



A Set of Global Challenges

3Q21 Earnings Result

2021.10.21

Disclaimer

The financial information included in this document are earnings results based on K-IFRS.

This document is provided for the convenience of investors,
and the external review on our financial results are yet to be completed;
therefore, certain part(s) of this document is subject to change upon the review results.

The company does not make any representation or accept liability,
As to the accuracy or completeness of the financial and operational results stated,
And nothing contained herein is, or shall be relied upon as a promise or representation, whether as to the past or the future.

This document shall not be utilized for any legal purposes in regards to investors' investment results,
and the company hereby expressly disclaims any and all liability resulting from investors' reliance on the information contained herein.

This document only speaks of the information as of the date they are made,
and the company is not responsible for providing updates contained in this document in light of new information or future.

Earnings Summary

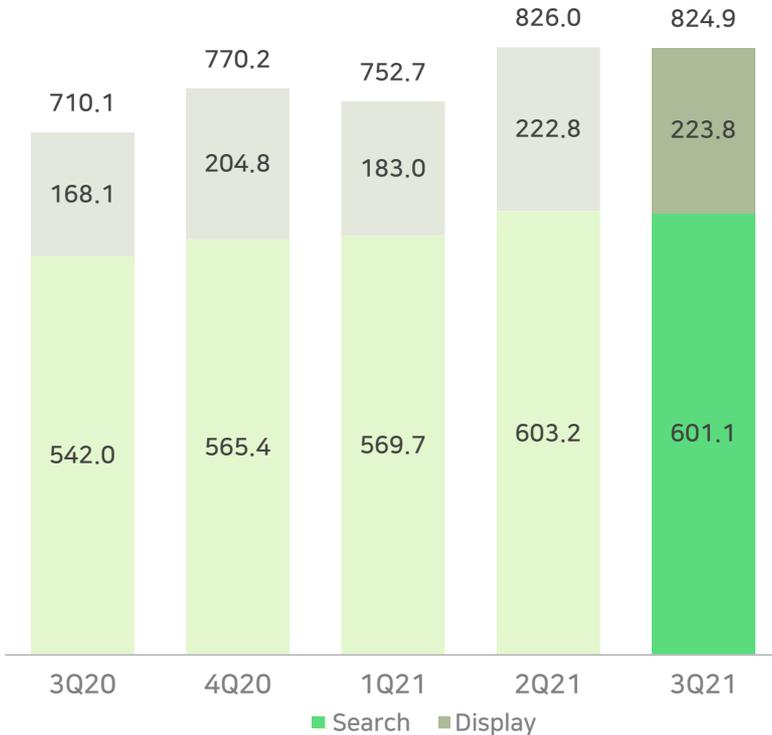
- Operating revenue rose YoY 26.9%, as all business lines posted strong growth backed by NAVER's symbiotic ecosystem
- Adjusted EBITDA increased 30.9% YoY, recording all-time high for the fourth consecutive quarter

(bn KRW)	3Q20	4Q20	1Q21	2Q21	3Q21	Y/Y	Q/Q
Operating Revenue	1,360.8	1,512.6	1,499.1	1,663.5	1,727.3	26.9%	3.8%
Search Platform	710.1	770.2	752.7	826.0	824.9	16.2%	-0.1%
Commerce	285.4	316.8	324.4	365.3	380.3	33.2%	4.1%
Fintech	174.0	201.1	209.5	232.6	241.7	38.9%	3.9%
Contents	115.0	138.9	130.8	144.8	184.1	60.2%	27.2%
Cloud	76.3	85.6	81.7	94.9	96.2	26.2%	1.4%
Operating Expenses	1,069.1	1,188.9	1,210.2	1,327.9	1,377.5	28.9%	3.7%
Operating Income	291.7	323.8	288.8	335.6	349.8	19.9%	4.2%
Adjusted EBITDA*	389.8	419.2	440.6	480.4	510.1	30.9%	6.2%
Net Income	235.3	384.1	15,314.5	540.6	322.7	37.1%	-40.3%

* EBITDA + stock-based compensation

Quarterly Revenue

(bn KRW)



3Q21 YoY 16.2% ↑ / QoQ 0.1% ↓
 (Search) YoY 10.9% ↑ / QoQ 0.4% ↓
 (Display) YoY 33.2% ↑ / QoQ 0.5% ↑

- Search revenue increased with UGC ecosystem growth, search topic and accuracy enhancement, and new marketing solution launches
- Display revenue continued its high growth from PC performance ads release, inventory expansion, and platform improvement

Quarterly Revenue

(bn KRW)

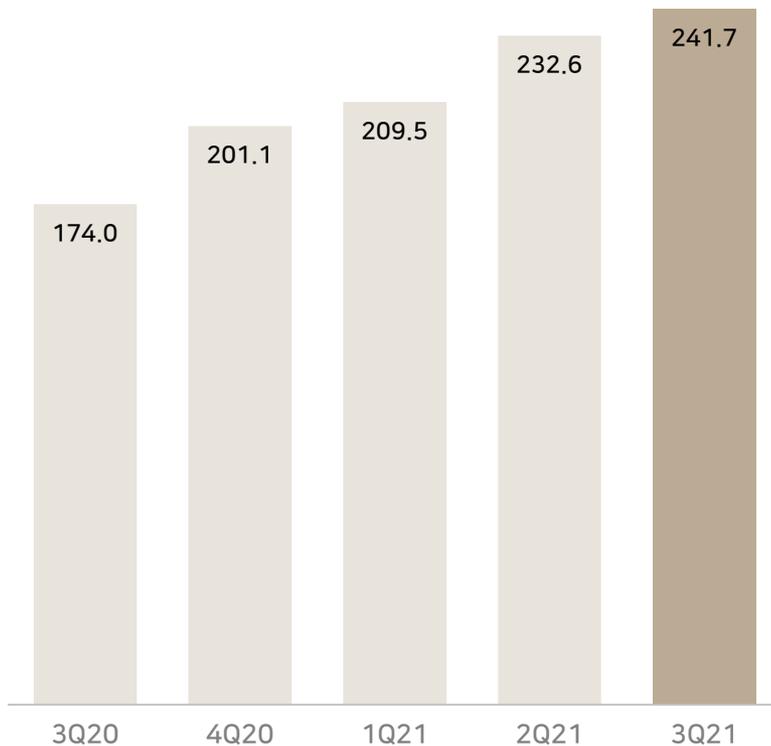


3Q21 YoY 33.2% ↑ / QoQ 4.1% ↑

- The number of Smartstores reached 470k with new seller growth remaining above the pre-COVID level
- Shopping LIVE GMV rose 13x YoY, leading the industry growth. Multiple live streams with over 1 million views and brands with over 10 billion KRW quarterly revenue
- The number of Brandstores increased to 555 and GMV jumped 3x YoY in 3Q, with year-to-date GMV surpassing 1 trillion KRW

Quarterly Revenue

(bn KRW)



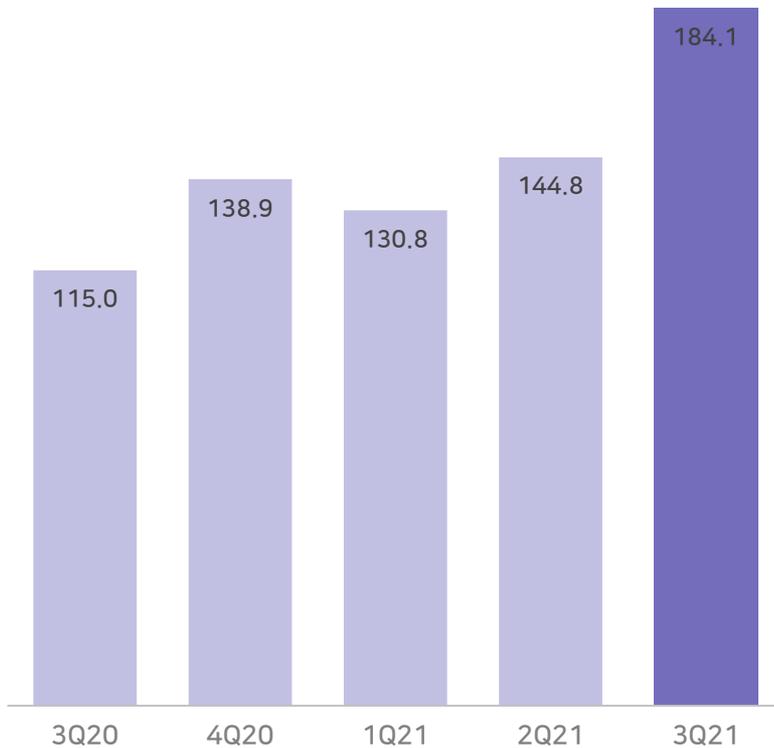
3Q21 YoY 38.9% ↑ / QoQ 3.9% ↑

- NAVER Pay TPV* grew 39% YoY to 9.8 trillion KRW from on/offline outside partner expansion and increased per customer transaction frequency and volume
- New service launches including NAVER Pay app and NAVER Hyundai card bolstering payment and membership ecosystem
- Smart Store seller loan balance reached 100 billion KRW just 10 months after launch

* TPV: Total Payment Value

Quarterly Revenue

(bn KRW)

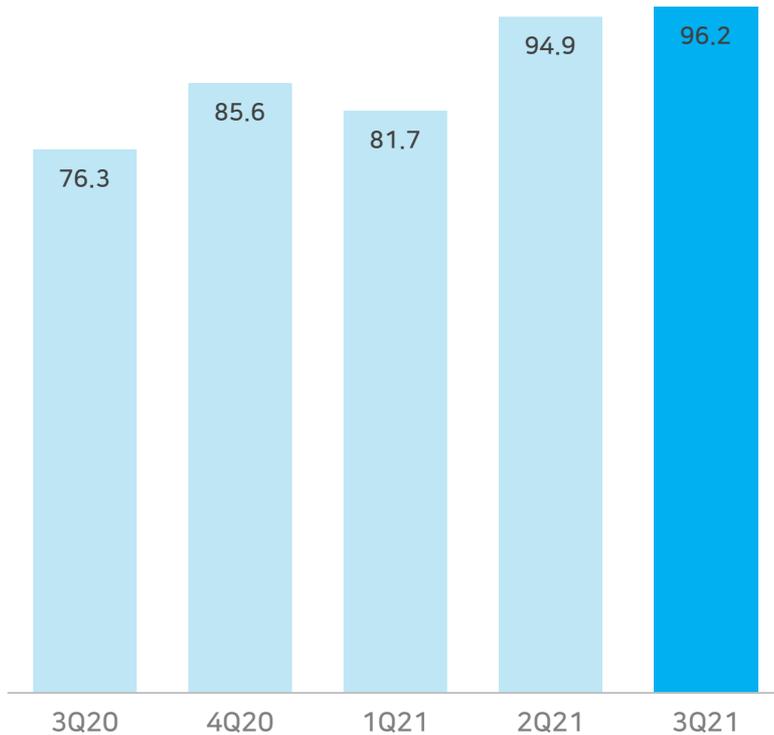


3Q21 YoY 60.2% ↑ / QoQ 27.2% ↑

- Global webtoon revenue growth (YoY 79%) continued to outpace GMV growth, driven by cross-border content expansion
- SNOW revenue more than doubled YoY from SNOW camera and ZEPETO monetization

Quarterly Revenue

(bn KRW)



3Q21 YoY 26.2% ↑ / QoQ 1.4% ↑

- As the No.2 cloud provider in Korea, delivered continued revenue growth by acquiring new clients such as SK Rent A Car and Tongyang Life
- Successfully established vaccine reservation system infrastructure, leading the cloud transition in the public sector
- CLOVA Note recorded 1 million downloads. Successful commercialization of CLOVA technology including OCR, AI call, and facial recognition under way

Operating Expenses/Income

- OP expenses rose 28.9% YoY from higher content sourcing, revenue-linked commissions, and Pay promotion costs
- Net income fell QoQ as non-operating income decreased from equity method valuation losses of an affiliate

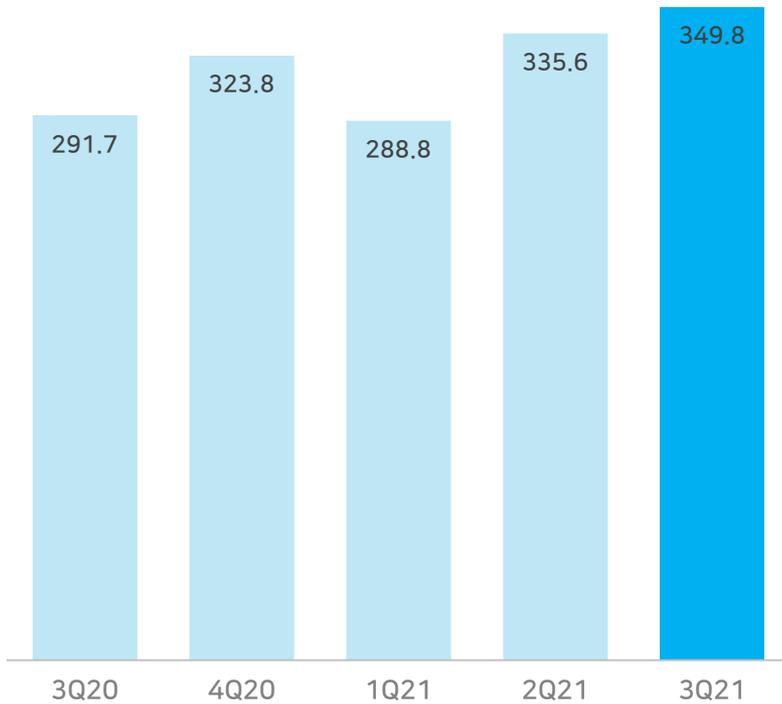
(bn KRW)	3Q20	4Q20	1Q21	2Q21	3Q21	Y/Y	Q/Q
Operating Expenses	1,069.1	1,188.9	1,210.2	1,327.9	1,377.5	28.9%	3.7%
Development & Operations	311.7	312.4	374.3	399.6	389.0	24.8%	-2.6%
Partner	457.0	534.9	510.0	581.7	608.8	33.2%	4.7%
Infrastructure	144.8	157.9	155.0	170.6	178.2	23.1%	4.4%
Marketing	155.6	183.7	171.0	176.0	201.5	29.4%	14.5%
Operating Income	291.7	323.8	288.8	335.6	349.8	19.9%	4.2%
Non-cash expenses	98.1	95.5	151.8	144.7	160.3	63.5%	10.8%
└ Stock based compensation	26.4	19.9	70.9	59.0	71.0	169.3%	20.3%
Adjusted EBITDA*	389.8	419.2	440.6	480.4	510.1	30.9%	6.2%
Net Income	235.3	384.1	15,314.5	540.6	322.7	37.1%	-40.3%

* EBITDA + stock-based compensation

Operating Income, Adjusted EBITDA

Operating Income

(bn KRW)



Adjusted EBITDA

(bn KRW)

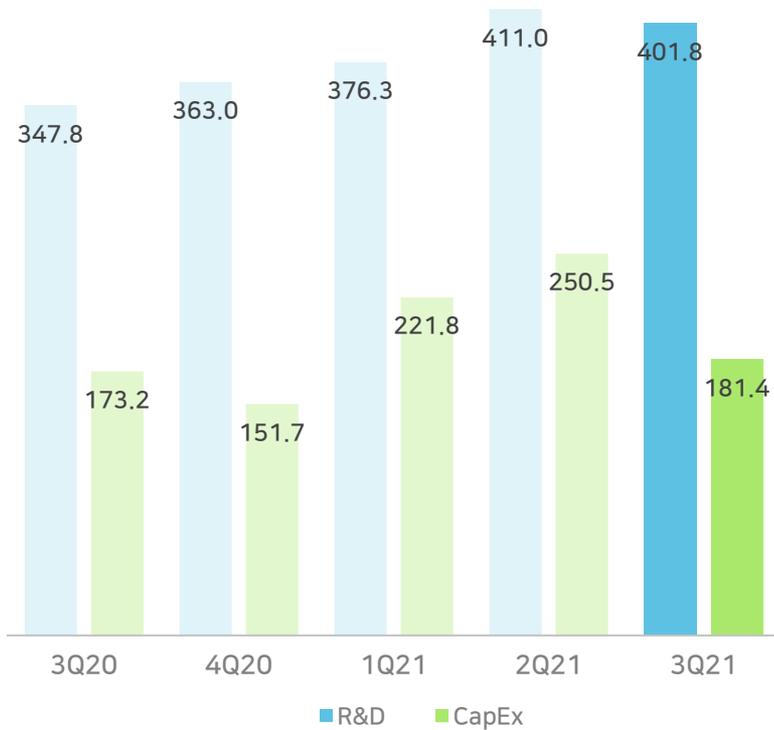


■ EBITDA ■ Stock-based compensation

R&D/CapEx, Net Income

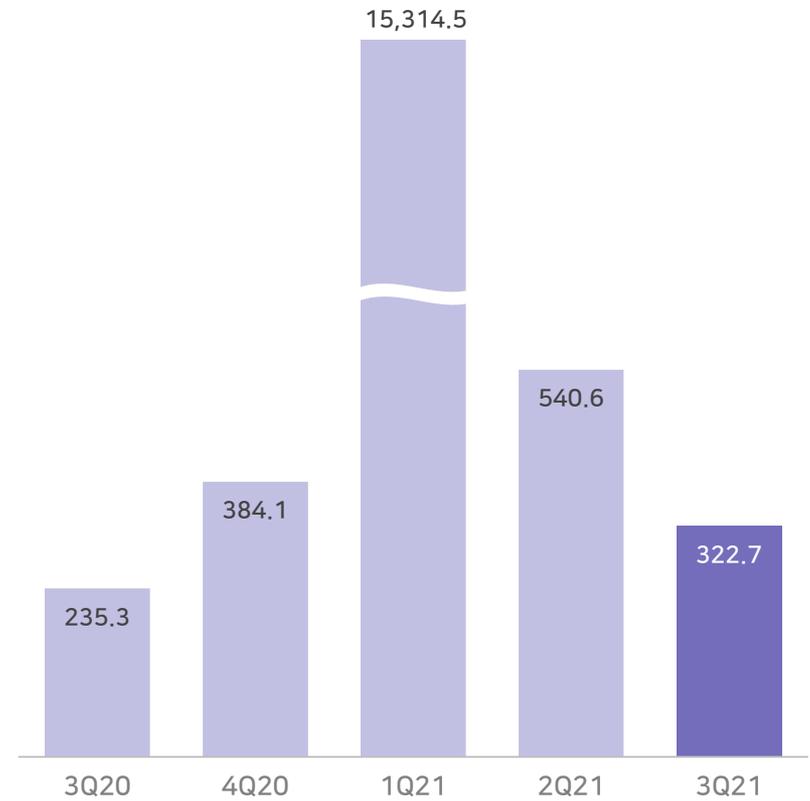
R&D/CapEx

(bn KRW)



Net Income

(bn KRW)



Financial Statements Summary

Consolidated Income Statement

(mn KRW)	3Q20	4Q20	1Q21	2Q21	3Q21
Operating Revenue	1,360,779	1,512,630	1,499,070	1,663,549	1,727,255
Operating Expenses	1,069,053	1,188,880	1,210,237	1,327,924	1,377,483
Operating Income	291,727	323,750	288,833	335,625	349,772
Non-operating Revenue	116,510	334,941	252,271	388,747	489,510
Non-operating Expenses	46,655	96,107	116,208	77,252	344,256
Pre-tax Income	361,582	562,584	424,896	647,120	495,026
Tax	117,610	157,766	110,269	106,568	172,299
Net Income from Continuing Operations	243,972	404,819	314,627	540,552	322,726
Net gain/loss from Discontinued Operations	-8,629	-20,721	14,999,895	-	-
Net Income	235,343	384,097	15,314,522	540,552	322,726
Controlling Interests	245,468	424,552	15,310,496	527,653	331,913
Non-controlling Interests	-10,125	-40,454	4,025	12,899	-9,186

Consolidated Statement of Financial Position

(mn KRW)	3Q20	4Q20	1Q21	2Q21	3Q21
Current Assets	10,206,941	10,544,659	5,236,989	4,946,302	4,805,362
Assets held for sale	6,535,890	6,660,253	-	-	-
Non-current Assets	5,245,619	6,469,579	25,194,018	26,748,586	28,155,517
Total Assets	15,452,560	17,014,239	30,431,007	31,694,888	32,960,878
Current Liabilities	7,272,227	7,911,751	3,538,672	3,635,599	3,867,933
Liabilities held for sale	3,730,412	4,675,241	-	-	-
Non-current Liabilities	768,595	847,355	4,459,144	4,795,592	4,887,117
Total Liabilities	8,040,823	8,759,107	7,997,815	8,431,191	8,755,051
Paid-in Capital	16,481	16,481	16,481	16,481	16,481
Capital Surplus	1,446,115	1,793,273	1,321,026	1,432,457	1,534,392
Other Components of Equity	-1,236,244	-1,097,350	-1,151,608	-1,080,783	-595,811
Retained Earnings	6,233,586	6,654,814	21,899,571	22,450,465	22,780,174
Non-controlling Interests	951,800	887,913	347,722	445,076	470,592
Total Equity	7,411,737	8,255,132	22,433,192	23,263,697	24,205,828

Income Statement

(mn KRW)	3Q20	4Q20	1Q21	2Q21	3Q21
Operating Revenue	1,056,140	1,158,862	1,135,808	1,245,246	1,264,534
Operating Expenses	689,285	772,494	763,814	865,940	866,174
Operating Income	366,855	386,368	371,993	379,307	398,360
Non-operating Revenue	92,083	182,503	113,348	162,254	284,081
Non-operating Expenses	44,557	115,263	74,632	55,946	90,910
Pre-tax Income	414,381	453,608	410,710	485,615	591,531
Tax	112,075	139,833	111,179	111,868	153,346
Net Income from Continuing Operations	302,306	313,775	299,530	373,746	438,185
Net gain/loss from Discontinued Operations	-	-	-	-	-
Net Income	302,306	313,775	299,530	373,746	438,185

Statement of Financial Position

(mn KRW)	3Q20	4Q20	1Q21	2Q21	3Q21
Current Assets	1,685,606	958,003	2,089,381	1,546,778	1,349,026
Non-current Assets	6,030,476	7,865,548	8,682,741	9,950,165	10,729,440
Total Assets	7,716,082	8,823,551	10,772,123	11,496,943	12,078,466
Current Liabilities	1,023,388	1,269,469	1,435,298	1,180,211	1,264,659
Non-current Liabilities	247,564	291,955	1,525,012	1,891,369	1,935,663
Total Liabilities	1,270,952	1,561,424	2,960,310	3,071,580	3,200,322
Paid-in Capital	16,481	16,481	16,481	16,481	16,481
Capital Surplus	362,406	675,892	838,284	949,628	1,054,791
Other Components of Equity	-1,424,433	-1,233,773	-1,158,420	-981,487	-1,066,004
Retained Earnings	7,490,675	7,803,527	8,115,468	8,440,741	8,872,876
Total Equity	6,445,130	7,262,126	7,811,813	8,425,364	8,878,143