

S-OIL Corporation
Non-Consolidated Statements of Income
Years ended December 31, 2010 and 2009

<i>(In millions of Korean won, except per share data)</i>	2010	2009
Sales (Notes 21 and 27)	₩ 20,529,523	₩ 17,423,951
Cost of sales (Notes 17 and 21)	19,259,060	16,661,906
Gross income	1,270,463	762,045
Selling, general and administrative expenses (Notes 18 and 24)	457,146	413,279
Operating income	813,317	348,766
Non-operating income		
Interest and dividend income	28,806	61,360
Gain on foreign currency transactions	568,968	996,760
Gain on foreign currency translation (Note 23)	54,486	82,167
Gain on valuation of equity-method investments (Note 6)	5,847	6,872
Gain on derivative transactions	65,542	67,631
Gain on valuation of derivatives (Note 13)	1,262	957
Gain on disposal of property, plant, and equipment	612	782
Reversal of allowance for bad debts	12,745	-
Others	21,659	9,130
	759,927	1,225,659
Non-operating expenses		
Interest expense	26,820	100,242
Loss on foreign currency transactions	580,324	934,031
Loss on foreign currency translation (Note 23)	18,475	15,744
Loss on derivative transactions	68,668	117,218
Loss on valuation of derivatives (Note 13)	2,137	570
Loss on valuation of equity-method investments (Note 6)	-	10
Loss on disposal of property, plant and equipment	713	775
Loss on impairment of property, plant and equipment	-	5,969
Others	6,745	70,674
	703,882	1,245,233
Income before income taxes	869,362	329,192
Income tax expenses (Note 19)	164,294	55,946
Net income	₩ 705,068	₩ 273,246
Basic earnings per share (Note 20)	₩ 6,055	₩ 2,346
Diluted earnings per share (Note 20)	₩ 6,055	₩ 2,346

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