

S-OIL Corporation
Non-Consolidated Statements of Income
Years ended December 31, 2009 and 2008

(In millions of Korean won,
except per share data)

	2009	2008
Sales (Notes 22 and 28)	₩ 17,423,951	₩ 23,000,291
Cost of sales (Notes 18 and 22)	<u>16,719,500</u>	<u>21,171,160</u>
Gross income	704,451	1,829,131
Selling, general and administrative expenses (Notes 19 and 25)	<u>413,279</u>	<u>432,791</u>
Operating income	<u>291,172</u>	<u>1,396,340</u>
Non-operating income		
Interest and dividend income	61,360	151,560
Gain on foreign currency transactions	996,760	1,374,761
Gain on foreign currency translation (Note 24)	82,167	184,090
Gain on valuation of equity-method investments (Note 6)	6,872	11
Gain on derivative transactions	67,631	134,661
Gain on valuation of derivatives (Note 13)	957	43,157
Gain on disposal of property, plant and equipment	782	5,927
Others	9,130	40,427
	<u>1,225,659</u>	<u>1,934,594</u>
Non-operating expenses		
Interest expense	100,242	139,638
Loss on foreign currency transactions	934,031	2,029,757
Loss on foreign currency translation (Note 24)	15,744	303,885
Loss on derivative transactions	117,218	169,065
Loss on valuation of derivatives (Note 13)	570	3,919
Loss on valuation of equity-method investments (Note 6)	10	2,780
Loss on disposal of property, plant and equipment	775	2,631
Loss on impairment of property, plant and equipment (Note 14)	5,969	-
Others	70,674	56,225
	<u>1,245,233</u>	<u>2,707,900</u>
Income before income taxes	<u>271,598</u>	<u>623,034</u>
Income tax expenses (Note 20)	<u>42,008</u>	<u>176,820</u>
Net income	<u>₩ 229,590</u>	<u>₩ 446,214</u>
Basic earnings per share (Note 21)	₩ 1,971	₩ 3,832
Diluted earnings per share (Note 21)	₩ 1,971	₩ 3,832

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