

May, 2010

NEXEN Newsletter

▪ H.B. Lee Elected Nexen Tire Vice Chairman & CEO



Since the year of 2000, Nexen Tire has been the first company which opens annual shareholders' meeting among the companies listed in KOSPI 200.

Mr. Hyun-Bong Lee, the former CEO of Samsung Electronics, was elected as Vice Chairman and CEO in the meeting.

In spite of economic downturn in 2009 last year, Nexen Tire accomplished all time high records - \$760 million in sales, 28% increase from year of 2008. This outstanding performance came from aggressive marketing strategy to U.S and European markets and uplifting brand power in Korean domestic markets.

Mr. H.B. Lee said "I'll do my best to continue Nexen Tire's bullish trend in exports and to make the company a representative tire maker in Korea."

He also added "By expanding supplies to the major car makers and strengthening sports marketing such as 'Nexen Heroes Baseball Team' sponsorship, we'll be expanding domestic market share as well."

▪ Nexen announced New Vice President of Sales Division



Mr. Byung-Woo Lee has joined Nexen Tire as new Vice President of Sales Division.

Mr. B.W Lee will be in charge of Sales and Marketing not only domestic but also overseas market.

Mr. Lee is a Samsung Electronics veteran with 30 years experience with the president of Poland and Russia subsidiary also was in charge of Middle East & Africa sales. Most recently, he was served as CMO of Samsung Techwin.

He will be focused on enlarging domestic sales and global marketing strategy.



NEXEN TIRE

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▪ **Nexen Tire, Official Sponsor of Korean Professional Baseball Team - 'Seoul Heroes'**



Nexen Tire has signed an agreement to become the main sponsor of Seoul Heroes baseball team.

The two-year-sponsorship gives Nexen Tire the naming right, 'Nexen Heroes Baseball Team', and advertisement rights on uniforms, helmets, and caps.

Mr. Jang-Suk Lee, CEO of Heroes, mentioned "We are very glad to Nexen Tire's decision of becoming our partner. As companion, not just business partner, we'd like to enjoy Heroes' athletic performance with Nexen Tire."

Mr. Byung-Woo, Lee, Vice President of Nexen Tire mentioned "We are participating in this sponsorship not only for the business profits from sports marketing, but also for the Korean professional baseball, the most famous sports in Korea". He also commented, "We would like to see this sponsorship make Nexen Heroes become a leading professional baseball team and a good example for Korean sports industry."

▪ Nexen Heroes is officially Launched



Nexen Tire and Seoul Heroes held official launching ceremony for 'Nexen Heroes' at Mok-Dong Baseball Stadium in Seoul on March 5th.

During ceremony, Nexen Heroes introduced a new emblem, C.I and uniforms to the fans and announced their strong ambition – the winner of Korean Series 2010.

Nexen Tire reported “We launch Nexen Heroes to support Korean baseball which has been developed as world top level and also to improve our brand power. Also, we expect that this sponsorship is going to be a good example in the sports marketing industry in Korea.”

▪ Nexen Tire Goes With World Renowned Formula D drifting Event in U.S



Nexen Tire is rolling into Formula D Drift 2010 with three drivers.

Currently, the nominated drivers are Taka Aono, Cyrus Martinez and Kyle Mohan.

Michael Meeiem, Nexen Tire America Inc marketing team said, “We’re so happy with our driver line up and looking forward to seeing great results with newly released UHPT N9000.”

Formula D drift sponsored by Nexen Tire is starting the 1st round on April at Long Beach, California.

▪ **Nexen Tire Gives Support to ‘Kidzania’**



Nexen Tire is supporting to Kidzania, world-wide occupation experiencing theme park for children, as an official sponsor.

Kids, who gain driving license at Nexen Tire Driving School, are able to drive mini sized electric Genesis coupe and Soul manufactured by Hyundai-Kia Motors and it'll be expected to get good response from attendance.

Kidzania is a kid-sized replica of a real city with streets, buildings and different vehicles going around the city. Kids play adult roles and they learn how to be a firefighter, a police officer, a baker and over 90 other professions and occupations.

Kidzania Seoul, opened on February 27th, gets sponsorships from various companies such as Samsung Electronics, Korean Air, Sony, Lotte, and Nexen Tire.



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■ Nexen is contending for UHP market in U.S

Performance market share by brand

(High performance = 29.6 million units; UHP = 22.6 million)

Brand	HP	UHP
Goodyear	16.5%	15.5%
Michelin	12.5%	14.0%
Bridgestone	8.0%	9.5%
Yokohama	7.5%	4.5%
Kumho	7.0%	3.5%
BFGoodrich	6.0%	5.5%
Hankook	5.5%	4.0%
Toyo	5.5%	4.5%
Falken	5.0%	8.0%
Firestone	4.5%	3.5%
Dunlop	4.0%	5.0%
Continental	3.0%	4.0%
Pirelli	3.0%	4.0%
Cooper	2.0%	2.0%
General	2.0%	1.5%
Nexen	2.0%	5.0%
Sumitomo	1.5%	1.5%
Nitto	1.5%	1.0%
Wanli	1.0%	1.5%
Fuzion	1.0%	1.0%
Others	4.0%	4.0%

Because numbers are rounded to the nearest half-percent, the total may not equal 100%. Brands must have at least 1% of the total HP or UHP market in shipment numbers to be listed at 1%.

Source: Modern Tire Dealer

Replacement passenger tire markets in the United States were down 6.6% in 2009 compared to the previous year. In contrast, Ultra High Performance tire market was up 14% from 19.8million units in 2008 to 22.6million. In the fast five years, domestic UHP shipments have grown 75%.

Nexen, the fastest growing tire maker in Korea, played a leading role in this sky-rocketed trend in U.S.

According to Modern Tire Dealer statistics, Nexen shared 5% of UHP market that is much higher than several competitors.

Nexen Tire stated "It makes a hit for aggressive market development to HP and UHP in U.S and we'll keep doing strong marketing activity in U.S such as sponsoring Motor Sport"