



FOR IMMEDIATE RELEASE

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NEXON Co., Ltd.

## Nexon Announces Second Quarter 2013 Results

*New and Existing Titles on PC and Mobile Drive 60% Revenue Growth*

TOKYO – August 9, 2013 – NEXON Co., Ltd. (“Nexon”) (3659.TO), a worldwide leader in free-to-play online games, today announced financial results for its second quarter ended June 30, 2013. Revenues grew 60% year-over-year, operating income increased 21% and net income increased 54%.

“We are pleased with our solid second quarter results, which exceeded the high end of our outlook. The strong performance of new and existing titles in China and Korea drove significant growth and Korea returned to a year-over-year growth trajectory,” said Seungwoo Choi, President and Chief Executive Officer of Nexon. “We also recently announced strategic investments in two best-in-class U.S.-based developers, enhancing Nexon’s Western reach and scale. With a robust portfolio of top-ranking PC games across major markets and an extended mobile presence in Japan and abroad, we are well-positioned to capitalize on the continued industry momentum towards free-to-play across all platforms.”

### Second Quarter Fiscal 2013 Financial Highlights (IFRS) <sup>1</sup> (Millions of yen, except per share data)

	Q2 2012	Q2 2013	YoY%
<b>Revenues</b>	<b>¥22,877</b>	<b>¥36,624</b>	<b>60%</b>
PC	22,697	29,333	29%
Mobile	180	7,291	40.5x
<b>Operating income</b>	<b>11,112</b>	<b>13,425</b>	<b>21%</b>
Net income <sup>2</sup>	7,383	11,365	54%
<b>Earnings per share:</b>	<b>17.05</b>	<b>25.98</b>	<b>52%</b>

Footnotes:

<sup>1</sup> Nexon voluntarily adopted IFRS beginning in the first quarter of 2013.

<sup>2</sup> Net income refers to net income attributable to owners of the parent, as described in Nexon’s consolidated financial results.

Additional information regarding Nexon’s second quarter financial results is available at Nexon’s IR website “IR Library” at <https://ir.nexon.co.jp/en/library/index.html>.



**Revenue Breakdown (IFRS)**  
(Millions of yen)

Revenue by Region <sup>1</sup>	Q2 2012	Q2 2013 (As- Reported)	Q2 2013 (Constant Currency) <sup>3</sup>	YoY % Change	
				As- Reported	Constant Currency <sup>3</sup>
China	¥10,738	¥15,477	¥12,294	44%	15%
Korea	6,251	8,605	6,839	38%	9%
Japan	2,826	9,398	9,398	233%	233%
North America	1,516	1,446	1,167	-5%	-23%
Europe and Others <sup>2</sup>	1,546	1,698	1,356	10%	-12%
<b>Nexon Total</b>	<b>22,877</b>	<b>36,624</b>	<b>31,054</b>	<b>60%</b>	<b>36%</b>

Footnotes:

<sup>1</sup> Based on the region in which revenues originate; not a representation of our revenues according to Nexon entities.

<sup>2</sup> Others: United Kingdom, other Asian countries, and South American countries.

<sup>3</sup> On a constant currency basis (using Q2 2012 currency exchange rates).

**Regional Highlights**

China recorded double digit year-over-year growth on both an as-reported and constant currency basis. Korea returned to a year-over-year growth trajectory. Japan grew year-over-year due to mobile acquisitions.

**China**

Revenues were up 44% year-over-year, or 15% on a constant currency basis. *Dungeon&Fighter* exceeded expectations due to well received updates targeting key holidays. Mobile game *KartRider Rush Plus* topped 10 million downloads.

**Korea**

Revenues were up 38% year-over-year, or 9% on a constant currency basis, representing a return to growth. *FIFA Online 3* and *Sudden Attack* continued their strong performance, ranking #1 in their respective genres. The 10<sup>th</sup> anniversary of *MapleStory* did not perform as expected. Mobile game *Fantasy Runners for Kakao* topped 1 million downloads in one week.

**Japan**

Revenues were up 233% year-over-year due to mobile acquisitions. Existing mobile titles performed well, including *Three Kingdoms Guild Battle*, which recorded peak revenues one year after launch. gloops' first native app, *Euro Club Team Soccer BEST ELEVEN+*, ranked among the top ten grossing apps in the Apple App Store in Japan.

**North America**

Revenues were down 5% year-over-year, or 23% on a constant currency basis. Nexon made strategic investments in two top-tier US-based development studios, SecretNewCo and Rumble Entertainment, both of which excel in producing compelling content that appeals to Western users.



### Europe and Others

Revenues were up 10% year-over-year, or down 12% on a constant currency basis. Nexon launched *Counter-Strike Online* in Turkey.

### Third Quarter 2013 Business Outlook

The following table presents Nexon's outlook for the third quarter of fiscal 2013.

(Millions of yen)	Q3 2012 (IFRS)	Q3 2013 (IFRS)	
<b>Revenues</b>	¥24,257	¥37,153	~ ¥39,816
PC	23,567	30,578	~ 32,655
Mobile	690	6,575	~ 7,161
<b>Operating income</b>	10,602	12,246	~ 14,534
<b>Net income</b>	7,352	8,889	~ 10,426
<b>Earnings per share</b>	16.94	20.36	~ 23.88

The Company also expects a weaker Japanese yen to continue to contribute to year-over-year growth based on its ¥95.59 per US\$1 and ¥8.67 per 100KRW currency exchange assumptions.

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

NEXON Co., Ltd. ("Nexon") (3659.TO) is a worldwide leader in free-to-play online games. Founded in Korea in 1994, Nexon developed one of the world's first graphics-based massively multiplayer online games. Nexon also pioneered the concept of microtransactions and the free-to-play business model, setting a new standard in which play is free, and users have the option to purchase in-game items to enhance their experience. Nexon currently services nearly 60 online games in more than 100 countries and since its founding, Nexon has generated more than 1.4 billion player registrations. The Company is headquartered in Tokyo, Japan and its shares are listed on the Tokyo Stock Exchange.

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