

**S-Oil Corporation**  
**Non-Consolidated Balance Sheets**  
**June 30, 2008 and December 31, 2007**

(In Korean won)	<u>Jun. 30, 2008</u>	<u>Dec. 31, 2007</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents (Note 3)	531,773,995,835	578,452,498,015
Short-term financial investments, net of allowance for doubtful accounts (Note 4)	1,495,535,610,000	2,828,256,703,000
Trade accounts and notes receivable, net of allowance for bad debt of ₩ 22,576,054,816 (2007: ₩16,274,670,776)	2,068,172,688,929	1,438,735,627,443
Short term loans, net of allowance for bad debt	110,893,729,208	103,793,998,187
Other accounts receivable	447,848,338,909	313,217,483,548
Inventories, net of allowance for inventory valuation	3,371,485,016,236	2,262,092,764,542
Prepaid expenses and other current assets	127,369,455,917	73,969,590,898
<b>Total current assets</b>	<u>8,153,078,835,034</u>	<u>7,598,518,665,633</u>
Property, plant and equipment, net (Note 7)	1,563,209,967,630	1,559,556,104,029
Long-term financial instruments (Note 3)	12,500,000	12,500,000
Equity-method investments (Note 6)	20,693,029,945	1,013,551,382
Intangible assets, net (Note 8)	14,072,282,673	15,650,842,771
Available-for-sale & Held-to-maturity securities (Note 5)	126,016,178,925	133,025,124,195
Deferred catalyst expenses	59,408,651,641	61,825,081,534
Long-term deposits and other assets	87,225,963,849	89,769,940,043
<b>Total assets</b>	<u>10,023,717,409,697</u>	<u>9,459,371,809,587</u>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Trade accounts and notes payable	1,963,619,075,757	2,209,320,308,117
Short-term borrowings	3,008,157,283,861	1,292,121,284,149
Current maturities of long-term debts (Note 10)	330,084,799,078	575,950,003,204
Other accounts and notes payable	526,054,338,503	817,854,883,282
Advance from customers	25,535,181,659	23,038,849,406
Accrued expenses	30,982,011,820	19,234,058,244
Income taxes payable	220,564,712,866	471,302,548,266
Short-term deferred income tax liabilities	-	9,568,141,926
Dividend payable	125,283,570	106,252,475
Other current liabilities	11,495,776,132	7,538,951,584
<b>Total current liabilities</b>	<u>6,116,618,463,246</u>	<u>5,426,035,280,653</u>
Long-term debts, net of current maturities (Note 10)	5,019,300,000	6,080,500,000
Foreign currency notes and bonds (Note 10)	912,064,748	820,106,524
Accrued severance benefits, net	29,077,999,878	30,584,624,732
Deferred income tax liabilities	5,835,752,362	11,974,413,063
Other long-term liabilities	17,654,513,546	17,132,545,000
<b>Total liabilities</b>	<u>6,175,118,093,780</u>	<u>5,492,627,469,972</u>
<b>Shareholders' equity</b>		
Capital stock (Note 13)		
Common stock	281,456,980,000	281,456,980,000
Preferred stock	10,054,817,500	10,054,817,500

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Capital surplus	1,799,248,470,952	1,799,248,470,952
Capital adjustments		
Treasury stock	(1,875,942,045)	(1,875,942,045)
Other cumulative comprehensive income		
Changes in equity from equity-method investments	7,533,248,830	7,450,767,014
Unrealized gain on available-for-sale securities	69,508,034,306	74,395,586,907
Unrealized loss on available-for-sale securities	(1,507,520)	(504,550)
Retained earnings (Note 14)	<u>1,682,675,213,894</u>	<u>1,796,014,163,837</u>
<b>Total shareholders' equity</b>	<u>3,848,599,315,917</u>	<u>3,966,744,339,615</u>
<b>Total liabilities &amp; shareholders' equity</b>	<u>10,023,717,409,697</u>	<u>9,459,371,809,587</u>