

HYUNDAI HEAVY INDUSTRIES CO., LTD.

INCOME STATEMENTS

For the years ended December 31, 2000 and 1999

	In Thousands of			
	Korean Won		U.S. Dollars (Note 3)	
	2000	1999	2000	1999
Sales (Notes 21 and 25)	\ 6,626,143,323	\ 6,327,302,095	\$ 5,260,096	\$ 5,022,864
Cost of sales (Notes 21 and 25)	5,346,964,274	5,135,391,114	4,244,633	4,076,678
Gross profit	1,279,179,049	1,191,910,981	1,015,463	946,186
Selling and administrative expenses (Note 22)	525,436,477	525,525,606	417,112	417,183
Operating income	753,742,572	666,385,375	598,351	529,003
Non-operating income:				
Interest and dividend income	129,883,235	118,623,033	103,106	94,168
Foreign exchange gain	49,039,488	41,722,459	38,929	33,121
Gain on foreign currency translation	23,851,176	23,849,000	18,934	18,932
Gain on disposition of marketable securities	746	53,983,660	1	42,854
Gain on disposition of investments (Notes 14 and 25)	5,150,047	324,043,267	4,088	257,238
Others (Note 14)	31,233,444	23,824,925	24,795	18,914
	239,158,136	586,046,344	189,853	465,227
Non-operating expenses:				
Interest expense	378,095,168	474,246,332	300,147	376,476
Foreign exchange loss	62,906,895	50,794,027	49,938	40,322
Loss on foreign currency translation	64,365,634	19,655,693	51,096	15,603
Equity in investee loss (Note 7)	314,728,971	94,100,128	249,844	74,700
Loss on disposition of marketable securities	16,129,082	20,201,924	12,804	16,037
Loss on disposition of property, plant and equipment	6,152,864	14,820,164	4,884	11,765
Loss on disposal of investments (Notes 14 and 25)	222,869,695	2,947,540	176,923	2,340
Others (Notes 12 and 14)	146,289,647	111,488,751	116,131	88,505
	1,211,537,956	788,254,559	961,767	625,748
Ordinary income (loss)	(218,637,248)	464,177,160	(173,563)	368,482
Income tax expense (benefits) (Note 23)	(57,104,086)	141,333,084	(45,331)	112,196
Net income (loss)	\ (161,533,162)	\ 322,844,076	\$ (128,232)	\$ 256,286
Earnings(loss) per share(Note 24)	\ (2,548)	\ 5,443	\$ (2)	\$ 4.32
(in Korean Won and U.S. Dollars)				

The accompanying notes are an integral part of these statements.