



AMOREPACIFIC

2011 Q1 Earnings Release

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**AMOREPACIFIC Corp. has adopted the K-IFRS since 2011 Q1.
For fair comparison, we have disclosed the 2010 numbers based on same standards.**

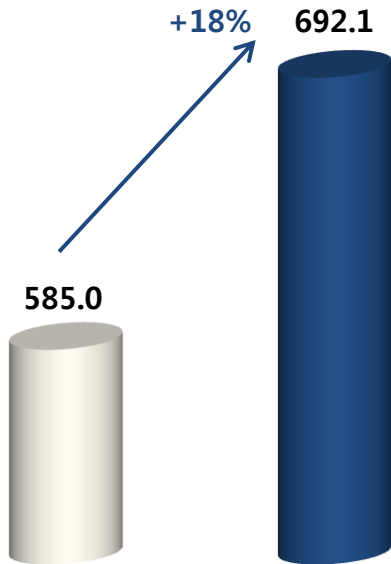
2011 Q1 Earnings Summary

Greatest quarterly results delivered by strong growth across all divisions

- Q1 Sales up 18% to **KRW 692.1bn**, OP up 11% to **KRW 148.0bn**
- Achieved strong growth across all divisions through reinforced core businesses

[KRWbn]

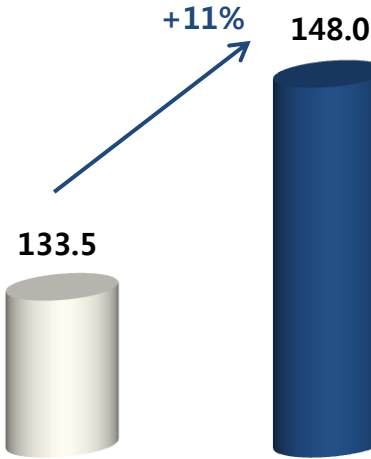
Sales



Q1 '10

Q1 '11

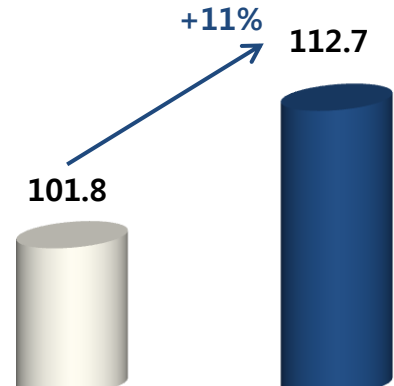
Operating Profit



Q1 '10

Q1 '11

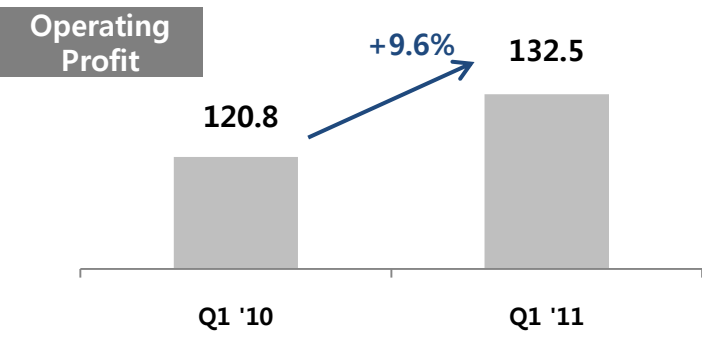
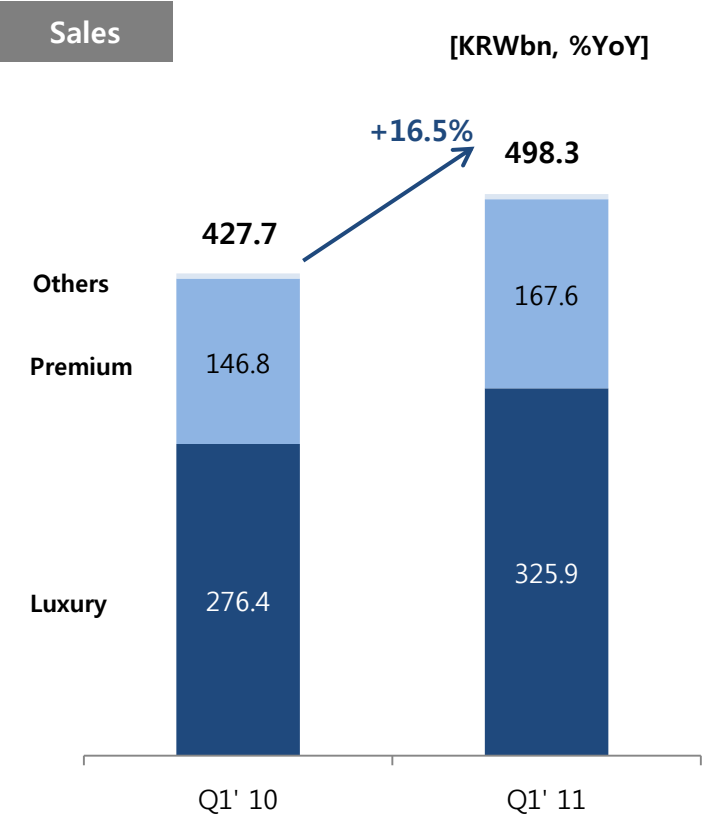
Net Profit



Q1 '10

Q1 '11

2011 Q1 Earnings by Division _ Cosmetics (Domestic)



Sales of KRW 498.3bn (+17%), OP of KRW 132.5bn (+10%)

Sales continued double-digit growth for 12 consecutive quarters

[Luxury] 65% of domestic cosmetics sales, up 18% to KRW 325.9bn

- Increased number of travelers kept the duty-free sales strong and improved same store sales resulted in strong growth of the department store channel
- Door-to-door channel continued strong growth thanks to the renewal of whitening lines of the major luxury brands

[Premium] 34% of domestic sales, up 14% to KRW 167.6bn

- 'Aritaum' and on-line channels showed steady growth due to new product launches and renewals of major brands such as 'Laneige' and 'Hannule'

[OP] Up 10% backed by strong sales growth

- Additional costs incurred to back mid to long term growth (increased consulting fees, personnel costs, R&D investments, etc.)
- Distribution commissions rose due to strong growth in concession-based channels (DFS and On-line)

[Cosmetics Sales by Major Channels]

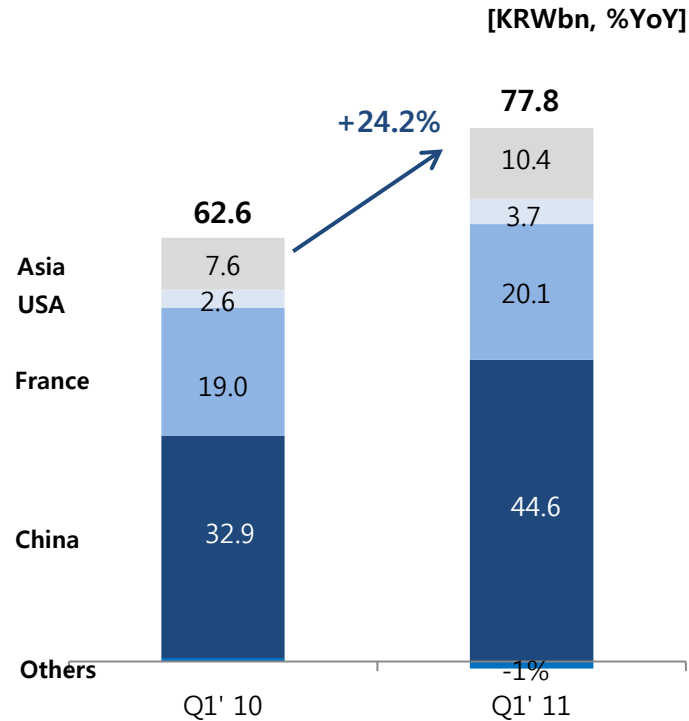
Channel	Vs. Total Sales	%YoY
Door-to-Door	38.5	12.9
Department Store (DFS)	25.0 (8.3)	26.8 (56.4)
Specialty Store	15.6	15.6
Hypermarket	10.4	8.3
On-line	7.7	20.3

[Major Brands]

- 'Sulwhasoo' +20%
- 'Amorepacific' +36%
- 'Hannule' +15%
- 'Laneige' +26%

2011 Q1 Earnings by Division _ Cosmetics (Overseas)

Sales



Sales of KRW 77.8bn (+24%), OP of KRW 2.0bn (+17%)

Continued profitable growth through active expansion

[China] 57% of overseas cosmetics sales, up 36% to KRW 44.6bn

- Sales displayed strong growth backed by store expansion of 'Mamonde' brand and improved store efficiency of 'Laneige' brand ('Laneige' +24%, 'Mamonde' +46%)
- Investments into new brand ('Sulwhasoo') and channel (D to D) increased to secure future growth momentum

[France] 26% of overseas cosmetics sales, up 6% to KRW 20.1bn

- 'Lolita Lempicka' continued stable growth resulting in sales growth and profitability improvement

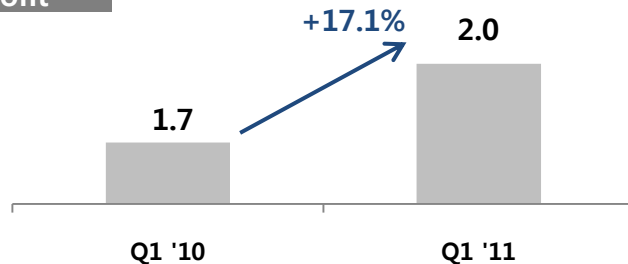
[US] 5% of overseas cosmetics sales, up 42% to KRW 3.7bn

- Launch into new channel ('Sephora') resulted in strong growth of 'Amorepacific' brand
- Sales surged on the back of improved performance of specialty stores (Amore Shops)

[Asia] 13% of overseas cosmetics sales, up 36% to KRW 10.4bn

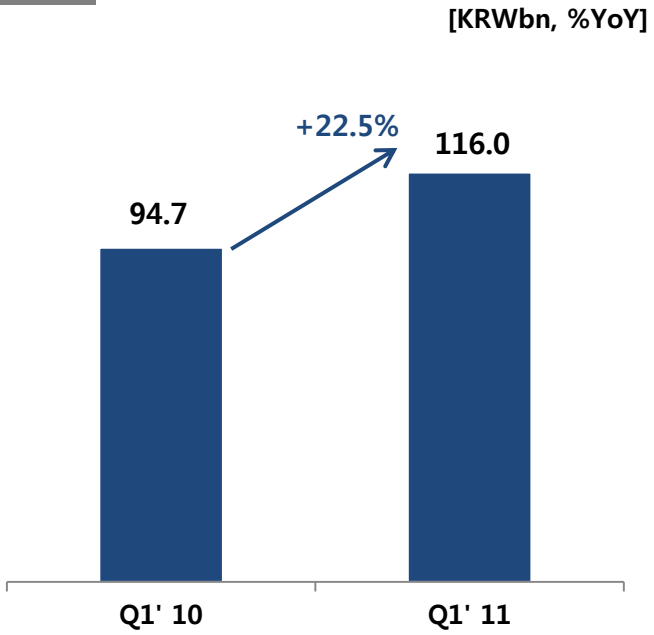
- Strengthened the recognition of 'Laneige' and 'Amorepacific' brands in major Asian markets such as Japan, Singapore, Vietnam and Malaysia and also increased the number of counters

Operating Profit



2011 Q1 Earnings by Division _ MC&S

Sales

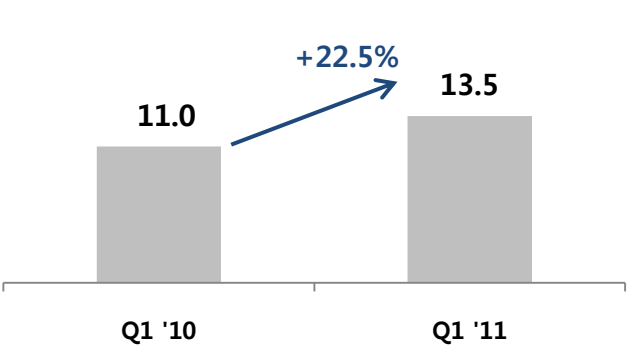


Sales of KRW 116.0bn (+23%), OP of KRW 13.5bn (+23%)

Accelerated sales and profit growth backed by stronger premium/functional products

- Sales growth continued backed by increased sales of styling products and premium lines of hair care brands, 'Mis-en-scene' and 'Ryoe'
- Sales of functional oral care products such as 'H' line of 'Median' brand increased
- Sulloc sales continued strong growth through strengthened line-up of premium tea bag and tea leaf products such as 'O Sulloc pyramid' and 'Se jac'
- Despite the increased marketing and distribution costs to strengthen brand power, profits continued solid growth thanks to the improved product mix

Operating Profit



[Major Brands]

 <p>'Ryoe' +45%</p>	 <p>'Mis-en-scene' +8%</p>	 <p>'Median' +34%</p>
 <p>'Happy Bath' +18%</p>	 <p>'Sulloc' +37%</p>	

2011 Q1 Financial Summary – By division

Sales and Profits

[KRWbn]

	Q1 10 KIFRS	(%)	Q1 11 KIFRS	(%)	Y on Y (%)
Sales	585.0	(100)	692.1	(100)	18.3
Cosmetics (Domestic)	427.7	(73.1)	498.3	(72.0)	16.5
Cosmetics (Overseas)	62.6	(10.7)	77.8	(11.2)	24.2
MC&S	94.7	(16.2)	116.0	(16.8)	22.5
	Q1 10 KIFRS	OPM(%)	Q1 11 KIFRS	OPM(%)	Y on Y (%)
Operating Profit	133.5	(22.8)	148.0	(21.4)	10.8
Cosmetics (Domestic)	120.8	(28.2)	132.5	(26.6)	9.6
Cosmetics (Overseas)	1.7	(2.8)	2.0	(2.6)	17.1
MC&S	11.0	(11.6)	13.5	(11.6)	22.5

2011 Q1 Financial Summary

► Income Statement

[KRWbn]	Q1 2010		Q1 2011	
	KIFRS	%	KIFRS	%
Sales	585.0	100.0	692.1	100.0
Gross Profit	403.9	69.0	479.6	69.3
SG&A Expense	270.4	46.2	331.6	47.9
Operating Profit	133.5	22.8	148.0	21.4
Non-operating Profit/Expense	-0.9		0.7	
Income Before Taxes	132.6	22.7	148.7	21.5
Consolidated Net Profit	101.8	17.4	112.7	16.3

► Balance Sheet

[KRWbn]	2010. 12 KIFRS	2011. 3 KIFRS
Asset	2,457.1	2,611.1
Current Asset	740.3	829.5
Non-current Asset	1,716.8	1,781.6
Liability	595.3	679.6
Current Liability	375.8	455.8
Non-current Liability	219.5	223.8
Shareholder's Equity	1,861.8	1,931.5
Capital	34.5	34.5
Capital Reserve	720.4	720.4
Capital Adjustment	-1.8	-1.8
Accumulated Other Inclusive Gain and Loss	-1.1	-2.3
Retained Earnings	1,100.2	1,171.6
Non-Controlling interest	9.6	9.1



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