

Hyundai Heavy Industries Co., Ltd.
Non-Consolidated Statements of Income

For the years ended December 31, 2008 and 2007

(In thousands of Won, except earnings per share)

	<u>Note</u>	<u>2008</u>	<u>2007</u>
Sales	16,22,27,29	₩ 19,957,080,881	15,533,013,307
Cost of sales	22,27	<u>16,811,989,016</u>	<u>12,976,118,554</u>
Gross profit		<u>3,145,091,865</u>	<u>2,556,894,753</u>
Selling, general and administrative expenses	30	<u>938,918,930</u>	<u>806,197,217</u>
Operating income		<u>2,206,172,935</u>	<u>1,750,697,536</u>
Interest and dividend income		288,868,980	205,072,125
Gain on foreign currency transactions		677,244,920	87,926,436
Gain on foreign currency translation		140,564,809	12,923,568
Gain on valuation of equity method accounted investments	8	771,497,568	489,179,298
Gain on foreign exchange forward contracts	16	1,773,396,856	40,963,544
Gain on disposition of property, plant and equipment		48,774,129	6,709,012
Others		126,755,536	112,014,629
Non-operating income		<u>3,827,102,798</u>	<u>954,788,612</u>
Interest expense		6,472,122	11,402,580
Loss on foreign currency transactions		642,757,743	78,099,571
Loss on foreign currency translation		119,579,748	8,360,813
Loss on impairment of long-term investments securities		-	105,249
Loss on disposition of property, plant and equipment		57,568,485	33,263,439
Loss on valuation of equity method accounted investments	8	151,574,109	6,643,654
Loss on foreign exchange forward contracts	16	1,995,002,134	74,793,871
Others		110,689,186	98,431,106
Non-operating expenses		<u>3,083,643,527</u>	<u>311,100,283</u>
Income before income taxes		2,949,632,206	2,394,385,865
Income taxes expense	23	<u>692,967,361</u>	<u>658,325,534</u>
Net income		<u>₩ 2,256,664,845</u>	<u>1,736,060,331</u>
Earnings per share			
Basic earnings per share	25	<u>₩ 37,340</u>	<u>27,778</u>

See accompanying notes to non-consolidated financial statements.