

S-OIL Corporation
Non-Consolidated Statements Income
Nine-month Period ended September 30, 2009 and 2008

*(In Million of Korean won,
Except for share amounts)*

| | 2009 | | 2008 | |
|---|-------------------------|--------------|-------------------------|--------------|
| | 3 rd Quarter | Jan.~Sep. | 3 rd Quarter | Jan.~Sep. |
| Sales (Note 14 and 17) | 4,711,838 | ₩ 12,564,729 | 7,016,044 | ₩ 18,414,544 |
| Cost of sales (Note 10) | 4,688,280 | 11,903,465 | 6,405,240 | 16,574,709 |
| Gross profit | 23,558 | 661,264 | 610,804 | 1,839,835 |
| Selling, general and administrative expenses (Note 16) | 97,847 | 292,949 | 107,039 | 315,157 |
| Operating Income | (74,289) | 368,315 | 503,765 | 1,524,678 |
| Non-operating income | | | | |
| Interest and dividend income | 11,526 | 51,331 | 31,424 | 120,042 |
| Gain on foreign currency transactions | 291,488 | 799,824 | 298,324 | 504,167 |
| Gain on foreign currency translation | 56,202 | 161,793 | 113,668 | 147,836 |
| Gain on valuation of equity method investments | 1,813 | 5,109 | 4 | 6 |
| Gain on derivative transactions | 7,778 | 66,691 | 17,515 | 17,515 |
| Gain on valuation of derivatives(Note 10) | 38,580 | 1,657 | 48,308 | 77,124 |
| Gain on disposal of property, plant, and equipment | 141 | 475 | 16 | 1,278 |
| Others | 6,076 | 9,474 | 15,856 | 12,555 |
| | 413,604 | 1,096,354 | 525,115 | 880,523 |
| Non-operating expenses | | | | |
| Interest expense | 23,941 | 82,982 | 36,158 | 106,155 |
| Loss on foreign currency transactions | 109,987 | 826,576 | 487,953 | 819,317 |

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| | 2009 | | 2008 | |
|---|-------------------------|------------------|-------------------------|------------------|
| | 3 rd Quarter | Jan.~Sep. | 3 rd Quarter | Jan.~Sep. |
| Loss on foreign currency translation | 69,794 | 35,870 | 253,890 | 438,808 |
| Loss on derivative transactions | 45,969 | 109,723 | 25,197 | 92,905 |
| Loss on valuation of derivatives (Note10) | - | 6,555 | 16,214 | 24,778 |
| Loss on valuation of equity-method investment | 1 | 6 | 22 | 592 |
| Loss on disposal of property, plant and equipment | 21 | 252 | 1,281 | 2,564 |
| Others | 8,724 | 15,188 | 3,512 | 46,250 |
| | <u>258,437</u> | <u>1,077,152</u> | <u>824,227</u> | <u>1,531,369</u> |
| Income before income tax | 80,878 | 387,517 | 204,653 | 873,832 |
| Income tax (Note 12) | <u>15,143</u> | <u>76,999</u> | <u>54,720</u> | <u>240,486</u> |
| Net income | <u>65,735</u> | <u>₩ 310,518</u> | <u>149,933</u> | <u>₩ 633,346</u> |
| Basic earnings per share (Note 13) | ₩ 564 | ₩ 2,667 | ₩ 1,288 | ₩ 5,440 |
| Diluted earnings per share (Note 13) | ₩ 564 | ₩ 2,667 | ₩ 1,288 | ₩ 5,440 |

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