

HYUNDAI HEAVY INDUSTRIES CO., LTD.

NON-CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	Korean won	
	2004	2003
	(in thousands, except per share amounts)	
Sales (Notes 19, 22 and 24)	₩ 9,084,484,155	₩ 8,153,499,952
Cost of sales (Notes 19 and 22)	8,540,502,376	7,198,199,411
Gross profit	543,981,779	955,300,541
Selling and administrative expenses (Note 25)	642,042,563	680,788,615
Operating income (loss) (Note 24)	(98,060,784)	274,511,926
Non-operating income:		
Interest and dividend income	107,867,659	79,111,755
Gain on foreign currency transactions	180,076,397	136,101,181
Gain on foreign currency translation	25,929,043	6,649,385
Gain on valuation of investment securities accounted for using the equity method (Note 6)	162,834,227	91,120,394
Gain on disposal of available-for-sales securities	80,518,377	1,274,229
Gain on valuation of foreign exchange forward contracts (Note 12)	32,712,127	-
Others	43,565,285	34,156,819
	633,503,115	348,413,763
Non-operating expenses:		
Interest expense	64,433,135	173,971,869
Loss on foreign currency transactions	157,559,693	136,368,593
Loss on foreign currency translation	93,086,979	4,628,508
Loss on disposal of available-for-sales securities	80,297,342	209,383
Loss on disposal of property, plant and equipment	9,895,073	8,015,387
Loss on impairment of long-term investment securities (Note 5)	3,235,189	22,535,926
Loss on redemption of debentures (Note 10)	1,487,429	8,476,817
Others	69,901,617	84,738,696
	479,896,457	438,945,179
Ordinary income	55,545,874	183,980,510
Extraordinary items	-	-
Net income before income tax	55,545,874	183,980,510
Income tax expense (Note 20)	18,826,378	70,123,351
Net income	₩ 36,719,496	₩ 113,857,159
Earnings per share (Notes 21 and 26)	₩ 569	₩ 2,068
Ordinary income per share (Notes 21 and 26)	₩ 569	₩ 2,068

See accompanying notes to non-consolidated financial statements.