

HANATOUR SERVICE INC.

NON-CONSOLIDATED STATEMENTS OF APPROPRIATIONS OF RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Korean Won	
	2009	2008
	(In thousands)	
RETAINED EARNING BEFORE APPROPRIATIONS:		
Unappropriated retained earnings carried over from prior years	₩ 24,144,603	₩ 42,217,759
Interim cash dividends (Note 12)	(2,701,980)	(5,670,887)
Legal reserve for interim cash dividends	-	(567,089)
Net income (loss)	(4,837,022)	5,030,257
	<u>16,605,601</u>	<u>41,010,040</u>
APPROPRIATIONS:		
Legal reserve for cash dividends	-	-
Loss on disposal of treasury stock	-	14,150,592
Cash dividends (Note 12)	2,701,981	2,714,845
	<u>2,701,981</u>	<u>16,865,437</u>
UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT YEAR	<u>₩ 13,903,620</u>	<u>₩ 24,144,603</u>

See accompanying notes to non-consolidated financial statements.

HANATOUR SERVICE INC.

NON-CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Korean Won					
	Capital stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income (loss)	Retained earnings	Total amount
	(In thousands)					
January 1, 2008	₩5,808,093	₩ 60,688,560	₩(30,404,399)	₩ (72,704)	₩63,382,018	₩99,401,568
Payment of cash dividend	-	-	-	-	(5,608,093)	(5,608,093)
Amortization of loss on disposal of treasury stock	-	-	12,220,793	-	(12,220,793)	-
Balance after appropriation	5,808,093	60,688,560	(18,183,606)	(72,704)	45,553,132	93,793,475
Payment of interim cash dividend	-	-	-	-	(5,670,887)	(5,670,887)
Net income	-	-	-	-	5,030,257	5,030,257
Acquisition of treasury stock	-	-	(26,916,847)	-	-	(26,916,847)
Disposal of treasury stock	-	-	31,524,734	-	-	31,524,734
Exercise of stock option rights	-	-	(2,911,087)	-	-	(2,911,087)
Loss on disposal of treasury stock	-	-	(14,150,592)	-	-	(14,150,592)
Stock compensation expense	-	-	6,745,255	-	-	6,745,255
Changes in gain on valuation of investment securities	-	-	-	2,161,164	-	2,161,164
Changes in loss on valuation of investment securities	-	-	-	(184,903)	-	(184,903)
December 31, 2008	<u>₩5,808,093</u>	<u>₩ 60,688,560</u>	<u>₩(23,892,143)</u>	<u>₩ 1,903,557</u>	<u>₩44,912,502</u>	<u>₩89,420,569</u>
January 1, 2009	₩5,808,093	₩ 60,688,560	₩(23,892,143)	₩ 1,903,557	₩44,912,502	₩89,420,569
Payment of cash dividend	-	-	-	-	(2,714,845)	(2,714,845)
Amortization of loss on disposal of treasury stock	-	-	14,150,592	-	(14,150,592)	-
Balance after appropriation	5,808,093	60,688,560	(9,741,551)	1,903,557	28,047,065	86,705,724
Payment of interim cash dividend	-	-	-	-	(2,701,980)	(2,701,980)
Net loss	-	-	-	-	(4,837,022)	(4,837,022)
Acquisition of treasury stock	-	-	(1,486,163)	-	-	(1,486,163)
Disposal of treasury stock	-	-	6,531,601	-	-	6,531,600
Unexercised stock option rights	-	9,356,728	(9,356,728)	-	-	-
Gain on disposal of treasury stock	-	2,145,746	-	-	-	2,145,746
Stock compensation expense	-	-	4,311,121	-	-	4,311,121
Changes in gain on valuation of investment securities	-	-	-	222,620	-	222,621
Changes in loss on valuation of investment securities	-	-	-	35,420	-	35,420
December 31, 2009	<u>₩5,808,093</u>	<u>₩ 72,191,034</u>	<u>₩ (9,741,720)</u>	<u>₩ 2,161,597</u>	<u>₩20,508,063</u>	<u>₩90,927,067</u>

See accompanying notes to non-consolidated financial statements.