

HYUNDAI HEAVY INDUSTRIES CO., LTD.

NON-CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	In Thousands of Korean Won except per share amounts	
	2,003	2,002
Sales (Notes 21, 24 and 26)	\ 8,153,499,952	\ 8,134,062,780
Cost of sales (Notes 21 and 24)	7,198,199,411	7,073,205,696
Gross profit	955,300,541	1,060,857,084
Selling and administrative expenses (Note 27)	680,788,615	619,302,736
Operating income (Note 26)	274,511,926	441,554,348
Non-operating income:		
Interest and dividend income (Note 4)	79,111,755	94,966,212
Gain on foreign currency transactions	136,101,181	102,943,959
Gain on foreign currency translation (Note 7)	6,649,385	24,228,735
Gain on disposal of marketable securities	91,120,394	17,149,740
Gain on disposal of investments	123,902	131,494
Others	1,150,327	255,531
	34,156,819	75,392,134
	348,413,763	315,067,805
Non-operating expenses:		
Interest expense	173,971,869	259,228,110
Loss on foreign currency transactions	136,368,593	103,918,706
Loss on foreign currency translation	4,628,508	26,729,459
Loss on disposal of marketable securities	23,200	320,571
Loss on disposal of property, plant and equipment	8,015,387	5,092,600
Loss on disposal of investments	186,183	174,184,709
Loss on impairment of long-term investments (Note 6)	22,535,926	442,328,512
Loss on redemption of debentures (Note 12)	8,476,817	901,766
Others	84,738,696	85,016,352
	438,945,179	1,097,720,785
Ordinary income (loss)	183,980,510	-341,098,632
Extraordinary items	-	-
Net income (loss) before income tax	183,980,510	-341,098,632
Income tax expense (benefits) (Note 22)	70,123,351	-82,084,572
Net income (loss)	\ 113,857,159	\ -259,014,060
Earnings (loss) per share (Note 23)	\ 2,068	\ -4,899

Ordinary income (loss) per share (Note 23)

\ 2,068

\ -4,899

See accompanying notes to non-consolidated financial statements.