

NON-CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2008 AND 2007

(in millions of Korean won)

	2008	2007
Assets		
Current assets		
Cash and cash equivalents (Notes 2 and 13)	₩ 373,300	₩ 466,438
Short-term investments (Note 4)	148,300	106,412
Trade accounts and notes receivable, net (Notes 2, 5, 13, 16 and 25)	1,123,361	977,305
Other accounts receivable, net (Notes 5 and 13)	88,829	98,400
Accrued income	2,799	3,734
Advance payments	8,848	2,796
Prepaid expenses	21,490	14,826
Inventories, net (Notes 2 and 6)	1,508,938	1,167,837
Deferred income tax assets (Note 21)	39,164	23,237
Other current assets	1,619	902
Total current assets	3,316,648	2,861,887
Long-term financial instruments (Note 3)	46	68
Long term investment securities (Note 7)	1,968	1,493
Equity-method investments (Notes 2 and 8)	800,789	634,917
Derivative instrument transaction debit (Note 16)	51,845	1,035
Other investments	206	242
Property, plant and equipment, net (Notes 2, 9, 27 and 30)	3,867,666	3,621,800
Intangible assets, net (Notes 2, 10, 27 and 30)	(112,884)	(182,776)
Long-term trade accounts and notes receivable, net (Note 5)	130	207
Long-term other accounts receivable, net (Note 5)	195	639
Long-term guarantee deposits	31,106	35,373
Long-term prepaid expenses	19,476	19,816
Other non-current assets	59,191	55,251
Total assets	₩ 8,036,382	₩ 7,049,952

NON-CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2008 AND 2007

[in millions of Korean won]

	2008	2007
Liabilities and Shareholders' Equity		
Current liabilities		
Trade accounts and notes payable (Notes 13 and 25)	₩ 527,150	₩ 749,401
Other accounts payable (Note 13)	567,475	559,180
Withholdings	47,641	58,948
Accrued expenses	54,752	37,333
Income tax payable (Note 21)	367,620	247,641
Dividends payable	51	40
Current maturities of long-term debts, net (Note 11)	575,142	366,283
Other current liabilities	22,494	11,381
Total current liabilities	2,162,325	2,030,207
Debentures, net (Note 12)	361,148	684,007
Other long-term debts, net (Note 12)	458,796	307,304
Accrued severance benefits, net (Notes 2 and 14)	93,344	94,908
Deferred income tax liabilities (Notes 2 and 21)	38,250	20,771
Derivative instrument transaction credit (Note 16)	26,961	1,781
Other non-current liabilities	5,864	32,778
Total liabilities	3,146,688	3,171,756
Commitments and contingencies (Note 16)		
Shareholders' equity (Note 1)		
Common stock (Note 17)	376,194	376,194
Preferred stock	43,306	43,306
	419,500	419,500
Capital surplus (Note 17)		
Paid-in capital in excess of par value	1,052,640	1,052,640
Gain on disposal of treasury stock	13,855	841
Asset revaluation surplus	206,769	206,769
Other capital surplus	41,285	39,107
	1,314,549	1,299,357
Capital adjustment		
Treasury stock (Note 19)	(14,976)	(23,475)
Other capital adjustments	377	-
	(14,599)	(23,475)
Accumulated other comprehensive income (Notes 2 and 22)		
Gain on valuation of equity-method investments (Note 8)	150,525	9,744
Loss on valuation of equity-method investments (Note 8)	(978)	(26,066)
Valuation loss on cash flow hedge derivative instruments (Note 16)	(16,053)	-
	133,494	(16,322)
Retained earnings (Note 18)		
Legal reserve	73,430	56,729
Other reserves	1,958,693	1,460,097
Unappropriated retained earnings (Note 2)	1,004,627	682,310
	3,036,750	2,199,136
Total shareholders' equity	4,889,694	3,878,196
Total liabilities and shareholders' equity	₩ 8,036,382	₩ 7,049,952

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