

Kumho Petrochemical Co., Ltd.  
Non-Consolidated Statements of Appropriation of Retained Earnings

For the years ended December 31, 2010 and 2009

Date of Appropriation for 2010: February 25, 2011

Date of Disposition for 2009: March 30, 2010

(In millions of won)

	2010	2009
<b>Unappropriated retained earnings (undisposed accumulated deficit)</b>		
Balance at beginning of year	₩ -	1,007
Change in retained earnings of equity method accounted investments	-	(2,118)
Net Income (loss)	471,418	(614,839)
<b>Balance at end of year before appropriation (disposition)</b>	<u>471,418</u>	<u>(615,950)</u>
<b>Transfer from voluntary reserves</b>		
Reserve for business expansion	-	129,000
Reserve for facility expansion	-	170,000
Reserve for research and human development	-	82,000
Reserve for legal reserve	-	8,269
Other capital surplus	-	3,115
Asset revaluation surplus	-	161,393
Additional paid-in capital	-	62,173
<b>Unappropriated retained earnings available for appropriation</b>	<u>471,418</u>	<u>-</u>
<b>Appropriation of retained earnings</b>		
Legal reserve	2,310	-
Dividends	23,007	-
Common stock: 20% on par value at ₩ 1,000 per share,		
Preferred stock: 21% on par value at ₩ 1,050 per share,		
Other voluntary reserve	444,000	-
<b>Unappropriated retained earnings to be carried over to subsequent year</b>	<u>₩ 2,101</u>	<u>-</u>

See accompanying notes to non-consolidated financial statements.