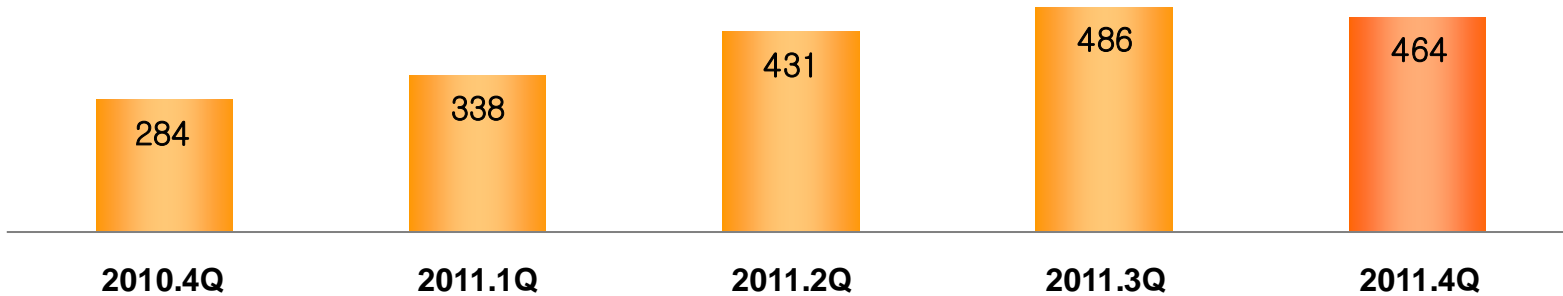
(in RMB million)

	2011 4Q	2011 3Q	2010 4Q	YoY	QoQ
Net Sales	464	486	283	64.0%	-4.5%
Gross Profit	92	86	28	228.6%	7.0%
<i>Margin(%)</i>	<i>19.8%</i>	<i>17.7%</i>	<i>9.8%</i>	<i>10.0%P</i>	<i>2.1%P</i>
Operating Profit	-1	20	-13	92.3%	-105.0%
<i>Margin(%)</i>	<i>-0.2%</i>	<i>4.1%</i>	<i>-4.5%</i>	<i>4.3%P</i>	<i>-4.3%P</i>
Ordinary Profit	-1	20	-12	91.7%	-105.0%
Depreciation	20	19	15	33.3%	5.3%
EBITDA	19	39	3	533.3%	-51.3%
<i>Margin(%)</i>	<i>4.1%</i>	<i>8.0%</i>	<i>1.0%</i>	<i>3.1%P</i>	<i>-3.9%P</i>

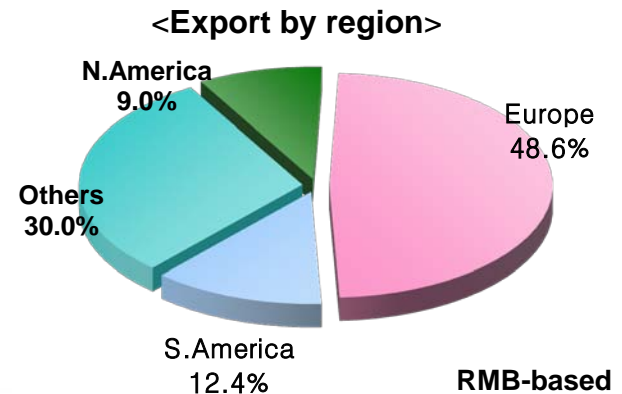
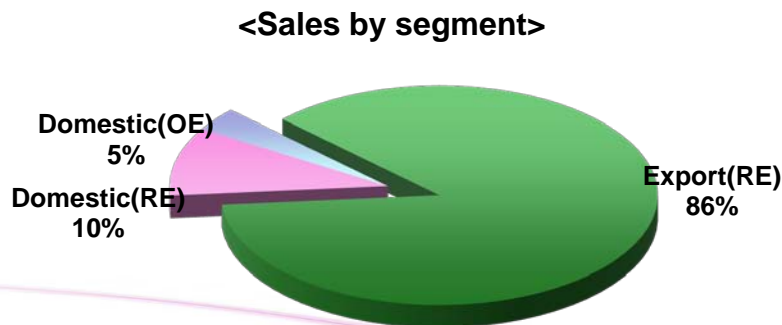
➤ China-GAAP

Sales Growth

(in RMB million)



Sales by Segment





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- III. 2011 Annual Result***

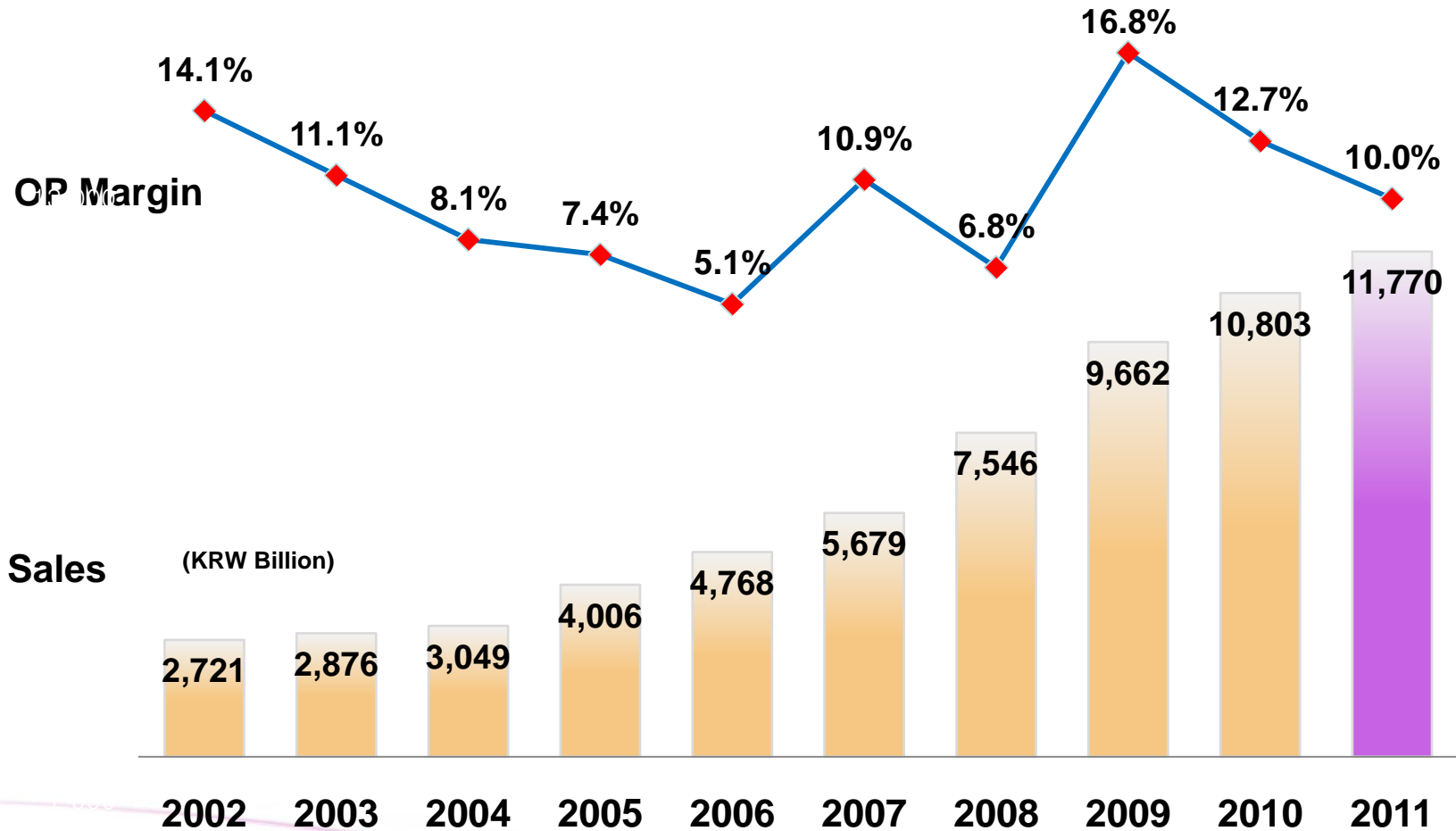


1. Korea – Income Statement

(KRW Billion)

	2011	2010	YoY
Net Sales	1,177.0	1,080.3	9.0%
Gross Profit	286.2	305.8	-6.4%
<i>Margin(%)</i>	<i>24.3%</i>	<i>28.3%</i>	<i>-4.0%P</i>
Operating Profit	117.4	137.1	-14.4%
<i>Margin(%)</i>	<i>10.0%</i>	<i>12.7%</i>	<i>-2.7%P</i>
Non-Op. Income (Loss)	-2.9	-8.9	67.6%
Ordinary Profit	114.5	128.3	-10.7%
Depreciation	32.5	31.1	4.2%
EBITDA	149.8	168.3	-11.0%
<i>Margin(%)</i>	<i>12.7%</i>	<i>15.6%</i>	<i>-4.9%P</i>

1. Korea – Yearly Sales and OP Margin



1. Korea – Sales by segment

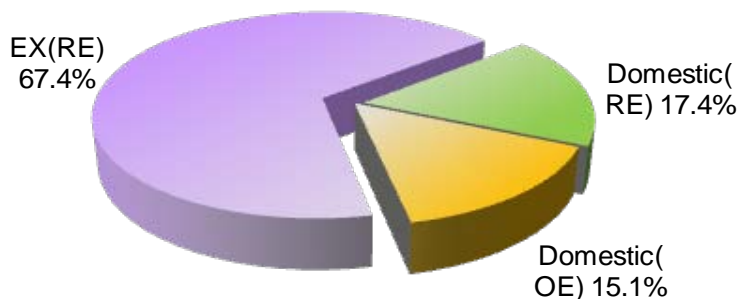
(KRW Billion)

	2011	2010	YoY
Sales	1,177.0	1,080.3	9.0%
Export	793.8	797.6	-0.5%
Domestic	383.3	282.7	35.6%
- RE	205.2	172.0	19.3%
- OE	178.1	110.7	60.9%

(KRW Billion)

	2011	2010	YoY
Export	793.8	797.6	-0.5%
- N.America	377.6	344.5	9.6%
- Europe	170.2	221.8	-23.2%
- Others	245.9	231.3	6.3%

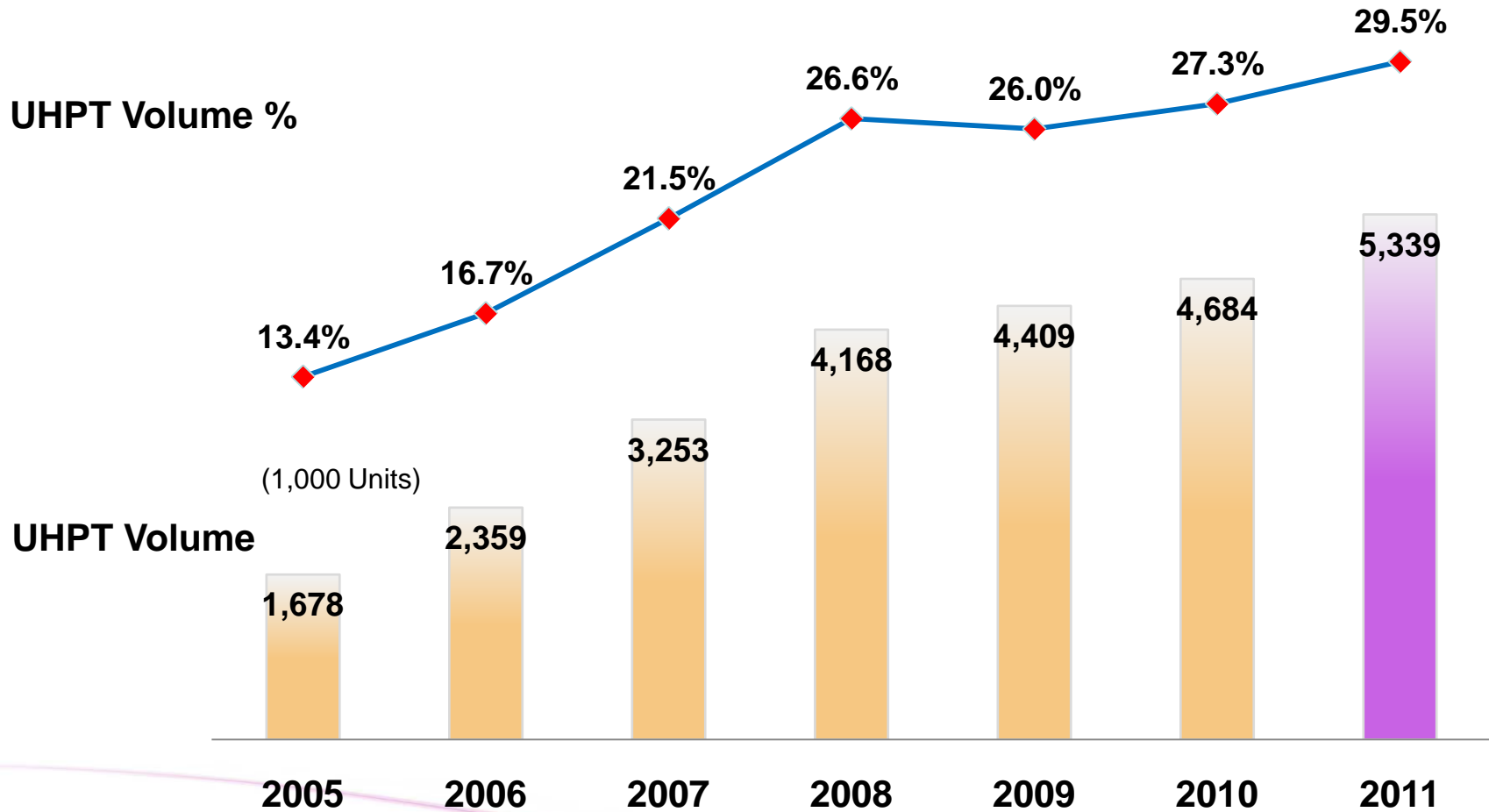
Sales by Segment



Export by Region



1. Korea – Yearly UHPT Sales



1. China – Income Statement

(RMB Million)

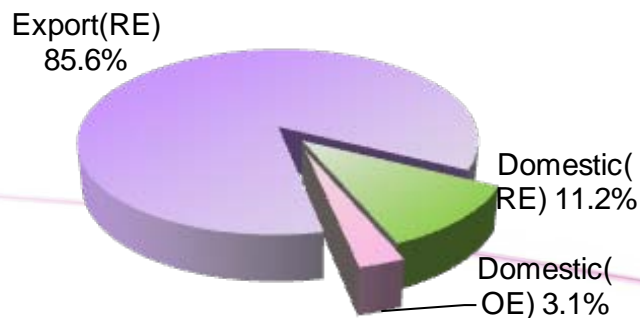
	2011	2010	YoY
Net Sales	1,719	1,100	56.2%
Gross Profit	308	171	80.2%
<i>Margin(%)</i>	<i>17.9%</i>	<i>15.5%</i>	<i>2.4%P</i>
Operating Profit	44	10	347.1%
<i>Margin(%)</i>	<i>2.5%</i>	<i>0.9%</i>	<i>1.7%P</i>
Ordinary Profit	44	12	263.5%
Depreciation	71	60	18.3%
EBITDA	115	69	66.7%
<i>Margin(%)</i>	<i>6.7%</i>	<i>6.3%</i>	<i>0.4%P</i>

2. China – Sales by segment

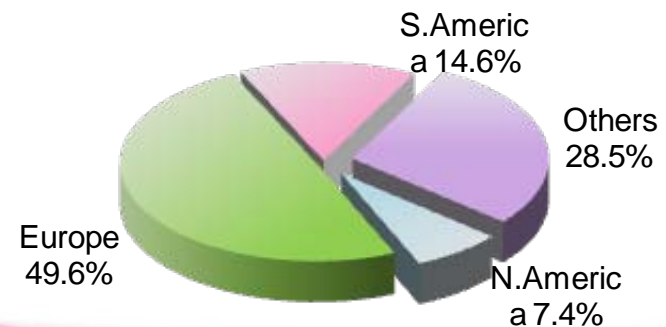
	2011	2010	YoY
Sales	1,719	1,100	56.3%
Export	1,472	853	72.6%
Domestic	183	247	25.9%

	2011	2010	YoY
Export	1,472	853	72.4%
- N.America	109	125	-12.8%
- Europe	730	462	58.1%
- S.America	214	120	78.0%
- Others	419	147	185.0%

Sales by Segment



Export by Region



Balance Sheet [Korea]

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(in KRW Billion)

	2005	2006	2007	2008	2009	2010	2011
Asset	505.4	536.7	597.4	766.1	791.4	925.9	1,559.2
Current Assets	96.7	105.9	124.0	229.4	303.4	331.2	593.2
Quick Assets	53.2	58.8	71.5	141.0	219.8	208.1	429.1
Inventories	43.6	47.1	52.4	88.5	83.6	123.1	164.1
Non-Current Assets	408.6	430.8	473.5	536.6	488.0	594.6	966.0
Investment Assets	56.9	44.9	61.1	87.7	75.3	126.3	147.5
Property & Equipment	351.2	360.9	389.3	423.5	397.8	450.0	807.2
Intangible Assets	0.6	0.6	1.0	1.0	0.7	1.0	2.7
Liabilities	254.4	275.9	306.1	478.2	393.4	462.8	1,000.7
Current Liabilities	113.8	100.0	201.0	283.1	213.8	251.8	582.0
Non-current Liabilities	140.6	175.8	105.1	195.1	179.5	211.0	418.7
Capital	251.0	260.9	291.4	287.8	398.0	463.1	558.5

Income Statement [Korea]

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(in KRW Billion)

	2005	(%)	2006	(%)	2007	(%)	2008	(%)	2009	(%)	2010	(%)	2011	(%)
Net Sales	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	1,177.0	100.0
Cost of Goods Sold	290.9	72.6	362.2	76.0	398.8	70.2	568.1	75.3	655.8	67.9	797.8	73.9	890.8	75.7
Gross Profit	109.7	27.4	114.4	24.0	169.0	29.8	186.5	24.7	310.4	32.1	282.4	26.1	286.2	24.3
SG&A	80.0	20.0	89.9	19.9	106.9	18.8	132.8	17.6	148.2	15.3	180.6	16.7	185.1	15.7
Operation Profit	29.7	7.4	24.5	5.1	62.1	10.9	53.7	7.1	162.2	16.8	101.8	9.4	117.4	10.0
Non-Operating Income	9.8	2.4	9.6	2.0	12.5	2.2	75.9	10.1	46.4	4.8	45.3	4.2	23.5	2.0
Non-Operating Expenses	11.4	2.8	15.8	3.3	26.1	4.6	142.3	18.9	66.8	6.9	49.8	4.6	26.4	2.2
Ordinary Profit	28.2	7.0	18.2	3.8	48.5	8.5	-12.7	-1.7	141.8	14.7	97.3	9.0	114.5	9.7
Income Taxes	6.3	1.6	5.0	1.1	12.3	2.2	3.3	0.4	27.5	2.8	20.5	1.9	23.8	2.0
Net Income	21.9	5.5	13.2	2.8	36.1	6.4	-16.0	-2.1	114.3	11.8	76.7	7.1	90.7	7.7



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Thank you !