



Nexen Tire 2012 4Q Result

Driving Tomorrow NEXEN

2013.02.05
Business Management

This presentation is consolidated financial result in compliance with K-IFRS with unaudited 4nd quarter of 2012 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)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Net Sales	410.7	450.3	401.2	-8.8%	2.4%
Gross Profit	104.8	119.5	92.6	-12.3%	13.2%
<i>Margin(%)</i>	<i>25.5%</i>	<i>26.5%</i>	<i>23.1%</i>	<i>-1.0%P</i>	<i>2.4%P</i>
Operating Profit	23.7	51.3	21.9	-53.9%	8.2%
<i>Margin(%)</i>	<i>5.8%</i>	<i>11.4%</i>	<i>5.5%</i>	<i>-5.6%P</i>	<i>0.3%P</i>
Ordinary Profit	12.8	51.4	23.3	-75.0%	-45.0%
<i>Margin(%)</i>	<i>3.1%</i>	<i>11.4%</i>	<i>5.8%</i>	<i>-8.3%P</i>	<i>-2.7%P</i>
Depreciation	23.5	21.5	18.1	1.3%	-58.2%
EBITDA	47.2	72.8	40.0	-37.6%	-38.6%
<i>Margin(%)</i>	<i>11.1%</i>	<i>16.2%</i>	<i>10.0%</i>	<i>-5.1%P</i>	<i>-7.4%P</i>

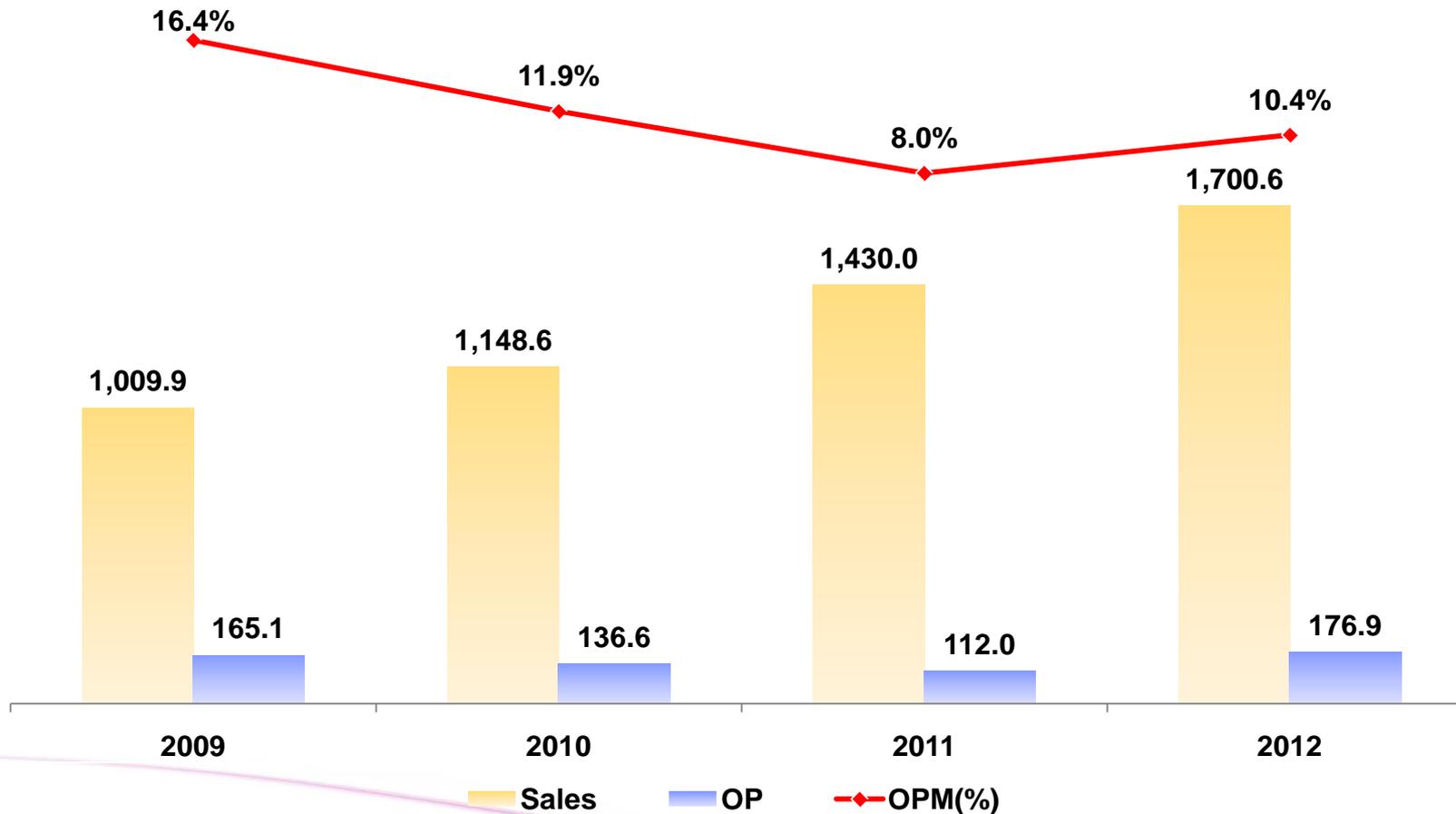
Income Statement (Annual)

(in KRW billion)

	2012	2011	YoY
Net Sales	1,700.6	1,430.0	18.9%
Gross Profit	454.4	344.3	32.0%
<i>Margin(%)</i>	<i>26.7%</i>	<i>24.1%</i>	<i>2.6%P</i>
Operating Profit	176.9	112.0	58.0%
<i>Margin(%)</i>	<i>10.4%</i>	<i>7.8%</i>	<i>2.6%P</i>
Ordinary Profit	156.7	113.1	38.5%
<i>Margin(%)</i>	<i>9.2%</i>	<i>7.9%</i>	<i>1.3%P</i>
Depreciation	81.5	52.1	56.5%
EBITDA	258.4	164.0	57.5%
<i>Margin(%)</i>	<i>15.2%</i>	<i>11.5%</i>	<i>3.7%P</i>

Income Statement (Annual)

(in KRW billion)



➤ K-IFRS applied from 2010

Balance Sheet

(in KRW billion)

	2012 4Q (A)	2011 (B)	(A)-(B)
Assets	2,031.8	1,902.2	129.6
Current Assets	680.9	731.4	-50.5
Quick Assets	415.7	455.4	-39.8
Inventories	265.2	276.0	-10.7
<i>(Cash and Cash Equivalents)</i>	<i>133.6</i>	<i>177.1</i>	<i>-43.5</i>
Non-current Assets	1350.9	1,170.8	180.1
Liabilities	1354.0	1,337.2	16.8
Current Liabilities	637.5	754.3	-116.9
Non-current Liabilities	716.6	582.9	133.7
<i>(Debt)</i>	<i>833.2</i>	<i>735.3</i>	<i>97.9</i>
Shareholders' Equity	677.8	565.0	112.8

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2012 4Q	699.6	103.2%	199.8%	106.8%	33.4%
2011	558.1	98.8%	236.7%	97.0%	29.7%

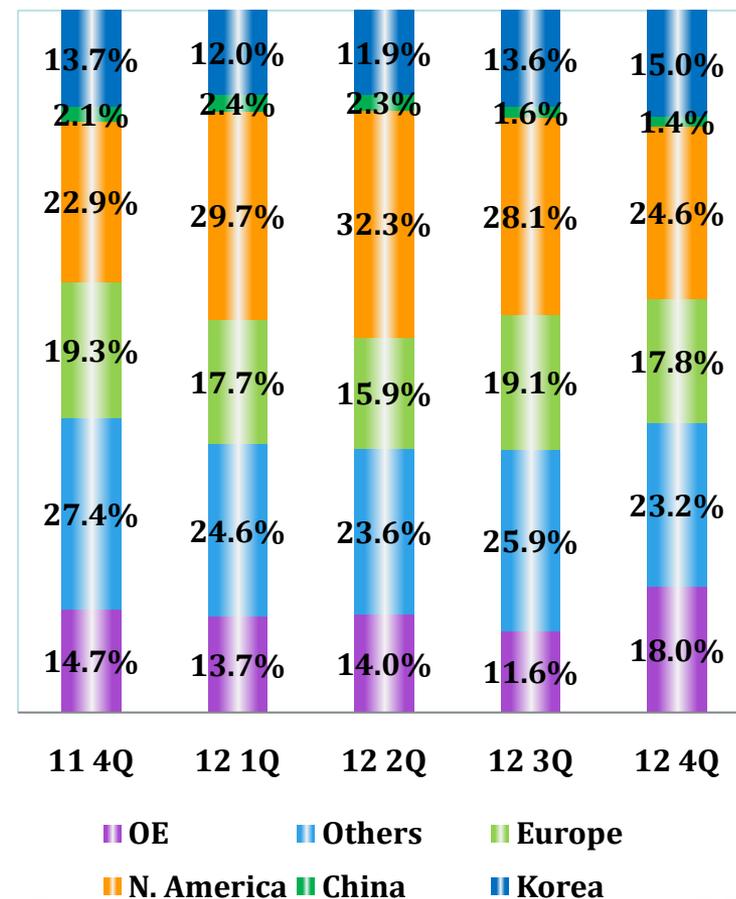
Sales Breakdown

(in KRW billion)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Sales	414.0	459.1	387.8	-9.8%	6.8%
1. RE	339.3	406.0	331.0	-16.4%	2.5%
-Korea	62.0	62.6	53.2	-0.9%	16.6%
-China	5.9	7.5	8.0	-21.3%	-26.4%
-N. America	101.9	129.1	88.0	-21.1%	15.8%
-Europe	73.5	87.8	76.5	-16.3%	-3.9%
-Others	96.0	119.0	105.3	-19.4%	-8.9%
2. OE	74.7	53.2	56.8	40.5%	31.5%

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

<Sales breakdown>

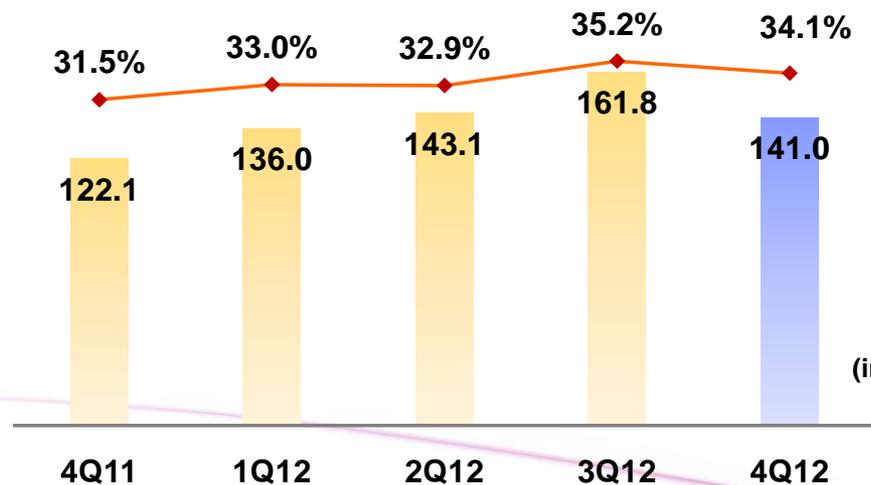


UHPT Sales

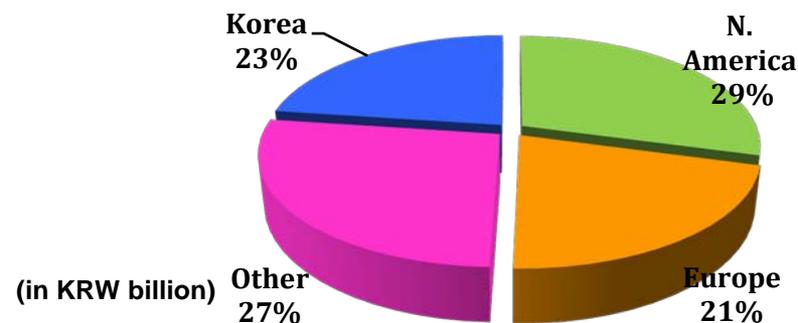
(in KRW billion)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
UHPT Sales	141.0	161.8	122.1	-12.8%	15.5%
% / Net Sales	34.1%	35.2%	31.5%	-1.1%P	2.6%P
% / Total Volume	30.0%	30.1%	25.8%	-0.1%P	4.2%P

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



<UHPT Sales by Region>



2012 4Q KRW-based

Operating Expenses

(in KRW billion)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Freight & Logistic Expense	21.5	22.3	16.5	-3.4%	30.9%
SG&A expenses	59.6	45.8	54.2	30.1%	9.9%
- Salaries	20.5	12.9	17.8	59.5%	14.9%
- R&D	13.0	10.0	8.7	29.9%	48.7%
- Advertising	4.9	3.7	3.9	30.6%	23.6%
- Others	21.3	19.3	23.7	10.4%	-10.3%
Other income & expenses	-2.3	0.7	-1.9	-414.0%	-19.3%

Financial Income & Expenses

(in KRW billion)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Financial income & expenses	-8.5	-0.7	3.4	1,081.4%	-353.6%
- Interest	-7.3	-7.0	-3.0	-4.6%	-141.9%
- Foreign Currency Transaction	2.9	3.5	-0.3	-16.3%	1,013.2%
- Foreign Currency Translation	-4.4	2.5	6.3	-273.5%	-170.0%
- Others	0.3	0.2	0.4	3.7%	-42.4%



II. Consolidated Result

II. Result by Plant



Income Statement

(in KRW billion)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Net Sales	341.6	345.2	322.2	-1.0%	6.0%
Gross Profit	85.9	91.2	83.6	-5.8%	2.7%
<i>Margin(%)</i>	<i>25.1%</i>	<i>26.4%</i>	<i>26.0%</i>	<i>-1.3%P</i>	<i>-0.8%P</i>
Operating Profit	21.9	38.0	27.9	-42.4%	-21.3%
<i>Margin(%)</i>	<i>6.4%</i>	<i>11.0%</i>	<i>8.7%</i>	<i>-4.6%P</i>	<i>-2.2%P</i>
Ordinary Profit	15.2	42.1	33.2	-64.0%	-54.4%
<i>Margin(%)</i>	<i>4.4%</i>	<i>12.2%</i>	<i>10.3%</i>	<i>-7.8%P</i>	<i>-5.9%P</i>
Depreciation	17.6	15.3	9.8	14.8%	78.8%
EBITDA	39.5	53.3	37.7	-26.0%	4.8%
<i>Margin(%)</i>	<i>11.6%</i>	<i>15.5%</i>	<i>11.7%</i>	<i>-3.9%P</i>	<i>-0.1%P</i>

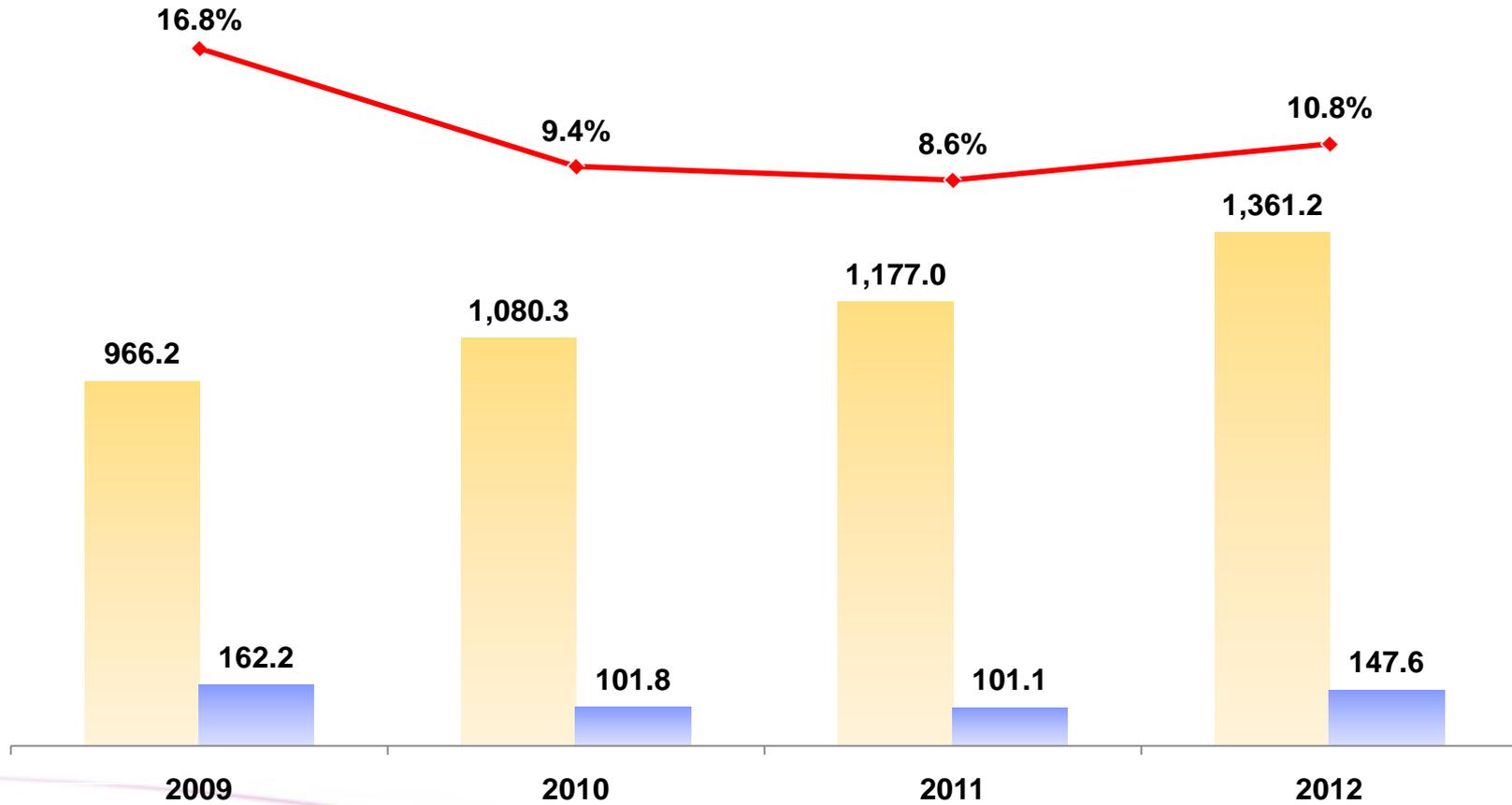
Income Statement (Annual)

(in KRW billion)

	2012	2011	YoY
Net Sales	1,361.2	1,177.0	15.6%
Gross Profit	364.0	286.2	27.2%
<i>Margin(%)</i>	<i>26.7%</i>	<i>24.3%</i>	<i>2.4%P</i>
Operating Profit	147.6	101.1	46.0%
<i>Margin(%)</i>	<i>10.8%</i>	<i>8.6%</i>	<i>2.3%P</i>
Ordinary Profit	150.7	114.5	31.7%
<i>Margin(%)</i>	<i>11.1%</i>	<i>9.7%</i>	<i>1.3%P</i>
Depreciation	56.8	35.4	60.3%
EBITDA	204.4	136.5	49.7%
<i>Margin(%)</i>	<i>15.0%</i>	<i>11.6%</i>	<i>3.4%P</i>

Income Statement (Annual)

(in KRW billion)



➤ K-IFRS applied from 2010

■ Sales ■ OP ◆ OPM(%)

Balance Sheet

(in KRW billion)

	2012 4Q (A)	2011 (B)	(A)-(B)		
Assets	1,691.2	1,555.8	135.5		
Current Assets	552.3	589.8	-37.5		
Quick Assets	372.7	423.5	-50.8		
Inventories	179.6	166.3	13.3		
<i>(Cash and Cash Equivalents)</i>	<i>132.0</i>	<i>151.8</i>	<i>-19.8</i>		
Non-current Assets	1,138.9	966.0	173.0		
Liabilities	1,016.3	995.9	20.5		
Current Liabilities	434.9	578.6	-143.7		
Non-current Liabilities	581.5	417.3	164.2		
<i>(Debt)</i>	<i>563.1</i>	<i>465.1</i>	<i>98.0</i>		
Shareholders' Equity	674.9	559.9	115.0		
	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2012 4Q	431.1	63.9%	150.6%	127.0%	39.9%
2011	313.4	56.0%	177.9%	101.9%	36.0%

Operating Expenses

(in KRW billion)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Freight & Logistic Expense	16.5	16.7	12.2	-1.6%	34.7%
SG&A expenses	47.5	36.4	43.5	30.3%	9.1%
- Salaries	16.9	10.0	15.1	67.9%	11.6%
- R&D	12.5	9.7	8.4	28.2%	49.2%
- Advertising	3.6	3.4	2.8	8.1%	28.3%
- Others	14.5	13.3	17.2	9.1%	-15.7%
Other income & expenses	0.8	4.4	1.7	-82.9%	-54.4%

Financial Income & Expenses

(in KRW billion)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Financial income & expenses	-7.5	-0.3	3.7	2,357.4%	-302.7%
- Interest	-4.9	-4.4	-0.4	11.8%	1,140.5%
- Foreign Currency Transaction	1.4	3.9	-1.7	-64.3%	180.3%
- Foreign Currency Translation	-4.4	0.7	6.0	-701.9%	-172.2%
- Others	0.4	-0.5	-0.2	175.6%	-271.6%

Income Statement

(in RMB million)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Net Sales	457	483	464	-5.3%	-1.5%
Gross Profit	104	103	92	1.6%	13.4%
<i>Margin(%)</i>	<i>22.8%</i>	<i>21.3%</i>	<i>19.8%</i>	<i>1.6%P</i>	<i>3.0%P</i>
Operating Profit	30	27	-1	13.1%	3,462.5%
<i>Margin(%)</i>	<i>6.7%</i>	<i>5.6%</i>	<i>-0.2%</i>	<i>1.1%P</i>	<i>6.8%P</i>
Ordinary Profit	30	28	-1	13.4%	3,277.9%
<i>Margin(%)</i>	<i>6.7%</i>	<i>5.7%</i>	<i>-0.2%</i>	<i>1.1%P</i>	<i>6.9%P</i>
Depreciation	22	21	34	1.7%	-36.7%
EBITDA	52	48	33	8.1%	56.3%
<i>Margin(%)</i>	<i>11.4%</i>	<i>10.0%</i>	<i>7.2%</i>	<i>1.4%P</i>	<i>4.2%P</i>

➤ China-GAAP

Income Statement

(in RMB million)

	2012 4Q	2012 3Q	2011 4Q	QoQ	YoY
Net Sales	457	483	464	-5.3%	-1.5%
Gross Profit	104	103	92	1.6%	13.4%
<i>Margin(%)</i>	<i>22.8%</i>	<i>21.3%</i>	<i>19.8%</i>	<i>1.6%P</i>	<i>3.0%P</i>
Operating Profit	32	34	4	-5.0%	702.3%
<i>Margin(%)</i>	<i>7.0%</i>	<i>7.0%</i>	<i>0.9%</i>	<i>0.0%P</i>	<i>6.1%P</i>
Ordinary Profit	30	28	-1	13.4%	3,277.9%
Depreciation	6.7%	5.7%	-0.2%	1.1%P	6.9%P
<i>Margin(%)</i>	22	21	34	1.7%	-36.7%
EBITDA	54	55	38	-2.4%	40.3%
<i>Margin(%)</i>	<i>11.7%</i>	<i>11.4%</i>	<i>8.2%</i>	<i>0.4%P</i>	<i>3.5%P</i>

➤ K-IFRS standard format

Income Statement

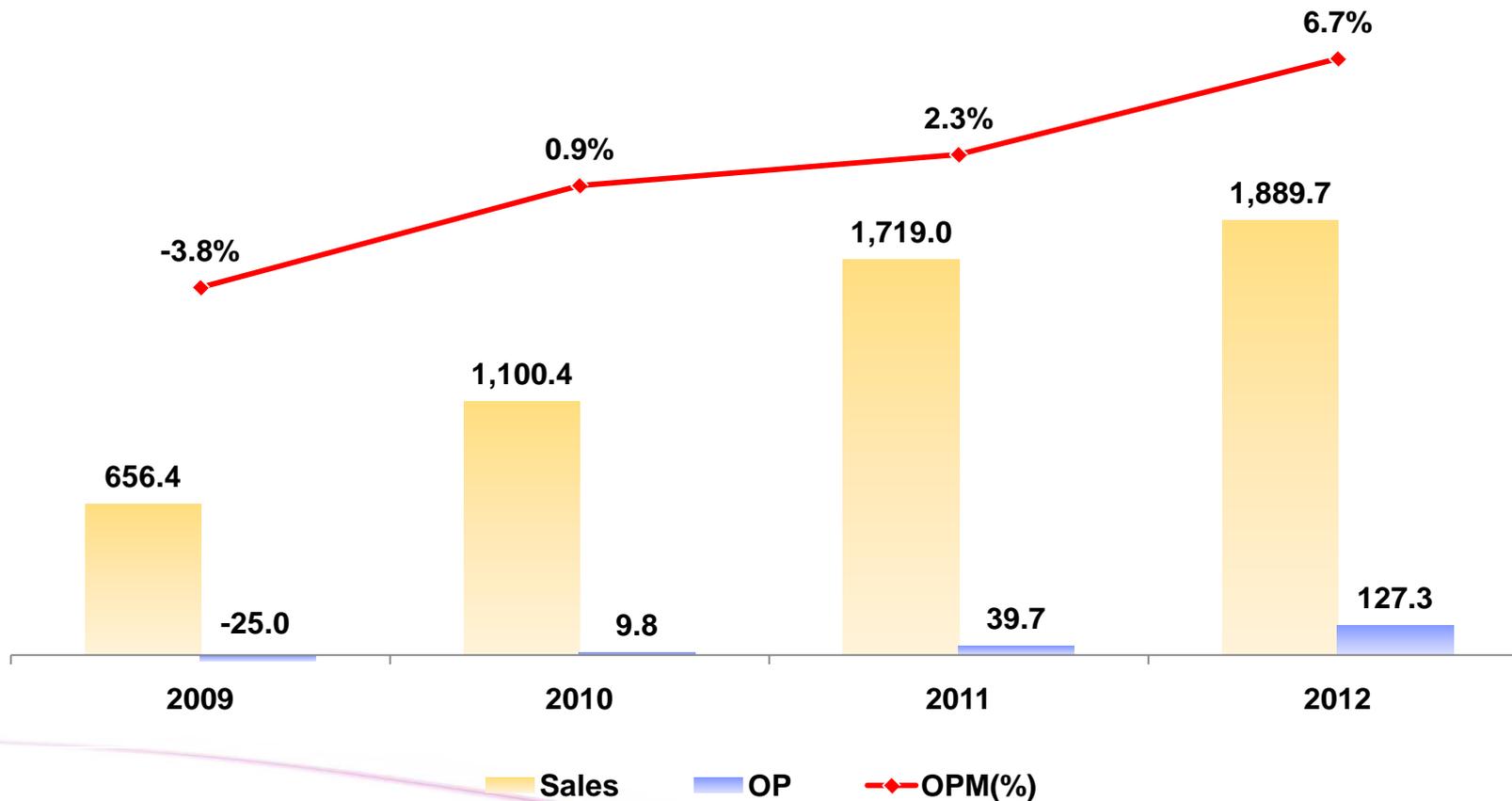
(in RMB million)

	2012	2011	YoY
Net Sales	1,890	1,719	9.9%
Gross Profit	396	308	28.6%
<i>Margin(%)</i>	<i>21.0%</i>	<i>17.9%</i>	<i>3.0%P</i>
Operating Profit	127	40	220.9%
<i>Margin(%)</i>	<i>6.7%</i>	<i>2.3%</i>	<i>4.4%P</i>
Ordinary Profit	79	44	80.1%
Depreciation	4.2%	2.5%	1.6%P
<i>Margin(%)</i>	84	86	-1.8%
EBITDA	212	126	68.6%
<i>Margin(%)</i>	<i>11.2%</i>	<i>7.3%</i>	<i>3.9%P</i>

➤ K-IFRS standard format

Income Statement

(in RMB million)



➤ K-IFRS standard format

Balance Sheet

(in RMB million)

	2012 4Q (A)	2011 (B)	(A)-(B)
Assets	2,744	2,355	388.8
Current Assets	847	856	-8.6
Quick Assets	639	522	117.6
Inventories	208	334	-126.2
<i>(Cash and Cash Equivalents)</i>	<i>118</i>	<i>139</i>	<i>-20.8</i>
Non-current Assets	1,897	1,499	397.4
Liabilities	1,927	1,844	82.9
Current Liabilities	1,167	968	198.8
Non-current Liabilities	760	876	-115.9
<i>(Debt)</i>	<i>1,573</i>	<i>1,480</i>	<i>92.5</i>
Shareholders' Equity	817	511	305.9

	Net debt	Net Debt %	Liabilities %	Current ratio	Equity ratio
2012 4Q	1,455	178.1%	235.8%	72.6%	29.8%
2011	1,342	262.5%	360.7%	88.4%	21.7%

Income Statement (Consolidated)

Driving Tomorrow NEXEN

(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)

Driving Tomorrow NEXEN

(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



Driving Tomorrow NEXEN

Thank you !