

NOTICE OF THE CONVENING OF THE 35th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Pursuant to Article 17 of the Articles of Incorporation, we hereby announce the convening of the 35th annual general meeting of shareholders as follows ;

1. Date : March 13, 2009 (Friday) 10:00 a.m.

2. Place : Han-Ma-Woom Community Center, 290-16, Jeonha-dong, Dong-gu, Ulsan

3. Agenda

- Item No. 1: Approval of Balance Sheet, Income Statement, and Statement of Appropriation of Retained Earnings (See Attachment) for the 35th Fiscal Year (from January 1, 2008 to December 31, 2008)
 - Cash Dividends
 - The 34th fiscal year dividend per share: KRW 7,500 (Dividend yield: 1.74 %)
 - The 35th fiscal year dividend per share: KRW 5,000 (Dividend yield: 2.48%)
- Item No. 2: Approval of Amendment to Articles of Incorporation
- Item No. 3: Appointment of Directors (one inside director, one outside director)

※ Nominees (2 persons):

Name	Date of Birth /Recommended by	Inside/Outside Director Nominee	Major Career	Relationship with Major Shareholder / Transactions with Company during past three years
Keh-sik Min	Feb. 14, 1942 / BOD	Inside	<ul style="list-style-type: none"> • Vice Chairman & CEO of Hyundai Heavy Industries Co., Ltd • Ph.D in Offshore Engineering, Massachusetts Institute of Technology 	NO / N.A
Kae-kyu Lee	May 17, 1951 / Outside Director Nominee Recommendation Committee	Outside	<ul style="list-style-type: none"> • Ph.D in Management Information Systems from the Department of Decision Sciences, The Wharton School, University of Pennsylvania • Dean of College of Business, and Dean of Graduate School of Management in KAIST • Associate Dean of Singapore Management University • President of Korea Society of Management Information Systems 	NO / N.A

- Item No. 4: Appointment of Member of Audit Committee

Name	Date of Birth /Recommended by	Inside/Outside Director Nominee	Major Career	Relationship with Major Shareholder / Transactions with Company during past three years
Kae-kyu Lee	May 17, 1951 / Board of Directors	Outside	<ul style="list-style-type: none"> • Ph.D in Management Information Systems from the Department of Decision Sciences, The Wharton School, University of Pennsylvania • Dean of College of Business, and Dean of Graduate School of Management in KAIST • Associate Dean of Singapore Management University • President of Korea Society of Management Information Systems 	NO / N.A

- Item No. 5: Approval of the Compensation Ceiling for the Directors

- Proposed remuneration ceiling for the 36th fiscal year: KRW 4 billion
- Remuneration ceiling approved in the 35th fiscal year: KRW 4 billion
- Actual remuneration paid for the 35th fiscal year: KRW 2.8 billion
- Number of Directors: 7 (Outside Directors: 4)

HYUNDAI HEAVY INDUSTRIES CO., LTD.

[Attachment]

1. Balance Sheet

(Unit: Billions of KRW)

	As of December 31, 2008	As of December 31, 2007
Total Assets	25,280.4	16,798.7
1) Current Assets	12,617.6	8,481.9
2) Non-current Assets	12,662.8	8,316.8
i. Investment Assets	3,224.4	2,946.4
ii. Tangible Assets	6,189.9	4,968.8
iii. Intangible Assets	262.3	236.1
Total Liabilities and Shareholders' Equity	25,280.4	16,798.7
Total Liabilities	19,685.2	11,332.6
1) Current Liabilities	16,473.9	10,807.1
2) Non –Current Liabilities	3,211.3	543.9
Total Shareholders' Equity	5,595.2	5,447.7
1) Capital Stock (common stock)	380.0	380.0
2) Capital Surplus	2,818.6	2,813.7
3) Capital Adjustments	(1,762.0)	(811.3)
4) Accumulated Other Comprehensive Income	498.5	198.2
5) Appropriated Retained Earnings	4,657.1	2,867.1

1. Income Statement

(Unit: Billions of KRW)

	2008	2007
-Sales	19,957.1	15,533.0
i. Export	17,971.1	13,754.3
ii. Domestic	1,986.0	1,778.7
-Cost of sales	16,812.0	12,976.1
-Gross profit	3,145.1	25,569
-Selling and administrative expenses	938.9	806.2
-Operating income	2,206.2	1,750.7
-Non-operating income	3,827.1	954.8
-Non-operating expenses	3,083.6	311.1
-Net income before income tax	2,949.7	2,394.4
-Income tax expense	693.0	658.3
-Net income	2,256.7	1,736.1

2. Statement of Appropriation of Retained Earnings

(Unit: Billions of KRW)

	2008	2007
Retained earnings before appropriation	2,256.7	1,736.1
i. Beginning of year	0.0	0.0
ii. Net income	2,256.7	1,736.1
Transfer from voluntary reserve	28.2	17.7
i. Reversal of reserve for research and human development	6.7	17.7
ii. Legal reserve	21.5	-
Appropriations	2,284.9	1,753.8
i. Legal reserve	-	46.7
ii. Voluntary reserve	1,985.2	1,240.5
iii. Cash dividends (2007 : KRW 7,500 - 150% of PAR value per share) (2008 : KRW 5,000 - 100% of PAR value per share)	299.7	466.6
Unappropriated retained earnings, end of year	0.0	0.0