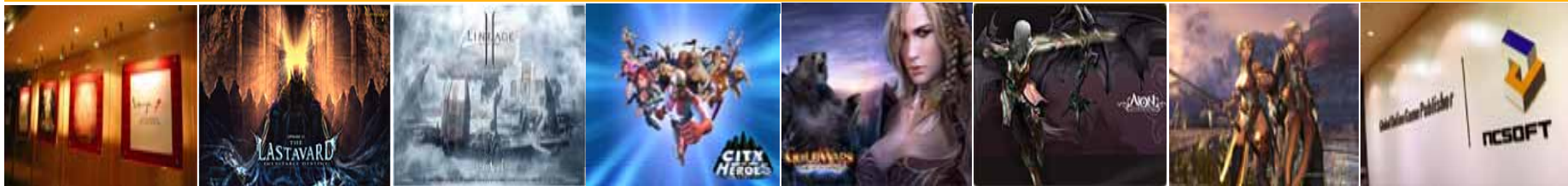


NCsoft Earnings Release Q3 2008

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■ Disclaimer

The financial results for Q3 of 2008 have been prepared on an un-audited basis, and may be subject to change during independent auditing process.

Some of the information and data in the material have been prepared based on assumptions. There can be no assurance that the assumptions used by NCsoft are correct and even if they are, that the effect of such assumptions on NCsoft's business and results of operations will be as projected.

Therefore, NCsoft will not be responsible for individual investment decisions based solely on this material.

※ Consolidated subsidiaries : NC Interactive (100%), ArenaNet (100%), NC Europe (100%),
NC Japan (60%), NC Taiwan (85%)

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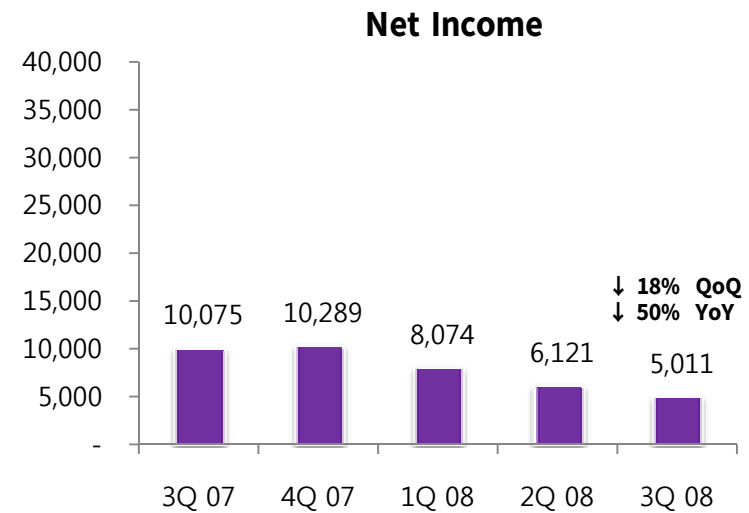
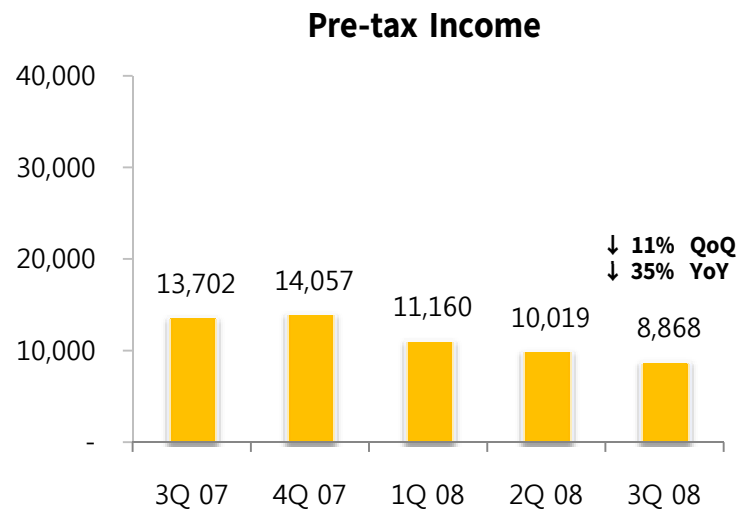
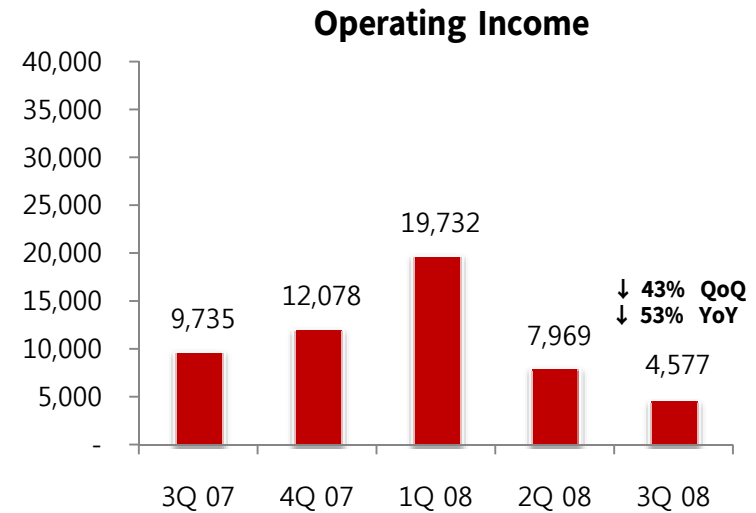
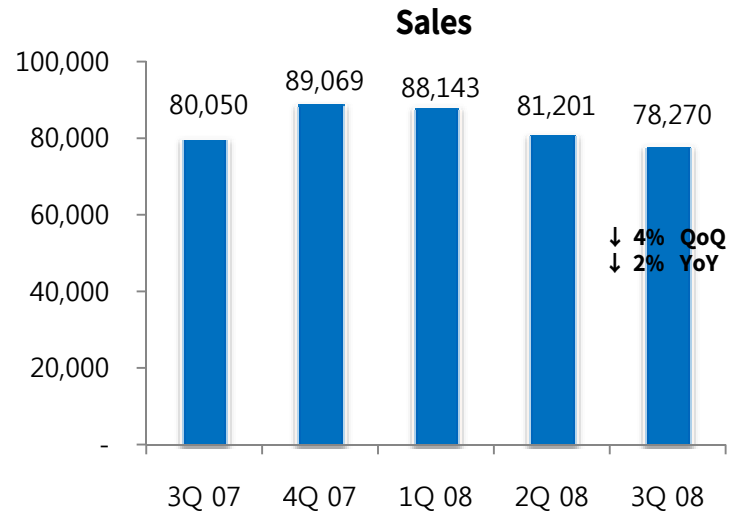
1. Financial highlights
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4. Parent Earnings
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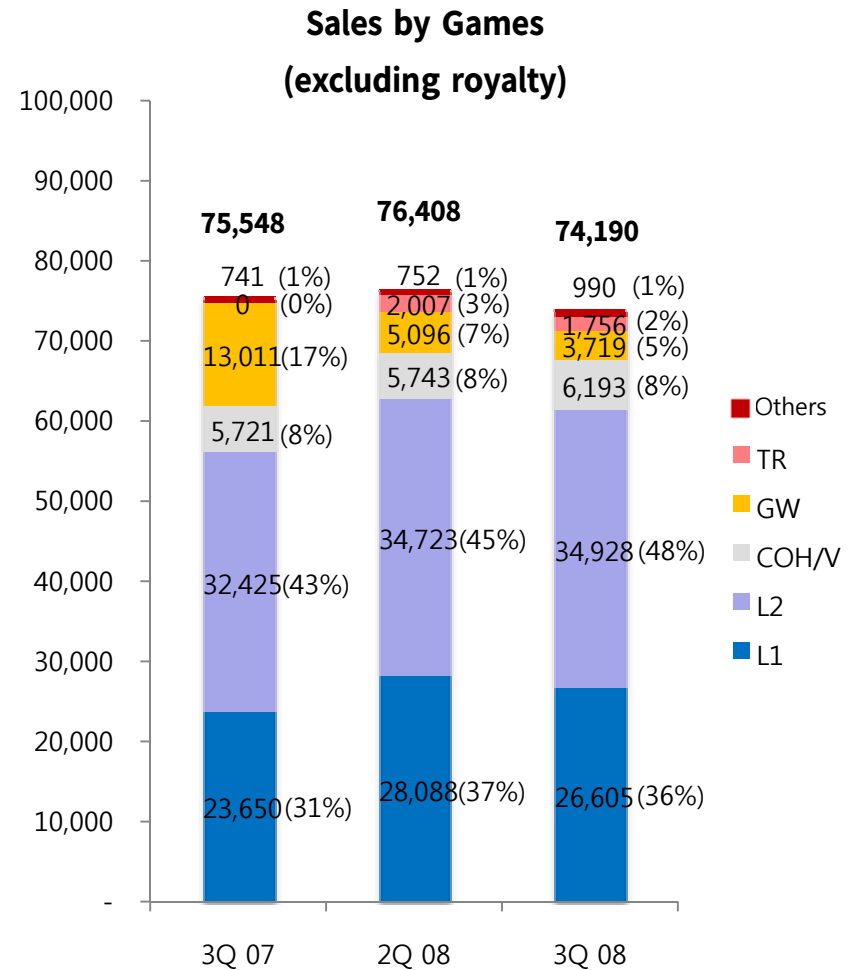
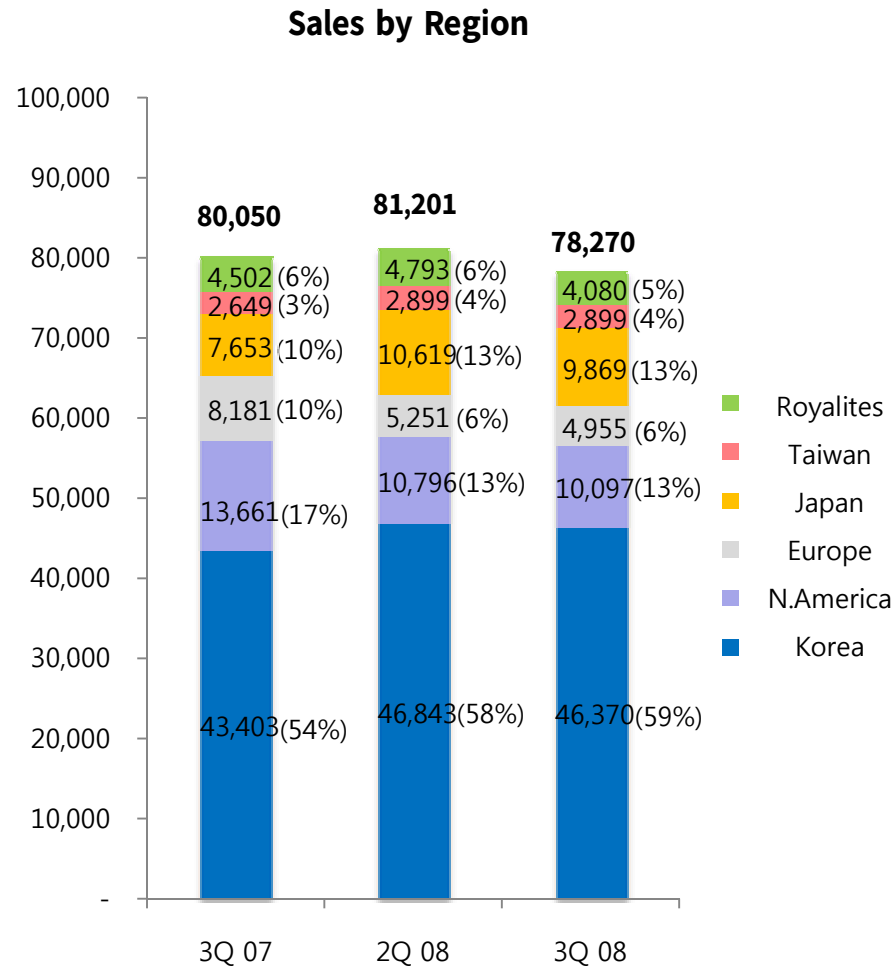
1. Financial Highlights

(Unit: KRW mn)



2. Sales Breakdown

(Unit: KRW mn)



L1 : Lineage 1

L2 : Lineage 2

COH/V : City of Heroes/Villains

GW : Guild Wars

TR : Tabula Rasa

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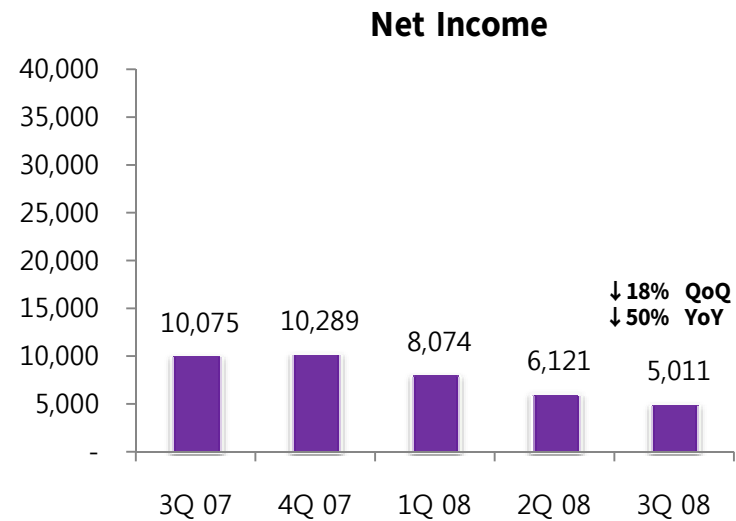
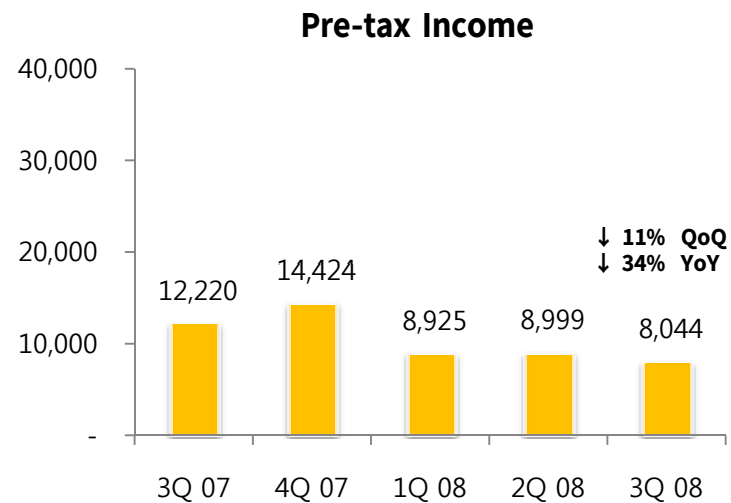
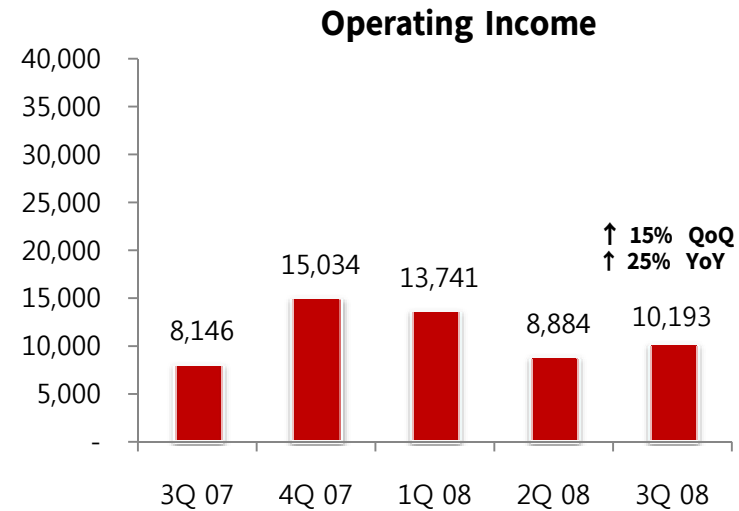
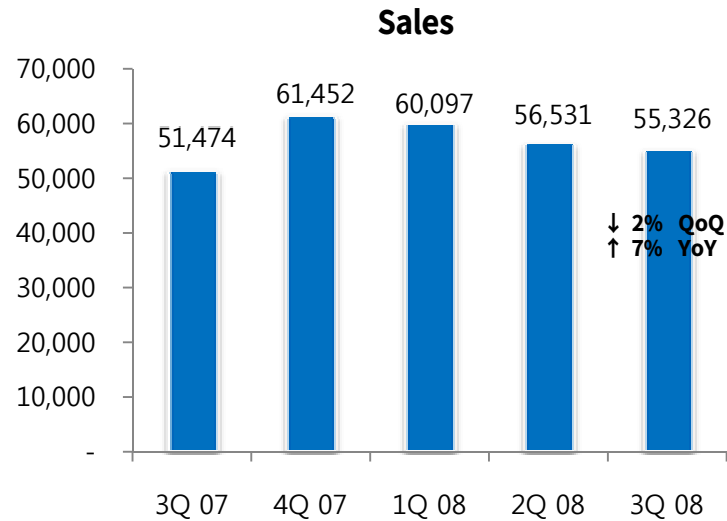
(Unit: KRW mn)

	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	QoQ	YoY	% of Sales
Payroll	33,822	35,191	39,037	40,895	41,136	1%	22%	53%
Sales variables costs	7,565	9,708	6,012	5,277	5,400	2%	-29%	7%
- Royalties	930	638	2	1	2	33%	-100%	0%
- Payment processing fees	3,750	2,726	2,465	2,737	2,543	-7%	-32%	3%
- Sales commissions	1,344	1,402	1,530	1,265	1,328	5%	-1%	2%
- Box production costs	323	3,945	1,235	891	954	7%	196%	1%
- Other variables	1,219	997	780	383	573	50%	-53%	1%
Advertising	6,532	5,504	1,552	2,253	2,803	24%	-57%	4%
D&A	4,917	6,290	4,757	5,320	5,820	9%	18%	7%
- Depreciation	3,654	4,152	3,335	3,716	4,104	10%	12%	5%
- Amortization	1,263	2,139	1,422	1,604	1,716	7%	36%	2%
Others(*)	17,478	20,296	17,054	19,487	18,535	-5%	6%	24%
Total	70,315	76,990	68,412	73,232	73,694	1%	5%	94%

* (3Q 08) Others : Bandwidth costs(1,715), Rent(2,362), Wage for outsourced staff(2,388), Outsourced R&D(1,979), etc.

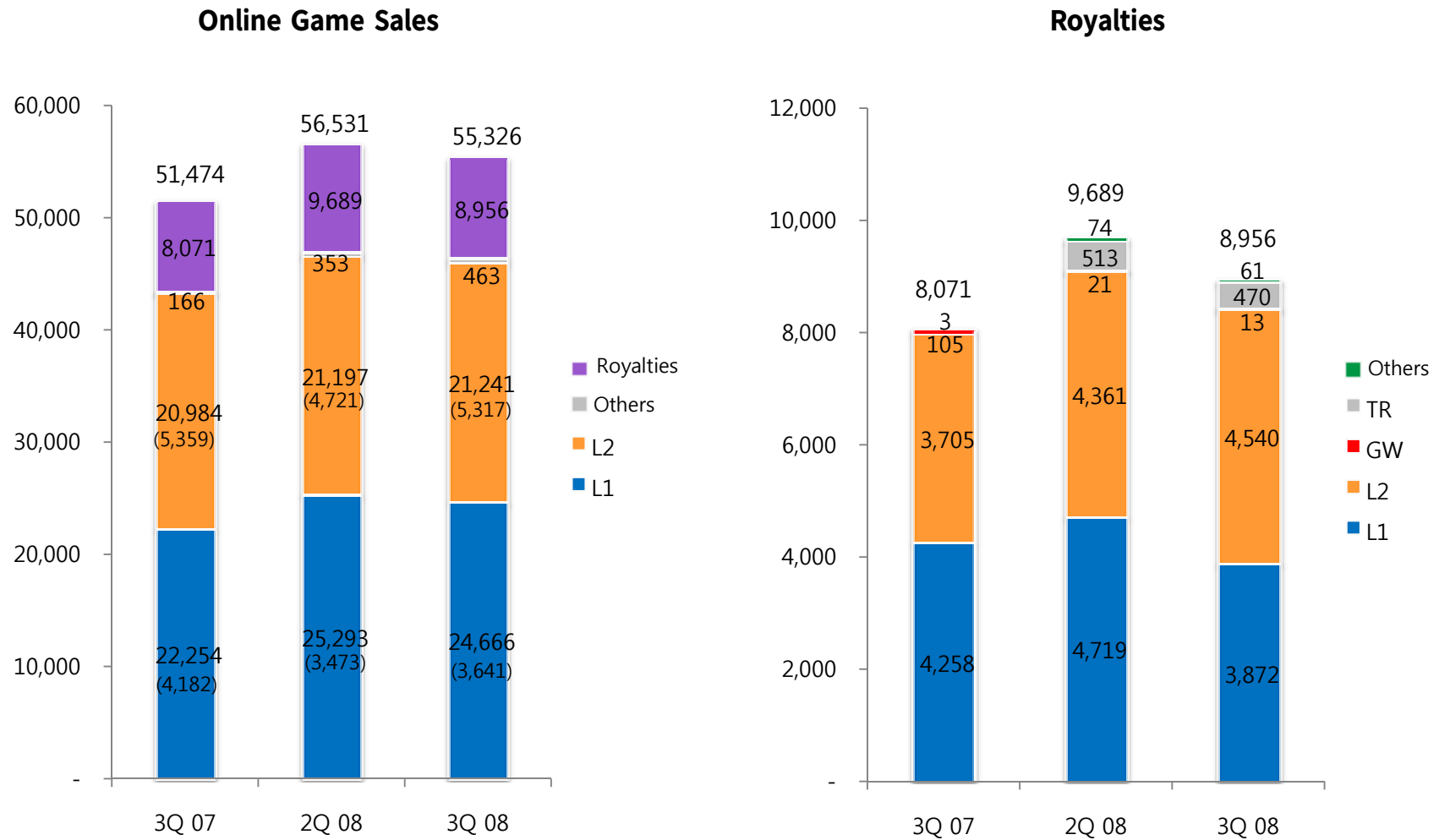
4-1. Financial Highlights(Parent)

(Unit: KRW mn)



4-2. Sales Breakdown(Parent)

(Unit: KRW mn)



* Figures in () present PC café sales out of total sales of Lineage and Lineage2

■ 4-3. Costs Breakdown(Parent)

(Unit: KRW mn)

	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	QoQ	YoY	% of Sales
Payroll	24,613	22,962	28,129	28,566	27,871	-2%	13%	50%
Sales variables costs	3,329	4,092	5,205	3,108	3,248	5%	-2%	6%
- Royalties	42	67	1,641	97	77	-21%	80%	0%
- Payment processing fees	1,559	1,998	1,487	1,615	1,550	-4%	-1%	3%
- Sales commissions	1,344	1,402	1,530	1,265	1,328	5%	-1%	2%
- Box production costs	384	624	547	131	293	124%	-24%	1%
- Other variables	3,190	4,147	1,074	1,655	1,223	-26%	-62%	2%
Advertising	2,346	2,737	2,255	2,678	2,991	12%	27%	5%
D&A	2,157	2,356	1,779	2,138	2,452	15%	14%	4%
- Depreciation	189	381	476	540	539	0%	185%	1%
- Amortization	9,850	12,480	9,692	11,641	9,800	-16%	-1%	18%
Others	43,329	46,418	46,357	47,648	45,132	-5%	4%	82%

■ 4-4. Equity Method Gain/ Loss Breakdown (Parent)

(Unit: KRW mn)

	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08
Korea	(273)	(522)	(381)	(389)	(149)
Oraion Soft	(12)	23	(46)	(97)	(25)
J Interactive	(263)	(127)	(54)	(29)	190
Next Play	3	(418)	(178)	(217)	(274)
Crazy Diamond	0	0	(103)	(47)	(41)
Overseas	695	(1,507)	3,125	(2,719)	(6,886)
NC Interactive	734	1,519	2,068	769	(630)
Arenanet	(1,460)	(1,950)	1,131	(2,499)	(3,170)
NC Europe	580	(599)	80	(1,060)	(2,629)
NC Japan	730	(422)	819	708	317
Ncsoft Japan	46	287	(321)	(22)	7
NC China	(16)	32	(288)	(375)	(336)
NCRC	(5)	(82)	(237)	(216)	(386)
NC Taiwan	88	(309)	194	155	62
NC True	(3)	17	(322)	(177)	(121)
Total	423	(2,029)	2,744	(3,108)	(7,036)

■ 4-5. Quarterly Sales by Subsidiaries. & JVs (Parent)

(Unit: KRW mn)

	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08
NC Interactive	13,746	15,435	11,106	10,983	10,299
Arenanet	3,213	3,130	4,532	1,479	1,146
NC Europe	8,181	7,040	8,891	5,251	4,955
NC Japan	7,798	8,468	9,633	10,690	9,887
NC Taiwan	2,649	2,521	2,847	2,899	2,899
NC China	1,430	915	956	1,018	1,223
NC True	458	355	383	447	458
Total	37,475	37,864	38,348	32,767	30,867

■ 5-1. Summarized Balance Sheet

Consolidated

(Unit: KRW mn)

Classification	1Q 2008	2Q 2008	3Q 2008
Current assets	313,117	302,515	310,022
Quick assets	310,462	300,108	307,456
Inventories	2,655	2,407	2,566
Non-current assets	209,142	205,210	215,871
Investment assets	20,604	17,694	19,964
Property, plant and Equipment	151,168	155,228	163,410
Intangible assets	15,436	14,872	14,889
Other non-current assets	21,934	17,417	17,608
Total assets	522,259	507,725	525,893
Current liabilities	78,728	71,077	75,422
Non-current Liabilities	9,485	10,439	11,644
Total liabilities	88,213	81,515	87,066
Capital Stock	10,237	10,237	10,237
Capital Surplus	148,262	148,280	148,363
Retained earnings	344,522	331,583	336,594
Capital adjustments	(75,367)	(70,708)	(64,525)
Minority interest in equity	6,392	6,817	8,158
Total stockholders equity	434,046	426,209	438,827
Total Liabilities and Stockholders Equity	522,259	507,725	525,893

Parent

(Unit: KRW mn)

Classification	1Q 2008	2Q 2008	3Q 2008
Current assets	251,471	228,430	236,461
Quick assets	251,471	228,430	236,461
Inventories	0	0	0
Non-current assets	228,531	232,751	239,519
Investment assets	63,070	68,297	67,490
Property, plant and Equipment	140,973	144,922	152,992
Intangible assets	4,443	3,979	3,501
Other non-current assets	20,045	15,553	15,536
Total assets	480,002	461,181	475,980
Current liabilities	44,179	33,497	36,034
Non-current Liabilities	8,169	9,707	10,722
Total liabilities	52,349	43,204	46,756
Capital Stock	10,237	10,237	10,237
Capital Surplus	148,262	148,262	148,354
Retained earnings	344,522	331,583	336,594
Capital adjustments	(75,367)	(72,105)	(65,962)
Total stockholders equity	427,654	417,977	429,224
Total Liabilities and Stockholders Equity	480,002	461,181	475,980

■ 5-2. Summarized Income Statement

Consolidated

(Unit: KRW mn)

Classification	1Q 2008	2Q 2008	3Q 2008
Sales	88,143	81,201	78,270
Expenses	68,412	73,232	73,694
Payroll	39,037	40,895	41,136
D&A	4,757	5,320	5,820
Commissions	10,244	12,446	11,657
Advertising	1,552	2,253	2,803
Others	12,822	12,318	12,278
Operating income	19,732	7,969	4,577
Non-operating income	5,371	4,264	6,003
Non-operating expenses	13,943	2,214	1,711
Pre-tax income	11,160	10,019	8,868
Income tax	2,501	3,394	3,616
Net income	8,659	6,625	5,252
Minority interest in net income	585	504	241
Parent interest in net income	8,074	6,121	5,011

Parent

(Unit: KRW mn)

Classification	1Q 2008	2Q 2008	3Q 2008
Sales	60,097	56,531	55,326
Expenses	46,357	47,648	45,132
Payroll	28,129	28,566	27,871
D&A	2,255	2,678	2,991
Commissions	7,231	8,181	6,903
Advertising	1,074	1,655	1,223
Others	7,667	6,568	6,144
Operating income	13,741	8,884	10,193
Non-operating income	9,015	4,166	5,225
Non-operating expenses	13,831	4,051	7,375
Pre-tax income	8,925	8,999	8,044
Income tax	851	2,877	3,033
Net income	8,074	6,121	5,011

* D&A : Depreciation & Amortization

6-1. Operating Metrics

Lineage

Korea

(As of September, 2008)

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	43	45	45	45	45	45	45	45	45
Highest Consurent Users	138,733	144,430	149,034	120,012	134,596	138,469	163,356	143,197	125,436
Monthly Access	716,772	775,579	733,593	583,426	590,542	619,065	643,844	559,977	536,946
Personal Account	266,564	302,469	287,058	224,664	218,650	255,818	255,461	275,510	260,672

Taiwan

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	40	40	40	40	40	42	42	42	42
Highest Consurent Users	168,218	177,571	193,119	192,546	158,386	146,897	164,681	153,088	138,870
Monthly Access	445,636	423,212	428,845	417,365	386,601	281,625	281,523	270,317	250,054

Japan

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	6	6	6	6	6	6	6	6	3
Highest Consurent Users	12,643	10,599	12,016	10,339	9,322	9,899	10,406	9,530	1,139
Monthly Access	76,191	80,019	79,252	48,083	56,430	57,187	48,663	42,609	4,445

China

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	11	11	11	11	11	8	8	8	7
Highest Consurent Users	17,246	19,551	20,705	25,354	18,414	16,740	15,670	15,902	17,246
Monthly Access	107,644	117,407	126,479	132,758	103,127	91,886	80,931	85,886	90,534

U.S

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	3	3	3	3	3	3	3	3	3
Highest Consurent Users	2,780	3,732	3,205	3,077	2,299	1,862	1,734	1,511	1,139
Monthly Access	9,727	11,953	9,202	9,093	6,999	6,414	5,836	5,204	4,445

6-2. Operating Metrics

Lineage II

Korea

(As of September, 2008)

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	33	33	33	31	32	33	33	31	31
Highest Concurrent Users	97,558	113,369	123,332	124,566	136,017	137,285	133,730	136,253	123,989
Monthly Access	499,894	482,173	460,974	440,509	478,555	445,096	423,349	411,869	407,346
Personal Account	165,558	187,005	192,165	187,570	201,142	207,334	208,509	211,944	206,193

Taiwan

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	22	22	22	22	20	20	21	21	20
Highest Concurrent Users	66,497	55,571	46,768	50,950	47,063	45,906	46,404	43,377	45,108
Monthly Access	160,316	123,006	112,244	111,263	110,261	116,080	106,563	96,945	93,292

Japan

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	12	12	12	12	12	12	12	12	12
Highest Concurrent Users	50,188	52,684	49,268	49,693	48,736	54,475	52,830	46,324	42,512
Monthly Access	112,670	113,774	116,239	109,249	109,242	123,703	115,804	99,794	105,820

China

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	17	15	15	12	13	7	8	8	8
Highest Concurrent Users	18,085	16,888	15,238	16,594	15,946	19,897	17,685	17,222	16,122
Monthly Access	204,269	180,584	183,049	126,878	128,248	198,662	186,343	155,690	161,725

U.S./Europe

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	10	10	10	10	10	10	10	10	10
Highest Concurrent Users	42,287	32,732	32,767	31,465	30,867	29,055	27,227	25,744	25,308
Monthly Access	94,000	105,039	87,652	84,720	78,953	79,986	83,316	65,479	63,674

Thailand

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	5	5	5	6	6	5	5	5	5
Highest Concurrent Users	7,616	6,596	5,903	7,232	6,259	5,010	6,138	8,136	7,433
Monthly Access	45,778	31,727	30,416	31,637	26,004	43,029	22,921	23,092	25,674

■ 6-3. Operating Metrics

City of Heroes/Villains

U.S & Europe

(As of September, 2008)

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
Server	15	15	15	15	15	15	15	15	15
Highest Concurrent Users	21,500	17,728	14,767	26,669	15,910	17,058	16,311	17,206	13,443
Monthly Access	172,420	154,953	143,127	153,331	139,313	136,250	134,195	137,028	124,939

Guild Wars

US & Europe

(As of September, 2008)

	Sep, 2006	Dec, 2006	Mar, 2007	Jun, 2007	Sep, 2007	Dec, 2007	Mar, 2008	Jun, 2008	Sep, 2008
# of Accounts activated	2,447,000	3,122,000	3,555,000	3,917,000	4,500,000	4,878,000	5,159,000	5,377,000	5,589,000

■ 6-4. Headcount

(Unit: person)

Classification		1Q 07	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08
Subsidiaries	NCsoft	1,472	1,490	1,542	1,571	1,603	1,634	1,630
	NC Interactive	128	128	124	144	159	167	155
	ArenaNet	127	129	130	133	136	146	158
	NC Europe	110	112	115	118	130	149	149
	NC Japan	121	122	119	113	120	121	126
	NC Taiwan	222	112	118	121	119	116	117
	Total	2,180	2,093	2,148	2,200	2,267	2,333	2,335
Function	Development	1,135	1,187	1,258	1,281	1,336	1,370	1,361
	Non-development	1,045	906	890	919	931	963	974
	Total	2,180	2,093	2,148	2,200	2,267	2,333	2,335

* Regular employees only counted and some subsidiaries excluded from consolidation not counted



Thank you