



August 10, 2017

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Announcement Regarding Difference Between Second Quarter Outlook and Actual Results

TOKYO – August 10, 2017 – NEXON Co., Ltd. (“Nexon”) (3659.TO) today made an announcement regarding the difference between the consolidated results outlook for the first six months and the second quarter of the accounting year ending December 31, 2017 as announced on May 12, 2017 and actual performance.

1. Difference between the consolidated results outlook and actual results

Difference between the business outlook for the first six months (January 1, 2017 through June 30, 2017) and actual performance
 (Prepared in accordance with IFRS)

(Units: millions of yen, %)

	Revenue	Operating Income	Income Before Income Taxes	Net Income	Net Income Attributable to Owners of the Parent	Basic Earnings per Share from Continuing Operations
Initial forecast (A)	116,102	50,920	37,131	30,102	30,312	69.50 yen
	-	-	-	-	-	-
	119,603	53,749	39,954	32,493	32,690	74.95 yen
Performance for the first six months (B)	121,856	56,040	46,947	39,114	39,354	90.11 yen
Difference (B-A)	5,754	5,120	9,816	9,012	9,042	
	-	-	-	-	-	
	2,253	2,291	6,993	6,621	6,664	
Percentage change (%)	5.0%	10.1%	26.4%	29.9%	29.8%	
	-	-	-	-	-	
	1.9%	4.3%	17.5%	20.4%	20.4%	

Difference between the business outlook for the second quarter (April 1, 2017 through June 30, 2017) and actual performance
(Prepared in accordance with IFRS)

(Units: millions of yen, %)

	Revenue	Operating Income	Income Before Income Taxes	Net Income	Net Income Attributable to Owners of the Parent	Basic Earnings per Share from Continuing Operations (yen)
Initial forecast (A)	41,310	11,158	12,099	10,289	10,406	23.82 yen
	-	-	-	-	-	-
	44,811	13,987	14,921	12,681	12,783	29.26 yen
Second quarter performance (B)	47,064	16,278	21,915	19,302	19,448	44.42 yen
Difference (B-A)	5,754	5,120	9,816	9,012	9,042	
	-	-	-	-	-	
	2,253	2,291	6,993	6,621	6,664	
Percentage change (%)	13.9%	45.9%	81.1%	87.6%	86.9%	
	-	-	-	-	-	
	5.0%	16.4%	46.9%	52.2%	52.1%	

2. Reason for the difference

Revenues and operating income for the first six months (January 1, 2017 through June 30, 2017) and the consolidated second quarter (April 1, 2017 through June 30, 2017) outperformed the previous outlook mainly as the result of PC online game revenues in the China region by customer location exceeding expectations.

Furthermore, income before income taxes, net income and net income attributable to owners of the parent company exceeded the previous outlook as the result of revenue outperformance as above, as well as recording a foreign currency gain of JPY 5,092 million as financial income arising from U.S.-dollar-denominated cash deposits and trade accounts receivables owned by foreign subsidiaries, primarily due to the depreciation of the Korean won against the U.S. dollar in the consolidated second quarter.