

KOREA GAS TECHNOLOGY CORPORATION  
Statements of Comprehensive Income

For the years ended December 31, 2016 and 2015

| <i>(In thousands of won, except earnings per share data)</i>                 | <u>Note</u>     | <u>2016</u>         | <u>2015</u>       |
|--|-----------------|---------------------|-------------------|
| Revenue  | 5,19,24,31,35 ₩ | 215,390,408         | 187,703,161       |
| Cost of sales  |                 | (183,841,242)       | (160,186,640)     |
| <b>Gross profit</b>  |                 | <b>31,549,166</b>   | <b>27,516,521</b> |
| Selling, general and administrative expenses                                 | 10,25,31,35     | (16,768,090)        | (16,356,834)      |
| <b>Operating profit</b>  |                 | <b>14,781,076</b>   | <b>11,159,687</b> |
| Other income   | 26              | 31,738              | 138,601           |
| Other expenses   | 26              | (227,468)           | (210,759)         |
| Other gain   | 27              | 343,335             | 118,761           |
| Finance income   | 28,33           | 651,892             | 690,724           |
| Finance costs  | 29,33           | (32,829)            | (36,854)          |
| <b>Profit before income tax</b>  |                 | <b>15,547,744</b>   | <b>11,860,160</b> |
| Income tax expense   | 30              | (2,670,001)         | (2,304,874)       |
| <b>Profit for the year</b>   |                 | <b>12,877,743</b>   | <b>9,555,286</b>  |
| <b>Other comprehensive income:</b>   |                 |                     |                   |
| <b>Items that will never be reclassified subsequently to profit or loss:</b> |                 |                     |                   |
| Remeasurements of the defined benefit plan, net of tax                       | 17,22           | (607,097)           | (1,629,055)       |
| <b>Total comprehensive income for the year</b>                               |                 | <b>₩ 12,270,646</b> | <b>7,926,231</b>  |
| <b>Earnings per share (in won)</b>   | 32 ₩            | <b>12,149</b>       | <b>9,014</b>      |

See accompanying notes to the financial statements.

KOREA GAS TECHNOLOGY CORPORATION  
 Statements of Comprehensive Income, Continued

For the years ended December 31, 2016 and 2015

(In thousands of U.S. dollars, except earnings per share data)

|  | <u>2016</u>                    | <u>2015</u>                |
|--|--------------------------------|----------------------------|
|  | (Note 4)                       | (Note 4)                   |
| Revenue  | \$ 178,230                     | 155,319                    |
| Cost of sales  | <u>(152,123)</u>               | <u>(132,550)</u>           |
| <b>Gross profit</b>  | <b><u>26,107</u></b>           | <b><u>22,769</u></b>       |
| Selling, general and administrative expenses                                 | <u>(13,875)</u>                | <u>(13,535)</u>            |
| <b>Operating profit</b>  | <b><u>12,232</u></b>           | <b><u>9,234</u></b>        |
| Other income   | 26                             | 115                        |
| Other expenses   | (188)                          | (174)                      |
| Other gain   | 284                            | 98                         |
| Finance income   | 539                            | 571                        |
| Finance costs  | <u>(27)</u>                    | <u>(30)</u>                |
| <b>Profit before income tax</b>  | <b><u>12,866</u></b>           | <b><u>9,814</u></b>        |
| Income tax expenses  | <u>(2,209)</u>                 | <u>(1,907)</u>             |
| <b>Profit for the year</b>   | <b><u><u>10,657</u></u></b>    | <b><u><u>7,907</u></u></b> |
| <b>Other comprehensive income:</b>   |                                |                            |
| <b>Items that will never be reclassified subsequently to profit or loss:</b> |                                |                            |
| Remeasurements of the defined benefit plan, net of tax                       | <u>(502)</u>                   | <u>(1,348)</u>             |
| <b>Total comprehensive income for the year</b>                               | <b><u><u>\$ 10,155</u></u></b> | <b><u><u>6,559</u></u></b> |
| <b>Earnings per share (in U.S. dollars)</b>                                  | <b>\$ 10</b>                   | <b>7</b>                   |

See accompanying notes to the financial statements.