

HYUNDAI HEAVY INDUSTRIES CO., LTD.

NON-CONSOLIDATED STATEMENTS OF LOSSES

For the years ended December 31, 2002 and 2001

	In Thousands of Korean Won except per share amounts	
	2002	2001
Sales (Notes 18 and 21)	\ 8,134,062,780	\ 7,404,230,486
Cost of sales (Notes 18 and 21)	7,073,205,696	6,190,606,889
Gross profit	1,060,857,084	1,213,623,597
Selling and administrative expenses (Note 22)	619,302,736	681,312,555
Operating income	441,554,348	532,311,042
Non-operating income:		
Interest and dividend income (Note 4)	94,966,212	142,807,445
Gain on foreign currency transaction	102,943,959	85,653,695
Gain on foreign currency translation	24,228,735	7,760,312
Gain on disposal of marketable securities	131,494	5,593,425
Gain on disposal of investments	255,531	9,144,221
Gain on valuation of investments using the equity method of accounting (Note 6)	17,149,740	-
Others	75,392,134	72,432,925
	315,067,805	323,392,023
Non-operating expenses:		
Interest expense	259,228,110	350,553,527
Loss on foreign currency transaction	103,918,706	78,006,095
Loss on foreign currency translation	26,729,459	22,371,977
Loss on disposal of marketable securities	320,571	
Loss on valuation of investments using the equity method of accounting	-	217,463,418
Loss on disposal of property, plant and equipment	5,092,600	6,608,181
Loss on disposal of investments (Note 6)	174,184,709	51,306,291
Loss on impairment of long-term investments (Note 6)	442,328,512	60,411,943
Loss on redemption of debentures	901,766	2,318,163
Donation		
Others	85,016,352	118,566,449
	1,097,720,785	907,606,044
Ordinary loss	341,098,632	51,902,979
Income tax expense (benefit) (Note 19)	(82,084,572)	26,217,842
Net loss	\ 259,014,060	\ 78,120,821
Loss per share (Note 20)	\ (4,899)	\ (1,376)
Ordinary loss per share (Note 20)	\ (4,899)	\ (1,376)

The accompanying notes are an integral part of these non-consolidated statements.