

Earnings Release for 1st Quarter of 2011

Investor Relations



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Table of Contents

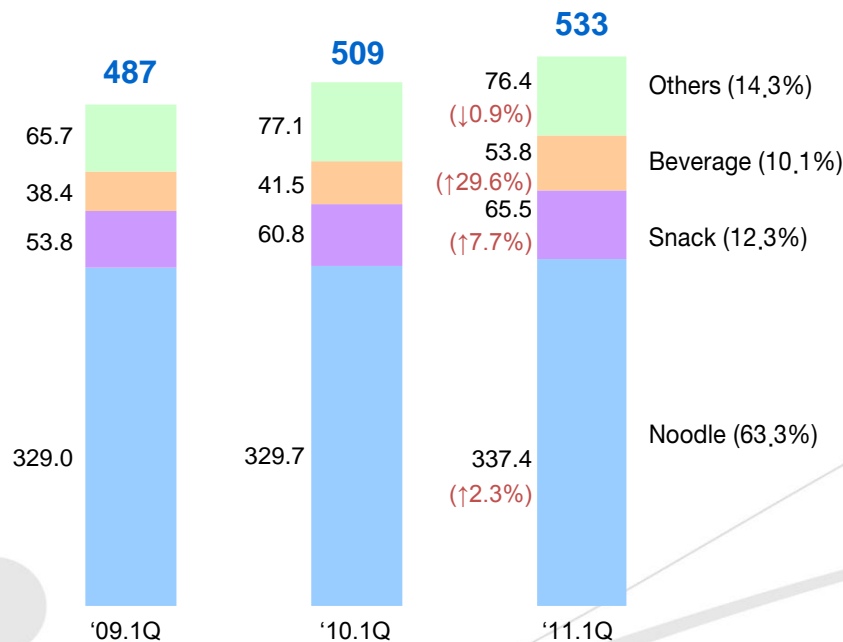
- I . Business Performance in
1st Quarter of 2011
- II . Performance by Divisions
 - Noodle Division
 - Snack Division
 - Beverage Division
 - Others
 - Globalization
- Appendix

I . Business Performance in 1st quarter of '11

1. Sales

Sales Break-down

Unit : krw bn



※ Sales are excluding sales commission (liabilities of estimated Return goods, sales rebate).

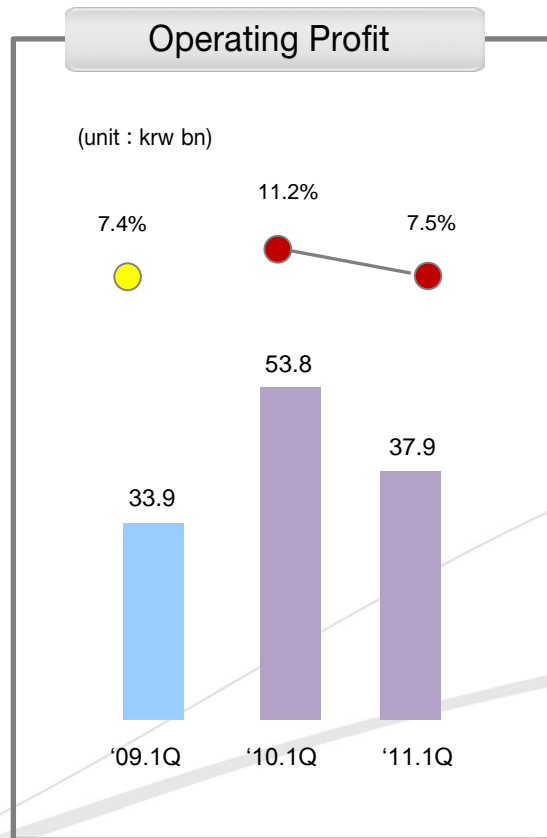
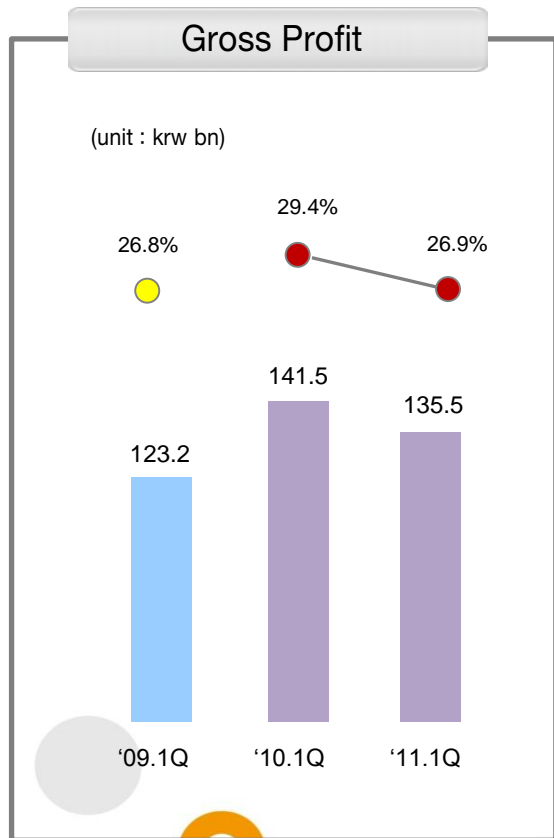
※ Figures in parenthesis are proportions of each business division.

Business Performance in 1st Quarter of '11

- Overall sales increased 4.7% YoY
- Noodle
 - Overall noodle market was up
- Snack
 - Sales increased in potato chips
- Beverage
 - Strong sales of Samdasoo & Welch's
- Others
 - Export sales increased
 - Closed business in fishery products

1. Business Performance in 1st quarter of '11

2. Profitability



Gross Profit

- Higher raw material prices contributed to decreased gross profit

Operating Profit

- SG&A cost ₩96.8bn → ₩98.2bn
- Transportation and storage expense : ₩15.0bn → ₩16.7bn
- Foreign exchange profit ₩3.9bn → ₩2.2bn
- Changed the way to deal with support fund of sales(↓ ₩1.9bn)
: Miscellaneous revenue → Balance 'cost of goods sold '

※ K-IFRS applies to '10.1Q & '11.1Q / K-GAAP applies to '09.1Q

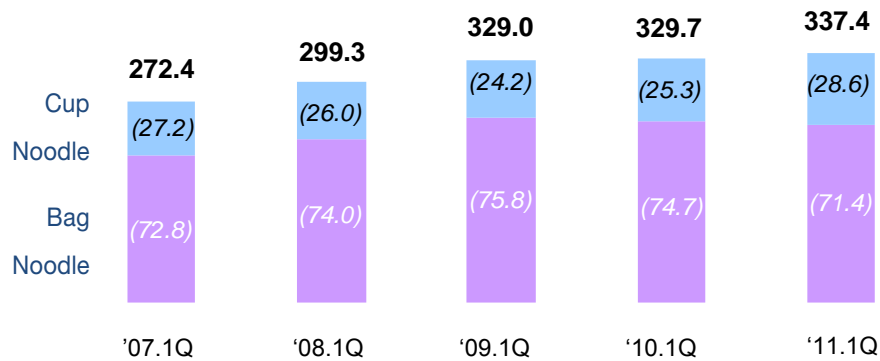
II. Performance by Divisions

1. Noodle Division

Sales Trend of Noodle Division

(Unit : krw bn, %)

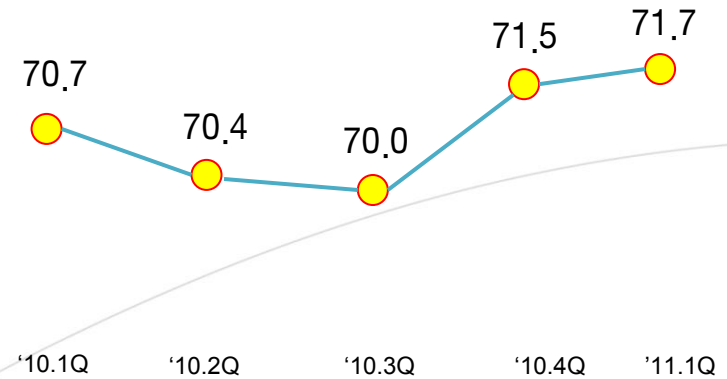
5-Year CAGR = 5.5%



※ Figures in parenthesis represent total percent data.

Size of total Noodle market and the Trend of NS M/S

(Unit : %)



※ Figures represent AC. Nielsen RI M/S data.

● Sales increased by 2.3% YoY

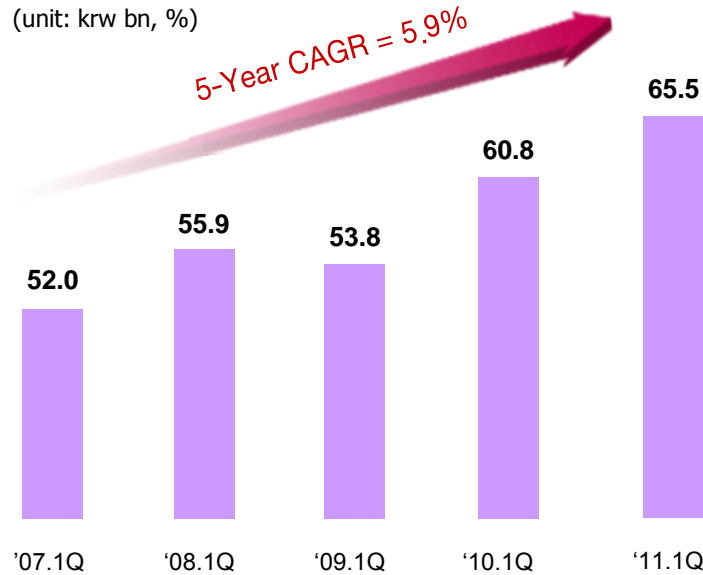
- Volume of domestic market increased slightly
- Sales of cup noodle rose 16.7%

11. Performance by Divisions

2. Snack Division

Sales Trend of Snack Division

(unit: krw bn, %)

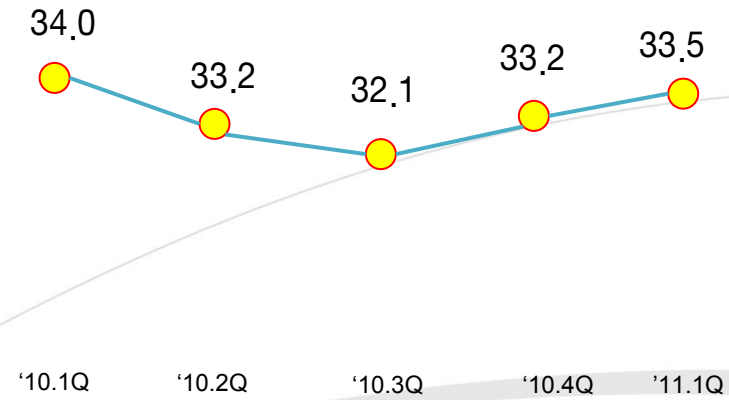


※ Source : Nongshim

● Sales increased by 7.7% YoY

Size of total Snack Market and the Trend of NS M/S

(unit: %)



※ Figures represent AC. Nielsen RI M/S data.

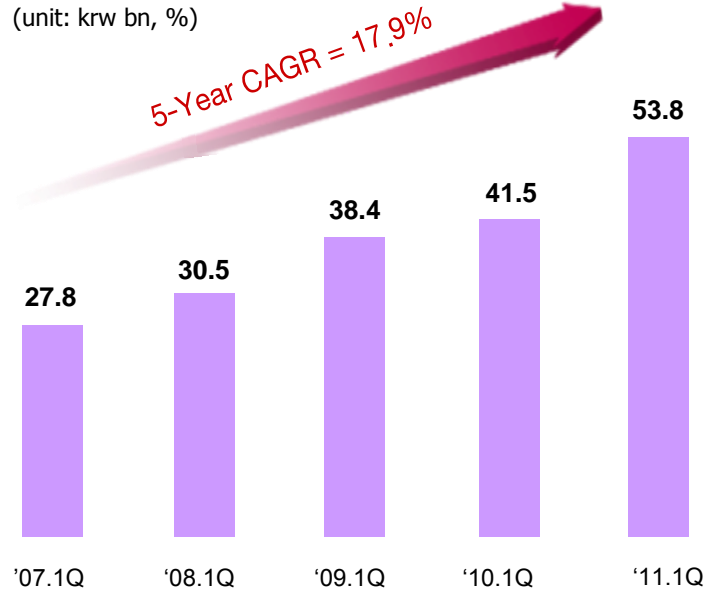
- Sales of potato chips were strong
 - Sales increased year on year thanks to Sumi Chip & Chip Potato
- Sales of flour based snacks increased

11. Performance by Divisions

3. Beverage Division

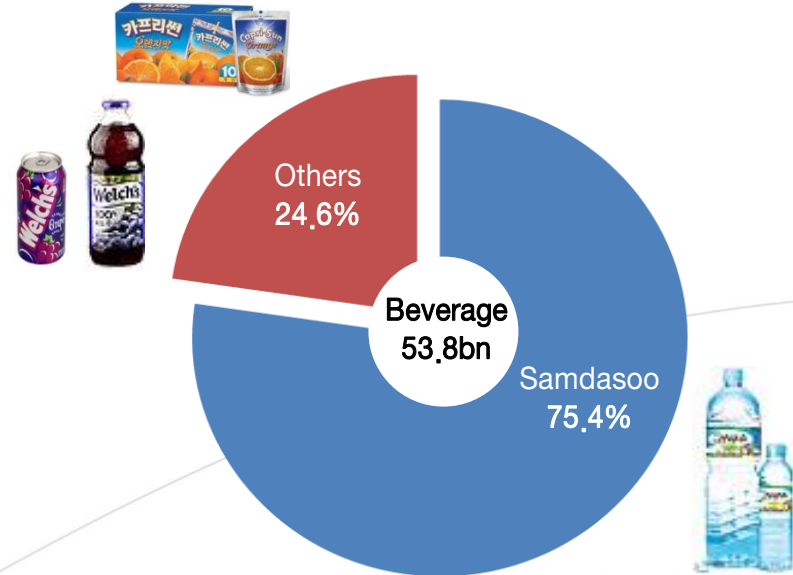
Sales Trend of Beverage Division

(unit: krw bn, %)



※ Source : Nongshim

Proportion of Beverage by brand



● Sales increased by 29.6% YoY

- Sales of main brands Increased
 - Samdasoo(32.1%), Welch's(27.0%), Caprisun(6.5%)

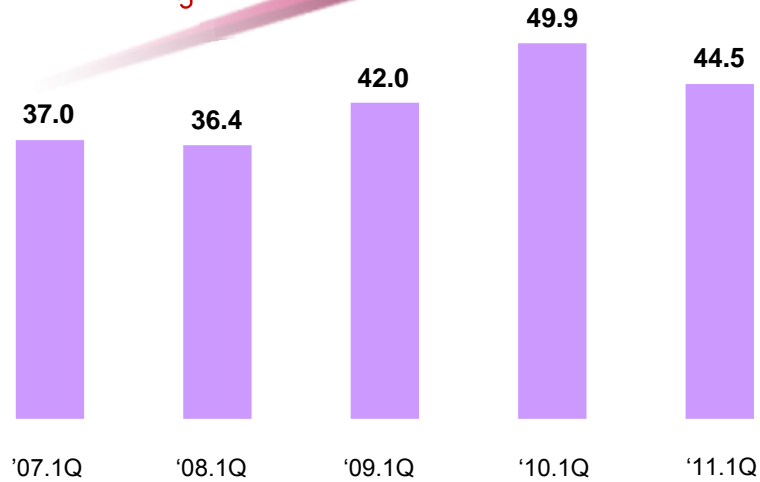
II. Performance by Divisions

4. Others

Sales Trend of Merchandise

(unit: krw bn, %)

5-Year CAGR = 4.7%

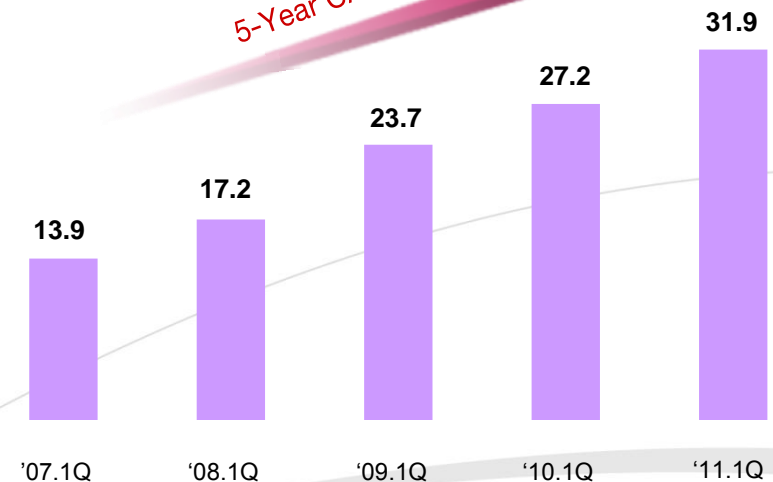


※ Source : Nongshim

Sales Trend of Export

(unit: krw bn, %)

5-Year CAGR = 23.1%



※ Source : Nongshim

● Sales decreased by 10.8% YoY

- Increased in main items
: Kellogg's(3.3%) & Chupa Chups(5.3%)
- Withdrew fishery products business

● Sales increased by 17.4% YoY

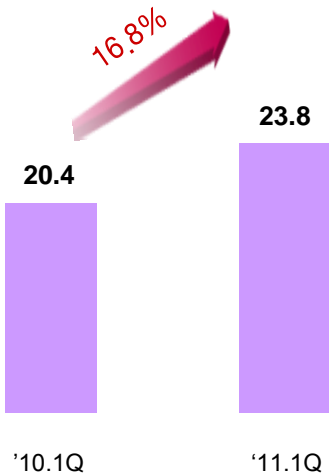
- Export to Japan(↑ 55%) & Russia(↑ 35%) increased

II. Performance by Divisions

5. Globalization

China

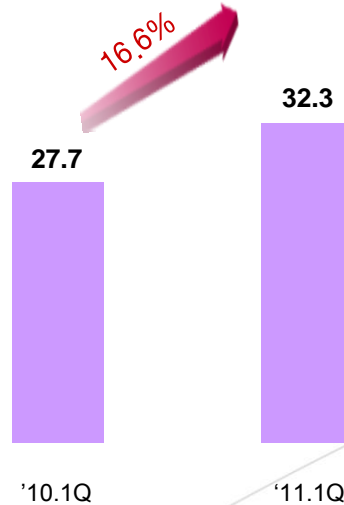
(unit : U\$mn)



※ Source : Nongshim

U.S

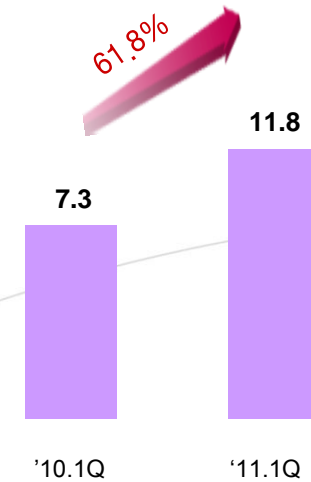
(unit : U\$mn)



※ Source : Nongshim

JAPAN

(unit : U\$mn)



- Sales increased by 61.8% YoY
 - Sales of Shin Brand was up 78%
 - Expanded sales of well-being noodles

- Sales increased by 16.8% YoY
 - Expanded Sales to 2~3 level cities
 - Expanded Sales through e-commerce

- Sales increased by 16.6% YoY
 - Accelerated sales in mainstream market
 - Sales in Asian & Hispanic market increased

Appendix.

1. Summary of Financial Statements

Balance Sheet

(unit: krw bn, %)

Account	'07	'08	'09	'10	'11.1Q
Total Assets	1,559	1,725	1,813	2,153	2,205
Cash/Deposits	351	341	439	498	533
Trade Receivables	108	115	128	147	170
Inventories	77	128	120	104	96
Investment	69	132	138	178	182
Tangible Assets	927	938	915	934	918
Total Liabilities	534	616	605	684	727
Trade Payables	239	274	290	307	312
Short-term Borrowings	29	69	55	59	56
Long-term Borrowings		41			
Total shareholders' equity	1,025	1,110	1,208	1,469	1,477
Shareholders' equity	30	30	30	30	30
D/E Ratio	52.1	55.5	50.1	46.6	49.2
Net Cash	322	231	384	439	477
BPS(₩)	168,528	182,492	198,557	241,485	242,891

※ K-IFRS applies to '10 & '11.1Q / K-GAAP applies to from '07 to '09

Income Statement

(unit: krw bn, %)

Account	'07	'08	'09	'10.1Q	'11.1Q
Sales					
Ramyun	1,061	1,197	1,286	330	337
Snack	217	205	227	61	66
Beverage	136	162	198	42	54
Others	187	213	243	77	76
Total	1,600	1,776	1,954	509	533
Gross profit	458	476	502	142	136
Operating Income	114	101	105	54	38
Ordinary Income	142	107	156	59	42
Net Income	103	79	128	46	32
Sales growth rate *	1.0%	11.0%	10.0%	4.6%	4.7%
Rp growth rate *	-10.1%	-25.1%	46.7%	-	-28.6%
Op Margin	7.5%	6.0%	5.7%	11.2%	7.5%
Rp Margin	9.4%	6.4%	8.5%	12.2%	8.4%
EPS (₩)	17,870	13,569	22,041		
ROE (%)	10.4	7.4	11.0		

※ Sales are excluding sales commission (liabilities of estimated Return goods, sales rebate)
K-IFRS applies to '10.1Q & '11.1Q / K-GAAP applies to from '07 to '09