

Balance Sheet

Hanjin Shipping Co., Ltd.

Korean won

Account	FY2006	FY2005	FY2004
Assets			
I. Current Assets	1,674,157,893,485	1,185,685,751,180	1,350,976,126,779
1) Quick Assets	1,583,601,172,041	1,091,775,455,376	1,287,689,244,857
1. Cash and Cash Equivalents	685,909,077,140	485,612,251,757	784,757,158,666
2. Short-term Financial Instruments	332,485,436,250	163,236,623,821	200,725,174,642
3. Held-to-Maturity Securities	33,972,000	2,512,867,000	5,107,411,000
4. Trade Receivables	479,309,284,481	251,803,078,328	174,399,295,481
Allowance for Doubtful Accounts	(-)3,817,185,873	(-)2,575,490,681	(-)1,843,143,952
5. Non-trade Receivables	21,840,966,522	49,939,751,824	40,870,841,405
Allowance for Doubtful Accounts	(-)23,652,643	(-)50,599,704	(-)42,250,695
6. Accrued Revenues	7,511,858,167	9,248,127,174	16,795,114,381
7. Current Derivatives Instrument Assets	266,064,014	2,953,471,995	0
8. Advance Payments	10,180,150,293	10,506,329,096	14,053,492,008
9. Prepaid Expenses	49,415,826,999	67,822,481,436	46,473,069,666
10. Prepaid Tax Assets	-	45,832,326,259	0
11. Other Quick Assets	489,374,691	4,934,237,071	6,393,082,255
2) Inventories	90,556,721,444	93,910,295,804	63,286,881,922
1. Supplies	90,556,721,444	93,910,295,804	63,286,881,922
II. Non-current Assets	4,255,156,483,993	3,614,004,031,844	3,688,314,691,423
1) Investments	811,498,708,728	350,779,950,202	393,193,236,172
1. Long-term Financial Instruments	798,782,500	379,079,000	978,373,600
2. Available for Sale Securities	90,759,946,762	35,105,535,509	37,156,803,930
3. Held to Maturity Securities	77,452,660,000	540,077,000	3,052,814,000
Allowance for Doubtful Accounts	(-)76,913,360,000	-	-
4. Investment in Equity Securities	695,674,118,684	285,819,640,491	223,548,239,173
5. Derivatives Instrument Assets	8,426,351,652	12,390,615,439	4,543,055,693
6. Trade Receivables from Affiliated Companies	-	-	28,684,857,333
Allowance for Doubtful Accounts	-	-	(-)28,684,857,333
7. Long-term Loans	41,810,359	69,023,727	52,489,824
8. Deposits Provided	15,258,398,771	16,475,979,036	20,546,308,018
9. Deferred Income Tax Assets	-	-	103,315,151,934
2) Property Plant & Equipment	3,443,657,775,265	3,263,026,064,824	3,292,007,620,082
1. Land	156,225,534,048	156,461,286,720	156,447,222,020
2. Buildings	185,670,017,450	187,127,980,668	187,127,980,668
Accumulated Depreciation	(-)31,301,545,781	(-)27,361,428,417	(-)23,056,943,073
3. Structures	18,845,166,936	18,845,166,936	18,845,166,936
Accumulated Depreciation	(-)2,822,581,119	(-)2,351,451,975	(-)1,880,322,831
4. Machinery	89,857,070,744	136,905,316,094	128,850,142,357
Accumulated Depreciation	(-)32,272,857,330	(-)41,223,390,453	(-)34,399,945,115
5. Ships	3,307,013,326,492	3,149,241,334,568	3,149,212,509,525
Accumulated Depreciation	(-)1,108,658,933,384	(-)1,006,746,194,778	(-)871,533,050,375
6. Container	768,635,582,297	686,722,205,682	614,022,142,489
Accumulated Depreciation	(-)191,372,595,711	(-)164,516,732,765	(-)141,939,769,500
7. Container Chassis	64,053,830,428	64,529,553,672	57,504,023,820
Accumulated Depreciation	(-)19,386,990,921	(-)16,448,331,361	(-)13,707,759,059
8. Vehicles	380,838,378	337,371,447	447,461,767
Accumulated Depreciation	(-)187,785,023	(-)320,243,966	(-)387,143,482
9. Tools & Furniture	62,470,184,080	58,697,226,767	61,815,134,351
Accumulated Depreciation	(-)41,465,800,215	(-)43,583,305,528	(-)47,645,146,140
10. Construction in Progress	217,975,313,896	106,709,701,513	52,285,915,724
3) Intangible Assets	-	198,016,818	3,113,835,169
1. Facilities Rights	-	198,016,818	3,113,835,169
Total Assets	5,929,314,377,478	4,799,689,783,024	5,039,290,818,202

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Account	FY2006	FY2005	FY2004
Liabilities			
I. Current Liabilities	1,436,037,740,426	872,721,913,214	1,859,086,739,001
1. Trade Payables	576,260,676,582	576,860,602,129	537,711,928,967
2. Short-term Borrowings			74,015,858,000
3. Non-trade Payables	152,663,330,118	3,291,825,004	4,407,656,290
4. Income Taxes Payable	104,770,320,267	-	168,259,847,923
5. Current Derivatives Instrument Liabilities	6,111,357,598	588,218,082	0
6. Accrued Expenses	9,713,625,085	6,570,632,960	10,909,049,770
7. Current Portion of Long-term Liabilities	585,572,278,759	285,172,765,694	1,056,201,864,015
Present Value Discount	(-)36,464,755,950	(-)38,944,596,744	(-)45,036,546,438
Discount on Bonds Payable	(-)1,591,448,420	-	(-)2,831,192,583
8. Other Current Liabilities	39,002,356,387	39,182,466,089	55,448,273,057
II. Long-Term Liabilities	2,050,703,416,001	1,988,878,154,796	1,637,191,279,877
1. Bonds Payable	921,391,578,949	901,300,000,000	454,380,000,000
Discount on Bonds Payable	(-)9,325,116,286	(-)16,221,682,829	(-)8,704,728,182
2. Bonds With Stock Warrants	46,480,000,000	50,650,000,000	52,190,000,000
3. Long-term Borrowings	140,601,863,663	159,905,770,167	149,665,802,043
4. Other Long-term Borrowings	19,756,012,432	39,498,012,432	60,708,271,403
Other Long-term Debt Discount	(-)19,756,012,432	(-)39,498,012,432	(-)60,708,271,403
5. Long-term Non-trade Payables	1,119,026,140,100	1,146,721,640,627	1,335,387,292,634
Present Value Discount	(-)332,169,817,642	(-)360,422,306,632	(-)432,039,555,799
6. Long-term Capital Lease	88,130,925,382	81,074,714,679	75,246,339,605
7. Derivatives Instrument Liabilities	1,313,433,495	-	1,516,782,605
8. Provision for Severance Benefits	56,544,892,729	65,400,584,945	60,400,363,158
Deposits for Severance Benefits	(-)39,586,521,067	(-)43,428,241,676	(-)49,067,584,037
Contribution to National Pension Plan	(-)1,217,108,550	(-)1,464,986,250	(-)1,783,432,150
9. Deferred Income Tax Liabilities	59,513,145,228	5,362,661,765	0
Total Liabilities	3,486,741,156,427	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	421,306,297,825	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	214,293,469,202	146,002,857,482	146,002,857,482
III. Retained Earnings	1,747,447,273,226	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	1,583,120,719,189	1,191,901,630,354	835,947,080,517
2006 Q1 Net Income : 460,410,868,916			
2005 Net Income : 482,843,846,570			
2004 Net Income : 645,704,303,718			
IV. Capital Adjustments	(-)84,751,080,000	(-)124,747,251,401	(-)77,731,918,227
1. Treasury Stock	(-)35,238,488,730	(-)79,365,965,610	(-)79,365,965,610
2. Gain from Evaluation of Equity Securities	3,097,159,711	3,020,089,034	2,856,142,674
3. Loss from Evaluation of Equity Securities	(-)60,407,212,757	(-)50,190,350,003	(-)116,174,071
4. Gain from Evaluation of Available for Sale Securities	8,056,792,520	2,071,329,560	0
5. Loss from Evaluation of Available for Sale Securities	(-)259,330,744	(-)282,354,382	(-)1,105,921,220
Total Stockholders' Equity	2,442,573,221,051	1,938,089,715,014	1,543,012,799,324
Total Liabilities & Stockholders' Equity	5,929,314,377,478	4,799,689,783,024	5,039,290,818,202

Income Statement

Hanjin Shipping Co., Ltd.

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Items	FY2006	FY2005	FY2004
I. Sales	6,051,350,496,027	5,980,081,024,726	6,202,120,462,288
1. Freight Revenue	5,785,376,801,209	5,713,125,306,845	5,934,006,274,133
2. Other Revenue	265,973,694,818	266,955,717,881	268,114,188,155
II. Cost of Goods Sold	5,669,722,677,854	5,169,712,121,820	5,133,245,509,221
1. Shipping operation	5,669,722,677,854	5,169,712,121,820	5,133,245,509,221
III. Gross Profit	381,627,818,173	810,368,902,906	1,068,874,953,067
IV. Selling and Administrative Expenses	232,522,692,019	237,563,669,891	249,050,093,980
1. Salaries Expenses	104,871,535,286	112,090,990,525	117,471,552,849
2. Severance Benefits	9,546,593,223	11,004,904,274	10,038,238,650
3. Employee Benefits	26,003,838,548	26,025,620,475	27,316,066,304
4. Medical Support Expenses	75,452,823	57,704,257	54,828,802
5. Meal Charges	272,022,809	255,415,434	259,517,641
6. Depreciation Expenses	11,297,066,627	10,183,133,303	11,424,161,800
7. Rental Expenses	6,647,976,002	6,638,362,003	7,513,434,254
8. Insurance Premium	323,791,116	326,549,576	483,929,972
9. Sales Promotion Expenses	6,509,224,546	6,705,490,025	7,149,648,852
10. Advertising Expenses	8,807,397,719	7,658,255,196	7,793,834,859
11. Public Relations Expenses	181,550,611	205,049,498	230,856,875
12. Travel Expenses	2,010,140,635	1,592,540,330	1,287,945,286
13. Uniform Expenses	3,269,000	11,106,500	5,698,000
14. Education & Training Expenses	804,683,030	908,743,153	1,122,528,133
15. Communication Expenses	9,535,370,486	9,407,857,790	10,303,526,794
16. Electronic Expenses	18,899,230,148	20,046,221,852	20,233,691,792
17. Vehicles Expenses	1,896,331,839	1,906,531,030	1,904,380,998
18. Taxes and dues	5,244,853,000	4,581,980,884	5,289,880,734
19. Repairs and Maintenance Expenses	5,259,295,351	6,436,388,587	7,722,565,368
20. Supplies Expenses	1,382,076,866	1,577,780,604	1,739,086,098
21. Publication Expenses	1,432,643,271	1,514,925,229	1,636,470,360
22. Utility Expenses	2,366,024,481	2,240,173,363	2,267,767,627
23. Service Fees	6,226,152,032	4,331,837,705	4,098,180,585
24. Entertainment Expenses	748,463,743	591,010,737	607,690,562
25. Facilities Rights	1,707,042	18,780,236	17,031,102
26. Bad Debt Expenses	1,279,809,187	757,670,017	651,002,673
27. Miscellaneous Expenses	896,192,598	488,647,308	426,577,010
V. Operating Income	149,105,126,154	572,805,233,015	819,824,859,087
VI. Non-operating Revenues	800,566,048,090	232,693,545,729	421,293,487,433
1. Interest Revenues	33,270,919,111	28,224,821,861	34,743,926,234
2. Dividends Income	931,411,452	515,426,689	726,870,173
3. Gains on Sale of Available-for-Sale Securities	-	-	1,431,965,432
4. Gains on evaluation of Derivatives	3,339,570,478	9,167,497,236	7,617,091
5. Gains on transaction of Derivatives	17,714,738,122	592,514,163	11,911,856,482
6. Gains on Foreign Currency Transaction	32,705,226,602	48,868,867,426	60,198,387,800
7. Gains on Foreign Currency Translation	88,663,751,741	31,597,310,822	220,322,961,661
8. Equity Income on Investments	287,581,608,114	75,981,609,438	59,554,212,835
9. Reversal of Allowance for Doubtful Accounts	-	28,684,857,333	21,144,103,825
10. Gains on Disposition of Investments	-	182,123,635	443,190,909
11. Gains on Disposition of Property Plant and Equipment	329,138,866,540	6,011,925,764	6,822,497,564
12. Miscellaneous Revenues	7,219,955,930	2,866,591,362	3,985,897,427
VII. Non-operating Expenses	66,652,302,032	155,191,523,331	69,233,368,499
1. Interest Expenses	134,789,249,787	125,798,543,964	144,509,925,947
2. Losses on Sale of Available-for-sale Securities	-	-	1,441,340,393
3. Losses on Impairment of Available-for-sale Securities	-	-	1,638,694,000
4. Losses on Sale of Account Receivables	532,926,352	6,647,467,366	4,283,813,899
5. Losses on Evaluation of Derivatives	9,999,011,894	744,885,412	4,827,909,040
6. Losses on Transaction of Derivatives	7,512,395,115	743,408,705	6,865,277,964
7. Losses on Foreign Currency Transaction	15,932,708,467	57,590,381,319	36,635,558,085
8. Equity Losses on Investments	117,081,260,033	1,848,429,534	952,995,890
9. Losses on Disposition of Property Plant and Equipment	8,544,216,026	2,059,503,312	106,910,095,534
10. Additional Payment of Income Taxes	-	2,654,668,350	5,610,279,000
11. Donations	30,977,268,380	4,285,864,671	17,393,342,625
12. Financial Fees Expenses	436,342,983	569,743,873	870,867,119
13. Miscellaneous Losses	87,990,364	177,894,305	13,169,131,762
VIII. Gains / Losses Before Extraordinary Gains / Losses and Income Taxes	623,777,804,843	602,377,987,933	896,009,115,262
IX. Extra Ordinary Income	-	-	-
X. Income Before Income Taxes	623,777,804,843	602,377,987,933	896,009,115,262
XI. Income Tax Expenses	163,366,935,927	119,534,141,363	250,304,811,544
XII. Net Income	460,410,868,916	482,843,846,570	645,704,303,718
XIII. Earnings Per Share			
Basic ordinary earnings per share	7,141	7,519	
Basic earnings per share	7,141	7,519	
Diluted ordinary earnings per share	6,167	6,473	
Diluted earnings per share	6,167	6,473	