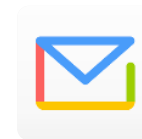


1st Quarter 2015 Results

2015. 5. 14 | Investor Relations



Financial information contained in this document is based on consolidated K-IFRS that have not been audited by an independent auditor: therefore, the information and financial data contained in this document are subject to change upon an independent auditor's audit.

Also, this document contains the unaudited pro-forma combined financial information of the Daum Communications and the Kakao Corp., for the pre-merger periods, solely for the convenience of the investors. Please note that such financial information are not subject to an independent auditor's audit.

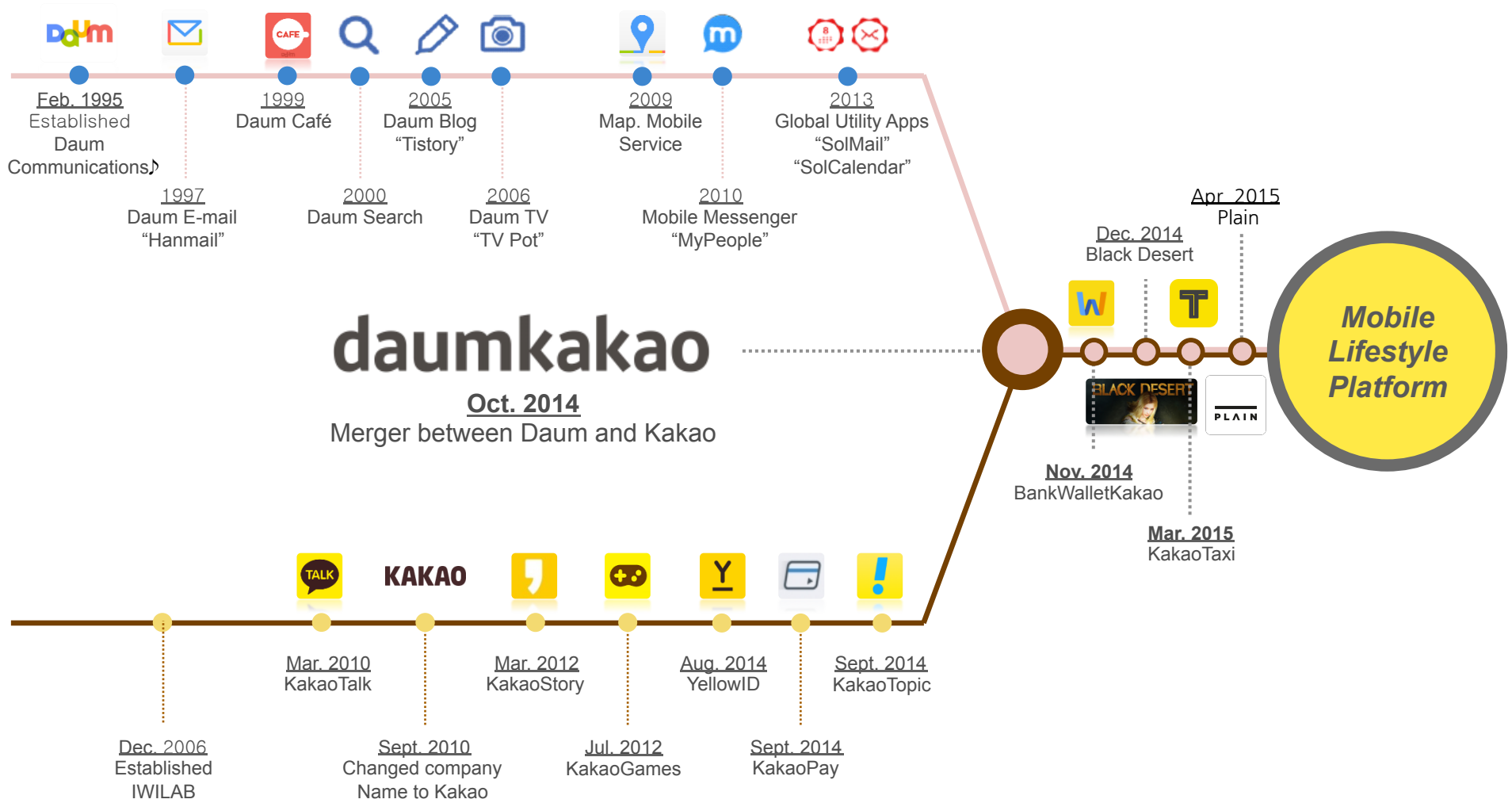
The company does not make any representation or accept liability, as to the accuracy or completeness of the information contained in this material. The format and contents of this document are subject to change for future filings and reports. Daum Kakao is not liable for providing future updates on all figures included in this document.

1. About Daum Kakao
2. KakaoTalk Monthly Active Users (MAUs)
3. Summary Results
4. Revenues
5. Expense
6. Profits
7. Financial Position

Appendix:

- Unaudited Consolidated Financial Statements: Pro-forma
- Unaudited Consolidated Financial Statements: K-IFRS
- Employees / Subsidiaries

1. About Daum Kakao: Milestone



1. About Daum Kakao: Service Portfolio

Category	Service/Platform	New in 1Q' 15	2Q'15
Communication & Community	KakaoTalk, KakaoStory, KakaoGroup, Daum Cafe	<ul style="list-style-type: none"> • Kid's Note¹⁾ • Zap²⁾ 	<ul style="list-style-type: none"> • Plain (Beta)³⁾
Search & Recommendation	Daum Search(Web/App), Daum Maps	<ul style="list-style-type: none"> • SubwayNavigation⁴⁾ 	
Game	KakaoGame, Daum Game		<ul style="list-style-type: none"> • Kakao GameShop⁵⁾
Media & Contents	Media Daum, TV Pot, Story Ball, Daum Webtoon, KakaoMusic, KakaoPage		
Commerce & Payment	Gift Shop, KakaoStyle, Brand Stores, Shopping How, KakaoPay, BankWalletKakao		<ul style="list-style-type: none"> • Kakao Friends⁶⁾
Miscellaneous	Buzz Launcher, KakaoHome	<ul style="list-style-type: none"> • K Venture Group⁷⁾ • KakaoTaxi⁸⁾ • K Cube Ventures⁹⁾ 	

1) Wholly acquired Kids Note, the maker of a childcare app for kindergartens and daycares to communicate with parents in January 2015

2) Launched Zap, a 24-hour photo mobile messenger in January 2015

3) Released the beta version of PLAIN, an easy mobile blogging app in April 2015

4) Acquired Subway Navigation app, a nationwide subway search service app in January 2015

5) Launched Kakao GameShop, an independent mobile gaming platform developed by DaumKakao in April 2015

6) Plan to spin off Kakao Friends into a wholly owned separate company in June 2015

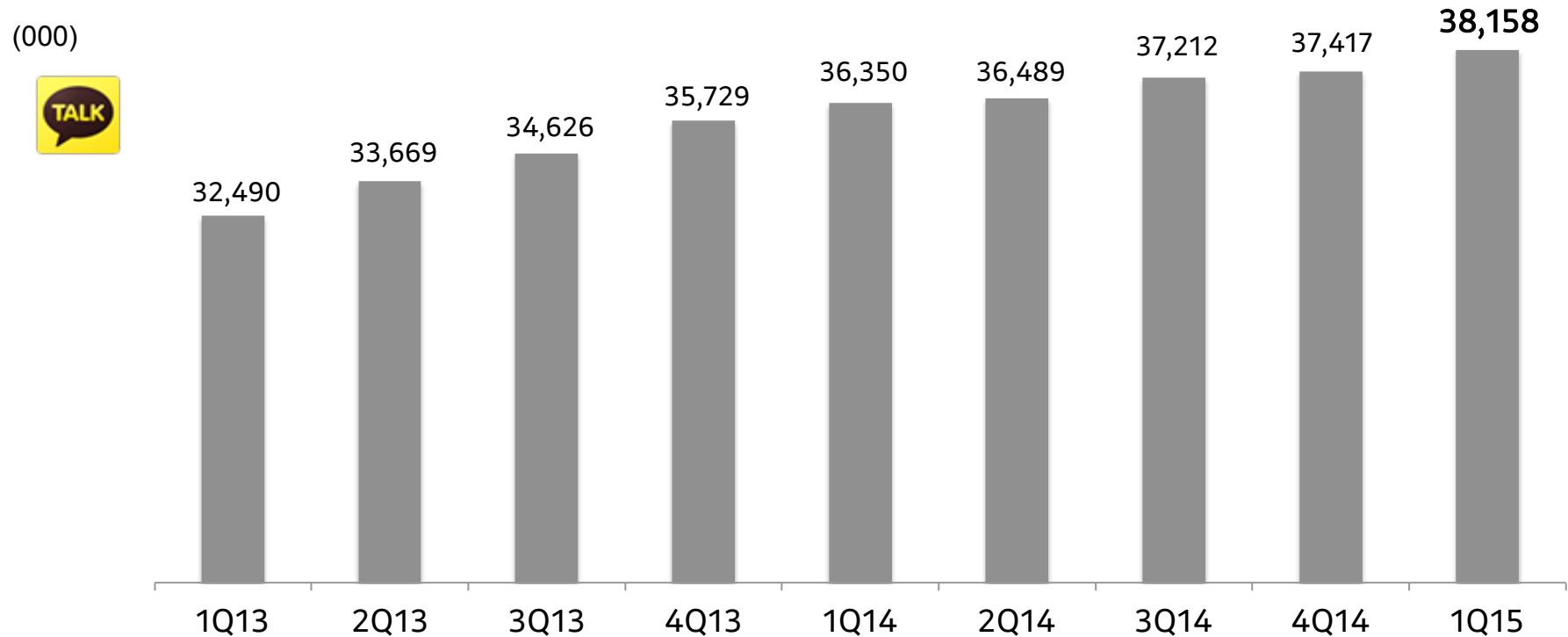
7) Launched K Venture Group, a firm focused on venture investment in January 2015

8) Launched KakaoTaxi service in March 2015

9) Acquired 100 percent of K Cube Ventures, an early stage venture capital firm in March 2015

2. KakaoTalk Monthly Active Users (MAUs)

- Continue to grow our domestic active users: QoQ +741K
- Total countries serviced: 230+ (based on country codes), in 15 languages



Korea	32,490	33,669	34,626	35,729	36,350	36,489	37,212	37,417	38,158
Global	40,096	46,132	48,916	50,619	50,386	48,769	48,411	48,254	48,207

❖ Average of monthly MAUs. Global includes domestic MAUs.

3. Summary Results

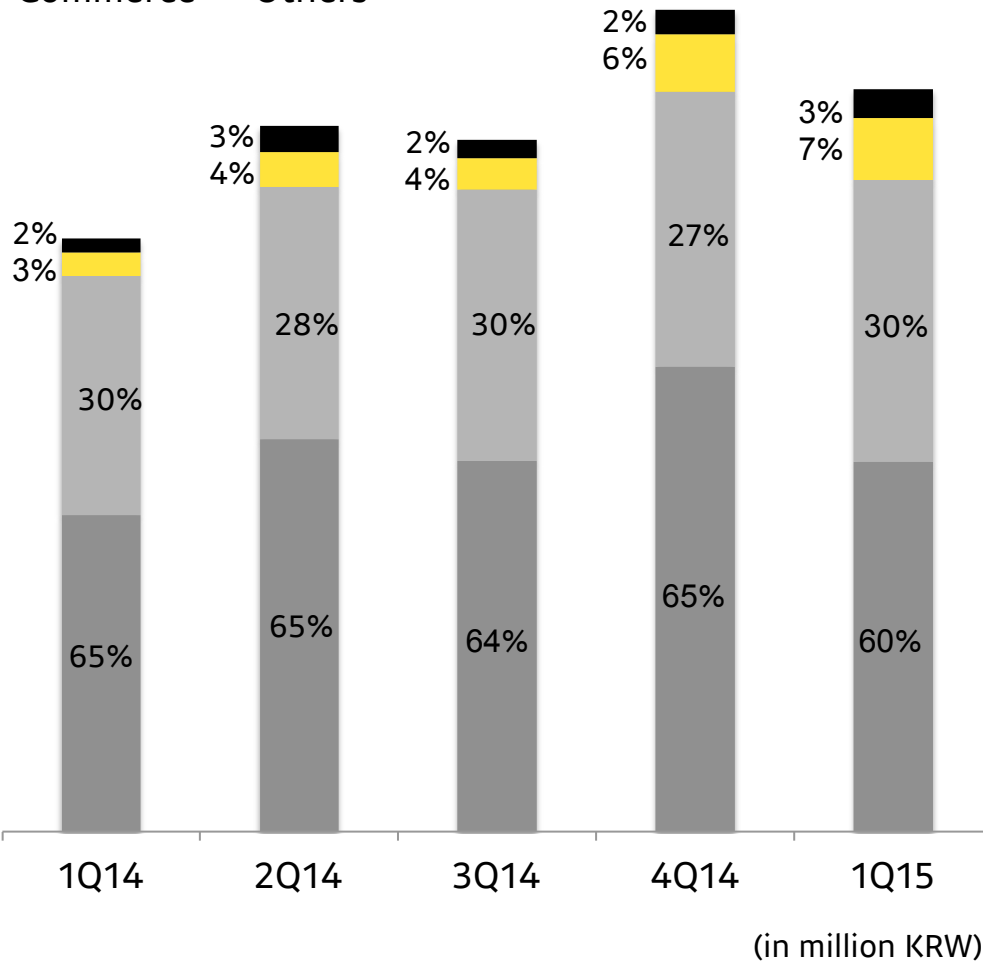
- Total revenue in 1Q2015 234.4bn Won: YoY 19% up, QoQ 8% down
- Mobile revenue in 1Q2015 accounts for 55% of total revenue: YoY 9%p up, QoQ 2%p up

(in million KRW)

	1Q15	4Q14	1Q14	QoQ	YoY
Total Revenue	234,392	254,046	197,365	-8%	19%
Advertising	141,753	165,363	128,688	-14%	10%
Game	69,991	68,289	59,273	2%	18%
Commerce	15,526	14,284	5,818	9%	167%
Others	7,122	6,110	3,586	17%	99%
Operating Expense	194,040	188,632	146,749	3%	32%
Operating Income	40,352	65,414	50,615	-38%	-20%
<i>% of Revenue</i>	<i>17%</i>	<i>26%</i>	<i>26%</i>	<i>-9%p</i>	<i>-9%p</i>
EBIT	41,344	62,551	47,134	-34%	-12%
Net Income	30,846	51,743	40,166	-40%	-23%
EBITDA	57,744	81,702	62,423	-29%	-7%

4. Revenue Breakdown

■ Advertising ■ Game
■ Commerce ■ Others

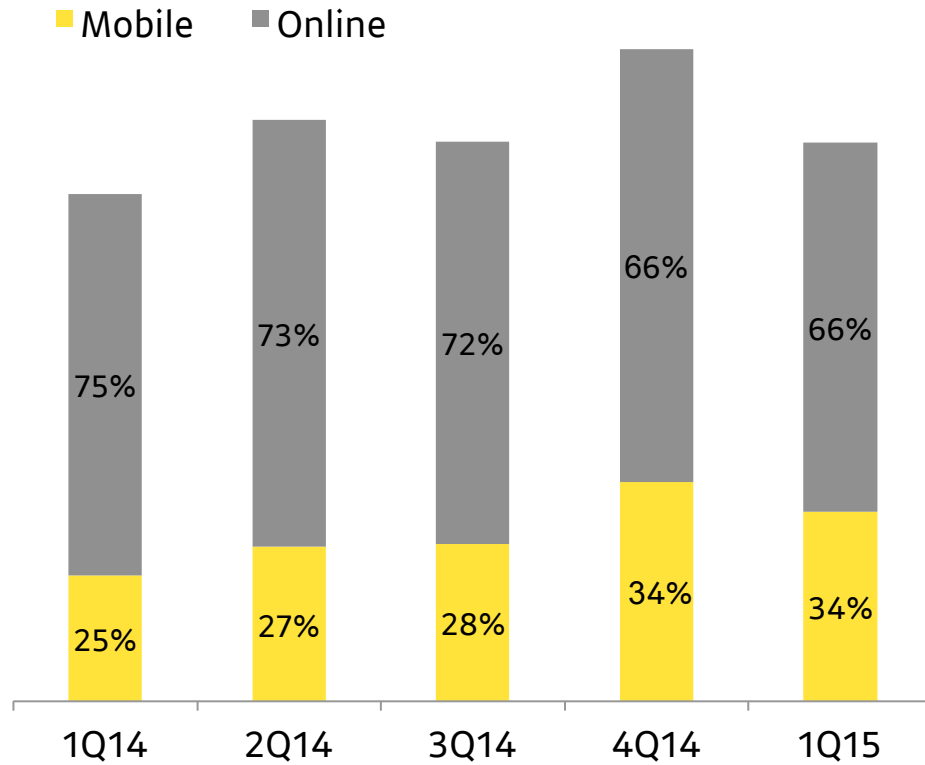


(in million KRW)

Total	1Q14	2Q14	3Q14	4Q14	1Q15
	197,365	225,172	221,803	254,046	234,392

Advertising	Daum online•mobile ad. PlusFriend(KakaoTalk) YellowID(KakaoTalk) Brand Emoticon(KakaoTalk) KakaoStory ad. KakaoTalk PC version ad.
Game	KakaoGame(KakaoTalk) Daum Game Kakao GameShop
Commerce	GiftShop(KakaoTalk) KakaoStyle Brand product/stores
Others	B2C Emoticon(KakaoTalk) KakaoMusic KakaoPage KakaoPay(KakaoTalk) BankWalletKakao Miscellaneous online

4. Revenue: Advertising platforms



Total Ad YoY 10% up, QoQ 14% down

Online YoY 3% down, QoQ 15% down

Mobile YoY 50% up, QoQ 13% down

- Online advertising platforms:
 - Seasonal factors attributed to QoQ decrease

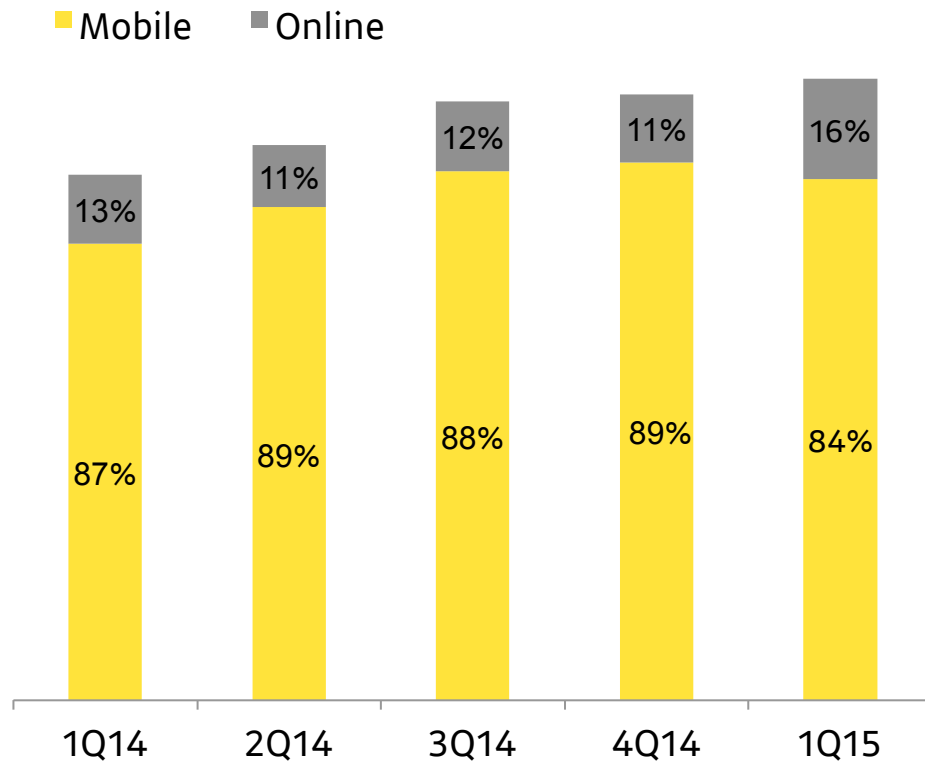
- Mobile advertising platforms:
 - Seasonal factors attributed to QoQ decrease
 - Growth in Kakao ad. platforms, mobile search & Shopping How revenues lead to YoY growth

- Advanced Advertising Systems are prepared to thrive in the growing mobile ad market
 - Integrated platform leading to diverse monetization programs
 - Packaged advertising and cross-selling to maximize the point of user engagement

(in million KRW)

Total	128,688	147,443	141,915	165,363	141,753
Online	96,728	108,424	101,928	109,822	93,661
Mobile	31,960	39,019	39,987	55,541	48,092

4. Revenue: Game platforms



(in million KRW)

Total	59,273	62,574	67,464	68,289	69,991
Online	7,813	7,003	7,845	7,710	11,225
Mobile	51,460	55,571	59,619	60,579	58,766

Game YoY 18% up, QoQ 2% up

Mobile YoY 14% up, QoQ 3% down

Online YoY 44% up, QoQ 46% up

- New Kakao GameShop (g.kakao.com):

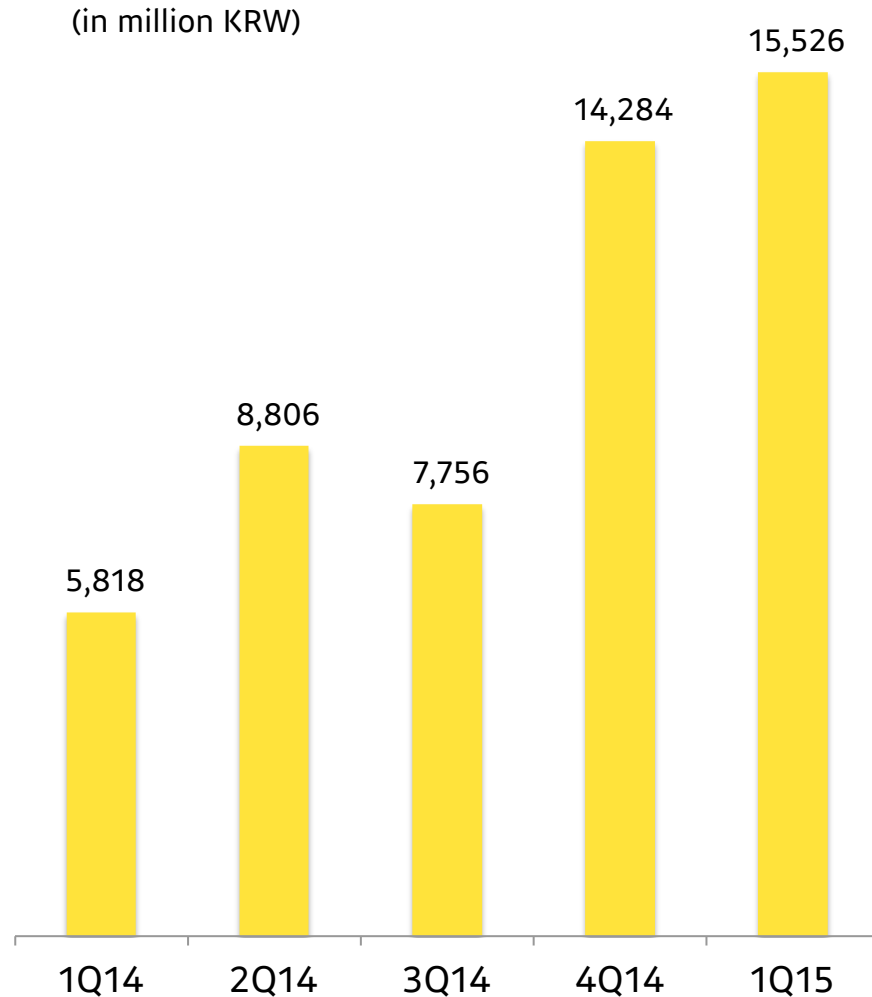
- Launched on April 1, 2015
- Independent mobile gaming platform
- Currently 28 games available

- Online Game:

- Black Desert launched in December 2014 attributed to revenue growth

- Enter mobile game publishing business in China:

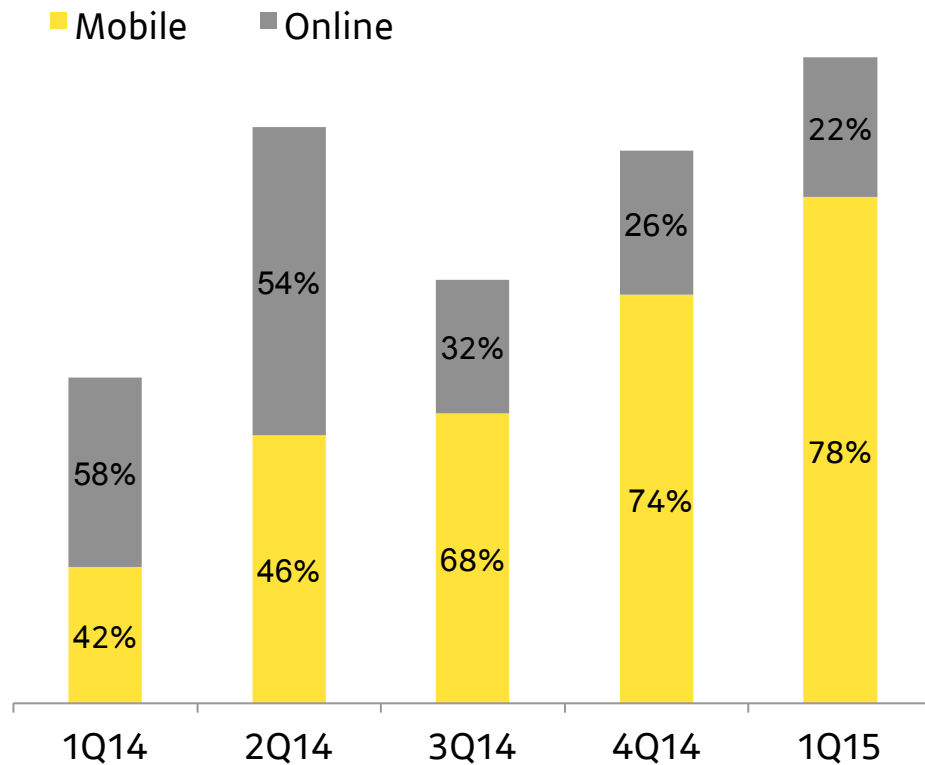
- Teaming up with China's Chukong Technologies to co-publish "Superstar SMTOWN" in 2Q2015



Commerce YoY 167% up, QoQ 9% up

- KakaoTalk GiftShop:
 - Over 1.5 million purchasers per month
 - Increased product lineup and enhanced UI attributed to a robust revenue growth
- KakaoStyle:
 - Continuously grow due to high RoAS (Return on Advertising Spend)
- Kakao Friends:
 - Merchandise of the characters sold throughout on-line and off-line brand stores are gaining popularity amongst all age levels
 - Plan to spin off Kakao Friends into a wholly owned separate company in June 2015

4. Revenue: Other platforms



(in million KRW)

Total	3,586	6,349	4,668	6,110	7,122
Online	2,081	3,397	1,475	1,611	1,540
Mobile	1,505	2,952	3,193	4,499	5,582

Others YoY 99% up, QoQ 17% up

Mobile YoY 271% up, QoQ 24% up

- Mobile content platforms:

- Continued growth in B2C Emoticon sales
- Released KakaoMusic 3.0: new features include streaming, Brand Music Room, etc
- Daily gross revenue of KakaoPage exceeds 100 million Won
- Enter in China: begin offering Daum Webtoon content on four major Chinese platforms

- Payments:

- Over 4 million KakaoPay users
- Offline payments available at convenience stores nationwide via BankWalletKakao

- Miscellaneous includes online video/cartoon/music, mail and messages services.

Operating expenses in 1Q2015 194bn Won: YoY 32% up, QoQ 3% up, due mainly to the marketing spending for the new services and base salary increase for 2015

(in million KRW)

	1Q15	4Q14	1Q14	QoQ	YoY
OP Expenses	194,040	188,632	146,749	3%	32%
Labor costs ¹⁾	51,803	47,242	40,396	10%	28%
Fringe benefits	9,970	8,782	7,276	14%	37%
Depreciation	11,455	10,596	8,544	8%	34%
Rental fees	5,034	4,287	3,310	17%	52%
Commissions ²⁾	52,645	55,865	40,489	-6%	30%
Advertising ³⁾	17,221	9,116	10,817	89%	59%
Bad Debt Exp.	(21)	1,583	(1,074)	-	-
Amortization	5,937	5,692	3,264	4%	82%
Outsourcing fees	8,452	7,111	6,861	19%	23%
Ad agency fees ⁴⁾	24,418	30,154	21,221	-19%	15%
Event fees	171	1,833	279	-91%	-39%
Others	6,955	6,371	5,366	9%	30%

1) Labor costs increased due to annual base salary increase for 2015 and increased in number of subsidiaries' employees

2) Commission decreased mainly due to decrease in TAC related to network ad revenue

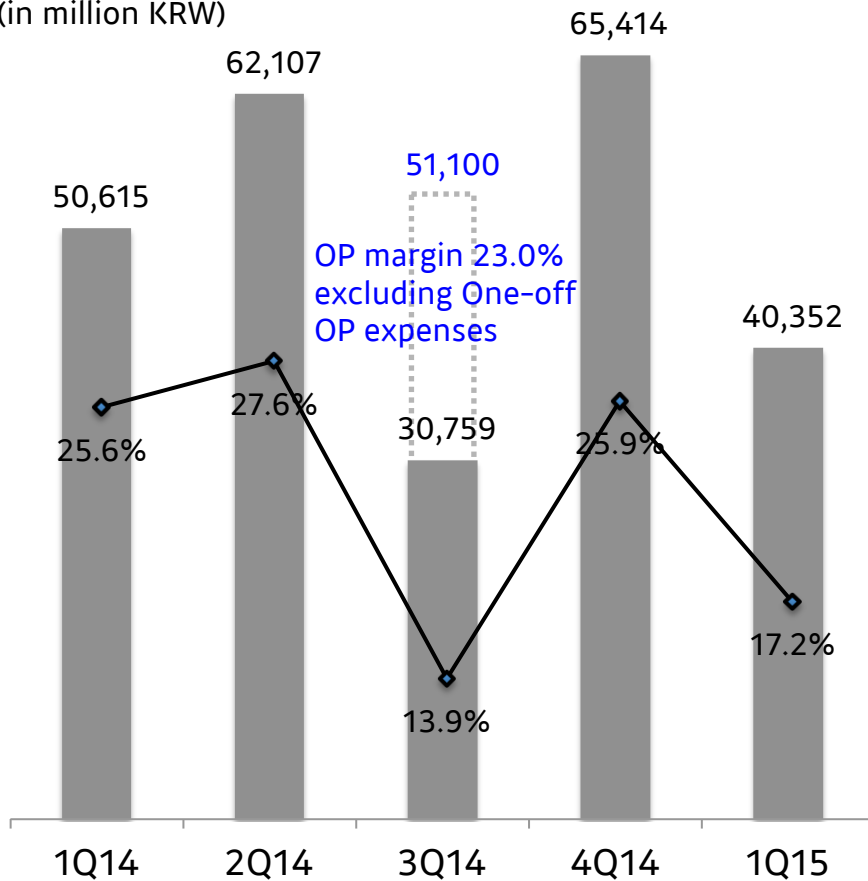
3) Advertising increased due to various marketing activities on the newly launched services including KakaoTaxi and KakaoPay.

4) Ad agency fees decreased due to the decrease in the related advertising revenue

Operating Profits

1Q2015 40.4bn Won: YoY 20% down, QoQ 38% down

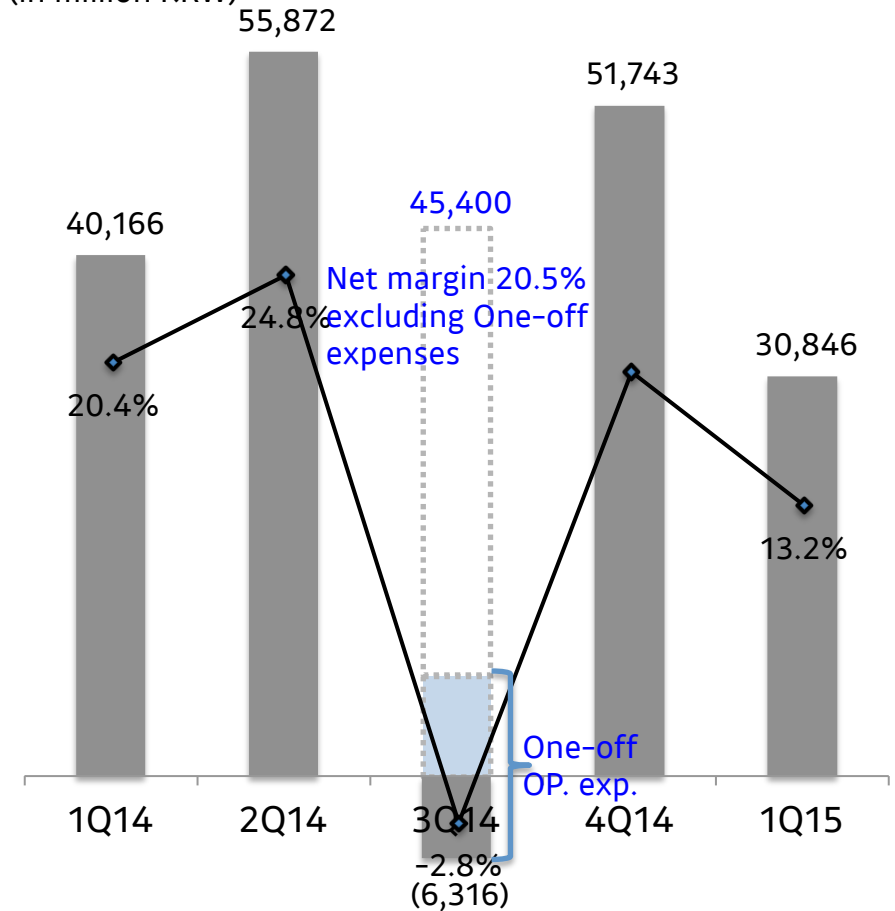
(in million KRW)



Net Profits

1Q2015 30.8bn Won: YoY 23% down, QoQ 40% down

(in million KRW)



- FYE 1Q2015 total assets 2,853.2bn Won includes merger related goodwill of 1,419.5bn Won
- 1Q2015 Capital Expenditure 27.9bn Won consists of tangible 24.5bn, intangible 2.4bn and subsidiaries 1.1bn

(in million KRW)

	2015.3.31	2014.12.31	2014.10.1
Total assets	2,853,220	2,768,024	2,638,510
Cash & cash equivalents	474,733	451,228	414,971
Tangibles	204,469	196,894	191,137
Intangibles ¹⁾	1,685,639	1,688,974	1,684,488
Total liabilities	335,927	304,797	267,729
Current	252,419	227,488	179,423
Non-current	83,508	77,309	88,306
Total equity	2,517,293	2,463,228	2,370,781
Capital stock	29,714	29,121	28,332
Capital surplus	2,264,694	2,258,974	2,246,535

1) Goodwill 1,420,520 million KRW

Appendix

- Unaudited Consolidated Financial Statements: Pro-forma
- Unaudited Consolidated Financial Statements: K-IFRS
- Employees / Subsidiaries

Daum Kakao Consolidated Financial Statements (Pro-forma)

daumkakao

Daum Kakao Consolidated Statements of Income

(in million KRW)	1Q14	2Q14	3Q14	4Q14	1Q15
Sales Revenues	197,365	225,172	221,803	254,046	234,392
Advertising Platform	128,688	147,443	141,915	165,363	141,753
Game Platform	59,273	62,574	67,464	68,289	69,991
Commerce Platform	5,818	8,806	7,756	14,284	15,526
Others	3,586	6,349	4,668	6,110	7,122
Operating Expenses	146,749	163,065	191,044	188,632	194,040
Labor costs	40,396	42,683	64,834	47,242	51,803
Fringe benefits	7,276	9,757	9,460	8,782	9,970
Depreciation	8,544	9,537	9,975	10,596	11,455
Rental fees	3,310	3,760	3,880	4,287	5,034
Commissions	40,489	43,951	49,532	55,865	52,645
Advertising	10,817	8,875	11,314	9,116	17,221
Bad debt expenses	-1,074	-23	-15	1,583	-21
Amortization	3,264	3,256	3,279	5,692	5,937
Outsourcing fees	6,861	8,080	7,826	7,111	8,452
Ad Agency fees	21,221	26,659	25,360	30,154	24,418
Event fees	279	410	307	1,833	171
Others	5,366	6,119	5,292	6,371	6,955
Operating Profit	50,615	62,107	30,759	65,414	40,352
Operating Profit Margin	25.6%	27.6%	13.9%	25.7%	17.2%
Other Revenues	207	1,267	175	485	1,339
Other Expenses	5,510	1,527	29,943	6,345	2,715
Financial Income	3,670	6,137	3,612	3,574	3,252
Financial Expenses	299	1,520	-188	69	330
Equity-method Income	-1,549	-1,558	-1,060	-508	-553
Gains on Equity method investments	-	-	-	181	35
losses on Equity method investments	1,549	1,558	1,060	689	588
Profit before Income Tax Expenses	47,134	64,905	3,730	62,551	41,344
Income Tax Expenses	6,968	9,033	-1,744	10,809	10,498
Net Profit from Continued Operations	40,166	55,872	5,474	51,743	30,846
Net Profit from Discontinued Operations	-	-	-11,790	-	-
Net Profit	40,166	55,872	-6,316	51,743	30,846
Net Profit of Controlling Interests	40,813	56,051	-5,127	51,914	31,097
Net Profit of Non-controlling Interests	-648	-179	-1,189	-171	-250

Daum Kakao Consolidated Statements of Financial Position

(in million KRW)	2014.12.31	2015.03.31
Current Assets	798,291	841,003
Cash and Cash Equivalents	451,228	474,733
Short-term Financial Instruments	184,548	200,350
Accounts Receivable	108,431	109,699
Other Current Financial Assets	25,843	20,858
Other Current Assets	24,709	32,033
Others	3,532	3,330
Non-Current Assets	1,969,734	2,012,217
Long-term Available for Sales	25,258	42,285
Equity Method Investments	18,712	29,102
Tangible Assets	196,894	204,469
Intangible Assets	1,688,974	1,685,639
Other Non-current Financial Assets	33,702	44,163
Other Non-current Assets	6,194	6,559
Total Assets	2,768,025	2,853,220
Liabilities	227,487	252,419
Trade Payables and Non-trade Payables	109,126	104,611
Accrued Expenses	5,443	5,581
Advances from Customers	34,488	23,484
Income Taxes Payable	20,680	34,545
Dividend Payable	-	10,030
Other Current Liabilities	57,751	74,168
Non-Current Liabilities	77,309	83,508
Non-Current Trade Payables and Non-trade Payables	3,362	7,137
Deferred Income Tax Liabilities	50,083	49,547
Other Non-Current Liabilities	23,864	26,824
Total Liabilities	304,797	335,927
Paid-in Capital	29,121	29,714
Capital Surplus	2,258,974	2,264,694
Capital Adjustments	-26,268	-27,258
Accumulated Other Comprehensive Income	2,114	12,786
Retained Earnings	190,678	211,744
Non-controlling Interests	8,609	25,614
Total Equity	2,463,228	2,517,293
Total Liabilities & Equity	2,768,025	2,853,220

* Statements of income for the 1Q14~3Q14 are prepared solely for the convenience of investors, that are not subject to an independent auditor's audit.

Daum Kakao Consolidated Financial Statements (K-IFRS)

daumkakao

Daum Kakao Consolidated Statements of Income

(in million KRW)	1Q14	2Q14	3Q14	4Q14	1Q15
Sales Revenues	70,298	86,249	88,265	254,046	234,392
Advertising Platform	11,443	16,993	17,651	165,363	141,753
Game Platform	51,460	55,571	59,619	68,289	69,991
Commerce Platform	5,818	8,806	7,756	14,284	15,526
Others	1,577	4,880	3,238	6,110	7,122
Operating Expenses	34,878	40,785	58,136	188,632	194,040
Labor costs	13,319	14,956	29,154	47,242	51,803
Fringe benefits	1,395	2,741	2,335	8,782	9,970
Depreciation	1,953	2,193	2,407	10,596	11,455
Rental fees	902	1,480	1,415	4,287	5,034
Commissions	6,132	6,695	9,785	55,865	52,645
Advertising	8,068	5,308	6,395	9,116	17,221
Bad debt expenses	-	-	-	1,583	-21
Amortization	63	72	80	5,692	5,937
Outsourcing fees	-	-	-	7,111	8,452
Ad Agency fees	1,086	3,643	3,551	30,154	24,418
Event fees	20	76	144	1,833	171
Others	1,941	3,620	2,870	6,371	6,955
Operating Profit	35,420	45,465	30,129	65,414	40,352
Operating Profit Margin	25.6%	27.6%	13.9%	25.7%	17.2%
Other Revenues	43	899	79	485	1,339
Other Expenses	107	-6	6,270	6,345	2,715
Financial Income	899	1,134	1,174	3,574	3,252
Financial Expenses	124	193	174	69	330
Equity-method Income	-705	-691	-707	-508	-553
Gains on Equity method investments	-	-	-	181	35
losses on Equity method investments	705	691	707	689	588
Profit before Income Tax Expenses	35,426	46,619	24,232	62,551	41,344
Income Tax Expenses	3,602	4,346	251	10,809	10,498
Net Profit from Continued Operations	31,824	42,273	23,982	51,743	30,846
Net Profit from Discontinued Operations	-	-	-	-	-
Net Profit	31,824	42,273	23,982	51,743	30,846
Net Profit of Controlling Interests	31,824	42,337	24,029	51,914	31,097
Net Profit of Non-controlling Interests	-	-64	-48	-171	-250

Daum Kakao Consolidated Statements of Financial Position

(in million KRW)	2013.12.31	2014.12.31	2015.03.31
Current Assets	180,504	798,291	841,003
Cash and Cash Equivalents	23,417	451,228	474,733
Short-term Financial Instruments	105,039	184,548	200,350
Accounts Receivable	44,636	108,431	109,699
Other Current Financial Assets	4,953	25,843	20,858
Other Current Assets	2,459	24,709	32,033
Others	-	3,532	3,330
Non-Current Assets	36,696	1,969,734	2,012,217
Long-term Available for Sales	-	25,258	42,285
Equity Method Investments	10,484	18,712	29,102
Tangible Assets	20,316	196,894	204,469
Intangible Assets	1,370	1,688,974	1,685,639
Other Non-current Financial Assets	1,211	33,702	44,163
Other Non-current Assets	3,315	6,194	6,559
Total Assets	217,200	2,768,025	2,853,220
Liabilities	35,872	227,487	252,419
Trade Payables and Non-trade Payables	21,419	109,126	104,611
Accrued Expenses	-	5,443	5,581
Advances from Customers	-	34,488	23,484
Income Taxes Payable	-	20,680	34,545
Dividend Payable	-	-	10,030
Other Current Liabilities	14,453	57,751	74,168
Non-Current Liabilities	4,072	77,309	83,508
Non-Current Trade Payables and Non-trade Payables	3,406	3,362	7,137
Deferred Income Tax Liabilities	-	50,083	49,547
Other Non-Current Liabilities	665	23,864	26,824
Total Liabilities	39,944	304,797	335,927
Paid-in Capital	20,997	29,121	29,714
Capital Surplus	112,347	2,258,974	2,264,694
Capital Adjustments	6,257	-26,268	-27,258
Accumulated Other Comprehensive Income	-2,917	2,114	12,786
Retained Earnings	40,573	190,678	211,744
Non-controlling Interests	-	8,609	25,614
Total Equity	177,257	2,463,228	2,517,293
Total Liabilities & Equity	217,200	2,768,025	2,853,220

* Based on the merger accounting treatment under K-IFRS, financial statements of the Kakao Corp. are official financial statement of Daum Kakao for the pre-merger periods>

(in person)

	1Q14	2Q14	3Q14	4Q14	1Q15
Daum Kakao	2,162	2,272	2,250	2,262	2,255
L Daum	1,589	1,593	1,525		
L Kakao	573	679	725		
Daum Kakao Subsidiaries	1,059	1,089	1,217	1,269	1,348
Consolidated total	3,221	3,361	3,467	3,531	3,603

- Above number of employees include full-time and part-time employees only
- Subsidiaries: Daum Global Holdings Corp., Daum Kakao Singapore Corp. Pte. Ltd., Daum Service Corp., Daum Service CHINA Co., Ltd., Daum Service CHINA YanJiao Co., Ltd., ImageOn Corp., Daum Finger Touch Co., Ltd., ital View Operation Co., Ltd., Daum Game Co., Ltd., OnNet Co., Ltd., OnNet USA, Inc., OnNet Europe GmbH., OnNet, Inc., Dialod Corp., TNK Factory Co., Ltd., Buzzpia Co., Ltd., Thinkreals Corp., Lotiple Inc., Kakao Lab Corp., Sunnyloft Corp., KAKAO SINGAPORE PTE. Ltd., Beijing KAKAO Co., Ltd., Ultra Caption Corp., Ltd., Ultra Interactive, Inc., KAKAO JAPAN Corp., Kids Note Inc., K-cube Venture Fund, Kakao Venture Fund, K-cube Ventures, K Venture Group
(Total 30 subsidiaries as of March 31, 2015)



<http://www.daumkakao.com/ir/earnings>