

KUMHO PETROCHEMICAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Income

For the years ended December 31, 2016 and 2015

In millions of won, except earning per share information	2016	2015
Sales	₩ 3,970,435	3,934,509
Cost of sales	3,637,513	3,600,583
Gross profit	332,922	333,926
Selling, general and administrative expenses	175,846	169,976
Operating income	157,076	163,950
Other income	96,758	78,483
Other expenses	101,354	48,611
Financial income	37,401	42,488
Financial expenses	104,641	109,842
Share of profit of equity accounted investees	27,636	43,163
Net profit before income tax	112,876	169,631
Income tax expense	32,112	47,765
Net profit for the year	₩ 80,764	121,866
Profit attributable to:		
Owners of the Group	73,246	118,904
Non-controlling interests	7,518	2,962
Net profit for the year	80,764	121,866
Earnings per share (In Korean won)		
Basic and Diluted earnings per share(class1)	₩ 2,618	4,257
Basic and Diluted earnings per share(class2)	₩ 2,683	4,307

KUMHO PETROCHEMICAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2016 and 2015

In millions of won	2016	2015
Net profit for the year	₩ 80,764	121,866
Other comprehensive income (loss) for the year, net of income tax	11,165	(63,589)
1. Items that will not be reclassified subsequently to profit or loss	10,305	(13,903)
Defined benefit plan actuarial income(losses)	10,305	(13,903)
2. Items that will be reclassified subsequently to profit or loss	860	(49,686)
Net change in fair value of available-for-sale financial assets	1,291	(48,858)
Foreign currency translation differences for foreign operations	(818)	94
Net change in unrealized gain on valuation of investments in associates	457	(581)
Net change in retained earnings of investments in associates	(995)	455
Effective portion of changes in fair value of cash flow hedges	925	(796)
Total comprehensive income for the year	₩ 91,929	58,277
Total comprehensive income attributable to:		
Owners of the Group	87,066	56,033
Non-controlling interests	4,863	2,244
Total comprehensive income for the year	₩ 91,929	58,277