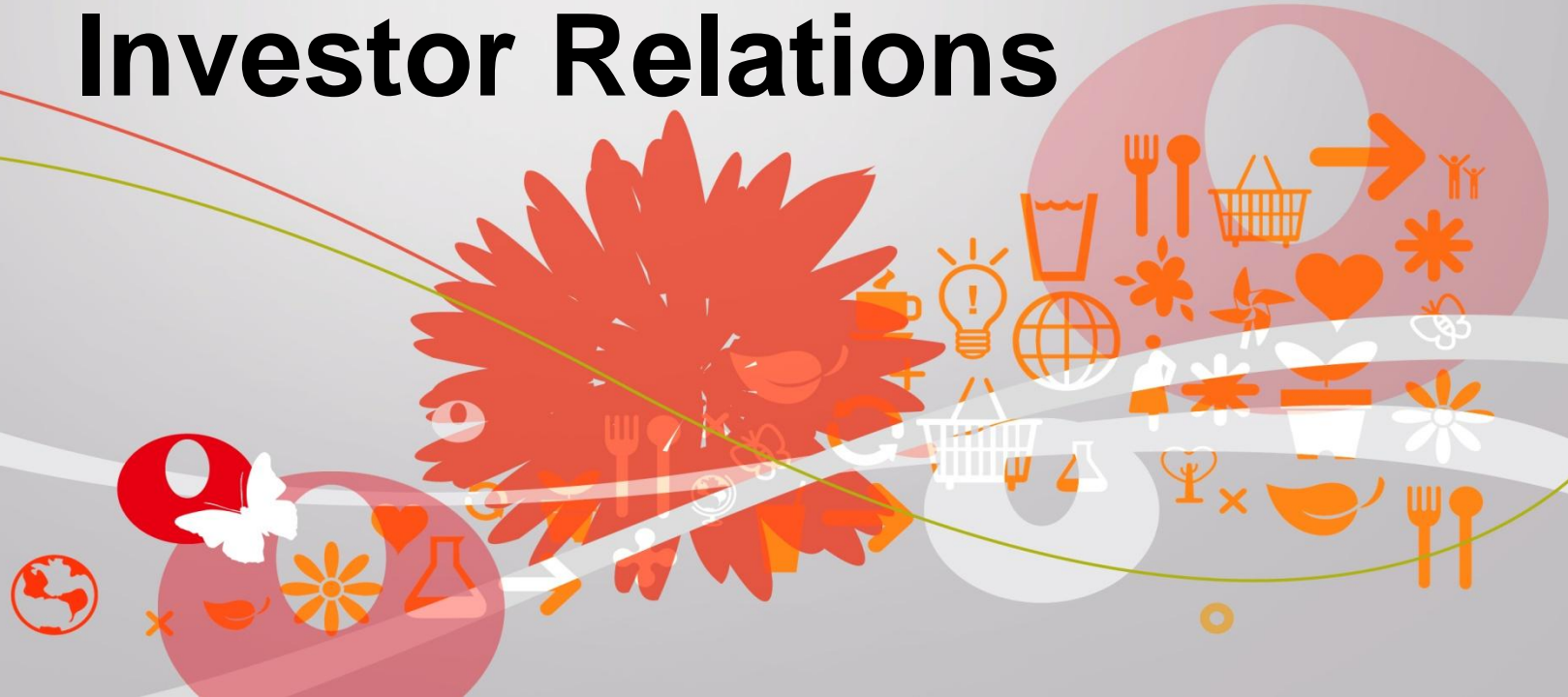


# Earnings Release for 1<sup>st</sup> Quarter of 2012

## Investor Relations



The data and information stated or implied in the material contain certain forward-looking statements that are subject to known and unknown risks and uncertainties that may cause actual results to differ from those stated or implied.





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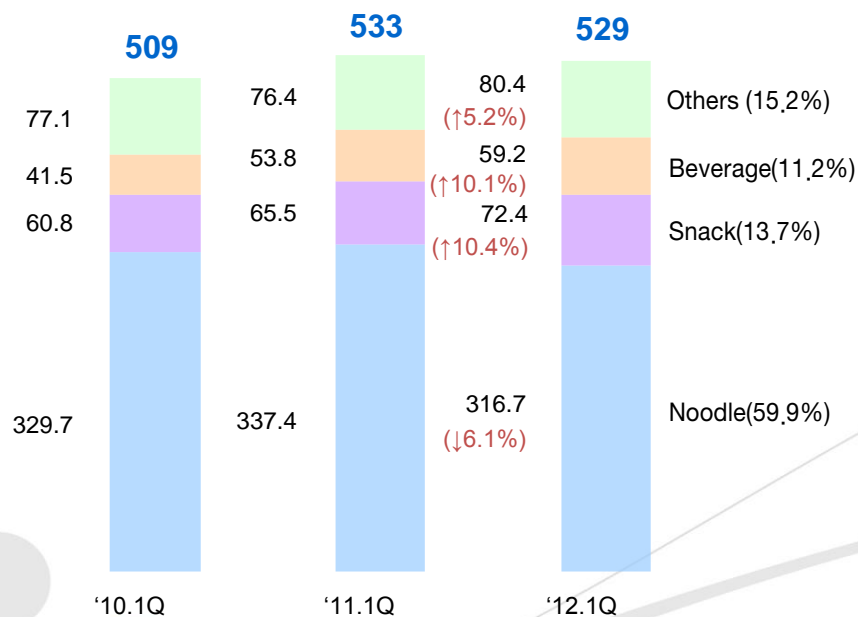
- I . Business Performance in 1st Quarter of 2012
- II . Performance by Divisions
  - Noodle Division
  - Snack Division
  - Beverage Division
  - Others
- Appendix

# I . Business Performance in 1<sup>st</sup> quarter of '12

## 1. Sales

### Sales Break-down

Unit : krw bn



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

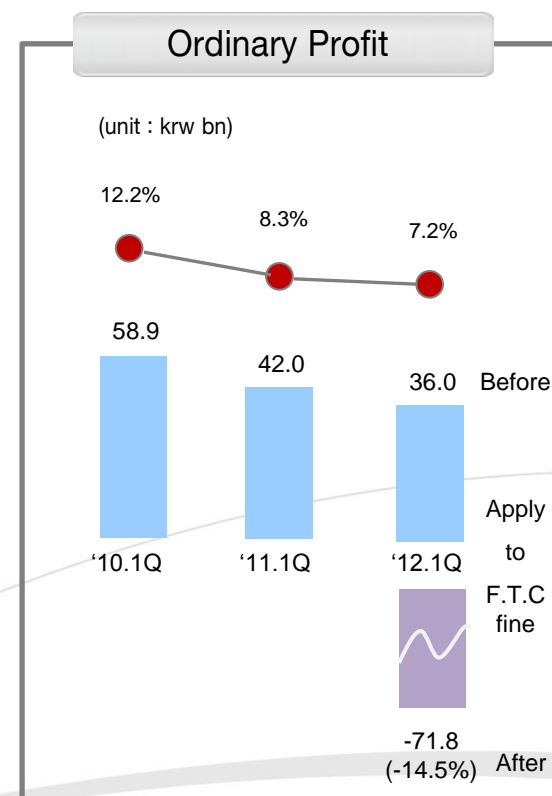
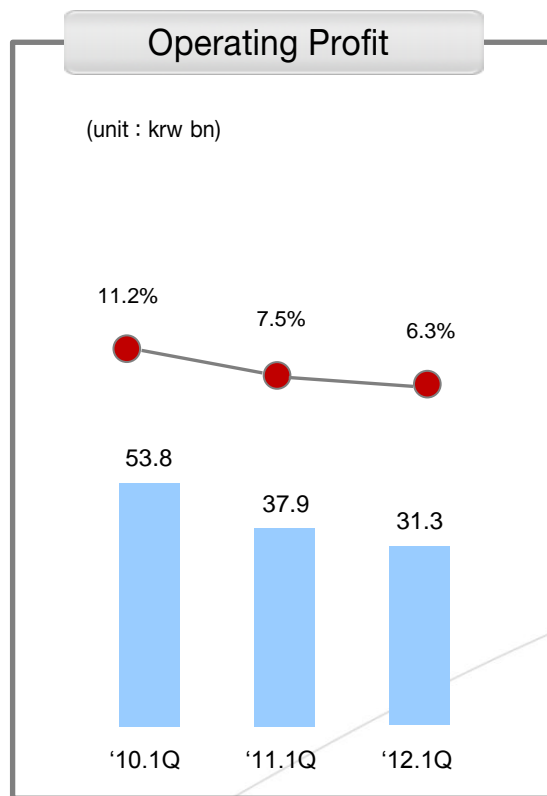
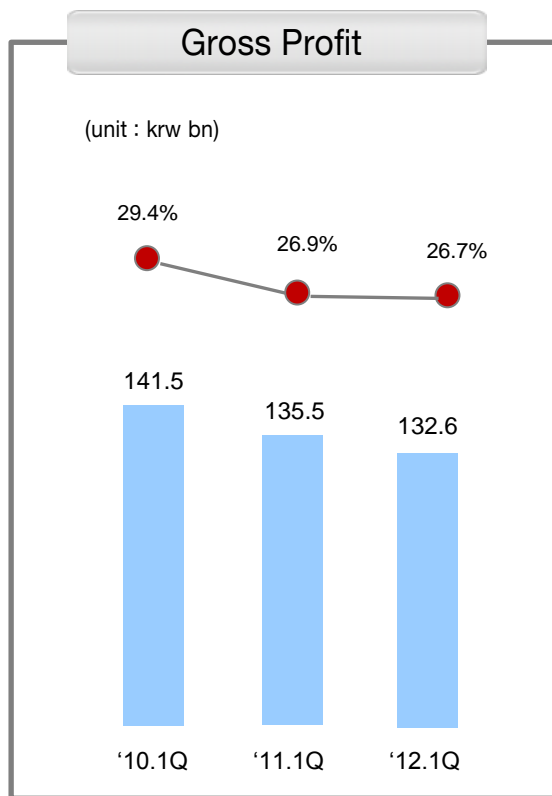
※ Figures in parenthesis are proportions of each business division.

### Business Performance in 1<sup>st</sup> Quarter of '12

- Overall sales decreased slightly
- Noodle
  - Sales of pillow-type noodles was weak
- Snack
  - Strong sales of flour based snacks
  - Sales rose due to the effect of price hike
- Beverage
  - Strong sales of Samdasoo and Caprisun
- Others
  - Export sales increased
  - Sales of foreign brands increased due to expansion in sales of Chupa Chups

# 1. Business Performance in 1<sup>st</sup> quarter of '12

## 2. Profitability



※ K-IFRS applies

- Sales of instant noodles was weak, offsetting the effect of price hike in noodle business

- SG&A cost increased due to higher advertising & promotion expense
- SG&A cost ₩98.2bn → ₩105.5bn
  - Samples ₩4.7bn → ₩7.9bn
  - Advertisement ₩17.1bn → ₩17.9bn

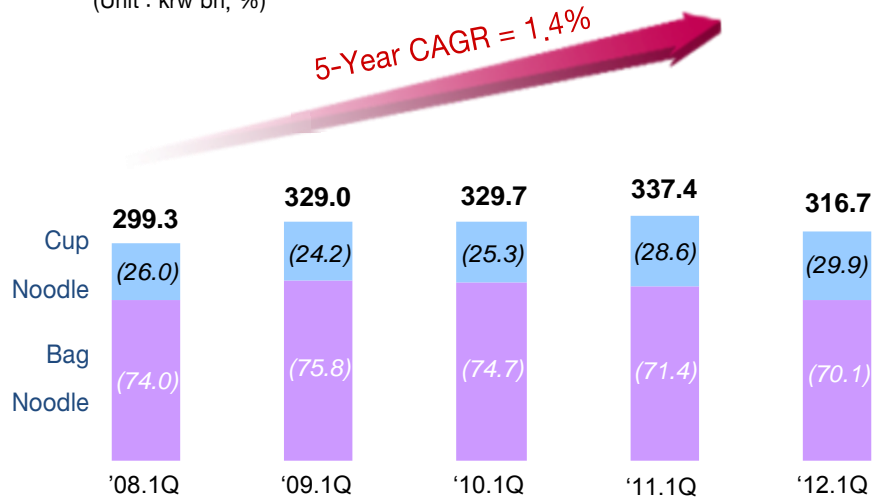
- Foreign exchange profit ₩2.2bn → ₩0.2bn
- F.T.C fine ₩107.8bn

# II. Performance by Divisions

## 1. Noodle Division

### Sales Trend of Noodle Division

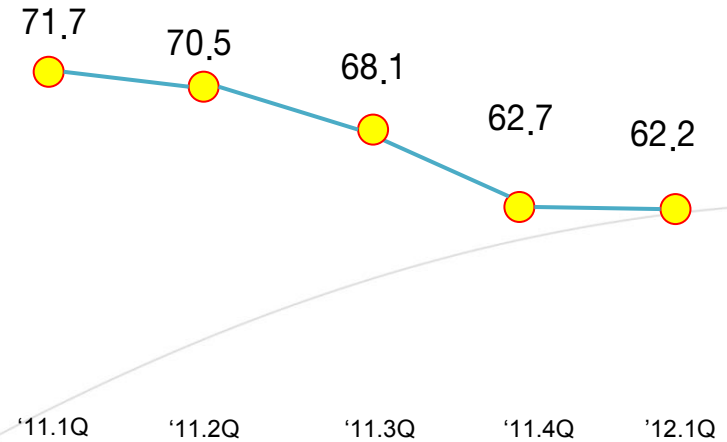
(Unit : krw bn, %)



※ Figures in parenthesis represent total percent data.

### The Trend of Nongshim M/S in total Noodle Market

(Unit : %)



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

● Sales decreased by 6.1% YoY

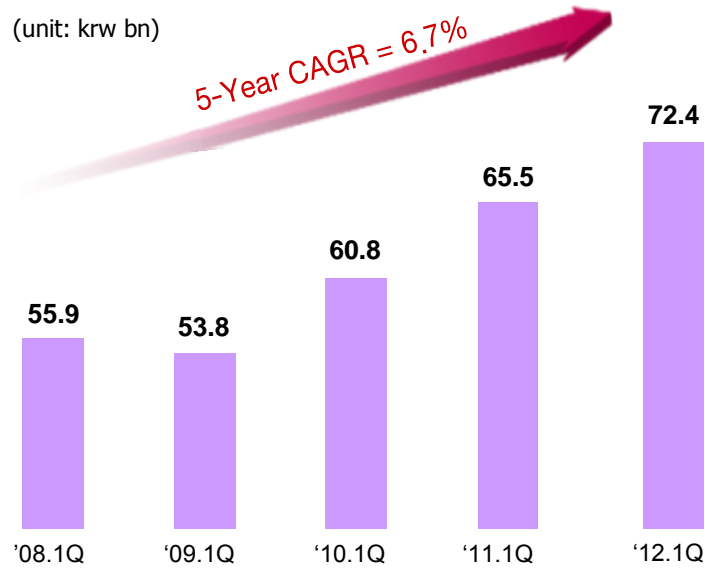
• Sales of pillow-type noodles decreased by 7.7% year on year

# II. Performance by Divisions

## 2. Snack Division

### Sales Trend of Snack Division

(unit: krw bn)

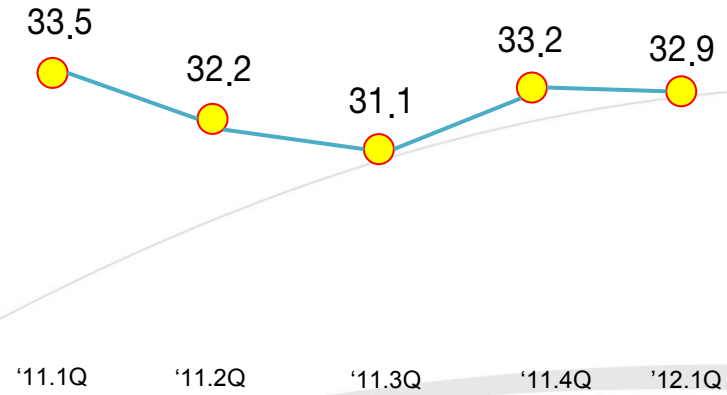


※ Source : Nongshim

● Sales increased by 10.4% YoY

### The Trend of Nongshim M/S in total Snack Market

(unit: %)



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

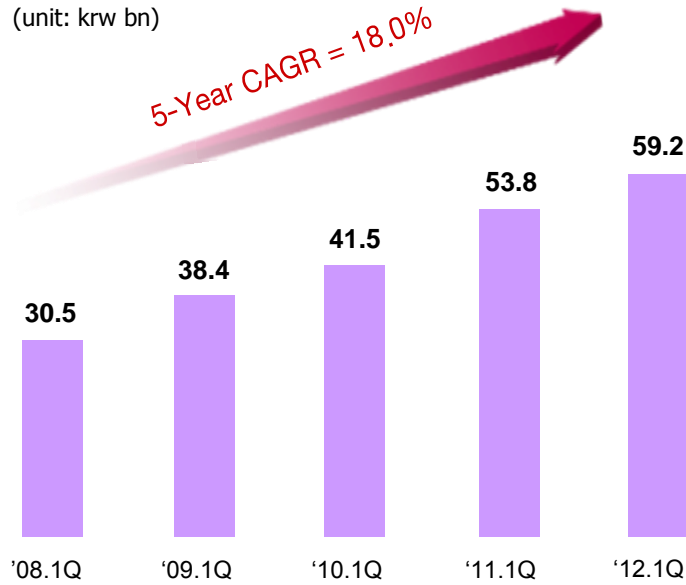
- Sales of flour based snacks increased
  - Shrimp Crackers( ↑ 16.5%) & Honey Twist Snack( ↑ 15.7%)

## II. Performance by Divisions

### 3. Beverage Division

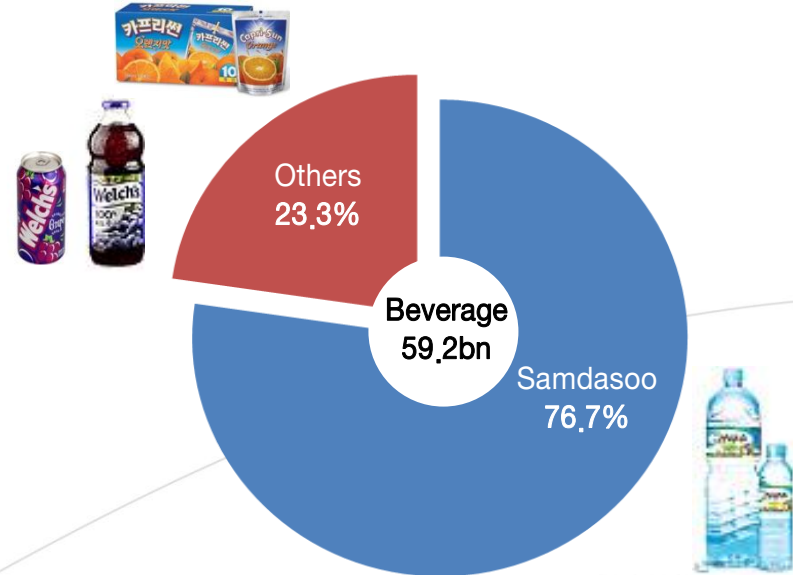
Sales Trend of Beverage Division

(unit: krw bn)



※ Source : Nongshim

Proportion of Beverage by Brand



● Sales increased by 10.1% YoY

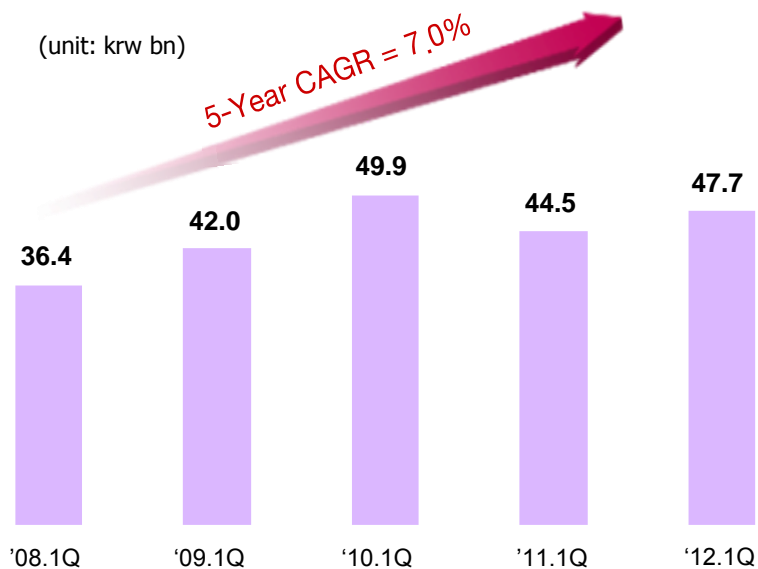
- Sales of main brands increased
  - Samdasoo( ↑ 11.9%) & Caprisun( ↑ 13.6%)



## II . Performance by Divisions

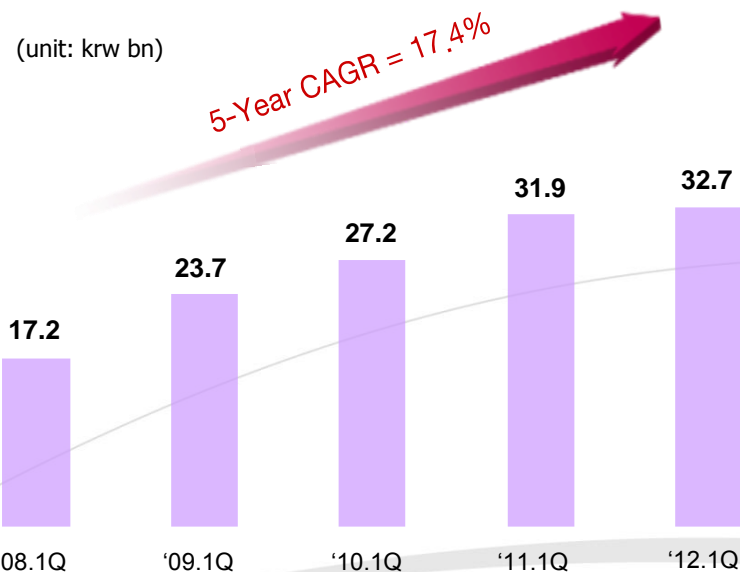
### 4. Others

Sales Trend of Merchandise



※ Source : Nongshim

Sales Trend of Export



※ Source : Nongshim

● Sales increased by 7.1% YoY

- increased in main items

: Chupa Chups(21.9%) & Tulip Ham(4.4%)

● Sales increased by 2.6% YoY

- Export to Europe & Oceania increased ( ↑ ₩1.2bn)

# Appendix.

## 1. Summary of Financial Statements

### Balance Sheet

(unit: krw bn, %)

Account	'08	'09	'10	'11	'12.1Q
Total Assets	1,725.3	1,812.7	2,113.6	2,170.4	2,186.9
Cash/Deposits	340.5	439.2	497.9	493.0	514.5
Trade Receivables	115.0	127.5	147.0	158.2	164.1
Inventories	127.6	120.4	103.5	128.5	117.8
Investment	132.2	138.0	181.3	198.2	199.8
Tangible Assets	938.0	914.8	933.9	930.4	924.8
Total Liabilities	615.5	605.0	675.3	692.1	811.1
Trade Payables	274.4	290.1	307.3	313.9	297.2
Short-term Borrowings	68.8	54.9	58.9	101.0	99.0
Long-term Borrowings	40.9				
Total shareholders' equity	1,109.8	1,207.7	1,438.3	1,478.3	1,375.8
Shareholders' equity	30.4	30.4	30.4	30.4	30.4
D/E Ratio	55.5	50.1	47.0	46.8	59.0
Net Cash	230.8	384.3	439.0	392.0	415.6
BPS(₩)	182,492	198,557	236,456	243,040	226,185

※ K-IFRS applies to '10, '11 & '12.1Q  
K-GAAP applies to '08 & '09

### Income Statement

(unit: krw bn, %)

Account	'09	'10	'11	'11.1Q	'12.1Q
Sales					
Ramyun	1,285.8	1,257.2	1,290.3	337.4	316.7
Snack	227.3	244.1	273.3	65.5	72.4
Beverage	198.0	230.1	251.1	53.8	59.2
Others	243.0	277.2	278.7	76.4	80.4
Total	1,954.1	2,008.6	2,093.4	533.1	528.6
Gross profit	501.7	540.9	506.9	135.5	132.6
Operating Income	105.1	155.3	110.1	35.1	31.3
Ordinary Income	156.4	178.2	127.9	42.0	-71.8
Net Income	127.5	138.1	86.2	31.7	-80.6
Sales growth rate *	10.0%	2.8%	4.2%	4.7%	-0.8%
Rp growth rate *	46.7%		-28.2%	-28.6%	
Op Margin	5.7%	8.2%	5.6%	7.0%	6.3%
Rp Margin	8.5%	9.4%	6.5%	8.3%	-14.5%
EPS (₩)	22,041	23,874	14,902		
ROE (%)	11.0		5.9		

※ Sales are excluding sales commission (liabilities of estimated Return goods, sales rebate)  
K-IFRS applies to from '10 to '12.1Q(K-GAAP applies to '09)