

S-OIL Corporation
Non-Consolidated Balance Sheets
December 31, 2008 and 2007

<i>(In thousands of Korean won)</i>	2008	2007
Assets		
Current assets		
Cash and cash equivalents (Notes 3 and 23)	₩ 1,870,933,414	₩ 578,452,498
Short-term investments (Note 4)	262,615,365	2,828,256,703
Accounts receivable, net (Notes 21 and 23)	948,149,511	1,438,735,627
Short-term loans receivable, net (Notes 22 and 23)	119,474,914	103,793,998
Non-trade other accounts receivable (Note 23)	491,680,171	313,217,484
Inventories, net (Note 2)	1,849,709,425	2,262,092,765
Derivative instruments (Note 13)	43,156,947	-
Deferred income tax assets (Note 19)	20,564,947	-
Others	23,167,695	73,969,591
Total current assets	5,629,452,389	7,598,518,666
Equity-method investments (Note 6)	18,725,285	1,013,551
Property, plant and equipment, net (Notes 7 and 8)	1,713,643,830	1,559,556,104
Intangible assets, net (Note 8)	14,464,443	15,650,843
Long-term financial investments (Note 5)	106,560,418	133,025,124
Deferred catalyst expenses	59,301,254	61,825,082
Long-term loans receivable, net (Note 22)	56,414,438	41,159,956
Leasehold deposits and others	57,226,635	48,622,484
Total other assets	2,026,336,303	1,860,853,144
Total assets	₩ 7,655,788,692	₩ 9,459,371,810
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable (Note 21)	₩ 723,303,487	₩ 2,209,320,308
Short-term borrowings (Notes 10 and 23)	2,267,118,902	1,292,121,284
Current maturities of long-term debts (Note 10)	234,095,178	575,950,003
Non-trade other accounts payable (Note 23)	900,209,045	817,854,883
Advance from customers	44,791,165	23,038,849
Accrued expenses	26,727,607	19,234,058
Income taxes payable	-	471,302,548
Derivative instruments (Note 13)	5,136,316	-
Deferred income tax liabilities (Note 19)	-	9,568,142
Others	4,796,717	7,645,206
Total current liabilities	4,206,178,417	5,426,035,281

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	<u>2008</u>	<u>2007</u>
Long-term borrowings, net (Notes 10 and 23)	₩ 5,483,960	₩ 6,900,607
Accrued severance benefits, net (Note 11)	31,769,231	30,584,625
Deferred income tax liabilities (Note 19)	252,675	11,974,413
Guarantee deposits	18,277,956	17,132,544
Total liabilities	<u>4,261,962,239</u>	<u>5,492,627,470</u>
Commitments and contingencies (Note 12)		
Shareholders' equity		
Capital stock (Note 14)		
Common stock	281,456,980	281,456,980
Preferred stock	10,054,818	10,054,818
Capital surplus		
Paid in capital in excess of par value	379,189,828	379,189,828
Other capital surplus	1,420,058,643	1,420,058,643
Capital adjustments		
Treasury stock (Note 16)	(1,875,942)	(1,875,942)
Accumulated other comprehensive income and expense		
Unrealized gain on equity-method investments (Note 6)	8,286,268	7,450,767
Unrealized gain on available-for-sale securities (Note 5)	59,573,826	74,395,082
Loss on valuation of derivative investments (Note 13)	(922,424)	-
Retained earnings (Note 15)		
Legal reserve	145,755,899	145,755,899
Discretionary reserve	1,053,342,904	903,642,904
Unappropriated retained earnings	38,905,653	746,615,361
Total shareholders' equity	<u>3,393,826,453</u>	<u>3,966,744,340</u>
Total liabilities and shareholders' equity	<u>₩ 7,655,788,692</u>	<u>₩ 9,459,371,810</u>

The accompanying notes are an integral part of these non-consolidated financial statements.