



FY2004 Earnings Release

KT Freetel Co., Ltd.

FY2003 results in this material are restated in accordance with FY2004 accounting principle & methods for comparison purpose.

This material is on FY2004-4Q pre-closing result which is not reviewed nor audited by external auditor. And the more, all the numbers herein are still under the risk of material change according to accounting closing of company. Therefore, we will re-announce the financial result as soon as we finish the internal closing.

This material contains forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. Actual results may differ materially from those expressed or implied by these forward-looking statements. Because of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation might not occur in the way we expect, or at all. You should not place undue reliance on any forward-looking information.

This material contains several estimated numbers. These are under the risk of retroactive change in the kind of disclosed data, forms, or numbers without notice.

Company will not take any kind of legal responsibility on your investment decision based on this material.

Financial Highlights

A. PCS sales rose by 9.2%, surpassing yearly guidance of 8.5%

- 1) Despite Caller ID rate cuts and tariff cuts, PCS sales increased by 9.2% YoY in FY04, attributed to net adds of 1.29mn and churn-in of high ARPU subs. through MNP.
- 2) PCS sales increased by 1.3% QoQ in 4Q04, thanks to seasonality and subscriber growth.

B. EBITDA margin recorded 35.2%, exceeding guidance of 35%

- 1) Due to clean marketing efforts in 2H04, EBITDA margin exceeded guidance of 35%.
(Despite increased marketing cost of 45.3% YoY in FY04)
- 2) Marketing cost fell by 10.4% QoQ in 4Q04, due to decrease in retention and advertising costs.

C. Data sales grew by 45% YoY, in line with the guidance

- 1) EV-DO subscriber growth(3.06mn) and increased wireless data usage translated into data sales of W523.6bn in FY04, drastically up from previous year of W361.5bn.

D. MNP results in improvement of subscriber quality

- 1) Average ARPU(after discount) marked W29,514 in FY04, up 1.6% YoY from W29,037 in FY03.
* After discount ARPU= Monthly Fee + Airtime Charge + VAS - Discount

E. Weighted average interest rate decreased to 5.4% in FY04 from 6.3% in FY03

<Table 1> Summary of Financial Statement & Key Ratios

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
PCS Revenue	1,168,599	1,184,368	1.3%	4,201,297	4,589,209	9.2%
PCS Cost	1,022,343	1,027,080	0.5%	3,423,968	4,064,943	18.7%
Operating Profit	154,465	168,060	8.8%	781,775	528,987	-32.3%
Exclude Handset Profit	146,257	157,288	7.5%	777,329	524,265	-32.6%
EBITDA	422,644	437,978	3.6%	1,626,104	1,614,911	-0.7%
Non-Op. Profit	31,936	28,321	-11.3%	94,737	109,973	16.1%
Non-Op. Expense	89,041	86,401	-3.0%	417,429	330,350	-20.9%
Recurring Profit	97,361	109,980	13.0%	459,084	308,610	-32.8%
Extraordinary Income	0	0		0	0	
Extraordinary Expense	0	0		0	0	
Pretax Profit	97,361	109,980	13.0%	459,084	308,610	-32.8%
Tax	5,634	9,886	75.5%	51,657	24,709	-52.2%
Net Profit	91,728	100,094	9.1%	407,426	283,901	-30.3%
Key Ratios	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
Marketing/PCS Sales	21.4%	18.9%	-2.5%	16.5%	21.9%	5.4%
Operating Profit Margin	12.5%	13.3%	0.8%	18.5%	11.4%	-7.1%
EBITDA Margin	36.2%	37.0%	0.8%	38.7%	35.2%	-3.5%
Net Profit Margin	7.8%	8.5%	0.6%	9.7%	6.2%	-3.5%
Effective Tax Rate	5.8%	9.0%	3.2%	11.3%	8.0%	-3.2%
Net Debt Ratio	108.7%	97.8%	-10.8%	91.0%	97.8%	6.9%
Debt Ratio	200.1%	150.1%	-50.0%	141.7%	150.1%	8.4%

II. Sales

A. PCS Sales :

1) Increased by 9.2% YoY in FY04, mainly from upsurge in subscribers, ARPU and data sales.

B. Sign-up Fee :

1) Jumped by 75.9% YoY in FY04, thanks to sharp increase from new subscriber adds.

2) Increased by 10.9% QoQ in 4Q04, due to higher number new adds.

C. Monthly Fee :

1) Increased by 11.5% YoY in FY04, backed by increase subscription to high-end monthly plans such as "Voice Flat Rate".

2) Slightly fell by 1.1% QoQ in 4Q04, despite the tariff cut in September FY04.

D. Airtime Charge :

1) Showed little increase in FY04 due to greater subscription to high-end tariff plans.

E. VAS :

1) Even with CID tariff cuts, VAS rose 25.9% YoY in FY04, due to greater data usages.

2) Data VAS increased by 2.7% QoQ in 4Q04 due to seasonality and subscriber growth.

F. Interconnection :

1) Grew by 6.5% YoY in FY04 due to increased incoming MM traffic(16%).

G. KT Resale :

1) Recorded robust growth of 43.2% YoY in FY04, attributed to improved ARPU and moreover bigger subscriber base.

H. Sales Discount :

1) Increased by 46.6% YoY in FY04 mainly from a) long-term discount contracts and

b) monthly packet plans.

I. Handset Sales:

1) Surged by 41.9% YoY in FY04, due to increased sales of high-tier handsets including EV-DO.

<Table 2> Sales Breakdown

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
PCS Revenue	1,168,599	1,184,368	1.3%	4,201,297	4,589,209	9.2%
Sign-up Fee	13,272	14,717	10.9%	40,670	71,547	75.9%
Monthly Fee	443,934	438,990	-1.1%	1,564,121	1,743,282	11.5%
Airtime Charge	297,470	318,140	6.9%	1,197,123	1,202,168	0.4%
VAS	156,534	159,520	1.9%	470,148	592,022	25.9%
- Voice	36,283	35,973	-0.9%	174,782	148,884	-14.8%
- Data	120,251	123,547	2.7%	295,366	443,138	50.0%
(Discount)	-69,510	-73,440	5.7%	-181,663	-266,263	46.6%
Interconnections	225,174	228,808	1.6%	827,833	881,353	6.5%
KT Resale	89,744	84,692	-5.6%	220,579	315,959	43.2%
Other Rev.(700, 114)	1,791	1,863	1.6%	6,573	6,948	7.2%
Others	10,190	11,078	12.4%	55,914	41,512	-41.5%
Handset Sales	289,664	253,921	-12.3%	875,047	1,241,609	41.9%
Total Sales	1,458,263	1,438,289	-1.4%	5,076,345	5,830,818	14.9%

III. Expenses

A. Labor expense :

1) Increased by 14.2% YoY -> a) labor negotiation 2) incentives for MNP performance

B. Fees :

1) Increased 6.7% YoY in FY04, due to higher demand for network maintenance and outsourcing.

2) Dropped by 0.8% QoQ, mainly due to frequency usage fee reduction.

C. Interconnection Expense :

1) Rose 9.2% YoY in FY04, backed by increased MOU and LM rate hike.

D. Depreciation & Amortization :

1) Increased by 28.5% YoY in FY04 due to W-CDMA amortization and higher depreciable assets.

E. Leased Line Expense :

1) Maintained FY03 levels, despite expanded subscriber base.

F. Bad Debt Expense :

1) Decreased from FY03 as evaluation loss of matured security from ABS moved from operating to non-operating.

2) One-time expense due to dealer related cost also increased bad debt to 357.3% QoQ in 4Q04.

G. Marketing Expense :

1) Jumped by 45.3% YoY in FY04, taking advantage of sequential MNP and focused on acquisition of new subscribers in the 1H04.

H. USO :

1) Actual vs. realized USO cost was far less than original estimation.

I. Taxes & Obligations :

1) 4Q showed 25.8% increased due to W2.0bn monetary penalty levied by KCC.

<Table 3> Operating Expenses

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
1. Labor	57,596	60,329	4.7%	194,520	222,064	14.2%
2. Fees	104,007	103,157	-0.8%	379,934	405,294	6.7%
3. Interconnection	128,587	144,500	12.4%	464,264	506,982	9.2%
4. Overseas calls	1,423	1,646	15.7%	5,719	5,953	4.1%
5. Information charge(CP)	595	585	-1.7%	5,111	2,874	-43.8%
6. Rent	27,101	29,770	9.8%	100,531	113,441	12.8%
7. Depreciation	276,387	280,690	1.6%	848,775	1,090,645	28.5%
8. Leased line	89,442	87,243	-2.5%	355,936	357,257	0.4%
9. Utilities	14,818	12,674	-14.5%	43,857	49,362	12.6%
10. Repair & maintenance	15,653	18,806	20.1%	59,365	58,302	-1.8%
11. Lease	15,327	15,327	0.0%	40,839	61,307	50.1%
12. Marketing	250,433	224,350	-10.4%	691,700	1,005,003	45.3%
13. Bad debt	2,971	13,587	357.3%	52,763	25,448	-51.8%
14. Tax & obligations	7,459	9,387	25.8%	47,638	45,170	-5.2%
15. USO	10,000	557	-94.4%	37,526	30,557	-18.6%
16. Others	20,544	24,473	19.1%	95,489	85,285	-10.7%
PCS related expenses	1,022,343	1,027,080	0.5%	3,423,968	4,064,943	18.7%
Cost of handsets	281,455	243,149	-13.6%	870,601	1,236,887	42.1%
Total	1,303,798	1,270,228	-2.6%	4,294,569	5,301,831	23.5%

IV. Interconnection Revenue & Expense

- A. Net interconnection income increased by 3% YoY in FY04, due to increased incoming/outgoing traffic and interconnection rate reduction (Implementation of LRIC method)
- B. LM interconnection cost increased from LM interconnection rate hike (W15 → W18)

<Table 4> Interconnection Revenues & Expenses

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
Revenue	225,174	228,808	1.6%	827,833	881,353	6.5%
LM	92,426	86,268	-6.7%	373,533	353,863	-5.3%
MM	132,748	142,540	7.4%	454,300	527,490	16.1%
Expenses	128,587	144,500	12.4%	464,264	506,982	9.2%
LM	26,548	26,011	-2.0%	82,844	103,161	24.5%
MM	102,039	118,489	16.1%	381,420	403,821	5.9%
Net Interconnection Income	96,588	84,307	-12.7%	363,569	374,372	3.0%

V. Marketing Costs

- A. Focus of subscriber acquisition through MNP led to increased acquisition costs in FY04 compare to other costs.
- B. Marketing costs reduced 10.4% in 4Q04 due to KTF's effort toward to profit oriented management.
- C. Acquisition cost increased in 4Q04 due to MNP related incentives to sub-dealers.

<Table 5> Marketing Expenses

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
Commission	182,976	158,394	-13.4%	455,282	718,089	57.7%
Promotion	38,441	39,893	3.8%	123,221	163,653	32.8%
Advertising	29,016	26,062	-10.2%	113,197	123,261	8.9%
Total Marketing Cost	250,433	224,350	-10.4%	691,700	1,005,003	45.3%

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
Acquisition	62,504	73,118	17.0%	150,637	330,532	119.4%
Commission	55,528	65,486	17.9%	124,010	286,950	131.4%
Promotion	6,975	7,632	9.4%	26,627	43,582	63.7%
Per Subs.(W)	105,051	110,363	5.1%	73,829	105,119	42.4%
Retention	158,913	125,170	-21.2%	427,866	551,210	28.8%
Commission	127,448	92,908	-27.1%	331,272	431,139	30.1%
Promotion	31,466	32,262	2.5%	96,595	120,071	24.3%
Advertising	29,016	26,062	-10.2%	113,197	123,261	8.9%
Total Marketing Cost	250,433	224,350	-10.4%	691,700	1,005,003	45.3%

VI. Non-Operating Income & Expense

A. Interest Revenue :

- 1) Decreased 47.3% YoY in FY04 due to clearing off of 1st ABS issues that accounted for additional gain of W17.2bn increase in FY03.
- 2) Increased by W7.0bn in 4Q04 due to clearing off of 2nd ABS issues.

B. Foreign Exchange Gains :

- 1) Net foreign exchange gains recorded W23.1bn due to continuous appreciation of Korean Won.

C. Other Non-operating Loss :

- 1) Other net non-operating loss down by 24.1% YoY in FY04, attributed to decreased network consolidation loss of W57.8bn.

<Table 6> Non-Operating Items

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
Interest Income	693	8,634	1146.0%	24,095	12,691	-47.3%
Interest Expenses	55,747	53,397	-4.2%	272,992	220,606	-19.2%
Net Interest Income	-55,054	-44,763	-18.7%	-248,897	-207,914	-16.5%
F/X related Gains	4,084	6,622	62.1%	807	25,069	2953.7%
F/X related Losses	100	721	623.5%	27,754	1,971	-92.9%
Net F/X Gains	3,985	5,901	48.1%	-26,947	23,098	-185.8%
Other Gains	27,159	13,066	-51.9%	69,821	72,213	3.4%
Other Losses	33,194	32,284	-2.7%	116,683	107,774	-7.6%
Net Other Gains	-6,035	-19,218	218.5%	-46,861	-35,561	-24.1%
Total Non-op. Gains	31,936	28,321	-11.3%	94,737	109,973	16.1%
Total Non-op. Losses	89,041	86,401	-3.0%	417,429	330,350	-20.9%
Total Net Non-op. Gains	-57,104	-58,080	1.7%	-322,692	-220,377	-31.7%

VII. Others

- A. EBITDA margin showed improving trend starting in 3Q04, and helped achieve yearly target of 35.2%
- B. FY04 Capex. totaled W1.06tn, but considering carry on from FY03(W124bn) and to FY05(W80bn) net FY04 stood at W1.01tn which is just 1% above target.

<Table 7> EBITDA Margin & Capex.

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
EBITDA	422,644	437,978	3.6%	1,626,104	1,614,911	-0.7%
EBITDA Margin(%)	36.2%	37.0%	0.8%p	38.7%	35.2%	-3.5%p
Capex	154,200	322,200	108.9%	955,300	1,059,800	10.9%

<Table 8> Tax

(Unit : W mn)

	'04-3Q	'04-4Q	QoQ	FY03	FY04	YoY
Pre-tax Income	97,361	109,980	13.0%	459,084	308,610	-32.8%
Tax	5,634	9,886	75.5%	51,657	24,709	-52.2%
Effective Tax Rate	5.8%	9.0%	3.2%	11.3%	8.0%	-3.2%

VIII. Balance Sheet

- A. Debt-equity ratio improved 11%p in FY04 from previous quarter from 150% while net debt-equity ratio marked 98%.

<Table 9> Balance Sheet

(Unit : W mn)

Asset	7,960,429	Liabilities	4,777,673
Current	1,612,548	Current	2,366,726
Quick	1,376,779	Fixed	2,410,947
Inventory	235,769		
		Equity	3,182,757
Fixed	6,347,882	Capital	955,703
Investment	607,893	APIC	1,325,488
Tangible	4,600,893	Retained Earnings	985,275
Intangible	1,139,096	Capital Adjustment	-83,709

* Long-term payable for W-CDMA license fee is not included in Net Debt-Equity ratio

- A. Interest bearing debt includes W300bn in short-term borrowings, W1,030.3bn in current portion of liabilities and W2,849.5bn in bond.

<Table 10> Interesting Bearing Debt

(unit : W mn)

	'04 -3Q	'04 -4Q	QoQ
Interest bearing	3,430,147	3,149,470	-8.2%
Current portion	1,226,804	1,330,288	8.4%
Net debt	3,404,500	3,114,065	-8.5%
Foreign currency denominated	JPY 14.2bn	JPY 14.2bn	0.0%

IX. Operating Results

Subscribers

(Unit : '000)

	03-4Q	04-1Q	04-2Q	04-3Q	04-4Q
Total Number of Subs.	10,442	11,292	11,946	11,709	11,729
KT Resale	1,555	1,999	2,301	2,234	2,230
Quarterly Adds	618	1,480	1,443	681	795
Quarterly Churn-out	625	630	788	918	775
Net Adds	-7	850	655	-237	20
KTF - Only(exclude KT Resale)	8,887	9,293	9,646	9,476	9,499
Quarterly Adds	519	902	984	595	663
Quarterly Churn-out	507	497	631	765	639
Net Adds	11	406	353	-170	23

Subscribers by Networks

(Unit : '000)

	03-4Q	04-1Q	04-2Q	04-3Q	04-4Q
EV -DO(VOD + Non -VOD)	816	1,719	2,319	2,760	3,055
1X	6,656	7,139	7,679	7,482	7,440
2G	2,970	2,433	1,948	1,467	1,234
Total	10,442	11,292	11,947	11,709	11,729
Firm(MMS Enabled Handsets)	1,330	2,629	3,799	4,611	5,306
Color Display	5,911	7,471	8,799	9,269	9,648

ARPU

(Unit : W)

		03-4Q	04-1Q	04-2Q	04-3Q	04-4Q
After	ARPU - exclude interconn.	28,693	28,738	29,587	29,604	30,127
Discount	ARPU - include interconn.	36,560	36,453	37,608	37,466	38,034
	ARPU - include sign-up fee	36,953	37,197	38,426	37,935	38,551
Before	ARPU - exclude interconn.	30,632	30,804	31,960	32,057	32,710
Discount	ARPU - include interconn.	38,499	38,519	39,981	39,919	40,617
	ARPU - include sign-up fee	38,892	39,263	40,799	40,388	41,134
Net	Data ARPU	3,744	4,195	4,519	4,878	5,005
Based	After disct. ARPU-exclude intercn.	13.0%	14.6%	15.3%	16.5%	16.6%
Gross	Data ARPU	5,435	6,011	6,310	6,671	6,886
Based	After disct. ARPU-exclude intercn.	18.9%	20.9%	21.3%	22.5%	22.9%

Excluding KT Resale subscribers

- Quarterly ARPU after discount sustained growth trend.
- ARPU after discount in 4Q04 is 5% or W1,434 higher than that of 4Q03.

ARPU by Networks

(Unit : W)

		03-4Q	04-1Q	04-2Q	04-3Q	04-4Q
1X	Data ARPU	4,240	4,107	4,304	4,463	4,634
	Total ARPU	33,116	31,723	31,936	31,248	31,377
EV-DO	Data ARPU	13,990	12,723	10,893	10,036	9,246
	Total ARPU	49,983	48,624	46,915	44,686	43,430
2G	Data ARPU	1,372	1,295	1,353	1,543	2,229
	Total ARPU	21,090	19,607	18,806	16,952	16,660
Fimm	Data ARPU	11,945	11,404	10,108	9,449	9,029
	Total ARPU	45,288	44,780	43,645	42,072	41,427

Gross based, excluding interconnections and KT Resale subscribers

X. Financial Statement

* This material is not reviewed nor audited by external auditor, and reflecting pre-closing numbers. Use just for analysis purpose.

(Unit : Wmn)

Descriptions	2003. 10 - 12		2004. 1 - 3		2004. 4 - 6		2004. 7 - 9		2004. 10 - 12	
	Amount		Amount		Amount		Amount		Amount	
. Total Sales		1,284,986		1,442,073		1,492,193		1,458,263		1,438,289
PCS Service	1,038,075		1,051,762		1,163,557		1,158,409		1,173,290	
<i>Activations</i>	10,475		20,298		23,260		13,272		14,717	
<i>Monthly Fee</i>	394,301		414,178		446,180		443,934		438,990	
<i>Airtime charge</i>	295,015		283,700		302,859		297,470		318,140	
<i>Value-added service</i>	119,999		135,803		140,164		156,534		159,520	
<i>(PCS discount)</i>	(51,705)		(56,433)		(66,879)		(69,510)		(73,440)	
<i>Interconnection</i>	211,678		194,074		233,298		225,174		228,808	
<i>Resale</i>	56,455		58,503		83,021		89,744		84,692	
<i>Fees from other services</i>	1,859		1,639		1,654		1,791		1,863	
	0		0		0		0		0	
Others	15,081		10,438		10,485		10,190		11,078	
<i>Handset rental</i>	0		66		290		336		337	
<i>Overseas call</i>	5,731		5,851		4,916		4,401		5,052	
<i>M-commerce</i>	1,868		1,685		1,872		2,039		2,081	
<i>International Roaming</i>	1,103		927		1,098		1,126		1,293	
<i>Other overseas service</i>	5,512		202		459		231		642	
<i>K-merce Lottery</i>	25		14		18		39		68	
<i>M-Ad.</i>	705		933		696		741		931	
<i>Credit card service</i>	77		463		910		1,044		316	
<i>MNP port-out service</i>	0		0		0		8		6	
<i>Professional Sports</i>	61		298		225		225		353	
	0		0		0		0		0	
Handset	231,829		379,873		318,151		289,664		253,921	
<i>Handset</i>	231,913		381,215		319,030		290,452		254,502	
<i>(Handset discount)</i>	(84)		(1,342)		(879)		(788)		(581)	
. Operating Expense		1,132,193		1,337,463		1,390,342		1,303,798		1,270,228
Salary & Bonus	32,791		43,746		32,146		41,836		44,012	
Fees for temporary employees	352		407		251		440		251	
Out-sourcing employees	1,632		2,617		1,688		2,249		1,991	
Retirement	5,696		4,017		2,181		2,310		3,652	
Fringe benefits	6,559		7,148		6,870		6,146		7,739	
Rent	29,912		26,327		30,243		27,101		29,770	
Lease	10,795		15,327		15,327		15,327		15,327	
Service fee & commission	94,030		96,378		101,752		104,008		103,157	
Depreciations	223,198		234,771		249,985		251,927		256,218	

X. Financial Statement

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(Unit : Wmn)

Descriptions	2003. 10 - 12		2004. 1 - 3		2004. 4 - 6		2004. 7 - 9		2004. 10 - 12		
	Amount		Amount		Amount		Amount		Amount		
Amortizations	8,828		24,369		24,444		24,461		24,472		
Tax & dues	17,900		15,201		13,122		7,459		9,387		
Fare	2,122		1,829		2,660		1,291		2,648		
Insurance	572		461		516		321		423		
Interconnections	119,805		111,090		122,805		128,587		144,500		
Overseas call cost	1,475		1,526		1,358		1,423		1,646		
Leased line cost	87,016		87,549		93,024		89,442		87,243		
CP info usage charge	2,812		668		1,026		595		585		
USO	(18,021)		10,000		10,000		10,000		557		
Vehicles	470		481		501		550		540		
Educations	1,965		1,386		1,333		1,966		2,309		
Ordinary R&D	7,474		1,655		1,718		2,737		4,403		
Awards	284		187		161		2,648		374		
Entertainment	353		339		554		613		511		
Sales commission	122,709		157,747		218,972		182,976		158,394		
Sales promotions	39,712		41,289		44,029		38,441		39,893		
Advertisement	33,040		38,096		30,087		29,016		26,062		
Bad Debt	15,217		4,969		3,920		2,971		13,587		
Travel & Car fare	1,385		984		1,149		1,137		1,435		
Utilities	11,442		10,573		11,297		14,818		12,674		
Communications	7,261		6,959		7,016		7,495		7,357		
Repair & Maintenance	23,828		5,431		18,412		15,653		18,806		
Office supplies	3,363		3,679		2,860		2,744		3,368		
Other researchs	3,248		468		1,877		1,443		1,783		
Book & Printing	136		395		206		227		172		
Conference & managerial events	1,761		1,710		2,252		1,950		1,833		
Cost of Handset sold	229,326		377,685		334,599		281,455		243,149		
Others	1,748		0		0		35		0		
.Operating Income		152,793		104,610		101,852		0	154,465		168,060
.Non-operating gains		43,565		25,590		24,126		0	31,936		28,321
Interest	19,571		2,117		1,247		693		8,634		
Disposition of ST sales securities	22		206		231		0		0		

X. Financial Statement

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(Unit : Wmn)

Descriptions	2003. 10 - 12		2004. 1 - 3		2004. 4 - 6		2004. 7 - 9		2004. 10 - 12	
	Amount		Amount		Amount		Amount		Amount	
Evaluation of ST sales securities	(28)		143		(143)		0		0	
Disposition of sale securities	7,058		0		0		0		0	
Evaluation of sale securities	3,579		0		0		0		0	
Dividend	0		84		315		0		190	
Rent	5,358		2,569		3,729		1,387		2,768	
Equity method evaluation	(3,525)		2,108		2,095		1,534		(3,105)	
FX transactions	108		942		4,973		183		249	
FX translations	(257)		7,161		1,287		3,902		6,373	
Disposition of Investment	0		0		0		42		38	
Disposition of tangible asset	86		3		3		24		132	
Disposition of Intangible asset	0		0		26		0		0	
Collection of bad debt	0		0		0		68		2,134	
Gain from Derivatives	0		0		0		0		0	
Tax refund	0		1,162		0		0		0	
Others	4,760		1,991		3,524		16,972		5,709	
Miscellaneous gains	6,832		7,103		6,837		7,133		5,200	
.Non-operating losses		117,598		73,073		81,836		89,041		86,401
Interest	65,083		55,701		55,761		55,747		53,397	
FX transactions	34		699		303		63		13	
FX translations	19,866		231		(82)		36		708	
Donation	2,416		3,107		2,981		2,873		9,767	
Equity method evaluation	(2,235)		0		1,792		675		(1,425)	
Disposition of ST sales securities	275		0		0		0		0	
Evaluation of ST sales securities	(248)		0		0		0		0	
Disposition of Inventories	0		0		0		0		0	
Evaluation of Inventories	666		0		0		0		0	
Disposition of Investment	10,768		0		0		0		3,526	
Evaluation of Investment securities	0		8,853		8,635		19,431		8,936	
Disposition of Tangible asset	9,632		1,228		3,901		4,876		3,998	
Disposition of Intangible asset	10		2		7		8		13	
Loss from derivatives	34		0		0		0		0	
Evaluation loss from derivatives	0		0		118		564		667	
Loss sharing for overseas call	0		0		0		0		0	
Others	993		578		0		1,671		1,407	
Loss from disaster	11		0		0		0		0	
Selling Trade receivable-ABS	10,103		2,334		3,568		2,967		2,947	
Other bad debt	0		0		0		0		1,758	
Miscellaneous losses	191		340		4,851		129		689	
.Ordinary Income		78,760		57,127		44,142		97,361		109,980
I .Pretax Income		78,760		57,127		44,142		97,361		109,980

X. Financial Statement

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(Unit : Wmn)

Descriptions	2003. 10 - 12		2004. 1 - 3		2004. 4 - 6		2004. 7 - 9		2004. 10 - 12	
	Amount		Amount		Amount		Amount		Amount	
VIII .Tax		452		8,444		745		5,634		9,886
IX .Net Income		78,307		48,683		43,397		91,728		100,094

XI. Balance Sheet

Balance Sheet

As of December 31, 2004

* This material is not reviewed nor audited by external auditor, and reflecting pre-closing numbers.

(Unit : Wmn)

	4Q-2004	3Q-2004	4Q-2003		4Q-2004	3Q-2004	4Q-2003
Assets	7,960,429	8,173,327	7,591,888	Liabilities	4,777,673	5,040,589	4,450,754
Current	1,612,548	1,605,512	1,112,195	Current	2,366,726	2,252,756	2,315,691
Quick	1,376,779	1,358,947	948,550	Trade payable	222,099	266,787	195,947
Cash	28,887	23,709	10,737	Other payable	499,382	459,272	584,112
Short-term financial instrument				Short-term borrowings	300,000	580,000	250,000
Available-for sale securities	6,518	1,938	7,272	Advances from customers	25,987	20,263	14,222
Trade receivables	1,181,886	1,145,937	823,728	Withholdings	124,352	116,026	74,784
Other receivables	97,688	138,878	67,475	Accured expenses	142,709	135,606	110,996
Short-term loans	19,606	5,864	7,795	Current portion of LT debt	1,030,288	646,804	1,050,532
Advanced payment	29,401	26,755	17,656				
Prepaid expenses	11,178	14,622	13,319	Unpaid income tax	21,907	27,997	35,097
Accured income	1,448	1,173	464				
Others	169	71	104				
Inventory	235,769	246,565	163,646	Non-current	2,410,947	2,787,833	2,135,063
Non-current	6,347,882	6,567,814	6,479,693	Bonds	1,819,182	2,203,343	1,575,153
Investment	607,893	737,699	572,112	Long-term borrowings			
Long-term financial investment	19	21	46	Long-term payables	538,207	533,217	518,761
Investment securities	55,706	70,918	75,865	Others	53,558	51,272	41,149
Equity-method securities	18,905	22,735	6,432				
Hold-to-maturity	88,667	82,426	99,914	Equity	3,182,757	3,132,737	3,141,134
Long-term receivables	83,046	172,582		Capital stock	955,703	955,703	955,703
Long-term loans	37,746	53,434	51,121	APIC	1,325,488	1,325,489	1,325,489
Guarantee deposit	205,101	203,914	235,727	Retained earnings	985,275	938,269	946,898
Deferred income tax	109,171	122,332	94,257	Capital adjustment	(83,709)	(86,723)	(86,955)
Others	9,533	9,338	8,751				
Tangibles	4,600,893	4,667,088	4,677,035				
Land	121,840	122,099	122,712				
Buildings	181,017	183,093	189,089				
Structure	69,600	68,737	66,097				
Equipment & Machinery	3,809,389	3,729,552	3,689,767				
Vehicles	4,096	4,322	5,735				
Construction in progress	183,279	321,674	354,668				
Others	231,671	237,610	248,967				
Intangible	1,139,096	1,163,028	1,230,545				