

# I. Company Overview

## 1. Company Overview

### A. Company Overview

#### (1) Name of the Company

The Company is called GLOVIS and expressed as GLOVIS Co., Ltd. in English.

#### (2) Establishment Date of the Company, etc.

The Company was established on Feb. 22, 2001 for the pursuit of efficiency by integrating logistics of Hyundai Automotive Group. Since then, the Company continues to grow as an automotive-specialized logistics company and was listed on the Korea Exchange on Dec. 26, 2005.

#### (3) Address of the Company, etc.

Address : Milim Tower 12~15F, 825-22 Yeoksam-dong, Gangnam-gu, Seoul

Telephone : 02-2054-7114

Homepage : <http://www.glovis.net>

#### (4) Major Businesses

The Company conducts Total Logistics Business and Distribution/Sales Business.

##### [Total Logistics]

Total Logistics is the transport business for the freight consigned by the owner of goods. Total Logistics is again categorized into Korea Logistics and International Logistics by the regions where the logistics activities occur. Korea Logistics is related to the logistics in domestic market whereas International Logistics is for the inbound and outbound logistics.

##### [Distribution/Sales]

The Company's Distribution/Sales has CKD and Merchandise Sales businesses.

CKD stands for Complete Knock Down and it is an exporting activity for parts in smallest unit. It is one of KD transport exporting of semi-finished product, not finished products.

The Company currently provides CKD parts procuring service business to Hyundai Motor

Manufacturing Alabama, Kia Motors in Slovakia, and Hyundai Motor Manufacturing Czech.

Besides CKD parts, the Company sells various merchandises which are mostly used cars. In Used Car Business, the Company operates used car auction center by wholesale and at present there are two auction centers in Bundang and Sihwa.

#### (5) Subsidiary

The Company is an affiliate in Hyundai Automotive Group and as of Mar. 31, 2009, there are 40 affiliated companies in Korea (not counting GLOVIS) and 150 affiliated companies in overseas.

For further details on affiliated companies, please refer to 'VI. Board of Directors, Corporate Governance, and Related Companies 4. Affiliated Companies under the Group, etc. A. Affiliated Companies.'

#### (6) Credit Rating

Credit ratings evaluated and provided by credit bureaus over the last recent 3 fiscal years are as follows as of this quarterly report date.

##### ① Korea Domestic

– National Information & Credit Evaluation :

Commercial Paper, A2, Regular rating(Jun. 22, 2007)

Commercial Paper, A2, Regular rating(Dec. 26, 2007)

– Korea Investors Service :

Commercial Paper, A2, Regular rating(Jun. 25, 2007)

Commercial Paper, A2, Regular rating(Dec. 28, 2007)

##### ② Overseas

– S&P : Corporate Bond, BBB– (stable), Jun. 18, 2008

Corporate Bond, BBB– (negative), Jan. 15, 2009

– Moody's : Corporate Bond, Baa3 (stable), Jun. 18, 2008

Corporate Bond, Baa3 (negative), Apr. 21, 2009

Definition of each rating provided are as follows..

A2 on Korea domestic commercial paper means that the ability of repayment on proper time is outstanding, but stability is inferior to A1 to some extent.

BBB(Baa) on overseas corporate bond indicates that principle amount payment ability is satisfactory but a potential drop of efficiency exists in future principle amount payment ability depending on economic circumstances and aggravation of surrounding situations.

## 2. Company History

### A. Move and Location of Headquarters

Since the establishment, the Company had been located at 113-25 Wonhyo-ro 4ga Yongsan-gu, Seoul. On Jan. 1, 2007, the Company moved to Milim Tower at 825-22 Yeoksam-dong Gangnam-gu, Seoul.

### B. Significant Changes in Corporate Governance

[Year 2005~2006]

The Company maintained one-single CEO structure with CEO Ju Eun Lee since its establishment.

[Year 2007]

On Mar. 9, Myeong Joong Yun inaugurated as CEO organizing separate CEO structure with CEO Ju Eun Lee. On May 4, Chi Woong Kim inaugurated as CEO after CEO Ju Eun Lee resigned.

[Year 2008]

Since CEO Myeong Joong Yun resigned on Jan. 1 for personal reasons, the CEO structure was changed to one-single structure with CEO Chi Woong Kim. After CEO Chi Woong Kim resigned, Seung Suk Yang was inaugurated as CEO on Dec. 16.

[Year 2009]

Due to the resignation of CEO Seung Suk Yang, Kyung Sun Lee was inaugurated as a new CEO on Mar. 13.

### C. Important Matters related to Business

[Year 2005]

- Increase of Overseas Subsidiary : GLOVIS Slovakia, Beijing GLOVIS,  
Jiangsu Yongchang GLOVIS, GLOVIS Australia
- Certified : Standardized Logistics Equipment
- Awarded : Grand Prize for Best Global Management
- Listed on the Korea Exchange

[Year 2006]

- Increase of Overseas Subsidiary : GLOVIS Europe, GLOVIS India,  
Global Auto Processing Services, INC
- Awarded : Grand Prizes for Korea Logistics and SCM in Korea

[Year 2007]

- Increase of Overseas Subsidiary : GLOVIS Turkey, GLOVIS Czech, GLOVIS Georgia,  
GLOVIS Hong Kong
- Certified : Integrated-Logistics Company, ISO Environmental Management System
- Awarded : Republic of Korea e-Business Award from the Ministry of Commerce,  
Industry and Energy, Trophy for 800 Million dollars of Exports,  
Silver Medal for Industrial Development Contribution

[Year 2008]

- Entered into Finished Car Shipping Business
- Contracted 1st and 2nd Long-term Chartering Contracts for Hyundai Steel Raw  
Material Shipping
- Opened Sihwa Used Car Auction Center
- Obtained International Credit Rating (S&P, Moody's)
- Increase of Overseas Subsidiary : GLOVIS Russia,  
Global Auto Processing Services, LLC
- Decrease of Overseas Subsidiary : Jiangsu Yongchang GLOVIS
- Certified : ISO 27001 (International Information Security Management System)
- Awarded : The 3rd RFID Industrialization Presidential Award,  
Trophy for 900 Million dollars from Exports

### 3. Changes in Capital

#### A. Changes in Capital

(Unit : KRW, Shares)

Date of stock issue	Type of issue	Details				
		Type	Number of shares issued	Face value per share	Issue price per share	Remark
Oct. 31, 2005	Stock split	Common stock	27,000,000	500	500	Stock split
Dec. 26, 2005	Paid-in capital increase (public subscription)	Common stock	7,500,000	500	21,300	Listed on the securities market

### 4. Total Number of Shares

As of now Mar. 31, 2009, the total number of shares to be issued pursuant to the Company's Articles of Incorporation is 200,000,000 shares of common stock and the total number of issued shares is 37,500,000 shares of common stock. There are no shares issued other than common stocks. Also, the Company did not acquire any treasury stocks nor issued appraisal rights.

Therefore the total number of circulating shares is 37,500,000 of common stock.

### 5. Status of Voting Rights

(As of Mar. 31, 2009)

(Unit: Shares)

Category		Number of shares	Remark
Issued and outstanding share(A)	Common stock	37,500,000	
	Preferred stock	—	
Shares without voting rights(B)	Common stock	—	
	Preferred stock	—	
Shares with limited voting rights pursuant to other acts(C)	—	—	
	Shares with voting rights recovered(D)	—	
Shares with voting rights recovered(D)	Common stock	—	
	Preferred stock	—	
Shares with voting rights (E= A - B - C + D)	Common stock	37,500,000	
	Preferred stock	—	

## 6. Matters on Dividends

Matters on dividend over the last recent 3 fiscal years are as below.

Category		9th FY 1Q	8th FY	7th FY
Face value per share (KRW)		500	500	500
Net income (KRW MN)		30,494	117,662	81,035
Earnings per share (KRW)		813	3,138	2,161
Income available for dividend (KRW MN)		–	18,750	18,750
Total amount of cash dividend (KRW MN)		–	–	–
Total amount of share dividend (KRW MN)		–	15.9	23.1
Cash dividend payout ratio (%)		–	1.1	0.8
Cash dividend yield ratio (%)	Common stock	–	–	–
	Preferred stock	–	–	–
Share dividend yield ratio (%)	Common stock	–	–	–
	Preferred stock	–	500	500
Cash dividend per share (%)	Common stock	–	–	–
	Preferred stock	–	–	–
Share dividend per share (Share)	Common stock	–	–	–
	Preferred stock	–	–	–

The Company pays out annual dividend after the resolutions of the Board of Directors and Shareholders Meeting.

8 years since its establishment, GLOVIS is a constantly-growing company; therefore the investment is necessary for its continuous growth.

However, even to that situation, the Company pays out dividends trying to realize shareholder-oriented management after its listing in 2005. The dividend for the 6th fiscal was KRW 150 per share and for the 7th and 8th fiscal years, dividends been increased to KRW 500 per share.

## II. Business Overview

### 1. Business Overview

#### A. Business Status

##### (1) Total Logistics Business

###### [Characteristics]

Logistics business relates to the flow of material that makes up the overall economy. The process includes transportation, storage, loading/unloading, packaging, and distribution processing.

As of 2006, logistics expense including international logistics expenses took up KRW 135 TN, 15.9% of total GDP. Added value generated from logistics business, transportation, inventory maintenance, packaging, loading/unloading, logistics information, SG&A expenses are KRW 68 TN, 109 TN (80.9%), 18 TN (13.4%), 2.1 TN (1.6%), 2 TN (1.5%), 1.8 TN (1.3%), 1.8 TN (1.4%) respectively.

Logistics business is affected by domestic cargo volume and import/export volume. It is relatively less affected by economic cycle compared with other business because sluggish economy and poor import/export do not coincide and cargo volume is steadily increasing despite falling products of products due to increased competition. Seasonal fluctuations are not high but are affected by holidays, recess, and industrial dispute in the customers' company which are causes for production cost.

###### [Growth of the Industry]

With informatization and globalization, customer demands for a quick logistics service are increasing and businesses are strengthening core competitiveness through higher efficiency. Thus, the importance of logistics is gradually rising in an economy.

As the economic scale and trade volume in the Northeast Asian region increases, there are efforts at the national level to foster logistics as a core industry.

###### [Domestic and Overseas Market Conditions]

GLOVIS provides logistics services to mainly company customers. These customers put importance on improving profitability through cost reduction, thereby increasing

competition regarding logistics cost. To survive in such competitive environment, logistics companies are striving to improve process and system. Logistics outsourcing improves competitiveness and efficiency by consigning non-core business and focusing more on core businesses. Logistics outsourcing is already widespread overseas. Likewise, outsourcing proportion is increasing in Korea. The proportion is expected to go over 60% by 2010 according to the Korea Transport Institute. Customers' financial status acts as a major factor for demand but logistics is less likely to be affected by economic cycle.

#### [Competitiveness of the Company]

As a logistics specialized company in Hyundai Automotive Group, the Company realizes economies of scale by handling large-scale of the Group's freights. Thereby the Company could obtain price-merit differentiating from other logistics companies and also has been able to draw in 3rd-party freights besides the Group's.

The Company's domestic/overseas network and services such as providing real-time logistics information with IT systems which the Company self-developed and implemented throughout all logistics process are also other competitive factors of the Company.

### (2) Distribution/Sales Business

#### ① CKD

##### [Characteristics]

CKD business is to provide vehicle parts to overseas manufacturing plants by placing an order, collecting goods, packaging, loading into a container and marine/air transportation. What is strategically important is to reduce logistics cost by continuously improving the logistics process, i.e. shortening lead time, establishing JIT (Just-in-Time) system, maintaining packaging quality, standardizing packaging, etc.

Generally, CKD supply requires to reflect time of produce procurement/packaging/overseas transport, explaining why it takes about 2 months from an order from the overseas assembly plant to completion of production.



#### [Growth of the Industry]

In these days, automakers are trying to expand their overseas sales through local production. Especially in case of Hyundai/Kia Motors, they are largely growing] in global automotive market, building up local production lines in almost every country. Along with that, CKD business market is forecasted satisfactory.

#### [Competitiveness of the Company]

CKD business of the Company pursue One-Stop Service. The Company raises the customer-satisfaction by managing all process from order-placing, parts-collecting, packaging, maring/air transporting to local C/C operating and Just-in-Sequence procuring to local plants.

In particular, RFID system which the Company implemented to Hyundai Motor Manufacturing Alabama traces the freight in real-time so that reducing the abrupt-transport and also reducing the costs. For this, the Company has been awarded with the 3rd RFID Industrialization Presidential Award.

Also, the Company applies its own know-how and new packaging techniques for the safety of long-travelling products satisfying the overseas assembly plants.

In addition to the aboves, to prepare for any accidents might occur during the overseas transport, the Company is insured for cargo to confront any risks.

### ② Used Car Sales

#### [Characteristics]

- Domestic demand : Used car market is growing as transaction volume exceeded that of new cars after the 1997 IMF financial crisis. With higher replacement rate for new vehicles and increasing direct transactions through the internet, the market manages more than 1.81 MN vehicles, as of 2007. However, due to the economic recession, the number reduced to 1.76 MN. Used cars are sold through direct transactions or through agencies which rate is 45 : 55. Widespread use of internet is transforming the market by providing customers with sufficient information, thereby increasing direct transactions.

- Export : The sales has been increasing with the increase in exports to new markets including Russia since 2006.

#### [Growth of the Industry]

Used car market is about 1.5 times larger in trading volume than the new car market. However, in case of the auctioning in used car market, which the Company also operates, the auction takes up about 5% of the total used car sales for 2008, yet very small in size. On the other hand, in Japan, the portion of auction in used car market reaches above 50% and in the US, it is about 25%. If we consider the used car auction proportion in the advanced automotive market accordingly, the mid-long term growth opportunity in used car auction business in Korea is forecasted to be remarkably high.

#### [Competitiveness of the Company]

Used car auction market is composed of individuals or companies who intend to sell their vehicles and used car traders who purchase them. Used car supply is closely related to new car sales trend. Used cars are sold at higher prices through bidding compared with general vehicle agencies and also proper follow-up measures are taken.

Used car traders are highly affected by consumer's sentiment and economic situation as their purchase depends on end customers' demand.

### B. Major Goods/Services

The Company conducts Total Logistics Business and Distribution/Sales Business. Total Logistics is to provide transport outsourcing service. The Company manages logistics-related business such as transport, storage and stevedoring of customers' freight. But the Company once again outsources the transport, storage and other activities by the characteristics of the business and also directly operate some business like finished car shipping business.

Total Logistics is again categorized into Korea Logistics and International Logistics for domestic and import/export respectively.

Distribution/Sales has CKD and Used car auction Sales businesses. Other than those, there is sales business for supplies for new cars and merchandises on spot.

Sales(Revenue) for major businesses for the 1st quarter of 2009 are as follows.

- Korea Logistics : KRW 164.5 BN / 29%
- International Logistics : KRW 180.6 BN / 31%
- CKD : KRW 185.4 BN / 32%
- Merchandise(Used car) : KRW 44.6 BN / 8% (KRW 33.6 BN / 6%)

### C. Status on Operation Facilities

#### [Major Facilities]

The Company has 19 logistics bases in Korea and 17 bases in overseas.

In Korea, there are 12 auto-related bases including Pyeongtaek Logistics Base for import/export of finished cars, Asan CKD Center for CKD part collecting and packaging, C/C (Consolidation Center) for contribution to part-sequence steps in automaking assembly lines. The Company operates auction centers in Bundang and Sihwa for Used car business. Also there are offices for steel transport for Hyundai Steel and Hyundai Hysco.

For other facilities, please refer to 'XI. Appendix 1. Financial Statements F. Notes to Non-Consolidated Financial Statements 7. Tangible Assets.'

In overseas, 14 local subsidiaries are established. GLOVIS Alabama, GLOVIS Slovakia, Glovis Czech, and Glovis Georgia are located closely to Hyundai/Kia Motors' CKD production plants, operating C/C, etc. GAPS provides services such as final inspection on and loading of imported/exported cars.

The rest of overseas subsidiaries are responsible for auto-related logistics in their local areas and when necessary, overseas local branches and offices are established. For the areas where the Company has not entered, the Company has cooperated allied with local companies(partner) to set up logistics network.

[CAPEX Plan]

Details on CAPEX plan ongoing as of the end of this 1st quarter of 2009 are as below.

(Unit : KRW MN)

Description		Investment Period	Total Investment	Investment (until now)		Investment (planned)		Expected effect
				2009 1Q	Accumulative	Year 2009	Year 2010	
Logistics	Pure Car Carrier	2 years	189,500	-	-	57,500	132,000	Improved revenue and business operation efficiency
	Land, Building	3 years	41,170	43	9,659	4,157	27,354	
	Machinery, etc.	1 year	11,492	-	-	11,492	-	
CKD	Machinery, etc.	1 year	4,423	-	-	4,423	-	
IT investment		1 year	7,163	363	363	6,800	-	
Total			253,748	406	10,022	72,923	159,354	

## 2. Business Operation

### A. Revenue

The revenue of the Company is largely classified into 4 business parts.

Revenue from logistics in Korea domestic market is Korea Logistics,  
revenue from import/export logistics in Korea domestic is International Logistics,  
revenue from sales of CKD parts is CKD, and  
revenue from sales of used car and other goods is Merchandise.

Details on revenue by business are as follows.

(Unit : KRW MN)

Business	Revenue Type	Domestic/Export	9th FY 1Q	8th FY	7th FY
Korea Logistics	Domestic Logistics Service	Domestic	164,480	811,642	720,191
		Total	164,480	811,642	720,191
International Logistics	Inbound/Outbound Logistics Service	In/Outbound	180,612	897,914	668,510
		Total	180,612	897,914	668,510
CKD	CKD Parts Sales	In/Outbound	185,382	1,201,617	1,017,042
		Total	185,382	1,201,617	1,017,042
Merchandise	Used Car and Other Merchandise Sales	Domestic	44,557	154,062	114,444
		In/Outbound	44,557	154,062	114,444
		Total	209,037	965,704	834,635
Total		Domestic	365,994	2,099,531	1,675,562
		In/Outbound	575,031	3,065,235	2,510,188
		Total			

### B. Major Business Agreement

(Unit : KRW BN)

Company	Relationship	Contract Details				Remark
		Type	Term	Name of Goods • Services	Amount	
Hyundai Steel	Affiliated Company	Long-term Consecutive Voyage Charter Contract	Jan. 2010 ~ Jan. 2030	Raw Material Shipping	1,340	- For 20 years, 5 vessels - Applied basic rate of t/x of Jan. 24, 2008 (1USD=₩951.0)
			Mar. 2011 ~ Feb. 2031		1,296.7	- For 20 years, 1 vessel - Applied basic rate of t/x of Nov. 3, 2008 (1USD=₩1277.1)
			Jan. 2011 ~ Dec. 2025			- For 15 years, 3 vessles - Applied basic rate of t/x of Nov. 3, 2008 (1USD=₩1277.1)
			Total			

### 3. Matters other than Business Operation

#### A. Market Risk and Risk Management

##### (1) Major Risks

The Company is exposed to such major risks : ① Risk from F/X rate fluctuation, ② Risk from market rates fluctuation, and ③ Risk from credit rating change.

##### ① Risk from F/X rate fluctuation

The Company has cash flow in which the sales in foreign currency coming from International Logistics and KD exporting is larger than the costs in foreign currency paid to overseas transporting and parts-purchasing. Therefore, loss on currency translation due to Korean Won strengthening may be the risk from F/X rate fluctuation.

##### ② Risk from market rates fluctuation

Non-operating income and expense structure of the Company is as such :  
As the market rates (CD, LIBOR, etc.) rise, interest expense of the Company increases but as they decline, then interest income of the Company decreases. These fluctuation in non-operating income and expense may be the risk from market rates fluctuation.

##### ③ Risk from credit rating change

On Jan. 15, 2009, the credit rating agency, S&P maintained its rating on the Company (BBB-), but downgraded the outlook from 'Stable' to 'Negative,' reflecting the depression and uncertain outlooks in global automotive market. The credit rating agency, Moody's also maintained the rating (Baa3), but cut the outlook from 'Stable' to 'Negative' on Apr. 21, 2009 for similiar understanding. As such, the downgrades in credit rating in reflection of economic situation not the Company's own causes may be the risk from credit rating change.

## (2) Risk Management Policy

### ① Risk management

The Company manages the risk by trying to minimize uncertain market risks and stabilize financial strength and business management.

#### – Risk from F/X rate fluctuation

For systematic and efficient F/X risk management, the Company consistently exchange opinions with financial institutions both in Korea and overseas. Also, the Company assigned employees for F/X risk management, structuring effective and stable risk managing. In the future, the Company plans to set up F/X risk management policy and partially manage F/X derivatives for hedging.

#### – Risk from market rates fluctuation

The Company mostly uses fixed-rate financial instruments to manage free cash flow, therefore the adverse effects from rate fluctuation for the time being is limited. Currently hire(ship-chartering) is paid in relation to LIBOR. When LIBOR is raised, then there is risk of increase in hire. To fix LIBOR and prevent the hire fluctuation risk, the Company will adopt some rate derivatives (hedging interest rate fluctuation)

#### – Risk from credit rating change

In case of change in the Company's credit rating, since there are no financial instrument in use; therefore it is reasonable to say there are no directly effecting risks. However, when having decisions on financial transactions in the future, the credit rating may be one of fundamental evaluation on the Company, so that the Company puts efforts to reduce the risks from credit rating change.

### ② Risk Management Organization

The Company operates the risk management work with 2 divisions : Execution and Confirmation. Firstly, Execution includes financial transacting, research, gather information and analyze on market risks and situation. Secondly, Confirmation includes evaluating financial transactions whether financial matters were fully considered and contracts were made as agreed, etc

## (3) Further Steps in Risk Managment

The Company will organize the systematic body for better risk management and regularly participate in programs conducted by external institutions to raise risk managing

professionalism.

## B. Major Management Agreement

[Real Estate Property Transaction]

As expressed in 'IX. Transactions with Shareholders 2. Asset Transfer/Acquisition with Large Shareholders, etc. C. Real Estate Transaction' and 'X. Other Matters 1. Progress and Changes in Issues Disclosed,' the Company had the resolution of the Board of Directors (on Apr. 23, 2009 after the closing date) on real estate transaction with the affiliated company, Hyundai Motor.

The transacting date will be within May, 2009 and for further details on progress, refer to 'X. Other Matters 1. Progress and Changes in issues Disclosed.'

## C. Other Matters for Investment Decision-making

[Intellectual Property Right]

### – GLOVIS

1. Type : Trademark
2. Acquisition Date : Oct. 23, 2004, etc.
3. Title and Details  
Register the Company's name as a trademark
4. Relevant Law : Trademarks Law
5. Monopolistic, Exclusive Usage Period : 10 years (can renew every 10 years)

### – AutoWise

1. Type : Trademark
2. Acquisition Date : Feb. 14, 2006, etc.
3. Title and Details  
Register the Company's used car auction center as a trademark
4. Relevant Law : Trademarks Law
5. Monopolistic, Exclusive Usage Period : 10 years (can renew every 10 years)

### – Transport Palette

1. Type : Design
2. Acquisition Date : Feb. 27, 2007
3. Title and Details



Designed the transport palette with stumbled block between the edges of upper frame and supporting frame and registered the new design

4. Relevant Law : Design Law

5. Monopolistic, Exclusive Usage Period : 15 years

– Palette convenient for Folding

1. Type : Patent

2. Acquisition Date : Jan. 15, 2008

3. Title and Details

Patent for inventing palette folding

4. Relevant Law : Patent Law

5. Monopolistic, Exclusive Usage Period : 20 years

### [Environmental Management]

GLOVIS Co., Ltd. deeply understands the social responsibility and promotes the conservation of the Earth environment, established KS A ISO14001:2004 Environmental Management System in Dec. 2007. Under the environmental policy of "Minimization of Emission of Contaminants", "Effective Use of Resources and Energy", "Environmental Law Compliance", the Company set up detailed goals and actions for the preservation of the nature and continuous development. Also the Company follows the governmental policy on reduction of greenhouse gases and will grow as a leading Green-Logistics company.

### [Report for Compliance Program (CP) Operation]

– Operation of CP for 1st Half of 2008

1. Training related to Fair Trade

① On-the-Job Training : Invited a speaker for the training

(for team managers and deputy managers in all teams)

Conducted programs for new employees

② Off-the-Job Training : Attended lectures held by Fair Competition Federation

(for Compliance Officers and Employees)

2. In-depth CP Operation and Prevention Activities from Violating Laws and Regulations

① Arranged Compliance Committee and restructured the organization for Compliance

② Prevention Activities from Violation : Intensify Compliance Review

③ Published and distributed Compliance handbook

④ CEO's Declaration on Fair Competition Compliance

– CP Schedule for 2nd Half of 2008

1. Training related to Fair Trade

- ① On-the-Job Training : Web-based training

(for new employees)

- ② Off-the-Job Training : Attended lectures and forums held by Fair Competition Federation

(for Compliance Officers and Employees)

2. In-depth CP Operation and Prevention Activities from Violating Laws and Regulations

- ① Prevention Activities from Violation : Intensify Compliance Review

- ② Collected CP-related material and Distribute

- ③ CEO's Declaration on Fair Competition Compliance

- ④ CP Rating (by The Korea Fair Competition Federation)

- ⑤ CP Review

※ Reported the Operation of CP for 1st Half of 2008 and CP Schedule for 2nd Half of 2008 to the Board of Directors : Aug. 14, 2008

– Operation of CP for 2nd Half of 2008

1. Training related to Fair Trade

- ① On-the-Job Training : Web-based training

(for new employees)

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– CP Schedule for 1st Half of 2009

1. Training related to Fair Trade

- ① On-the-Job Training : Invited a speaker for the training

Conducted programs for new employees

- ② Off-the-Job Training : Attended lectures held by Fair Competition Federation

(for Compliance Officers and Employees)

2. In-depth CP Operation and Prevention Activities from Violating Laws and Regulations

- ① Arranged Compliance Committee and restructured the organization for Compliance

- ② CEO's Declaration on Fair Competition Compliance distribute the declaration to employees

- ③ Violation Reporting System improvement
- ④ CP Review
- ⑤ Prevention Activities from Violation : Intensify Compliance Review
- ⑥ Collected CP-related material and Distribute

※ Reported the Operation of CP for 2nd Half of 2008 and CP Schedule for 1st Half of 2009 to the Board of Directors : Feb. 13, 2009

### III. Finance

#### 1. Summary of Financial Information

##### A. Summary of Non-Consolidated Financial Information

(Unit: KRW MN)

Description	9th FY 1Q	8th FY	7th FY	6th FY	5th FY
[Current Assets]	665,977	558,511	546,617	501,122	514,285
• Quick assets	578,729	497,222	427,983	400,440	446,394
• Inventories	87,248	61,289	118,634	100,682	67,891
[Non-current Assets]	564,138	545,848	382,888	255,367	169,583
• Investments	253,112	231,343	172,523	129,253	91,143
• Tangible assets	282,888	286,289	188,388	107,809	69,423
• Intangible assets	7,412	7,924	5,849	6,107	4,812
• Other non-current assets	20,726	20,292	16,188	12,198	3,769
Total Assets	1,230,115	1,104,359	929,515	756,489	683,878
[Current Liabilities]	428,344	339,999	366,324	285,606	287,441
[Non-Current Liabilities]	151,310	137,645	43,788	32,416	21,689
Total Liabilities	579,654	477,644	410,112	318,022	309,130
[Capital Stock]	18,750	18,750	18,750	18,750	18,750
[Capital Surplus]	153,619	153,619	153,619	153,619	153,619
[Capital Adjustment]	–	–	–	–	–
[Accumulated Other Comprehensive Income]	31,586	19,415	11,014	5,488	1,889
[Retained Earnings]	446,506	434,931	336,020	260,610	200,480
Total Stockholder's Equity	650,461	626,715	519,403	438,467	374,748
Sales	575,031	3,065,235	2,510,188	1,885,087	1,540,836
Operating Income	32,129	129,079	92,906	55,621	78,521
On-going Business Income	30,494	117,662	81,035	66,687	79,966
Net income	30,494	117,662	81,035	66,687	79,966
Earnings per Share(KRW)	813	3,138	2,161	1,778	2,647

## B. Summary of Consolidated Financial Information

(Unit : KRW MN)

Description	8th FY	7th FY	6th FY	5th FY	4th FY
[Current Assets]	790,188	645,885	568,367	558,804	259,885
• Quick assets	728,514	526,841	467,685	490,913	257,195
• Inventories	61,674	119,044	100,682	67,891	2,690
[Non-current Assets]	531,607	377,044	257,621	176,905	123,214
• Investments	144,086	137,050	111,356	80,692	30,813
• Tangible assets	356,973	216,147	124,620	84,888	80,231
• Intangible assets	9,873	7,659	9,281	7,349	9,569
• Other non-current assets	20,675	16,188	12,365	3,976	2,601
Total Assets	1,321,795	1,022,929	825,988	735,709	383,099
[Current Liabilities]	555,839	458,311	349,012	328,771	218,275
[Non-Current Liabilities]	137,048	42,989	37,267	32,189	24,786
Total Liabilities	692,887	501,300	386,280	360,960	243,061
[Capital Stock]	18,750	18,750	18,750	18,750	15,000
[Consolidated Capital Surplus]	153,740	153,645	153,619	153,619	—
[Consolidated Capital Adjustment]	—	—	—	—	—
[Consolidated Accumulated Other Comprehensive Income]	19,492	11,051	5,443	1,899	209
[Consolidated Retained Earnings]	435,373	336,925	260,906	200,480	124,829
[Attributable to Minority Interest]	1,553	1,259	990	—	—
Total Stockholder's Equity	628,908	521,629	439,708	374,748	140,038
Sales	3,688,303	2,935,153	2,235,024	1,815,793	1,146,975
Operating Income	158,084	110,047	71,092	86,864	54,398
On-going Business Income	117,588	81,939	67,042	79,966	69,657
Consolidated Net income	117,588	81,939	67,042	79,966	69,657
Net income of Holding Company	117,294	81,670	66,983	79,966	69,657
Number of Companies included in the consolidated financial information	4	3	1	1	1

※ As of the end of previous fiscal year 2008, the Company's total assets are less than KRW 2 TN, no obligation of preparing consolidated financial statements for quarter and semi-annual. Therefore, the above consolidated financial information is based in the end of 2008.

## 2. Summary of Significant Accounting Policies

### A. Accounting Policies applied to Financial Statements

The Company's quarterly financial statements have been prepared in accordance with SKAS (Statement of Korea Accounting Standards) No. 1 – 23 (except for No. 14) as well as the Korea Financial Accounting Standards. The accounting policies which were applied in the annual consolidated financial statements for the fiscal year ended Dec. 31, 2008.

### B. Preparation and Effects of K-IFRS

The Company decided to apply K-IFRS from the fiscal year 2011 which all listed companies have obligation to apply from year 2011 (may apply earlier in 2009 on companies' decisions) and the relevant matters are as follows.

#### – Preparation for application of K-IFRS

For decisions on the early-adoption of K-IFRS in the Company, the Company organized Task-Force-Team right after the Financial Supervisory Service announced its roadmap of application of IFRS in Mar. 2007. The Company conducted learning programs in and out of the Company to analyze the effects well in advance. In Aug. 2008, the Company selected external advisors and had analyses of major differences in accounts as the 1st step. As the 2nd step, the Company is under the process of frameworking its accounting policy with prepared solutions on different accounts. The Company is planning for the 3rd step which includes the preparation of financial statements applying K-IFRS of as of Jan. 1, 2010 and onward.

### C. Other Consideration

#### [Particulars in Auditor's Review]

The considerable portion of sales of the Company is dependent on special interest groups, and the Company posted KRW 455,874 MN (79.3% of its total sales in 2009 1Q) and KRW 601,621 MN (86.2% of its total sales in 2008 1Q) in sales, KRW 160,360 MN and KRW 125,460 MN in purchase respectively to Hyundai Motor and other special interest groups. Related trade receivables and the balance of bonds

are KRW 165,772 MN and KRW 268,238 MN respectively and trade payables and the balance of liabilities are KRW 146,092 MN and KRW 103,526 MN respectively as of Mar. 31, 2009 and 2008.

The Company provides USD 44,400,000 and EUR 16,950,000 of payment guarantees to GLOVIS America Inc. and other special interest groups.

## IV. Auditor's Opinion, etc.

### 1. Auditor (Certified Public Accountant)'s Opinion, etc.

#### A. Auditor

The auditor for the 7th – 9th fiscal years is Ernst & Young HanYoung.

#### B. Auditor's (or Reviewer's) Opinion

The auditor's opinion from the 7th fiscal year to now are as follows.

- 7th FY : Qualified
- 8th FY : Qualified
- 9th FY 1Q : –

※ The 1st quarter of the 9th fiscal year is applicable only for review, not audit, meaning no audit opinion.

#### C. Audit Credit

The audit services with the Company and Ernst&Young are as follows.

(Unit: KRW MN, hours)

Fiscal year	Auditor	Details	Total service time	Compensation
9th	Ernst & Young HanYoung	Quarter/half period review, individual/consolidated audit contracts	–	170
8th	Ernst & Young HanYoung	Quarter/half period review, individual/consolidated audit contracts	2,496	200
7th	Ernst & Young HanYoung	Quarter/half period review, individual/consolidated audit contracts	1,906	180

(Note) Above credit contract is based on 1-year compensation contract and is VAT excluded.

The total service hour for 9th year contract has not yet been realized as of the submission date and the audit is still in process therefore no entry has been made.

#### D. Non-audit Contract with External Auditors

The audit services with the Company and Ernst&Young are as follows.

(Unit: KRW MN)

Fiscal year	Contract date	Service details	Service period	Compensation
9th	Mr. 26, 2009	Preparation of English Auditor's Report (9th FY)	–	30
8th	Apr. 8, 2008	Preparation of English Auditor's Report (8th FY)	–	50
7th	Mar. 5, 2007	Preparation of English Auditor's Report (7th FY)	Mar. 24, 2008 ~ May 9, 2008	50

(Note) The above compensations are VAT excluded.



The service period of 8th Auditor's Report in English has not been completed, therefore not stated here.

The service period of 9th Auditor's Report in English has not been occurred, but it is scheduled, therefore not stated here.

## 2. Internal Control over Financial Reporting (ICFR)

### A. Operation of ICFR

#### (1) ICFR Operating Organization

Belonged Body	Responsible	Title	Duty
Auditor(Committee)	Steinar Forberg	Auditor	Evaluating operation
Board of Directors	Je Seo Park	ICFR Manager	Evaluating operation
Disclosure, Finance	Sung Youb Na	Head of Finance	Disclosure
Accounting	Woon Yong Park	Head of Accounting	Accounting
Business Supporting	Bong Jung Ko	General Deputy Manager	Business supporting
Strategy Planning	Jeong Ju Hyun	Deputy Manager	Strategy planning
IT	Chan Moon Jeong	Deputy Manager	IT system
Automotive Logistics	Han Seong Lee	General Deputy Manager	Automotive logistics in general
Corporate Logistics	Jae Beom Pakr	Deputy Manager	Corporate logistics in general

#### (2) ICFR Operation Evaluation

- ICFR manager conducts ICFR operation evaluation twice a year and reports the result to the Board of Directors and audit at the next BOD meeting of evaluation
- Auditor reviews the evaluation result received from ICFR manager, then report the opinion to the Board of Directors in written form

### B. Evaluation on ICFR

Description	Evaluation	External Auditor
9th FY	–	–
8th FH	<ul style="list-style-type: none"> <li>• Assessment period : Jul. 1, 2008 ~ Jul. 22, 2008 / Dec. 15, 2008 ~ Jan. 7, 2009</li> <li>• Report date : Jul. 24, 2008 / Jan. 9, 2009</li> <li>• Result The Company's ICFR is effectively designed and operated, in all material respects, in conformity with the Best Practice Guideline</li> </ul>	Based on the review of management's report on the operations of the ICFR, nothing has come to our attention that causes us to believe that management's report referred to above is not presented fairly, in all material respects, in accordance with the ICFR standards
7th FY	<ul style="list-style-type: none"> <li>• Assessment period : Sept. 27, 2007 ~ Oct. 17, 2007 / Jan. 9, 2008 ~ Jan. 24, 2008</li> <li>• Report date : Nov. 10, 2007 / Dec. 15, 2008</li> <li>• Result The Company's ICFR is effectively designed and operated, in all material respects, in conformity with the Best Practice Guideline</li> </ul>	Based on the review of management's report on the operations of the ICFR, nothing has come to our attention that causes us to believe that management's report referred to above is not presented fairly, in all material respects, in accordance with the ICFR standards

## V. Opinion of Board of Directors on Business

Opinion of Board of Directors on Business for quarter is not stated.

## VI. Board of Directors, Corporate Governance, and Related Companies

### 1. Board of Directors Overview

#### A. Composition of the Board of Directors

As of Mar. 31, 2009, the Board of Directors of the Company is composed of 3 standing directors (including CEO), 3 non-standing directors, 2 outside directors, and 1 standing auditor.

Since the Company's total assets for the previous fiscal year was less than KRW 2 TN, the Company has no obligation of organizing Audit Committee. As of now, the Company does not have any committees in the Board of Directors including Audit Committee.

※ The profiles of the members of Board of Directors are stated in 'VIII. Executives and Employees, etc. 1. Executives and Employees A. Executives (1) Registered Executives'.

#### B. Major Resolution of the Board of Directors

Meetings	Date of BOD	Agenda	Approval/ Objection	Outside Director	
				Jeong Soo Lee	Sjur Galtung
1st Extraordinary BOD Meeting	Jan. 23, 2009	① Approval of the 8th (Jan. 1, 2008–Dec. 31, 2008) financial statement	Approved	Approved	Approved
1st Regular BOD Meeting	Feb. 13, 2009	① Convening of the 8th Regular Annual General Meeting of Shareholders 1) Date: Mar. 13, 2009 (Fri) at 10:00 a.m. 2) Venue: Auditorium of Hyundai Marine&Fire Insurance Building at 646 Yeoksam-dong, Gangnam-gu, Seoul 3) Agenda: – Approval of the 8th balance statement, income statement, statement of retained earning appropriation(proposed) – Amendments to the Articles of Incorporation – Appointment of directors – Appointment of auditor – Approval of remuneration ceiling for directors – Approval of remuneration ceiling for auditor ② Decision on cash dividend 1) Dividend per share: KRW 500 (100% of book value dividend ratio) 2) Total dividend amount: KRW 18,750 MN 3) Dividend date: Dec. 31, 2008 ※ Report Matter ① CP Operation for 2nd half of 2008 and CP Schedule for 1st half of 2009 ② Internal Control over Financial Reporting	Approved	Approved	Approved
			Approved	Approved	Approved
2nd Extraordinary BOD Meeting	Mar. 11, 2009	① Appointment of External Auditor	Approved	Approved	Approved
3rd Extraordinary BOD Meeting	Mar. 13, 2009	① Election of Representative Director	Approved	Approved	Approved

Meetings	Date of BOD	Agenda	Approval/ Objection	Outside Director	
				Jeong Soo Lee	Sjur Galtung
4th Extraordinary BOD Meeting	Apr. 23, 2009	① Sale of Sihwa Site and Purchase of Bundang Auction Center Site	Approved	Approved	Approved
2nd Regular BOD Meeting	Apr. 28, 2009	① Approval of Business Performance for 2009 1st quarter ② Payment Guarantee Agreement for Overseas Subsidiary ③ Approval for Large-scale Intra-group Transaction	Approved Approved Approved	Approved Approved Approved	Approved Approved Approved

## 2. Audit System

### A. Personal Data of Auditor

The Company has no audit committee(arranged by outside director) established, but has one standing statutory auditor who was appointed at the general shareholders meeting. As of Mar. 31, 2009, the auditor of the Company is Steinar Forberg.

The personal data of Steinar Foreberg is as follows.

- ① Born : Jun. 3, 1947, Norway
- ② Education : Norwegian School of Business and Administration (1982)
- ③ Major Experience
  - CFO of Eukor Car Carriers Inc. (2002~2005)
  - Senior Consultant of HANSA MANAGEMENT Group (2001 ~2002)
  - Secretary General, Norwegian Sea Rescur Company (1998~2000)

### B. Supports to Auditor's Role

The Company has established in the Articles of Incorporation to provide the auditor more accessibility to the Company's information.

- ① Article 27 paragraph 3 : At any time, the auditor may inspect or reproduce the accounting records and documents and request the Directors to provide a business report or investigate the Company's affairs and financial status.
- ② Article 27 paragraph 4 : The auditor may attend meetings of the Board of Directors and express his opinions.
- ③ Article 27 paragraph 7 : The auditor may request the Company's subsidiary to report

Also, an arm to support the auditor is organized in Finance Team for the auditor to reach the information at desired time period.

The auditor of the Company attended all Board of Directors Meetings convened in 2009.

The auditor reports to the BOD twice a year.

Meetings	Date of BOD	Agenda	Approval/ Objection	Remark
1st Extraordinary BOD Meeting	Jan. 23, 2009	① Approval of the 8th (Jan. 1, 2008~Dec. 31, 2008) financial statement	Approved	
1st Regular BOD Meeting	Feb. 13, 2009	① Convening of the 8th Regular Annual General Meeting of Shareholders 1) Date: Mar. 13, 2009 (Fri) at 10:00 a.m. 2) Venue: Auditorium of Hyundai Marine&Fire Insurance Building at 646 Yeoksam-dong, Gangnam-gu, Seoul 3) Agenda: - Approval of the 8th balance statement, income statement, statement of retained earning appropriation(proposed) - Amendments to the Articles of Incorporation - Appointment of directors - Appointment of auditor - Approval of remuneration ceiling for directors - Approval of remuneration ceiling for auditor	Approved	
		② Decision on cash dividend 1) Dividend per share: KRW 500 (100% of book value dividend ratio) 2) Total dividend amount: KRW 18,750 MN 3) Dividend date: Dec. 31, 2008  ※ Report Matter ① CP Operation for 2nd half of 2008 and CP Schedule for 1st half of 2009 ② Internal Control over Financial Reporting	Approved	
2nd Extraordinary BOD Meeting	Mar. 11, 2009	① Appointment of External Auditor	Approved	

Meetings	Date of BOD	Agenda	Approval/ Objection	Remark
3rd Extraordinary BOD Meeting	Mar. 13, 2009	① Election of Representative Director	Approved	
4th Extraordinary BOD Meeting	Apr. 23, 2009	① Sale of Sihwa Site and Purchase of Bundang Auction Center Site	Approved	
2nd Regular BOD Meeting	Apr. 28, 2009	① Approval of the 1st quarter of the 9th FY financial Statement ② Payment Guarantee Agreement for Overseas Subsidiary ③ Approval for Large-scale Intra-group Transaction	Approved Approved Approved	

### 3. Shareholders' Voting Right

#### A. Voting System

Since the establishment on Feb. 22, 2001, the Company has adopted written voting system pursuant to Article 17-2 of the Articles of Incorporation for shareholders' voting rights.

- ① Shareholders may exercise their voting rights in writing without attending the General Meeting of the Shareholders.
- ② The Company shall attach the necessary document and reference materials necessary for the exercise of voting rights to the notice convening the General Meeting of the Shareholders.
- ③ Shareholders desiring to exercise their voting rights in writing shall submit materials necessary for the exercise of voting rights in writing by the day prior to the General Meeting of the Shareholders.

## 4. Affiliated Companies under the Group, etc.

### A. Affiliated Companies

#### (1) Domestic

Industry	No. of companies	Listed on the Securities Market	Unlisted
Vehicle manufacturing and sales	2	Hyundai Motor KIA Motors	
Vehicle parts manufacturing	12	Hyundai Mobis Hyundai Autonet	Dymos KEPCO Hyundai Powertech WA WISCO Metia IHL AIA MSEAT PARTECS
Steel manufacturing	4	Hyundai Hysco Hyundai Steel BNG Steel	Samwoo
Securities	1	HMC Investment Securities	
Installment financing	2		Hyundai Capital Hyundai Commercial
Credit sales financing	1		Hyundai Card
Service, golf club	2		Haevichi Resort Haevichi CC
Logistics	1	GLOVIS	
IT business	2		AutoEverSystems MN Soft
Vehicle core technology development	2		NGV Carnes
Train manufacturing and sales	3		Hyundai ROTEM Seoul Metro Line 9 Maintrans
Professional baseball team	1		KIA Tigers
Professional soccer team	1		Jeonbuk Hyundai Motors FC
Construction	1		AMCO
Advertisement agency	1		Innocean
Artificial joint design	1		Corentec
Book publishing and manufacturing	1		Jongro Hakpyeong
Academy operation	1		Jongro Education
Industrial gas manufacturing and sales	1		Greenair
Landscape	1		Seorim Development
Forestation, etc.	1		Seorim Environment Technology
Total	41	9	32



## (2) Overseas

No	Company	Remark
1	Hyundai Motor India Ltd.	
2	Hyundai-Assan Otomotiv Sanayi Ve Ticaret A.S.	
3	Beijing Hyundai Motor Company	
4	Beijing Jinxian Motor Safeguard Service Co., Ltd	
5	Hyundai Translead	
6	Hyundai Motor Manufacturing Alabama	
7	Stamped Metal American Research Technology, Inc	
8	Hyundai Motor Poland	
9	Hyundai Motor Company Australia PTY LTD.	
10	Hyundai Motor Japan Co., Ltd	
11	Hyundai Motor America, Inc.	
12	Hyundai Motor Finance Company	
13	World Marketing Group	
14	Hyundai Motor Europe GmbH	
15	Hyundai Auto Canada Captive Insurance Ltd	
16	Global Engine Alliance LLC	
17	Global Engine Manufacturing Alliance LLC	
18	Hyundai America Technical Center Inc.	
19	Hyundai Motor Japan R&D Center Inc.	
20	Hyundai de Mexico S.A.	
21	Hyundai Rio Vista, Inc	
22	China Millennium Corporation I	
23	China Millennium Corporation II	
24	China Millennium Corporation III	
25	Beijing Hines Millenium Real Estate Development Co.	
26	Hyundai Motor Group (China) Ltd	
27	Hyundai Motor Hungary	
28	Hyundai Motor Europe Technical Center GmbH	
29	Hyundai Motor Norway AS	
30	Hyundai Information Service North America	
31	Hyundai Motor UK Limited	
32	Kia Motors America Inc.	
33	Kia Canada Inc.	
34	KIA Motors Deutschland GmbH	
35	Kia Motors Europe GmbH.	
36	Kia Motors Polska Sp.z o.o.	
37	Kia Motors United Kingdom Ltd	
38	Kia Motors Austria GmbH	
39	Kia Motors Belgium GmbH	
40	Kia Motors Hungary GmbH	
41	Kia Motors Czech GmbH	
42	Kia Motors Sweden AB(KMSw)	
43	Kia Motors Iberia S.L(KMIb)	
44	Kia Motors France SAS	
45	Kia Motors SlovaKIA s.r.o(KMS)	
46	Dongfeng Yueda Kia Motor Co., Ltd	
47	Kia Japan Co., Ltd.	
48	Yanji KIA Motors Maintenance & Repair LTD	
49	Kia Motors Australia Pty Ltd	
50	Kia Motors Sales Slovensko s.r.o	

No	Company	Remark
51	Kia Motors New Zealand Ltd	
52	Shanghai Hyundai Mobis Automotive Parts Co., Ltd.	
53	Jiangsu Mobis Automotive Parts Co., Ltd.	
54	Beijing Hyundai Mobis Automotive Parts Co., Ltd.	
55	Beijing Mobis Transmission Co., Ltd.	
56	Mobis America Inc.	
57	Hyundai Motor (Shanghai) Co., Ltd	
58	Mobis Parts Europe N.V.	
59	Mobis Parts Deutschland GmbH	
60	Mobis Parts Middle East Free Zone Establishment	
61	Beijing Mobis Chonche Automotive Parts Co., Ltd.	
62	Mobis Slovakia s.r.o	
63	Mobis Parts Australia PTY LTD.	
64	Beijing Hyundai Mobis Parts Co., Ltd	
65	Mobis Parts CIS	
66	Mobis Parts Jiangsu Yueda Trading Co., Ltd.	
67	American Autoparts, Inc.	
68	Ohio Module Manufacturing Co., LLC	
69	Mobis India Limited	
70	Hyundai Mobis(HongKong) Co.,Ltd	
71	Mobis Alabama, LLC	
72	Mobis Parts America, LLC	
73	Mobis Parts Detroit, LLC	
74	WUXI Mobis Automotive Autoparts Co.,LTD	
75	QINGDAO HYUNDAI MACHINERY CO.,LTD.	
76	Hyundai Pipe of America, Inc.	
77	Beijing Hyundai Hysco Steel Process Co., Ltd.	
78	Hysco America Company, Inc.	
79	Hysco Slovakia,s.r.o	
80	Hyundai (high technology) electronics (Tianjin)	
81	Hyundai Autonet America	
82	ROTEM USA Corporation	
83	Hyundai-KIA Machine America Corporation	
84	WA AUTOMOTIVE PARTS CO., Ltd	
85	Hyundai-KIA Machine Europe GmbH	
86	Glovis America, Inc.	
87	Glovis Alabama, LLC.	
88	Glovis Slovakia, s. r. o	
89	Beijing GLOVIS Warehousing & Transportation Co.Ltd.	
90	Glovis Australia Pty.Ltd	
91	GLOVIS EUROPE GmbH	
92	GLOVIS INDIA PRIVATE LIMITED	
93	Global Auto Processing Services, Inc	
94	BNG Steel Japan Corp.	
95	AMCO America, Inc	
96	AMCO India Construction Private, Ltd	
97	Beijing Lear Dymos Automotive Systems Co., Ltd	
98	Innocean Worldwide Communication Private Limited	
99	Jiangsu Hyundai Hysco Steel Process Co., Ltd	
100	Hysco Steel India., Ltd	
101	INNOCEAN WORLDWIDE UK LIMITED	
102	EUROTEM	

No	Company	Remark
103	Hyundai Motor Manufacturing Czech, s.r.o.	
104	Junggun AMCO (Beijing) Construction Co., Ltd	
105	AutoEver Systems India Private Limited	
106	Rotem Equipments (Beijing) Co., Ltd.	
107	Autoever Systems China Co.,Ltd.	
108	Kia Motors Manufacturing Georgia, Inc.	
109	WA Train engine (Shandong) Co., Ltd.	
110	HMCIS B.V.	
111	AutoEverSystems Europe GmbH	
112	Hyundai Motor India Engineering	
113	Dymos Czech Republic s.r.o	
114	Hyundai Auto Canada Corp.	
115	Mobis Automotive Czech s.r.o.	
116	Hyundai Motor CIS LLC	
117	Mobis Parts Brazil Intermediacao de Negocios Ltda	
118	Hyundai Autonet India Engineering Private Limited	
119	HYSKO CZECH s.r.o	
120	amco Cambodia Co.,Ltd.	
121	GLOVIS LOGISTICS Ltd.	
122	Glovis Czech Republic s.r.o.	
123	Innocean Worldwide Europe GmbH	
124	GLOVIS Georgia, LLC	
125	GLOVIS Hong Kong Co.,Ltd	
126	Hyundai Autonet India Private Limited	
127	Dymos India Automotive Private Limited	
128	Hyundai Autonet Europe	
129	Mobis Module CIS	
130	Hyundai Motor Manufacturing Rus LLC	
131	AMCO RUS L.L.C.	
132	Mobis Auto Parts Middle East Egypt	
133	AMCO • MIBA EK VINA COMPANY LIMITED	
134	Rotem Automotive India Private Limited	
135	Hyundai powertech Manufacturing America, inc.	
136	Dymos Lear Automotive India Private Limited	
137	Hyundai Auto Czech s.r.o.	
138	Innocean Worldwide Australia Pty Ltd	
139	GLOVIS RUS LLC	
140	Innocean Worldwide Italy Srl	
141	Innocean Worldwide China Beijing	
142	Global Auto Processing Services, LLC	
143	KMRus B.V (KIA MOTORS RUSSIA B.V)	
144	KMRus LLC (KIA MOTORS RUSSIA LLC)	
145	Hyundai Motor Company Italy	
146	KEFICO Automotive Systems(Beijing) Co., Ltd.	
147	Innocean Worldwide Holdings, Inc.	
148	Innocean Worldwide Rus LLC.	
149	HYUNDAI HYSKO RUS LLC.	
150	Innocean Worldwide China Shanghai	

### (3) Equity-Holding Distribution Table of Domestic Affiliated Companies

[As of Mar. 31, 2009]

(Unit : %)

Subsidiary	Hyundai Motor	KIA Motors	Hyundai MOBIS	Hyundai Steel	Hyundai Hysco	Hyundai ROTEM	WIA	BNG Steel	KEFICO	Dymos	Hyundai Power-tech	Auto-Ever Systems	WISCO	KIA Tigers	Haevichi Resort	NGV	AMCO	Hyundai Capital	Hyundai Card	Metia
Investor																				
Hyundai Motor		38.67			26.13	57.64	39.46		50.00	47.27	37.58	29.90				53.66		56.47	31.52	
KIA Motors			17.76	21.39	13.91		39.33			45.37	37.58	20.00		100	40.00	24.39	19.99		11.48	
Hyundai MOBIS	14.95										24.85	20.00			10.00		19.99			
Hyundai Steel	5.84		6.28					41.12											5.44	
GLOVIS															5.00		24.96			
Dymos																				48.53
Metia													38.63							
AMCO																				
WIA										5.12					25.00					50.94
Hyundai ROTEM																				
Hyundai Autonet																				
Seorim Development																				

  

Subsidiary	IHL	AIA	Mseat	Seoul Metro Line 9	Hyundai Auto-net	MN Soft	Car-nes	Par-tecs	Haevi-chi CC	Hyundai Commercial	HMC Investment Securities	Jeong-buk Hyundai Motors FC	Green-air	Main-trans	Seorim Environment Technology	GLO-VIS	Inno-cean	Seorim Development	Coren-tec	Jongro Hak-pyeong	Jongro Education	Sam-woo
Investor																						
Hyundai Motor					16.77	31.84	50.00	56.00	30.00	50.00	27.43	100.00										
KIA Motors					8.91			31.00	15.00		3.84											
Hyundai MOBIS	100.00							13.00	15.00	20.00	16.46											
Hyundai Steel											3.29											
GLOVIS					6.73																	
Dymos			99.81																			
Metia																						
AMCO									40.00		3.84											
WIA		100.00																				
Hyundai ROTEM				25.00									51.00	80.00								
Hyundai Autonet						25.67																
Seorim Development															75.00							

\* The table above is based on common stock.

\* The table above is based on 'FTC restrictions on mutual investment (total amount of investment and debt guarantee)' [FTC: Fair Trade Commission].

#### (4) Equity-Holding Distribution Table of the Company's Overseas Subsidiaries

[As of Mar. 31, 2009]

(Unit: %)

Subsidiary Investor	GLOVIS America	GLOVIS Alabama	GLOVIS Georgia	GAPS	GAPS LLC	GLOVIS Europe	GLOVIS Slovakia	GLOVIS Czech	GLOVIS Turkey	Beijing GLOVIS	GLOVIS Hongkong	GLOVIS India	GLOVIS Australia	GLOVIS Russia
GLOVIS	100	—	—	—	—	100	100	100	100	100	100	100	100	100
GLOVIS America	—	100	100	75	—	—	—	—	—	—	—	—	—	—
GAPS	—	—	—	—	100	—	—	—	—	—	—	—	—	—

#### B. Investment in Companies

[As of Mar. 31, 2009]

(Unit : Shares, KRW 1,000, %)

Company	Purpose of Investment	Balance at Beginning			Increase(Decrease)			Balance at Ending			Financial Status for the Recent Fiscal Year	
		Shares	Holding Ratio	Book Value	Acquisition(Disposal)		Evaluated P&L	Shares	Holding Ratio	Book Value	Total Assets	Net Income
					Shares	Amount						
AMCO	Participation in management	2,496,213	24.96%	90,402,648	1,248,106	—	4,161,542	3,744,319	24.96%	94,564,190	1,024,736,515	19,347,121
Hyundai Autonet	Participation in management	15,597,929	6.73%	25,122,646	—	—	(766,935)	15,597,929	6.73%	24,355,711	672,353,456	(15,337,751)
Hyundai Food System	Participation in management	1,560,000	19.50%	7,076,549	—	—	2,859,949	1,560,000	19.50%	9,936,498	104,663,028	4,236,874
Hyundai IT	Receivables convertible to equity securities	6,988	0.01%	1,573	(6,988)	(1,573)	—	—	0.00%	—	—	—
Luco	Participation in management	10,000	16.67%	100,000	—	—	—	10,000	16.67%	100,000	130,095	(29,889)
Haevichi Resort	Participation in management	155,000	5.00%	—	—	—	—	155,000	5.00%	—	308,876,824	(3,197,330)
Hyundai A&I	Hyundai Food System stock split	39,000	19.50%	14,319,370	—	—	—	39,000	19.50%	14,319,370	75,872,733	463,824
GLOVIS America	Participation in management	16,000	100.00%	64,465,454	—	—	8,394,524	16,000	100.00%	72,859,978	256,897,876	2,319,604
GLOVIS Slovakia	Participation in management	—	100.00%	14,048,072	—	—	2,720,271	—	100.00%	16,768,343	26,240,016	100,928
Beijing GLOVIS	Participation in management	—	100.00%	3,231,114	—	—	849,442	—	100.00%	4,080,556	16,225,430	593,589
GLOVIS Europe	Participation in management	—	100.00%	5,932,093	—	—	1,312,498	—	100.00%	7,244,591	38,780,664	1,194,984
GLOVIS India	Participation in management	—	100.00%	605,821	—	—	—	—	100.00%	605,821	10,883,033	(58,713)
GLOVIS Australia	Participation in management	—	100.00%	454,769	—	—	—	—	100.00%	454,769	5,222,674	9,396
GLOVIS Turkey	Participation in management	—	100.00%	460,842	—	—	—	—	100.00%	460,842	1,640,557	(38,677)
GLOVIS Czech	Participation in management	—	100.00%	4,475,470	—	—	1,523,201	—	100.00%	5,998,671	23,830,973	1,148,827
GLOVIS Hong Kong	Participation in management	—	100.00%	117	—	—	—	—	100.00%	117	—	—
GLOVIS Russia	Participation in management	—	100.00%	638,132	—	716,136	—	—	100.00%	1,354,268	2,032,152	(4,704)
Total				231,334,669		714,563	21,054,492			253,103,724	2,568,386,026	10,748,083

## VII. Matters on Shareholders

### 1. Major Shareholders

#### A. Major Shareholders and Affiliated Persons

Major Shareholders are Eui Sun Chung, the CEO of Kia Motors, Mong Koo Chung, the Chairman of Hyundai/Kia Automotive Group and the relative of ES Chung, and Haevichi Social Contribution Committee, the non-profit foundation. Also as a co-shareholder, there is Wilh. Wilhelmsen ASA.

Haevichi Social Contribution Committee, non-profit foundation, supports to provide cultural activities to the margins of society. Recently, the Committee has been conducting 'Haevichi Sunny School' at branch schools in sub-urban area for cultural-art activities.

Wilh. Wilhelmsen ASA is a Norwegian shipping company and its assets are USD 3,250 MN as of the end of 2008. WW ASA's group CEO is Ingar Skaug. WW ASA has marine network established throughout Northeastern Europe and has subsidiaries in the field of shipping and logistics business.

In 2004, Wilh. Wilhelmsen ASA and the Company reached a strategic partnership. By the advanced logistics measures, sharing logistics infrastructure, etc., both companies maximize synergy effects in all business area.

## B. Major Shareholders' Shares

The shareholding status of major shareholders and related parties as of Mar. 31, 2009 is as below.

Name	Relationship	Type of shares	Holding Shares(Ratio)			
			Beginning		Ending	
			Shares	Equity Ratio	Shares	Equity Ratio
Euit Sun Chung	Majority Shareholder	Common stock	11,954,460	31.88%	11,954,460	31.88%
Mong Koo Chung	Relative	Common stock	9,134,658	24.36%	9,134,658	24.36%
Haevichi Social Contribution Committee	Foundation	Common stock	760,882	2.03%	760,882	2.03%
Wilh. Wilhelmsen ASA	Co-shareholder	Common stock	7,500,000	20.00%	7,500,000	20.00%
Total		Common stock	29,350,000	78.27%	29,350,000	78.27%

### ※ Changes after the Closing Date

- Apr. 27, 2009 : The co-shareholder Wilh. Wilhelmsen ASA sold 1,861,418 shares, therefore the equity ratio is changed from 20.0% to 15.03%.

## 2. Shareholder Distribution

### A. Shareholders with 5% and higher shares

More than 5% of shareholding as of Mar. 31, 2009 are as follows.

Ranking	Name	Beginning		Ending		Remark
		Shares	Equity Ratio	Shares	Equity Ratio	
1	Eui Sun Chung	11,954,460	31.88%	11,954,460	31.88%	
2	Mong Koo Chung	9,134,658	24.36%	9,134,658	24.36%	
3	Wilh. Wilhelmsen ASA	7,500,000	20.00%	7,500,000	20.00%	
4	National Pension Service	–	–	1,874,415	5.00%	Newly reported on Mar. 6, 2009

### ※ Changes after the Closing Date

- Apr. 7, 2009 : National Pension Service further acquired the shares, thereby total number of shares held by National Pension Service is 2,249,520 (6.00%) and the related public disclosure has been made.
- Apr. 27, 2009 : Co-shareholder, Wilh. Wilhelmsen ASA sold 1,861,418 shares and the equity holding ratio is changed from 20.00% to 15.03%.
- May 4, 2009 : Mirae Asset Management newly reported the shareholding of 2,035,217 of GLOVIS shares (5.43%) to the public.
- May 8, 2009 : National Pension Service further acquired shares, now holding 2,664,177 shares (7.10%) in total and disclosed the matter to the public.

### 3. General Affairs on Shares

Preemptive Rights on the Articles of Incorporation	<p>Article 9 (Preemptive Rights)</p> <p>(1) The Company's shareholders shall have the preemptive right to subscribe for new shares in proportion to their respective shareholding ratios.</p> <p>(2) Notwithstanding the provision of Paragraph (1), the Company may allocate new shares to persons other than the existing shareholders in the following cases:</p> <p>(a) Where new shares are issued by initial public offering or where underwriters are made to underwrite new shares in accordance with the Securities and Exchange Act ("SEA") within the limit of 20/100 of the total issued and outstanding shares as of after the initial public offering;</p> <p>(b) Where the Company issues new shares preferentially to the members of the Employee Stock Ownership Association, in accordance with Article 191-7 of the SEA;</p> <p>(c) Where new shares are issued by general public offering pursuant to approval of the board of directors in accordance with the SEA within the limit of 10/100 of the total issued and outstanding shares as of after the general public offering; and</p> <p>(d) Where new shares represented by depositary receipt ("DR") are issued in accordance with the SEA, within the limit of 10/100 of the total issued and outstanding shares as of after the DR issuance.</p> <p>(3) In the event new shares are issued in accordance with Paragraph (2) above, the type, number and price of the shares will be determined through the resolution of the Board of Directors.</p> <p>(4) If any shares are not subscribed for by a shareholder or if fractional shares result from the allocation of new shares, the shares which have not been subscribed for or allocated shall be disposed of in accordance with a resolution of the Board of Directors.</p>		
Closing date	Dec. 31	Annual General Shareholders' Meeting	within 3 months after closing date
Closing period of Shareholders' List	Jan. 1 ~Jan. 31		
Type of Share certificate	one, five, ten, fifty, one hundred, five hundred, one thousand, ten thousand (8 types)		
Stock Transfer Agent	Hanabank, Securities Agency Business		
Shareholders' Privilege	N/A	Relevant newspaper for announcements	① Korea Economic Daily ② Mae'il Business Newspaper, Munhwaillbo (If Korea Economic Daily is unavailable)

### 4. Share Price and Performance

It is transportation/storage type in KOSPI in the securities market where the Company's common stocks are traded. Please refer to the below table for the performance of the Company's share price and trading volume.

(Unit: KRW, shares)

Category		Oct. 2008	November	December	Jan. 2009	February	March
Common stock	High	67,500	57,900	47,900	48,800	54,000	55,800
	Low	45,000	45,000	37,550	42,400	48,400	50,100
	Average	58,414	49,465	43,700	44,692	51,755	52,814
Trading volume of month		1,886,156	2,451,332	3,055,703	1,494,707	1,533,107	1,084,598

\* The above share prices(high, low, average) is based on the closing prices.



## VIII. Executives and Employees, etc.

### 1. Executives and Employees

#### A. Executives

##### (1) Registered Executives

There are 9 registered executives in total including 6 inside directors, 2 outside directors, and 1 standing auditor. Details are stated below.

(As of Mar. 31, 2009)

Title	Standing/ Non-standing	Name	Date of birth	Major Experience	Duty	Appointment date	Expiration date	Number of Shares Holding
President	Standing	Kyung Sun Lee	Jun. 6, 1948	former) President of Hyundai Motor	CEO	Mar. 13, 2009	Mar. 13, 2012	–
Executive Director	Standing	Jin Key Hong	Nov. 18, 1962	former) Director Equivalent of Hyundai Space & Aircraft	Head of Automotive Logistics Division	Mar. 14, 2008	Mar. 14, 2011	–
Director	Standing	Je Seo Park	Jul. 1, 1968	former) General Manager of Hyundai Motor	Head of Business Supporting Division	Mar. 14, 2008	Mar. 14, 2011	–
Director	non-standing	Jung Dae Lee	Oct. 27, 1965	present) Vice Chairman of Hyundai Motor former) President, Hyundai Motor	Member of BOD	Mar. 14, 2008	Mar. 14, 2011	–
Director	non-standing	Yong Bae Lee	Apr. 8, 1961	present) Managing Director of Hyundai Motor former) Director, Hyundai Motor	Member of BOD	Mar. 14, 2008	Mar. 14, 2011	–
Director	non-standing	Sang Kon Ma	May 25, 1940	present) CEO of Hyopwoon Shipping former) Chairman of International Shipping Agency Association of Korea	Member of BOD	Mar. 14, 2008	Mar. 14, 2011	–
Outside Director	non-standing	Jeong Soo Lee	Apr. 5, 1960	present) Lawyer of Kim & Chang former) Assistant Prosecutor General of Supreme Prosecutor's Office	Member of BOD	Mar. 13, 2009	Mar. 13, 2012	–
Outside Director	non-standing	Sjur Galtung	Jul. 21, 1943	present) Deputy CEO of Wilh. Wilhelmsen former) CFO of Wilh. Wilhelmsen	Member of BOD	Mar. 13, 2009	Mar. 13, 2012	–
Auditor	standing	Steinar Forberg	Jun. 3, 1947	former) Advisor of HANSA MANAGEMENT Group former) CFO of Eukor Car Carriers Inc.	Auditor	Mar. 14, 2008	Mar. 14, 2011	–

##### (2) Non-Registered Executives

The non-registered executives of the Company are as follows.

(As of Mar. 31, 2009)

Title	Standing/ Non-standing	Name	Date of birth	Duty	Appointment date	Number of Shares Holding
Senior Managing Director	standing	Bong Choon Jang	Apr. 30, 1961	Head of Corporate Logistics Business	Jan. 1, 2009	–
Managing Director	standing	Geon Young Jeong	May 10, 1954	Head of GLOVIS Europe	Jan. 1, 2008	–
Director	standing	Jong Jin Kim	Mar. 23, 1966	Head of Finished Car Logistics	Feb. 15, 2007	14,500
Director	standing	Jin Ok Kim	Mar. 27, 1963	Head of PCC Operation	Dec. 15, 2008	–
Director	standing	Chul Soo Chung	Mar. 17, 1965	Head of Steel Logistics	Jan. 1, 2009	–
Director	standing	Nam Jeong Song	Oct. 5, 1967	Head of Auto-Parts Logistics	Jan. 1, 2009	12,004
Director Equivalent	standing	Myeong Seob Han	Apr. 2, 1961	Head of Strategy & Planning Group	Feb. 15, 2007	–
Director	standing	Seon Chae Hwang	Sept. 15, 1968	Head of IT Group	Sept. 1, 2007	–

Title	Standing/ Non-standing	Name	Date of birth	Duty	Appointment date	Number of Shares Holding
Equivalent						
Director Equivalent	standing	Yoon Soo Lim	Apr. 16, 1960	CEO of Beijing GLOVIS	Dec. 4, 2007	2,000
Director Equivalent	standing	Seung Yong Sung	Feb. 12, 1961	CEO of GLOVIS Georgia	Jan. 1, 2008	7,800
Advisor	non-standing	Myeong Joong Yun	Jul. 20, 1941	Advisor	Jan. 1, 2008	—

※ Changes after the Closing Date

– May 5, 2009 : Public report on Sale of Shares by Director equivalent, Nam Jeong Song was made.

As of this quarterly report date, Director equivalent Nam Jeong Song's has 9,004 shares.

## B. Employees

Status of Employees(excluding registered executives) is as below.

(Unit : Persons, year, KRW)

Description	Number of employees	Average year of continuous service	Total amount of yearly wage	Average wage per person
Korea Logistics	137	3.3 year	4,613,035,521	10,931,364
International Logistics	66			
CKD	80			
Merchandise	42			
Business Support	97			
Total	422			

※ The above Business Support includes Finance, Accounting, HR, Planning, etc. which supports the business operation..

## 2. Remuneration for Executives, etc.

The executives(registered) are paid based on the remuneration ceiling approved at General Shareholders Meeting. Since the auditor of the Company is a foreigner, the Company paid the remuneration in USD which was also approved at General Shareholders Meeting.

[As of Mar. 31, 2009]

(Unit : KRW MN, USD 1,000)

Description	Total amount paid	Amount approved at the shareholders meeting	Average per person
Director	216	5,000	27
Auditor	125	500	125

※ When approving for remuneration ceiling, the Company does not classify inside director and outside director. Therefore, the above Director comprehensively includes both inside and outside.

※ The above amount for director is in KRW MN and for auditor is USD 1,000.

## IX. Transaction with Shareholders

### 1. Credit Provision to Large Shareholders

#### A. Debt Guarantee

The Company provides debt guarantee for the Company's overseas subsidiaries and the followings are the details of the guarantee.

[As of Mar. 31, 2009]

(Unit : USD, EUR)

Receiving party	Relationship	Type	Detail	Agreed date	Purpose	Guarantee amount	Debt amount	Provided collateral	Condition				Approval
									Lender	Maturity date	Interest rate	Commission fee	
GLOVIS America	Subsidiary	Payment Guarantee	Facility fund	May 28, 2008	Guarantee for C/C construction	USD 8,700,000	USD 8,700,000	No collateral other than the payment guarantees provided by GLOVIS Korea	The Export-Import Bank of Korea	May 27, 2009	6ML + 1.30%	0.15%/year of principal	BOD
GLOVIS Alabama	Subsidiary	Payment Guarantee	Loan with ceiling	May 26, 2008	Operation of Subsidiary	USD 10,000,000	USD 5,500,000		Woori bank	May 25, 2009	6ML + 2.00%		BOD
GLOVIS Georgia	Subsidiary	Payment Guarantee	Loan with ceiling	Sept 18, 2008	Guarantee for C/C construction	USD 19,000,000	USD 19,000,000		CITI bank	Sept. 17 2009	3ML + 2.10%		BOD
GLOVIS Slovakia	Subsidiary	Payment Guarantee	Loan with ceiling	Jul. 1, 2008	Guarantee for Tire/wheel line investment capital	EUR 5,000,000	EUR 3,500,000		CITI bank	Jun. 30, 2009	EURIBOR + 0.35%		BOD
GLOVIS Czech	Subsidiary	Payment Guarantee	Loan with ceiling	Feb. 25, 2009	Operation of Subsidiary	EUR 11,000,000	EUR 7,950,000		CITI bank	Feb. 24, 2010	EURIBOR + 1.50%		BOD
GLOVIS Europe	Subsidiary	Payment Guarantee	Loan with ceiling	May 1, 2008	Operation of Subsidiary	EUR 650,000	-		Shinhan bank	Apr. 30, 2009	EURIBOR + 1.20%		BOD
GLOVIS Turkey	Subsidiary	Payment Guarantee	Loan with ceiling	Mar. 20, 2009	Operation of Subsidiary	EUR 300,000	-		CITI bank	Mar. 19, 2010	EURIBOR + 6.00%		BOD
GLOVIS India	Subsidiary	Payment Guarantee	Facility fund	Feb. 16, 2009	Guarantee for CFS construction	USD 6,700,000	USD 2,450,000	Land	SC First bank	Feb. 15, 2010	13%		BOD

For logistics related to overseas production and sales, the Company establishes and operates overseas subsidiaries. Overseas subsidiaries need facility investment funds (for C/C or VPC, etc.) or initial operating funds for their own businesses. However, the subsidiaries which initiated their business not long ago, have difficulties in individual funding; therefore, GLOVIS Korea provides payment guarantees to support their smooth funding-flow.

There is no case of GLOVIS Korea paid the debt for overseas subsidiary among the ones it guaranteed.

## 2. Asset Transfer/Acquisition with Large Shareholders, etc.

### A. Equity Investment and Disposition

The Company made equity investment in its overseas subsidiary when necessary. Also, there was change in number of shares in equity method-invested company, AMCO, due to stock dividend. It was only the change in the number of shares, therefore, no change in equity ratio. Please refer to the following table for details.

(Unit : KRW 1,000)

Company	Relationship	Equity Investment and Disposition Transaction					Remark
		Type of investment	Details				
			Beginning	Increase	Decrease	Ending	
GLOVIS Russia	Subsidiary	Investment securities	638,132	716,136	—	1,354,268	Capital increase
AMCO	Affiliate	Investment securities	—	—	—	—	Stock dividend (1,248,106 shares)
Total			638,132	716,136	—	1,354,268	

※ The above amounts are based on the acquisition costs.

### B. Security Purchase and Sale

For its efficient short-term cash management, the Company has RP transactions with the affiliated company, HMC Investment Securities. As the Company reports to the public before the end of every quarter, the ceiling of transacting amount in KRW 30 BN cumulative.

(Unit : KRW MN)

Transacting Party	Relationship	Transaction object	Purpose	Condition	Transaction date	Type		Cumulative	P&L	BOD
						Purchase	Sale			
HMC Investment Securities	Affiliated company	R.P.	Short-term cash management	Deposit/withdraw at any time	Initial balance	—	—	15,000	—	Approved ceiling (KRW 300 BN)
					Feb. 27, 2009	5,000	—	20,000	—	
Total						5,000	—	20,000	—	

### C. Real Estate Transaction

As stated in 'II. Business Overview 3. Matters other than Business Operation

B. Major Management Agreement, etc.' and 'X. Other Matters 1. Progress and

Changes in Issues Disclosed,' there was the resolution on Apr. 23, 2009 by the Board of Directors regarding on real estate transaction with the affiliated company, Hyundai Motor. Agreement will be made in May, 2009 and please refer to 'X. Other Matters 1. Progress and Changes in Issues Disclosed' for further details.

### 3. Business Transaction with Large Shareholders

#### A. Long-term Contract

The Company had long-term consecutive voyage chartering contract with Hyundai Steel, the affiliated company, as indicated in 'II. Business Overview 2. Business Operation B. Major Business Agreement.'

For more details, please refer to 'II. Business Overview 2. Business Operation B. Major Business Agreement.'

## X. Other Matters

### 1. Progress and Changes in Issues Disclosed

As mentioned in 'II. Business Overview 3. Matters other than Business Operation B. Major Management Agreement, etc.' and 'IX. Transaction with Shareholders 2. Asset Transfer/Acquisition with Large Shareholders, etc. C. Real Estate Transaction,' the Board resolution regarding on this transaction with Hyundai Motor has been made on Apr. 23, 2009, after the closing date of the 1st quarter and the Company disclosed the matter to the public on the same day. Contents of the matter are as follows.

Reported date	Title	Contents	Progress
Apr. 23, 2009	Real estate purchase from Major Shareholder	<ul style="list-style-type: none"> <li>- Type : Land (25,367m<sup>2</sup>) and Building (1,598m<sup>2</sup>), etc.</li> <li>- Location : Opo-eub Gwangju-si Gyeonggi-do</li> <li>- Amount : KRW 30,878 MN</li> <li>- Purpose : Active operation in used car auction business</li> <li>- Agreement date : Scheduled to be in May, 2009</li> <li>- Schedule and amount may vary at the time of contract agreement</li> </ul>	Appraisal in-progress conducted by 2 appraisal companies (Korea Appraisal Board, Prime Appraisal Co.)
Apr. 23, 2009	Real estate sale to Major Shareholder	<ul style="list-style-type: none"> <li>- Type : Land (33,058m<sup>2</sup>)</li> <li>- Location : Jeongwang-dong Siheung-si Gyeonggi-do</li> <li>- Amount : KRW 34,876 MN</li> <li>- Purpose : Efficient asset management</li> <li>- Agreement date : Scheduled to be in May, 2009</li> <li>- Schedule and amount may vary at the time of contract agreement</li> </ul>	Appraisal in-progress conducted by 2 appraisal companies (Korea Appraisal Board, Prime Appraisal Co.)

## 2. Summary of Minutes of Annual General Shareholders' Meeting

The major agendas and resolutions at shareholders meeting convened during the period for public disclosure(Jan. 1, 2007~Mar. 31, 2009) are as follows.

Date of meeting	Agenda	Resolution
The 6th Annual General Meeting of Shareholders (Mar. 9, 2007)	<ul style="list-style-type: none"> <li>○ Agenda 1 Approval of 6th Balance sheet, P&amp;L Sheet, (proposed) Appropriation of Retained Earnings</li> <li>○ Agenda 2 Appointment of Directors</li> <li>○ Agenda 3 Approval of Remuneration Ceiling for Directors</li> <li>○ Agenda 4 Approval of Remuneration Ceiling for Auditor</li> </ul>	<ul style="list-style-type: none"> <li>- Approved as proposed</li> <li>- Approved as proposed (appointed Myeong Joong Yoon, Sae Heum Lee, Bong Choon Jang)</li> <li>- Approved as proposed (amount : KRW 5 BN)</li> <li>- Approved as proposed (amount : KRW 300 MN)</li> </ul>
Extraordinary Shareholders Meeting (May 4, 2007)	<ul style="list-style-type: none"> <li>○ Agenda 1 Appointment of Directors</li> <li>○ Agenda 2 Approval of Remuneration Ceiling for Auditor</li> </ul>	<ul style="list-style-type: none"> <li>- Approved as proposed (appointed Chi Wbong Kim)</li> <li>- Approved as proposed (amount : KRW 500 MN)</li> </ul>
The 7th Annual General Meeting of Shareholders (Mar. 14, 2008)	<ul style="list-style-type: none"> <li>○ Agenda 1 Approval of 7th Balance sheet, P&amp;L Sheet, (proposed) Appropriation of Retained Earnings</li> <li>○ Agenda 2 Appointment of Directors</li> <li>○ Agenda 3 Appointment of Auditor</li> <li>○ Agenda 4 Approval of Remuneration Ceiling for Directors</li> <li>○ Agenda 5 Approval of Remuneration Ceiling for Auditor</li> </ul>	<ul style="list-style-type: none"> <li>- Approved as proposed</li> <li>- Approved as proposed (appointed Jung Dae Lee, Jin Key Hong, Yong Bae Lee, Je Seo Park, Sang Kon Ma)</li> <li>- Approved as proposed (appointed Steinar Forberg)</li> <li>- Approved as proposed (amount : KRW 5 BN)</li> <li>- Approved as proposed (amount : KRW 500 MN)</li> </ul>
Extraordinary Shareholders Meeting (Dec. 16, 2008)	<ul style="list-style-type: none"> <li>○ Agenda 1 Appointment of Director</li> </ul>	<ul style="list-style-type: none"> <li>- Approved as proposed (appointed Seung Suk Yang)</li> </ul>
The 8th Annual General Meeting of Shareholders (Mar. 13, 2009)	<ul style="list-style-type: none"> <li>○ Agenda 1 Approval of 8th Balance sheet, P&amp;L Sheet, (proposed) Appropriation of Retained Earnings</li> <li>○ Agenda 2 Partial Amendments to Articles of Incorporation</li> <li>○ Agenda 3 Appointment of Directors</li> <li>○ Agenda 4 Approval of Remuneration Ceiling for Directors</li> <li>○ Agenda 5 Approval of Remuneration Ceiling for Auditor</li> </ul>	<ul style="list-style-type: none"> <li>- Approved as proposed</li> <li>- Approved as proposed</li> <li>- Approved as proposed (appointed Kyung Sun Lee, Jeong Soo Lee, Sjur Galtung)</li> <li>- Approved as proposed (amount : KRW 5 BN)</li> <li>- Approved as proposed (amount : USD 500,000)</li> </ul>



### 3. Major Lawsuit, etc.

- (1) Claim for compensation to Hyundai Marine & Fire Insurance  
(Hyundai Merchant Marine Vessel fiery accident)

1. Parties to the case

Plaintiff : Hyundai Marine & Fire Insurance Co., Ltd.

Defendant : Glovis Co., Ltd., ATE Universal Freight Co., Ltd.,

Yangming Marine Transport Corp., NCL Co., Ltd.

2. Contents of the case

Claiming for Hyundai MOBIS freight loss compensation due to the fiery accident on  
Hyundai Merchant Marine vessel

3. Progress

Jun. 14, 2007, registered, suspension of taking legal proceedings due to the  
limitation proceeding of liability of Hyundai Merchant Marine (confirm the date later)

4. Effects to business operation and finance of the Company

Business operation: maintain transportation agreement

Finance: possibilities of miscellaneous losses/gains (claim for re-compensation)

- (2) Claim for contract price and others to Shin Sung Logistics

1. Parties to the case

Plaintiff : Shin Sung Logistics Co., Ltd.

Defendant: Glovis Co., Ltd., Kia Motors Co., Ltd.

2. Contents of the case

Claiming for contract price of Shin Sung Logistics which was a partner of Kia Motors

3. Progress

Jun. 28, 2007, registered, date for 1st pleading preparation (Apr. 4, 2008)

date for 2nd pleading preparation (May 16, 2008),

date for 1st pleading (Jul. 2, 2008),

date for 2nd pleading (Aug. 20, 2008), date for 3rd pleading (Sept. 24, 2008),

date for 4th pleading (Oct. 29, 2008), date for 5th pleading (Dec. 17, 2008),

date for arbitration (Jan. 9, 2009), date for 6th pleading (Mar. 4, 2009),

date for 7th pleading (Apr. 24, 2009)

4. Effects to business operation and finance of the Company

Business operation: none

Finance: possibilities of miscellaneous gains/losses

(3) Countersuit against Fair Trade Commission's Decision

1. Parties to the case

Plaintiff: Hyundai Motor Co., Ltd., Kia Motors Co., Ltd.,

Hyundai Mobis Co., Ltd., GLOVIS Co., Ltd., Hyundai Steel Company

Defendant: Fair Trade Commission Chairman Oh-seung, Kwon

2. Contents of the case

Countersuit to claim cancellation of ruling and fines imposed to 5 affiliated companies in the Group including GLOVIS.

3. Progress

Nov. 23, 2007, registered, defendant submitted a defense (Jan. 16, 2008),  
Plaintiff submitted letter (Jan. 21, 2008), date for 1st pleading (Apr. 30, 2008),  
date for 2nd pleading (Oct. 8, 2008), date for 3rd pleading (Dec. 10, 2008)  
and date for 4th pleading (Jan. 21, 2009), date for 5th pleading (Mar. 11, 2009)  
date for 6th pleading (Apr. 22, 2009)

4. Effects to business operation and finance of the Company

Business operation: none

Finance: possibilities of miscellaneous gains/losses

(4) Collection of Receivables(debt) from Samhan Steel

1. Parties to the case

Creditor : GLOVIS Co., Ltd.

Debtor : Samhan Steel Co., Ltd.

the 3rd Debtor : Kaya Heavy Industry and other 60 companies

2. The case

2.1. Original case

– Seoul Central District Court 2008-10331 all collection of receivables

2.2. Garnishment, etc.

– Seoul Southern District Court 2008-16676 garnishment and assignment order

– Seoul Southern District Court 2008-16677 garnishment and assignment order

- Seoul Southern District Court 2008–16678 garnishment and assignment order
- Seoul Southern District Court 2008–17173 garnishment and assignment order
- Seoul Southern District Court 2008–17298 garnishment and assignment order
- Seoul Southern District Court 2008–18311 garnishment and assignment order

3. Effects to business operation and finance of the Company

Business operation: none

Finance: possibilities of losses

(5) Revocation of Leave of Kyung Ho Kim

1. Parties to the case

Plaintiff : Kyung Ho Kim

Defendant : GLOVIS Co., Ltd.

2. Contents of the case

Claim for revocation of leave of Kyung Ho Kim who worked in Incheon Office

3. Progress

Jan. 9, 2009, registered,

the Company submitted preparatory document (Feb. 24, 2009),

Kim, Kyung-ho submitted preparatory document (May 8, 2009),

date for 1st pleading (May 8, 2009)

4. Effects to business operation and finance of the Company

Business operation: none

Finance: possibilities of miscellaneous losses

## 4. Pledged Note or Secured Note/Check

[As of Mar. 31, 2009]

(Unit : KRW)

Submitted to	No. of bill/check	Amount	Remark
Bank	—	—	—
Financial institution (excluding bank)	—	—	—
Company	3	170,000,000	Secured property
Others (individual)	—	—	—

## 5. Debt Guarantee

As indicated in 'IX. Transactions with Shareholders 1. Credit Provision to Large Shareholders A. Debt Guarantee', the Company provides payment guarantees for overseas subsidiaries. The followings are the changes in debt guarantees during the time relevant to public disclosure.

Company	Relationship	Creditor	Guarantee period	Details			
				Beginning	Increase	Decrease	End
GLOVIS America	Subsidiary	The Export-Import Bank of Korea	May 28, 2008 ~ May 27, 2009	USD 8,700,000	—	—	USD 8,700,000
GLOVIS Alabama	Subsidiary	Woori Bank	May 29, 2008 ~ May 28, 2009	USD 10,000,000	—	—	USD 10,000,000
GLOVIS Georgia	Subsidiary	CITI Bank	Sept. 18, 2008 ~ Sept. 17, 2009	USD 19,000,000	—	—	USD 19,000,000
GLOVIS Slovakia	Subsidiary	CITI Bank	Jun. 30, 2008 ~ Jun. 29, 2009	EUR 5,000,000	—	—	EUR 5,000,000
GLOVIS Europe	Subsidiary	Shinhan Bank	Apr. 30, 2008 ~ Apr. 29, 2009	EUR 650,000	—	—	EUR 650,000
GLOVIS Czech	Subsidiary	CITI Bank	Feb. 25, 2009 ~ Feb. 24, 2010	EUR 11,000,000	—	—	EUR 11,000,000
GLOVIS India	Subsidiary	SC First Bank	Feb. 16, 2009 ~ Feb. 15, 2010	—	USD 6,700,000	—	USD 6,700,000
GLOVIS Turkey	Subsidiary	CITI Bank	Mar. 20, 2009 ~ Mar. 19, 2010	—	EUR 300,000	—	EUR 300,000
Total				USD 37,700,000 EUR 16,650,000	USD 6,700,000 EUR 300,000	—	USD 44,400,000 EUR 16,950,000

※ Please refer to 'IX. Transaction with Shareholders 1. Credit Provision to Large Shareholders A. Debt Guarantee' for the information not stated above.

## 6. Contingent Liabilities, etc.

The Company and Hana Bank have signed a D/A bill discount agreement with a limitation of \$391,058,746.64. Trade receivables sold to financial institutions that have yet to mature currently amount to USD 43,986,504.20, EUR 29,993,304.24 (KRW 11,053,353,000) as of the quarterly balance sheet date, therefore, subsequent to this date, redemption obligations may incur.

## 7. Details on Raised Capital Usage

(Unit: KRW)

Category	IPO	Amount	Plans for raised capital	Actual use of raised capital
-	-	-	-	-

Not applicable

# XI. Appendix

## 1. Non-Consolidated Financial Statements

### A. Balance Sheet

9th Fiscal Year 1Q (As of Mar. 31, 2009)

8th Fiscal Year (As of Dec. 31, 2008)

7th Fiscal Year (As of Dec. 31, 2007)

(Unit : KRW)

Accounts	9th FY 1Q	8th FY	7th FY
Assets			
I. Current Assets	665,977,340,820	568,510,615,173	546,616,488,378
(1) Quick Assets	578,729,152,437	497,221,615,020	427,982,250,429
1. Cash and Cash Equivalents	273,806,924,265	165,856,079,603	130,677,784,345
Government Subsidy	0	0	(769,199,485)
2. Short-term Investment Assets	48,371,336	64,018,577	30,117,425,170
3. Trade Receivable	275,956,027,900	310,645,644,815	257,455,283,919
4. Other Receivables	9,225,289,696	7,049,249,825	3,215,250,764
5. Prepaid Expenses	4,347,497,788	2,544,157,464	4,214,819,563
6. Current Portion of Provisions for Product Warranties Assets	1,973,431,756	2,009,025,746	1,333,398,660
7. Current Portion of Deferred Income Taxes Assets	8,292,319,974	5,034,433,361	247,568,592
8. Other	5,079,289,722	4,019,005,629	1,489,918,901
(2) Inventories	87,248,188,383	61,289,000,153	118,634,237,949
1. Merchandise	4,809,248,660	10,454,059,458	4,119,463,343
Allowance for Loss on Valuation	(265,380,233)	(2,101,922,722)	0
2. OKD Parts	81,927,392,303	52,657,669,602	114,520,181,577
Allowance for Loss on Valuation	0	0	(5,406,971)
3. Supplies	776,927,663	279,193,815	0
II. Non-current Assets	564,137,493,327	545,848,584,122	382,898,087,072
(1) Investment Assets	253,112,224,856	231,343,169,502	172,523,233,367
1. Long-term Investment Securities	17,295,187,737	21,066,094,110	7,608,434,199
Available-for-Sale Securities	17,295,187,737	21,066,094,110	7,608,434,199
2. Equity Method Securities	235,808,537,119	210,278,575,392	164,781,631,411
3. Other	8,500,000	8,500,000	133,167,757
(2) Tangible Assets	282,887,557,121	286,289,376,982	188,338,357,876
1. Land	120,699,397,564	120,698,987,294	120,458,231,115
2. Buildings	40,612,767,719	40,612,767,719	36,792,951,965
Accumulated Depreciation	(6,405,165,384)	(5,948,118,467)	(4,181,874,377)
3. Structures	11,077,132,288	11,077,132,288	9,620,357,693
Accumulated Depreciation	(1,755,368,409)	(1,616,904,248)	(1,117,335,086)
4. Machinery	6,537,740,000	6,537,740,000	6,064,300,000
Accumulated Depreciation	(3,824,207,322)	(3,569,925,322)	(2,327,533,984)
5. Vehicles	8,289,907,987	8,179,448,171	8,215,036,286
Accumulated Depreciation	(6,416,334,804)	(6,213,130,208)	(5,456,865,731)
6. Tools	645,891,334	645,891,334	556,966,710
Accumulated Depreciation	(429,030,162)	(402,403,101)	(299,817,731)

Accounts	9th FY 1Q	8th FY	7th FY
7. Office Equipment	13,376,000,861	13,235,852,881	10,494,393,744
Government Subsidy	(442,036,133)	(474,621,611)	(305,763,519)
Accumulated Depreciation	(7,936,895,409)	(7,436,416,574)	(5,506,343,078)
8. Ships	107,635,319,540	107,635,319,540	6,527,292,540
Accumulated Depreciation	(8,936,877,134)	(6,673,886,925)	(226,642,104)
9. Construction in Progress	10,159,314,585	10,001,644,211	9,031,003,433
(3) Intangible Assets	7,411,800,538	7,923,908,687	5,848,354,191
1. Goodwill	0	0	468,334,133
2. Industrial Property Rights	23,627,004	30,659,704	58,790,499
3. Development Costs	5,175,442,652	5,623,698,457	3,755,955,130
Government Subsidy	(83,648,739)	(89,077,203)	(12,333,330)
4. Other Non-current Assets	2,430,978,130	2,503,490,738	1,691,582,786
Government Subsidy	(134,598,509)	(144,863,009)	(113,975,027)
(4) Other Non-current Assets	20,725,910,812	20,292,128,951	16,188,141,638
1. Leasehold Deposits Provided	2,086,809,600	1,922,667,600	1,763,226,220
2. Provisions for Product Warranties	8,581,197,444	8,311,557,583	5,730,411,367
3. Others	10,057,903,768	10,057,903,768	8,694,504,051
Total Assets	1,230,114,834,147	1,104,359,199,235	929,514,575,450
Liabilities			
I. Current Liabilities	428,344,461,359	339,998,513,805	366,323,835,188
1. Trade Payable	253,948,589,176	229,867,786,046	243,630,748,552
2. Other Payables	59,238,849,009	18,017,273,801	13,236,432,671
3. Advance for Customers	67,890,115,016	42,297,814,607	68,074,115,339
4. Withholdings	3,615,707,784	1,849,640,481	7,311,285,598
5. Deposits Received	1,893,939,500	1,673,939,500	1,421,939,500
6. Accrued Expenses	1,341,896,976	1,536,945,574	0
7. Income Taxes Payable	7,307,142,868	31,365,313,036	30,627,033,130
8. Dividend Payable	18,750,000,000	0	0
9. Current Portion of Long-term Liabilities	48,371,336	64,018,577	117,425,170
10. Current Portion of Long-term Payable	11,843,060,000	10,814,500,000	0
11. Current Portion of Provisions for Product Warranties	2,466,789,694	2,511,282,183	1,904,855,228
II. Non-current Liabilities	151,309,816,860	137,645,321,503	43,788,258,837
1. Long-term Borrowings	0	0	124,667,757
2. Long-term Other Payables	97,483,531,900	91,720,792,500	0
3. Provisions for Retirement and Severance Benefits Liabilities	7,634,421,085	7,009,664,777	5,038,747,651
Deposits for Retirement and Severance Benefits	(4,519,840,638)	(4,560,587,152)	(3,323,070,237)
Transfer to National Pension Fund	(7,227,800)	(7,227,800)	(2,769,500)
4. Provisions for Product Warranties Liabilities	10,726,496,807	10,389,446,982	6,924,907,308
5. Deferred Income Taxes Liabilities	39,992,435,506	33,093,232,196	35,025,775,858
Total Liabilities	579,654,278,219	477,643,835,308	410,112,094,025
Stockholders' Equity			
I. Capital Stock	18,750,000,000	18,750,000,000	18,750,000,000
1. Common stock	18,750,000,000	18,750,000,000	18,750,000,000
II. Capital Surplus	153,618,863,259	153,618,863,259	153,618,863,259
1. Paid-in Capital in excess of par value	153,618,863,259	153,618,863,259	153,618,863,259
III. Accumulated Other Comprehensive Income	31,585,672,760	19,414,956,431	11,014,101,442
1. Change in Equity Method Capital Adjustment	25,688,136,283	15,115,014,235	12,390,087,834
2. Change in Negative Equity Method Capital Adjustment	(433,282,735)	(2,018,476,236)	(1,375,986,392)
3. Gains on Valuation of Available-for-Sale Securities	6,330,819,212	6,330,819,212	0

Accounts	9th FY 1Q	8th FY	7th FY
4. Losses on Valuation of Available-for-Sale Securities	0	(12,400,780)	0
IV. Retained Earnings	446,506,019,909	434,931,544,297	336,019,516,724
1. Legal Reserves	11,941,911,762	10,066,911,762	8,191,911,762
2. Voluntary Reserves	385,000,000,000	285,000,000,000	215,000,000,000
3. Unappropriated Consolidated Retained Earnings	49,564,108,147	139,864,632,535	112,827,604,962
Total stockholders' equity	650,460,555,928	626,715,363,987	519,402,481,425
Total liabilities & stockholders' equity	1,230,114,834,147	1,104,359,199,295	929,514,575,450



## B. Income Statement

9th Fiscal Year 1Q (Jan. 1, 2009 ~ Mar. 31, 2009)

8th Fiscal Year (Jan. 1, 2008 ~ Mar. 31, 2008)

8th Fiscal Year (Jan. 1, 2008 ~ Dec. 31, 2008)

7th Fiscal Year (Jan. 1, 2007 ~ Dec. 31, 2007)

(Unit : KRW)

Description	9th FY 1Q		8th FY 1Q		8th FY	7th FY
	3 months	Cumulative	3 months	Cumulative		
I. Sales	575,030,509,770	575,030,509,770	697,694,055,254	697,694,055,254	3,065,235,441,645	2,510,187,793,546
1. Sales of Korea Logistics	164,479,703,904	164,479,703,904	187,344,528,914	187,344,528,914	811,641,962,961	720,190,986,239
2. Sales of International Logistics	180,611,546,992	180,611,546,992	171,243,411,350	171,243,411,350	897,913,886,225	668,510,341,024
3. Sales of CKD Part Sold	185,382,536,521	185,382,536,521	305,704,628,203	305,704,628,203	1,201,617,267,301	1,017,042,010,544
4. Sales of Merchandise	44,556,722,353	44,556,722,353	33,401,486,787	33,401,486,787	154,062,325,158	114,444,455,739
II. Cost of Goods Sold	521,966,338,507	521,966,338,507	637,514,860,481	637,514,860,481	2,826,570,376,577	2,322,284,738,360
1. Cost of Korea Logistics	153,149,780,209	153,149,780,209	174,166,427,337	174,166,427,337	755,515,219,101	666,442,866,794
2. Cost of International Logistics	168,274,377,888	168,274,377,888	158,962,113,984	158,962,113,984	839,485,260,749	610,720,343,807
3. Cost of CKD Part Sold	159,645,308,438	159,645,308,438	273,257,230,529	273,257,230,529	1,065,964,825,107	942,188,372,178
4. Cost of Merchandise Sold	40,886,871,992	40,886,871,992	31,129,088,631	31,129,088,631	145,606,071,620	102,933,155,581
III. Gross Profit	53,064,171,263	53,064,171,263	60,179,194,773	60,179,194,773	238,665,065,068	187,903,055,186
IV. SG&A Expenses	20,934,687,112	20,934,687,112	27,054,709,825	27,054,709,825	109,585,965,466	94,966,924,809
1. Salaries and Wages	4,568,113,765	4,568,113,765	4,271,294,711	4,271,294,711	18,244,449,878	16,230,857,109
2. Retirement and Severance Benefits	710,247,938	710,247,938	663,263,007	663,263,007	2,348,632,352	2,292,385,666
3. Employee Benefits	915,639,599	915,639,599	728,527,154	728,527,154	3,145,634,957	2,735,927,215
4. Travel Expenses	164,579,622	164,579,622	222,231,833	222,231,833	1,067,498,602	889,155,905
5. Communication Expenses	247,920,643	247,920,643	234,026,618	234,026,618	968,043,224	936,064,124
6. Office Administrative Expense	157,440,807	157,440,807	151,192,271	151,192,271	607,449,214	573,445,191
7. Utility Expenses	39,657,925	39,657,925	33,774,654	33,774,654	116,241,143	75,372,880
8. Taxes and Dues	260,310,362	260,310,362	115,844,791	115,844,791	769,878,199	266,750,254
9. Rental Expenses	536,013,133	536,013,133	473,227,452	473,227,452	1,947,790,125	1,817,340,197
10. Depreciation	400,471,080	400,471,080	344,425,729	344,425,729	1,649,470,122	1,382,239,080
11. Amortization of Intangible Assets	546,350,677	546,350,677	651,250,920	651,250,920	2,685,618,774	2,209,079,384
12. Repair Expenses	23,660,400	23,660,400	16,217,965	16,217,965	54,146,948	60,086,111
13. Insurance Premiums	153,645,944	153,645,944	310,889,092	310,889,092	964,945,586	1,200,570,311
14. Entertainment Expenses	45,674,768	45,674,768	108,499,934	108,499,934	324,743,163	317,897,073
15. Advertising Expenses	81,958,605	81,958,605	58,033,843	58,033,843	942,448,182	509,405,388
16. Supply Expenses	21,449,456	21,449,456	14,840,883	14,840,883	198,758,938	89,114,947
17. Office Supplies Expenses	75,218,954	75,218,954	78,363,131	78,363,131	302,716,642	307,754,211
18. Publication Expenses	7,016,250	7,016,250	8,470,910	8,470,910	35,897,430	31,418,681
19. Commissions	1,402,010,147	1,402,010,147	1,135,222,685	1,135,222,685	6,736,804,116	7,666,692,382
20. Freight Expenses	8,315,521,796	8,315,521,796	15,254,843,800	15,254,843,800	57,694,888,019	51,315,750,559
21. Vehicle Maintenance Expenses	19,015,400	19,015,400	32,706,700	32,706,700	166,253,551	179,344,144
22. Expenses of Allowance for Doubtful Accounts	1,350,277,039	1,350,277,039	645,878,205	645,878,205	3,888,766,657	737,734,828
23. Training Expenses	19,975,700	19,975,700	57,172,030	57,172,030	474,498,128	383,647,506
24. IT System Operating Expenses	819,084,186	819,084,186	746,551,016	746,551,016	3,127,582,582	2,718,811,673
25. Product Warranties Expenses	53,432,856	53,432,856	707,960,481	707,960,481	1,102,803,894	0
V. Operating Income	32,129,484,151	32,129,484,151	33,124,484,948	33,124,484,948	129,079,099,572	92,936,130,377
VI. Non-Operating Income	48,818,032,687	48,818,032,687	26,507,169,317	26,507,169,317	169,783,983,963	59,192,803,970
1. Interest Income	1,158,819,647	1,158,819,647	2,631,087,009	2,631,087,009	7,588,329,533	10,504,948,468
2. Rental Income	27,551,220	27,551,220	29,016,210	29,016,210	115,171,380	113,156,630
3. Commission Income	130,511,472	130,511,472	105,288,478	105,288,478	438,348,880	404,616,381
4. Gain on Sale of Tangible Assets	5,395,000	5,395,000	4,748,763	4,748,763	63,339,969	94,601,998
5. Gains on Sale of Investment Assets	0	0	0	0	0	220,055,139
6. Gains on Foreign Currency Transactions	28,290,207,998	28,290,207,998	6,303,040,582	6,303,040,582	103,991,564,937	12,816,157,215
7. Gains on Foreign Currency Translation	5,897,725,978	5,897,725,978	6,523,169,345	6,523,169,345	10,556,301,538	2,782,983,704
8. Gains on Valuation of Equity	12,946,528,678	12,946,528,678	10,756,875,745	10,756,875,745	37,409,351,282	31,639,774,433

Description	9th FY 1Q		8th FY 1Q		8th FY	7th FY
	3 months	Cumulative	3 months	Cumulative		
Method Securities						
9. Gains on Sale of Available-for-Sale Securities	0	0	0	0	0	6,875,000
10. Recovery of Provisions for Product Warranties	0	0	0	0	0	14,719,811
11. Miscellaneous Income	361,312,694	361,312,694	153,943,175	153,943,175	9,611,576,444	594,905,191
VIII. Non-Operating Expenses	44,083,513,040	44,083,513,040	12,464,074,577	12,464,074,577	145,853,661,284	23,554,164,313
1. Interest Expenses	1,664,926,726	1,664,926,726	2,228,410,127	2,228,410,127	9,866,124,029	7,048,107,025
2. Donation	4,200,000	4,200,000	403,660,000	403,660,000	913,239,000	538,125,000
2. Other Allowance for Doubtful Accounts	15,002,471	15,002,471	96,840	96,840	36,345,763	29,527,981
3. Losses on Sale of Available-for-Sale Securities	0	0	0	0	0	1,078,945,640
4. Impairment Losses on Available-for-Sale Securities	0	0	0	0	22,000,000	0
5. Losses on Sale of Investment Assets	8,118,748	8,118,748			2,245,586,664	13,438,154
6. Losses on Sale of Tangible Assets	15,410,706,384	15,410,706,384	5,376,629,552	5,376,629,552	91,151,181,932	10,619,015,927
7. Losses on Foreign Currency Transactions	23,996,937,248	23,996,937,248	4,218,965,061	4,218,965,061	36,040,086,209	1,906,140,072
8. Losses on Foreign Currency Translation	1,639,865,412	1,639,865,412	19,760,714	19,760,714	1,998,988,907	136,293,258
9. Other Allowance for Doubtful Accounts	1,094,666,580	1,094,666,580	197,832,433	197,832,433	3,364,684,356	0
10. Losses on Valuation of Equity Method Securities	249,089,471	249,089,471	18,719,850	18,719,850	225,464,424	2,184,571,256
11. Miscellaneous Loss	36,864,023,798	36,864,023,798	47,167,579,688	47,167,579,688	153,009,422,251	128,574,770,034
VIII. Income before Income Tax	6,370,252,259	6,370,252,259	12,957,466,976	12,957,466,976	35,347,394,678	47,540,163,053
IX. Income Taxes Expense	30,483,771,539	30,483,771,539	34,210,112,712	34,210,112,712	117,662,027,573	81,034,606,961
X. Net Income						
X I . Earning per Share	813	813	912	912	3138	2161
1. Earning per Share						

## C. Statement of Appropriation of Retained Earnings

8th Fiscal Year (Jan. 1, 2008 ~ Dec, 31, 2008) (Appropriation Date : Mar. 13, 2009)

7th Fiscal Year (Jan. 1, 2007 ~ Dec, 31, 2007) (Appropriation Date : Mar. 14, 2008)

(Unit : KRW)

Accounts	8th FY	7th FY
I .Retained Earnings Before Appropriations (Undisposed Accumulated Deficit Before)	139,864,632,535	112,827,604,962
1.Unappropriated Retained Earnings (Undisposed Accumulated Deficit from Beginning Year)	22,202,604,962	31,792,997,981
2.Changes in Retained Earnings from Equity Method Securities	0	0
3.Net Income	117,662,027,573	81,034,606,981
II .Appropriations of Retained Earnings	120,625,000,000	90,625,000,000
1. Profit Reserves	1,875,000,000	1,875,000,000
2.Dividends	18,750,000,000	18,750,000,000
A.Cash Dividends	18,750,000,000	18,750,000,000
Dividends Per Share and Dividend Rate Per Share	500	500
Common Stock	500	500
3.Reserves for Facility Investment	60,000,000,000	20,000,000,000
4.Other Reserves	40,000,000,000	50,000,000,000
III.Unappropriated Retained Earnings (Undisposed Accumulated Deficit) Carried over to Subsequent Year)	19,239,632,535	22,202,604,962

## D. Statement of Stockholder's Equity

9th Fiscal Year 1Q (Jan. 1, 2009 ~ Mar. 31, 2009)

8th Fiscal Year 1Q (Jan. 1, 2008 ~ Dec. 31, 2008)

8th Fiscal Year (Jan. 1, 2008 ~ Dec. 31, 2008)

7th Fiscal Year (Jan. 1, 2007 ~ Dec. 31, 2007)

(Unit : KRW)

Accounts	Capital Stock	Capital Surplus	Capital Adjustment	Accumulated Other Comprehensive Income	Retained Earnings	Total
As of Jan. 1, 2007(beginning of 7th FY)	18,750,000,000	153,618,863,259	0	5,487,551,713	260,609,909,743	438,466,324,715
1. Dividends					(5,625,000,000)	(5,625,000,000)
2. Retained Earnings After Appropriations					254,984,909,743	432,841,324,715
3. Net Income					81,034,606,981	81,034,606,981
4. Changes in Retained Earnings from Equity Method Securities					0	0
5. Change in Equity Method Capital Adjustment for Total Equity				5,327,579,006		5,327,579,006
6.Change in Negative Equity Method Capital Adjustment for Total Equity				198,970,723		198,970,723
7. Increase or Decrease in Gains on Valuation of Available for Sale Securities				0		0
8. Increase or Decrease in Losses on Valuation of Available for Sale Securities				0		0
As of Dec. 31, 2007(end of 7th FY)	18,750,000,000	153,618,863,259	0	11,014,101,442	336,019,516,724	519,402,481,425
As of Jan. 1, 2008(beginning of 8th FY)	18,750,000,000	153,618,863,259	0	11,014,101,442	336,019,516,724	519,402,481,425
1. Dividends					(18,750,000,000)	(18,750,000,000)
2. Retained Earnings After Appropriations					317,269,516,724	500,652,481,425
3. Net Income					117,662,027,573	117,662,027,573
4. Changes in Retained Earnings from Equity Method Securities					0	0
5. Change in Equity Method Capital Adjustment for Total Equity				2,724,926,401		2,724,926,401
6.Change in Negative Equity Method Capital Adjustment for Total Equity				(642,489,844)		(642,489,844)
7. Increase or Decrease in Gains on Valuation of Available for Sale Securities				6,330,819,212		6,330,819,212
8. Increase or Decrease in Losses on Valuation of Available for Sale Securities				(12,400,780)		(12,400,780)
As of Dec. 31, 2008(end of 8th FY)	18,750,000,000	153,618,863,259	0	19,414,966,431	434,931,544,297	626,715,363,987
As of Jan. 1, 2009(beginning of 9th FY)	18,750,000,000	153,618,863,259	0	11,014,101,442	336,019,516,724	519,402,481,425
1. Dividends					(18,750,000,000)	(18,750,000,000)
2. Retained Earnings After Appropriations					317,269,516,724	500,652,481,425
3. Net Income					34,210,112,712	34,210,112,712
4. Changes in Retained Earnings from Equity Method Securities					0	0
5. Change in Equity Method Capital Adjustment for Total Equity				(1,701,633,785)		(1,701,633,785)
6.Change in Negative Equity Method Capital Adjustment for Total Equity				1,327,240,255		1,327,240,255
7. Increase or Decrease in Gains on Valuation of Available for Sale Securities				0		0
8. Increase or Decrease in Losses on Valuation of Available for Sale Securities				0		0
As of Mar. 31, 2009(end of 9th FY 1Q)	18,750,000,000	153,618,863,259	0	10,639,707,912	351,479,629,436	534,488,200,607
As of Jan. 1, 2009(beginning of 9th FY)	18,750,000,000	153,618,863,259	0	19,414,966,431	434,931,544,297	626,715,363,987
1. Dividends					(18,750,000,000)	(18,750,000,000)
2. Retained Earnings After Appropriations					416,181,544,297	607,965,363,987
3. Net Income					30,493,771,539	30,493,771,539
4. Changes in Retained Earnings from Equity Method Securities					(169,295,927)	(169,295,927)
5. Change in Equity Method Capital Adjustment for Total Equity				10,573,122,048		10,573,122,048

Accounts	Capital Stock	Capital Surplus	Capital Adjustment	Accumulated Other Comprehensive Income	Retained Earnings	Total
6.Change in Negative Equity Method Capital Adjustment for Total Equity				1,585,193,501		1,585,193,501
7. Increase or Decrease in Gains on Valuation of Available for Sale Securities				0		0
8. Increase or Decrease in Losses on Valuation of Available for Sale Securities				12,400,780		12,400,780
As of Mar. 31, 2009(end of 9th FY 1Q)	18,750,000,000	153,618,863,259	0	31,585,672,760	446,506,019,909	650,460,555,928

## E. Statement of Cash Flow

9th Fiscal Year 1Q (Jan. 1, 2009 ~ Mar. 31, 2009)

8th Fiscal Year 1Q (Jan. 1, 2008 ~ Dec. 31, 2008)

8th Fiscal Year (Jan. 1, 2008 ~ Dec. 31, 2008)

7th Fiscal Year (Jan. 1, 2007 ~ Dec. 31, 2007)

(Unit : KRW)

Accounts	9th FY 1Q	8th FY 1Q	8th FY	7th FY
I. Cash Flows from Operating Activities	105,694,647,700	(8,443,099,215)	77,888,498,541	68,507,980,542
1. Net Income	30,493,771,539	34,210,112,712	117,662,027,573	81,034,606,981
2. Additions of Expenses of Non-Cash Transactions	23,993,579,221	7,423,676,360	62,197,119,149	14,791,392,469
A. Retirement and Severance Benefits	800,692,360	711,902,183	2,437,932,318	2,517,980,403
B. Depreciation	3,893,320,313	1,790,054,933	13,320,135,702	6,759,091,720
C. Amortization of Intangible Assets	647,289,669	706,411,970	2,919,918,674	2,385,998,618
D. Product Warranties Expenses	53,432,856	707,960,481	1,102,803,893	0
E. Expenses of Allowance for Doubtful Accounts	1,350,277,099	645,878,205	3,898,766,657	737,734,828
F. Losses on Sale of Available-for-Sale Securities	15,002,471	96,840	36,345,763	29,527,981
G. Impairment Losses on Available-for-Sale Securities	0	0	0	1,078,945,640
H. Losses on Sale of Tangible Assets	8,118,748	0	1,425,314,917	13,438,154
I. Losses on Foreign Currency Translation	14,500,913,713	2,643,778,601	31,670,277,962	1,132,381,867
J. Expenses of Allowance for Other Doubtful Accounts	1,639,865,412	19,760,714	1,998,938,907	136,293,258
K. Losses on Valuation of Equity Method Securities	1,094,666,580	197,832,433	3,364,684,356	0
L. Losses on Disposition of Investment Assets	0	0	22,000,000	0
3. Deduction of Revenues of Non-Cash Transactions	(18,849,649,666)	(12,845,221,699)	(40,040,949,221)	(33,188,904,962)
A. Gains on Sale of Tangible Assets	5,395,000	4,748,763	63,339,969	94,601,998
B. Gains on Foreign Currency Translation	5,897,725,978	2,050,192,858	2,250,564,404	1,078,538,990
C. Gains on Sale of Available-for-Sale Securities	0	0	0	6,875,000
D. Gains on Valuation of Equity Method Securities	12,946,528,678	10,756,875,745	37,409,351,282	31,639,774,433
E. Offset of Government Subsidy	0	33,404,333	317,693,566	134,339,591
F. Gains on Sale of Investment Assets	0	0	0	220,055,139
G. Reversal of Allowance for Product Warranties	0	0	0	14,719,811
H. Reversal of Allowance for Doubtful Accounts	0	0	0	0
4. Changes in Assets and Liabilities from Operating Activities	70,056,946,596	(37,231,666,588)	(61,929,698,960)	5,870,886,054
A. Increase in Trade Receivables	29,567,070,219	(38,567,062,530)	(65,232,739,125)	(58,247,235,810)
B. Decrease or Increase in Other Receivables	(3,817,034,194)	256,762,403	(5,811,255,994)	970,141,619
C. Decrease or Increase in Prepaid Expenses	(1,803,340,324)	(614,335,716)	1,670,662,099	(2,298,123,408)
D. Decrease or Increase in Deferred Income Taxes Assets Current	(3,257,886,613)	247,568,592	(4,786,864,769)	1,305,515,996
E. Decrease or Increase in Other Quick Assets	(1,060,284,093)	(910,208,894)	(2,593,105,305)	(768,129,846)
F. Decrease or Increase in Inventories	(25,969,188,230)	16,049,961,098	57,743,479,796	(17,952,492,970)
G. Increase or Decrease in Trade Payables	28,558,539,852	(14,052,606,969)	(13,835,332,017)	16,362,662,118
H. Increase or Decrease in Other Payables	41,408,973,669	12,037,713,269	5,106,572,096	(4,167,084,513)
I. Increase or Decrease in Advances from Customers	25,592,300,409	(1,595,842,993)	(25,776,300,732)	42,408,564,134
J. Increase or Decrease in Withholdings	1,766,067,303	(1,676,662,656)	(5,461,645,117)	1,434,091,079
K. Increase or Decrease in Accrued Expenses	(195,048,598)	759,352,611	1,536,945,574	0
L. Increase or Decrease in Income Taxes Payable	(24,058,170,168)	(11,465,483,871)	738,279,906	22,793,630,591
M. Increase or Decrease in Deferred Income Taxes Liabilities Current	0	325,222,148	0	0
N. Increase or Decrease in Deferred Income Taxes Liabilities	3,445,058,303	2,596,514,298	(3,230,794,399)	6,851,682,391
O. Increase or Decrease in Reversal of Product Warranties Expenses	5,078,609	(492,601,194)	(288,610,566)	336,350,265
P. Payment for Retirement and Severance Benefit	(175,936,052)	(182,665,516)	(778,733,775)	(3,392,645,715)
Q. Succession to Provision for Retirement and Severance Benefits	0	100,193,600	311,718,583	53,849,556
R. Decrease or Increase in Deposits for Retirement Severance Benefits	40,746,514	(44,361,078)	(1,237,516,915)	175,034,567

Accounts	9th FY 1Q	8th FY 1Q	8th FY	7th FY
S.Decrease or Increase in Contribution to National Pension Fund Plan	0	(3,133,200)	(4,458,300)	5,076,000
II.Cash Flows from Investing Activities	4,755,469,203	(3,912,896,135)	(20,674,530,310)	(45,128,465,914)
1.Cash Inflows from Investing Activities	6,760,007,051	679,967,103	32,619,525,890	53,318,954,010
A.Proceeds from Disposition of Short-term Investment Assets	15,647,241	28,700,745	30,117,425,170	49,213,494,211
B.Proceeds from Sale of Available for Sale Securities	2,468,338	353,160	492,137,837	2,213,467,079
C.Receipt of Dividend of Equity Method Securities	6,240,535,000	623,917,160	623,917,160	779,896,450
D.Decrease in Leasehold Deposits Provided	450,979,200	8,814,220	77,275,020	138,353,234
E.Proceeds from Disposition of Other Investment Assets	0	0	124,667,757	518,181,819
F.Proceeds from Sale of Structures	0	0	400,000	72,883,390
G.Proceeds from Sale of Vehicles	50,377,272	18,181,818	138,463,636	39,410,787
H.Proceeds from Sale of Tools	0	0	0	2,600,000
I.Proceeds from Sale of Office Equipment	0	0	45,239,310	340,667,040
J.Proceeds from Sale of Non-current Assets	0	0	1,000,000,000	0
2.Cash Outflows from Investing Activities	(2,004,537,848)	(4,592,863,238)	(53,294,056,200)	(98,447,419,924)
A.Purchase of Short-term Investment Assets	0	0	0	0
B.Purchase of Available-for-sale Securities	719,633,656	450,000	638,582,000	7,296,894,679
C.Purchase of Equity Method Securities	0	0	15,714,650,000	929,600,000
D.Increase in Other Investment Assets	0	0	64,018,577	0
E.Purchase of Land	410,270	18,214,200	240,756,179	4,702,132,315
F.Purchase of Buildings	0	22,900,000	4,707,897,660	189,841,358
G.Purchase of Structures	0	0	1,990,786,058	706,189,959
H.Purchase of Machinery	0	142,900,000	429,540,000	0
I.Purchase of Vehicles	218,437,848	228,302,000	552,043,942	343,758,438
J.Purchase of Tools	0	0	88,924,624	91,182,310
K.Purchase of Office Equipment	158,082,980	133,319,760	1,971,770,928	1,579,869,322
L.Purchase of Ships	0	0	16,704,527,000	79,338,540
M.Purchase of Construction in Progress	157,670,374	1,849,476,278	4,190,282,515	80,658,588,934
N.Purchase of Intangible Asset	135,181,520	1,569,155,600	3,378,160,600	553,689,020
O.Increase in Leasehold Deposits Provided	615,121,200	50,000,000	236,716,400	428,000,059
P.Purchase of Other Non Current Asset	0	578,145,400	2,385,399,717	888,324,990
III.Cashflows from Financing Activities	(2,499,272,241)	40,299,255	(22,035,672,973)	(4,588,527,025)
1.Cash Inflows from Financing Activities	220,000,000	69,000,000	316,018,577	1,782,369,003
A.Proceeds from Deposits Received	220,000,000	69,000,000	252,000,000	684,000,000
B.Proceeds from Long-term Borrowings	0	0	64,018,577	0
C.Receipt of Government Subsidy	0	0	0	1,098,369,003
2.Cash Outflows from Financing Activities	(2,719,272,241)	(28,700,745)	(22,351,691,550)	(6,370,886,028)
A.Repayments of Long-term Other Payables	2,703,625,000	0	3,423,617,200	0
B.Decease in Deposits	0	0	0	566,060,500
C.Return of Government Subsidy	0	0	0	69,232,132
D.Repayments of Current Portion of Long-term Liabilities	15,647,241	28,700,745	117,425,170	110,603,396
E.Repayments of Long-term Borrowings	0	0	60,649,180	0
F.Payments in Dividends	0	0	18,750,000,000	5,625,000,000
IV.Increase in Cash and Cash Equivalents	107,950,844,662	(12,315,696,095)	35,178,295,258	18,790,987,603
V.Cash and Cash Equivalent at Beginning	165,856,079,603	130,677,784,345	130,677,784,345	111,886,796,742
VI.Cash and Cash Equivalent at End	273,806,924,265	118,362,088,250	165,856,079,603	130,677,784,345

## F. Notes to Financial Statements

### 1. General

Established on Feb. 22, 2001, the Company listed its shares on the stock market run by Korea Exchange on Dec. 26, 2005. Its main business areas encompass transport, combined logistics services and CKD parts supply. Its capital stock at the end of the current quarter amounted to KRW 18,750 MN.

The Company has affiliates of Hyundai and KIA Motors as related parties, and GLOVIS America Inc., GLOVIS Slovakia s.r.o., etc. as subsidiaries. The Company's major stockholders at the end of the current quarter are as follows:

Shareholder's name	Number of shares	Stake
Chung, Eui-Sun	11,954,460	31.88%
Chung, Mong-Koo	9,134,658	24.36%
Wilh. Wilhelmsen ASA	7,500,000	20.00%
Others	8,910,882	23.76%
Total	37,500,000	100.00%

### 2. Summary of Significant Accounting Policies

Interim financial statements does not include the information and notes required for annual financial statements, therefore need to refer to the annual financial statements ended as of Dec. 31, 2008.

The Company's quarterly financial statements have been prepared in accordance with SKAS (Statement of Korea Accounting Standards) No.1 – 23 (except for No.14) as well as the Korea Financial Accounting Standards. The accounting policies which were applied in the annual financial statements for the fiscal year ended Dec. 31, 2008 were also used for the preparation of this quarterly financial statements.



### 3. Short-term Investment Asset

The following are details concerning short-term investment asset as of the date of this quarterly balance sheet.

(Unit: KRW 1,000)

Description		
Current portion of long-term obligations under financing loan	48,371	64,019

### 4. Inventories

Inventories are valued at the lower of cost or market and stated in this balance sheet, when the market value of inventory falls below its acquisition cost.

Therefore there are no losses on valuation of inventories added to costs of goods sold for the 1st quarters of this and previous fiscal years.

However, when the market value of the written-down inventory is higher than the book value, the loss on valuation is recovered within the extent of the initial book value. Thus, the allowances for loss on valuation of inventories deducted from costs of goods sold for the current 1st quarter is KRW 1,836,542,000 and for the 1st quarter of previous fiscal year was KRW 5,407,000.

Available-for-sale securities(equity securities) as of this quarterly report date are as follows.

(Unit: KRW 1,000)

Company (Class of securities)	Current 1Q	Previous FY
Listed securities	–	1,572
Non-listed securities(note1)	17,295,188	21,054,522
Total	17,295,188	21,056,094

(Note1) During the previous fiscal year, Hyundai Food System, the Company's invested company, had established Hyundai A&I through its spin-off. The Company does not have significant influence on Hyundai A&I, therefore KRW 14,319,370,000 worth of conforming-investment securities are recategorized from equity method investment securities to available-for-sale securities and the related KRW 6,330,819,000 of gains on valuation of equity method securities was reclassified into gain on valuation of available-for-sale securities.

## 6. Equity Method Investment Securities

Equity method investment securities as of the quarterly report date are as follows.

### (1) The Company's Stake in Invested Companies, etc.

(Current 1Q)

(Unit: KRW 1,000)

Company	Stake (%)	Acquisition cost	Initial Valuation	Gain on Equity Method	Other Changes (note4)	End of Current 1Q	Net Assets
GLOVIS America, Inc.(note1)	100.00%	17,857,650	64,465,454	2,047,713	6,346,811	72,859,978	72,837,933
AMCO Corp.	24.96%	12,481,065	90,402,647	7,974,885	(3,813,342)	94,564,190	95,992,493
Hyundai Autonet(note2)	6.73%	1,552,107	25,122,646	(826,915)	59,980	24,355,711	27,431,606
Hyundai Food System	19.50%	839,376	7,076,549	827,649	2,032,299	9,936,497	9,951,336
GLOVIS SLOVAKIA,s.r.o.	100.00%	4,922,658	14,048,072	114,138	2,606,133	16,768,343	16,768,177
Beijing GLOVIS Warehousing & Transportation Co., Ltd.	100.00%	1,335,379	3,231,114	585,195	264,247	4,080,566	3,853,276
Glovis Europe, GmbH.	100.00%	965,910	5,932,093	1,396,949	(84,451)	7,244,591	7,242,119
Glovis Czech Republic Co, s.r.o.(note3)	100.00%	4,475,470	—	(267,752)	6,266,423	5,998,671	5,998,507
Total		44,429,615	210,278,575	11,851,862	13,678,100	235,808,537	240,075,447

(Previous 1Q)

(Unit: KRW 1,000)

Company	Stake (%)	Acquisition cost	Initial Valuation	Gain on Equity Method	Other Changes (note4)	End of Previous 1Q	Net Assets
GLOVIS America, Inc.(note1)	100.00%	2,143,000	27,405,451	2,668,091	1,730,425	31,803,967	31,628,457
AMCO Corp.	24.96%	12,481,065	72,665,884	5,144,672	(566,040)	77,244,516	78,578,575
Hyundai Autonet(note2)	6.73%	1,552,107	28,814,154	(197,832)	(664,308)	27,962,014	31,357,075
Hyundai Food System	19.50%	2,031,440	27,633,995	1,126,541	(3,090,516)	25,670,020	25,726,888
GLOVIS SLOVAKIA,s.r.o.	100.00%	4,922,658	6,886,424	922,731	1,036,240	8,845,395	8,941,320
Beijing GLOVIS Warehousing & Transportation Co., Ltd.	100.00%	1,335,379	1,375,723	333,035	141,227	1,849,985	1,599,039
Glovis Europe, GmbH.	100.00%	965,910	—	561,805	1,228,561	1,790,366	1,769,278
Total		25,431,559	164,781,631	10,559,043	(174,411)	175,166,263	179,600,612

(note1) Glovis Alabama LLC and GLOVIS Georgia LLC, companies wholly owned by GLOVIS America Inc., and Global Auto Processing Services Inc., a company 75% owned by GLOVIS America, Inc., are exempted by local law from the obligations to report separate, individual financial statements and payment of income tax through self-assessment. As such, the financial positions of these three companies are reflected in the financial statements of GLOVIS America Inc.

(note2) The Company possessed Hyundai Autonet's ordinary share (15,597,929 shares, 6.7% of equity ratio) which was classified as investment securities under equity method according to SKAS 15 Paragraph 6 ("Equity Method").

(note3) Since the investee company has the total of KRW 10 BN in capital at the end of previous fiscal year, the said shares has been reclassified as investment securities under equity method starting this fiscal year.

(note4) Other changes for the current 1st quarter are consisted of KRW 4,475,470,000 of increase from the substitution of available-for-sale securities with equity method investment securities, KRW (−)6,240,535,000 of dividend received and of KRW 15,587,584,000 of capital adjustment arising

from equity method investment which was recognized as accumulated other comprehensive income, and KRW (–)144,419,000 of changes in retained earnings. For the 1st quarter of previous fiscal year, other changes are consisted of KRW 965,910,000 of increase from the substitution of available-for-sale securities with equity method investment securities, KRW (–)623,917,000 of dividend received and of KRW (–)516,404,000 of capital adjustment arising from equity method investment which was recognized as accumulated other comprehensive income.

## (2) Summary of Financial Status of Invested Companies

(Current 1Q)

(Unit: KRW 1,000)

Company	Total assets	Total liabilities	Sales	Quarterly net income
Glovis America, Inc.(note1,2)	256,897,876	184,069,943	120,878,064	2,319,604
AMCO Corp.(note1)	1,024,736,515	640,184,010	334,416,864	19,347,121
Hyundai Autonet(note1)	672,353,456	264,705,946	230,760,387	(15,337,751)
Hyundai Food System(note1)	104,663,028	53,630,533	77,153,434	4,236,874
Glovis Slovakia,s.r.o.(note1,3)	26,240,016	9,471,838	8,430,265	100,928
Beijing GLOVIS Warehousing & Transportation Co., Ltd.(note1)	16,225,430	12,372,154	13,600,080	533,589
Glovis Europe, GmbH(note1)	38,780,664	31,538,544	31,344,187	1,194,984
Glovis Czech Republic Co, s.r.o.(note1)	23,830,973	17,832,466	6,034,566	1,148,827
Total	2,163,727,968	1,213,795,434	822,617,847	13,604,176

(Previous FY)

(Unit: KRW 1,000)

Company	Total assets	Total liabilities	Sales	Annual net income
Glovis America, Inc.(note1)	242,573,860	178,402,342	461,785,324	8,117,610
AMCO Corp.(note1)	866,056,165	498,100,081	1,478,980,904	62,727,838
Hyundai Autonet(note1)	645,443,422	225,333,748	1,017,590,817	(53,181,399)
Hyundai Food System(note1)	93,447,500	57,078,690	331,444,533	15,686,051
Glovis Slovakia,s.r.o.(note1)	27,000,816	12,955,097	42,934,501	3,860,886
Beijing GLOVIS Warehousing & Transportation Co., Ltd.(note1)	17,527,930	14,519,550	53,207,492	976,061
Glovis Europe, GmbH(note1)	40,013,379	34,081,614	124,723,702	4,355,046
Total	1,932,063,072	1,020,471,022	3,510,667,273	42,542,093

(note1) Used the equity method used financial statements which had not been reviewed by independent auditors as of the auditor's report date, therefore the auditors and CEOs of invested companies had signed for the credibility of unreviewed financial statements.

(note2) As Glovis America, Inc. had not amortized intangible assets, the process had been adjusted to the Company's amortization process, then applied equity method that the net asset was adjusted by KRW (–)2,202,177,000.

(note3) As useful lives in depreciating tangible and intangible assets of Glovis Slovakia, s.r.o. disagree each other, the Company had adjusted to the useful lives of tangible and intangible assets so that the net assets were adjusted by KRW 134,773,000.

(3) The total reversal of investment difference for the current 1st quarter and previous 1st quarter are KRW 72,224,000 and KRW 73,004,000 respectively and the balance of investment difference after reversal are KRW (-)3,090,734,000 and KRW (-)3,162,958,000 respectively.

(4) The eliminated unrealized losses for the current 1st quarter and previous 1st quarter are KRW (-)267,225,000 and KRW (-)770,830,000 respectively. As the end of the current 3rd quarter and previous fiscal year, the balances of unrealized gains are KRW 1,176,176,000 and KRW 927,675,000 respectively.

(5) Market Price of Marketable Equity Method Securities

(Unit: KRW 1,000)

Company	Current 1Q		Previous FY	
	Market price	Book value	Market price	Book value
Hyundai Autonet	51,473,166	24,355,711	39,228,791	25,122,646

## 7. Tangible Assets

Changes in the book values of tangible assets of the Company are as follows.

(Current 1Q)

(Unit : KRW 1,000)

Description	Beginning of year	Acquisition	Disposition	Depreciation cost	Substitution	End of current 1Q
Land	120,698,987	410	—	—	—	120,699,397
Buildings	34,664,649	—	—	(457,047)	—	34,207,602
Structures	9,460,228	—	—	(138,464)	—	9,321,764
Machinery and equipment	2,967,815	—	—	(254,282)	—	2,713,533
Vehicles and transportation equipment	1,966,318	218,438	(53,100)	(258,083)	—	1,873,573
Tools and instruments	243,488	—	—	(26,627)	—	216,861
Office fixtures	5,324,815	158,083	(1)	(485,827)	—	4,997,070
Ship	100,961,433	—	—	(2,262,990)	—	98,698,443
Construction in-progress	10,001,644	157,670	—	—	—	10,159,314
Total	286,289,377	534,601	(53,101)	(3,883,320)	—	282,887,557

(Previous 1Q)

(Unit : KRW 1,000)

Description	Beginning of year	Acquisition	Disposition	Depreciation cost	Substitution (note)	End of previous 1Q
Land	120,458,231	18,214	—	—	—	120,476,445
Buildings	32,611,078	22,900	—	(433,157)	—	32,200,821
Structures	8,503,023	—	—	(120,255)	—	8,382,768
Machinery and equipment	3,736,766	142,900	—	(309,923)	1,900	3,571,643
Vehicles and transportation equipment	2,758,170	228,302	(13,433)	(312,371)	—	2,660,668
Tools and instruments	257,148	—	—	(24,598)	—	232,550
Office fixtures	4,682,287	133,320	—	(453,765)	—	4,361,842
Ship	6,300,651	—	—	(135,986)	—	6,164,665
Construction in-progress	9,031,004	1,849,476	—	—	(190,858)	10,689,622
Total	88,338,358	2,395,112	(13,433)	(1,790,055)	(188,958)	188,741,024

(note) KRW 188,958,000 of the construction in-process was substituted with development cost for intangible assets.

## 8. Long-term Borrowing

Long-term borrowing as of the current quarterly balance sheet dates are as follows.

(Unit: KRW 1,000)

Loan type	Borrower	Interest rate (%)	Current 1Q	Previous FYr	Payment method
Facility fund	Hyundai Oilbank	—	48,371	64,019	Installment
Deduction: liquidity replacement			(48,371)	( 64,019)	
Remaining amount			—	—	

## 9. Other Long-term Payables

This long-term payables are related to Bare Boat Charter Hire Purchase (BBCHP). BBCHP is an arrangement of purchasing the ship after the Company repay the cost of ship on yearly-base for the agreed time period. The Company sets the ship as tangible asset (ship) as of the delivery of the ship and accounts repayment amount as long-term payables.

The repayment schedule for long-term payables as of the end of this current 1st quarter is as follows.

(KRW Unit: KRW 1,000)

Timetalbe	Foreign currency (USD)	Relevant Korean Won (KRW)	Interest rate
Apr. 1, 2009 – Mar. 31, 2010	8,600,000	11,843,060	3M Libor + 1.2%
Apr. 1, 2010 – Mar. 31, 2011	8,600,000	11,843,060	
Apr. 1, 2011 – Mar. 31, 2012	8,600,000	11,843,060	
Apr. 1, 2012 – Mar. 31, 2013	8,600,000	11,843,060	
after Mar. 2013	44,989,000	61,954,352	
Total	79,389,000	109,326,592	
Deduction : Liquidity Replacement	(8,600,000)	(11,843,060)	
Remaining Balance	70,789,000	97,483,532	

As of the end of this current 1st quarter, the Company's tangible assets are in pledge for the above long-term payables.

## 10. Provisions for Estimated Liabilities

(1) Provisions for Estimated Liabilities for the current 1st quarter have been Changed as follows.

(Unit: KRW 1,000)

Description	Beginning of year	Increase	Reversal	Amount used	End of current 1Q
Quality assurance	12,900,729	2,330,014	–	2,037,456	13,193,287

(2) The Nature of Provisions for Estimated Liabilities and the Expected Timing of Resource Outflows

As of the end of the current 1st quarter, the Company has established KRW 13,193,287,000 as estimated warranty liabilities in including KRW 2,466,790,000 as current portion of provision for product warranty in order to settle estimated warranty claims related to CKD parts sold during the current year and before previous year. Most of relevant expenses are expected to incur within 3 years, and the incurrence of such expenses will be completed within 10 years.

(3) In connection with quality assurance, the Company has signed a guarantee agreement with its supplier for reimbursement for any losses resulting from product warranties. Under the agreement, the Company is to receive from its CKD part supplier a reimbursement worth KRW 10,554,629,000 out of KRW 13,193,287,000 of the total estimated warranty liabilities at the end of the current 1st quarter. The estimated reimbursement amount KRW 10,554,629,000 was recognized as KRW 1,973,432,000 of current portion of provision for product warranty for assets and as KRW 8,581,197,000 of provision for product warranty asset (for other non-current asset) in the financial statements.

## 11. Assets and Liabilities Denominated in Foreign Currency

Assets and liabilities denominated in foreign currency as of the current quarterly balance sheet dates are as follows.

(KRW unit: KRW 1,000)

Description	Current 1Q			Previous FY		
	in Foreign currency		in KRW	in Foreign currency		in KRW
Cash and cash equivalent	AUD	83,939.69	78,667	AUD	55,031.94	47,878
	CAD	673,286.82	734,812	CAD	870,106.78	903,441
	CHF	38,936.72	46,587	CHF	23,475.89	27,959
	DKK	25,101.49	6,121	DKK	8,481.42	2,021
	EUR	25,321,515.91	45,993,748	EUR	13,482,314.23	23,947,556
	GBP	121,994.18	239,565	GBP	13,222.01	24,033
	HKD	38,667.85	6,871	HKD	36,735.12	5,960
	JPY	23,053,980.00	326,168	JPY	13,529,680.00	188,589
	NOK	1,811.68	366	NOK	1,807.55	326
	SEK	5,688.00	940	SEK	1,259.26	205
	USD	87,165,103.27	120,035,064	USD	50,219,005.77	63,150,400
Trade receivables	AUD	15,173.70	14,221	AUD	20,710.90	18,018
	CAD	365,916.17	399,354	CAD	268,311.35	278,590
	CHF	7,022.42	8,402	CHF	9,524.96	11,344
	DKK	1,384.00	337	DKK	6,464.65	1,541
	EUR	8,243,724.78	14,973,819	EUR	15,264,309.08	27,112,771
	GBP	125,012.44	245,492	GBP	70,789.18	128,670
	HKD	49,915.30	8,869	HKD	1,918.96	311
	JPY	1,945,787.00	27,529	JPY	3,583,418.00	49,949
	SEK	67,933.60	11,223	SEK	1,140.64	186
	SGD	1,122.50	1,015	SGD	151.90	133
	USD	76,682,718.56	105,599,772	USD	79,956,223.73	100,544,951
Other receivables	EUR	4,049.17	7,355	EUR	146,297.72	259,857
	USD	44,742.21	61,614	USD	586,181.82	737,124
Total assets	AUD	99,113.39	92,888	AUD	75,742.84	65,896
	CAD	1,039,202.99	1,134,165	CAD	1,138,418.13	1,182,031
	CHF	45,959.14	54,990	CHF	33,000.85	39,303
	DKK	26,485.49	6,458	DKK	14,946.07	3,562
	EUR	33,565,240.69	60,967,568	EUR	28,892,921.03	51,320,184
	GBP	247,006.62	485,057	GBP	84,011.19	152,703
	HKD	88,583.15	15,739	HKD	38,654.08	6,272
	JPY	24,999,767.00	353,697	JPY	17,113,098.00	238,538
	NOK	1,811.68	366	NOK	1,807.55	326
	SEK	73,621.60	12,162	SEK	2,399.90	391
	SGD	1,122.50	1,015	SGD	151.90	133
	USD	163,847,821.83	225,634,836	USD	130,761,411.32	164,432,475
	CAD	345,076.77	376,610	CAD	514,397.12	534,104



Trade payables	EUR	2,197,210.72	3,990,992	EUR	4,139,336.02	7,352,371
	GBP	116,035.69	227,864	GBP	85,786.71	155,930
	JPY	485,680.00	6,871	JPY	712,860.00	9,936
	SGD	1,169.71	1,057	SGD	978.57	857
	USD	63,533,516.15	87,492,005	USD	63,063,243.78	79,302,029
Other payable	EUR	439,789.93	798,830	EUR	448,379.72	796,421
	USD	3,292,113.88	4,533,570	USD	2,588,606.96	3,255,173
Current portion of long-term payables	USD	8,600,000.00	11,843,060	USD	8,600,000.00	10,814,500
Long-term other payables	USD	70,789,000.00	97,483,532	USD	72,939,000.00	91,720,793
Total liabilities	CAD	345,076.77	376,610	CAD	514,397.12	534,104
	EUR	2,637,000.65	4,789,822	EUR	4,587,715.74	8,148,792
	GBP	116,035.69	227,864	GBP	85,786.71	155,930
	JPY	485,680.00	6,871	JPY	712,860.00	9,936
	SGD	1,169.71	1,057	SGD	978.57	857
	USD	146,214,630.03	201,352,167	USD	147,190,850.74	185,092,495

## 12. Transaction with Related Parties

### (1) Special Relationship between Parent Company & Subsidiaries

The following is a list of the parent company and subsidiaries that have special relationships with the Company as of the current quarterly annual balance sheet date.

(Current 1Q and Previous FY)

Company name	Parent company	Relationship with the Company
Glovis America Inc.(note1)	The Company	Subsidiary
Glovis Slovakia, s.r.o	The Company	Subsidiary
Beijing GLOVIS Warehousing & Transportation Co., Ltd.	The Company	Subsidiary
Glovis Australia, Pty, Ltd.	The Company	Subsidiary
Glovis Europe, GmbH.	The Company	Subsidiary
Glovis India, Pvt. Ltd.	The Company	Subsidiary
Glovis Lojistik Sanayi ve Ticaret	The Company	Subsidiary
Glovis Czech Republic, s.r.o	The Company	Subsidiary
Glovis Hongkong Co., Ltd	The Company	Subsidiary
Glovis Rus LLC	The Company	Subsidiary

(note1) GLOVIS Alabama LLC, GLOVIS Georgia LLC (100% owned by GLOVIS America Inc.) and Global Auto Processing Services Inc. (75% owned by GLOVIS Americ Inc.) did not report their financial statements separately and pay income tax according to local laws.

(2) The following are details concerning Major Transactions with Related Parties  
and relevant credit and liability balances as of the current quarterly balance sheet date  
and previous annual balance sheet date.

1) Major Transactions with Related Parties

(Unit: KRW 1,000)

Related party	Relationships	Sales		Purchase		Others	
		Current 1Q	Previous 1Q	Current 1Q	Previous 1Q	Current 1Q	Previous 1Q
GLOVIS Hongkong	Subsidiary	-	-	-	220,639	-	-
Kia Motors	Other Related Party	100,282,211	81,879,182	2,523,223	3,232,304	457,806	509,498
Rotem	Other Related Party	4,455,625	816,253	-	-	-	-
Metia	Other Related Party	350,384	380,637	496,278	878,529	25	-
Beijing GLOVIS	Subsidiary	589,625	1,029,016	334,016	144,430	76,838	24,886
BNS Steel	Other Related Party	1,047,897	1,190,342	-	-	-	-
AIA	Other Related Party	69,067	60,361	86,591	231,763	2,258	387
IHL	Other Related Party	14,253	22,406	546,572	782,012	16,676	278
MSEAT	Other Related Party	282,032	241,782	-	-	-	3,169
AMCO	Company invested under the equity method	16,640	2,832,507	-	-	39,798	229,185
AutoEver Systems	Other Related Party	27,402	4,437	-	-	1,273,034	3,421,602
WSCO	Other Related Party	441,222	487,691	1,380,293	5,270	7,055	-
WA	Other Related Party	6,815,018	5,401,382	7,946,719	8,319,669	21,573	20,201
Eukor Car Carriers	Other Related Party	10,318,263	1,780,344	46,535,516	17,739,792	301,230	121,460
Innocean	Other Related Party	112,179	49,792	-	-	22,526	-
KERCO	Other Related Party	67,418	59,468	13,701,880	6,597,522	39,079	38,560
Partecs	Other Related Party	2,354	12,023	-	-	44,977	-
Hysco Slovakia	Other Related Party	-	53,433	-	-	-	-
Haevichi Resort	Other Related Party	-	-	45,455	-	66,341	-
Haevichi CC	Other Related Party	-	-	45,636	-	500	500
Hyundai DYMOS	Other Related Party	437,916	673,808	1,157	581,745	78	-
Hyundai MOBIS	Other Related Party	41,833,182	42,981,317	-	230,377	12,485	287,083
Hyundai MOBIS Hongkong	Other Related Party	-	2,705	4,575,450	3,922,482	-	-
Hyundai Autonet Corp.	Company invested under the equity method	1,266,451	2,265,404	509,396	1,227,913	33,462	19,073
Hyundai Motor	Other Related Party	58,473,783	105,313,224	691,676	10,781,872	1,197,130	905,797
Hyundai Steel	Other Related Party	36,939,968	44,044,050	21,431	335,249	295,637	384,305
Hyundai Card	Other Related Party	-	-	18,636	-	1,000	-
Hyundai Capital	Other Related Party	-	-	23,880,143	11,155,053	107,706	2,069
Hyundai Powertech	Other Related Party	963,340	1,684,239	43,522,745	43,711,532	580,128	235,469
Hyundai Food System	Company invested under the equity method	-	-	-	-	28,549	70,933
Hyundai Hysco	Other Related Party	14,639,268	20,775,058	-	-	-	-
Glovis Alabama LLC.	Subsidiary	-	-	29,712	46,910	237,088	8,897
Glovis America Inc.	Subsidiary	2,083,100	3,886,657	1,488,189	1,827,946	46,546	16,426
Glovis Czech Republic, s.r.o	Subsidiary	-	-	-	-	8,981	10,889
Glovis Europe, GmbH.	Subsidiary	173,101	75,341	3,311,729	2,214,718	1,527,467	3,228,108
Glovis India, Pvt. Ltd.	Subsidiary	54,206	746,644	49,592	46,263	15,565	4,966
Glovis Lojistik Sanayi ve Ticaret	Subsidiary	99,773	285,573	10,663	5,670	639	-
Glovis Slovakia, s.r.o	Subsidiary	-	-	-	-	16,576	74,182
HAOS	Other Related Party	5,808,152	4,748,871	-	-	-	-
HMI	Other Related Party	48,697,801	13,323,621	-	-	-	-
HMMA	Other Related Party	76,017,943	132,044,781	-	-	1,686,030	1,299,894

HMMC	Other Related Party	35,441,166	416,841	-	-	24,802	-
KMS	Other Related Party	7,424,687	132,032,784	-	-	200,115	302,398
KMMG	Other Related Party	72,266	-	-	-	7,973	-
Wa Automotive Parts	Other Related Party	-	-	153,171	-	-	-
Glovis Rus LLC	Subsidiary	-	-	-	-	1,327	-
Hysco Czech	Other Related Party	180,195	-	-	-	-	-
Mobis Slovakia	Other Related Party	108,989	-	-	-	-	-
Mobis Alabama	Other Related Party	116,396	-	-	-	-	-
Samwoo	Other Related Party	-	-	24,670	-	-	-
Hyundai Mobis Czech	Other Related Party	150,558	-	-	-	-	-
Jiangsu Yongchang Glovis (note1)	Subsidiary	-	8,871	-	-	-	-
Total		455,873,631	601,620,855	151,940,539	114,239,720	8,419,070	11,220,224

(note1) Jiangsu Yongchang Glovis is no longer the related parties to the Company from the previous fiscal year.

## 2) Credit & Liabilities

(Unit: KRW 1,000)

Related party	Relationships	Trade receivable		Other receivables, etc.		Trade payable		Advance from customers	
		Current 1Q	Previous FY	Current 1Q	Previous FY	Current 1Q	Previous FY	Current 1Q	Previous FY
GLOVIS Georgia	Subsidiary	-	-	9,812	183,596	-	-	-	-
Kia Motors	Other Related Party	50,641,546	61,303,784	10,174	12,359	790,619	528,109	124,052	195,948
Rotem	Other Related Party	1,489,768	1,938,385	-	-	-	-	-	1,672
Metia	Other Related Party	145,140	595,721	-	-	222,960	383,615	-	-
Beijing GLOVIS	Subsidiary	1,311,056	2,343,321	88,161	70,889	216,963	12,222	43,384	-
BNG Steel	Other Related Party	419,867	1,204,686	-	-	-	-	-	-
AIA	Other Related Party	31,708	29,325	34	17	73,576	-	-	-
IHL	Other Related Party	5,136	4,978	-	-	307,276	148,250	2,990	-
MSEAT	Other Related Party	108,570	657,785	-	-	-	-	-	-
AMCO	Company invested under the equity method	18,304	770	-	-	-	-	14,583	14,061
AutoEver Systems	Other Related Party	11,056	11,724	-	-	-	-	552,446	708,136
WSCO	Other Related Party	186,754	680,346	-	-	158,917	773,534	7,055	-
WA	Other Related Party	2,569,482	2,844,468	10,016	3,455	3,788,354	1,237,949	-	-
Eukor Car Carriers	Other Related Party	3,089,180	2,682,192	6,197	-	30,652,218	25,001,646	932,907	860,752
Innocean	Other Related Party	-	64,335	-	-	-	-	92,185	384,521
KEPCO	Other Related Party	34,823	22,461	16,798	21,035	6,854,987	6,463,518	-	-
Partecs	Other Related Party	1,888	37,883	49,475	-	-	-	-	-
Haevichi Resort	Other Related Party	-	-	-	-	-	-	72,645	-
Hyundai DYMOS	Other Related Party	790,584	1,623,417	78	452	-	-	-	-
Hyundai MOBIS	Other Related Party	10,336,262	8,751,192	4,223	225,747	368,082	3,233,219	1,065	2,446
Hyundai MOBIS Hongkong	Other Related Party	-	13,582	-	-	2,735,584	1,117,293	-	-
Hyundai Autonet Corp.	Company invested under the equity method	498,291	4,023,481	5,573	5,886	354,752	206,436	-	-
Hyundai Motor	Other Related Party	24,181,563	43,100,697	77,057	66,849	249,758	244,968	2,191,083	119,368
Hyundai Steel	Other Related Party	15,202,738	25,637,076	-	-	-	1,999	240,000	7,608
Hyundai Card	Other Related Party	-	-	331,855	1,070,886	-	-	347,745	252,586
Hyundai Capital	Other Related Party	-	-	16,190	26,999	5,491,941	5,418,030	-	-
Hyundai Powertech	Other Related Party	370,395	1,874,988	100,085	39,102	20,961,674	4,763,607	-	-
Hyundai Food System	Company invested under the equity method	-	-	-	-	-	-	12,586	12,899
Hyundai Hysco	Other Related Party	6,188,700	28,327,603	-	-	-	-	-	-
Glovis Alabama LLC.	Subsidiary	-	-	50,946	412,204	11,207	1,689	19,518	55,069
Glovis America Inc.	Subsidiary	1,248,564	3,575,552	43,530	129,899	841,588	78,090	9,276	88,025

Glovis Czech Republic, s.r.o	Subsidiary	–	–	16,474	32,463	–	–	–	–
Glovis Europe, GmbH.	Subsidiary	170,071	111	77,083	32,825	916,461	832,564	528,351	812,019
Glovis India, Pvt. Ltd.	Subsidiary	103,574	135,086	25,288	14,118	16,206	–	–	–
Glovis Lojistik Sanayi ve Ticaret	Subsidiary	63,766	353,765	25	5,705	–	–	657	–
Glovis Slovakia, s.r.o	Subsidiary	–	–	16,576	107,164	–	–	–	–
HAOS	Other Related Party	971,126	140,139	–	–	–	–	–	–
HMI	Other Related Party	42,700,961	51,910,783	–	1,589,000	–	–	–	2,898,000
HMMA	Other Related Party	67,235	–	–	–	–	–	35,908,979	32,250,407
HMMC	Other Related Party	158,370	12,291,237	–	–	–	–	24,180,183	12,927,424
KMS	Other Related Party	1,174,814	7,810,252	–	128,133	–	–	5,796,153	1,379,944
KMMG	Other Related Party	71,326	6,574	7,945	–	–	–	–	–
Wa Automotive Parts	Other Related Party	–	–	–	–	–	108,828	–	–
Glovis Rus LLC	Subsidiary	–	–	–	6,579	–	–	1,327	–
Hysco Czech	Other Related Party	115,514	45,108	–	–	–	–	–	–
Mobis Slovakia	Other Related Party	108,495	–	–	–	–	–	–	–
Mobis Alabama	Other Related Party	101,742	–	–	–	–	–	–	–
Hyundai Mobis Czech	Other Related Party	110,246	–	–	–	–	–	–	–
Total		164,808,615	264,042,807	963,605	4,195,352	75,013,123	50,555,546	71,079,180	52,970,875

### 3) Additional Information About Transaction

All transactions with the related parties have been established on terms and conditions that materially different from those obtainable in transactions with unrelated parties, at normal market prices. Outstanding balances with related parties are unsecured and interest-free, except for specific transactions with agreed terms and conditions. There are no guarantees provided to or from related parties relating to the above outstanding balances.

### 4) Payment Guarantee

Related party	Agreed date	Amount guaranteed	Details
Glovis America Inc.	May 28, 2009	USD 8,700,000	Guarantee for C/C construction capital
Glovis Alabama LLC.	May 26, 2009	USD 10,000,000	Guarantee for Operation of subsidiary
Glovis Georgia LLC.	Sept. 18, 2009	USD 19,000,000	Guarantee for C/C construction capital
Glovis Slovakia, s.r.o.	Jul. 1, 2009	EUR 5,000,000	Guarantee for Tire/ wheel line investment capital
Glovis Europe, GmbH.	May 1, 2009	EUR 650,000	Guarantee for Operation of subsidiary
Glovis Czech, s.r.o.	Feb. 25, 2009	EUR 11,000,000	Guarantee for Operation of subsidiary
Glovis India Pvt	Feb. 16, 2009	USD 6,700,000	Guarantee for Operation of subsidiary
Glovis Turkey Ltd	Mar. 20, 2009	EUR 300,000	Guarantee for Operation of subsidiary

### (3) Compensation to Key Management

Details of compensation to Company's key management are as follows. The key management includes registered & non-registered directors who are responsible for and authorized to carry out company business plan operation control.

(Unit : KRW 1,000)

Type	Current 1Q	Previous 1Q
Short-term payment	650,352	858,005
Retirement payment	225,055	172,191

### 13. Income Tax Expenses and Deferred Income Tax Assets (Liabilities)

The income tax expenses and deferred income tax assets (liabilities) for the current and previous 1st quarters are as follows.

(1) The income tax expenses for the current and previous 1st quarters are as follows.

(Unit: KRW 1,000)

Type	Current 1Q	Previous 1Q
Income tax burden	6,186,578	9,788,162
Changes in deferred income tax assets due to temporary difference	(3,257,887)	247,569
Changes in deferred income tax liabilities due to temporary difference	6,899,203	2,779,725
Income tax expenses directly reflected in capital	(3,457,642)	142,011
Income tax expenses reflected in quarterly net income	6,370,252	12,957,467

(2) The details between income before income tax expense and income tax expense for the current and previous 1st quarters are as follows.

(Unit: KRW 1,000)

Description	Current 1Q	Previous 1Q
Income before income tax expense	36,864,024	47,167,580
Income taxes (applied tax rate – current 1Q: 24.2%, previous 1Q: 27.5%)	8,915,044	12,963,384
Adjustments		
Non-taxable income (current 1Q: KRW 3,395,774,000, previous 1Q: KRW 106,982,000)	(821,777)	(29,420)
Disallowed expense (current 1Q: KRW 151,992,000, previous 1Q: KRW 66,874,000)	36,782	18,390
Tax credit	(165,761)	–
Others		
Income tax from tonnage tax system	10,693	712
Change in tax rate, etc.	(1,604,729)	4,401
Income tax expense	6,370,252	12,957,467
Effective tax rate	17.28%	27.47%

## 14. Quarterly Earning per Share

### (1) Earning Per Share (EPS)

(Unit: KRW 1,000)

Description	Current 1Q	Previous 1Q
Quarterly Net income	30,493,771,539	34,210,112,712
Weighted Average Number of Common Stocks Outstanding(note)	37,500,000 shares	37,500,000 shares
Earnings per Share	813	912

(Note) Weighted Average Number of Common Stocks Outstanding

(Current 1Q, Previous 1Q)	Number of shares	Weighted value	Accumulated balance
Beginning	37,500,000	90	3,375,000,000
			÷ 90
Weighted average number of common stocks outstanding			37,500,000

However, the earnings per share for the previous fiscal year was KRW 3,138.

## 15. Comprehensive Income

(Unit: KRW 1,000)

Description	Current 1Q		Previous 1Q	
	Comprehensive Income	Effect on Income Tax	Comprehensive Income	Effect on Income Tax
Quarterly net income	30,493,772		34,210,113	
Change in Equity Method Capital Adjustment	10,573,122	(2,982,163)	(1,701,634)	645,447
Change in Negative Equity Method Capital Adjustment	1,585,194	(447,106)	1,327,240	(503,436)
Changes in Gain on Equity Earning Surplus	(169,236)	(24,877)	—	—
Loss on valuation on available-for-sale securities	12,401	(3,498)	—	—
Comprehensive Income	42,495,193		33,835,719	



## 16. Payment Guarantee

### (1) Payment Guarantee Details provided by a Third Party

Payment guarantee details provided by a third party as of the quarterly balance sheet date are currently as follows.

(Unit: KRW 1,000)

Providing Party	Guarantee Date	Amount	Details
Seould Guarantee Insurance	May 2008 ~ Jul. 2010	724,800	Performance of Transportation
Seould Guarantee Insurance	Dec. 2006 ~ Mar. 2012	1,396,220	Deposit of provisional bond seizure
Seould Guarantee Insurance	May 2008 ~ Dec. 2009	52,000	Used car business guarantee
Seould Guarantee Insurance	May 2007 ~ May 2009	345	Participation in bidding, etc.
Total		2,173,365	

### (2) Payment Guarantee Details provided to a Third Party

Payment guarantee details provided by the Company to a third party as of the end of this current quarter are as follows.

Receiving Party	Guarantee Date	Amount	Details
Glovis America Inc.	May 28, 2009	USD 8,700,000	Guarantee for C/C construction capital
Glovis Alabama LLC.	May 26, 2009	USD 10,000,000	Operation of subsidiary
Glovis Georgia LLC.	Sept. 18, 2009	USD 19,000,000	Guarantee for C/C construction capital
Glovis Slovakia, s.r.o.	Jul. 1, 2009	EUR 5,000,000	Guarantee for Tire/wheel line investment
Glovis Europe, GmbH.	May 1, 2009	EUR 650,000	Operation of subsidiary
Glovis Czech, s.r.o.	Feb. 25, 2009	EUR 11,000,000	Operation of subsidiary
Glovis India Pvt	Feb. 16, 2009	USD 6,700,000	Operation of subsidiary
Glovis Turkey Ltd	Mar. 20, 2009	EUR 300,000	Operation of subsidiary

## 17. Contingent Debts and Main Agreements

### (1) Collateral Note

As of the quarterly balance sheet date, 3 promissory notes (face value: KRW 170,000,000) to fulfill agreements have been provided to related companies as collateral.

### (2) Discount of Trade Receivables

The Company and Hana Bank have signed a D/A bill discount agreement with a limitation of \$391,058,747. Trade receivables sold to financial institutions that have yet to mature currently amount to USD 20,299,993, EUR 14,359,405 (KRW 54,037,400,000) as of the quarterly balance sheet date, therefore, subsequent to this date, redemption obligations may incur.

## 18. Footnotes to Cash Flow Statement

The Company presented cash flows from operating activities in cash flow statements based on the indirect method, and major transactions not involving cash inflows and outflows are as below.

(Unit: KRW 1,000)

Description	Current 1Q	Previous 1Q
Transfer of construction in-progress to main account	–	190,858
Long-term borrowing current portion replacement	–	119,195
Transfer of available-for-securities to equity method investments	4,475,470	965,910
Long-term other payables current portion replacement	2,703,625	–

## 19. Application of K-IFRS

The Company decided to apply K-IFRS from the fiscal year 2011 which all listed companies have obligation to apply from year 2011 (may apply earlier in 2009 on companies' decisions) and the relevant matters are as follows.

### (1) Preparation for application of K-IFRS

For decisions on the early-adoption of K-IFRS in the Company, the Company organized Task-Force-Team right after the Financial Supervisory Service announced its roadmap of application of IFRS in Mar. 2007. The Company conducted learning programs in and out of the Company to analyze the effects well in advance. In Aug. 2008, the Company selected external advisors and had analyses of major differences in accounts as the 1st step. As the 2nd step, the Company is under the process of frameworking its accounting policy with prepared solutions on different accounts. The Company is planning for the 3rd step which includes the preparation of financial statements applying K-IFRS of as of Jan. 1, 2010 and onward.

## 2. Consolidated Financial Statement

### A. Consolidated Balance Sheet

8th Fiscal Year (As of Dec. 31, 2008)

7th Fiscal Year (As of Dec. 31, 2007)

6th Fiscal Year (As of Dec. 31, 2006)

(Unit : KRW)

Accounts	8th FY	7th FY	6th FY
Assets			
I. Current Assets	790,188,004,471	645,885,418,429	568,366,594,430
(1) Quick Assets	728,514,353,372	526,840,970,692	467,684,849,451
1. Cash and Cash Equivalents	223,737,316,439	143,930,025,122	115,137,486,164
Government Subsidy	–	(769,199,485)	(392,729,453)
2. Short-term Investment Assets	64,018,577	30,117,425,170	80,610,603,396
3. Trade Receivable	477,479,971,216	340,694,196,345	262,163,349,015
4. Other Receivables	8,632,583,312	2,821,037,130	4,057,314,691
5. Prepaid Expenses	2,681,535,760	4,290,144,773	1,916,696,155
6. Current Portion of Provisions for Product Warranties Assets	2,009,025,746	1,333,398,660	750,434,005
7. Current Portion of Deferred Income Taxes Assets	8,365,550,861	896,802,992	2,246,566,188
8. Other	5,544,351,461	3,527,139,985	1,195,129,290
(2) Inventories	61,673,651,099	119,044,447,737	100,681,744,979
1. OKD Parts	52,657,669,602	114,520,181,577	103,262,258,074
Allowance for Loss on Valuation	–	(5,406,971)	(4,953,002,941)
2. Merchandise	10,588,291,804	4,314,914,826	2,372,489,846
Allowance for Loss on Valuation	(2,101,922,722)	–	–
3. Raw Materials	250,418,600	214,758,305	–
4. Supplies	279,193,815	–	–
II. Non-current Assets	531,606,886,811	377,044,001,444	257,621,102,446
(1) Investment Assets	144,085,301,406	137,049,886,884	111,355,877,781
1. Available-for-Sale Securities	21,056,094,110	7,608,434,199	9,891,517,188
2. Equity Method Securities	122,601,842,848	129,114,033,433	101,213,767,666
3. Other	427,364,448	327,419,252	250,592,927
(2) Tangible Assets	356,973,265,745	216,147,040,516	124,620,175,669
1. Land	120,698,987,294	120,458,231,115	50,049,638,982
2. Buildings	57,361,249,259	49,276,051,975	47,964,873,547
Accumulated Depreciation	(7,748,892,420)	(5,167,233,938)	(3,095,195,117)
3. Structures	11,077,132,288	9,620,357,693	8,475,891,233
Accumulated Depreciation	(1,616,904,248)	(1,117,335,086)	(665,475,301)
4. Machinery	33,871,353,962	24,626,819,627	9,844,420,936
Accumulated Depreciation	(18,660,962,704)	(10,113,435,939)	(2,773,219,991)
5. Vehicles	11,071,775,236	9,713,466,270	9,019,099,693
Accumulated Depreciation	(7,403,882,795)	(6,051,200,627)	(4,705,208,411)
6. Tools	711,703,837	692,342,621	472,390,500
Accumulated Depreciation	(456,050,274)	(331,082,178)	(197,079,101)
7. Office Equipment	20,690,865,813	15,506,566,928	11,523,684,153
Government Subsidy	(9,182,449,928)	(6,368,851,983)	(5,153,237,663)
Accumulated Depreciation	(824,917,646)	(305,763,519)	–
8. Ships	107,635,319,540	6,527,292,540	–

Accounts	8th FY	7th FY	6th FY
Accumulated Depreciation	(6,673,886,925)	(226,642,104)	–
9. Construction in Progress	46,422,825,456	9,407,457,121	3,859,592,209
(3) Intangible Assets	9,873,037,561	7,658,932,406	9,280,535,529
1. Goodwill	1,413,079,158	2,009,197,223	3,179,701,863
2. Industrial Property Rights	30,659,704	58,790,499	80,866,466
3. Development Costs	5,623,698,457	3,755,955,130	3,277,249,675
Government Subsidy	(89,077,203)	(12,333,330)	–
4. Other Non-current Assets	3,039,540,454	1,961,297,911	2,742,717,505
Government Subsidy	(144,863,009)	(113,975,027)	–
(4) Other Non-current Assets	20,675,282,099	16,188,141,638	12,364,513,467
1. Leasehold Deposits Provided	1,922,667,600	1,763,226,220	1,473,579,395
2. Provisions for Product Warranties	8,311,557,583	5,730,411,367	2,619,660,790
3. Others	10,441,056,916	8,694,504,051	8,271,263,282
Total Assets	1,321,794,891,282	1,022,929,419,873	825,987,696,876
Liabilities			
I. Current Liabilities	555,838,888,208	458,310,835,414	349,012,046,017
1. Trade Payable	375,837,043,222	311,098,154,967	276,019,584,633
2. Short-term Borrowing	52,166,229,945	12,306,120,000	–
3. Other Payables	28,558,882,843	16,377,359,825	18,844,168,872
4. Advance for Customers	47,077,777,145	76,568,469,078	32,730,211,874
5. Withholdings	1,849,640,481	7,311,285,598	5,877,194,519
6. Deposits Received	1,673,939,500	1,421,939,500	1,304,000,000
7. Accrued Expenses	1,565,869,960	349,141,092	–
8. Current Portion of Long-term Liabilities	64,018,577	117,425,170	5,223,403,396
9. Current Portion of Long-term Payable	10,814,500,000	–	–
10. Current Portion of Long-term Lease Payable	271,455,303	229,051,826	108,031,605
11. Income Taxes Payable	33,448,249,049	30,627,033,130	7,833,402,539
12. Current Portion of Provisions for Product Warranties	2,511,282,183	1,904,855,228	1,072,048,579
II. Non-current Liabilities	137,047,604,328	42,989,090,994	37,267,492,337
1. Long-term Borrowings	–	124,667,757	5,819,692,927
2. Long-term Other Payables	91,720,792,500	–	–
3. Lease Payables	344,331,358	373,564,026	281,939,314
4. Provisions for Retirement and Severance Benefits Liabilities	7,009,664,777	5,038,747,651	5,859,563,407
Deposits for Retirement and Severance Benefits	(4,560,587,152)	(3,323,070,237)	(3,498,104,804)
Transfer to National Pension Fund	(7,227,800)	(2,769,500)	(7,845,500)
5. Provisions for Product Warranties Liabilities	10,389,446,982	6,924,907,308	3,742,358,271
6. Deferred Income Taxes Liabilities	32,151,183,663	33,853,043,989	25,069,888,722
Total Liabilities	692,886,492,536	501,299,926,408	386,279,538,354
Stockholders' Equity			
Controlling Company interest	627,355,031,129	520,370,336,553	438,718,118,371
I. Capital Stock	18,750,000,000	18,750,000,000	18,750,000,000
1. Common stock	18,750,000,000	18,750,000,000	18,750,000,000
II. Consolidated Capital Surplus	153,740,074,216	153,644,510,317	153,618,863,259
1. Paid-in Capital in excess of par value	153,740,074,216	153,644,510,317	153,618,863,259
III. Consolidated Accumulated Other Comprehensive Income	19,491,641,540	11,050,813,374	5,443,300,657
1. Change in Equity Method Capital Adjustment	2,781,535,838	11,940,297,041	7,062,508,829
2. Change in Negative Equity Method Capital Adjustment	(2,018,476,236)	–	(41,781,656)
3. Gains on Valuation of Available-for-Sale Securities	6,330,819,212	–	–
4. Losses on Valuation of Available-for-Sale Securities	(12,400,780)	–	–
5. Overseas Operations Translation Debit	12,410,163,506	(889,483,667)	(1,577,426,516)

Accounts	8th FY	7th FY	6th FY
IV. Consolidated Retained Earnings	435,373,315,373	336,925,012,862	260,905,954,455
1. Legal Reserves	10,066,911,762	8,191,911,762	7,629,411,762
2. Voluntary Reserves	285,000,000,000	215,000,000,000	150,000,000,000
3. Unappropriated Consolidated Retained Earnings	140,306,403,611	113,733,101,100	103,276,542,693
Minority Interest	1,553,367,617	1,259,156,912	990,040,151
Total stockholders' equity	628,908,398,746	521,629,493,465	439,708,158,522
Total liabilities & stockholders' equity	1,321,794,891,282	1,022,929,419,873	825,987,696,876

## B. Consolidated Income Statement

8th Fiscal Year (Jan. 1, 2008 ~ Dec. 31, 2008)

7th Fiscal Year (Jan. 1, 2007 ~ Dec. 31, 2007)

6th Fiscal Year (Jan. 1, 2006 ~ Dec. 31, 2006)

(Unit : KRW)

Description	8th FY	7th FY	6th FY
I . Sales	3,688,302,720,731	2,935,153,168,179	2,235,023,741,394
1. Sales of Korea Logistics	811,641,962,961	720,190,986,239	647,325,504,382
2. Sales of International Logistics	1,266,903,825,752	878,442,240,617	711,842,966,967
3. Sales of CKD Part Sold	1,201,617,267,301	1,011,920,220,054	644,139,817,105
4. Sales of Merchandise	168,367,190,147	121,512,192,595	82,294,681,730
5. Sales of Port Activity	180,769,963,482	162,766,589,713	118,248,340,829
6. Sales of Service	59,002,511,088	40,320,938,961	31,172,440,381
II . Cost of Goods Sold	3,413,345,459,257	2,726,072,708,855	2,083,536,653,459
1. Cost of Korea Logistics	755,515,219,101	666,442,866,794	598,039,718,115
2. Cost of International Logistics	1,190,962,299,923	832,382,554,637	661,100,465,697
3. Cost of CKD Part Sold	1,085,964,825,107	937,073,613,913	611,618,063,240
4. Cost of Merchandise Sold	157,566,102,324	103,862,394,371	74,070,113,934
5. Cost of Port Activity	176,286,258,093	155,298,746,835	113,185,632,842
6. Cost of Service Sold	47,060,754,709	31,022,532,305	25,522,659,631
III. Gross Profit	274,957,261,474	209,080,459,324	151,487,087,935
IV. Selling and Administrative Expenses	116,873,149,397	99,033,259,377	80,394,626,614
1. Salaries and Wages	24,641,593,787	18,457,583,444	15,684,150,365
2. Retirement and Severance Benefits	2,483,733,196	2,373,691,242	2,566,266,462
3. Employee Benefits	4,157,544,514	3,185,165,800	2,778,045,380
4. Travel Expenses	1,334,731,442	941,147,435	773,147,453
5. Communication Expenses	1,044,632,849	963,525,899	790,662,425
6. Office Administrative Expense	607,449,214	575,706,814	347,141,973
7. Taxes and Dues	961,822,579	359,024,065	284,463,753
8. Rental Expenses	2,462,513,420	2,098,290,650	1,098,051,178
9. Depreciation	2,154,648,512	1,639,392,733	1,286,835,866
10. Amortization of Intangible Assets	3,271,860,216	2,690,999,672	2,142,541,830
11. Repair Expenses	85,534,271	60,096,111	113,845,434
12. Insurance Premiums	970,125,315	1,212,620,495	647,690,429
13. Entertainment Expenses	549,041,273	451,888,435	122,594,768
14. Advertising Expenses	942,448,182	509,805,974	315,605,105
15. Supply Expenses	211,953,733	125,029,782	104,149,794
16. Office Supplies Expenses	394,381,564	308,497,479	307,220,569
17. Publication Expenses	35,897,400	31,775,043	25,458,769
18. Commissions	9,180,206,659	8,118,534,090	9,198,902,160
19. Freight Expenses	48,775,660,719	51,239,108,268	37,873,208,921
20. Vehicle Maintenance Expenses	166,253,551	187,721,187	186,087,594
21. Expenses of Allowance for Doubtful Accounts	7,885,463,510	806,015,287	397,778,976
22. Training Expenses	496,850,935	389,524,766	225,390,057
23. Utility Expenses	116,241,143	75,372,880	68,180,420
24. Product Warranties Expenses	814,978,731	-	825,134,772
25. IT System Operating Expenses	3,127,582,592	2,212,741,826	2,232,082,181
V . Operating Income	158,084,112,077	110,047,199,947	71,092,461,321
VI. Non-Operating Revenues	151,594,357,312	49,827,859,175	45,333,577,436
1. Interest Income	8,183,350,369	11,099,628,554	9,305,828,492

Description	8th FY	7th FY	6th FY
2. Rental Income	115,171,380	113,156,630	55,620,724
3. Commission Income	438,348,880	404,616,381	404,286,516
4. Gains on Foreign Currency Transactions	103,991,564,937	12,816,157,215	9,968,755,988
5. Gains on Foreign Currency Translation	10,556,301,538	2,782,993,704	603,685,651
6. Income Tax Refunds	–	–	1,133,679,064
7. Gains on Valuation of Equity Method Securities	19,170,439,828	21,894,548,606	23,685,270,938
8. Gains on Sale of Available-for-Sale Securities	–	6,875,000	2,662,172
9. Gains on Sale of Tangible Assets	63,339,969	94,601,998	23,992,975
10. Gains on Sale of Investment Assets	–	220,055,139	–
11. Reversal of Allowance for Doubtful Accounts	–	–	3,815,258
12. Recovery of Provisions for Product Warranties	–	14,719,811	–
13. Miscellaneous Income	9,075,840,411	380,506,137	155,979,708
VII. Non-Operating Expenses	148,913,916,469	24,549,563,583	20,468,413,301
1. Interest Expenses	12,556,258,917	7,997,432,079	5,361,844,857
2. Other Allowance for Doubtful Accounts	2,023,406,600	133,965,196	–
3. Losses on Valuation of Equity Method Securities	3,364,684,356	–	–
4. Losses on Sale of Investment Assets	22,000,000	–	–
5. Losses on Sale of Available-for-Sale Securities	36,345,763	29,527,981	129,011
6. Losses on Sale of Tangible Assets	2,245,586,664	13,438,154	27,399,588
7. Losses on Foreign Currency Transactions	91,151,181,932	10,619,015,927	13,266,329,519
8. Losses on Foreign Currency Translation	36,360,115,310	1,934,515,035	1,141,622,674
9. Donation	913,239,000	538,125,000	312,430,360
10. Impairment Losses on Available-for-Sale Securities	–	1,078,945,640	–
11. Miscellaneous Loss	241,097,927	2,204,598,571	358,657,292
VIII. Income before Income Tax	160,764,552,920	135,325,495,539	95,957,625,456
IX. Income Taxes Expense	43,176,475,806	53,386,673,313	28,916,118,528
X. Consolidated Net Income	117,588,077,114	81,938,822,226	67,041,506,928
1. Attributable to Equity holders of the parent	117,293,866,410	81,669,705,465	66,982,968,481
2. Attributable to Minority Interests	294,210,704	269,116,761	58,538,447
X I . Earning per Share for Equity holders of the parent			
1. Earning per Share	3,128	2,178	1,786



## C. Consolidated Statement of Stockholder's Equity

8th Fiscal Year (Jan. 1, 2008 ~ Dec. 31, 2008)

7th Fiscal Year (Jan. 1, 2007 ~ Dec. 31, 2007)

6th Fiscal Year (Jan. 1, 2006 ~ Dec. 31, 2006)

(Unit : KRW)

Accounts	Capital Stock	Consolidated Capital Surplus	Consolidated Accumulated Other Comprehensive Income	Consolidated Retained Earnings	Minority Interest	Total
2006.1.1(beginning of previous FY))	18,750,000,000	153,618,863,259	1,889,369,638	200,480,207,601	—	374,748,440,498
Dividends	—	—	—	(5,625,000,000)	—	(5,625,000,000)
Retained Earnings After Appropriations	—	—	—	194,855,207,601	—	369,123,440,498
Consolidated Net Income	—	—	—	66,982,968,481	58,538,447	67,041,506,928
Change in Equity Method Capital Adjustment for Total Equity	—	—	4,271,701,531	—	—	4,271,701,531
Change in Negative Equity Method Capital Adjustment for Total Equity	—	—	111,643,737	—	—	111,643,737
Change in Overseas Operations Translation Debit	—	—	(839,414,249)	—	—	(839,414,249)
Change in Retained Earning	—	—	—	(932,221,627)	—	(932,221,627)
Adjustments due to change in Consolidation Scope	—	—	—	—	931,501,704	931,501,704
2006.12.31(End of Previous FY)	18,750,000,000	153,618,863,259	5,443,300,657	260,905,954,455	990,040,151	439,708,158,522
2007.1.1(Reported amount)	18,750,000,000	153,618,863,259	5,443,300,657	260,905,954,455	990,040,151	439,708,158,522
Dividends	—	—	—	(5,625,000,000)	—	(5,625,000,000)
Retained Earnings After Appropriations	—	—	—	255,280,954,455	—	434,083,158,522
Consolidated Net Income	—	—	—	81,669,705,465	269,116,761	81,938,822,226
Change in Capital Surplus	—	25,647,058	—	—	—	25,647,058
Change in Equity Method Capital Adjustment for Total Equity	—	—	4,877,788,212	—	—	4,877,788,212
Change in Negative Equity Method Capital Adjustment for Total Equity	—	—	41,781,656	—	—	41,781,656
Change in Overseas Operations Translation Debit	—	—	687,942,849	—	—	687,942,849
Change in Retained Earning	—	—	—	(25,647,058)	—	(25,647,058)
2007.12.31(End of Previous FY)	18,750,000,000	153,644,510,317	11,050,813,374	336,925,012,862	1,259,156,912	521,629,493,465
2008.1.1(Reported amount)	18,750,000,000	153,644,510,317	11,050,813,374	336,925,012,862	1,259,156,912	521,629,493,465
Dividends	—	—	—	(18,750,000,000)	—	(18,750,000,000)
Retained Earnings After Appropriations	—	—	—	318,175,012,862	—	502,879,493,465
Consolidated Net Income	—	—	—	117,293,866,410	294,210,705	117,588,077,115
Change in Capital Surplus	—	95,563,899	—	—	—	95,563,899
Change in Equity Method Capital Adjustment for Total Equity	—	—	(9,158,761,203)	—	—	(9,158,761,203)
Change in Negative Equity Method Capital Adjustment for Total Equity	—	—	(2,018,476,236)	—	—	(2,018,476,236)
Change in Gain on Valuation of Available-for-Sale Securities	—	—	6,330,819,212	—	—	6,330,819,212
Change in Loss on Valuation of Available-for-Sale Securities	—	—	(12,400,780)	—	—	(12,400,780)
Change in Overseas Operations Translation Debit	—	—	13,299,647,173	—	—	13,299,647,173
Change in Retained Earning	—	—	—	(95,563,899)	—	(95,563,899)
2008.12.31(End of Current FY)	18,750,000,000	153,740,074,216	19,491,641,540	435,373,315,373	1,553,367,617	628,908,398,746

## D. Consolidated Statement of Cash Flow

8th Fiscal Year (Jan. 1, 2008 ~ Dec. 31, 2008)

7th Fiscal Year (Jan. 1, 2007 ~ Dec. 31, 2007)

6th Fiscal Year (Jan. 1, 2006 ~ Dec. 31, 2006)

(Unit : KRW)

Accounts	8th FY	7th FY	6th FY
I. Cash Flows from Operating Activities	100,735,932,017	83,034,921,912	44,429,155,345
1. Consolidated Net Income	117,588,077,114	81,988,822,226	67,041,506,928
2. Additions of Expenses of Non-Cash Transactions	73,086,292,394	21,364,549,278	15,087,231,948
Retirement and Severance Benefits	2,573,033,162	2,705,344,298	2,774,508,121
Depreciation Expense	19,522,458,193	11,391,162,272	6,880,640,862
Losses on Sale of Available-for-Sale Securities	36,345,763	29,527,981	129,011
Impairment Losses on Available-for-Sale Securities	-	1,078,945,640	-
Losses on Foreign Currency Translation	31,670,277,962	1,132,381,867	716,470,573
Amortization of Intangible Assets	3,744,741,608	4,073,768,583	3,465,170,045
Product Warranties Expenses	7,885,463,510	806,015,287	397,778,976
Product Warranties Expenses	814,978,731	-	825,134,772
Expenses of Allowance for Other Doubtful Accounts	2,023,406,600	133,965,196	-
Losses on Sale of Tangible Assets	1,428,902,509	13,438,154	27,399,588
Losses on Valuation of Equity Method Securities	3,364,684,356	-	-
Losses on Disposition of Investment Assets	22,000,000	-	-
3. Deduction of Revenues of Non-Cash Transactions	(21,802,037,767)	(23,443,679,135)	(24,297,522,912)
Gains on Foreign Currency Translation	2,250,564,404	1,078,538,990	544,511,022
Gains on Sale of Available-for-Sale Securities	-	6,875,000	2,662,172
Gains on Valuation of Equity Method Securities	19,170,439,828	21,894,548,606	23,685,270,938
Reversal of Allowance for Doubtful Accounts	-	-	3,815,258
Gains on Sale of Tangible Assets	63,339,969	94,601,998	23,992,975
Gains on Sale of Investment Assets	-	220,055,139	-
Reversal of Allowance for Product Warranties	-	14,719,811	-
Offset of Government Subsidy	317,693,566	134,339,591	37,270,547
4. Changes in Assets and Liabilities from Operating Activities	(68,136,399,724)	3,175,229,543	(13,402,060,619)
Increase in Trade Receivables	(117,351,519,826)	(70,173,812,357)	(49,376,196,460)
Decrease or Increase in Inventories	57,915,109,692	(17,754,402,869)	(32,790,868,877)
Decrease or Increase in Other Receivables	(4,811,651,651)	970,141,619	(795,352,958)
Decrease or Increase in Prepaid Expenses	1,641,237,231	(2,348,292,077)	(1,778,666,672)
Increase in Other Quick Assets	(1,573,547,859)	(2,323,063,812)	8,151,954,662
Decrease or Increase in Deferred Income Taxes Assets Current	(4,769,267,954)	1,316,511,266	(1,877,332,583)
Increase in Long-term Prepaid Expenses	(383,153,144)	-	-
Decrease or Increase Deposits for Retirement Severance Benefits	(1,237,516,915)	175,034,567	(1,340,006,919)
Increase or Decrease in Trade Payables	19,195,259,632	24,482,671,877	66,727,517,373
Increase or Decrease in Other Payables	11,454,655,736	(2,666,092,053)	6,722,689,764
Increase or Decrease in Advances from Customers	(21,001,081,549)	43,771,101,674	(11,234,063,795)
Increase or Decrease in Withholdings	(5,461,645,117)	1,434,091,079	4,045,797,030
Increase in Accrued Expenses	1,536,945,574	-	(2,660,858,624)
Increase in Income Taxes Payable	2,180,165,565	22,793,630,591	(3,800,755,264)
Increase or Decrease in Deferred Income Taxes Liabilities	(4,863,029,399)	6,682,443,827	7,606,969,544
Payment for Product Warranty Expenses	(785,404)	336,350,265	(483,312,532)
Payment for Retirement and Severance Benefit	(913,834,619)	(3,580,009,610)	(539,942,351)
Succession to Provision for Retirement and Severance Benefits	311,718,583	53,849,556	16,672,353
Decrease or Increase in Contribution to National Pension Fund Plan	(4,458,300)	5,076,000	3,685,700

Accounts	8th FY	7th FY	6th FY
II. Cash Flows from Investing Activities	(56,627,468,156)	(49,893,150,450)	(72,092,694,171)
1. Cash Inflows from Investing Activities	32,639,069,040	53,318,954,010	281,544,846
Proceeds from Short-term Investment Assets	30,117,425,170	49,213,494,211	–
Proceeds from Sale of Available for Sale Securities	492,137,837	2,213,467,079	123,419,142
Receipt of Dividend	623,917,160	779,896,450	–
Decrease in Leasehold Deposits Provided	77,275,020	138,353,234	–
Decrease in Other Investment Assets	124,667,757	518,181,819	35,000,000
Proceeds from Sale of Building	–	–	1,400,000
Proceeds from Sale of Structures	400,000	72,883,390	–
Proceeds from Sale of Machinery	–	–	46,738,429
Proceeds from Sale of Vehicles	158,026,786	39,410,787	74,084,000
Proceeds from Sale of Tools	–	2,600,000	–
Proceeds from Sale of Office Equipment	45,239,310	340,667,040	903,275
Decrease in Non-current Assets	1,000,000,000	–	–
2. Cash Outflows from Investing Activities	(89,266,557,196)	(103,212,104,460)	(72,374,239,017)
Purchase of Short-term Investment Assets	–	–	10,352,696,323
Purchase of Available-for-sale Securities	638,582,000	7,296,894,679	2,527,140,980
Additional Acquisition of subsidiary securities	15,714,650,000	929,600,000	–
Increase in Leasehold Deposits Provided	236,716,400	428,000,059	955,299,318
Increase in Other Investment Assets	64,018,577	–	–
Purchase of Land	240,756,179	4,702,132,315	16,986,170
Purchase of Buildings	4,722,783,728	347,657,615	1,232,843,056
Purchase of Structures	1,990,786,058	706,189,959	–
Purchase of Machinery	3,876,583,188	2,731,286,220	987,021,480
Purchase of Vehicles	1,258,971,233	746,596,461	2,542,306,210
Purchase of Tools	273,836,685	117,032,526	101,706,000
Purchase of Office Equipment	2,018,319,296	2,690,436,223	3,218,100,159
Purchase of Ships	16,704,527,000	6,527,292,540	–
Increase in Construction in Progress	35,682,364,375	74,483,307,796	39,959,741,169
Purchase of Other Intangible Asset	3,458,262,760	607,353,077	1,095,711,907
Purchase of Other Non Current Asset	2,385,399,717	888,324,990	6,035,000,000
Acquisition of Securities	–	–	3,349,686,245
III. Cashflows from Financing Activities	31,284,044,354	(7,436,609,811)	(49,485,932,759)
1. Cash Inflows from Financing Activities	53,833,793,412	2,794,523,045	1,370,494,283
Proceeds from Deposits Received	252,000,000	684,000,000	120,000,000
Proceeds from Short-term Borrowings	35,897,319,945	–	–
Proceeds from Long-term Borrowings	64,018,577	–	820,494,283
Increase in Lease Payables	15,454,890	73,954,042	–
Paid-in Capital Increase	17,605,000,000	988,200,000	–
Receipt of Government Subsidy	–	1,088,369,003	430,000,000
2. Cash Outflows from Financing Activities	(22,549,749,058)	(10,231,132,856)	(50,856,427,042)
Repayments of Short-term Borrowings	–	1,105,008,000	41,900,000,000
Repayments of Current Portion of Long-term Liabilities	117,425,170	110,603,396	–
Repayments of Long-term Borrowings	60,649,180	2,755,228,828	3,331,427,042
Repayments of Long-term Other Payables	3,423,617,200	–	–
Decrease in Lease Payables	198,057,508	–	–
Decrease in Deposits	–	566,060,500	–
Return of Government Subsidy	–	69,232,132	–
Payments in Dividends	18,750,000,000	5,625,000,000	5,625,000,000
IV. Change in cash and cash equivalents from			

Accounts	8th FY	7th FY	6th FY
foreign currency translation adjustments	3,539,576,788	513,747,845	(2,222,199,924)
V. Increase in cash and cash equivalents due to changes in scope of consolidation	875,206,314	2,573,629,462	—
VI. Increase in Cash and Cash Equivalents ( I +II +III)	79,807,291,317	28,792,538,968	(79,371,671,509)
VII. Cash and Cash Equivalent at Beginning	143,930,025,122	115,137,486,164	194,509,157,673
VIII. Cash and Cash Equivalent at End	223,737,316,439	143,930,025,122	115,137,486,164

※ Please refer to the appendix in Annual Report for the 8th fiscal year (disclosed) for Notes to Consolidated Financial Statements.

### 3. Allowance for Doubtful Accounts

#### A. Allowance for Doubtful Accounts by Accounts

(Unit : KRW)

Category	Title of account	Total bond	Amount of allowance for doubtful accounts	Ratio of allowance for doubtful accounts
9th FY 1Q	Trade receivables	283,932,193,677	7,976,165,777	2.81%
	Non-trade receivables	12,683,286,471	3,786,834,172	29.86%
	Total	296,615,480,148	11,762,999,949	3.97%
8th FY	Trade receivables	317,271,533,493	6,625,888,678	2.09%
	Non-trade receivables	7,015,107,967	2,146,968,760	30.60%
	Total	324,286,641,460	8,772,857,438	2.71%
7th FY	Trade receivables	280,563,231,325	3,107,947,406	1.19%
	Non-trade receivables	2,863,110,296	148,029,853	5.17%
	Total	283,426,341,621	3,255,977,259	1.24%

#### B. Changes in Allowance for Doubtful Accounts

(Unit : KRW)

Description	9th FY 1Q	8th FY	7th FY
1. Allowance for bad debts at beginning of period	8,772,857,438	3,255,977,259	2,412,277,571
2. Net doubtful account expense (①－②± ③)	—	380,825,385	30,328,398
① Accounts receivable written off	—	380,825,385	30,328,398
② Recovery of doubtful account	—	—	—
③ Other fluctuations	—	—	—
3. Bad debt expense appropriation	2,990,142,511	5,897,705,564	874,028,086
4. Allowance for bad debts at end of period	11,762,999,949	8,772,857,438	3,255,977,259

#### C. A Policy of Allowance for Doubtful Accounts related to Trade Receivable

GLOVIS set estimated doubtful account expenses as allowance for bad debts. It is based on results of individual methods and aging methods for possibility of recovery of trade receivable, accounts receivable and etc. With aging methods, 1% of reserve is set for 90-day bonds, 25% for 90 ~ 180-day bonds, 50% for 180-day ~ 1-year bonds, and 100% for over 365-day bonds.

#### D. The Balance of Trade Receivables as of the Current 1st Quarter

(Unit : KRW)

Category		Less than 6 months	6 months ~ 1 year	1 year ~ 3 years	Over 3 years	Total
Amount	General persons	57,682,040,365	4,024,627,203	469,064,241	–	62,175,731,809
	Special related	234,439,748,339	–	–	–	234,439,748,339
	Total	292,121,788,704	4,024,627,203	469,064,241	–	296,615,480,148
Distribution ratio		98.48%	1.36%	0.16%	–	100.00%

## 4. Inventory Possession

### A. Status of Inventory Possession by Business Sector

The business in which the Company has inventories is Distribution/Sales that includes CKD and Merchandise sales. In CKD, the inventories are the parts-in-transport before they get to be input to overseas production plants. The inventory possession as of Mar. 31, 2009 is as follows.

(Unit : KRW)

Category	Title of account	Inventory	9th FY 1Q	8th FY	7th FY
CKD	Merchandise	CKD Parts	81,927,392,303	52,657,669,602	114,516,855,942
Merchandise Sales	Merchandise	Used car	4,543,868,427	6,163,447,810	2,903,503,570
	Merchandise	Supplies	—	1,569,726	—
	Merchandise	Steel	—	2,187,119,200	1,213,878,437
	Stored goods	Merchandise-others	776,927,653	279,193,815	—
Total			87,248,188,383	61,289,000,153	118,634,237,949
Inventory distribution ratio in total assets (%) [Total inventory ÷ total asset×100]			7.09%	5.55%	12.80%
Inventory turnover [Yearly converted sales cost÷ {(beginning inventory + ending inventory) ÷ 2}]			10.80 times	13.69 times	9.53 times

### B. Actual Inspection of Inventory

#### ① Inspection Date

The Company conducted due diligence of inventory at Jan. 2, 2009 for financial statements of 2008. The gap of balance between inspection date and date of balance sheet were checked on inventory fluctuation table.

#### ② Participation of specialists or auditors in the Inspection

- Storage facilities in the firm: a certified public accountant of Ernst&Young Accounting Corporation, external auditor of the 8th fiscal year, attended the inspection
- Outsourced storage facilities: took a note of confirmation for the storage facilities

## 【 Expert's Confirmation 】

### 1. Expert's Confirmation

Not applicable

### 2. Relations with Expert

Not applicable