



AMOREPACIFIC

2008 Q1 Results

AMOREPACIFIC
CORPORATION

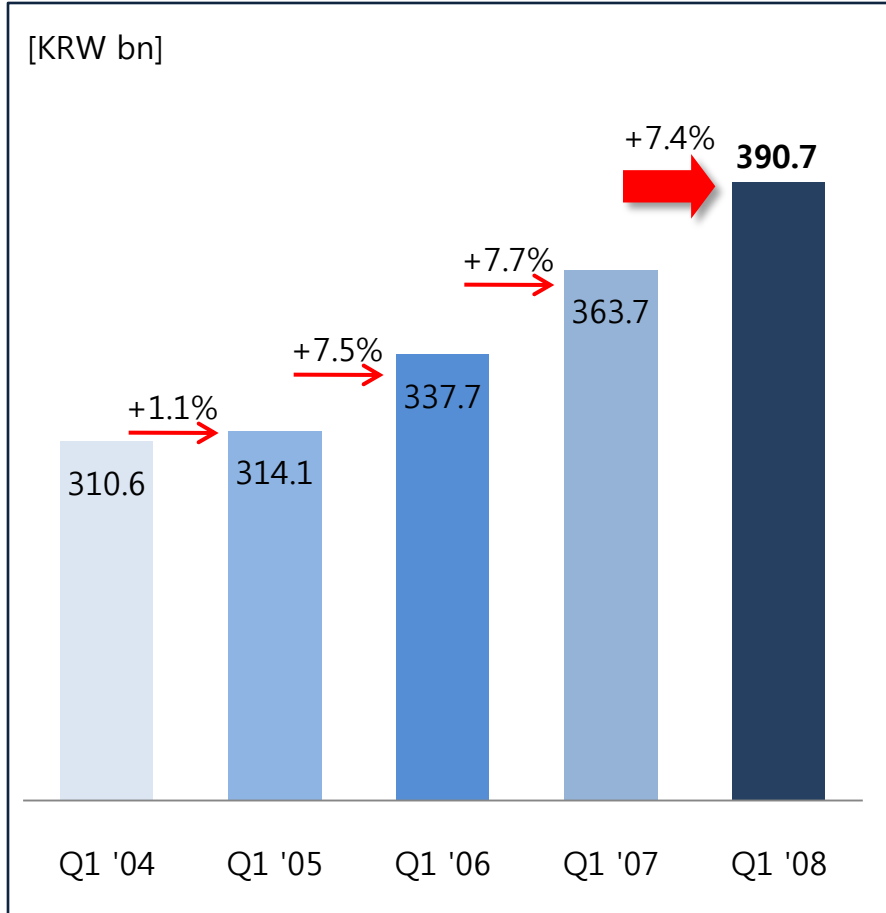
April 29, 2008

- **2008 Q1 Performance Summary**
- **2008 Q1 Sales Analysis**
- **2008 Q1 Profitability Analysis**
- **2008 Q1 Overseas Business Analysis**
- **2008 Q1 Financial Summary**

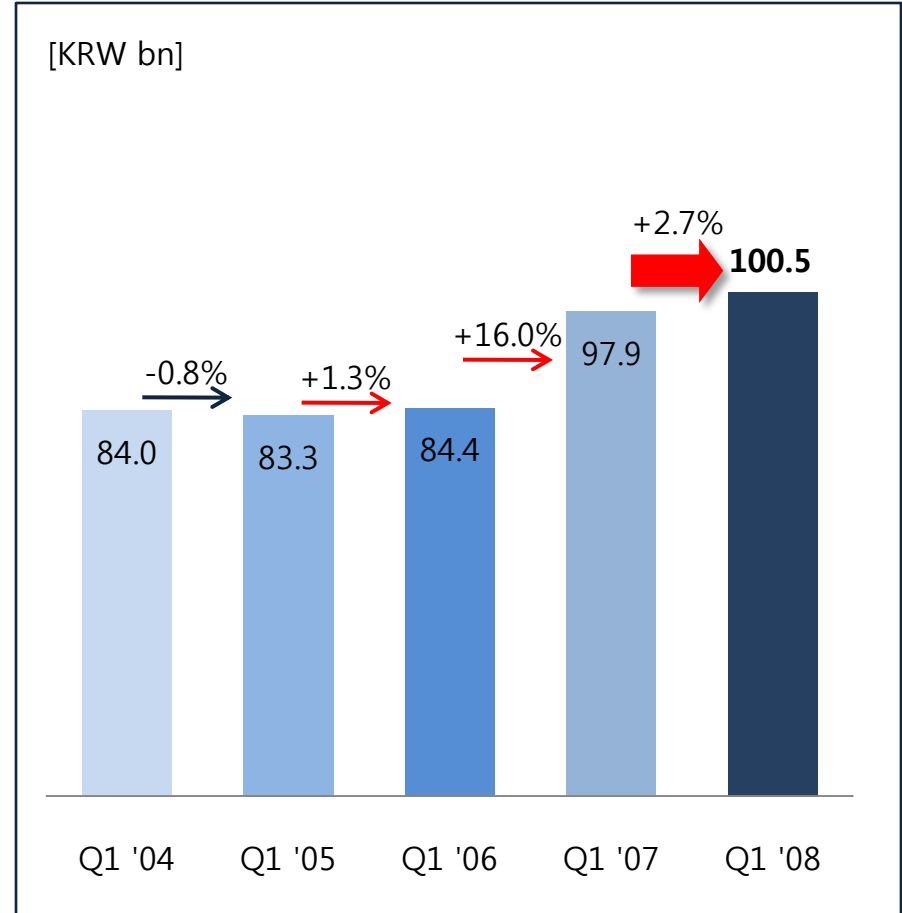
* As a note, it is suggested to use this material only as a reference, as it contains information and data that are subject to changes without prior notice due to uncertainties, changes in the organization structure, redefinition of accounting policies, etc., and may cause the actual results to differ from those stated or implied in this material.

Q1 2008 Performance Summary

Sales

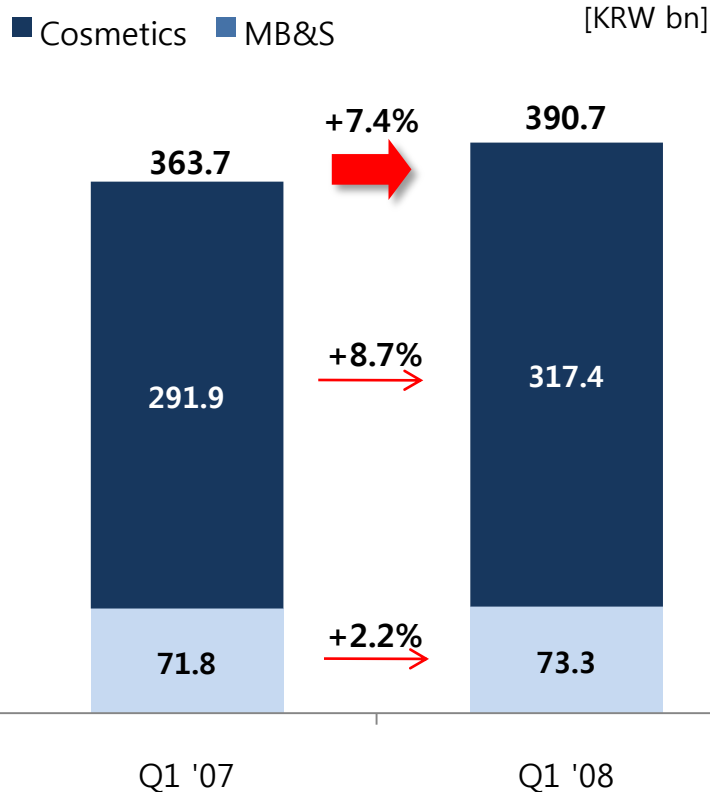


Operating Profit



2008 Q1 Sales Analysis

[Sales by Division]



[Sales growth by channel]

Division	Channel	YoY	Division
Cosmetics (+8.7%)	Department	+13.0%	MB&S (2.2%)
	D2D	+3.0%	
	Specialty	+17.2%	
	Discount	+25.1%	

Q1 Sales KRW 390.7bn, +7.4% YoY

[Cosmetics Division] Sales of KRW 317.4 bn, 8.7% YoY

Mass Cosmetics: 29.1% of cosmetics sales, +18.5% YoY

- Specialty Store +17% YoY: Hue Place sales growth of +31%, Innisfree stores of +72%
- Discount Store +25% YoY: Masstige brands continue to grow as a result of additional functional/color line extension (Iope sales +11%, Laneige sales +58%)
- Mass oriental-herbal ingredient brand, 'Hannule', launched

Premium Cosmetics: 66.9% of cosmetics sales, +5.9% YoY

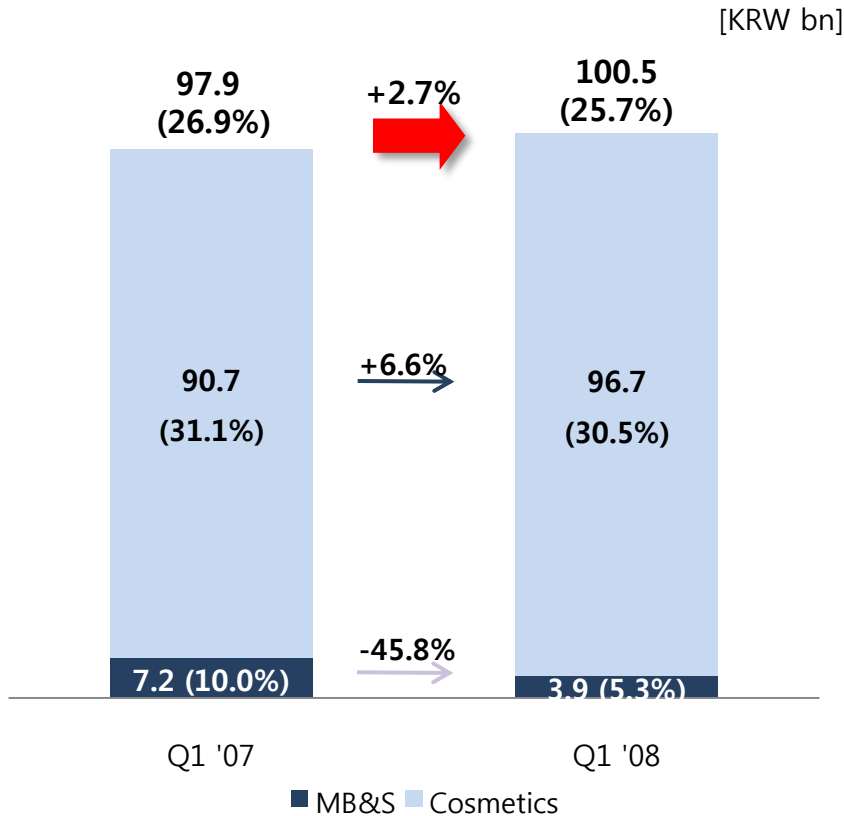
- Department Store continued to experience aggressive top line growth while Door-to-Door sales growth slowed down
- Sulwhasoo and Amorepacific launched new whitening products (Sulwhasoo +12%, Amorepacific +75%)

[MB&S Division] Sales of KRW 73.3 bn, 2.2% YoY

- Personal Care +9% YoY: Happy Bath and Median achieved sales growth of +42%, and +21% respectively by launching beauty-related functional products
- Premium hair care brand, 'Ryoe', launched in April
- Green tea's weak sales continue as the market worsens

2008 Q1 Profitability Analysis

[Operating Profit(margin) by Division]



[Profitability]

%	2008 Q1	2007 Q1
GP Margin	70.3%	71.2%
OP Margin	25.7%	26.9%

Q1 Operating Profit KRW 100.5bn, +2.7% YoY

[Cosmetics Division]

- Operating profit +6.6% YoY
- GP margin decreased due to change in product mix caused by an increase in mass channel sales contribution

[MB&S Division]

- Operating profit -45.8% YoY
- GP margin decreased due to increased sale of seasonal set products and weakened green tea sales

[Total SG&A: 44.6% of sales, +8.2% yoy]

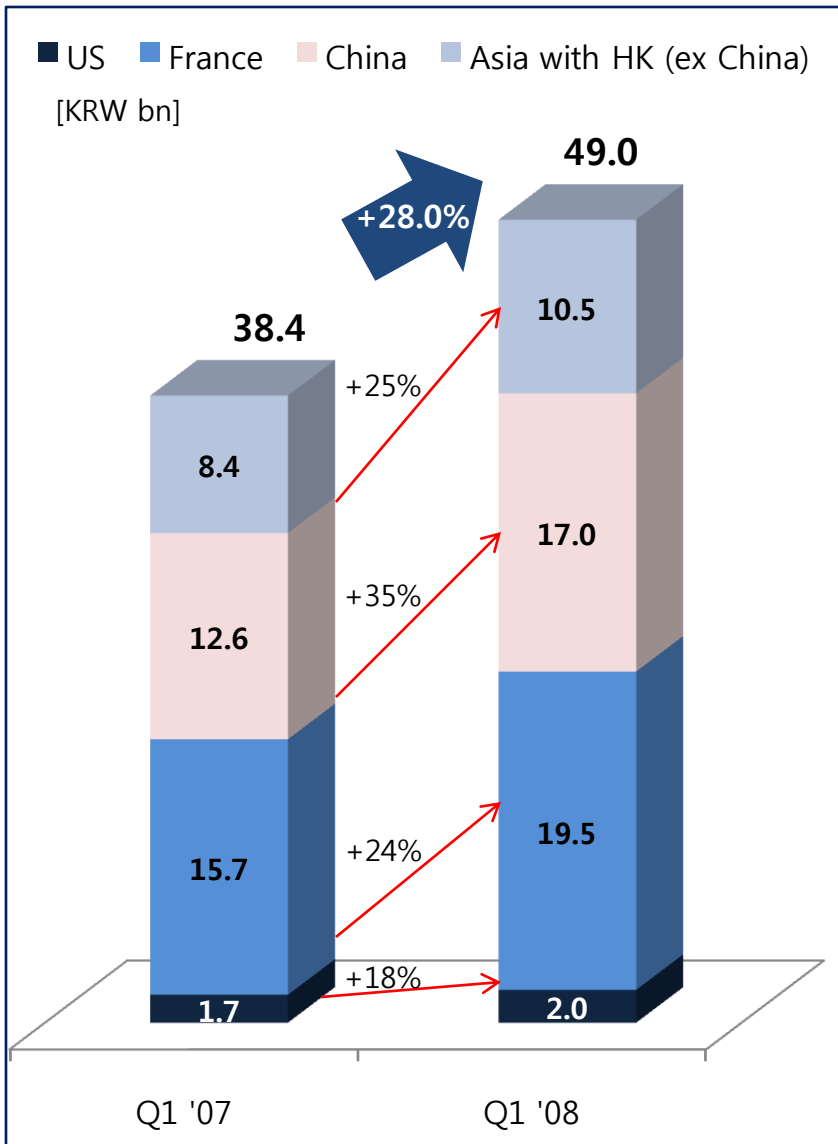
- Increased promotion, transfer and personnel commission to strengthen cosmetics retail business
- Increased investments into professional consulting services to strengthen future growth potentials and marketing power (brand design)

[Q1 SG&A vs. Sales]

(vs Sales)	2008 Q1	2007 Q1
Personnel	7.8%	7.6%
Marketing	12.4%	14.3%
Commission	12.5%	11.3%
TOTAL	44.6%	44.2%

2008 Q1 Overseas Business Analysis

[Sales by Region]



Q1 Sales KRW 49.0bn, +28.0% YoY

[CHINA: 35% of total overseas, +35% YoY]

- Laneige: Enhanced profitability by increasing same store sales (Sales growth of +27% at 123 Dept. store counters vs. 120 counters in Q1'07)
- Mamonde: Sales growth of +100% YoY by aggressively expanding into department and specialty stores (120 department store counters, 1,238 specialty stores)
- Enhanced profitability: Net profit increased by +193%

[Asia Ex China: 21% of total overseas, +25% YoY]

- Expansion of Laneige counters in department store up to 74
- Singapore, Hong Kong, Japan, and Thailand showing strong sales growth of +195% YoY +25% YoY, +165%, +36% YoY respectively
- Opened the first Laneige duty free counter in Singapore Changi airport

[France: 40% of total overseas, +24% YoY]

- ▶ Continuous sales growth of Lolita Lempicka

[USA: 4% of total overseas, +18% YoY]

- ▶ Increased brand awareness of AMOREPACIFIC brand

※ The Chinese performance figures are based on simple sum up of the 3 Chinese affiliates.

※ The data are subject to changes without prior notice due to uncertainties.

2008 Q1 Financial Summary

▶ Profit & Loss

(KRW bn)	Q1 2008		Q1 2007	
		%		%
Sales	390.7	100.0	363.7	100.0
Gross Profit	274.6	70.3	258.8	71.2
Operating Profit	100.5	25.7	97.9	26.9
Non-operating Profit	7.2		5.9	
Non-operating expense	5.1		5.2	
Recurring Profit	102.6	26.3	98.6	27.1
Net Profit	75.6	19.3	72.7	20.0

▶ Balance Sheet

(KRW bn)	2008.3	2007. 3
Asset	1,365.5	1,268.4
Current Asset	468.9	414.2
Non-current Asset	896.6	854.2
Liability	362.8	315.1
Current Liability	222.6	177.1
Non-current Liability	140.2	138.0
Shareholder's Equity	1,002.7	953.3
Capital	34.5	34.5
Capital Reserve	712.7	712.7
Capital Adjustment	-1.4	-1.4
Retained Earnings	13.0	4.6
Asset	243.9	202.9