



Pacific Corporation

1Q 2010 Results

PACIFIC CORPORATION

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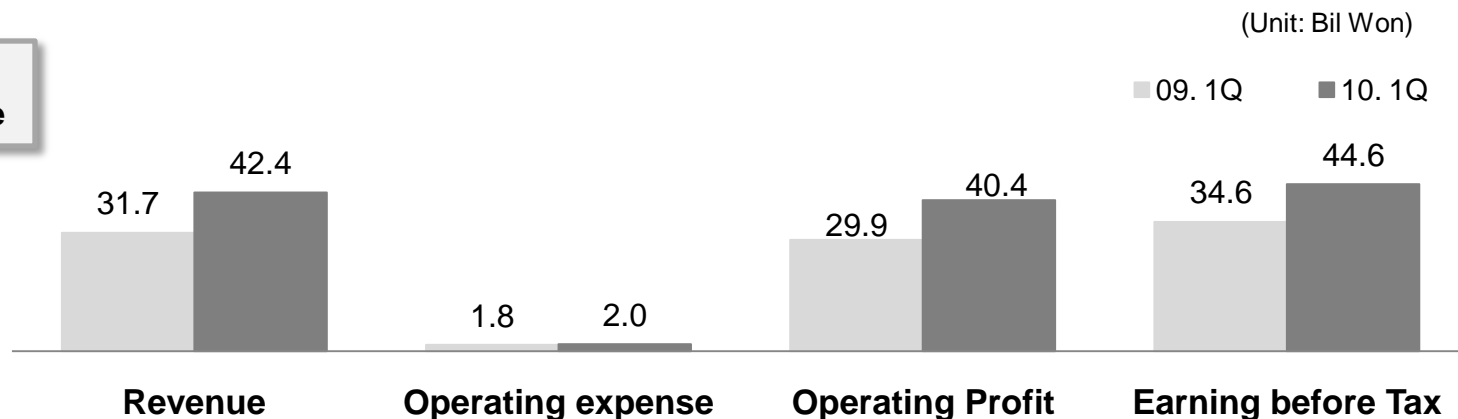
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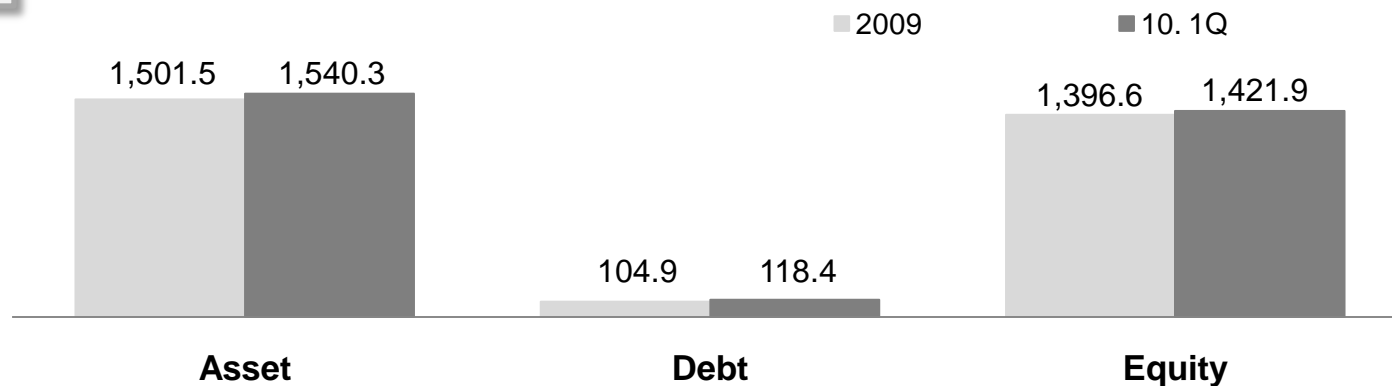
1Q 2010 Performance Summary

With 34% of sales growth, operating profit increased to 35% due to the subsidiaries' sales growth and cost reduction campaign

1Q Performance



Financial Status



1Q 2010 Subsidiaries' Performance

(Unit: mil won)

Cosmetic Division	AMOREPACIFIC		ETUDE	
	2009 1Q	2010 1Q	2009 1Q	2010 1Q
Sales	462,814	535,749	34,373	40,118
Gross Profit	329,580	388,950	22,319	24,674
%	71%	73%	65%	62%
SG&A	218,405	256,476	14,194	18,633
Operating Profit	111,175	132,474	8,125	6,040
%	24%	25%	24%	15%
Net Profit	84,510	109,942	6,375	4,637
%	18%	21%	19%	12%

AMOREPACIFIC

• Sales rose 16%, operating profit rose 19%

- Cosmetic division has been recording double digit growth 8 quarters in a row and MC&S division achieved 16% growth compared to 09.1Q due to the upgrading brand power and launching new products
- Operating profit rose 19% thanks to the stable sales growth on luxury brand line and improving product portfolio on premium brand line

ETUDE

• Sales rose 17%, operating profit decreased 26% compared to same quarter of 2009

- Operating profit was decreased because of decreasing high profit margin sales volume since the number of foreign visitors have been decreasing (cf. 09 1Q: Sales 59%↑, Operating profit 248%↑)



1Q 2010 Subsidiaries' Performance

(Unit: mil won)

Cosmetic Division	INNISFREE		AMOS Professional	
	2009 1Q	2010 1Q	2009 1Q	2010 1Q
Sales	-	19,941	5,905	7,579
Gross Profit	-	14,697	3,187	4,165
%	-	74%	54%	55%
SG&A	-	9,166	2,081	2,395
Operating Profit	-	5,531	1,106	1,770
%	-	28%	19%	23%
Net Profit	-	4,211	896	1,431
%	-	21%	15%	19%

INNISFREE

• INNISFREE was incorporated in Pacific Corporation on Jan. 1st, 2010 through the business transfer from AMOREPACIFIC

- High operating profit was achieved as advertising cost wasn't entailed during the 1st quarter and the amount of overhead cost was decreased.

※ INNISFREE was a part of AMOREPACIFIC divisions, financial data of 2009 1Q doesn't exist.

AMOS Professional

• Sales rose 28%, operating profit increased by 60%

- Most of sales growth came from colorant line(41%↑) and shampoo(Nookchasilgam) sales growth(313%↑)
- Double digit operating growth was achieved thanks to cost reduction in promotion and employee expense



1Q 2010 Subsidiaries' Performance

(Unit: Mil Won)

Non - Cosmetic Division	PACIFIC PHARMA		PACIFIC GLAS	
	2009 1Q	2010 1Q	2009 1Q	2010 1Q
Sales	38,509	40,094	12,922	15,495
Gross Profit	20,617	20,684	1,531	2,582
%	54%	52%	12%	17%
SG&A	17,987	17,729	968	1,102
Operating Profit	2,630	2,956	563	1,480
%	7%	7%	4%	10%
Net Profit	1,831	2,347	653	1,145
%	5%	6%	5%	7%

※ Jangwon, one of Pacific Corp.'s subsidiaries, was excluded from performance since most of sales occur in the second quarter for green tea plantation industry

PACIFIC PHARMA

• Sales rose 4%, operating profit rose 12%

- To more focus on aesthetic medicine industry, medical beauty line is being enhanced with double digit growth
- Operating profit achieved to 12% due to the cost reduction campaign and improvement of product portfolio

PACIFIC GLAS

• Sales rose 20%, Operating profit rose 163%

- Most of sales growth was contributed by high sales growth of export (46%↑)
- High rate of operating profit was achieved thanks to increasing sales of high margin product line, achieving economies of scale in production and decreasing depreciation cost



1Q 2010 Financial Summary

(Unit: mil won)

Income Statement	2009. 1Q	2010. 1Q
Revenue	31,723	42,445
Equity Income on Investment	30,384	41,140
Operating Expense	1,758	2,025
Equity Loss on Investment	102	34
SG&A	1,116	1,417
Operating Profit	29,965	40,420
Non-Operating Profit	4,642	4,173
Non-Operating Expense	10	9
Earning before Tax	34,597	44,585
Net Profit	32,116	42,146

Balance Sheet	2009. 12. 31	2010. 3. 31
Asset	1,501,455	1,543,783
Current Asset	296,351	309,077
Non-Current Asset	1,205,104	1,234,706
Debt	104,894	118,364
Current Debt	2,402	16,607
Non-Current Debt	102,492	101,757
Equity	1,396,561	1,421,977
Capital	44,451	44,451
Capital Surplus	848,820	848,820
Capital Adjustment	-134,739	-134,739
Accumulated Other Comprehensive Income	16,526	13,143
Retained Earning	621,501	650,300



1Q 2010 Consolidated Financial Summary

(Unit: mil won)

Income Statement	2009. 1Q	2010. 1Q
Revenue	571,943	674,621
Equity Income on Investment	404,925	484,176
Operating Expense	288,196	339,694
Equity Loss on Investment	116,728	144,482
SG&A	12,296	12,971
Operating Profit	7,688	9,477
Non-Operating Profit	121,336	147,976
Non-Operating Expense	88,905	109,035

Balance Sheet	2009. 12. 31	2010. 3. 31.
Asset	2,983,647	3,106,918
Current Asset	1,093,266	1,204,372
Non-Current Asset	1,890,381	1,902,546
Debt	615,985	677,498
Current Debt	332,766	388,185
Non-Current Debt	283,219	289,313
Equity	2,367,662	2,429,421
Capital	44,451	44,451
Capital Surplus	850,790	850,777
Capital Adjustment	-133,665	-133,665
Accumulated Other Comprehensive Income	13,483	10,181
Retained Earning	621,501	650,124
Asset	971,101	1,007,553

* The consolidated financial statements include Pacific Corporation and its controlled subsidiaries with foreign affiliates in China and France. Intercompany transactions are eliminated.

