

Nexon's Record-Breaking First Quarter 2019 Fueled by Innovation, Longevity of Popular Nexon IP, and Live Services

*Dungeon&Fighter, MapleStory, and FIFA ONLINE 4 Continue to Drive Record-Breaking Revenue
Live Support and Mobile Versions of Established Properties Extend Growth*

TOKYO – May 10, 2019 – NEXON Co., Ltd. (“Nexon”) (3659.TO), a global leader in online games, today announced the financial results for its first quarter ending March 31, 2019.

“Nexon’s strong start to 2019 is a result of our tireless innovation in live services and game development, as well as long-term focus on our wholly-owned intellectual properties,” said Owen Mahoney, president and CEO of Nexon. “We have continued growing our business around the globe through outstanding live operations and development. *Dungeon&Fighter* has beat expectations in China following its impressive live service performance in the quarter, while *MapleStory* has once again recorded double-digit year-over-year revenue growth in Korea. Additionally, following the successful service transition of *FIFA ONLINE 4*¹, we have seen increasingly high engagement in the title with combined PC and mobile revenues close to *FIFA Online 3*¹ in Q1 2017, prior to the service transition.”

“Nexon continues to break industry records for longevity in game franchises,” added Mahoney. “One franchise, *KartRider* has exceeded 380 million registered players, and after 15 years of availability in Korea, has generated an over 3x year-over-year revenue increase. *Crazy Arcade BnB*, released in Korea 18 years ago, was recently released globally on mobile and has surpassed 10 million downloads in less than a month.”

First Quarter 2019 Highlights:

- Revenues ¥93.1 billion, up 3% year-over-year as-reported, up 7% constant currency² – exceeded outlook. Stronger-than-expected performances of *Dungeon&Fighter* in China, *MapleStory*, *FIFA ONLINE 4*¹, and new mobile game *Lyn: The Lightbringer* in Korea
- Operating income ¥52.6 billion – exceeded outlook. Revenue outperformance while recording a ¥2.9 billion impairment loss primarily on prepaid royalties
- Net income³ ¥53.4 billion – exceeded outlook. Operating income outperformance as well as a ¥6.3 billion FX gain primarily on U.S. dollar-denominated cash deposits

Second Quarter 2019 Outlook:

- Expect revenues in the range of ¥52.1 to ¥56.7 billion, up 9% to 19% year-over-year on an as-reported basis, up 12% to 22% year-over-year on a constant currency² basis
- Expect operating income of ¥12.6 to ¥16.3 billion
- Expect net income³ of ¥14.6 to ¥17.8 billion

Conference Call and Replay:

Nexon management will host a conference call for investors, analysts and the media to discuss the company's financial results and outlook. The conference call will be held at 6:00 p.m. Japan Standard Time (JST) / 5:00 a.m. Eastern Daylight Time (EDT), and will be simultaneously conducted in Japanese and English. It will consist of brief remarks made by the management team followed by a Q&A session. Q&A session will be conducted with consecutive interpretation.

■ Conference Call (Japanese & English)

Time: May 10 at 6:00 p.m. JST / 5:00 a.m. EDT (planned)

For English Speakers

Telephone Number: +81-3-6629-1042 (Japan), +1-408-758-9913 (US),
+44-20-3364-5380 (UK), +852-302-77009 (Hong Kong),
+65-640-85783 (Singapore), +82-70-4732-0202 (South Korea)
Pass Code: 19113556#

For Japanese Speakers

Telephone Number: +81-3-6630-2234 (Japan)
Pass Code: 52678558#

■ Conference Call Replay

A replay of the call will be available about 30 minutes after the conclusion of the conference call and can be accessed until May 17, 2019. Webcast replay and the transcript of the call will be available within several days on Nexon's Investor Relations website.

Conference Call Replay (English)

Replay Telephone Number: +81-3-6630-2251 (Japan)
Reference Number: 512467045#

Conference Call Replay (Japanese)

Replay Telephone Number: +81-3-6630-2236 (Japan)
Reference Number: 512467042#

For additional information regarding Nexon's first quarter financial results, please visit the Investor Relations section of Nexon's website at <http://ir.nexon.co.jp/en/>.

This press release is prepared to offer reference information about Nexon to investors and is intended to generally provide investors and analysts with financial and operational information about Nexon, but not to solicit or recommend any sale or purchase of stock or other securities of Nexon.

About NEXON Co., Ltd. <http://company.nexon.co.jp/en/>

NEXON Co., Ltd. ("Nexon") (3659.TO) is a global leader in online games, with more than 60 live games operated across more than 190 countries. Nexon pioneered micro-transactions and free-to-play business model, and is widely credited with unmatched global expertise in sophisticated live game operations, nurturing player communities, and for sustaining games for years, even decades. Founded in Korea in 1994, the Company is now headquartered in Japan and listed on the Tokyo Stock Exchange. In 2017, Nexon was placed on the Nikkei Stock Index 300.

Contact Information

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¹ Official titles are *EA SPORTS™ FIFA Online 3*, *EA SPORTS™ FIFA Online 3 M*, *EA SPORTS™ FIFA ONLINE 4*, and *EA SPORTS™ FIFA ONLINE 4M*.

² Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

³ Net income refers to net income attributable to owners of the parent, as stated in Nexon's consolidated financial results.