

Balance Sheet

Hanjin Shipping Co., Ltd.

Korean won

Account	FY2006 Q3	FY2005	FY2004
Assets			
I. Current Assets	1,478,036,708,601	1,185,685,751,180	1,350,976,126,779
1) Quick Assets	1,379,209,085,939	1,091,775,455,376	1,287,689,244,857
1. Cash and Cash Equivalents	540,717,543,323	485,612,251,757	784,757,158,666
2. Short-term Financial Instruments	273,479,646,361	163,236,623,821	200,725,174,642
3. Held-to-Maturity Securities	30,552,000	2,512,867,000	5,107,411,000
4. Trade Receivables	463,201,640,932	251,803,078,328	174,399,295,481
Allowance for Doubtful Accounts	(-)3,791,583,712	(-)2,575,490,681	(-)1,843,143,952
5. Non-trade Receivables	14,330,924,781	49,939,751,824	40,870,841,405
Allowance for Doubtful Accounts	(-)16,006,872	(-)50,599,704	(-)42,250,695
6. Accrued Revenues	5,040,415,010	9,248,127,174	16,795,114,381
7. Current Derivatives Instrument Assets	3,481,981,467	2,953,471,995	0
8. Advance Payments	16,792,739,438	10,506,329,096	14,053,492,008
9. Prepaid Expenses	58,744,972,323	67,822,481,436	46,473,069,666
10. Prepaid Tax Assets	0	45,832,326,259	0
11. Other Quick Assets	7,196,260,888	4,934,237,071	6,393,082,255
2) Inventories	98,827,622,662	93,910,295,804	63,286,881,922
1. Supplies	98,827,622,662	93,910,295,804	63,286,881,922
II. Non-current Assets	3,719,344,429,875	3,614,004,031,844	3,688,314,691,423
1) Investments	355,439,801,223	350,779,950,202	393,193,236,172
1. Long-term Financial Instruments	772,385,000	379,079,000	978,373,600
2. Available for Sale Securities	43,512,178,490	35,105,535,509	37,156,803,930
3. Held to Maturity Securities	550,584,000	540,077,000	3,052,814,000
4. Investment in Equity Securities	285,594,219,791	285,819,640,491	223,548,239,173
5. Derivatives Instrument Assets	8,982,766,112	12,390,615,439	4,543,055,693
6. Trade Receivables from Affiliated Companies	0	0	28,684,857,333
Allowance for Doubtful Accounts	0	0	(-)28,684,857,333
7. Long-term Loans	54,965,796	69,023,727	52,489,824
8. Deposits Provided	15,972,702,034	16,475,979,036	20,546,308,018
9. Deferred Income Tax Assets	0	0	103,315,151,934
2) Property Plant & Equipment	3,363,904,628,652	3,263,026,064,824	3,292,007,620,082
1. Land	156,844,905,446	156,461,286,720	156,447,222,020
2. Buildings	186,797,613,813	187,127,980,668	187,127,980,668
Accumulated Depreciation	(-)30,511,793,155	(-)27,361,428,417	(-)23,056,943,073
3. Structures	18,845,166,936	18,845,166,936	18,845,166,936
Accumulated Depreciation	(-)2,704,798,833	(-)2,351,451,975	(-)1,880,322,831
4. Machinery	137,092,316,094	136,905,316,094	128,850,142,357
Accumulated Depreciation	(-)46,478,155,785	(-)41,223,390,453	(-)34,399,945,115
5. Ships	3,235,148,355,840	3,149,241,334,568	3,149,212,509,525
Accumulated Depreciation	(-)1,073,718,981,408	(-)1,006,746,194,778	(-)871,533,050,375
6. Container	735,040,245,549	686,722,205,682	614,022,142,489
Accumulated Depreciation	(-)187,121,700,155	(-)164,516,732,765	(-)141,939,769,500
7. Container Chassis	64,112,921,200	64,529,553,672	57,504,023,820
Accumulated Depreciation	(-)18,599,277,205	(-)16,448,331,361	(-)13,707,759,059
8. Vehicles	380,838,378	337,371,447	447,461,767
Accumulated Depreciation	(-)173,209,994	(-)320,243,966	(-)387,143,482
9. Tools & Furniture	68,163,909,858	58,697,226,767	61,815,134,351
Accumulated Depreciation	(-)46,516,905,409	(-)43,583,305,528	(-)47,645,146,140
10. Construction in Progress	167,303,177,482	106,709,701,513	52,285,915,724
3) Intangible Assets	0	198,016,818	3,113,835,169
1. Facilities Rights	0	198,016,818	3,113,835,169
Total Assets	5,197,381,138,476	4,799,689,783,024	5,039,290,818,202

Balance Sheet

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Account	FY2006 Q3	FY2005	FY2004
Liabilities			
I. Current Liabilities	1,214,613,947,650	872,721,913,214	1,859,086,739,001
1. Trade Payables	607,515,022,297	576,860,602,129	537,711,928,967
2. Short-term Borrowings	0	0	74,015,858,000
3. Non-trade Payables	22,665,885,450	3,291,825,004	4,407,656,290
4. Income Taxes Payable	5,239,486,522	0	168,259,847,923
5. Current Derivatives Instrument Liabilities	3,249,988,648	588,218,082	0
6. Accrued Expenses	10,035,840,461	6,570,632,960	10,909,049,770
7. Current Portion of Long-term Liabilities	581,918,831,344	285,172,765,694	1,056,201,864,015
Present Value Discount	(-)47,409,079,080	(-)38,944,596,744	(-)45,036,546,438
Discount on Bonds Payable	(-)2,478,163,029	0	(-)2,831,192,583
8. Other Current Liabilities	33,876,135,037	39,182,466,089	55,448,273,057
II. Long-Term Liabilities	1,979,747,815,572	1,988,878,154,796	1,637,191,279,877
1. Bonds Payable	920,147,848,103	901,300,000,000	454,380,000,000
Discount on Bonds Payable	(-)9,953,826,776	(-)16,221,682,829	(-)8,704,728,182
2. Bonds With Stock Warrants	47,260,000,000	50,650,000,000	52,190,000,000
3. Long-term Borrowings	154,048,935,243	159,905,770,167	149,665,802,043
4. Other Long-term Borrowings	39,498,012,432	39,498,012,432	60,708,271,403
Other Long-term Debt Discount	(-)39,498,012,432	(-)39,498,012,432	(-)60,708,271,403
5. Long-term Non-trade Payables	1,083,327,422,997	1,146,721,640,627	1,335,387,292,634
Present Value Discount	(-)323,038,550,147	(-)360,422,306,632	(-)432,039,555,799
6. Long-term Capital Lease	58,049,557,690	81,074,714,679	75,246,339,605
7. Derivatives Instrument Liabilities	5,696,206,665	0	1,516,782,605
8. Provision for Severance Benefits	70,820,138,354	65,400,584,945	60,400,363,158
Deposits for Severance Benefits	(-)39,537,912,020	(-)43,428,241,676	(-)49,067,584,037
Contribution to National Pension Plan	(-)1,291,319,050	(-)1,464,986,250	(-)1,783,432,150
9. Deferred Income Tax Liabilities	14,219,314,513	5,362,661,765	0
Total Liabilities	3,194,361,763,222	2,861,600,068,010	3,496,278,018,878
Capital			
I. Capital Stock	358,570,730,000	358,570,730,000	358,570,730,000
1. Common Stock	358,570,730,000	358,570,730,000	358,570,730,000
II. Additional Paid-in and Other Capital	353,015,686,105	353,015,686,105	353,015,686,105
1. Additional Paid-in Capital	207,012,828,623	207,012,828,623	207,012,828,623
2. Other Additional Capital	146,002,857,482	146,002,857,482	146,002,857,482
III. Retained Earnings	1,414,261,165,354	1,351,250,550,310	909,158,301,446
1. Legal Appropriated Retained Earnings	27,868,851,410	21,447,436,810	15,026,022,210
2. Appropriated Retained Earnings for Business Stabilization	1,715,715,405	1,715,715,405	1,715,715,405
3. Appropriated Retained Earnings for Financial Structure Improvement	121,039,913,686	121,039,913,686	56,469,483,314
4. Extraordinary Accumulated Depreciation	13,702,073,536	15,145,854,055	0
5. Unappropriated Retained Earnings	1,249,934,611,317	1,191,901,630,354	835,947,080,517
2006 Q1 Net Income : 127,224,761,044			
2005 Net Income : 482,843,846,570			
2004 Net Income : 645,704,303,718			
IV. Capital Adjustments	(-)122,828,206,205	(-)124,747,251,401	(-)77,731,918,227
1. Treasury Stock	(-)79,365,965,610	(-)79,365,965,610	(-)79,365,965,610
2. Gain from Evaluation of Equity Securities	3,343,308,694	3,020,089,034	2,856,142,674
3. Loss from Evaluation of Equity Securities	(-)52,634,873,871	(-)50,190,350,003	(-)116,174,071
4. Gain from Evaluation of Available for Sale Securities	6,060,221,857	2,071,329,560	0
5. Loss from Evaluation of Available for Sale Securities	(-)230,897,275	(-)282,354,382	(-)1,105,921,220
Total Stockholders' Equity	2,003,019,375,254	1,938,089,715,014	1,543,012,799,324
Total Liabilities & Stockholders' Equity	5,197,381,138,476	4,799,689,783,024	5,039,290,818,202

Income Statement

Hanjin Shipping Co., Ltd.

Korean won

Account	FY2006 Q3		FY2005 Q3	
	3 MONTH	9 MONTH	3 MONTH	9 MONTH
I. Sales	1,599,972,505,365	4,515,449,822,176	1,515,329,088,157	4,407,781,672,874
1. Freight Revenue	1,539,164,385,181	4,315,219,235,814	1,449,801,724,859	4,203,973,276,438
2. Other Revenue	60,808,120,184	200,230,586,362	65,527,363,298	203,808,396,436
II. Cost of Goods Sold	1,498,912,152,373	4,244,877,062,349	1,311,207,187,443	3,797,692,874,057
1. Shipping operation	1,498,912,152,373	4,244,877,062,349	1,311,207,187,443	3,797,692,874,057
III. Gross Profit	101,060,352,992	270,572,759,827	204,121,900,714	610,088,798,817
IV. Selling and Administrative Expenses	57,965,959,151	174,364,486,176	58,743,356,767	182,767,822,431
1. Salaries Expenses	27,307,399,594	78,330,674,378	26,038,824,996	82,952,101,149
2. Severance Benefits	1,435,103,305	8,612,607,111	2,793,893,805	9,932,359,027
3. Employee Benefits	6,698,634,410	19,736,231,199	6,052,150,914	19,754,556,693
4. Medical Support Expenses	8,295,568	24,910,150	3,889,837	46,343,483
5. Meal Charges	75,490,678	196,861,687	59,413,200	185,177,375
6. Depreciation Expenses	2,927,563,951	8,220,096,695	2,525,573,173	7,561,015,017
7. Rental Expenses	1,620,203,817	4,912,590,901	1,592,945,121	5,029,721,482
8. Insurance Premium	128,952,310	321,322,803	73,559,125	223,000,579
9. Sales Promotion Expenses	1,475,862,410	4,646,430,846	1,479,349,003	4,713,377,811
10. Advertising Expenses	1,965,072,893	7,926,280,286	1,578,387,686	6,963,828,005
11. Public Relations Expenses	38,851,198	103,408,572	37,575,004	166,392,883
12. Travel Expenses	515,869,908	1,346,051,146	334,776,660	1,012,595,845
13. Uniform Expenses	1,544,000	2,272,500	140,000	3,395,000
14. Education & Training Expenses	200,399,736	590,535,332	134,529,867	649,121,974
15. Communication Expenses	2,496,693,814	6,780,518,972	2,147,630,408	7,321,685,303
16. Electronic Expenses	4,963,483,364	14,295,861,328	4,925,634,981	15,157,914,737
17. Vehicles Expenses	456,093,356	1,454,259,176	450,586,547	1,421,505,567
18. Taxes and dues	1,609,976,879	4,204,580,329	1,536,319,361	3,715,999,931
19. Repairs and Maintenance Expenses	1,123,755,711	3,963,965,854	2,330,405,058	4,871,539,057
20. Supplies Expenses	241,279,934	861,719,289	307,881,702	986,243,576
21. Publication Expenses	372,275,086	1,105,562,279	363,220,820	1,133,798,102
22. Utility Expenses	698,574,444	1,835,385,662	661,787,392	1,702,459,783
23. Service Fees	986,310,225	2,623,395,438	3,008,636,120	5,951,157,967
24. Entertainment Expenses	204,915,344	549,462,393	154,189,002	407,019,753
25. Facilities Rights	-	1,707,042	4,647,028	14,626,163
26. Bad Debt Expenses	297,228,844	1,181,500,199	63,911,194	506,667,726
27. Miscellaneous Expenses	116,128,372	536,294,609	83,498,763	384,218,443
V. Operating Income	43,094,393,841	96,208,273,651	145,378,543,947	427,320,976,386
VI. Non-operating Revenues	61,215,835,654	203,149,543,568	103,802,534,158	164,233,866,075
1. Interest Revenues	9,330,671,398	23,834,720,778	6,804,672,111	22,491,626,861
2. Dividends Income	-	794,393,908	416,957,800	515,426,689
3. Gains on evaluation of Derivatives	1,821,413,783	9,984,028,501	10,706,841,484	3,491,524,586
4. Gains on Derivatives Transactions	695,388,302	11,043,213,084	-	-
5. Gains on Foreign Currency Transaction	6,409,961,866	23,042,383,204	15,769,088,973	37,384,007,015
6. Gains on Foreign Currency Translation	24,441,575,345	77,851,198,081	-	5,022,216,348
7. Equity Income on Investments	4,649,728,026	22,349,001,878	68,311,003,667	86,977,855,797
8. Reversal of Allowance for Doubtful Accounts	-	-	977,114,527	2,559,709,490
9. Gains on Disposition of Investments	-	-	-	47,059,999
10. Gains on Disposition of Property Plant and Equipment	13,744,709,965	32,913,424,803	790,096,111	2,972,836,943
11. Miscellaneous Revenues	122,386,969	1,337,179,331	26,759,485	2,771,602,347
VII. Non-operating Expenses	66,652,302,032	155,191,523,331	69,233,368,499	149,171,706,989
1. Interest Expenses	35,153,505,219	97,864,431,612	32,016,291,952	96,511,437,381
2. Loss on Sale of Trade Receivables	-	532,926,352	1,701,393,104	4,569,883,710
3. Losses on Evaluation of Derivatives	17,994,753,198	13,622,712,003	-	744,680,220
4. Losses on Derivatives Transactions	1,100,916,000	1,386,079,000	-	-
5. Losses on Foreign Currency Translation	-	-	11,020,473,136	-
6. Equity Losses on Investments	402,895,116	20,283,252,974	248,494,770	906,815,663
7. Losses on Disposition of Property Plant and Equipment	1,856,145,109	4,409,802,479	158,264,723	1,791,894,272
8. Donations	345,144,420	4,664,189,320	387,270,371	842,193,671
9. Financial Fees Expenses	337,018,025	376,023,771	415,949,955	510,503,936
10. Losses on Foreign Currency Transaction	9,451,006,202	12,009,022,454	23,263,795,581	43,215,269,783
11. Miscellaneous Losses	10,918,743	43,083,366	21,434,907	79,028,353
VIII. Gains / Losses Before Extraordinary Gains / Losses and Income Taxes	37,657,927,463	144,166,293,888	179,947,709,606	442,383,135,472
IX. Income Before Income Taxes	37,657,927,463	144,166,293,888	179,947,709,606	442,383,135,472
X. Income Tax Expenses	5,210,253,153	16,941,532,844	3,641,155,115	52,457,837,111
XI. Net Income	32,447,674,310	127,224,761,044	176,306,554,491	389,925,298,361
XII. Earnings Per Share				
Basic earnings per share	1,476		6,072	
Diluted earnings per share	1,276		5,221	