

| Consolidated Statements of Income (K-IFRS)   |                |                |                |                |                |                |                |                |                |                  |                |                |                |                |                  |                |                    |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|------------------|----------------|--------------------|----------------|----------------|
| (Unit: KRW Million)                          | 1Q15           | 2Q15           | 3Q15           | 4Q15           | 2015           | 1Q16           | 2Q16           | 3Q16           | 4Q16           | 2016             | 1Q17           | 2Q17           | 3Q17           | 4Q17           | 2017             | QoQ            | QoQ(%)             | YoY            | YoY(%)         |
| <b>Sales Revenues</b>                        | <b>234,392</b> | <b>226,482</b> | <b>229,580</b> | <b>241,698</b> | <b>932,152</b> | <b>242,483</b> | <b>376,519</b> | <b>391,391</b> | <b>453,839</b> | <b>1,464,233</b> | <b>443,787</b> | <b>468,443</b> | <b>515,413</b> | <b>544,710</b> | <b>1,972,352</b> | <b>+29,297</b> | <b>+5.7%</b>       | <b>+90,871</b> | <b>+20.0%</b>  |
| Advertising                                  | 145,459        | 154,966        | 146,677        | 153,560        | 600,663        | 129,385        | 136,203        | 126,925        | 141,482        | 533,995          | 133,302        | 151,398        | 151,491        | 159,539        | 595,729          | <b>+8,048</b>  | <b>+5.3%</b>       | <b>+18,057</b> | <b>+12.8%</b>  |
| <i>% of mobile ad</i>                        | <i>3.7%</i>    | <i>3.9%</i>    | <i>4.0%</i>    | <i>4.2%</i>    | <i>4.0%</i>    | <i>4.5%</i>    | <i>4.6%</i>    | <i>5.0%</i>    | <i>5.2%</i>    | <i>4.8%</i>      | <i>5.3%</i>    | <i>5.4%</i>    | <i>5.8%</i>    | <i>5.9%</i>    | <i>5.6%</i>      | <b>1.1%p</b>   | <b>1.9%p</b>       | <b>6.6%p</b>   | <b>12.7%p</b>  |
| Content                                      | 76,764         | 60,404         | 69,063         | 67,391         | 273,623        | 91,588         | 190,405        | 198,365        | 221,521        | 701,879          | 223,694        | 234,394        | 261,495        | 265,916        | 985,499          | <b>+4,420</b>  | <b>+1.7%</b>       | <b>+44,395</b> | <b>+20.0%</b>  |
| Game   | 69,991         | 53,984         | 51,383         | 57,019         | 232,378        | 70,315         | 78,293         | 78,461         | 93,186         | 320,255          | 80,288         | 78,653         | 93,947         | 89,175         | 342,062          | <b>-4,772</b>  | <b>-5.1%</b>       | <b>-4,012</b>  | <b>-4.3%</b>   |
| Music  | 2,367          | 2,623          | 7,066          | 3,341          | 15,397         | 3,378          | 90,501         | 95,519         | 106,940        | 296,338          | 110,324        | 117,089        | 122,067        | 129,060        | 478,540          | <b>+6,993</b>  | <b>+5.7%</b>       | <b>+22,120</b> | <b>+20.7%</b>  |
| Web literature and Emoticon                  | 4,406          | 3,797          | 10,614         | 7,031          | 25,848         | 17,895         | 21,611         | 24,385         | 21,395         | 85,286           | 33,081         | 38,653         | 45,481         | 47,681         | 164,896          | <b>+2,200</b>  | <b>+4.8%</b>       | <b>+26,286</b> | <b>+122.9%</b> |
| Others                                       | 12,168         | 11,112         | 13,840         | 20,746         | 57,866         | 21,509         | 49,911         | 66,101         | 90,836         | 228,358          | 86,791         | 82,651         | 102,427        | 119,255        | 391,123          | <b>+16,829</b> | <b>+16.4%</b>      | <b>+28,419</b> | <b>+31.3%</b>  |
| <b>Operating Expenses</b>                    | <b>194,040</b> | <b>215,049</b> | <b>213,396</b> | <b>221,079</b> | <b>843,564</b> | <b>221,394</b> | <b>349,900</b> | <b>361,136</b> | <b>415,668</b> | <b>1,348,098</b> | <b>405,453</b> | <b>423,804</b> | <b>468,047</b> | <b>510,008</b> | <b>1,807,312</b> | <b>+41,961</b> | <b>+9.0%</b>       | <b>+94,340</b> | <b>+22.7%</b>  |
| Labor costs                                  | 52,733         | 54,914         | 56,759         | 55,980         | 220,386        | 62,282         | 75,734         | 76,716         | 83,776         | 298,507          | 84,808         | 88,064         | 84,668         | 102,966        | 360,505          | <b>+18,298</b> | <b>+21.6%</b>      | <b>+19,190</b> | <b>+22.9%</b>  |
| Fringe benefits                              | 9,970          | 17,337         | 12,813         | 10,934         | 51,054         | 10,448         | 16,001         | 12,566         | 15,085         | 54,099           | 12,757         | 12,992         | 13,499         | 13,445         | 52,692           | <b>-54</b>     | <b>-0.4%</b>       | <b>-1,640</b>  | <b>-10.9%</b>  |
| Depreciation                                 | 11,455         | 12,333         | 12,375         | 12,937         | 49,099         | 13,005         | 14,460         | 14,147         | 14,412         | 56,195           | 14,816         | 14,919         | 15,338         | 15,659         | 60,733           | <b>+321</b>    | <b>+2.1%</b>       | <b>+1,247</b>  | <b>+8.7%</b>   |
| Rental fees                                  | 5,034          | 4,363          | 4,666          | 4,491          | 18,554         | 5,340          | 7,408          | 8,059          | 8,467          | 29,274           | 8,751          | 8,886          | 9,242          | 9,259          | 36,138           | <b>+17</b>     | <b>+0.2%</b>       | <b>+792</b>    | <b>+9.4%</b>   |
| Commissions                                  | 54,561         | 57,780         | 65,494         | 66,001         | 243,836        | 64,923         | 142,980        | 146,618        | 161,997        | 516,517          | 160,386        | 178,765        | 189,755        | 201,467        | 730,374          | <b>+11,711</b> | <b>+6.2%</b>       | <b>+39,470</b> | <b>+24.4%</b>  |
| Advertising                                  | 17,221         | 19,662         | 6,843          | 13,113         | 56,839         | 7,709          | 15,967         | 23,936         | 36,141         | 83,753           | 24,959         | 21,929         | 33,460         | 36,130         | 116,478          | <b>+2,670</b>  | <b>+8.0%</b>       | <b>-12</b>     | <b>-0.0%</b>   |
| Bad debt expenses                            | -21            | 394            | 8              | 1,123          | 1,504          | 814            | -1,332         | -1,823         | 1,182          | -1,159           | 141            | 45             | -144           | 1,112          | 1,154            | <b>+1,256</b>  | <b>-</b>           | <b>-70</b>     | <b>-5.9%</b>   |
| Amortization                                 | 5,937          | 5,911          | 7,099          | 7,346          | 26,293         | 8,487          | 16,718         | 15,107         | 17,273         | 57,584           | 16,773         | 16,352         | 16,439         | 19,463         | 69,027           | <b>+3,024</b>  | <b>+18.4%</b>      | <b>+2,190</b>  | <b>+12.7%</b>  |
| Content fees                                 | 8,452          | 11,398         | 15,626         | 12,965         | 48,171         | 17,369         | 19,655         | 22,913         | 19,794         | 79,731           | 24,923         | 28,321         | 33,658         | 34,448         | 121,350          | <b>+790</b>    | <b>+2.3%</b>       | <b>+14,654</b> | <b>+74.0%</b>  |
| Ad Agency fees                               | 22,502         | 25,177         | 24,450         | 26,327         | 98,456         | 20,580         | 20,937         | 19,357         | 22,654         | 83,527           | 19,051         | 23,974         | 21,975         | 23,576         | 88,577           | <b>+1,601</b>  | <b>+7.3%</b>       | <b>+922</b>    | <b>+4.1%</b>   |
| Event fees                                   | 171            | 312            | 148            | 560            | 1,190          | 116            | 374            | 294            | 1,002          | 1,786            | 110            | 327            | 407            | 943            | 1,787            | <b>+537</b>    | <b>+131.9%</b>     | <b>-58</b>     | <b>-5.8%</b>   |
| Others                                       | 6,025          | 5,470          | 7,116          | 9,572          | 28,182         | 10,323         | 20,999         | 23,076         | 33,885         | 88,284           | 37,978         | 29,229         | 49,749         | 51,540         | 168,497          | <b>+1,791</b>  | <b>+3.6%</b>       | <b>+17,655</b> | <b>+52.1%</b>  |
| <b>Operating Profit</b>                      | <b>40,352</b>  | <b>11,434</b>  | <b>16,184</b>  | <b>20,619</b>  | <b>88,588</b>  | <b>21,090</b>  | <b>26,619</b>  | <b>30,256</b>  | <b>38,171</b>  | <b>116,135</b>   | <b>38,333</b>  | <b>44,638</b>  | <b>47,366</b>  | <b>34,702</b>  | <b>165,040</b>   | <b>-12,664</b> | <b>-26.7%</b>      | <b>-3,469</b>  | <b>-9.1%</b>   |
| <i>Operating Profit Margin</i>               | <i>17.2%</i>   | <i>5.0%</i>    | <i>7.0%</i>    | <i>8.5%</i>    | <i>9.5%</i>    | <i>8.7%</i>    | <i>7.1%</i>    | <i>7.7%</i>    | <i>8.4%</i>    | <i>7.9%</i>      | <i>8.6%</i>    | <i>9.5%</i>    | <i>9.2%</i>    | <i>6.4%</i>    | <i>8.4%</i>      | <b>-2.8%p</b>  | <b>-</b>           | <b>-2.0%p</b>  | <b>-</b>       |
| <b>Other Revenues</b>                        | <b>1,339</b>   | <b>9,822</b>   | <b>6,707</b>   | <b>7,331</b>   | <b>25,198</b>  | <b>3,438</b>   | <b>2,206</b>   | <b>3,744</b>   | <b>15,869</b>  | <b>25,257</b>    | <b>2,388</b>   | <b>3,784</b>   | <b>16,148</b>  | <b>13,917</b>  | <b>36,237</b>    | <b>-2,231</b>  | <b>-13.8%</b>      | <b>-1,952</b>  | <b>-12.3%</b>  |
| Reversal of allowance for doubtful accounts  | 1              | -1             | 0              | 582            | 582            | 0              | 0              | 0              | 0              | 0                | 3              | 0              | 0              | 0              | 3                | <b>+0</b>      | <b>-</b>           | <b>+0</b>      | <b>-</b>       |
| Gain on disposal of tangible assets          | 24             | 47             | 233            | 19             | 324            | 546            | 35             | 99             | 682            | 1,363            | 19             | 332            | 103            | 133            | 588              | <b>+30</b>     | <b>+29.3%</b>      | <b>-549</b>    | <b>-80.5%</b>  |
| Gain of disposal of equity method investees  | 109            | 9,112          | 5,379          | 2,645          | 17,245         | 966            | 757            | 1,496          | 9,161          | 12,380           | 267            | 527            | 11,164         | 10,256         | 22,213           | <b>-908</b>    | <b>-8.1%</b>       | <b>+1,095</b>  | <b>+11.9%</b>  |
| Miscellaneous income                         | 1,133          | 519            | 738            | 3,802          | 6,193          | 1,737          | 861            | 1,581          | 2,048          | 6,227            | 1,848          | 2,266          | 2,943          | 2,777          | 9,833            | <b>-166</b>    | <b>-5.6%</b>       | <b>+729</b>    | <b>+35.6%</b>  |
| Others                                       | 72             | 144            | 357            | 282            | 855            | 189            | 552            | 567            | 3,978          | 5,288            | 252            | 659            | 1,938          | 751            | 3,601            | <b>-1,187</b>  | <b>-61.2%</b>      | <b>-3,227</b>  | <b>-81.1%</b>  |
| <b>Other Expenses</b>                        | <b>2,715</b>   | <b>12,925</b>  | <b>4,611</b>   | <b>5,727</b>   | <b>25,978</b>  | <b>5,839</b>   | <b>5,179</b>   | <b>6,329</b>   | <b>14,059</b>  | <b>31,406</b>    | <b>14,952</b>  | <b>9,878</b>   | <b>6,181</b>   | <b>58,200</b>  | <b>89,211</b>    | <b>+52,019</b> | <b>+841.5%</b>     | <b>+44,141</b> | <b>+314.0%</b> |
| Loss on disposal of intangible assets        | 2              | 1,038          | 0              | 154            | 1,194          | 0              | 0              | 12             | -6             | 7                | 2              | 0              | 58             | 106            | 165              | <b>+48</b>     | <b>+84.0%</b>      | <b>+112</b>    | <b>-</b>       |
| Impairment losses on intangible assets       | 141            | 7,110          | 0              | 1,708          | 8,959          | 590            | 1,548          | -32            | 8,087          | 10,193           | 3,963          | 4,205          | 24             | 43,477         | 51,670           | <b>+43,453</b> | <b>+179,307.8%</b> | <b>+35,390</b> | <b>+437.6%</b> |
| Loss on disposal of equity method investees  | 111            | -111           | 0              | 0              | 0              | 0              | 27             | 295            | 0              | 322              | 0              | 10             | -10            | 4,032          | 4,031            | <b>+4,042</b>  | <b>-</b>           | <b>+4,031</b>  | <b>#####</b>   |
| Impairment losses on equity method investees | 0              | 0              | 0              | 2,341          | 2,341          | 261            | 7              | 0              | 1,936          | 2,203            | 7,170          | 0              | 545            | 6,143          | 13,858           | <b>+5,599</b>  | <b>+1,028.0%</b>   | <b>+4,208</b>  | <b>+217.4%</b> |
| Commissions                                  | 330            | 1,968          | 1,148          | 71             | 3,516          | 131            | 836            | 383            | 536            | 1,886            | 917            | 809            | 1,401          | 1,430          | 4,557            | <b>+29</b>     | <b>+2.1%</b>       | <b>+894</b>    | <b>+166.9%</b> |
| Donations                                    | 1,231          | 1,744          | 2,376          | 569            | 5,920          | 691            | 379            | 1,650          | 1,744          | 4,065            | 523            | 1,639          | 1,802          | 714            | 4,679            | <b>-1,088</b>  | <b>-60.4%</b>      | <b>-631</b>    | <b>-46.9%</b>  |
| Miscellaneous Losses                         | 432            | 660            | 991            | 320            | 2,403          | 2,450          | 1,444          | 1,703          | 857            | 6,454            | 787            | 1,219          | 529            | 149            | 2,684            | <b>-380</b>    | <b>-71.8%</b>      | <b>-708</b>    | <b>-82.6%</b>  |
| Others                                       | 468            | 516            | 96             | 564            | 1,644          | 1,716          | 939            | 2,318          | 1,305          | 6,278            | 1,591          | 1,995          | 1,834          | 2,149          | 7,568            | <b>+315</b>    | <b>+17.2%</b>      | <b>+844</b>    | <b>+64.7%</b>  |
| <b>Financial Income</b>                      | <b>3,252</b>   | <b>18,240</b>  | <b>3,543</b>   | <b>4,870</b>   | <b>29,904</b>  | <b>3,756</b>   | <b>9,081</b>   | <b>2,648</b>   | <b>9,187</b>   | <b>24,673</b>    | <b>4,737</b>   | <b>4,585</b>   | <b>11,390</b>  | <b>58,370</b>  | <b>79,083</b>    | <b>+46,980</b> | <b>+412.5%</b>     | <b>+49,183</b> | <b>+535.3%</b> |
| Interest income                              | 3,217          | 3,420          | 2,088          | 2,229          | 10,953         | 2,737          | 2,565          | 1,966          | 2,224          | 9,492            | 2,319          | 3,122          | 3,256          | 5,911          | 14,608           | <b>+2,655</b>  | <b>+81.6%</b>      | <b>+3,687</b>  | <b>+165.8%</b> |
| Dividend income                              | 0              | 0              | 0              | 83             | 83             | 413            | 246            | 0              | 0              | 659              | 0              | 78             | 81             | 2,323          | 2,481            | <b>+2,242</b>  | <b>+2,782.1%</b>   | <b>+2,323</b>  | <b>-</b>       |
| Gain on foreign currency transactions        | 9              | 16             | 1              | -7             | 18             | 82             | 4,879          | 205            | 687            | 5,852            | 204            | 105            | 251            | 234            | 795              | <b>-16</b>     | <b>-6.5%</b>       | <b>-452</b>    | <b>-65.9%</b>  |
| Gain on foreign currency translation         | 26             | 250            | 1,216          | 154            | 1,646          | 503            | 1,137          | 449            | 6,258          | 8,347            | 116            | 1,237          | 1,009          | -1,888         | 474              | <b>-2,896</b>  | <b>-</b>           | <b>-8,146</b>  | <b>-</b>       |
| Gain on valuation derivatives                | 0              | 0              | 0              | 2,412          | 2,412          | -2             | 23             | 3              | -1             | 22               | -22            | 0              | 0              | 51,862         | 51,840           | <b>+51,862</b> | <b>-</b>           | <b>+51,863</b> | <b>-</b>       |
| Gain on transactions of derivatives          | 0              | 0              | 0              | 0              | 0              | 24             | 0              | 24             | 20             | 69               | 30             | 0              | 0              | 30             | 0                | <b>+0</b>      | <b>-</b>           | <b>-20</b>     | <b>-100.0%</b> |
| Gain on disposal of LT AFS                   | 0              | 14,555         | 238            | 0              | 14,792         | 0              | 231            | 0              | 0              | 231              | 2,090          | 42             | 6,795          | -72            | 8,855            | <b>-6,867</b>  | <b>-</b>           | <b>-72</b>     | <b>-</b>       |
| Gain on disposal of other assets             | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0                | 0              | 0              | 0              | 0              | 0                | <b>+0</b>      | <b>-</b>           | <b>-0</b>      | <b>-100.0%</b> |
| <b>Financial Expenses</b>                    | <b>330</b>     | <b>951</b>     | <b>325</b>     | <b>2,090</b>   | <b>3,697</b>   | <b>3,276</b>   | <b>9,351</b>   | <b>7,106</b>   | <b>4,246</b>   | <b>23,979</b>    | <b>9,895</b>   | <b>3,540</b>   | <b>3,116</b>   | <b>29,233</b>  | <b>45,784</b>    | <b>+26,117</b> | <b>+838.1%</b>     | <b>+24,987</b> | <b>+588.5%</b> |
| Interest expenses                            | 45             | 42             | 33             | 717            | 836            | 1,942          | 5,487          | 3,500          | 3,379          | 14,308           | 3,081          | 2,918          | 3,018          | 2,263          | 11,280           | <b>-755</b>    | <b>-25.0%</b>      | <b>-1,116</b>  | <b>-33.0%</b>  |
| Loss on foreign currency transactions        | 36             | 4              | 110            | 129            | 278            | 237            | 527            | 151            | 645            | 1,560            | 205            | 60             | 250            | 436            | 951              | <b>+186</b>    | <b>+74.4%</b>      | <b>-208</b>    | <b>-32.3%</b>  |
| Loss on foreign currency translation         | 2              | 14             |                |                |                |                |                |                |                |                  |                |                |                |                |                  |                |                    |                |                |

# Consolidated Statements of Financial Position (K-IFRS)

(Unit: KRW Million)

| Accounts                                      | 2016.12.31       | 2017.03.31       | 2017.06.30       | 2017.09.30       | 2017.12.31       |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>Assets</b>                                 |                  |                  |                  |                  |                  |
| <b>Current Assets</b>                         | <b>1,216,958</b> | <b>1,234,450</b> | <b>1,520,075</b> | <b>2,143,548</b> | <b>1,995,555</b> |
| Cash and Cash Equivalents                     | 641,644          | 618,541          | 744,582          | 953,532          | 1,125,345        |
| Short-term Financial Instruments              | 236,748          | 273,176          | 372,168          | 440,407          | 385,697          |
| Derivatives Instruments Assets                | 3,942            | 1,919            | 1,919            | 1,919            | 53,781           |
| Accounts Receivable                           | 173,853          | 166,003          | 177,099          | 185,940          | 181,107          |
| Other Current Financial Assets                | 83,340           | 84,597           | 91,965           | 301,392          | 135,105          |
| Inventory Assets                              | 12,555           | 12,691           | 15,526           | 15,173           | 21,454           |
| Other Current Assets                          | 64,876           | 77,522           | 116,816          | 245,184          | 93,066           |
| <b>Non-Current Assets</b>                     | <b>4,267,159</b> | <b>4,260,188</b> | <b>4,289,978</b> | <b>4,350,550</b> | <b>4,403,783</b> |
| Long-term Financial Instruments               | 10,000           | 10,000           | 10,559           | 10,508           | 10,472           |
| Long-term Available for Sales                 | 93,182           | 106,633          | 116,231          | 172,651          | 160,038          |
| Equity Method Investments                     | 117,076          | 98,155           | 120,928          | 134,655          | 162,579          |
| Other Non-current Financial Assets            | 35,269           | 37,567           | 36,670           | 34,535           | 40,330           |
| Tangible Assets                               | 253,854          | 263,425          | 267,044          | 264,623          | 271,044          |
| Intangible Assets                             | 3,733,166        | 3,719,432        | 3,713,619        | 3,703,579        | 3,686,677        |
| Other Non-current Assets                      | 6,585            | 6,706            | 6,451            | 9,436            | 8,789            |
| Deferred Income Tax Assets                    | 18,028           | 18,270           | 18,475           | 20,563           | 63,855           |
| <b>Total Assets</b>                           | <b>5,484,117</b> | <b>5,494,638</b> | <b>5,810,052</b> | <b>6,494,098</b> | <b>6,399,339</b> |
| <b>Liabilities</b>                            |                  |                  |                  |                  |                  |
| <b>Current Liabilities</b>                    | <b>806,020</b>   | <b>770,121</b>   | <b>832,658</b>   | <b>1,060,838</b> | <b>1,039,976</b> |
| Trade Payables and Other Payables             | 263,130          | 247,581          | 256,083          | 264,211          | 281,139          |
| Other Current Financial Liabilities           | 17,228           | 10,783           | 16,275           | 17,511           | 42,387           |
| Income Taxes Payable                          | 30,944           | 34,482           | 40,950           | 114,476          | 116,183          |
| Provisions                                    | 1,350            | 1,325            | 1,179            | 586              | 1,917            |
| Other Current Liabilities                     | 285,577          | 252,335          | 358,720          | 502,031          | 275,832          |
| Short-term Borrowings                         | 200,374          | 200,224          | 152,075          | 154,197          | 150,435          |
| Dividend Payable                              | 0                | 16,000           | 0                | 0                | 0                |
| Current Portion of Long-term Borrowings       | 42               | 17               | 0                | 452              | 169,830          |
| Derivatives Instruments Liabilities           | 7,375            | 7,375            | 7,375            | 7,375            | 2,254            |
| <b>Non-Current Liabilities</b>                | <b>975,153</b>   | <b>977,551</b>   | <b>985,241</b>   | <b>988,035</b>   | <b>801,100</b>   |
| Non-Current Trade Payables and Other Payable  | 2,396            | 2,440            | 1,987            | 2,487            | 1,547            |
| Long-term Borrowings                          | 250              | 250              | 0                | 0                | 0                |
| Corporate Bond                                | 319,255          | 319,329          | 319,449          | 319,527          | 149,777          |
| Convertible Bond                              | 476,422          | 476,341          | 476,563          | 474,794          | 471,031          |
| Non-Current Provisions                        | 4,099            | 4,227            | 4,353            | 4,037            | 4,211            |
| Defined Benefit Liability                     | 1,440            | 6,967            | 12,203           | 17,220           | 1,963            |
| Other Long-term Employee Benefits Liabilities | 28,373           | 30,021           | 31,618           | 33,064           | 32,075           |
| Deferred Income Tax Liabilities               | 142,919          | 137,839          | 138,929          | 136,387          | 139,857          |
| Other Non-Current Financial Liabilities       | 0                | 138              | 139              | 518              | 640              |
| <b>Total Liabilities</b>                      | <b>1,781,173</b> | <b>1,747,672</b> | <b>1,817,899</b> | <b>2,048,873</b> | <b>1,841,076</b> |
| <b>Equity</b>                                 |                  |                  |                  |                  |                  |
| <b>Paid-in Capital</b>                        | <b>33,858</b>    | <b>33,908</b>    | <b>33,941</b>    | <b>33,970</b>    | <b>34,004</b>    |
| <b>Capital Surplus</b>                        | <b>3,105,014</b> | <b>3,103,430</b> | <b>3,235,681</b> | <b>3,552,564</b> | <b>3,640,015</b> |
| <b>Capital Adjustments</b>                    | <b>-11,232</b>   | <b>-10,935</b>   | <b>-9,446</b>    | <b>-7,827</b>    | <b>-6,210</b>    |
| <b>Accumulated Other Comprehensive Income</b> | <b>920</b>       | <b>-3,006</b>    | <b>-1,335</b>    | <b>8,084</b>     | <b>-4,998</b>    |
| <b>Retained Earnings</b>                      | <b>303,952</b>   | <b>347,660</b>   | <b>358,964</b>   | <b>391,019</b>   | <b>404,642</b>   |
| <b>Non-controlling Interests</b>              | <b>270,432</b>   | <b>275,908</b>   | <b>374,349</b>   | <b>467,416</b>   | <b>490,810</b>   |
| <b>Total Equity</b>                           | <b>3,702,944</b> | <b>3,746,966</b> | <b>3,992,153</b> | <b>4,445,225</b> | <b>4,558,263</b> |
| <b>Total Liabilities &amp; Equity</b>         | <b>5,484,117</b> | <b>5,494,638</b> | <b>5,810,052</b> | <b>6,494,098</b> | <b>6,399,339</b> |

## Separate Statements of Income(K-IFRS)

| (Unit: KRW Million)                          | 1Q15           | 2Q15           | 3Q15           | 4Q15           | 2015           | 1Q16           | 2Q16           | 3Q16           | 4Q16           | 2016           | 1Q17           | 2Q17           | 3Q17           | 4Q17           | 2017           | QoQ             | QoQ(%)           | YoY            | YoY(%)         |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|------------------|----------------|----------------|
| <b>Sales Revenues</b>                        | <b>220,303</b> | <b>210,648</b> | <b>211,516</b> | <b>219,619</b> | <b>862,085</b> | <b>203,027</b> | <b>206,774</b> | <b>210,165</b> | <b>241,239</b> | <b>861,205</b> | <b>225,889</b> | <b>244,545</b> | <b>257,994</b> | <b>250,273</b> | <b>978,700</b> | <b>-7,721</b>   | <b>-3.0%</b>     | <b>+9,034</b>  | <b>+3.7%</b>   |
| Advertising                                  | 142,070        | 150,392        | 140,376        | 148,492        | 581,330        | 124,481        | 130,580        | 120,915        | 136,054        | 512,030        | 125,076        | 143,128        | 141,496        | 154,640        | 564,341        | +13,144         | +9.3%            | +18,586        | +13.7%         |
| Content                                      | 66,141         | 50,115         | 60,917         | 57,435         | 234,609        | 63,958         | 56,644         | 63,996         | 72,499         | 257,098        | 64,333         | 65,746         | 79,128         | 52,963         | 262,170        | -26,164         | -33.1%           | -19,536        | -26.9%         |
| Game   | 59,368         | 43,695         | 43,238         | 47,063         | 193,364        | 51,562         | 42,726         | 48,570         | 56,091         | 198,949        | 46,720         | 46,522         | 59,270         | 32,401         | 184,913        | -26,869         | -45.3%           | -23,690        | -42.2%         |
| Music  | 2,367          | 2,623          | 7,066          | 3,341          | 15,397         | 3,378          | 2,991          | 3,155          | 3,369          | 12,893         | 2,938          | 2,669          | 2,600          | 2,532          | 10,740         | -68             | -2.6%            | -837           | -24.8%         |
| Web literature and Emoticon                  | 4,406          | 3,797          | 10,614         | 7,031          | 25,848         | 9,018          | 10,928         | 12,270         | 13,040         | 45,256         | 14,675         | 16,555         | 17,257         | 18,030         | 66,517         | +774            | +4.5%            | +4,990         | +38.3%         |
| Others                                       | 12,092         | 10,140         | 10,223         | 13,692         | 46,146         | 14,588         | 19,550         | 25,254         | 32,685         | 92,077         | 36,479         | 35,671         | 37,370         | 42,669         | 152,190        | +5,299          | +14.2%           | +9,984         | +30.5%         |
| <b>Operating Expenses</b>                    | <b>175,907</b> | <b>194,802</b> | <b>185,369</b> | <b>185,416</b> | <b>741,495</b> | <b>173,069</b> | <b>191,670</b> | <b>199,705</b> | <b>225,767</b> | <b>790,211</b> | <b>209,397</b> | <b>216,952</b> | <b>228,439</b> | <b>226,361</b> | <b>881,149</b> | <b>-2,078</b>   | <b>-0.9%</b>     | <b>+594</b>    | <b>+0.3%</b>   |
| Labor costs                                  | 42,588         | 43,925         | 46,369         | 42,455         | 175,337        | 45,349         | 48,830         | 49,214         | 52,044         | 195,438        | 51,811         | 50,796         | 49,161         | 52,271         | 204,038        | +3,110          | +6.3%            | +226           | +0.4%          |
| Fringe benefits                              | 8,111          | 15,166         | 10,642         | 8,550          | 42,468         | 7,927          | 11,693         | 8,421          | 10,596         | 38,637         | 8,414          | 7,885          | 7,625          | 6,981          | 30,904         | -643            | -8.4%            | -3,615         | -34.1%         |
| Depreciation                                 | 11,135         | 11,969         | 12,012         | 12,219         | 47,334         | 12,354         | 12,793         | 12,491         | 12,276         | 49,915         | 12,477         | 12,344         | 12,370         | 12,624         | 49,815         | +253            | +2.0%            | +348           | +2.8%          |
| Rental fees                                  | 2,417          | 1,916          | 1,977          | 1,816          | 8,126          | 2,205          | 2,525          | 2,396          | 2,616          | 9,741          | 2,480          | 2,308          | 2,273          | 2,164          | 9,226          | -109            | -4.8%            | -452           | -17.3%         |
| Commissions                                  | 52,616         | 55,045         | 58,018         | 57,930         | 223,609        | 55,595         | 57,520         | 64,514         | 72,184         | 249,814        | 73,040         | 78,828         | 89,740         | 77,344         | 318,952        | -12,397         | -13.8%           | +5,159         | +7.1%          |
| Advertising                                  | 16,262         | 18,813         | 4,954          | 10,716         | 50,745         | 3,885          | 8,418          | 13,858         | 22,248         | 48,410         | 9,014          | 8,347          | 9,390          | 9,863          | 36,613         | +473            | +5.0%            | -12,385        | -55.7%         |
| Bad debt expenses                            | -14            | 408            | -23            | 1,034          | 1,405          | 908            | 116            | -320           | -216           | 489            | 82             | -28            | 62             | 47             | 162            | -14             | -23.5%           | +263           | -              |
| Amortization                                 | 5,233          | 5,129          | 5,378          | 5,338          | 21,079         | 5,800          | 5,906          | 5,708          | 5,561          | 22,975         | 5,417          | 5,277          | 4,821          | 4,578          | 20,092         | -243            | -5.0%            | -984           | -17.7%         |
| Content fees                                 | 8,396          | 11,266         | 15,476         | 12,489         | 47,627         | 10,863         | 11,722         | 13,438         | 11,646         | 47,669         | 11,062         | 12,728         | 13,091         | 15,728         | 52,609         | +2,637          | +20.1%           | +4,082         | +35.0%         |
| Ad Agency fees                               | 22,064         | 24,687         | 23,676         | 25,767         | 96,195         | 20,012         | 21,152         | 19,281         | 22,562         | 83,007         | 18,987         | 23,910         | 21,843         | 23,416         | 88,155         | +1,573          | +7.2%            | +854           | +3.8%          |
| Event fees                                   | 154            | 304            | 134            | 492            | 1,085          | 110            | 359            | 242            | 693            | 1,404          | 120            | 299            | 372            | 682            | 1,474          | +310            | +83.4%           | -11            | -1.5%          |
| Others                                       | 6,946          | 6,173          | 6,756          | 6,611          | 26,485         | 8,061          | 10,635         | 10,462         | 13,556         | 42,714         | 16,493         | 14,259         | 17,693         | 20,665         | 69,109         | +2,972          | +16.8%           | +7,108         | +52.4%         |
| <b>Operating Profit</b>                      | <b>44,395</b>  | <b>15,846</b>  | <b>26,147</b>  | <b>34,203</b>  | <b>120,591</b> | <b>29,958</b>  | <b>15,105</b>  | <b>10,460</b>  | <b>15,472</b>  | <b>70,995</b>  | <b>16,492</b>  | <b>27,593</b>  | <b>29,555</b>  | <b>23,911</b>  | <b>97,551</b>  | <b>-5,644</b>   | <b>-19.1%</b>    | <b>+8,440</b>  | <b>+54.5%</b>  |
| <i>Operating Profit Margin</i>               | <i>20.2%</i>   | <i>7.5%</i>    | <i>12.4%</i>   | <i>15.6%</i>   | <i>14.0%</i>   | <i>14.8%</i>   | <i>7.3%</i>    | <i>5.0%</i>    | <i>6.4%</i>    | <i>8.2%</i>    | <i>7.3%</i>    | <i>11.3%</i>   | <i>11.5%</i>   | <i>9.6%</i>    | <i>10.0%</i>   | <b>-1.9%p</b>   |                  | <b>3.1%p</b>   |                |
| <b>Other Revenues</b>                        | <b>476</b>     | <b>1,287</b>   | <b>1,109</b>   | <b>3,632</b>   | <b>6,504</b>   | <b>1,660</b>   | <b>960</b>     | <b>1,780</b>   | <b>2,082</b>   | <b>6,482</b>   | <b>1,460</b>   | <b>2,445</b>   | <b>240,651</b> | <b>50</b>      | <b>244,605</b> | <b>-240,601</b> | <b>-100.0%</b>   | <b>-2,032</b>  | <b>-97.6%</b>  |
| Reversal of allowance for doubtful accounts  | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | +0              | -                | +0             | -              |
| Disposal gains on tangible assets            | 20             | 45             | 73             | 17             | 156            | 46             | 35             | 91             | 24             | 196            | 1              | 325            | 92             | 134            | 551            | +42             | +45.7%           | +110           | +458.5%        |
| Disposal gains on other assets               | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 1,598          | 0              | 1,598          | -1,598          | -100.0%          | +0             | -              |
| Disposal gains on equity method investees    | 0              | 605            | 0              | 0              | 605            | 0              | 0              | 0              | 0              | 0              | 0              | 2              | 236,883        | -2,687         | 234,198        | -239,570        | -                | -2,687         | -              |
| Miscellaneous                                | 373            | 479            | 655            | 3,721          | 5,229          | 1,488          | 685            | 1,385          | 1,453          | 5,011          | 1,385          | 1,840          | 1,513          | 2,233          | 6,971          | +719            | +47.5%           | +780           | +53.7%         |
| Others                                       | 83             | 158            | 380            | -107           | 515            | 127            | 240            | 304            | 605            | 1,275          | 74             | 278            | 564            | 371            | 1,287          | -194            | -34.3%           | -234           | -38.7%         |
| <b>Other Expenses</b>                        | <b>2,201</b>   | <b>4,863</b>   | <b>21,425</b>  | <b>5,418</b>   | <b>33,907</b>  | <b>2,980</b>   | <b>6,197</b>   | <b>4,203</b>   | <b>19,712</b>  | <b>33,092</b>  | <b>3,123</b>   | <b>13,814</b>  | <b>4,430</b>   | <b>64,892</b>  | <b>86,259</b>  | <b>+60,462</b>  | <b>+1,364.8%</b> | <b>+45,180</b> | <b>+229.2%</b> |
| Loss on disposal of intangible assets        | 5              | 1,034          | 0              | 154            | 1,192          | 0              | 0              | 12             | -12            | 0              | 0              | 0              | 0              | 0              | 0              | +0              | -                | +12            | -              |
| Impairment losses on intangible assets       | 0              | 0              | 0              | 0              | 0              | 590            | 0              | 0              | 882            | 1,472          | 0              | 0              | 19             | 749            | 769            | +730            | +3,813.9%        | -133           | -15.1%         |
| Impairment losses on equity method investees | 0              | 0              | 16,975         | 4,009          | 20,984         | 0              | 4,235          | 0              | 16,298         | 20,533         | 0              | 10,997         | 0              | 61,477         | 72,474         | +61,477         | -                | +45,179        | +277.2%        |
| Loss on disposal of equity method investees  | 0              | 79             | 0              | 359            | 438            | 0              | 26             | 12             | 0              | 38             | 0              | 10             | 24             | 0              | 34             | -24             | -100.0%          | +0             | -              |
| Commissions                                  | 257            | 1,373          | 1,094          | 40             | 2,764          | 131            | 1,165          | 331            | 292            | 1,919          | 843            | 402            | 1,255          | 931            | 3,431          | -324            | -25.8%           | +639           | +219.3%        |
| Donations                                    | 1,224          | 1,739          | 2,376          | 560            | 5,900          | 691            | 377            | 1,649          | 1,326          | 4,043          | 481            | 1,620          | 1,784          | 573            | 4,459          | -1,211          | -67.9%           | -753           | -56.8%         |
| Miscellaneous losses                         | 298            | 291            | 906            | 21             | 1,517          | 44             | 32             | 62             | 674            | 812            | 631            | 685            | 346            | 58             | 1,719          | -288            | -83.3%           | -616           | -91.4%         |
| Others                                       | 416            | 348            | 73             | 276            | 1,112          | 1,524          | 362            | 2,135          | 253            | 4,275          | 1,169          | 100            | 1,001          | 1,103          | 3,374          | +102            | +10.2%           | +851           | +336.8%        |
| <b>Financial Income</b>                      | <b>2,722</b>   | <b>2,759</b>   | <b>3,842</b>   | <b>1,780</b>   | <b>11,103</b>  | <b>3,557</b>   | <b>6,427</b>   | <b>517</b>     | <b>19,246</b>  | <b>29,747</b>  | <b>35,067</b>  | <b>2,037</b>   | <b>1,671</b>   | <b>4,549</b>   | <b>43,324</b>  | <b>+2,879</b>   | <b>+172.3%</b>   | <b>-14,696</b> | <b>-76.4%</b>  |
| Interest income                              | 2,694          | 2,593          | 1,481          | 1,698          | 8,465          | 1,882          | 1,146          | 517            | 672            | 4,217          | 667            | 861            | 551            | 1,806          | 3,885          | +1,255          | +228.0%          | +1,134         | +168.6%        |
| Dividend income                              | 0              | 0              | 1,723          | 83             | 1,805          | 1,674          | 246            | 0              | 0              | 1,921          | 34,400         | 78             | 78             | 4,809          | 39,365         | +4,731          | +6,042.7%        | +4,809         | -              |
| Gain on foreign currency transactions        | 2              | 0              | 0              | 0              | 2              | 0              | 4,623          | 0              | 0              | 4,623          | 0              | 0              | 74             | 0              | 74             | -74             | -100.0%          | -0             | -100.0%        |
| Gain on foreign currency translation         | 26             | 166            | 639            | 0              | 831            | 1              | 181            | 0              | 5,045          | 5,227          | 0              | 1,098          | 968            | -2,066         | 0              | -3,034          | -                | -7,111         | -              |
| Gain on disposal of LT AFS                   | 0              | 0              | 0              | 0              | 0              | 0              | 231            | 0              | 0              | 231            | 0              | 0              | 0              | 0              | 0              | +0              | -                | +0             | -              |
| Gain on valuation derivatives                | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 13,528         | 13,528         | 0              | 0              | 0              | 0              | 0              | +0              | -                | -13,528        | -100.0%        |
| <b>Financial Expenses</b>                    | <b>284</b>     | <b>929</b>     | <b>178</b>     | <b>1,696</b>   | <b>3,087</b>   | <b>1,788</b>   | <b>8,510</b>   | <b>6,974</b>   | <b>4,234</b>   | <b>21,507</b>  | <b>23,399</b>  | <b>-1,018</b>  | <b>1,741</b>   | <b>27,673</b>  | <b>51,795</b>  | <b>+25,932</b>  | <b>+1,489.2%</b> | <b>+23,439</b> | <b>+553.6%</b> |
| Interest expense                             | 36             | 37             | 37             | 457            | 568            | 1,383          | 5,672          | 4,336          | 4,233          | 15,623         | 4,034          | 4,136          | 4,123          | 3,534          | 15,826         | -589            | -14.3%           | -700           | -16.5%         |
| Loss on foreign currency transactions        | 3              | 0              | 0              | 0              | 3              | 0              | 201            | 0              | 0              | 201            | 0              | 0              | 158            | 1              | 159            | -158            | -99.6%           | +1             | -              |
| Loss on foreign currency translation         | -3             | 0              | 0              | 211            | 208            | 406            | 62             | 2,639          | 1              | 3,107          | 4,861          | 503            | -409           | 2,113          | 7,068          | +2,523          | -                | +2,113         | +293,592.9%    |
| Losses on Retirement of Bonds                | 0              | 0              | 0              | 0              | 0              | 0              | 2,575          | 0              | 0              | 2,575          | 0              | 0              | 0              | 0              | 0              | +0              | -                | +0             | -              |
| Loss on disposal of LT AFS                   | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | +0              | -                | +0             | -              |
| Impairment losses on LT AFS                  | 0              | 0              | 0              | 1,009          | 1,009          | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | +0              | -                | +0             | -              |
| Loss on valuation of derivative instruments  | 248            | 891            | 140            | 20             | 1,299          | 0              | 0              | 0              | 0              | 0              | 14,503         | -5,656         | -2,130         | 22,025         | 28,742         | +24,156         | -                | +22,025        | -              |
| <b>Profit Before Income Tax Expenses</b>     | <b>45,109</b>  | <b>14,101</b>  | <b>9,495</b>   | <b>32,500</b>  | <b>101,204</b> | <b>30,407</b>  | <b>7,784</b>   | <b>1,580</b>   | <b>12,853</b>  | <b>52,625</b>  | <b>26,497</b>  | <b>19,278</b>  | <b>265,705</b> | <b>-64,054</b> | <b>247,426</b> | <b>-329,759</b> | <b>-</b>         | <b>-76,907</b> | <b>-</b>       |
| <b>Income Tax Expenses</b>                   | <b>9,858</b>   | <b>-1,148</b>  | <b>8,251</b>   | <b>11,346</b>  | <b>28,306</b>  | <b>7,054</b>   | <b>4,628</b>   | <b>-100</b>    | <b>2,872</b>   | <b>14,453</b>  | <b>-48,911</b> | <b>10,690</b>  | <b>60,826</b>  | <b>6,945</b>   |                |                 |                  |                |                |

## Seperated Statements of Financial Position (K-IFRS)

(Unit: KRW Million)

| Accounts                                      | 2016.12.31       | 2017.03.31       | 2017.06.30       | 2017.09.30       | 2017.12.31       |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>Assets</b>                                 |                  |                  |                  |                  |                  |
| <b>Current Assets</b>                         | <b>511,067</b>   | <b>493,467</b>   | <b>519,002</b>   | <b>870,913</b>   | <b>632,508</b>   |
| Cash and Cash Equivalents                     | 279,217          | 261,861          | 187,675          | 417,539          | 388,574          |
| Short-term Financial Instruments              | 37,190           | 16,899           | 118,695          | 98,223           | 14,834           |
| Derivatives Instruments Assets                | 0                | 0                | 0                | 0                | 0                |
| Accounts Receivable                           | 95,980           | 77,233           | 80,744           | 83,978           | 77,955           |
| Other Current Financial Assets                | 73,826           | 109,965          | 103,587          | 236,590          | 128,318          |
| Inventory Assets                              | 3,483            | 3,647            | 6,431            | 8,033            | 5,508            |
| Other Current Assets                          | 21,371           | 23,862           | 21,869           | 26,549           | 17,319           |
| <b>Non-Current Assets</b>                     | <b>4,318,230</b> | <b>4,345,826</b> | <b>4,343,702</b> | <b>4,404,420</b> | <b>4,324,369</b> |
| Long-term Financial Instruments               | 10,000           | 10,000           | 10,000           | 10,000           | 10,000           |
| Long-term Available for Sales                 | 55,437           | 54,948           | 57,583           | 108,975          | 97,059           |
| Equity Method Investments                     | 2,337,040        | 2,368,459        | 2,368,945        | 2,442,759        | 2,368,582        |
| Other Non-current Financial Assets            | 10,442           | 9,849            | 9,289            | 8,851            | 9,304            |
| Tangible Assets                               | 203,866          | 206,547          | 207,211          | 203,381          | 208,084          |
| Intangible Assets                             | 1,694,581        | 1,689,813        | 1,684,701        | 1,624,592        | 1,620,416        |
| Deferred Income Tax Assets                    | 0                | 0                | 0                | 0                | 0                |
| Other Non-current Assets                      | 6,865            | 6,210            | 5,973            | 5,861            | 10,925           |
| <b>Total Assets</b>                           | <b>4,829,297</b> | <b>4,839,293</b> | <b>4,862,703</b> | <b>5,275,333</b> | <b>4,956,878</b> |
| <b>Liabilities</b>                            |                  |                  |                  |                  |                  |
| <b>Current Liabilities</b>                    | <b>813,859</b>   | <b>760,308</b>   | <b>768,571</b>   | <b>972,057</b>   | <b>948,682</b>   |
| Trade Payables and Other Payables             | 174,592          | 148,533          | 133,333          | 146,400          | 163,318          |
| Other Current Financial Liabilities           | 2,400            | 2,610            | 3,441            | 2,756            | 11,099           |
| Income Taxes Payable                          | 7,168            | 6,646            | 14,477           | 73,666           | 81,258           |
| Provisions                                    | 279              | 173              | 0                | 0                | 0                |
| Short-term Borrowings                         | 200,000          | 150,000          | 150,000          | 150,000          | 0                |
| Dividend Payable                              | 0                | 10,006           | 0                | 0                | 0                |
| Other Current Liabilities                     | 429,420          | 442,339          | 467,319          | 599,235          | 693,007          |
| <b>Non-Current Liabilities</b>                | <b>640,280</b>   | <b>637,236</b>   | <b>642,516</b>   | <b>640,879</b>   | <b>450,452</b>   |
| Non-Current Trade Payables and Other Payabl   | 118              | 118              | 240              | 165              | 165              |
| Long-term Borrowings                          | 250              | 250              | 0                | 0                | 0                |
| Corporate Bond                                | 319,255          | 319,329          | 319,449          | 319,527          | 149,777          |
| Convertible Bond                              | 248,928          | 248,990          | 249,052          | 247,122          | 243,197          |
| Exchangeable Bond                             | 0                | 0                | 0                | 0                | 0                |
| Non-Current Provisions                        | 3,549            | 3,567            | 3,585            | 3,267            | 3,285            |
| Defined Benefit Liability                     | 0                | 2,709            | 6,125            | 8,465            | 0                |
| Other Long-term Employee Benefits Liabilities | 24,913           | 26,327           | 27,672           | 29,004           | 24,715           |
| Other Non-Current Financial Liabilities       | 0                | 0                | 0                | 55               | 106              |
| Deferred Income Tax Liabilities               | 43,266           | 35,947           | 36,392           | 33,275           | 29,207           |
| <b>Total Liabilities</b>                      | <b>1,454,139</b> | <b>1,397,544</b> | <b>1,411,087</b> | <b>1,612,936</b> | <b>1,399,134</b> |
| <b>Equity</b>                                 |                  |                  |                  |                  |                  |
| <b>Paid-in Capital</b>                        | <b>33,858</b>    | <b>33,908</b>    | <b>33,941</b>    | <b>33,970</b>    | <b>34,004</b>    |
| <b>Capital Surplus</b>                        | <b>3,057,264</b> | <b>3,058,151</b> | <b>3,058,510</b> | <b>3,061,268</b> | <b>3,036,396</b> |
| <b>Capital Adjustments</b>                    | <b>-11,232</b>   | <b>-10,935</b>   | <b>-9,446</b>    | <b>-7,827</b>    | <b>-6,026</b>    |
| <b>Accumulated Other Comprehensive Income</b> | <b>5,046</b>     | <b>5,001</b>     | <b>4,400</b>     | <b>5,895</b>     | <b>-4,722</b>    |
| <b>Retained Earnings</b>                      | <b>290,222</b>   | <b>355,623</b>   | <b>364,212</b>   | <b>569,091</b>   | <b>498,092</b>   |
| <b>Total Equity</b>                           | <b>3,375,158</b> | <b>3,441,749</b> | <b>3,451,616</b> | <b>3,662,397</b> | <b>3,557,744</b> |
| <b>Total Liabilities &amp; Equity</b>         | <b>4,829,297</b> | <b>4,839,293</b> | <b>4,862,703</b> | <b>5,275,333</b> | <b>4,956,878</b> |

## Number of Employees (Kakao)

| Name                      | 4Q15         | 1Q16         | 2Q16         | 3Q16         | 4Q16         | 1Q17         | 2Q17         | 3Q17         | 4Q17         | QoQ         | YoY         |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|
| <b>Kakao</b>              | 2,375        | 2,469        | 2,541        | 2,655        | 2,630        | 2,627        | 2,603        | 2,538        | 2,446        | ▽92         | ▽184        |
| <b>Kakao Subsidiaries</b> | 1,725        | 1,812        | 2,403        | 2,501        | 2,529        | 2,637        | 2,798        | 3,102        | 3,386        | ▲284        | ▲857        |
| <b>Consolidated total</b> | <b>4,100</b> | <b>4,281</b> | <b>4,944</b> | <b>5,156</b> | <b>5,159</b> | <b>5,264</b> | <b>5,401</b> | <b>5,640</b> | <b>5,832</b> | <b>▲192</b> | <b>▲673</b> |

\* The above number of employees include full-time and part-time employees only (not assistances and interns)

\* Subsidiaries (64 Companies) : DGH, Path Mobile Inc, DK Service, DK Techin, DK Business, DK China, DK China Yajiao, Imageon, Buzzpia, Kakao Singapore, Beijing Kakao, Ultra Caption, Ultra Interactive, Kakao Japan, Kidsnote, Kakao Investment, TNK Factory, K Cube Ventures, K-cube Venture Fund, Kakao Venture Fund, Locnall, KakaoFriends, Valuepotion, Valuepotion Pte. LTD, Cardoc, Kakao Games(former NZIN), Supernova Eleven, Ngle, Kakao Games Europe B.V(former Daum Games Europe B.V), Kakao Games USA, Inc., About Time, Podotree, PT. Path Mobile Indonesia, Linkage Lab, Kakao Digital Content Fund, Kakao Game Growth Share Fund, LOEN ENTERTAINMENT, Starship entertainment., PLAN A, MTECHCREW, Fave Entertainment, Cre.Ker Entertainment, Mun Hwa In, Krispy Studio, Parking Square, Numberworks, KVG SG Pte. Ltd., Peoplug, Kakao CCVC Jeju Creative Economy Innovation Fund, Bluepin, Kakao Makers, Kakao Brain, Tangram Design Lab, Hasys, K-Venture Group(TIPS), Kakao Pay, Kakao Mobility, Pixel Hub, Story Plant, Kakao VX Co., LTD., TEASIK MAUMGOLF CO.,LTD, GSWING SPORTING GOODS CO., LTD, Pin Play Co., LTD, House of Music Co., LTD

\* Including 614 employees of Loen Entertainment and its subsidiaries