

Hyundai Heavy Industries Co., Ltd.
Notes to Non-Consolidated Financial Statements

December 31, 2009 and 2008

4 . Inventories

Inventories as of December 31, 2009 and 2008 are summarized as follows:

<i>(In thousands of Won)</i>		2009	2008
Merchandise	₩	53,801,673	70,561,858
Finished goods		96,185,730	198,528,892
Work-in-progress		720,372,588	651,163,931
Raw materials		556,500,478	865,977,551
Supplies		16,308,403	21,243,329
Materials-in-transit		485,389,643	455,820,861
	₩	<u>1,928,558,515</u>	<u>2,263,296,422</u>

The valuation of inventories as of December 31, 2009 is summarized as follows:

<i>(In thousands of Won)</i>		2009			2008		
		Provision for inventory valuation		Book value	Provision for inventory valuation		Book value
	Acquisition	Provision	Book value	Acquisition	Provision	Book value	
Merchandise	₩	57,010,702	3,209,029	53,801,673	73,634,174	3,072,316	70,561,858
Finished goods		101,230,615	5,044,885	96,185,730	198,720,096	191,204	198,528,892
Work-in-progress		737,474,333	17,101,745	720,372,588	651,163,931	-	651,163,931
	₩	<u>895,715,650</u>	<u>25,355,659</u>	<u>870,359,991</u>	<u>923,518,201</u>	<u>3,263,520</u>	<u>920,254,681</u>

Loss on valuation of inventories was ₩ 22,092,000 thousand and it was added in cost of sales.