

Hyundai Heavy Industries Co., Ltd.
Non-Consolidated Balance Sheets

As of December 31, 2008 and 2007

(In thousands of Won, except share data)

	<i>Note</i>	2008	2007
Assets			
Cash and cash equivalents	28,34	₩ 667,492,156	953,756,858
Short-term financial instruments	3	1,676,394,826	2,154,137,014
Short-term investment securities	5	102,459,800	503,388,199
Trade accounts and notes receivable, net of allowance for doubtful accounts of ₩ 96,532,225 in 2008 and ₩ 70,815,544 in 2007	22,27,28	4,498,868,535	2,740,673,266
Accounts receivable - other, net of allowance for doubtful accounts of ₩ 296,094,108 in 2008 and ₩ 268,303,195 in 2007	17,27,28	162,113,211	147,455,116
Advanced payments, net of allowance for doubtful accounts of ₩ 17,757,919 in 2008 and ₩ 12,567,027 in 2007		852,779,452	336,144,870
Accrued income		58,732,447	30,528,517
Foreign exchange forward contracts	16	1,851,056,213	167,882,896
Deferred income tax assets	16,23	212,461,924	70,990,353
Inventories	4	2,263,296,422	1,119,219,452
Other current assets	6	271,913,270	257,729,822
Total current assets		12,617,568,256	8,481,906,363
Long-term financial instruments	3,28	15,322,748	9,003,360
Long-term investment securities	7	496,260,357	714,663,412
Equity method accounted investments	8,26	2,712,825,310	2,222,730,033
Property, plant and equipment, net	9,29	6,189,953,763	4,968,785,355
Intangible assets	10,29	262,296,296	236,048,362
Long-term trade accounts and notes receivable, net of allowance for doubtful accounts of ₩ 832,009 in 2008 and ₩ 965,609 in 2007		82,368,900	95,595,244
Foreign exchange forward contracts		2,815,240,074	17,637,724
Other non-current assets	11,28	88,565,217	52,334,858
Total non-current assets		12,662,832,665	8,316,798,348
Total assets		₩ 25,280,400,921	16,798,704,711

Hyundai Heavy Industries Co., Ltd.
Non-Consolidated Balance Sheets, Continued

As of December 31, 2008 and 2007

(In thousands of Won, except share data)

	<u>Note</u>	<u>2008</u>	<u>2007</u>
Liabilities			
Trade accounts and notes payable	27,28	₩ 2,337,258,676	1,495,173,461
Accounts payable - other	27,28	180,439,441	122,492,217
Advances from customers	22	10,177,418,459	8,013,303,994
Accrued expenses	27,28	289,674,793	250,899,632
Income tax payable	23	457,058,997	455,564,205
Current maturities of debentures and long-term borrowings, net of discounts of ₩ in 2008 and ₩ 298,966 in 2007	13,28	-	187,341,034
Foreign exchange forward contracts	16	2,798,264,234	125,422,256
Other current liabilities	12	233,766,414	156,881,303
Total current liabilities		<u>16,473,881,014</u>	<u>10,807,078,102</u>
Debenture and long-term borrowings	13,28	3,314,633	1,625,627
Long-term accrued expenses	17	-	1,029,341
Provision for retirement and severance benefits, net of severance insurance deposits and others of ₩ 1,112,905,108 in 2008 and ₩ 1,079,968,485 in 2007	14	139,018,332	110,865,582
Deferred income tax liabilities	8,16,23,26	133,497,415	276,376,968
Foreign exchange forward contracts	16	2,856,649,956	80,564,196
Other long-term liabilities	15	78,820,055	73,455,854
Total non-current liabilities		<u>3,211,300,391</u>	<u>543,917,568</u>
Total liabilities		<u>19,685,181,405</u>	<u>11,350,995,670</u>
Stockholders' equity			
Common stock of ₩5,000 par value Authorized – 160,000,000 shares Issued and outstanding – 76,000,000 shares in 2008 and 2007		380,000,000	380,000,000
Capital surplus	18,26	2,818,590,688	2,813,693,355
Capital adjustments	20,26	(1,762,040,031)	(811,302,031)
Accumulated other comprehensive income	5,7,8,16,23,24,26	(498,454,758)	198,258,025
Retained earnings	19	4,657,123,617	2,867,059,692
Total stockholders' equity		<u>5,595,219,516</u>	<u>5,447,709,041</u>
Total liabilities and stockholders' equity		<u>₩ 25,280,400,921</u>	<u>16,798,704,711</u>

See accompanying notes to non-consolidated financial statements.