

# HYUNDAI HEAVY INDUSTRIES CO., LTD.

## STATEMENTS OF APPROPRIATIONS OF RETAINED EARNINGS

For the years ended December 31, 2000 and 1999

Dates of appropriation : March 16, 2001 for 2000 and March 24, 2000 for 1999

	In Thousands of			
	Korean Won		U.S. Dollars (Note 3)	
	2000	1999	2000	1999
Retained earnings before appropriations:				
Unappropriated retained earnings carried over from prior year	\ 9	\ 9	\$ 0.007	\$ 0.007
Cumulative effect of accounting changes				
Adoption of equity method of accounting for investments (Note 7)	(66,466,755)	(35,778,344)	(52,764)	(28,402)
Reflection of deferred gain on foreign currency translation	-	39,751	-	32
Adoption of deferred income tax method (Note 23)	20,471,760	(99,646,726)	16,251	(79,104)
Prior period error corrections (Note 18)	(14,368,000)	(3,726,355)	(11,406)	(2,958)
Net income (loss)	(161,533,162)	322,844,076	(128,231)	256,286
	(221,896,148)	183,732,411	(176,150)	145,854
Transfers from voluntary reserves:	171,386,292	84,175,044	136,053	66,822
Appropriations:				
Legal reserve	5,825,234	7,600,000	4,624	6,033
Other statutory reserve	348,956	4,307,446	277	3,419
Voluntary reserve	50,000,000	180,000,000	39,692	142,891
Dividends (Note 19)	58,252,346	76,000,000	46,243	60,332
	114,426,536	267,907,446	90,836	212,675
Unappropriated retained earnings to be carried over to the subsequent year	\ (164,936,392)	\ 9	\$ (130,933)	\$ 0.007

The accompanying notes are an integral part of these statements.