

Issuance Number		Financial Statement Confirmation			Processing Period
2014121001					Immediately
T A X P A Y E R	①Address				
	②Office Address	402, 62-9 Seocho-daero 50-gil, Seocho-gu, Seoul	③Telephone no.	+82-2-581-1643	
	④Name (Business)	Open Net	⑤Identification no.	105-82-20796	
	⑥Name (Representative)	Chun Eung Hwi	⑦Corporation reg. no.	270121-0030956	
	⑧Business type	Nonprofit	⑨Business item	Nonprofit	
	⑩Purpose	Submission to other entities	⑪Number of copy		
Types of Financial Statement for Confirmation (enclosed)		Fiscal Year (Business Year)	Financial Statements		
		2014. 1. 1. - 2014. 9. 30.	Statement of Financial Position Income Statement Statement of Cash Flow		
Please confirm that the financial statements enclosed are prepared in accordance with Generally Accepted Accounting Principles and are the basis for the standard financial statements submitted to Tax Office.					
December 10, 2014 Opennet Incorporated Association Chun Eung Hwi (Seal)					
Applicant					
To Tax Accountant Choi Byung Ryul					
Enclosed: Financial statements to be confirmed					
Tax Accountant	Address	202 Taejong Building, 57 Donhwamun-ro, Jongro-gu, Seoul			
	Management No.	T-3243-4	Telephone No.	+82-2-744-1516	
I confirm that the financial statements enclosed are prepared in accordance with Generally Accepted Accounting Principles and are the basis for the standard financial statements submitted to Tax Office.					
December 10, 2014 Tax Accountant Choi Byung Ryul (seal)					
※ This Financial Statement Confirmation confirms that the financial statements are the basis for the standard financial statements reported to Tax Office; and					
it does not verify the details of each category of the financial statements.					

Statement of Financial Position

2nd period as at 30 September 2014

1st period as at 31 December 2013

Business name: Open Net

(in KRW)

Categories	2nd Period	1st Period
	₩	₩
ASSETS		
I. Current Assets	197,949,889	66,858,073
(1) Quick Assets	197,949,889	66,858,073
Cash	16,360	108,330
Bank deposits	194,385,171	66,609,660
Non-trade receivables	2,521,931	136,060
Advance payments	2,123	4,023
Value added tax payment	1,012,064	0
Prepaid income taxes	12,240	0
(2) Inventories	0	0
II. Non-current Assets	50,606,199	50,606,199
(1) Investment Assets	0	0
(2) Tangible Assets	20,606,199	20,606,199
Office equipment	20,606,199	20,606,199
(3) Intangible Assets	0	0
(4) Other Non-current Assets	30,000,000	30,000,000
Leasehold deposits	30,000,000	30,000,000
TOTAL ASSETS	248,556,088	117,464,272
LIABILITIES		
I. Current Liabilities	40,535,157	31,671,940
Withholdings	781,150	1,639,710
Value added tax withheld	159,077	0
Advances from customers	20,000,000	0
Short-term borrowings	20,000,000	25,000,000
Accrued expenses	-405,070	5,032,230
II. Non-current Liabilities	0	0
TOTAL LIABILITIES	40,535,157	31,671,940
STOCKHOLDERS' EQUITY		
I. Capital Stock	300,000,000	300,000,000
Fundamental property	300,000,000	300,000,000
II. Capital Surplus	0	0
III. Capital Adjustments	0	0
IV. Accumulated Other Comprehensive Income	0	0
V. Deficit	91,979,069	214,207,668
Undisposed deficit	91,979,069	214,207,668
NET INCOME		
CURRENT PERIOD : 126,228,599 WON		
PREVIOUS PERIOD : -214,207,668 WON		
TOTAL STOCKHOLDERS EQUITY	208,020,931	85,792,332
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	248,556,088	117,464,272

Income Statement

2nd period from 1 January 2014 to 30 September 2014

1st period from 1 January 2013 to 31 December 2013

Business name: Open Net

(in KRW)

Categories	2nd Period		1st Period	
		₩		₩
I. Sales revenue		299,199,195		18,063,537
Donation income	295,781,000		13,063,537	
A Study on the services income	0		5,000,000	
Education business income	3,218,195		0	
Other income	200,000		0	
II. Cost of goods sold		10,196,996		0
Cost of studying		8,000,000		0
Education business costs		2,196,996		0
III. Gross profit		289,002,199		18,063,537
IV. S/A expenses		162,828,996		231,815,559
Employee wages and salaries	50,073,150		100,736,250	
Employee benefits	9,044,280		13,185,590	
Travel expenses	516,200		603,220	
Communication expenses	471,208		730,762	
Utility expenses	1,292,276		1,631,525	
Taxes and dues	5,423,056		3,484,200	
Rental expenses	18,540,000		29,172,000	
Insurance premium	235,220		15,470	
Service charges	0		5,000,000	
Freight expenses	202,000		159,000	
Training expenses	0		70,000	
Publication expenses	25,000		766,450	
Convention expenses	2,630,540		228,350	
Office expenses	1,537,200		269,180	
Supplies expenses	5,358,750		4,960,330	
Service fees	3,960,901		8,162,349	
Advertising expenses	3,063,984		0	
Miscellaneous expenses	80,500		726,730	
Legal clinic expenses	0		8,119,200	
External activities expenses	0		4,405,030	
A web site operating costs	2,181,750		16,446,280	
The public interest litigation expenses	37,792,846		17,016,480	
The seminar costs	0		5,329,143	
International business costs	6,789,530		3,134,170	
The Education Project costs	1,035,250		5,363,800	
Activity cost of solidarity	1,410,500		2,100,050	
An open seminar expenses	6,937,582		0	
Open blog costs	4,227,273		0	

V. Operating profit		126,173,203		-213,752,022
VI. N/operating income		111,248		308,952
Interest revenues	111,172		152,398	
Reversal of Reserve for essential business	0		152,398	
Miscellaneous revenues	76		4,156	
VII. N/operating expenses		55,852		764,598
Donations	0		300,000	
Contribution to Reserve for essential business	0		152,398	
Miscellaneous loss	55,852		312,200	
VIII. Net income before corporate tax		126,228,599		-214,207,668
IX. Corporate tax etc		0		0
X. Net income		126,228,599		-214,207,668

Statement of Cash Flows

2nd period 1 January 2014 ~ 30 September 2014

1st period 1 January 2013 ~ 31 December 2013

Business name: Open Net

(in KRW)

Categories	2nd Period		1st Period	
	₩		₩	
I. Cash flows from operating activities		135,069,412		
1. Profit (loss)	126,228,599			
Other non-cash expenses				
3. Deduction of non-cash income, etc	4,000,000			
Other non-cash income	4,000,000			
4. Changes in assets and liabilities	12,840,813			
Decrease (Increase) in advance payments	1,900			
Decrease (Increase) in prepaid income tax	(12,240)			
Decrease (Increase) in VAT payment	(1,012,064)			
Increase (Decrease) in withholdings	(858,560)			
Increase (Decrease) in advances from customers	20,000,000			
Increase (Decrease) in VAT withheld	159,077			
Increase (Decrease) in accrued expenses	(5,437,300)			
II. Cash flows from investing activities		(2,385,871)		
1. Cash inflows	2,642,120			
Repayment of receivables	2,642,120			
2. Cash outflows	5,027,991			
Increase in receivables	5,027,991			
III. Cash flows from financing activities		(5,000,000)		
2. Cash outflows	5,000,000			
Repayments of short term borrowings	5,000,000			
IV. Increase (Decrease) in Cash (I+II+III)		127,683,541		
V. Cash balance at beginning of period		66,717,990		
VI. Cash balance at end of period		194,401,531		