

# Earning Release 2Q/1H 2008 Results



## 1H/2Q 2008 Results for Key Affiliates

(Unit: Billion Won)

Wbn	Revenue						Operating Profits						Recurring Profits						Net Profits					
	1H.'07	1H.'08	yoy	2Q'07	2Q'08	yoy	1H.'07	1H.'08	yoy	2Q'07	2Q'08	yoy	1H.'07	1H.'08	yoy	2Q'08	2Q'07	yoy	1H.'07	1H.'08	yoy	2Q'07	2Q'08	yoy
Orion	272.1	292.9	7.6%	129.8	144.5	11.3%	20.9	24.1	15.3%	9.2	13.0	41.3%	44.5	50.8	14.2%	20.5	19.5	5.1%	32.1	33.9	5.6%	13.1	10.1	-22.9%
Orion Snack International	46.5	52.7	13.3%	24.5	27.1	10.6%	3.7	3.5	-5.4%	2.2	1.6	-27.3%	1.2	3.1	158.3%	0.6	0.2	200.0%	0.2	2.2	1000.0%	-0.4	0.3	-175.0%
OFC(China)	64.3	109.5	70.3%	31.5	58.1	84.4%	3.4	11.7	244.1%	0.3	6.3	2000.0%	2.7	10.9	303.7%	6.0	0.2	2900.0%	1.8	8.2	355.6%	0.1	4.5	4400.0%
OFS(China)	11.5	12.2	6.1%	4.9	6.4	30.6%	0.6	1.4	133.3%	0.3	0.7	133.3%	0.2	1.0	400.0%	0.5	0.2	150.0%	0.1	1.0	900.0%	0.1	0.5	400.0%
OFR(Russia)	8.6	15.4	79.1%	3.9	8.7	123.1%	-0.7	1.1	—	-0.4	-0.09	—	-2.4	0.8	—	-0.3	-1.8	—	-2.4	0.2	—	-1.8	-0.6	—
OFV(Vietnam)	10.8	22.3	106.5%	5.0	11.8	136.0%	-0.5	0.9	—	-0.3	0.1	—	-1.1	0.4	—	0.1	-0.8	—	-1.1	0.4	—	-0.8	0.1	—
Rise On	47.1	43.5	-7.6%	22.0	20.9	-5.0%	-0.2	-1.0	—	-0.1	-1.2	—	-2.4	-3.7	—	-2.5	-1.3	—	-2.4	-3.7	—	-1.3	-2.5	—
Sports ToTo	118.9	133.4	12.2%	61.2	61.2	0.0%	54.4	57.0	4.8%	27.2	23.9	-12.1%	49.4	53.3	7.9%	23.0	24.8	-7.3%	49.4	52.3	5.9%	24.8	22.0	-11.3%
OnMedia	40.7	42.5	4.4%	26.6	26.9	1.1%	26.9	14.3	-46.8%	16.6	7.2	-56.6%	29.1	15.3	-47.4%	8.0	17.6	-54.5%	24.5	12.6	-48.6%	15.2	6.1	-59.9%
Mediaplex	17.7	14.6	-17.5%	5.3	7.8	47.2%	-12.4	-8.3	—	-8.2	-6.1	-25.6%	-10.0	-6.5	—	-5.1	-6.9	—	-5.5	-5.7	—	-2.4	-4.8	—
<b>Total</b>	<b>638.2</b>	<b>739.0</b>	<b>15.8%</b>	<b>314.7</b>	<b>373.4</b>	<b>18.7%</b>	<b>96.1</b>	<b>104.7</b>	<b>9.0%</b>	<b>46.8</b>	<b>45.4</b>	<b>-3.0%</b>	<b>111.2</b>	<b>125.4</b>	<b>12.8%</b>	<b>50.8</b>	<b>51.7</b>	<b>-1.7%</b>	<b>96.7</b>	<b>101.4</b>	<b>4.8%</b>	<b>46.6</b>	<b>35.7</b>	<b>-23.4%</b>

## 2Q 2008 Revenue Breakdown for Confectionery Business

Wbn	Revenue					
	1H.'07	1H.'08	yoy	2Q'07	2Q'08	yoy
Korea	254.5	272.3	7.0%	121.0	134.2	10.9%
China	56.9	102.1	79.4%	26.3	53.2	102.3%
Russia	16.9	28.8	70.4%	8.9	15.4	73.0%
Vietnam	9.2	15.5	68.5%	4.8	7.5	56.3%
Others	14.6	18.3	25.3%	7.6	9.8	28.9%
<b>Total</b>	<b>352.1</b>	<b>437.0</b>	<b>24.1%</b>	<b>168.6</b>	<b>220.1</b>	<b>30.5%</b>

Domestic Contribution	72.3%	62.3%	-10.0%	71.8%	61.0%	-10.8%
Overseas Contribution	27.7%	37.7%	10.0%	28.2%	39.0%	10.8%

### ■ Key Performance Drivers

#### .Domestic Confectionary

In the 2Q, the Domestic Confectionary business reported a 11% increase in revenues, boosted by strong power brand and new hit product newly launched recently called DR.YOU. Operating Profits increased by 41% yoy base and total amount was 13.0 billion won.

#### .Overseas Confectionary

##### China

Despite the seasonality, the Chinese affiliates recorded strong revenue growth of 102%, due to the strong market demand and new product which was launched last year.

##### Russia & Vietnam

Second-quarter revenues in Russia jumped by 73% yoy base, but profitability was stagnant due to opening of the new plant. (Novosibirsk)

Second-quarter revenues in Vietnam jumped by 56% yoy base, but profitability was also stagnant due to opening of the new plant. (Hanoi)

#### .Sports ToTo

Second-quarter net profits in Sports ToTo decreased by 11% yoy base, due to the decreased number of rounds during the same period.