

Kumho Petrochemical Co., Ltd.
Non-Consolidated Statements of Operations

For the years ended December 31, 2010 and 2009

(In millions of won, except earnings per share)

	Note	2010	2009
Revenue:	9,36,40		
Goods sold	₩	3,805,553	2,743,056
Merchandise sold		77,672	51,995
Other sales		3,112	6,611
		<u>3,886,337</u>	<u>2,801,662</u>
Cost of sales:	9		
Goods sold		3,236,228	2,441,770
Merchandise sold		69,111	40,633
Other sales		603	5,115
Gross profit		<u>580,395</u>	<u>314,144</u>
Selling, general and administrative expenses	9,23,34	<u>220,804</u>	<u>197,963</u>
Operating income	<u>36,40</u>	<u>359,591</u>	<u>116,181</u>
Interest income		5,131	4,399
Interest expense	9,11	(121,971)	(109,991)
Reversal of allowance for doubtful accounts	9	3,423	-
Other bad debt expenses		(1,085)	(10,267)
Gain on foreign currency translation, net	22	727	9,328
Gain on foreign currency transaction, net		3,181	17,521
Dividend income		3,356	2,116
Loss on disposal of tangible assets, net		(296)	(1,339)
Loss on impairment of tangible assets	10	(9,286)	-
Loss on impairment of intangible assets	13	(2,470)	(3,807)
Loss on impairment of available-for-sale securities	7	(1,500)	-
Loss on impairment of equity method accounted investments	8	-	(93,687)
Loss on sale of accounts and notes receivable - trade		(340)	-
Loss on impairment of other non-current assets		-	(235)
Gain on disposal of available-for-sale securities		76,438	-
Gain (loss) on disposal of other assets, net	39	12,677	(24)
Gain (loss) on disposal of equity method accounted investments, net	8,38	135,767	(3,375)
Loss on valuation of derivatives, net	25	(917)	(8,920)
Loss on transactions of derivatives, net		(1,614)	(3,348)
Gain (loss) on valuation of equity method accounted investments	8	144,981	(733,522)
Other, net		(10,715)	(22,901)
Other income (expense)		<u>235,487</u>	<u>(958,052)</u>
Income (loss) before income taxes		<u>595,078</u>	<u>(841,871)</u>
Income taxes expense (benefit)	29	<u>123,660</u>	<u>(227,032)</u>
Net income (loss)	<u>30,32</u> ₩	<u>471,418</u>	<u>(614,839)</u>
Earnings (loss) per share	<u>30,40</u>		
Basic earnings (loss) per share	₩	<u>23,611</u>	<u>(31,003)</u>
Diluted earnings (loss) per share	₩	<u>20,611</u>	<u>(31,003)</u>

See accompanying notes to non-consolidated financial statements.