

# Kakao

December 2015 | Investor Relations

# Disclaimer

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Also, this document contains the unaudited pro-forma combined financial information of the Daum Communications and the Kakao Corp., for the pre-merger periods, solely for the convenience of the investors. Please note that such financial information are not subject to an independent auditor's audit.

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# Company Mission & Business Area

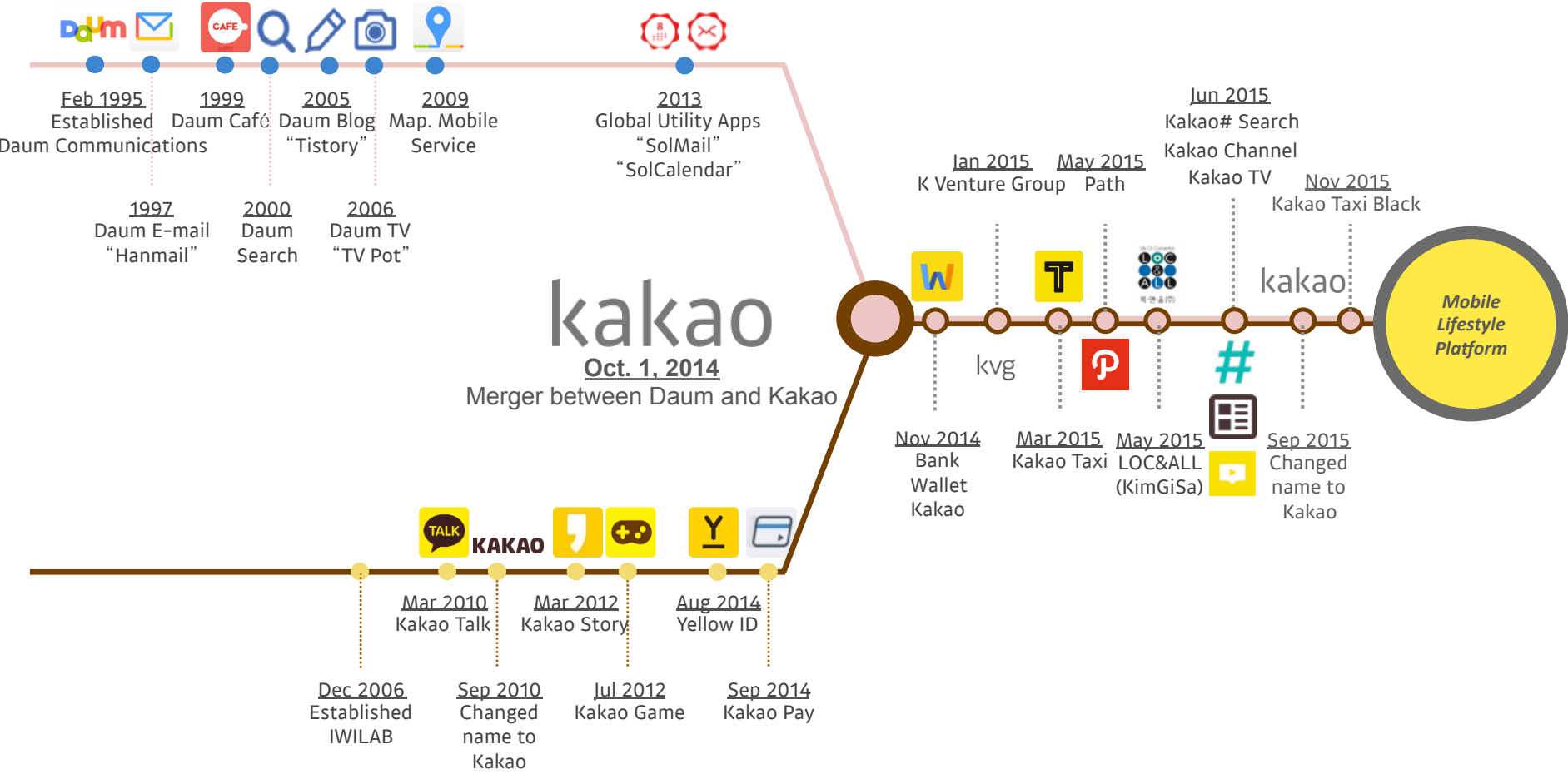


## A Mobile Lifestyle Platform

Kakao provides mobile lifestyle services that make everyday connections boundless and better

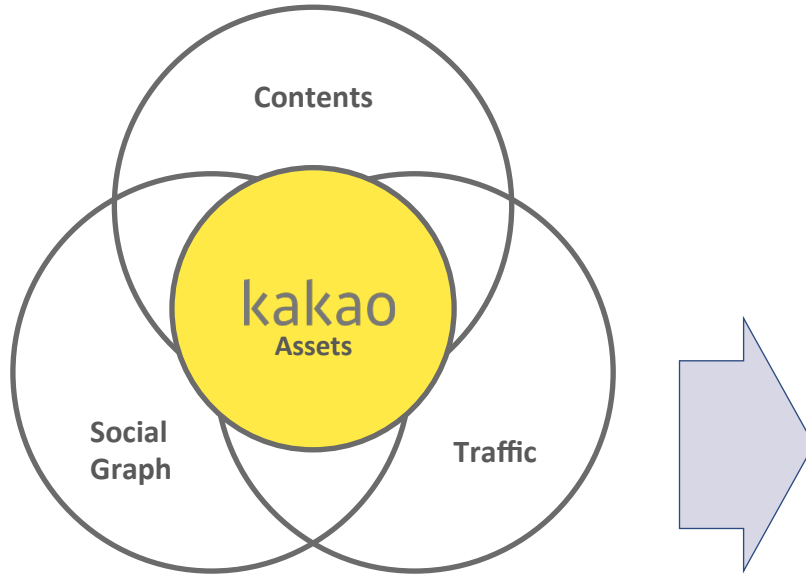
Our mission is to “Connect Everything”  
Connecting users, businesses, and more together on our platform in a way that touches every aspect of our lives

# Created Through the Merger of Leading Internet & Mobile Platforms



# Diversified Platform Leveraging Content, Social Graph and User Traffic

## Kakao's Assets and Expertise



- Contents: 15 years of accumulated contents of Daum Search and continued creation of contents by Kakao platforms including Kakao Story, Brunch, Plain, Kakao TV etc.
- Social graph: solid user network built on Kakao Talk, Kakao Story and Daum Cafe
- Traffic: high traffic provided by Kakao Talk and Daum Search (#2 unique visitors among search engines)

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## Diverse Platforms Leading to Growth and Monetization

User base growth & engagement and monetizing by advertising	#1 Communications & Community	Kakao Talk	Kakao Story	Daum Cafe
	#2 Advertising Platform	Daum	Kakao Story	Yellow ID
	#3 Recommendation & Search	Daum Search	Kakao(#) Search	Kakao Talk Channel
	#4 Media & Content	Daum Media	Kakao TV	Kakao Page
Expand sources of monetization	#5 Games	Kakao Game	Kakao Game Shop	Daum Game
	#6 Commerce & Fintech	GiftShop	Kakao Pay	Bank Wallet Kakao
	#7 Taxi & Others	Kakao Taxi	Path	K Venture Group

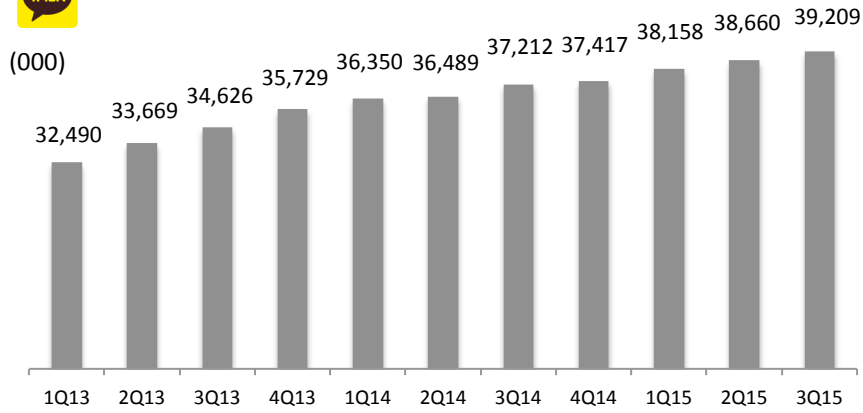
# 1. Communications



## Kakao Talk

- Penetration: Over 97% of smartphone users in Korea are active users
- Continue to grow our domestic active users.
- Serve as the spine and central platform for many of Kakao's mobile services
- New Sharp(#) in-app Kakao Search, Channel tab for in-app content curation, free video call, free voice calls, share photos and videos with Kakao Talk friends
- Serviced worldwide in 230 countries in 15 different languages

### Quarterly Monthly Active Users ("MAUs")



Korea	32,490	33,669	34,626	35,729	36,350	36,489	37,212	37,417	38,158	38,660	39,209
Global	40,096	46,132	48,916	50,619	50,386	48,769	48,411	48,254	48,207	48,073	48,464



## Kakao Story

- Mobile based SNS built on Kakao Talk's social graph which allows sharing of photos, videos and thoughts
  - Key features include video and photo upload/editing, Kakao Story Channel, Kakao TV, comments, hash tags, etc.
  - Via "Kakao Story Channel", a user-friendly mini blog within Kakao Story, promotes spontaneous creation of contents and offers a differentiated medium of contents recommendation
- Advertising: launched in 3Q14, native/push advertisements are displayed within the Kakao Story newsfeed



## Plain

- Simple, beautiful UI optimized for mobile blogging
- Blogging is hashtag-centric, allowing users to easily find content they're after

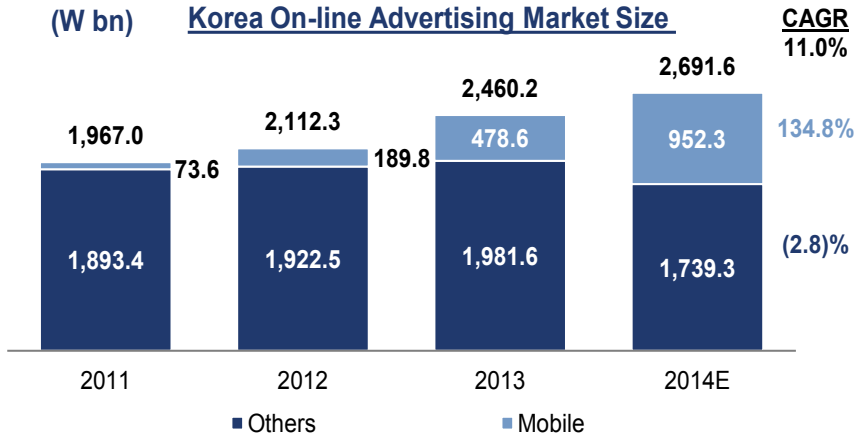


## Brunch

- Content-publishing platform, under a beta service released in June 2015 to help nonprofessional writers to publish their compositions in an easy-to-read format
- Currently post content by contributors including students and office workers as well as proteurs, professional artists, photographers and novelists with a feature allowing multiple authors to release a collaborative work

## 2. Advertising Platforms

### Mobile Advertising has been the Growth Driver



Source: Korea Online-ad Association

### The Most Effective Market to Leverage Mobile Ad



### Attractive On-line/Mobile Consolidated Package Model



- Packaged advertising model via its various service platforms
- Significant cross-selling opportunities
- Maximize the point of user engagement

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### Kakao's Advanced Advertising Systems Are Prepared to Thrive in the Growing Market

Daum Ad@m

- Daum Ad@m, a unique mobile advertising system developed by Daum, connects advertisers to affiliate mobile websites and apps



- For both business and personal users, Kakao Story Channels offer exclusive ad spaces exposed to a wide range of users with similar interests



- Yellow ID offers a window of communication for small businesses to advertise interactively with customers on Kakao Talk

### 3. Recommendation & Search



#### Daum Search



Expansive range of contents accumulated for 14 years



Results focused on search intent



Search categories for optimal results

- Search portal that spans across cafes, music, news articles, images, blogs and more
- Continues to introduce exclusive search features such as Instantly Answered and Suggested Places to add further convenience to users



#### Daum Map



Most comprehensive in Korea



District's transit info



Weekly active users

- As the first digital (and mobile) map in Korea, Daum Map continues to make finding locations as quick and easy as possible
- Popular bus/subway widgets and map search widgets for Android devices



#### Kakao Sharp Search Channel (3<sup>rd</sup> Tab)



Kakao Search

New search experience that is available solely on mobile



In-chat function within Kakao Talk



New hub for mobile optimized contents

- Search available directly within chatroom, switched on by a tap of the # icon: results appear in card format to facilitate sharing
- Channel is located on the third tap within Kakao Talk, providing personalized contents recommendation



## 4. Media & Content



### Kakao TV



**Kakao Talk** Embedded in Messenger

**Personal** Recommends content

**Video** TV series, movies, web dramas, sports games

- Chat and view video clips of choice simultaneously, within the Kakao Talk chat room: live sports games viewed in sync, bringing it to the center of discussion in the chatroom
- Provides personalization features, helping users find video content of choice in the fastest manner



### Daum Webtoon Kakao Page



**#1** Novel/Comic app (Kakao Page)

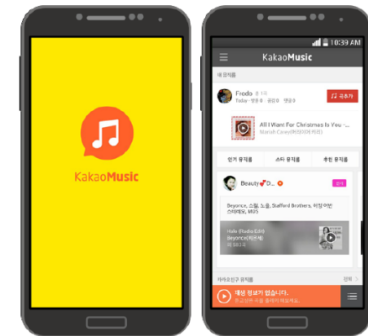
**6.3M** Users (Kakao Page)

**40** Titles on China Market (Webtoon)

- Provider of new genre of digital contents, “Webtoon” or web comics
- Kakao Page, the leading mobile contents provider in Korea, continues to experiment with new tools and mechanisms that could help monetize content
- Kakao continues to work with artists to open new secondary revenue sources



### Kakao Music



**#2** Music app in usage level

**5M** Users in 20 days

**23M** Accumulated downloads

- Social music service which allows music to function as a medium for social interaction
- Background music services to Kakao profiles, and recently launched streaming service in April 2015
- Kakao Music ranks #2 in MAU after MelOn with 3M+ songs in library

# 5. Games



## Kakao Game

- Initially launched in July 2012, Kakao Game is the world's first social mobile gaming platform that has more than 630 game titles with approximately 520 million players
- Power of Kakao's social graph has predominantly driven the overall market growth
- Potential growth in average revenue per paying user to come from switch to more "hardcore" and expensive games on the back of increased screen size, better smartphones and faster mobile 4G/LTE data plans
- Consistently enhancing Kakao Game's capability as a game marketing platform by launching Game Home Tab and pre-registration program

### Other Latest Developments

- Entered into Chinese mobile publishing market by launching SuperStar SMTown, a mobile rhythm game developed by Korea's Dacomsoft inc, on 50 Chinese mobile app stores as well as international official stores in July 2015. Plan to expand further by helping South Korean game developers publishing their mobile games in Chinese market
- Mobile board games were launched in December 2015
- Branded IP games- 'Friends Pop for Kakao', the first game featuring Kakao Friends character recorded 750,000 pre-registration in just 8 days, and currently ranked 6<sup>th</sup> on Android app market in terms of revenue

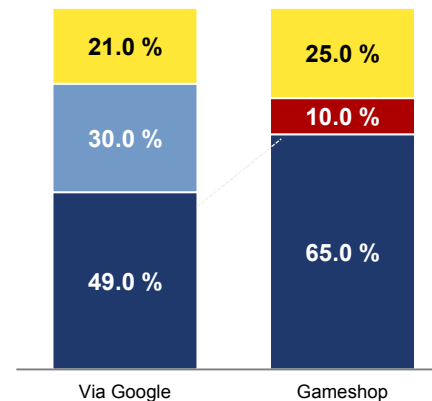


## Introduction of Kakao Game Shop

- Launched on Apr. 1, 2015, Kakao Game Shop is an independent mobile gaming platform developed by Kakao, which introduced new revenue sharing scheme with developers and users
- Easily adoptable from developer's perspective to use Kakao Game Shop platform
- Currently 50 games are available and expect more games to be launched through Kakao Game Shop
- By offering relatively higher fee to mobile game developers compared to the precedent Google Play and iOS app stores, Kakao expects an increased level of game developers' engagement in the platform

### Key Highlights of Game Shop

#### Revenue Sharing Scheme



- Fundamental rationale of Kakao Game Shop is to create "win-win" structure with developers and users
- Developer's portion increase by 16% to 65% and user now take 10%
- Providing a more favorable ecosystem to developers, Kakao will maximize incentives to use the Kakao channel

## 6. Commerce & Fintech



### Commerce-Related Services



Gift Shop

- Allows Kakao Talk users to send gifts and mobile coupons to friends
- An embedded menu to Kakao Talk which facilitates users gifting
- Successfully entered the mobile commerce market leveraging its strong user base built on Kakao Talk



Kakao Style

- No. 1 social fashion app in Korea providing users with recent trends in fashion and shopping information
- Focused on tailored contents provision
- 160+ top shops/brands available
- 100,000+ browse-able items



Kakao Friends

- Merchandise of the characters sold through-out online and offline brand stores are gaining popularity amongst all age levels
- Creating a diverse set of business opportunities from collaboration products and services including foods, movie theater, cosmetics, franchise restaurants, based on the various business model



### Fintech Services



Kakao Pay

- LG CNS Partner technology provider
  - Embedded in Kakao Talk
- 10/10 Major Korean credit card companies
  - 5M+ Current users
- The easiest and most convenient e-payment system available in Korea
- The highest level of security given by the Korean Financial Supervisory Service



Bank Wallet Kakao

- 16/16 Major banks in Korea
  - 1.6M Users
- Easy transfer Between Kakao friends
  - Operated in partnership with KFTC
- Virtual mobile wallet that allows users to transfer money back and forth, make payments offline and even retrieve cash from ATMs
- New and easy way to transfer funds without sharing personal financial information

## 7. Taxi & Others



### Kakao Taxi



**Kakao Taxi**  
Registered Taxis



**Daily**  
Calls



**Accumulated**  
Calls



**Kingisa**  
Navigator

- Launched in March 2015, Kakao Taxi is an O2O mobile application servicing both taxi drivers and taxi passengers
  - On mobile devices, users are able to enter current location and destination to search nearest available drivers
- The first full-scale, nationwide mobile taxi application, targeting to improve user engagement in the application and ultimately in other Kakao applications
- Privacy features include one time number-generating for in-app calls, deletion of messages upon trip completion
- Users can send pick-up time and location, drop-off location, vehicle information and estimated ride time as Kakao Talk notifications to friends
- For the better service quality, taxi drivers and customers are asked to mutually rate each other upon termination of transportation
- Acquired Loc&All for its massive transportation information and real time big data analysis system, as part of the efforts to expand O2O business
- Added Kakao Taxi Black, a premium service option to Kakao Taxi, that a trial operation in Seoul started in early November

### K Venture Group



- Established Jan 23, 2015, as a part of Kakao's global expansion initiative, focused on investing in and acquiring startups
- Acquired Sellit, a second hand digital devices sales app (May 2015)
- Acquired Tangram Design Lab, an UX design agency (June 2015)

### LOC & ALL



- Established in May 2010, acquired in May 2015
- Developer and provider of Kingisa, GPS navigation app with 10M+ active users
- Part of Kakao's initiative to expand O2O services
- Exploring opportunities to enter the Chinese and Japanese market

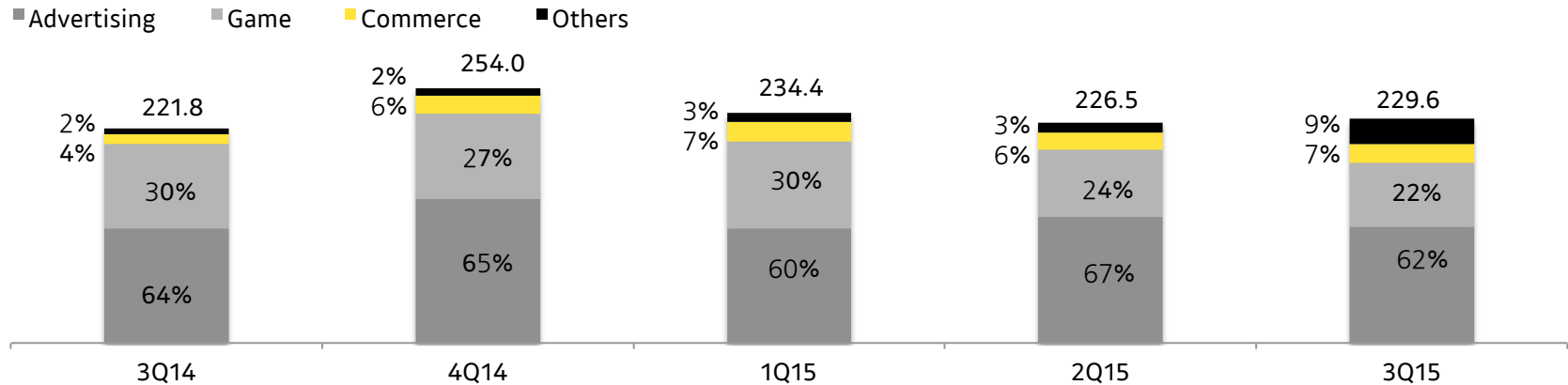
### Path



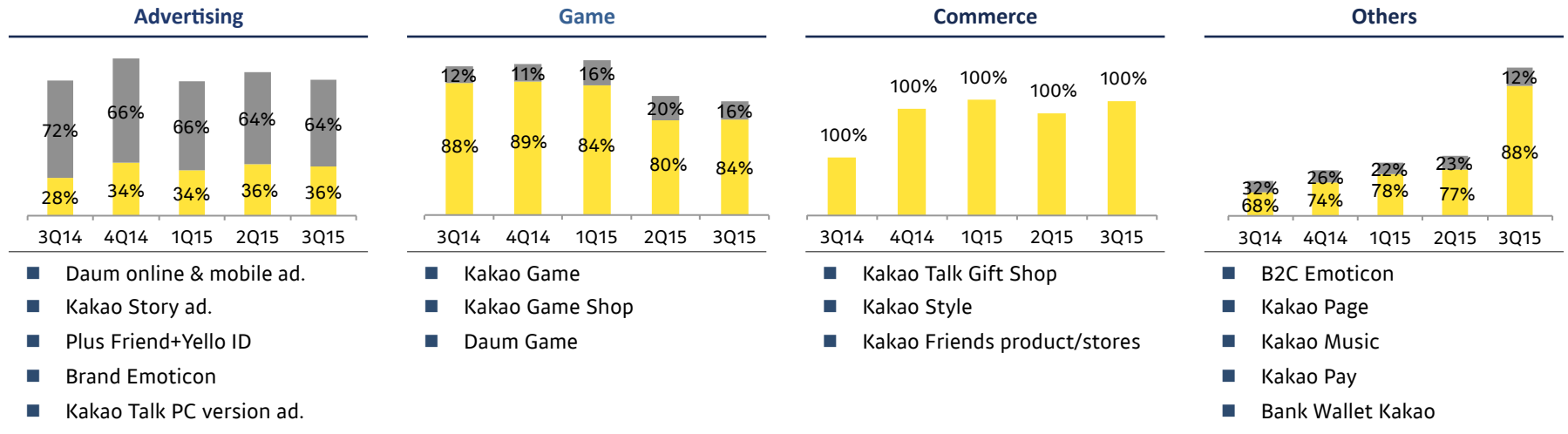
- Developed in November 2010, acquired in May 2015 in the form of asset acquisition of 'Path' the social network and 'Path Talk' the messaging app
- Path's strong user base in the fast growing Indonesian market makes it a powerful candidate for growth into a mobile lifestyle platform in the global market

# Financial Overview

## Quarterly Revenue Breakdown (W bn)



## Mobile vs. Online for Each Revenue Segment



Note: For the pre-merger periods, the above financials are based on unaudited pro forma combined financial information of Daum Communications and Kakao

# Summary Quarterly Financial Results

(in million KRW)

	3Q15	2Q15	Diff.	QoQ	3Q14	Diff.	YoY
Total Revenue	229,580	226,482	3,098	1%	221,803	7,777	4%
Advertising	142,949	150,736	-7,788	-5%	141,915	1,033	1%
Game	51,383	53,984	-2,601	-5%	67,464	-16,081	-24%
Commerce	15,339	13,678	1,661	12%	7,756	7,583	98%
Others	19,909 <sup>1)</sup>	8,084	11,825	146%	4,668	15,241	327%
Operating Expense	213,396	215,049	-1,652	-1%	191,044	22,352	12%
Operating Income	16,184	11,434	4,750	42%	30,759	-14,575	-47%
<i>% of Revenue</i>	7%	5%	2%p	-	14%	-7%p	-
EBIT	21,782 <sup>2)</sup>	24,863 <sup>3)</sup>	-3,082	-12%	3,730	18,051	484%
Net Income	14,767 <sup>4)</sup>	21,369	-6,603	-31%	-6,316	21,082	-
EBITDA	35,657	29,678	5,979	20%	44,013	-8,356	-19%

- 1) One-time revenue increase of 10.3bn won due to the change in the revenue recognition method for Kakao Music and Kakao Page in Q3
- 2) Gain on valuation of subsidiaries stocks and net gain on disposition of equity method stocks (5.4bn Won)
- 3) Net gain from sale of equity method stocks owned by K-cube Venture Fund and Kakao Venture Fund (9.1bn Won), impairment loss from OnNet Co., Ltd.'s online game (7.1bn Won), and gain from sale of Eastsoft shares owned by Daum Global Holdings Corp. (14.6bn Won) were reflected
- 4) Additional tax 3.5bn Won of total estimated additional annual tax of 6.0bn Won reflected in 3Q

Note: For the pre-merger periods, the above financials are based on unaudited pro forma combined financial information of Daum Communications and Kakao

## Summary Quarterly Financial Results- Expense

(in million KRW)

	3Q15	2Q15	Diff.	QoQ	3Q14	Diff.	YoY
<b>OP Expenses</b>	<b>213,396</b>	215,049	-1,652	-1%	191,044	22,352	12%
Labor costs	56,455	54,590	1,865	3%	64,834	-8,380 <sup>1)</sup>	-13%
Fringe benefits	12,813	17,337	-4,524 <sup>2)</sup>	-26%	9,460	3,353	35%
Depreciation	12,375	12,333	42	-	9,975	2,399	24%
Rental fees	4,666	4,363	303	7%	3,880	786	20%
Commissions	62,876	56,381	6,495 <sup>3)</sup>	12%	49,532	13,344	27%
Advertising	6,843	19,662	-12,818	-65%	11,314	-4,471	-40%
Bad debt expense	8	394	-385	-98%	-15	23	-
Amortization	7,099	5,911	1,187	20%	3,279	3,820	117%
Content fees	15,626	11,398	4,229 <sup>4)</sup>	37%	7,826	7,800	100%
Ad agency fees	27,068	26,576	492	2%	25,360	1,708	7%
Event fees	148	312	-163	-52%	307	-159	-52%
Others	7,420	5,794	1,627	28%	5,292	2,128	40%

1) Merger related special compensation paid in 3Q2014

2) Adjusted health insurance expenses for the exercise of employee stock options in 2014 recognized in 2Q2015

3) Increase in infrastructure cost for new services, and retroactive recognition of payments fee for Kakao Page due to its change in revenue recognition method

4) Increased content acquisition costs for sporting events, and Kakao Music due to its change in revenue recognition period (account name change has been made from 'Outsourcing fees')

Note: For the pre-merger periods, the above financials are based on unaudited pro forma combined financial information of Daum Communications and Kakao

# Consolidated Financial Statements (Pro-forma)

## Consolidated Statements of Income

(in million KRW)	3Q14	4Q14	1Q15	2Q15	3Q15
<b>Sales Revenues</b>	<b>221,803</b>	<b>254,046</b>	<b>234,392</b>	<b>226,482</b>	<b>229,580</b>
Advertising Platform	141,915	165,363	141,753	150,736	142,949
Game Platform	67,464	68,289	69,991	53,984	51,383
Commerce Platform	7,756	14,284	15,526	13,678	15,339
Others	4,668	6,110	7,122	8,084	19,909
<b>Operating Expenses</b>	<b>191,044</b>	<b>188,632</b>	<b>194,040</b>	<b>215,049</b>	<b>213,396</b>
Labor costs	64,834	47,242	51,803	54,590	56,455
Fringe benefits	9,460	8,782	9,970	17,337	12,813
Depreciation	9,975	10,596	11,455	12,333	12,375
Rental fees	3,880	4,287	5,034	4,363	4,666
Commissions	49,532	55,865	52,645	56,381	62,876
Advertising	11,314	9,116	17,221	19,662	6,843
Bad debt expenses	-15	1,583	-21	394	8
Amortization	3,279	5,692	5,937	5,911	7,099
Content fees	7,826	7,111	8,452	11,398	15,626
Ad Agency fees	25,360	30,154	24,418	26,576	27,068
Event fees	307	1,833	171	312	148
Others	5,292	6,371	6,955	5,794	7,420
<b>Operating Profit</b>	<b>30,759</b>	<b>65,414</b>	<b>40,352</b>	<b>11,434</b>	<b>16,184</b>
<i>Operating Profit Margin</i>	<i>13.9%</i>	<i>25.7%</i>	<i>17.2%</i>	<i>5.0%</i>	<i>7.0%</i>
Other Revenues	175	485	1,339	9,822	6,706
Other Expenses	29,943	6,345	2,715	12,925	4,611
Financial Income	3,612	3,574	3,252	18,240	3,543
Financial Expenses	-188	69	330	951	325
Equity-method Income	-1,060	-508	-553	-756	284
Gains on Equity method investments	-	181	35	591	2,972
losses on Equity method invest.	1,060	689	588	1,346	2,688
<b>Profit before Income Tax Expenses</b>	<b>3,730</b>	<b>62,551</b>	<b>41,344</b>	<b>24,863</b>	<b>21,782</b>
Income Tax Expenses	-1,744	10,809	10,498	3,494	7,015
Net Profit from Continued Operations	5,474	51,743	30,846	21,369	14,767
Net Profit from Discontinued Oper	-11,790	-	-	-	-
<b>Net Profit</b>	<b>-6,316</b>	<b>51,743</b>	<b>30,846</b>	<b>21,369</b>	<b>14,767</b>
Net Profit of Controlling Interests	-5,127	51,914	31,097	20,556	13,004
Net Profit of Non-controlling Int.	-1,189	-171	-250	814	1,762

## Consolidated Statements of Financial Position

(in million KRW)	2014.12.31	2015.9.30
<b>Current Assets</b>	<b>798,291</b>	<b>765,548</b>
Cash and Cash Equivalents	451,228	307,643
Short-term Financial Instruments	184,548	266,912
Accounts Receivable	108,431	100,208
Other Current Financial Assets	25,843	50,199
Other Current Assets	24,709	37,006
Others	3,532	3,579
<b>Non-Current Assets</b>	<b>1,969,734</b>	<b>2,165,339</b>
Long-term Available for Sales	25,258	23,512
Equity Method Investments	18,712	87,815
Tangible Assets	196,894	220,897
Intangible Assets	1,688,974	1,786,790
Other Non-current Financial Assets	33,702	36,798
Other Non-current Assets	6,194	5,055
<b>Total Assets</b>	<b>2,768,025</b>	<b>2,926,416</b>
<b>Liabilities</b>	<b>227,487</b>	<b>280,085</b>
Trade Payables and Non-trade Payables	109,126	146,859
Accrued Expenses	5,443	10,325
Advances from Customers	34,488	37,613
Income Taxes Payable	20,680	25,957
Other Current Liabilities	57,751	59,355
<b>Non-Current Liabilities</b>	<b>77,309</b>	<b>88,879</b>
Non-Current Trade Payables and Non-trade Payables	3,362	14,939
Deferred Income Tax Liabilities	50,083	38,576
Other Non-Current Liabilities	23,864	35,364
<b>Total Liabilities</b>	<b>304,797</b>	<b>368,965</b>
Paid-in Capital	29,121	30,057
Capital Surplus	2,258,974	2,259,578
Capital Adjustments	-26,268	-8,960
Accum. Other Compreh. Inc.	2,114	1,526
Retained Earnings	190,678	245,304
Non-controlling Interests	8,609	29,946
<b>Total Equity</b>	<b>2,463,228</b>	<b>2,557,451</b>
<b>Total Liabilities &amp; Equity</b>	<b>2,768,025</b>	<b>2,926,416</b>



# Consolidated Financial Statements (K-IFRS)

Consolidated Statements of Income					
(in million KRW)	3Q14	4Q14	1Q15	2Q15	3Q15
<b>Sales Revenues</b>	<b>88,265</b>	<b>254,046</b>	<b>234,392</b>	<b>226,482</b>	<b>229,580</b>
Advertising Platform	17,651	165,363	141,753	150,736	142,949
Game Platform	59,619	68,289	69,991	53,984	51,383
Commerce Platform	7,756	14,284	15,526	13,678	15,339
Others	3,238	6,110	7,122	8,084	19,909
<b>Operating Expenses</b>	<b>58,136</b>	<b>188,632</b>	<b>194,040</b>	<b>215,049</b>	<b>213,396</b>
Labor costs	29,154	47,242	51,803	54,590	56,455
Fringe benefits	2,335	8,782	9,970	17,337	12,813
Depreciation	2,407	10,596	11,455	12,333	12,375
Rental fees	1,415	4,287	5,034	4,363	4,666
Commissions	9,785	55,865	52,645	56,381	62,876
Advertising	6,395	9,116	17,221	19,662	6,843
Bad debt expenses	-	1,583	-21	394	8
Amortization	80	5,692	5,937	5,911	7,099
Content fees	-	7,111	8,452	11,398	15,626
Ad Agency fees	3,551	30,154	24,418	26,576	27,068
Event fees	144	1,833	171	312	148
Others	2,870	6,371	6,955	5,794	7,420
<b>Operating Profit</b>	<b>30,129</b>	<b>65,414</b>	<b>40,352</b>	<b>11,434</b>	<b>16,184</b>
<i>Operating Profit Margin</i>	<i>13.9%</i>	<i>25.7%</i>	<i>17.2%</i>	<i>5.0%</i>	<i>7.0%</i>
Other Revenues	79	485	1,339	9,822	6,706
Other Expenses	6,270	6,345	2,715	12,925	4,611
Financial Income	1,174	3,574	3,252	18,240	3,543
Financial Expenses	174	69	330	951	325
Equity-method Income	-707	-508	-553	-756	284
Gains on Equity method invest.	-	181	35	591	2,972
losses on Equity method invest.	707	689	588	1,346	2,688
<b>Profit before Income Tax Expenses</b>	<b>24,232</b>	<b>62,551</b>	<b>41,344</b>	<b>24,863</b>	<b>21,782</b>
Income Tax Expenses	251	10,809	10,498	3,494	7,015
Net Profit from Continued Operations	23,982	51,743	30,846	21,369	14,767
Net Profit from Discontinued Ope.	-	-	-	-	-
<b>Net Profit</b>	<b>23,982</b>	<b>51,743</b>	<b>30,846</b>	<b>21,369</b>	<b>14,767</b>
Net Profit of Controlling Interests	24,029	51,914	31,097	20,556	13,004
Net Profit of Non-controlling Int.	-48	-171	-250	814	1,762

Consolidated Statements of Financial Position			
(in million KRW)	2013.12.31	2014.12.31	2015.9.30
<b>Current Assets</b>	<b>180,504</b>	<b>798,291</b>	<b>765,548</b>
Cash and Cash Equivalents	23,417	451,228	307,643
Short-term Financial Instruments	105,039	184,548	266,912
Accounts Receivable	44,636	108,431	100,208
Other Current Financial Assets	4,953	25,843	50,199
Other Current Assets	2,459	24,709	37,006
Others	-	3,532	3,579
<b>Non-Current Assets</b>	<b>36,696</b>	<b>1,969,734</b>	<b>2,165,339</b>
Long-term Available for Sales	-	25,258	23,512
Equity Method Investments	10,484	18,712	87,815
Tangible Assets	20,316	196,894	220,897
Intangible Assets	1,370	1,688,974	1,786,790
Other Non-current Financial Assets	1,211	33,702	36,798
Other Non-current Assets	3,315	6,194	5,055
<b>Total Assets</b>	<b>217,200</b>	<b>2,768,025</b>	<b>2,926,416</b>
<b>Liabilities</b>	<b>35,872</b>	<b>227,487</b>	<b>280,085</b>
Trade and Non-trade Payables	21,419	109,126	146,859
Accrued Expenses	-	5,443	10,325
Advances from Customers	-	34,488	37,613
Income Taxes Payable	-	20,680	25,957
Other Current Liabilities	14,453	57,751	59,355
<b>Non-Current Liabilities</b>	<b>4,072</b>	<b>77,309</b>	<b>88,879</b>
Non-Current Trade and Non-trade Payables	3,406	3,362	14,939
Deferred Income Tax Liabilities	-	50,083	38,576
Other Non-Current Liabilities	665	23,864	35,364
<b>Total Liabilities</b>	<b>39,944</b>	<b>304,797</b>	<b>368,965</b>
Paid-in Capital	20,997	29,121	30,057
Capital Surplus	112,347	2,258,974	2,259,578
Capital Adjustments	6,257	-26,268	-8,960
Accum. Other Comprehen. Inc.	-2,917	2,114	1,526
Retained Earnings	40,573	190,678	245,304
Non-controlling Interests	-	8,609	29,946
<b>Total Equity</b>	<b>177,257</b>	<b>2,463,228</b>	<b>2,557,451</b>
<b>Total Liabilities &amp; Equity</b>	<b>217,200</b>	<b>2,768,025</b>	<b>2,926,416</b>

# Employees / Subsidiaries

(in person)

	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15
<b>Kakao</b>	<b>2,162</b>	<b>2,272</b>	<b>2,250</b>	<b>2,262</b>	<b>2,255</b>	<b>2,271</b>	<b>2,299</b>
L Daum	1,589	1,593	1,525				
L Kakao	573	679	725				
<b>Kakao Subsidiaries</b>	<b>1,059</b>	<b>1,089</b>	<b>1,217</b>	<b>1,269</b>	<b>1,348</b>	<b>1,413</b>	<b>1,447</b>
<b>Consolidated total</b>	<b>3,221</b>	<b>3,361</b>	<b>3,467</b>	<b>3,531</b>	<b>3,603</b>	<b>3,684</b>	<b>3,746</b>

- Above number of employees include full-time and part-time employees
- Subsidiaries: Daum Global Holdings Corp, Kakao Singapore PTE. Ltd., DK CHINA Co., Ltd., DK CHINA YanJiao Co., Ltd., ImageOn Corp, Daum Game Co., Ltd., Dialod Corp., TNK Factory Co., Ltd., Buzzpia Co., Ltd. Thinkreals Corp., Lotiple Inc., Kakao Lab Corp., Sunnyloft Corp., Beijing Kakao Co., Ltd., Ultra Caption Corp., Ltd., Kakao JAPAN Corp., Kids Note Inc., K-cube Venture Fund, Kakao Venture Fund, K-cube Ventures, K Venture Group, Sellit Inc., LOCNALL Inc., KakaoFriends Inc., Daum Games Europe B.V., Ultra Interactive, Inc., Tangram Design Lab., Tangram Factory, Tangram Factory America, Inc., DK Business, DK Service, DK Techin, Path Mobile Inc., Valuepotion, Nzin, Cadac, Valuepotion Pte. LTD, Zinny Labs Corp., Aina  
(Total 39 subsidiaries as of September 30, 2015)



<http://www.kakaocorp.com/ir/>