

FROM...
TO...



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*From
TAU 4.6 V8 Engine*

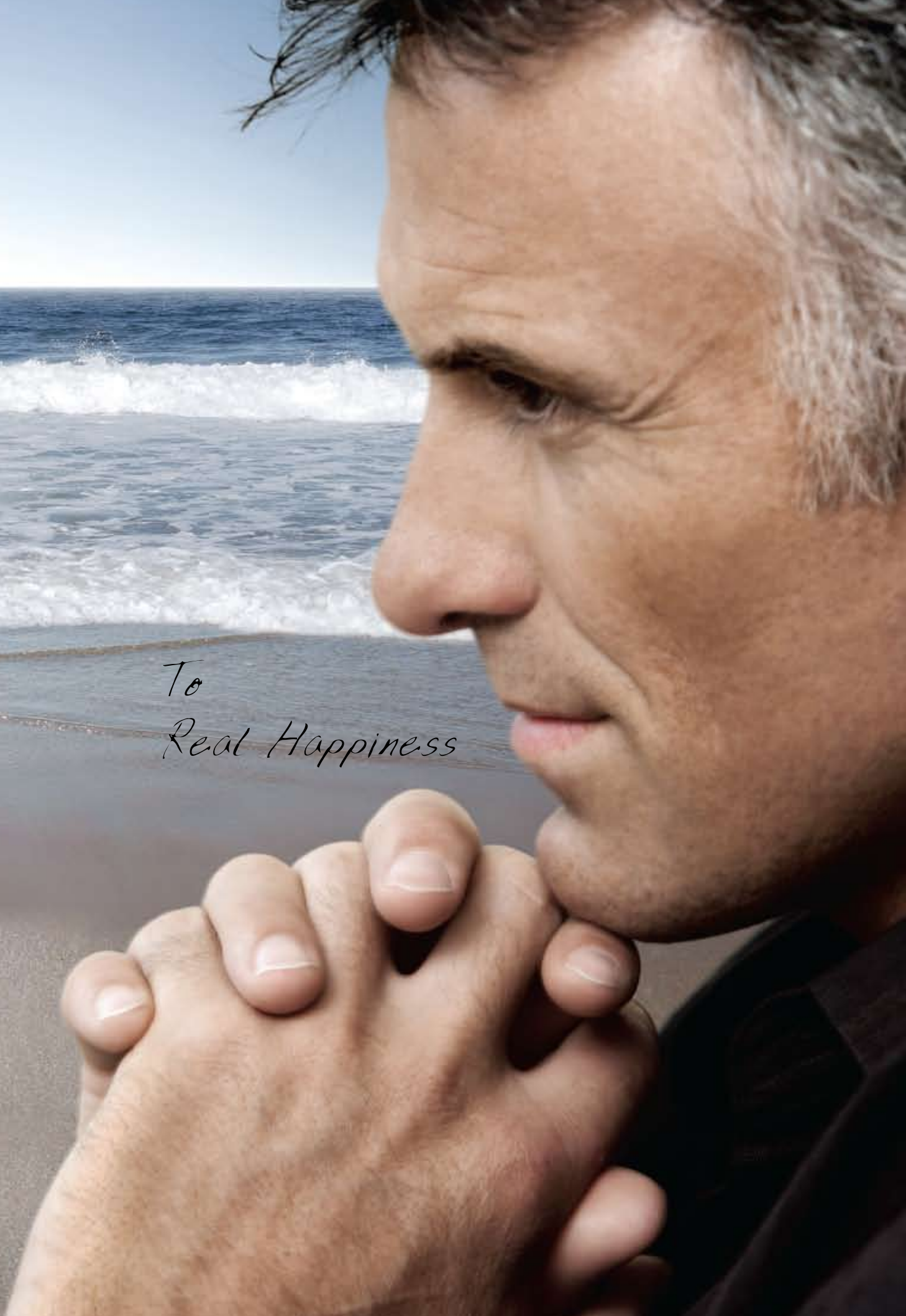


*To
The Ideal Car*

*From
The Ideal Car*



*To
Real Happiness*





*From
Real Happiness*

*To
Humans, Nature, Society*

Good technology makes good cars and happier people. Happier people go on to spread their happiness to the rest of the world. We know how even a small idea of Hyundai Motor Company can change the world in a big way. In this way, we continue to do all we can do to be even better.

From TAU 4.6 V8 Engine
Hyundai Motor's new technologies

To The Ideal Car
Creating your dream cars

From The Ideal Car
Creating your dream cars

To Real Happiness
Making people happier

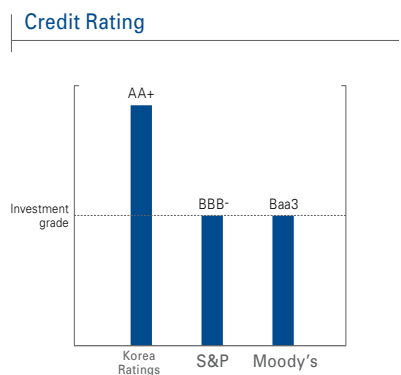
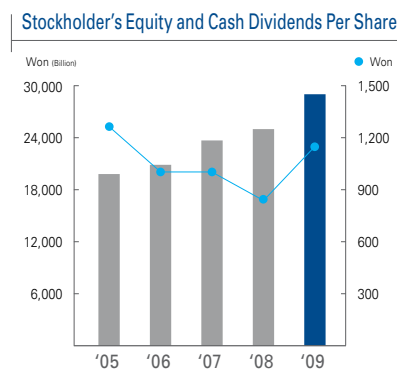
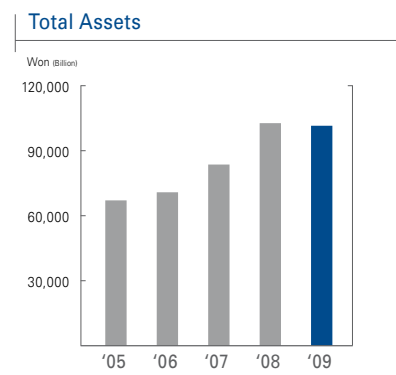
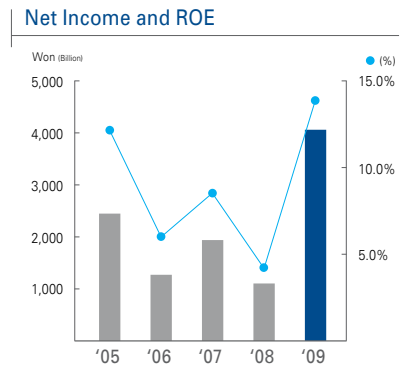
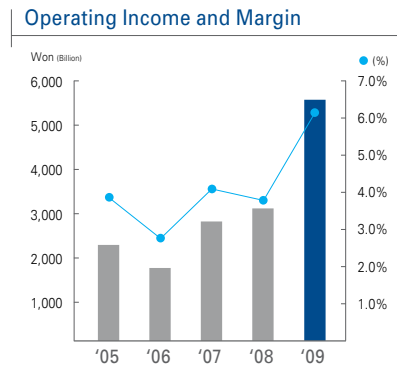
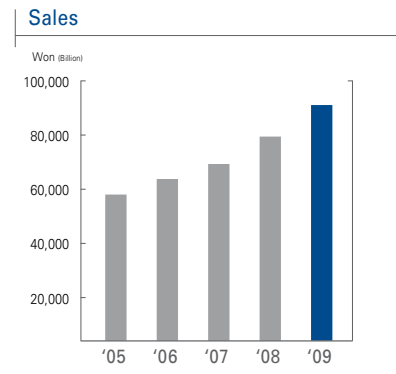
From Real Happiness
Making people happier

To Humans, Nature, Society
Creating a more humane society and a cleaner environment

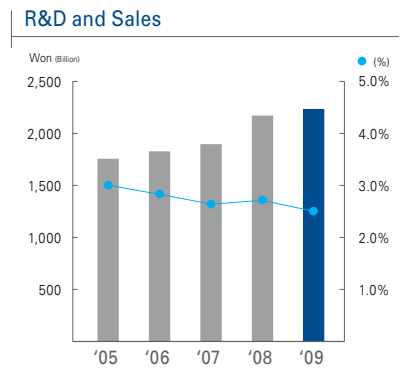
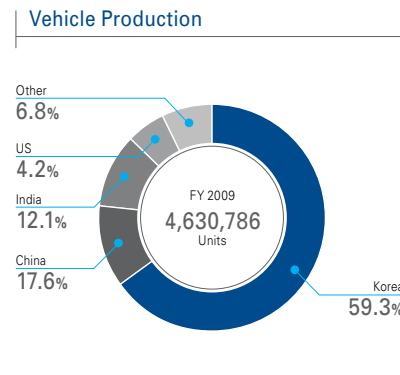
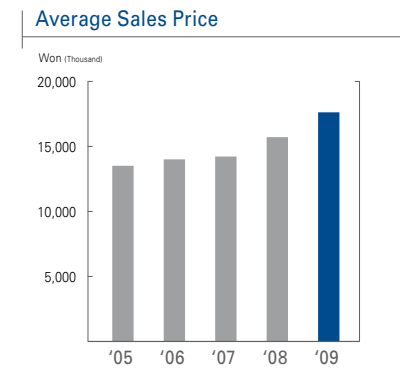
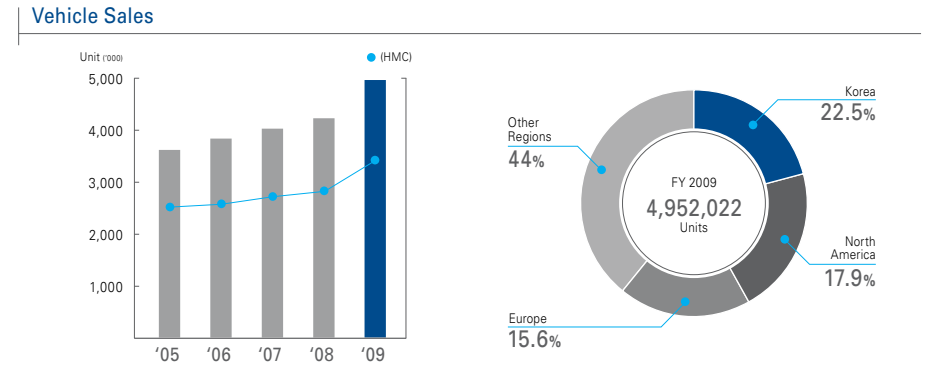
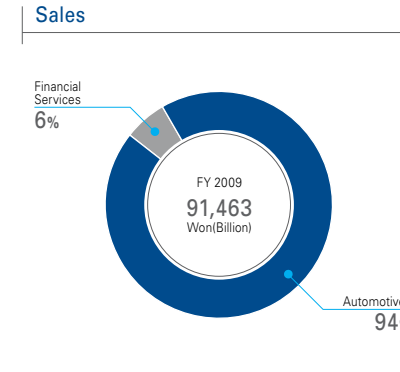
CONSOLIDATED PERFORMANCE

	Korean Won in millions			U. S. Dollars in thousands
	2007	2008	2009	2009
For the Year :				
Sales	69,601,516	79,736,351	91,463,064	78,334,245
Operating Income	2,848,022	3,072,043	5,620,241	4,813,499
Net Income	1,956,087	1,092,552	4,043,436	3,463,032
ROE	8.25%	4.31%	13.96%	13.96%
At Year End :				
Total Assets	83,847,526	103,205,783	102,324,934	87,636,977
Shareholder's Equity	23,713,636	25,351,897	28,961,660	24,804,436

	2005	2006	2007	2008	2009
Credit Rating :					
Korea Ratings	AA	AA	AA	AA	AA+
S&P	BBB-	BBB-	BBB-	BBB-	BBB-
Moody's	Baa3	Baa3	Baa3	Baa3	Baa3



SEGMENT INFORMATION



Global Network





Every step taken toward customer satisfaction has paved the way for Hyundai Motor Company to become a leading global group. Always remembering the passion with which the company began, we will continue our strong march toward global customer satisfaction in 2010.

First of all, I would like to extend my deepest gratitude to our customers who have always shown great loyalty and interest in Hyundai Motor.

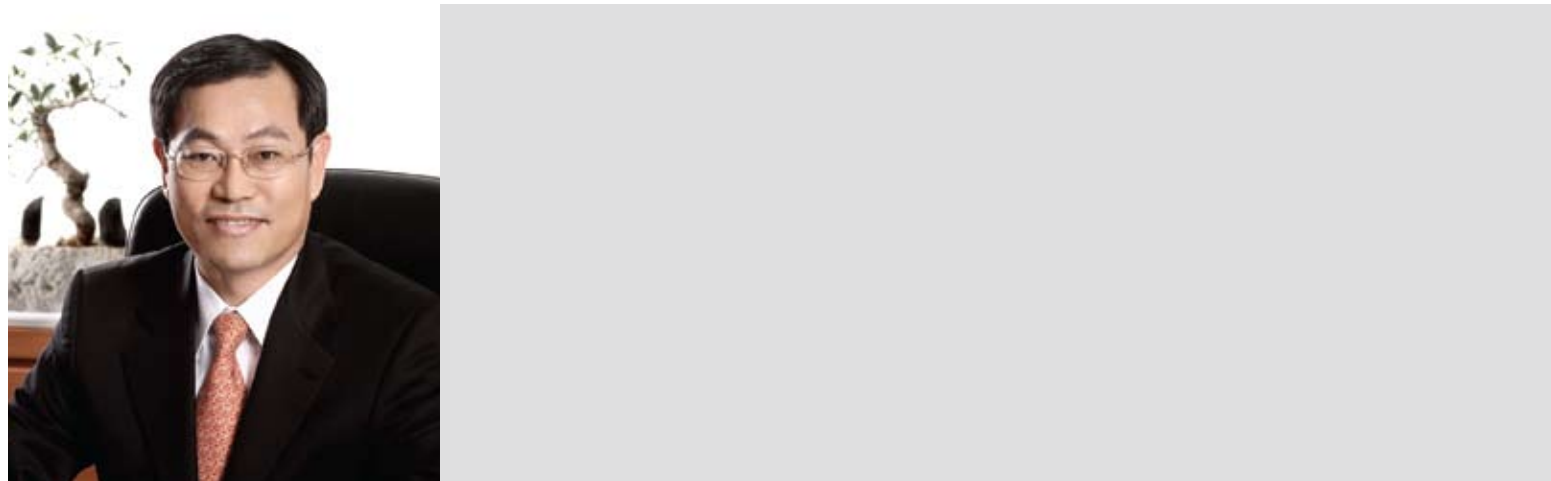
Last year, we accomplished great things despite the difficult economic environment both at home and abroad, bringing Hyundai Motor Company one step closer to becoming a leading global company. Hyundai has succeeded in establishing itself as a true, top-class leader with favorable reviews from major automotive agencies and the media. Last year, Genesis received the “Car of the Year” award in North America, while Hyundai Motor’s brand value has been climbing up the global rankings ladder, as measured by the annual BusinessWeek/Interbrand survey. Hyundai’s TAU engine has also been awarded as one of the world’s 10 Best Engines by Ward’s Auto World two years in a row. This was made possible by Hyundai Motor Co.’s exceptional passion for excellence and the spirit of challenge, steering the company to seize crises and turn them into opportunities. The result: a steady increase in global market share, quality, and consumer awareness.

In 2010, Hyundai Motor will continue in its endeavor to become a leading global company through increased worldwide production and sales. To do so, we will accelerate our competitive edge in product quality — what has always been our strongest asset — and invest further in the development of innovative products, appealing to the ever-growing emerging markets, as well as the rapidly changing global market. Moreover, we will carry out programs that contribute to society, as part of our global corporate responsibility, as well as to secure leadership for future growth through environmental management, forging the way for green growth and the development of world-class eco-friendly vehicles.

Since its establishment, Hyundai has placed customer satisfaction as its highest priority — achieved only through meeting challenges head-on with our undying passion. Now, Hyundai Motor Company will raise its future competitive edge through innovative ideas. We encourage you to continue your interest and support in Hyundai Motor Company as we rewrite global automotive history and become a top global company. We promise to continue providing the highest standards in customer satisfaction.

May, 2010

Chairman and CEO Mong-Koo Chung



Dear Shareholders,

The year 2009 was a particularly difficult year for the automobile market due to the downturn in the global economy. However, despite the adverse conditions, we managed to attain the highest production and sales record in our history as well as achieving excellent results in terms of technology, quality and brand equity.

First of all, in terms of quantitative results, we continued the positive sales trend while the global automotive market contracted by 7 percent. Total 2009 sales of 3,132,000 units were equivalent to a 20 percent y-o-y increase of which 701,000 units were domestic sales while exports accounted for 911,000 units exports and overseas production for 1,520,000 units.

We also achieved significant accomplishments from a qualitative point of view. Our V8 Tau engine was selected as one of the 10 Best Engines by Detroit-based Ward's Auto for the second year in a row, a testament to its superior engineering. Our company also ranked first among non-premium brands in the J.D. Power and Associates' Initial Quality Study, demonstrating our high standard once again and contributing to the further improvement of our brand value.

Hyundai Motor's record business performance last year, amidst our competitors' struggles, can be attributed to the steadfast support and loyalty of our valued customers and esteemed shareholders. I would like to once again extend my deepest gratitude to all of you.

Difficulties continue to lie ahead in 2010, including the strengthening value of the Korean won and the decision by major governments to discontinue car sales tax breaks and other subsidies which had stimulated demand. However, the demand in global auto markets is expected to recover, and this is forecast to have a positive effect on overall sales compared to 2009. Hyundai Motor is expected to maintain its sharp growth in China and India while demand in the U.S. and Russian markets - where sales were slow this past year - are expected to turnaround in 2010.

Having achieved such positive results last year despite the unfavorable business environment, we plan to sustain the strong momentum in 2010, and have set a global sales target of 3,460,000 units—an 11 percent increase compared to last year. To do so, we will be focusing on three areas:

First, we will implement a thorough and vigorous quality management for the new models to be launched this year, including vehicles produced at our overseas plants, in an effort to maintain our highest quality standards.

Second, we will improve areas that are in direct contact with our customers, including sales and car maintenance services, marketing, and product qual-

ity, thereby taking full advantage of opportunities to increase sales in this difficult business environment.

Third, we will reinforce our core strengths including productivity, profitability, employee competency, and focused corporate culture to gain a competitive edge over major automakers and always be one step ahead in this fiercely competitive market.

Hyundai Motor will concentrate all its resources to achieve its business goals in 2010 and continue its drive to become a leading global automaker.

Dear esteemed shareholders,

Your valued support and the efforts of everyone at the company have made it possible for us to overcome the difficulties that prevail in the automobile industry today.

We once again ask for your unwavering support and encouragement this coming year. I wish you and your families much happiness and good health.

Thank you.

Sincerely,

May, 2010

President and CEO Steve S. Yang



*From Dream,
To Truth*

Our dream of creating high quality vehicles that evoke strong emotions has made a profound impact on the world. Now, our dream of becoming a global automotive leader will soon unfold before us.

Accomplishments are in the past. We have goals to achieve tomorrow

Yesterday's accomplishments mean little without our customers' continued support. We reward that loyalty by moving forward to meet the challenges of tomorrow.

Accelerating Global Management by Expanding the Worldwide Production Base

Further expanding its global reach, Hyundai Motor Company established its European manufacturing base through construction of a production plant with an annual capacity of 300,000 units in the Czech Republic in 2009. Additionally, the construction of the Russia plant with an annual capacity of 150,000 units is set for full operation from 2011, bringing a strong foothold in the European market. The plant in Brazil is expected to play a key role in reinforcing the Company's market share in Central and South America.

Exceptional Business Performance despite Global Economic Crisis, through Superior Product Quality and Aggressive Marketing Strategies

In 2009, Hyundai Motor Company succeeded in selling 2.4 million vehicles overseas, a meaningful accomplishment considering the global economic crisis. In particular, Elantra, Genesis, Genesis Coupe, Santa Fe, and Veracruz were recognized as the best and safest cars in their categories by leading agencies and the media in the US. Also, Hyundai achieved cumulative export sales of 1 million cars in Africa during the 33 years since it first began exporting to the region.

Hyundai Motor Company pledges continuous growth by maximizing brand value in developed markets and expanding its sales capacity in emerging markets.

Placing Top Among New Cars with the Highest Ever Score in J.D. Power History

In 2009, Hyundai Motor received 95 points in the Initial Quality Study (IQS) conducted by J.D. Power, a market research company in the US. It was 19 points higher than the 2008 score (114), making Hyundai Motor rank 1st with the highest score in history in the general brand category. This score outranks global brands

that are widely recognized for their product quality, such as Honda (2nd place with 99 points) and Toyota (3rd place with 101 points). Even in the overall category that includes premium brands, Hyundai ranked 4th after Lexus, Porsche, and Cadillac, outranking some of the most high-end luxury brands in the world such as Mercedes-Benz, BMW, Audi, etc.

Awarded 10 Best Engines for Second Consecutive Year

The TAU 4.6 engine was selected as a winner of the 2010 10 Best Engines of the US automotive media Ward's AutoWorld for the second consecutive year. Earning favorable reviews including the "engine's velvety power delivery," "aggressive tip-in," and "a remarkable combination of satisfactory exhaust emission and amazing fuel efficiency," Hyundai Motor's high product quality was proven once again, this time in engine technology—the heart of an automobile. Hyundai Motor pledges to concentrate its technical capabilities and pay special attention to the development of high fuel efficiency-related technologies to become a true global environmental leader.

Hyundai's Competitive Edge Confirmed through Selection in UK as 2010 Carmaker of the Year

Hyundai Motor Company was named Carmaker of the Year by AM, UK's leading auto trade magazine, in the AM Awards 2010. Carmaker of the Year is awarded to companies that launch innovative vehicles that pioneer changes in the auto industry through continuous investment in R&D and advanced dealer network programs. Highly recognized for its sharp sales increase, first-rate dealership programs, and growth in brand awareness, Hyundai Motor Company beat other candidates including Ford, Jaguar, and Landrover to be selected as the winner of the coveted title. In 2008, UK's Autocar selected Hyundai Motor Company as Automaker of the Year, praising Hyundai for having "grown into a top-class global automaker with its competitive products."

Selected as Top 100 Global Brand for the Fifth Consecutive Year

Once again, Hyundai Motor placed in the Top 100 Global Brands in 2009 based on a joint study conducted by Business Week and Interbrand. By enhancing Hyundai's brand image through high quality products and unique marketing initiatives amidst the downturn in the automotive market, Hyundai Motor is steadily climbing the ranks since it first entered the Top 100 Global Brands in 2005. Hyundai will continue to strengthen its management and pursue the highest in quality so that "Hyundai Motor Company" will equal "global premium brand" in the minds of consumers worldwide.

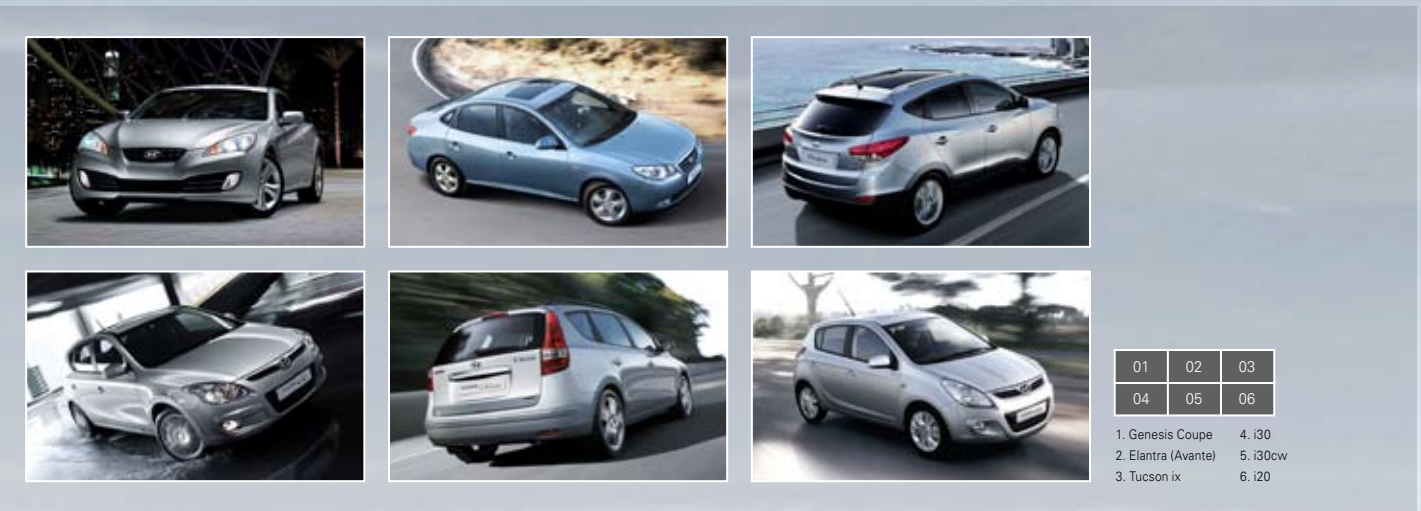
2009 Interbrand Ranking

Ranking	Brand	Brand Value (USD 100 Million)		2009 Overall Ranking	2008 Overall Ranking	
		Value	Comparison with Last Year		Overall Ranking	Ranking in Automotive Category
1	TOYOTA	313.3	-8%	8	6	1
2	M-BENZ	238.7	-7%	12	11	2
3	BMW	216.7	-7%	15	13	3
4	HONDA	178.0	-7%	18	19	4
5	FORD	70.1	-11%	49	49	5
6	VW	64.8	-8%	55	53	6
7	AUDI	50.1	-7%	65	67	7
8	HYUNDAI	46.0	-5%	69	72	8
9	PORSCHE	42.3	-8%	74	75	9
10	FERRARI	35.3	0%	88	93	11
11	LEXUS	31.6	-12%	96	90	10

Made by Hyundai, Loved by the World

We believe we are not just making cars, we are making our customers' lives better. That is why "Made by Hyundai" is now a brand that is trusted and loved all over the world.

- Genesis**
 - 2009 2010 Highly Recommended Car Model (Luxury Vehicle Category), Consumer Digest, US
 - 2009 Ranked 1st in New Vehicle Launch Index (VLI), J.D. Power, US
 - 2009 Ranked 1st in Product Standard and Design Appeal (APEAL), mid-sized premium car category, J.D. Power, US
 - 2009 2009 Rising Star, AutoPacific, China
 - 2009 Ranked 1st in 2009 Most Ideal Car, mid-sized luxury car category, AutoPacific, US
 - 2009 Best Bets, The Car Book 2009
 - 2009 Best New Cars of 2009, About.com (affiliate of the New York Times), US
 - 2009 2009 New Car of the Year, Cars.com
- Genesis Coupe**
 - 2009 Most Attractive Car, Time, US
 - 2009 Ranked 1st in Total Value Index (TVI), luxury car category, Strategic Vision & Motor Trend, US
 - 2009 2009 Most Beautiful Car, Consumer Digest, China
- Elantra (Avante)**
 - 2009 Ranked 1st in 2009 Customer Satisfaction Study, compact car category, China Association of Quality (CAQ), China
 - 2009 Most Ideal Car, compact car category, AutoPacific, US
 - 2009 Top Picks of the Year for the second consecutive year, compact car category, Consumer Report, US
- Tucson**
 - 2009 Ranked 1st in 2009 Customer Satisfaction Study, SUV category, China Association of Quality (CAQ), China
 - 2009 Best Bets, The Car Book 2009
- i30**
 - 2008, 2009 Australia's Car of the Year for two consecutive years
- i30cw**
 - 2009 Car of the Year, medium-sized car category, study organized by Fleet Magazine (Czech Republic) and sponsored by ALD Automotive
- i20**
 - 2009 Received the highest point of five stars in Europe's new car review program



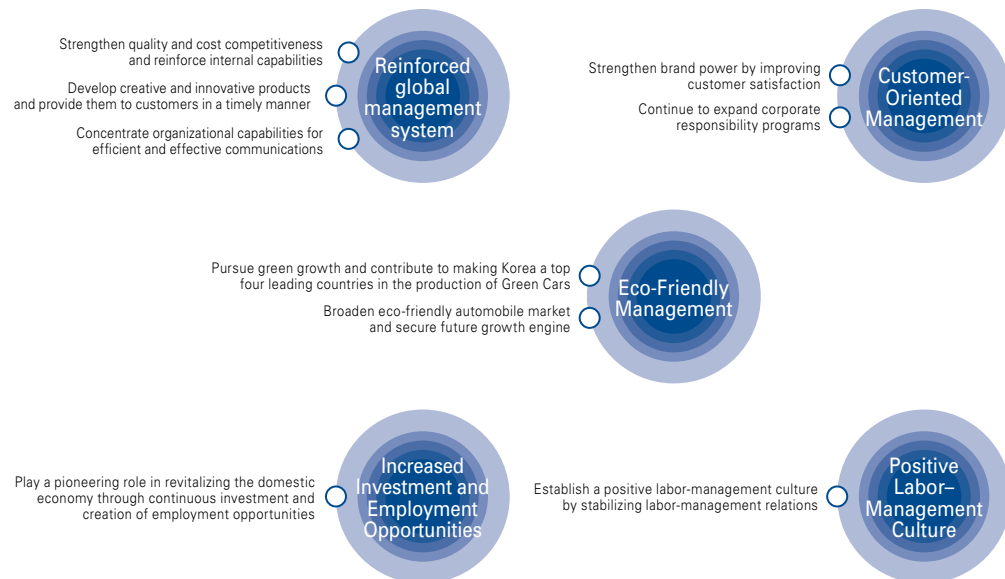
Tomorrow's Global Leader, Not Merely a Dream

Hyundai connects with the world through a global management system that always puts customers first. Hyundai moves the world by ensuring perfection in quality and service. And that has brought us one step closer to becoming a global leader.



Our Vision to Become a Leading Global Company

Hyundai Motor Company has created a firm foundation to become a leading global company despite the downturn in the world's economy. In particular, Hyundai aims to make a giant leap by prioritizing the strengthening of its international management system to bring the company one step closer to realizing its dream of becoming a top global leader. Furthermore, Hyundai Motor Company pledges to carry on and reinforce its longstanding management philosophies of "trust" and "on-site management."



Quality Management, the First Promise

It is Hyundai Motor Company's philosophy that adhering to the highest quality is its most important promise to its customers. This promise is kept through "Quality Way", a policy that aims for the development and production of zero defect vehicles, which has resulted in the Company taking top honors in 2009 J.D. Power studies, beating Toyota in the overall brand ranking. Hyundai Motor plans to continue reinforcing quality management with its vision for GQ3355—3rd place in global standing for actual quality within 3 years and 5th place in global standing for perceived quality awareness within 5 years.

Service Management, Thoughtful Attention for Greater Satisfaction

A first in the automotive industry, the Company's "Before Service" goes to customers before they come to Hyundai, going that extra mile to help them with driving safety and maintenance. Other tools such as the Hyundai Global Satisfaction index (HGSi), a comprehensive index that forms the basis for evaluating and improving overall service, the Elite Dealer Certification System that guarantees the same level of premium service in all Hyundai dealerships worldwide, the Hyundai Customer Promise, a pledge to always provide the best service, the Global Service Support Center, to directly provide HMC's Top Quality Technical Assistance for diagnostic problems thought to be solved, and the Hyundai Loyalty Program are examples of the thoughtful attention Hyundai Motor Company pays to its customers to ensure their greatest satisfaction.

01	02
03	

1. Quality control conducted with partner companies
2. Inspecting the development of low-carbon eco-friendly cars, the core of the Hyundai's future growth engine
3. Before Service, a new concept that has brought satisfaction to customers around the world

Striving for the Best in Each Step

Hyundai writes automobile history in Korea. Each and every step we take brings us closer to becoming the world's best and most renowned automaker.

HISTORY



1967~1997

- 1967 • Founding of the Hyundai Motor Company
- 1968 • Mass production of Cortina
- 1976 • Launch of Korea's first automobile Pony
 - Export of 6 Ponys to Ecuador
- 1983 • Establishment of Hyundai Motor Canada, Inc.
- 1984 • Launch of Excel
- 1985 • Establishment of Hyundai Motor America, Inc.
- 1986 • Launch of the luxury sedan Azera(Grandeur)
 - First-time export to the US with Excel
- 1987 • Excel named best-selling import subcompact in the US for third consecutive year
- 1988 • Launch of the mid-size sedan Sonata
- 1989 • Excel exceeds 1 million units in total exports
- 1990 • Launch of Elantra
 - Launch of Scoupe
- 1991 • Development of electric vehicles
 - Launch of Galloper
 - Launch of Korea's first independently developed gas engine Alpha
- 1992 • Development of Korea's first concept car HCD-I
- 1993 • Launch of Sonata II
 - Development of the concept car HCD-II
- 1994 • Hyundai Motor exceeds 1 million units in annual productions
 - Development of solar and hydrogen powered fuel cell electric vehicles
 - Launch of Accent
- 1995 • Launch of Avante (Elantra)
 - Development of the concept car HCD-III
- 1996 • Hyundai Motor exceeds 10 million units in total production
 - Completion of the Namyang Research & Development Center
 - Launch of Dynasty and Tiburon (Hyundai Coupe)
- 1997 • Completion of the plant in Turkey
 - Launch of Atoz
 - Development of the Epsilon engine

1998~2002

- 1998 • Acquisition of Kia Motors
 - Completion of the plant in India
 - Launch of Grandeur XG, EF Sonata
 - Development of the second-generation solar vehicle
 - Development of the European concept car Euro-I
 - Development of the lightweight, high-performance V6 Delta engine
- 1999 • Launch of the full-size luxury sedan Equus (Centennial), Verna (Accent), Trajet XG
 - Development of Korea's first fuel cell for automobiles
- 2000 • Development of Korea's first passenger car diesel engine and heavy-duty truck engine
 - Development of Korea's first fuel cell electric vehicle
 - Launch of Santa Fe, Avante XD
 - Inauguration of Korea's first automobile business group
 - Official Partner of the 2000 European Football Championship (UEFA Euro 2000)
- 2001 • Launch of Tuscani (Hyundai Coupe), Terracan, Lavita (Matrix)
 - India plant exceeds 200,000 units in accumulated production
 - Santa Fe ranks first in US consumer satisfaction survey
 - Hyundai Motor America receives J.D. Power and Associates Chairman Award
 - Unveiling of Korea's first Santa Fe fuel cell electric vehicle prototype
 - Unveiling of the concept car HCD-VI
 - Hyundai Motor surpasses 1 million units in sales in domestic 1-ton truck (porter) market
- 2002 • Launch of Elantra manufactured in China
 - Sonata ranked first by J.D. Power and Associates in performance, driving experience, and design research
 - Official Partner of the 2002 FIFA World Cup Games
 - Launch of joint venture with Beijing Automotive Industry Holding Company in China
 - Hyundai Motor India becomes second largest automaker in India
 - Groundbreaking for new European headquarters
 - Completion of the California Design & Technical Center

2003~2004

- 2003 • Annual exports surpass 1 million units Hyundai Motor honored USD 10 Billion Export Tower Award
 - Launch of Sonata manufactured in China
 - Hyundai Motor India surpasses 500,000 units in production
 - Opening of the European Engineering Center
 - Hyundai Motor becomes the first company to rank first in the Korean Industries Customer Satisfaction survey 10 years in a row
 - Hyundai Motor, first automaker to formally announce the implementation of global environmental management
 - Hyundai Motor India launches new Santro
 - Avante (Elantra) exceeds 2 million units in production
 - Sonata exceeds 2.5 million units in production
 - Completion of the design center and commencement of proving ground in North America
 - Development of the world's first ultra high-pressure hydrogen tank system for fuel cell electric vehicles
- 2004 • Unveiling of the next-generation SUV Tucson
 - Hyundai Motor's three biggest overseas manufacturing plants in India, China, and Turkey set new monthly production records
 - Official Partner of UEFA EURO 2004
 - Hyundai Motor exceeds 10 million units in exports and sets new record in Korean history
 - Establishment of a joint venture commercial vehicle production facility in China
 - Development of second-generation Tucson fuel cell electric vehicle
 - Hyundai Motor India sets new sales records
 - Chairman Mong-Koo Chung named among best CEOs of 2004 by BusinessWeek

2005~2006

- 2005 • Getz (Click) named 2005 Car of the Year in India
 - Completion of the proving ground and Hyundai America Technology Research Institute in US
 - Unveiling of the new Grandeur (Azera) and HED-1 at the Geneva Motor Show
 - Hyundai Motor becomes an Official Partner of FIFA from 2007 to 2014
 - Exports to Africa and Middle East exceed 1 million units
 - Completion of Hyundai Motor Manufacturing Alabama
 - Chairman Chung named Top Automotive CEO in Asia by Automotive
 - Hyundai Motor enters the Top 100 Global Brands list
 - Completion of the eco-friendly Auto Recycling Center
 - Sonata selected as 2005 Car of the Year by the Automobile Journalists Association of Canada
 - Fleet testing of the Tucson fuel cell electric vehicle in US
- 2006 • Hyundai Motor Company exceeds 100 trillion won in sales in 2006
 - Beijing Hyundai Motor Group selected as Best Brand by Chinese automotive industry
 - Groundbreaking for second plant in China
 - Hyundai Motor ranks highest among non-premium nameplates in J.D. Power and Associates' Initial Quality Study
 - Hyundai-Kia Automotive Group becomes world's sixth largest automaker
 - Accumulated exports to Central and South Americas exceed 1 million units
 - Development of world-class V6 diesel engine S-engine
 - Unveiling of the concept car Hellion, Arnejs, Genus, Talus
 - Official Partner of the 2006 FIFA World Cup Games
 - Hyundai Motor included in the Top 100 Global Brands list for second year in a row

2007~2008

- 2007 • Accent (Verna) selected as Best Car of the Year by the Indian automobile magazine Overdrive
 - Unveiling of the concept car HED-IV (QarmaQ) and HND-III (Veloster)
 - Completion of the CKD Plant in Brazil
 - Groundbreaking for the Czech Europe Plant
 - Azera (Grandeur) ranks first in J.D. Power and Associates' consumer satisfaction survey for second year in a row
 - Accumulated sales in US exceed 5 million units
 - Unveiling of the third-generation fuel cell concept car i-Blue at the Frankfurt Auto Show
 - Hyundai Motor Company celebrates 40th anniversary
 - Hyundai Motor India launches next-generation small car i10
 - i30 selected as Car of the Year in Australia
 - Opening of the Global CSR Website in Korea
 - Hyundai Motor Company receives National Environmental Management Awards President's Prize
- 2008 • Launch of Genesis, Genesis Coupe, i30cw
 - Beijing Hyundai Motor Company sets record for exceeding 1 million units in accumulated sales in shortest period
 - Premiere of the eco-friendly concept car i-mode at the Geneva Motor Show
 - Hyundai Motor India sets record by exceeding 500,000 units in exports
 - Completion of the second plant in Beijing with an annual capacity of 300,000 units
 - Groundbreaking for the plant in Russia which will serve as foothold for the East European market
 - Ranked first in National Customer Service Index (NCSI) for eighth year in a row
 - Creation of Happy Move Global Young Volunteers
 - Avante (Elantra) exceeds 5 million units in accumulated sales
 - Premiere of the strategic model geared for the European market i20, launch in India
 - Development of the next-generation eco-friendly passenger car diesel engine R-engine
 - Official sponsor of figure skater and national sports hero Yuna Kim
 - Launch of Ling Xiang in China, the NF Sonata model specially designed for the Chinese market
 - TAU engine selected as a winner of 2009 10 Best Engines
 - Hyundai Motor receives Global Green Management Excellence Award, Global Reporting Initiative Award

2009

- 2009 • Participated as a main sponsor for the US Super Bowl
 - HED-VI (ix-onic), the three-door i20 concept car, revealed for the first time at the Geneva Motor Show
 - Genesis awarded Car of the Year in North America
 - Selected as Best Company in terms of customer satisfaction in the automaker category by a consumer research group in China
 - Sponsored 2009 FIFA Confederations Cup
 - Exceeded an accumulated export sales of 1 million cars in Africa
 - Ranked 1st in New Vehicle Launch Index (VLI); Elantra ranked 1st in the compact car category; Genesis ranked 1st in the new car category by J.D. Power
 - Launch of Elantra LPi Hybrid in Korea, the world's first LPi hybrid car
 - ix-Metro and ix35 revealed for the first time at the Frankfurt Motor Show
 - Ranked Top 60 in Global Brand Value by Business Week
 - Construction of production plant in the Czech Republic with an annual capacity of 300,000 units
 - Santa Fe exceeds 2 million units in global sales
 - Selected as Best Marketer of the Year in the US
 - High-performance Theta GDi engine developed with proprietary technology revealed for the first time
 - i30 and Grand Starex awarded as Best Cars in Australia for the second consecutive year
 - TAU engine selected as winner of US Ward's AutoWorld 2009 10 Best Engines for the second consecutive year; received Presidential Prize at the 2009 Korea New Technologies Award

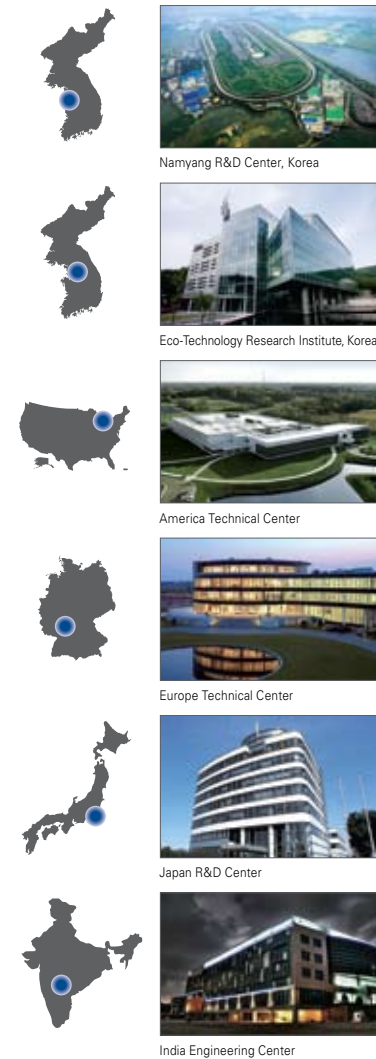


*From Passion,
To Power*

Passion gives birth to superior design and quality.
With great passion comes great victory.
Whether at Hyundai Motor Company or in soccer,
Passion is the competitive edge.

Hyundai Motor Company, Making Your Dreams Come True

If our R&D centers, design centers, and proving grounds work around the clock, it's because we wish to go beyond simply making cars. We want to create the quality and design of your dream cars.



Namyang R&D Center, Korea



Eco-Technology Research Institute, Korea



America Technical Center



Europe Technical Center



Japan R&D Center



India Engineering Center

R&D Centers, Base Camp for Becoming a Global Leader

Namyang R&D Center, Korea | Located in Hwaseong, Gyeonggi Province, the Namyang R&D Center is a comprehensive, world-class technology research complex equipped with planning, design, and powertrain centers as well as wind tunnel, crash, and driving test facilities. Approximately 8,000 researchers are working around the clock at the center to develop the best automobiles in performance, quality, and eco-friendliness.

Eco-Technology Research Institute, Korea | Located in Yongin, Gyeonggi Province, the Mabuk Environment Technology Center is focused on technologies that will pioneer tomorrow's environment-friendly automobile industry, including the development of next generation eco-friendly vehicles including fuel cell vehicles, automobile recycling and clean manufacturing technologies.

Central Advanced Research & Engineering Institute, Korea | Located in Uiwang, Gyeonggi, Central Advanced Research & Engineering Institute was established to develop new growth and pioneering technologies for the future, focusing on research in the fields of environment, energy, intelligent safety, and human convenience, as well as basic research in advanced materials and new interpretive technologies.

America Technical Center | With its headquarters in Ann Arbor, Michigan and a technical center and driving test course in California, the state-of-the-art R&D Center in the US oversees the technical development of automobile technologies for the US market.

Europe Technical Center | Located in Frankfurt, Germany, the Europe Technical Center is a state-of-the-art, multi-functional multiplex building situated on 33,058 m² of land. It is equipped with an engineering center which develops high quality automobiles and engines for the European market and its strict environmental regulations.

Japan R&D Center | Located in Chiba, Japan, the Japan R&D Center focuses its research on developing and securing cutting-edge, pioneering technologies including the latest electronic and hybrid technologies.

India Engineering Center | Located in Haidrabad, India's IT capital, the India Engineering Center actively supports the design and interpretation of automobiles that are adapted to local needs.

Design Centers, Global Trendsetters

Namyang Design Center | Equipped with state-of-the-art facilities including a visual exhibition room, interior exhibition room, CAVE system, and supercomputers, Namyang Design Center houses around 400 top designers who create global trends through exterior and interior styling for cars, computer-aided digital modeling, and the development of new colors.

America Design Center | Located in Irvine, California, the America Design Center is a state-of-the-art design facility situated on 33,058 m² of land with a total building area of 9,917 m² where top designers quickly analyze and respond to the tastes of American consumers to develop designs suited for the US market.

Europe Design Center | In partnership with the Europe R&D Center, the Europe Design Center plays a key role in developing designs suited to the needs and lifestyles of European consumers as well as developing high quality automobiles.

Proving Grounds, Providing Stringent Scientific Testing

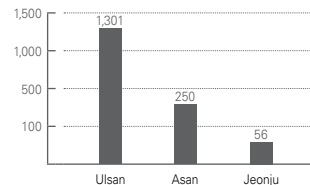
Ulsan and Namyang R&D Center Proving Grounds, Korea | The first proving ground in Korea, the Ulsan Proving Ground has a high speed oval track and 19 types of road surfaces on a total surface area of 660,000 m². The Namyang R&D Center Proving Ground enjoys world-class facilities, including a total of 70 km of tracks that consist of 34 road surfaces, such as Belgian and low-friction roads, and a 4.5 km high speed oval track, all spread over an area of 1,650,000 m².

California Proving Ground, US | The California Proving Ground located in California's Mojave Desert sprawls over a total of 17,520,740 m² and cost US\$ 60 million to develop. About 10 times the size of the comprehensive test course at the Namyang R&D Center, it boasts a total distance of 116 km in tracks, with its largest high speed track being a 10.4 km oval shaped three-lane track that can accommodate vehicles traveling at a maximum speed of 250 km/hr. It is used for high-speed driving and durability tests including maximum speed-per-hour tests.

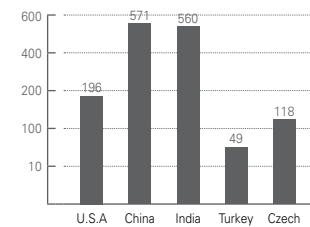


Hyundai Motor Company, Creating Your Lifestyle

Customers have different needs, different tastes, and different lifestyles. Our global network of state-of-the-art manufacturing plants makes cars that fit the lifestyle of each and every one of our customers.



2009 Annual Production of Domestic Plants (Unit: '000 units)



2009 Annual Production of Overseas Plants (Unit: '000 units)



Ulsan Plant



Alabama Plant



India Plant

A World-Leading Global Production Network

Korea

Ulsan | As Hyundai Motor's main production facility, the Ulsan Plant sits on a 5,050,000 m² site and is equipped with five independent plants that employ over 34,000 personnel to produce an average of 5,400 vehicles a day. Additionally, the plant has its own port where up to three, 50,000-ton ships can anchor simultaneously. The Ulsan Plant, also dubbed the "Forest Plant," encompasses 580,000 trees as part of its landscape and state-of-the-art facilities.

Asan | With an annual capacity of 30,000 units, the Asan Plant is an entirely self-contained, independent automobile production complex that mainly produces strategic mid-to large-size passenger cars for export. The Asan Plant offers a bright and pleasant, people-oriented and nature-inspired working space, and has proven that the quality of the working environment determines the quality of products.

Jeonju | With an annual production capacity of 125,000 units, the Jeonju Plant specializes in producing mid-to large-size buses, trucks, and specialty vehicles that exceed 2.5 tons.

Overseas

America | Within one year after it began mass production in May 2005, the Alabama Plant achieved the incredible feat of being placed 10th in product quality among 37 plants in North America. It focuses on mid-to full-size vehicles, and continues to live up to its reputation as a comprehensive automobile plant that applies the latest technologies and techniques to its production lines.

China | In addition to the existing first plant, a second plant with an annual capacity of 300,000 units was added to the China Plant, increasing its total annual production capacity to 600,000. The plant is a reassuring foothold in securing a sizable share in the automobile market in China, which is rapidly becoming a global economic powerhouse.

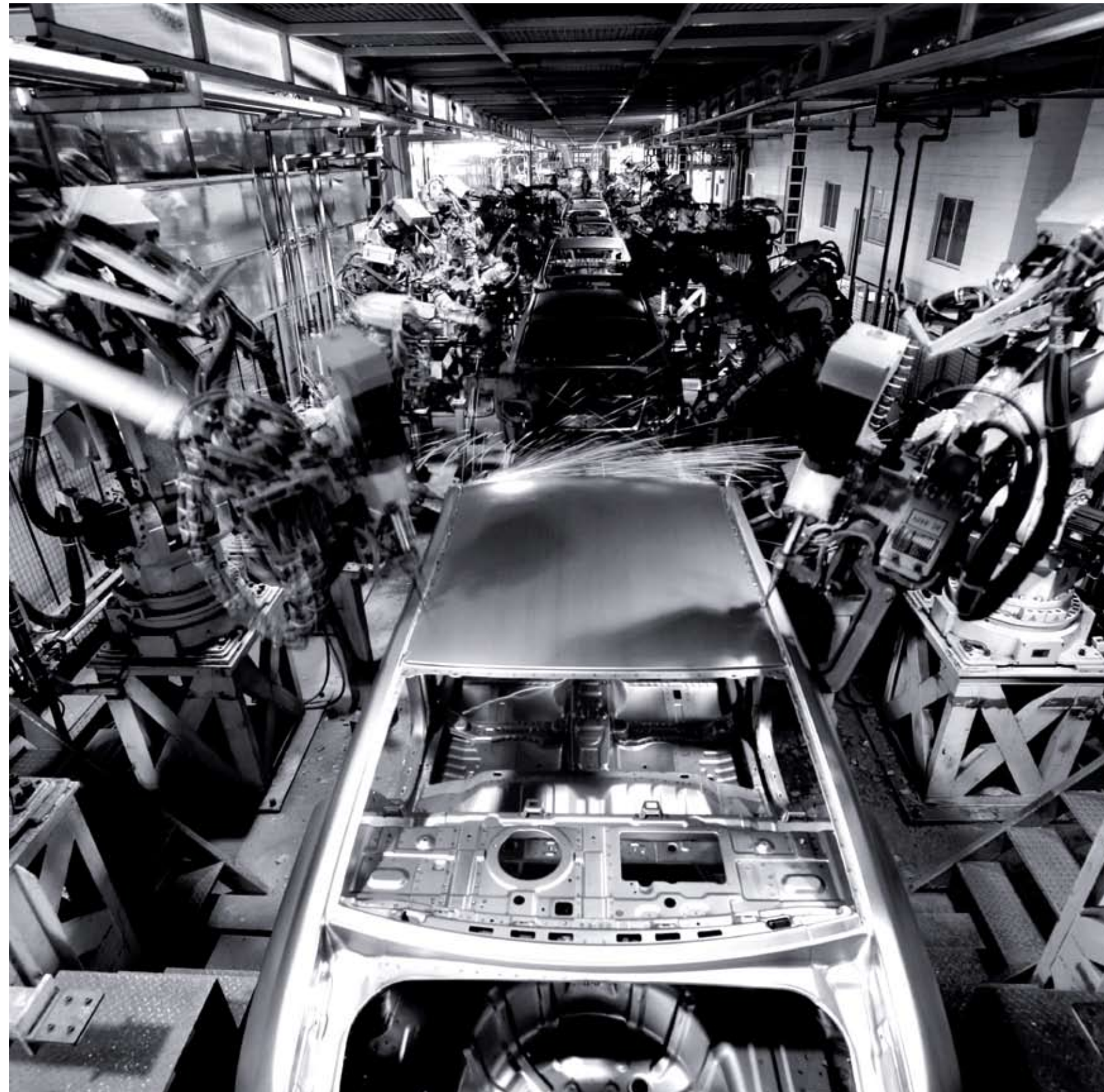
India | A comprehensive, self-sufficient automobile plant that focuses on the R&D, testing, manufacturing, and sales of new products that are adapted to the Indian market, the India Plant added a second plant in 2008 to achieve an annual production capacity of 600,000 units. It serves as an overseas manufacturing plant for compact cars, such as the first overseas-specific model i10 and the strategic European model i20. It has accomplished much in India's automobile industry, including setting a production record of 2,500,000 units and sales of 1,000,000 units in the shortest time, and is responsible for 20% of the market share and 66% of the automobile export in India.

Turkey | The expansion of the Turkey Plant in March 2007 resulted in an increase in the annual production capacity from 60,000 units to 100,000 units. A strategic foothold that connects Europe, Africa, and the Middle East, the Turkey Plant plays a key role in the increase of exports from the region through the localization of the Accent and i20 models.

Czech Republic | Nineteen months after its historic groundbreaking, the Czech Republic Plant commenced mass production in November 2008. The Czech Republic Plant focuses on a strategy of full localization to develop models geared to the tastes of European consumers. Taking full advantage of its strategic location in the center of Europe, the Czech Republic Plant will be a stepping stone to Hyundai's expansion into the European market.

Russia | Scheduled to commence mass production in January 2011, the Russia Plant is the only auto plant in Russia that can handle the entire manufacturing process of complete units. The plant will start off with an annual production of 100,000 units, which will eventually increase to 150,000 units. Comprised of expert employees trained in Korea and in the Czech Republic, the Russia Plant will focus on production of the C-Class models with reinforced designs adapted to the local needs in Russia.

Brazil | The Brazil Plant will secure a manufacturing foothold in the biggest market in Central and Latin America and play an important role in increasing sales in the region. The Brazil Plant will be producing stylish and fuel efficient compact cars suited for the Brazilian market, and contribute to increasing the market share in the region.



Hyundai Motor Company, Bringing You Happiness

Count on Hyundai for a pleasant automobile experience. We want to go beyond making and selling cars. We want to share our joy and passion with you.

Global Sales Network, A Successful Strategy to Meet the Needs of Local Markets

Hyundai Motor Company offers a globally competitive and diverse product portfolio through its sales network; 6,000 of dealers and 24 overseas production and sales bases, in over 180 countries worldwide. Additionally, Hyundai continues to aggressively target overseas markets by establishing local production bases in key markets. Efforts to actively respond to and deal with the demands of each market include the operation of second plants in the emerging markets of India, China, and the Czech Republic. The Hyundai Motor Company network will further expand with the Russia Plant scheduled to commence mass production in January 2011.

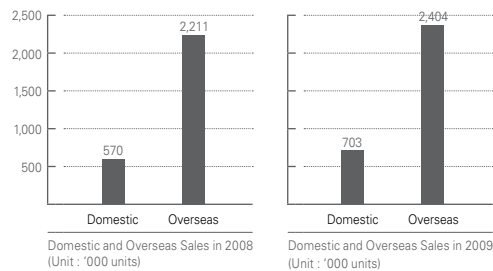
Sports Marketing Raises Brand Awareness

Having established a partnership with the Union of European Football Associations (UEFA) and the Fédération Internationale de Football Association (FIFA) since 1999, Hyundai Motor Company has been the official sponsor of multiple international football tournaments, including the 2006 World Cup Games and Euro 2008. In particular, Hyundai succeeded in improving its brand awareness and image even further with a variety of promotional activities during Euro 2008.

As the Official partner of the 2010 World Cup Games in South Africa, Hyundai will be holding various events to once again leave a deep impression in the hearts of the global community, including the "Goodwill Ball Roadshow", "Hyundai Fan Park" (cheering events on street), and "Be There With Hyundai" (a victory slogan contest). Additionally, Hyundai plans to reinforce brand loyalty by holding the Hyundai World Golf Championship this October, an annual international golf tournament held in Korea. Sponsoring the world-leading top figure skater Yuna Kim since 2008, the company supported her 100% during the 2010 Olympic Winter Games in Canada. The victory of Kim winning the gold medal improved not only the brand value of Hyundai Motor Company but that of Korea.

Hyundai Motor Introduces New Possibilities at Motor Shows

One way to raise brand value is to convince customers and gain their trust in the Hyundai's ability to realize tomorrow's possibilities. Hyundai has been actively showcasing the future of automobiles at the world's most prominent motor shows. In particular, the company has been introducing new models and high-tech, eco-friendly concept cars at major auto shows including the North American International Auto Show, the Geneva Motor Show, the Frankfurt Motor Show, the Paris Motor Show, and Auto China.



- 01 Aerial view of the Russia Plant
- 02 Ceremony commemorating the start of mass production at the Czech Republic Plant
- 03 Goodwill Ball Roadshow
- 04 Autograph Ceremony with figure skater Yuna Kim
- 05 Geneva Motor Show 2009
- 06 Frankfurt Motor Show 2009



HYUNDAI
WITH THE
WORLD

Hyundai Motor Company's Concept Cars, Unfolding the Future of Automobiles!

What will tomorrow's cars look like? How will tomorrow's automobile industry evolve? Hyundai concepts show the way.

HED Series, Futuristic Concept Cars for European Consumers

The HED Series developed by the Europe Design Center was first introduced at the 2005 Geneva Motor Show with HED-I, a four-passenger compact MPV (Multi-Purpose Vehicle) concept car. It was followed by the Genus (HED-II) and the Arnejs (HED-III) in 2006; QarmaQ (HED-IV), a car made with new environment-friendly materials in 2007; the eco-friendly concept car i-Mode (HED-V) in 2008; and ix35's mass produced concept car version ix-onic (HED-VI) in 2009. This year, Hyundai Motor once again proved its advanced technological prowess with i-flow (HED-VII), which was first revealed at the 2010 Geneva Motor Show.

HCD Series, Quality and Style for North American Consumers

Hellion, a compact crossover concept car that combines the practicality of a multi-purpose SUV with the style of a futuristic sports car, was highly praised for its quality and design during its debut at the LA International Auto Show. The Genesis Coupe which integrates the HCD-VIII and the HCD-IX also captured the hearts of North American consumers with its unique design. The America Design Center received favorable reviews at the 2009 New York International Auto Show by revealing Nuvis (HCD-XI) for the first time, a concept car that features Blue Drive, Hyundai Motor Company's innovative eco-friendly technology. Hyundai plans to surprise the world once again when it unveils the HCD-XII in 2010.

Blue-Will & ix-Metro, Prelude to the Future Dream Car

Namyang R&D Center, the hub of the company's automobile R&D, has been introducing concept cars such as the Veloster, Accent SR, and Portico. In 2009, it unveiled Blue-Will, a follow-up model of its first-ever plug-in hybrid, and ix-Metro, a hybrid-CUV, creating a sensation in the auto industry by integrating both aesthetics and practicality. Hyundai plans to further accelerate its development of concept cars based on its strategy of Blue Drive technology.



2009 » Blue-Will (Namyang)



2009 » Nuvis (US)



2009 » ix-Metro (Namyang)



2009 » ix-onic (Europe)



2008 » i-Mode (Europe)



2007 » i-Blue (Japan)



2007 » Veloster (Namyang)



2007 » QarmaQ (Europe)



2006 » Hellion (US)



2006 » Genus (Europe)

2010 » i-flow (Europe)

Hyundai Motor Company's New Technologies, Redefining Automotive Limits!

Because of Hyundai, it takes more for a car to be called "a good car". Historic automotive limits are disappearing. Today's global market moves with Hyundai's cutting-edge technologies at its center.

Powertrain Center, Integrating Strong Engines and Sensitive Transmissions

Powertrain Center is where the development of engines featured in all Hyundai vehicles takes place, from passenger to commercial cars. By researching and developing environment-friendly exhaust systems and establishing a full lineup of independent engine models, Hyundai Motor Company is developing first-class powertrains and transmissions that are globally recognized as the most powerful in their categories.

Highest Performing Powertrains

Having realized technological autonomy for the domestic automobile industry in 1991 through the independent development of the Alpha engine for the first time in Korea, Hyundai Motor Company won glowing praise from around the world for the development of the Theta World engine in 2004, Korea's first engine for export. In 2006, the Company developed a 3.0 liter V6 S-engine for diesel passenger cars, the most powerful engine in its category, which is available in the Veracruz. Having finalized the gasoline and diesel engines for passenger cars, Hyundai completed its full lineup of engines for commercial vehicles in 2007 with the development of 3.9 liter/5.9 liter/10 liter diesel engines. In 2009, Hyundai developed the R-engine for passenger diesel cars that meet the Euro-5 Environmental Regulation standards and received certification for "low-pollution emitting vehicle in the metropolitan area." Furthermore, its TAU engine received the honor of being named as the Ward's 10 Best Engines for the past two consecutive years, known as the "Academy Awards" in engine development. In 2010, Hyundai will be proving its advanced technological prowess in engines with the development of the Theta GDI engine.

Developing Next Generation High-Performance Eco-Friendly Transmissions

In its quest to become a global leader in the transmissions market, Hyundai Motor Company has poured exhaustive efforts into the development of high-performance eco-friendly transmissions that reflect the needs of diverse customers based on its independent technical know-how accumulated over the years. In 2009, the Company secured the latest technology to lead the international market by developing a front-wheel drive 6-speed automatic transmission and CVT (continuously variable transmission) for LPI vehicles.

Environment-Friendly Exhaust Systems

In response to the ever more stringent regulations regarding exhaust emissions, the Powertrain Center is accelerating its development in areas of combustion efficiency and weight reduction, low-friction technology, improvement in power efficiency technology, and powertrain for hybrid vehicles.



» TAU 4.6 V8 Engine

» R 2.2 CRDi Engine

» Theta II 2.4 GDI Engine



**“What do I love more: soccer or Genesis?
Both make my heart beat faster.”**

Ball control, body balance, brain... Like a soccer player who has everything, the same can be said for Genesis, which makes my heart race faster. Its edgy style and smooth driving brings exhilaration.



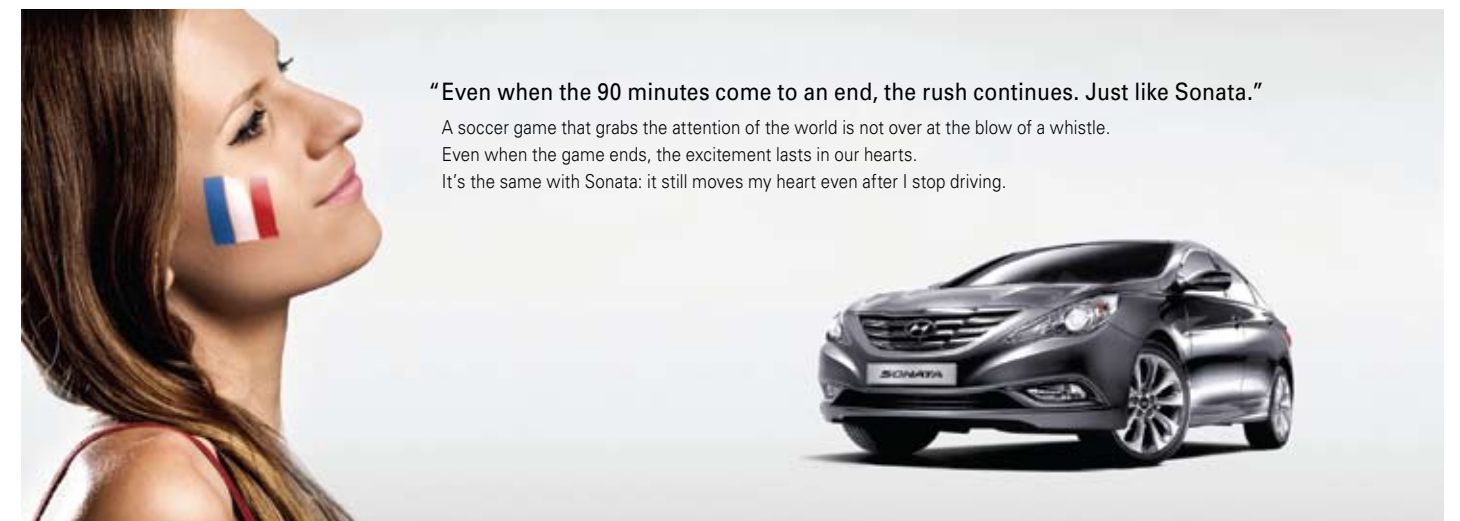
“I could tell it was my style the first moment I saw it.”

If soccer represents dream and passion in sports, Elantra represents dream and passion in cars. Style, driving, and comfort... Something that makes my heart skip faster than soccer. I could tell it was my style the first moment I saw it.



“It’s enough to make her jealous. Like soccer during World Cup.”

If you fall in love, you only have one thing on your mind. With Grandeur she used to be jealous of Grandeur, complaining that I liked it more than her. During World Cup, she’s jealous of soccer. Oh well, maybe I’m the type of guy who can’t be devoted to one thing all my life.



“Even when the 90 minutes come to an end, the rush continues. Just like Sonata.”

A soccer game that grabs the attention of the world is not over at the blow of a whistle. Even when the game ends, the excitement lasts in our hearts. It’s the same with Sonata: it still moves my heart even after I stop driving.

“Strong and fast! My favorite player reminds me of Genesis Coupe!”
 The sight of him dribbling past opposing players towards the goal.
 I have never missed him in action.
 Funnily enough, Genesis Coupe comes to mind every time I see him.
 It’s amazing to see how similar they are!



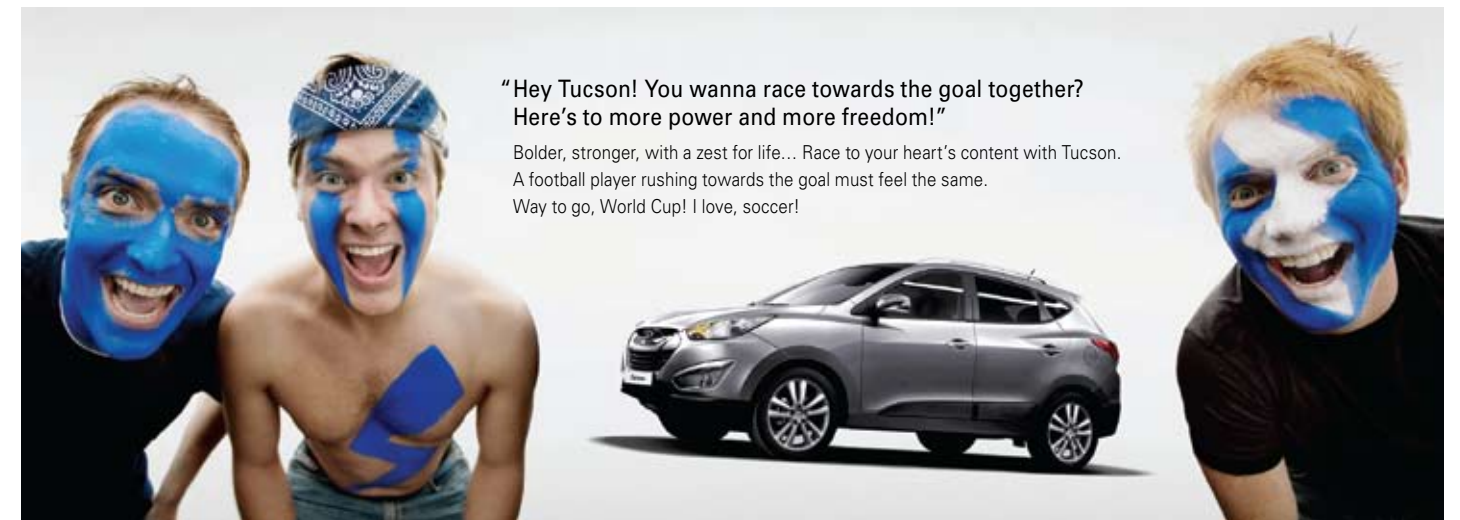
“It’s a tie: The joy of soccer and the driving experience of i30!”
 Just like watching and cheering a soccer game is even more exciting with your best buddy,
 a day with i30 is even more fun. That’s why it’s a tie: soccer and i30!



**“If World Cup gets rid of all the stressful thoughts from my mind,
 Santa Fe fills it with good thoughts.”**
 One clean goal is all it takes to wipe away all the stress and worries from my mind.
 Now, all I need to recharge myself with positive thoughts and renewed energy is to be on the road, just me and my Santa Fe.



**“Hey Tucson! You wanna race towards the goal together?
 Here’s to more power and more freedom!”**
 Bolder, stronger, with a zest for life... Race to your heart’s content with Tucson.
 A football player rushing towards the goal must feel the same.
 Way to go, World Cup! I love, soccer!



**“I guess I’m not the only one waiting for World Cup.
 Even Equus becomes more passionate.”**
 When the festivities of the World Cup start, the excitement doubles.
 But did you know that there’s more power and passion to driving the Equus this time of the year?
 I wish World Cup came around every year instead of every four years.





*From Change,
To Future*

Environment and technology are one: the change in Hyundai's thinking creates a greener tomorrow. We are all the global community and the heart of Hyundai beats to create a happier, more sustainable future.

Hyundai Motor Company, Preserving the Earth's Temperature

The convenience that cars provide is nothing without a sound environment. To reduce greenhouse gas emissions and to stop the changes in climate, Hyundai Motor Company steps ahead by generously investing on R&D resources.



Environmental Management Centered around Blue Drive

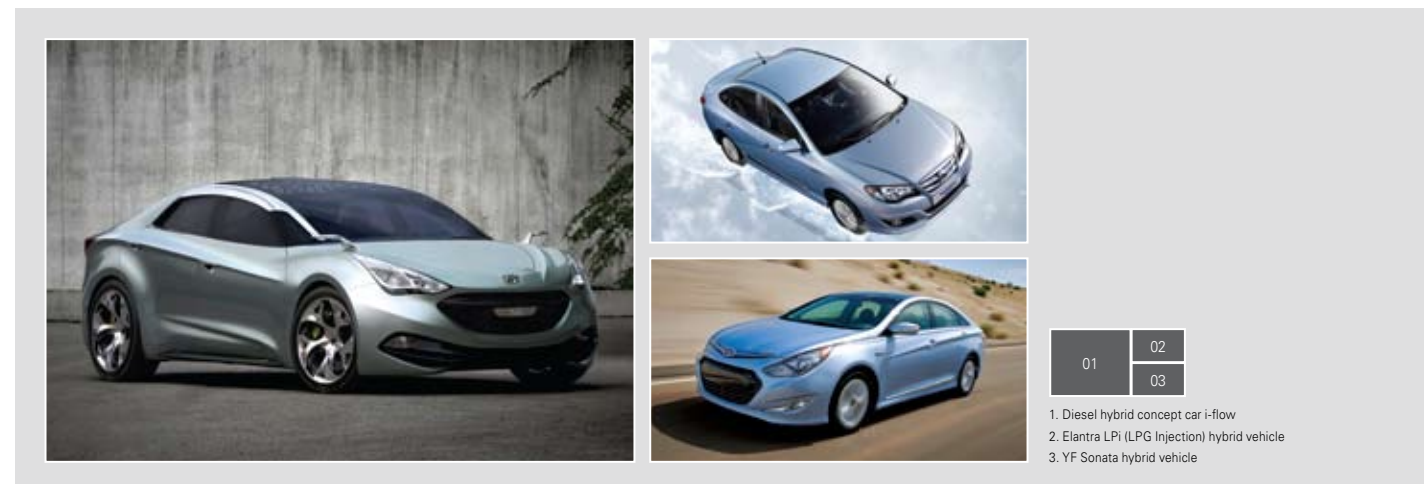
Starting with the development of the FGV-I in 1995, followed by the official announcement of the Company's environmental management philosophy and global environmental management policy in 2003 and the launch of the Environment Technology Center in 2005, Hyundai Motor has been continuing its efforts to reduce the impact of cars on the environment. These efforts have led to the development of eco-friendly models based on the Company's strategic Blue Drive technology. Rooted in Hyundai Motor Company's corporate philosophy to contribute to enriching human lives through automobiles and the innate mission of cars to provide mobility, Blue Drive aims to create values that blend with the environment and society. With Blue Drive at its heart, Hyundai will do its best to create a future where human beings, society, and earth can coexist in harmony.

Hybrid Vehicles

Hyundai Motor delivered 50 Getz (called Click in the Korean domestic market) hybrid cars as part of a fleet demonstration project in 2004, and succeeded in localizing the production of key automotive parts in 2005. By 2008, the company had delivered some 1,500 Verna hybrid vehicles to government agencies and public education centers. Also in 2008, Hyundai's independently-developed technology led to the successful development of the world's first LPi (Liquid Petroleum Gas Injection) hybrid vehicle that integrated an LPG fuel cell and an electric motor. The technology was introduced to the public in 2009 through the Elantra LPi hybrid vehicle that combines eco-friendly performance with practicality. In 2010, Hyundai will launch a mid-size Sonata hybrid vehicle in the North American market. Meanwhile, the Company has increased its R&D resources to commercialize a plug-in hybrid vehicle that can be recharged at home and driven in an all-electric mode for short distances by 2012.

Development Status and Future Plan of Hybrid Vehicles

1st Stage (1995-2004)	2nd Stage (2005-2009)	3rd Stage (2010-)
Secure mass production technologies (Demonstrative production)	Set up mass production infrastructure (Localization of key parts)	Diversify portfolio (Increase exports)
1995 Development of first HEV concept car 2000 Development of County HEV 2004 Click HEV fleet demonstration	2005 Verna HEV fleet demonstration 2009 Mass production of Elantra LPi HEV 2009 Delivery of hybrid intra-city buses	2010 Mass production of Sonata HEV 2012 Mass production of plug-in HEV



Hyundai Motor Company, Developing Cars Welcomed by Nature

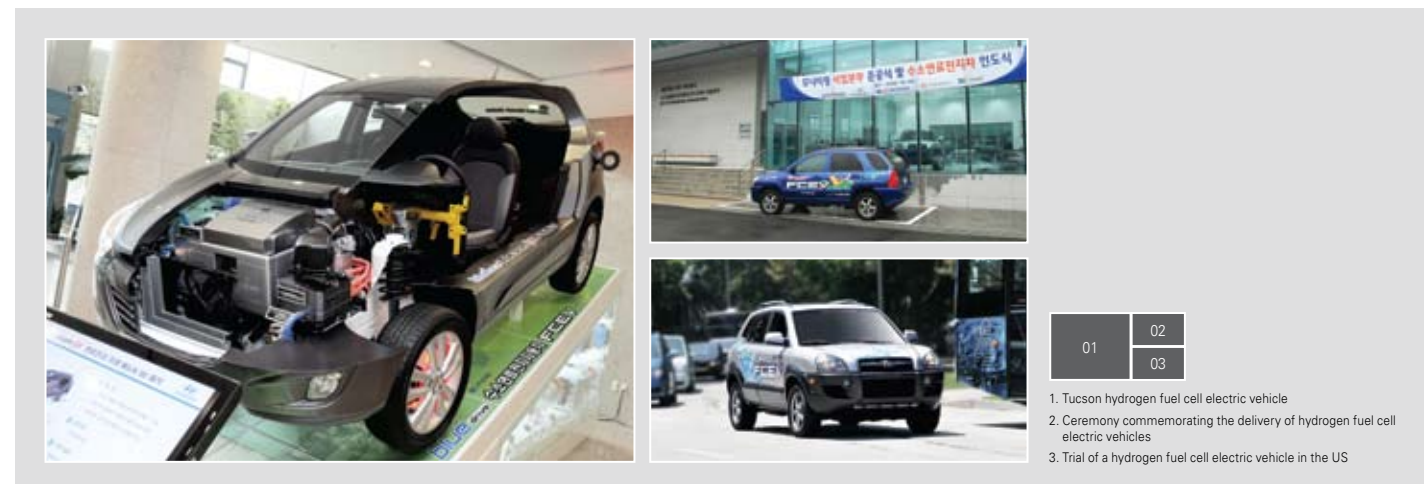
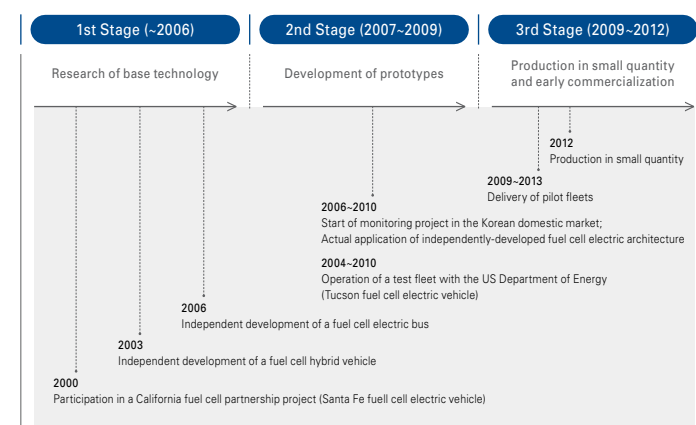
It might not be just a dream to make a car that actually protects and nurtures the environment. At Hyundai, we continuously look for new ways to make it real.

Pollution-Free Hydrogen Fuel Cell Electric Vehicles

Hydrogen fuel cell electric vehicles use hydrogen as their power source, which reacts with the oxygen in the air to give energy. They are anticipated to be the ultimate pollution-free car as they discharge nothing but water vapors as exhaust. Hydrogen can be produced with different energy sources such as solar heat, wind power, and nuclear energy, and thereby can help reduce our existing dependency on fossil fuels. Furthermore, it is the most efficient way to use natural energy sources, because the technology is twice as efficient compared to conventional internal combustion engines.

Hyundai has continued to invest in R&D to secure both product and price competitiveness for hydrogen fuel cell electric vehicles. It successfully achieved low temperature ignition at -20°C, and also reduced the cost of the fuel cell stack by a sixth through a technology that produces the cells by stamping thin metallic sheets, a positive indication of its potential for mass production. At the same time, Hyundai continues to carry out crash, mock fire, and other tests to verify and evaluate safety. As a leading global automaker, Hyundai Motor Company is passionate about environment protection and firm in its conviction about the need for eco-friendly cars. It will complete test fleets needed for commercializing hydrogen fuel cell electric vehicles in Korea and the US by 2010, and start producing them in small quantities in 2012.

Road Map for Developing Hydrogen Fuel Cell Electric Vehicles



Hyundai Motor Company, Reminding Us of the Preciousness of Our Environment

The best way to protect the environment is to preserve it as it is. At Hyundai, we pay constant attention not only to restoring the ecosystem but preventing further damage.



Green Move

Green Move is one of Hyundai's four main social contribution projects and covers all its social activities related to the environment. Its slogan is "Recovery of Nature," and it holds continuity of life as its key value. Green Move aims to contribute to society by pursuing activities that restore damaged sites and situations so that life can resume as before.

Hyundai Green Zone

In an effort to address the planetary issue of environment protection and fulfill its social responsibilities as a global company, Hyundai Motor Company has chosen "Recovery of Nature" as the main theme of its environmental activities, and is actively pursuing various programs to preserve nature.

Hyundai Green Zone Korea

Taehwa River Ecosystem Restoration Campaign was launched by Hyundai's Ulsan Plant in an endeavor to revive the areas damaged by industrialization and urbanization. As a first step, it successfully restored the *Seriginus telamon*, with which it has created ecology centers for children in the cities of Ulsan, Asan, and Jeonju where the company's production plants are located. It is one of the ways Hyundai is giving back to local communities and fulfilling its social and environmental responsibilities as a corporate citizen.

Hyundai Green Zone China

Hyundai Green Zone China is the first initiative of the Hyundai Green Zone project, which aims to transform 50 km² of arid land in Chakanor—an area in China's Inner Mongolia known to be the origin of yellow sand—into green land within the next five years. The seeds of hope that were sown sprouted successfully for the second time under the care of the Happy Move Global Youth Volunteer Corps and the employees of the Beijing Hyundai Motor Company (BHMC), slowly changing back the landscape and contributing to saving the environment.

Hyundai Motor plans to expand the Hyundai Green Zone project to other regions of the world in the future, and to continue its commitment to protect the earth's ecosystem.

Taehwa River Ecosystem Restoration Campaign

Hyundai Motor Company's Ulsan Plant is taking the lead in restoring the natural environment as well as endangered species. The Ulsan Plant, in collaboration with the Ulsan Eco Polis project of the city of Ulsan, successfully restored the *Seriginus telamon* in the first stage of its campaign, and has begun the restoration of fresh water crabs and the Korean rose bitterling in the Taehwa River. Hyundai's efforts have been a source of inspiration for the local community, reminding them of how precious their natural environment is and how important it is to protect and preserve it. Convinced that saving the ecosystem is the only way to ensure an abundant future, Hyundai Motor Company is continuously diversifying its activities to preserve the environment.



01	02
	03

1. Hyundai Green Zone China: project to prevent the desertification of Chakanor, a region in Inner Mongolia
2. Hyundai Green Zone Korea: *Seriginus telamon* ecology center
3. Ulsan Ecosystem Restoration Campaign: releasing fresh water crabs and Korean bitterling into the Taehwa River

Hyundai Motor Company, Moving the World Together

Hyundai is launching various CSR activities world widely hoping to bring happiness along with our cars. Knowing the importance of togetherness, Hyundai is moving the world together.



Social Contribution Logo and Slogan

The slogan "Moving the World Together" summarizes Hyundai Motor's social contribution philosophy. "Together" emphasizes harmonious partnership with society, "moving" reflects the Company's determination to progress and to continue creating changes, and "world" expresses the love and dreams that are delivered to all four corners of the earth. The logo and slogan "Moving the World Together," translated and produced in 23 languages, contain Hyundai Motor's will to change the world through love and action together with its neighbors.

Practicing Social Responsibility as a Corporate Citizen

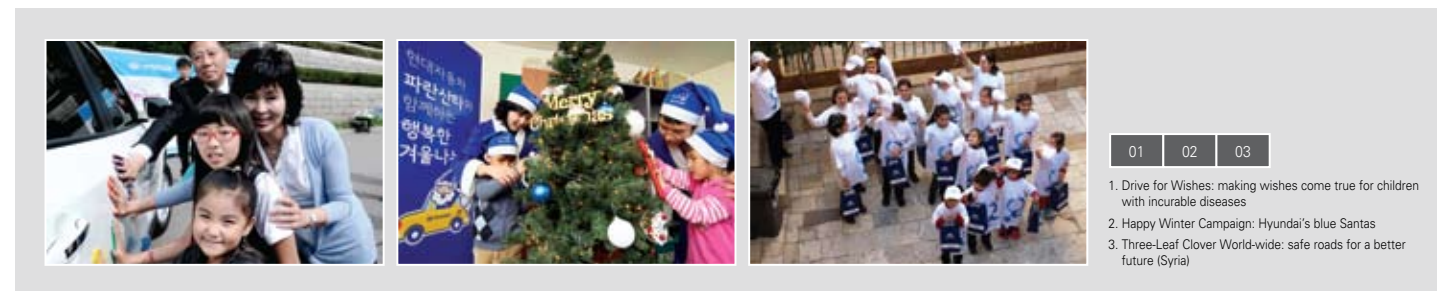
Today, social responsibility has come to the forefront in the social role that corporations must assume. Hyundai is conscious of the important role it must play as a corporate citizen that goes beyond the immediate corporate objective of pursuing profits. Hyundai is making efforts towards a better world for all those involved with the company—customers, management and employees, shareholders, partners, local communities—and contributing to the sustainable advancement of humanity. Under its corporate philosophy of pursuing the joy of humankind through automobiles, the company strives to achieve this by continuously and systematically carrying out social contribution activities.

Systemized Structure for Advanced Social Contribution

In addition to continuing its customized social welfare initiative "Moving the World Together" project, Hyundai has been developing and operating different programs company-wide. The Drive for Wishes project of the domestic sales division that helps children with incurable diseases and the R&D Science Class of Hyundai R&D Center in Namyang are contributing to reducing the gap between different areas and helping more people benefit from a variety of opportunities. The four "Move" campaigns of Easy Move (increasing convenient transportations for disadvantaged users), Safe Move (spreading a culture of safe transportation), Green Move (social contribution activities for the environment), and Happy Move (volunteer work) are also helping Hyundai realize its key social contribution projects in a systematic way, not to mention the many other social contribution programs that the company is pursuing in the various fields of social welfare, education, culture, art, and sports. Through its diverse activities, Hyundai is fully assuming its role as a healthy corporate citizen and taking the lead in "Moving the World Together".

Spreading Social Contribution to the Global Community

Based on its global Corporate Social Contribution (CSR) network that links all the major subsidiaries and regional offices, Hyundai Motor Company spared no efforts to "Moving the World Together" in 2009, through such actions as the Three-Leaf Clover world-wide project that helps realize the wishes of the children of car accident victims and the Global Blood Donation and Fight Against Poverty campaigns. The company continued to contribute to promoting culture and art among the underprivileged through Hyundai Motor America (HMA)'s campaign against pediatric cancer, Hope on Wheels; Hyundai Motor Group China (HMGCC)'s patronage of public service films; and Hyundai Motor Norway (HMN)'s sponsorship of Jenny, an opera participated by handicapped persons. It also continued its efforts to serve local communities and education in India by completing the project to donate 10,000 sets of desks and chairs to schools which has been underway since 2007. Last but not least, Hyundai Motor Company issued a global social contribution activities white paper and publishes a monthly newsletter to strengthen the exchange of information in its social contribution activities in Korea and abroad and to respond to social demands.



- 01 Drive for Wishes: making wishes come true for children with incurable diseases
- 02 Happy Winter Campaign: Hyundai's blue Santas
- 03 Three-Leaf Clover World-wide: safe roads for a better future (Syria)

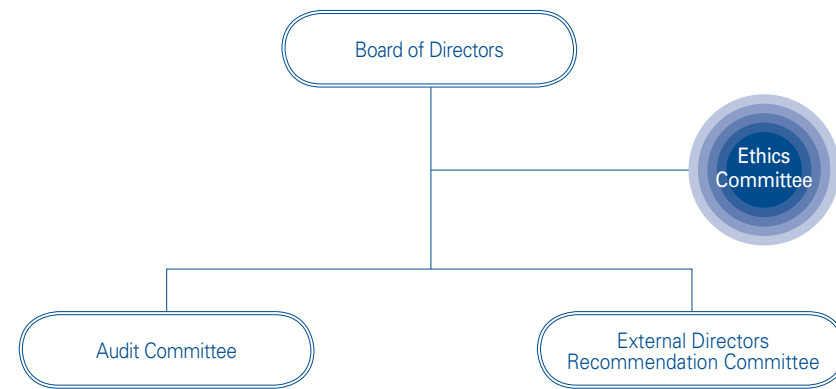
HYUNDAI WITH HONESTY



Hyundai Motor Company is governed by a Board of Directors, under which are an Audit Committee and an External Directors Recommendation Committee. An Ethics Committee was also established in 2007.

BOARD OF DIRECTORS

The Board of Directors makes decisions on matters defined by the law and articles of incorporation; those delegated by shareholder's meetings; and key issues related to the basic policies and operations of the Company. It also has the authority to oversee the performance of the directors and the management. The Board is comprised of four internal directors and five external directors. It holds regular meetings, in addition to which special meetings are called when needed.



(As of March 12, 2010)

	Name	Title/Affiliation	Concurrent Position(s)
Internal Committee	Mong-Koo Chung	Chairman and CEO	Member of the External Director Candidates Recommendation
	Seung-Suk Yang	President and CEO	Member of the External Director Candidates Recommendation
	Ho-Don Kang	Vice President and CEO	-
	Eui-Sun Chung	Vice Chairman	-
External Committee	Kwang-Nyun Kim	Lawyer, Samhan Law Office	Member of the External Director Candidates Recommendation Committee, Audit Committee Member, Ethics Committee Member
	Il-Hyung Kang	Of Counsel, Bae, Kim & Lee LLC	Audit Committee Member, Ethics Committee Member
	Young-chul Yim	Lawyer, Shin & Kim	Audit Committee Member, Ethics Committee Member
	Sung-Il Nam	Professor, Sogang University	Member of the External Director Candidates Recommendation Committee, Audit Committee Member, Ethics Committee Member
	Young-Rok Lim	Former Vice Minister, Ministry of Strategy and Finance	Ethics Committee Member

* Detailed information on the directors can be viewed at the Hyundai Motor Company website (<http://pr.hyundai.com/> for Korean and http://worldwide.hyundai.com/worldwide_index.html for English) or on the Data Analysis Retrieval and Transfer System (DART) of the Financial Supervisory Service (<http://dart.fss.co.kr>).

MAIN ACTIVITIES OF THE BOARD OF DIRECTORS IN 2009

Meeting	Date	Issues	Approval
1st Regular Meeting	January 22	Approval of 2008 financial statements and seven other items	Approved as drafted
Special Meeting	February 23	Issuance of corporate bonds	Approved as drafted
Special Meeting	March 13	Nomination of CEO and five other items	Approved as drafted
2nd Regular Meeting	April 23	Approval of transaction with a subsidiary and four other items	Approved as drafted
Special Meeting	June 5	Issuance of corporate bonds	Approved as drafted
Special Meeting	June 25	Approval of participation in the issuance of new shares of a subsidiary	Approved as drafted
3rd Regular Meeting	July 23	Approval of financial guarantees of overseas subsidiary (HMMR) and three other items	Approved as drafted
4th Regular Meeting	October 22	Approval of transaction with largest shareholder, etc. and two other items	Approved as drafted
Special Meeting	December 28	Purchase of Company shares	Approved as drafted

* Detailed information is available at the Hyundai Motor Company website (<http://pr.hyundai.com/>) or on the Data Analysis Retrieval and Transfer System (DART) of the Financial Supervisory Service (<http://dart.fss.co.kr>).

COMMITTEES UNDER THE BOARD OF DIRECTORS

The Audit Committee consists of four external directors. Its duties comprise overseeing the Company's financial reporting and disclosure, requesting and reviewing reports on the Company's business management, and directing investigations on its financial status. The Audit Committee discusses and approves matters related to audit, shareholder's meetings, the Board, and the directors of the Board. Internal mechanisms have been put in place to ensure the Audit Committee access to information necessary for auditing regarding the management and business of the Company. The External Directors Recommendation Committee is composed of two internal directors and two external directors. The nomination of all external directors at Hyundai Motor Company is based on the recommendation of the External Directors Recommendation Committee. The 2009 general shareholder's meeting approved the ceiling of 10 Billion Won for the compensation of directors, and the actual total compensation paid to the Company's internal and external directors from January 1 to December 31, 2009 was 7,123 Million Won. The average compensation paid to an internal director was 1,721 Million Won; an average of 48 Million Won was paid per external director.

Main Activities of the Audit Committee in 2009

Meeting	Date	Issues	Approval
1st Regular Meeting	January 22	Approval of 2008 financial statements and four other items	Approved as drafted
2nd Regular Meeting	April 23	Signing of contract with external auditor or non-audit service	Approved as drafted
3rd Regular Meeting	July 23	-	-
4th Regular Meeting	October 22	-	-

* Detailed information is available on the Data Analysis Retrieval and Transfer System (DART) of the Financial Supervisory Service (<http://dart.fss.co.kr>).

ETHICS COMMITTEE

Hyundai Motor Company established and operates an Ethics Committee under the provision of the Company's articles of incorporation. As of end-April 2010, it consists of a total of six members—five external directors (Il-Hyung Kang, Kwang-Nyun Kim, Young-chul Yim, Sung-Il Nam, Young-Rok Lim) and one executive (Won-Hee Lee)—and one external advisor (Oh-Hyoung Kwon) who has been appointed for the efficient execution of the Committee's duties. It has for its objective to monitor the transparency of the Company's internal transactions and promote ethical management. The Ethics Committee reviews matters related to (1) transactions between special interest individuals and groups as regulated by the Monopoly Regulation and Fair Trade Act and commercial laws ; (2) the assessment of the implementation of the voluntary fair trade compliance program; (3) major policies on ethical management and social contribution; and (4) the establishment, amendment, and assessment of the implementation of the codes of ethics.

Main Activities of the Ethics Committee in 2009

Meeting	Date	Issues	Approval
1st Regular Meeting	January 22	<ul style="list-style-type: none"> • Payment guarantees for local financing of overseas subsidiaries • Transactions with company of the largest shareholder • Financial transactions with financial subsidiaries based on agreement terms 	Approved as drafted
2nd Regular Meeting	April 23	<ul style="list-style-type: none"> • Transactions with subsidiaries • Transactions with company of largest shareholder • Financial transactions with financial subsidiaries based on agreement terms 	Approved as drafted
3rd Regular Meeting	July 23	<ul style="list-style-type: none"> • Payment guarantees for local financing of overseas subsidiaries • Transaction with company of the largest shareholder • Financial transactions with financial subsidiaries based on agreement terms 	Approved as drafted
4th Regular Meeting	October 22	<ul style="list-style-type: none"> • Transactions with subsidiaries • Transactions with company of the largest shareholder • Financial transactions with financial subsidiaries based on agreement terms 	Approved as drafted

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INDEPENDENT AUDITORS' REPORT

English Translation of a Report Originally Issued in Korean

To the Shareholders and Board of Directors of
 Hyundai Motor Company:

We have audited the accompanying consolidated statements of financial position of Hyundai Motor Company (the "Company") and its subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, all expressed in Korean Won. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of certain subsidiaries including Kia Motors Corporation, which statements reflect total assets of ₩48,617,024 million (US\$41,638,424 thousand) and ₩51,272,235 million (US\$43,912,500 thousand) as of December 31, 2009 and 2008, respectively, and total revenues of ₩52,837,394 million (US\$45,252,992 thousand) and ₩44,079,949 million (US\$37,752,611 thousand) in 2009 and 2008, respectively. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those entities, is based solely on the reports of other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the Republic of Korea. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting standards used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Hyundai Motor Company and its subsidiaries as of December 31, 2009 and 2008, and the results of their operations, changes in its shareholders' equity and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the Republic of Korea (See Note 2).

Our audits also comprehended the translation of Korean Won amounts into U.S. Dollar amounts and, in our opinion, such translation has been made in conformity with the basis in Note 2. Such U.S. Dollar amounts are presented solely for the convenience of readers outside of Korea.

Accounting principles and auditing standards and their application in practice vary among countries. The accompanying financial statements are not intended to present the financial position, results of operations, changes in shareholders' equity and cash flows in accordance with accounting principles and practices generally accepted in countries other than the Republic of Korea. In addition, the procedures and practices utilized in the Republic of Korea to audit such financial statements may differ from those generally accepted and applied in other countries. Accordingly, this report and the accompanying financial statements are for use by those knowledgeable about Korean accounting procedures and auditing standards and their application in practice.



March 29, 2010

Notice to Readers

This report is effective as of March 29, 2010, the auditors' report date. Certain subsequent events or circumstances may have occurred between the auditors' report date and the time the auditors' report is read. Such events or circumstances could significantly affect the accompanying financial statements and may result in modifications to the auditors' report.

ASSETS	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Current assets:				
Cash and cash equivalents (Notes 3 and 10)	₩ 8,659,561	₩ 6,218,218	\$ 7,416,548	\$ 5,325,641
Short-term financial instruments (Notes 3 and 10)	5,581,783	3,369,071	4,780,561	2,885,467
Short-term investment securities (Note 5)	252,602	1,065,429	216,343	912,495
Trade notes and accounts receivable, less allowance for doubtful accounts and present value discount account of ₩195,463 million in 2009 and ₩247,539 million in 2008 (Note 16)	6,530,319	6,687,501	5,592,942	5,727,562
Trade notes and accounts receivable - other (Note 16)	779,469	975,218	667,582	835,233
Derivative assets (Note 29)	89,899	67,494	76,995	57,806
Deferred tax assets (Note 19)	1,082,180	1,163,042	926,841	996,096
Inventories (Notes 4, 10 and 24)	11,695,151	16,940,493	10,016,402	14,508,816
Advances and other current assets	2,115,413	2,287,922	1,811,762	1,959,507
Total current assets	36,786,377	38,774,388	31,505,976	33,208,623
Non-current assets:				
Long-term financial instruments (Note 3)	76,238	12,571	65,295	10,767
Long-term investment securities (Notes 6 and 10)	756,238	1,075,254	647,686	920,910
Investment securities accounted for using the equity method (Notes 7 and 16)	3,895,695	2,702,336	3,336,498	2,314,436
Property, plant and equipment, net of accumulated depreciation of ₩17,515,442 million in 2009 and ₩15,541,430 million in 2008 (Notes 8, 9, 10, 16 and 24)	28,821,237	28,918,261	24,684,170	24,767,267
Intangibles (Note 11)	3,708,187	3,448,857	3,175,905	2,953,800
Derivative assets (Note 29)	1,170,707	1,928,165	1,002,661	1,651,392
Deferred tax assets (Note 19)	420,641	689,650	360,261	590,656
Other assets (Note 12)	973,939	1,457,922	834,138	1,248,648
Total non-current assets	39,822,882	40,233,016	34,106,614	34,457,876
Other financial business assets (Notes 13 and 16)	25,715,675	24,198,379	22,024,387	20,724,888
Total assets	₩ 102,324,934	₩ 103,205,783	\$ 87,636,977	\$ 88,391,387

(Continued)

LIABILITIES AND SHAREHOLDERS' EQUITY	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Current liabilities:				
Trade notes and accounts payable	₩ 8,314,944	₩ 8,247,726	\$ 7,121,398	\$ 7,063,828
Short-term borrowings (Note 14)	12,949,025	21,628,102	11,090,292	18,523,554
Trade notes and accounts payable-other	4,998,611	4,732,974	4,281,099	4,053,592
Accrued expenses	2,748,647	2,205,681	2,354,100	1,889,072
Income tax payable (Note 19)	500,294	752,771	428,481	644,717
Current maturities of long-term debt and debentures (Notes 8 and 15)	9,789,043	6,418,366	8,383,901	5,497,059
Accrued warranties (Note 17)	1,379,039	1,419,427	1,181,089	1,215,679
Derivative liabilities (Note 29)	99,347	343,517	85,087	294,208
Deferred tax liabilities (Note 19)	884	15,955	757	13,665
Withholdings and other current liabilities	2,474,941	2,181,551	2,119,681	1,868,406
Total current liabilities	43,254,775	47,946,070	37,045,885	41,063,780
Long-term liabilities:				
Long-term debt and debentures, net of current maturities and discount on debentures issued (Notes 8 and 15)	23,250,429	22,237,911	19,913,009	19,045,830
Deposit for letter of guarantees and others	1,042,506	1,083,159	892,862	927,680
Accrued severance benefits, net of National Pension payments for employees of ₩21,658 million in 2009 and ₩27,788 million in 2008, and individual severance insurance deposits of ₩2,206,932 million in 2009 and ₩1,920,288 million in 2008 (Note 2)	950,274	1,119,567	813,869	958,862
Long-term accounts payable	22,498	37,608	19,269	32,210
Long-term unearned income	231,890	252,024	198,604	215,848
Long-term accrued warranties (Note 17)	3,393,089	3,465,091	2,906,037	2,967,704
Provision for other liabilities	259,666	222,095	222,393	190,215
Derivative liabilities (Note 29)	216,869	288,033	185,739	246,688
Deferred tax liabilities (Note 19)	537,149	438,272	460,045	375,361
Other long-term liabilities	4,465	238	3,824	204
Total long-term liabilities	29,908,835	29,143,998	25,615,651	24,960,602
Other financial business liabilities (Note 13)	199,664	763,818	171,005	654,178
Total liabilities	73,363,274	77,853,886	62,832,541	66,678,560

(Continued)

LIABILITIES AND SHAREHOLDERS' EQUITY	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Shareholders' equity:				
Capital stock (Note 20)	₩ 1,488,993	₩ 1,488,993	\$ 1,275,260	\$ 1,275,260
Capital surplus	5,793,489	5,839,874	4,961,878	5,001,605
Capital adjustments (Note 21)	(743,909)	(719,235)	(637,127)	(615,994)
Accumulated other comprehensive income (Notes 18 and 22)	505,970	618,309	433,342	529,555
Retained earnings	14,617,652	11,841,859	12,519,400	10,142,051
Minority interests	7,299,465	6,282,097	6,251,683	5,380,350
Total shareholders' equity	28,961,660	25,351,897	24,804,436	21,712,827
Total liabilities and shareholders' equity	₩ 102,324,934	₩ 103,205,783	\$ 87,636,977	\$ 88,391,387

See accompanying notes to consolidated financial statements.

	Korean Won in millions, except per share amounts		U. S. Dollars (Note 2) in thousands, except per share amounts	
	2009	2008	2009	2008
Sales (Notes 25, 26 and 30)	₩ 91,463,064	₩ 79,736,351	\$ 78,334,245	\$ 68,290,811
Cost of sales (Notes 25, 26 and 30)	71,055,076	61,829,549	60,855,667	52,954,393
Gross profit	20,407,988	17,906,802	17,478,578	15,336,418
Selling and administrative expenses (Note 27)	14,787,747	14,834,759	12,665,079	12,705,343
Operating income (Note 30)	5,620,241	3,072,043	4,813,499	2,631,075
Other income (expenses), net:				
Interest expense, net	(871,531)	(670,493)	(746,429)	(574,249)
Loss on foreign exchange transactions, net	(230,336)	(744,407)	(197,273)	(637,553)
Gain (loss) on foreign exchange translation, net	498,596	(2,354,804)	427,026	(2,016,790)
Loss on disposal of trade notes and accounts receivable	(126,119)	(165,566)	(108,016)	(141,800)
Gain on disposal of short-term investment securities, net	16,997	1,215	14,557	1,041
Gain on disposal of long-term investment securities, net	59,159	46,064	50,667	39,452
Gain on valuation of investment securities accounted for using the equity method, net (Note 7)	914,103	356,972	782,891	305,731
Gain on disposal of investment securities accounted for using the equity method, net (Note 7)	118,751	2,025	101,705	1,734
Loss on impairment of investment securities	(12,230)	(5,481)	(10,474)	(4,694)
Loss on disposal of property, plant and equipment, net	(40,943)	(61,389)	(35,066)	(52,577)
Impairment loss on property, plant and equipment	(61,376)	(33,966)	(52,566)	(29,090)
Impairment loss on intangibles (Note 11)	(150,284)	(2,747)	(128,712)	(2,353)
Rental and royalty income	211,617	113,682	181,241	97,364
Gain (loss) on valuation of derivatives, net (Note 29)	(475,251)	1,790,314	(407,032)	1,533,328
Gain on derivatives transaction, net	73,354	106,863	62,825	91,524
Other, net	13,024	46,659	11,154	39,961
	(62,469)	(1,575,059)	(53,502)	(1,348,971)

(Continued)

	Korean Won in millions, except per share amounts		U. S. Dollars (Note 2) in thousands, except per share amounts	
	2009	2008	2009	2008
Income before income tax	₩ 5,557,772	₩ 1,496,984	\$ 4,759,997	\$ 1,282,104
Income tax expense (Note 19)	1,517,276	409,919	1,299,483	351,078
Net loss of newly consolidated subsidiaries before acquisition	-	5,487	-	4,699
Net gain on disposal of consolidated subsidiaries	2,940	-	2,518	-
Net income	₩ 4,043,436	₩ 1,092,552	\$ 3,463,032	\$ 935,725
Attributable to:				
Equity holders of the parent	₩ 2,973,473	₩ 857,751	\$ 2,546,654	\$ 734,627
Minority interests	1,069,963	234,801	916,378	201,098
	₩ 4,043,436	₩ 1,092,552	\$ 3,463,032	\$ 935,725
Basic earnings per common share (Note 2)	₩ 10,947	₩ 2,499	\$ 9.38	\$ 2.14
Diluted earnings per common share (Note 2)	₩ 10,947	₩ 2,497	\$ 9.38	\$ 2.14

See accompanying notes to consolidated financial statements.

	Korean Won in millions							U. S. Dollars (Note 2) in thousands
	Capital stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Minority interests	Total amount	Total amount
January 1, 2009	₩ 1,488,993	₩ 5,839,874	₩ (719,235)	₩ 618,309	₩ 11,841,859	₩ 6,282,097	₩ 25,351,897	\$ 21,712,827
Disposal of treasury stock	-	881	1,200	-	-	-	2,081	1,782
Disposal of subsidiaries' stock	-	36,278	-	-	-	119	36,397	31,172
Increase in subsidiaries' capital-stock	-	(86,113)	-	-	-	373,633	287,520	246,249
Effect of changes in consolidation scope	-	(18)	-	-	-	(497,844)	(497,862)	(426,398)
Net income	-	-	-	-	2,973,473	1,069,963	4,043,436	3,463,032
Payment of cash dividends (Note 23)	-	-	-	-	(235,715)	(41,181)	(276,896)	(237,150)
Treasury stock	-	-	(25,424)	-	-	-	(25,424)	(21,775)
Gain on valuation of available-for-sale securities	-	-	-	6,150	-	-	6,150	5,267
Gain on valuation of investment equity securities	-	-	-	43,251	-	-	43,251	37,043
Gain on transaction of derivatives	-	-	-	211,675	-	-	211,675	181,291
Loss on overseas operation translation	-	-	-	(373,415)	-	-	(373,415)	(319,814)
Others	-	2,587	(450)	-	38,035	112,678	152,850	130,910
December 31, 2009	₩ 1,488,993	₩ 5,793,489	₩ (743,909)	₩ 505,970	₩ 14,617,652	₩ 7,299,465	₩ 28,961,660	\$ 24,804,436

(Continued)

	Korean Won in millions							U. S. Dollars (Note 2) in thousands
	Capital stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Minority interests	Total amount	Total amount
January 1, 2008	₩ 1,486,980	₩ 5,753,003	₩ (718,405)	₩ 326,725	₩ 11,240,361	₩ 5,624,972	₩ 23,713,636	\$ 20,309,726
Stock option exercised	2,013	13,391	(4,612)	-	-	-	10,792	9,243
Cancellation of stock options	-	57	(57)	-	-	-	-	-
Disposal of treasury stock	-	(3,420)	-	-	-	-	(3,420)	(2,929)
Disposal of subsidiaries' stock	-	76,305	-	-	-	25,760	102,065	87,414
Increase in subsidiaries' capital-stock	-	459	-	-	-	41,682	42,141	36,092
Effect of changes in consolidation scope	-	-	-	-	-	328,888	328,888	281,679
Net income	-	-	-	-	857,751	234,801	1,092,552	935,725
Payment of cash dividends (Note 23)	-	-	-	-	(275,997)	(127,646)	(403,643)	(345,703)
Treasury stock	-	-	3,839	-	-	-	3,839	3,288
Loss on valuation of available-for-sale securities	-	-	-	(416,299)	-	-	(416,299)	(356,543)
Gain on valuation of investment equity securities	-	-	-	115,760	-	-	115,760	99,144
Loss on valuation of derivatives	-	-	-	(240,090)	-	-	(240,090)	(205,627)
Gain on overseas operation translation	-	-	-	832,213	-	-	832,213	712,755
Others	-	79	-	-	19,744	153,640	173,463	148,563
December 31, 2008	₩ 1,488,993	₩ 5,839,874	₩ (719,235)	₩ 618,309	₩ 11,841,859	₩ 6,282,097	₩ 25,351,897	\$ 21,712,827

See accompanying notes to consolidated financial statements.

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Cash flows from operating activities:				
Net income	₩ 4,043,436	₩ 1,092,552	\$ 3,463,032	\$ 935,725
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation	2,668,623	2,587,849	2,285,563	2,216,383
Bad debt expenses	337,220	269,684	288,815	230,973
Provision for severance benefits	713,547	966,356	611,123	827,643
Provision for accrued warranties	889,827	1,372,677	762,099	1,175,640
Amortization of intangibles	913,935	855,081	782,747	732,341
Amortization of discount on debentures	1,481	820	1,268	702
Loss (gain) on foreign exchange translation, net	(483,474)	2,287,087	(414,075)	1,958,793
Loss on disposal of trade notes and accounts receivable	126,119	165,566	108,016	141,800
Gain on disposal of short-term investment securities, net	(16,997)	(1,215)	(14,557)	(1,041)
Gain on valuation of investment securities accounted for using the equity method, net	(914,103)	(356,972)	(782,891)	(305,731)
Dividends of investment securities accounted for using the equity method	125,132	63,242	107,170	54,164
Gain on disposal of investment securities accounted for using the equity method, net	(118,751)	(2,025)	(101,705)	(1,734)
Gain on disposal of long-term investment securities, net	(59,159)	(46,064)	(50,667)	(39,452)
Loss on impairment of investment securities	12,230	5,481	10,474	4,694
Loss on disposal of property, plant and equipment, net	40,943	61,389	35,066	52,577
Impairment loss on property, plant and equipment	61,376	33,966	52,566	29,090
Impairment loss on intangibles	150,284	2,747	128,712	2,353
Loss (gain) on valuation of derivatives, net	475,251	(1,790,314)	407,032	(1,533,328)
Other	143,543	70,963	122,937	60,777

(Continued)

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Cash flows from operating activities:				
Changes in operating assets and liabilities:				
Increase in trade notes and accounts receivable	₩ (239,555)	₩ (1,039,466)	\$ (205,169)	\$ (890,259)
Decrease (increase) in trade notes and accounts receivable-other	174,990	(871,880)	149,872	(746,728)
Increase in advances and other current assets	(147,432)	(532,282)	(126,269)	(455,877)
Decrease (increase) in inventories	5,149,189	(5,665,316)	4,410,063	(4,852,103)
Decrease (increase) in deferred tax assets	373,989	(444,373)	320,306	(380,587)
Increase in trade notes and accounts payable	156,201	1,174,661	133,780	1,006,047
Increase in accounts payable-other	301,479	266,907	258,204	228,595
Increase in accrued expenses	570,984	273,380	489,024	234,138
Decrease in income tax payable	(252,477)	(54,897)	(216,236)	(47,017)
Increase in withholding and other current liabilities	309,970	532,571	265,476	456,125
Payment of severance benefits	(602,326)	(787,393)	(515,867)	(674,369)
Increase in individual severance insurance deposits	(286,644)	(68,407)	(245,498)	(58,588)
Increase (decrease) in long-term unearned income	(20,134)	32,191	(17,244)	27,570
Decrease in accrued warranties	(1,002,217)	(868,652)	(858,356)	(743,964)
Increase (decrease) in deferred tax liabilities	114,696	(406,605)	98,232	(348,240)
Other	247,601	(6,617)	212,059	(5,666)
	13,958,777	(827,308)	11,955,102	(708,554)
Cash flows from investing activities:				
Cash inflows from investing activities:				
Proceeds from withdrawal of short-term financial instruments	3,781,008	3,725,846	3,238,273	3,191,029
Proceeds from disposal of short-term investment securities	1,310,313	120,774	1,122,228	103,438
Reduction in other current assets	100,017	47,377	85,660	40,576
Proceeds from disposal of long-term investment securities	406,056	325,851	347,770	279,078
Proceeds from disposal of investment securities accounted for using the equity method	118,677	7,707	101,642	6,601
Proceeds from disposal of property, plant and equipment	481,954	214,493	412,773	183,704
Increase in other financial business liabilities	-	632,139	-	541,400
Reduction in other assets	633,334	65,565	542,424	56,154
	6,831,359	5,139,752	5,850,770	4,401,980

(Continued)

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Cash flows from investing activities:				
Cash outflows from investing activities:				
Purchase of short-term financial instruments	₩ (5,993,720)	₩ (3,750,711)	\$ (5,133,368)	\$ (3,212,325)
Acquisition of short-term investment securities	(369,248)	(1,041,087)	(316,245)	(891,647)
Additions to other current assets	(39,597)	(69,291)	(33,913)	(59,345)
Acquisition of long-term investment securities	(26,080)	(288,353)	(22,336)	(246,962)
Acquisition of investment securities accounted for using the equity method	(128,138)	(91,027)	(109,745)	(77,961)
Acquisition of property, plant and equipment	(3,762,566)	(4,966,879)	(3,222,479)	(4,253,922)
Expenditures for development costs	(1,360,814)	(1,170,791)	(1,165,480)	(1,002,733)
Increase in other financial business assets	(1,517,296)	(2,664,427)	(1,299,500)	(2,281,969)
Decrease in other financial business liabilities	(564,154)	-	(483,174)	-
Additions to other assets	(234,958)	(525,502)	(201,231)	(450,070)
	(13,996,571)	(14,568,068)	(11,987,471)	(12,476,934)
	(7,165,212)	(9,428,316)	(6,136,701)	(8,074,954)
Cash flows from financing activities:				
Cash inflows from financing activities:				
Proceeds from short-term borrowings	9,796,080	20,987,053	8,389,928	17,974,523
Proceeds from issuance of debentures	9,032,989	10,726,065	7,736,373	9,186,421
Proceeds from long-term borrowings	3,701,417	4,694,960	3,170,107	4,021,035
Proceeds from deposit for letter of guarantees and others	200,402	287,915	171,636	246,587
Paid in capital increase	89,109	35,598	76,318	30,488
Proceeds from disposal of treasury stock	2,363	-	2,024	-
Others	47,860	128,184	40,990	109,784
	22,870,220	36,859,775	19,587,376	31,568,838

(Continued)

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Cash outflows from financing activities:				
Repayment of short-term borrowings	₩ (18,343,165)	₩ (16,504,347)	\$ (15,710,145)	\$ (14,135,275)
Repayment of current maturities of long-term debt	(6,368,386)	(4,325,302)	(5,454,253)	(3,704,438)
Repayment of debentures	(569,742)	(3,396,641)	(487,960)	(2,909,079)
Repayment of long-term debt	(1,296,188)	(351,513)	(1,110,130)	(301,056)
Repayment of deposit for letter of guarantees and others	(241,055)	(159,930)	(206,453)	(136,974)
Payment of cash dividends	(276,896)	(403,643)	(237,150)	(345,703)
Acquisition of treasury stock	(25,424)	-	(21,775)	-
	(27,120,856)	(25,141,376)	(23,227,866)	(21,532,525)
	(4,250,636)	11,718,399	(3,640,490)	10,036,313
Effect of exchange rate on cash and cash equivalents	(172,824)	350,938	(148,016)	300,564
Effect of change in consolidated subsidiaries	71,238	10,813	61,012	9,261
Net increase in cash and cash equivalents	2,441,343	1,824,526	2,090,907	1,562,630
Cash and cash equivalents, beginning of year	6,218,218	4,393,692	5,325,641	3,763,011
Cash and cash equivalents, end of year	₩ 8,659,561	₩ 6,218,218	\$ 7,416,548	\$ 5,325,641

See accompanying notes to consolidated financial statements.

1. GENERAL INFORMATION:

The Company

Hyundai Motor Company (the "Company") was incorporated in 1967, under the laws of the Republic of Korea, to manufacture and distribute motor vehicles and parts.

The Company owns and operates three principal automobile production bases in Korea: the Ulsan factory, the Asan factory and the Jeonju factory. In addition, the Company has invested in seven overseas manufacturing plants including Hyundai Motor Manufacturing Alabama, LLC (HMMA) as well as seventeen overseas sales and R&D subsidiaries including Hyundai Motor America (HMA).

The shares of the Company have been listed on the Korea Exchange since 1974 and the Global Depository Receipts issued by the Company have been listed on the London Stock Exchange and Luxemburg Stock Exchange.

As of December 31, 2009, the major shareholders of the Company are Hyundai MOBIS (20.78%) and Chung, Mong Koo (5.17%).

Consolidated Subsidiaries

The consolidated financial statements include the accounts of the Company and its consolidated domestic and foreign subsidiaries over which the Company has substantial control and whose individual beginning balance of total assets or paid-in capital at the date of its establishment is more than ₩10,000 million (US\$8,565 thousand). The consolidated subsidiaries as of December 31, 2009 are as follows:

Shareholders' equity as of December 31, 2009						
Subsidiaries	Nature of business	Korean Won (*1) in millions	U.S. Dollars (Note 2) in thousands	Shares (*2)	Percentage ownership (*2)	Indirect ownership (*2)
DOMESTIC SUBSIDIARIES:						
Kia Motors Corporation	Manufacturing	₩ 6,371,572	\$ 5,456,982	134,285,491	34.58%	
Hyundai Capital Services, Inc.	Financing	2,155,730	1,846,292	56,083,743	56.47%	
Hyundai Card Co., Ltd.	Credit card	1,483,249	1,270,340	77,724,079	48.44%	KIA 11.48% & Hyundai Commercial 5.44%
Hyundai HYSKO	Manufacturing	1,075,155	920,825	32,108,868	40.04%	KIA 13.91%
Hyundai WIA Corporation	"	665,348	569,842	17,120,611	78.79%	KIA 39.33%
Hyundai Rotem Company	"	615,192	526,886	36,852,432	57.64%	
Hyundai Powertech Co., Ltd.	"	463,780	397,208	53,945,300	75.16%	KIA 37.58%
Dymos Inc.	"	298,787	255,898	29,335,805	97.76%	KIA 45.37% & Hyundai WIA 5.12%
KEFICO Corporation	"	272,115	233,055	1,670,000	50.00%	
Hyundai Commercial Inc.	Financing	108,847	93,223	10,000,000	50.00%	
Autoever Systems Corporation	Information technology	106,956	91,603	499,000	49.90%	KIA 20%
Green Air Co., Ltd.	Manufacturing	82,593	70,737	8,446,365	51.00%	Hyundai Rotem 51%
Partecs Company, Ltd.	"	45,364	38,852	6,960,000	87.00%	KIA 31%
M & Soft Co., Ltd.	Software consultancy and supply	41,766	35,771	1,319,577	31.84%	

Shareholders' equity as of December 31, 2009

Subsidiaries	Nature of business	Korean Won (*1) in millions	U.S. Dollars (Note 2) in thousands	Shares (*2)	Percentage ownership (*2)	Indirect ownership (*2)
DOMESTIC SUBSIDIARIES:						
METIA Co., Ltd.	Manufacturing	₩ 39,068	\$ 33,460	2,983,880	99.47%	Hyundai WIA 50.94 & Dymos 48.53%
Mseat Co., Ltd.	"	33,031	28,290	998,140	99.81%	Dymos 99.81%
HMC win win fund	Investment association	31,011	26,560	4,800,000	80.00%	KIA 20%
Automobile Industrial Ace Corporation	Manufacturing	4,003	3,428	3,116,662	100.00%	Hyundai WIA 100%
Haevichi Hotel & Resort Co., Ltd.	Hotel operation	(15,810)	(13,541)	2,015,000	65.00%	KIA 40% & Hyundai WIA 25%
Haevichi Country Club Co., Ltd.	Golf Course operation	(37,857)	(32,423)	1,350,000	45.00%	KIA 15%
FOREIGN SUBSIDIARIES:						
Hyundai Motor America (HMA)	Sales	1,994,155	1,707,909	-	100.00%	
Hyundai Capital America (HCA) (Formerly, HMFC)	Financing	1,010,002	865,024	750	100.00%	HMA 93.4% & KMA 6.6%
Hyundai Motor Manufacturing Alabama, LLC (HMMA)	Manufacturing	868,036	743,436	-	100.00%	HMA 100%
Hyundai Auto Canada Corp. (HAC)	Sales	243,402	208,464	-	100.00%	HMA 100%
Hyundai Auto Canada Captive Insurance Incorporation (HACCI)	Insurance	6,031	5,165	100	100.00%	HAC 100%
Innocean Worldwide Americas, LLC (IWA) (Formerly, WMG)	Marketing	8,221	7,041	-	60.00%	HMA 30% & KMA 30%
Hyundai Information Service North America (HISNA)	Information technology	7,711	6,604	-	60.00%	HMA 30% & KMA 30%
Stampet Metal America Research Technology Inc. (SMARTI)	Managing subsidiaries	(9,258)	(7,929)	18,542,284	72.45%	HMA 72.45%
Stampet Metal America Research Technology LLC	Manufacturing	(9,258)	(7,929)	-	100.00%	SMARTI 100%
Hyundai Motor India (HMI)	"	826,269	707,664	8,125,411	100.00%	
Hyundai Motor India Engineering Private Ltd. (HMIE)	R&D	30,011	25,703	-	100.00%	HMI 100%
Hyundai Motor Manufacturing Czech, s.r.o. (HMMC)	Manufacturing	596,724	511,069	-	100.00%	
Hyundai Motor Manufacturing Rus LLC (HMMR)	"	203,414	174,215	-	100.00%	
Hyundai Assan Otomotive Sanayi Ve Ticaret A.S. (HAOSVT)	"	127,213	108,953	381,550,302	85.03%	
Hyundai Translead, Inc. (HT)	Sales	111,759	95,717	1,160,000	100.00%	
Hyundai de Mexico, S.A. de C.V. (HYMEX)	Manufacturing	111,759	95,717	9,999	99.99%	HT 99.99%
Hyundai Motor Company Australia (HMCA)	Sales	90,889	77,843	-	100.00%	
Hyundai Motor Espana S.L (HMES)	"	81,419	69,732	-	100.00%	

Shareholders' equity as of December 31, 2009

Subsidiaries	Nature of business	Korean Won (*1) in millions	U.S. Dollars (Note 2) in thousands	Shares (*2)	Percentage ownership (*2)	Indirect ownership (*2)
Hyundai Motor Europe Technical Center GmbH (HMETC)	R&D	₩ 72,447	\$ 62,048	5,897,268,721	100.00%	
Hyundai Motor Europe GmbH (HME)	Sales	41,689	35,705	-	100.00%	
Hyundai Motor Poland Sp.zo.O (HMP)	"	40,776	34,923	172,862	100.00%	
Hyundai America Technical Center Inc. (HATCI)	R&D	37,782	32,359	1,000	100.00%	
Hyundai Motor Company Italy (HMCI)	Sales	30,633	26,236	-	100.00%	
Hyundai Auto Czech s.r.o. (HMCZ)	"	29,007	24,843	-	100.00%	
Hyundai Motor (UK) Ltd. (HMUK)	"	14,444	12,371	25,600,000	100.00%	
Hyundai Motor Japan Co. (HMJ)	"	(20,697)	(17,726)	204,800	100.00%	
Beijing Jingxian Motor Safeguard Service Co., Ltd. (BJMSS)	"	8,150	6,980	-	100.00%	
Hyundai Motor Norway AS (HMN)	"	6,482	5,552	-	100.00%	
Hyundai Motor Commonwealth of Independent States Besloten Vennootschap (HMCIS B.V)	Managing subsidiaries	(149,309)	(127,877)	-	80.00%	
Hyundai Motor Commonwealth of Independent States (HMCIS)	Sales	(149,309)	(127,877)	-	100.00%	HMCIS B.V 100%
Beijing Mobis Transmission Co., Ltd. (BMT)	Manufacturing	205,639	176,121	-	68.04%	KIA 24.08% & HMG 19.88%
Hyundai Motor Group (China) Ltd. (HMG)	Investment	136,335	116,765	-	80.00%	KIA 30%
China Millenium Corporations (CMEs)	Real estate development	53,107	45,484	-	89.90%	KIA 30.3%
Beijing Hines Millennium Real Estate Development	"	53,107	45,484	-	99.00%	CMEs 99.00%
Kia Motors Europe GmbH (KME)	Sales	848,756	726,924	-	100.00%	KIA 100%
Kia Motors Sales Slovensko s.r.o. (KMSS)	"	18,107	15,508	-	100.00%	KME 100%
Kia Motors Czech s.r.o. (KMCZ)	"	12,937	11,080	106,870,000	100.00%	KME 100%
Kia Motors Austria GmbH (KMAS)	"	(32,128)	(27,516)	2,107,512	100.00%	KME 100%
Kia Motors Hungary Kft (KMH)	"	(8,077)	(6,918)	30,000,000	100.00%	KMAS 100%
Kia Motors Sweden AB (KMSW)	"	(35,097)	(30,059)	4,400,000	100.00%	KME 100%
Kia Motors (UK) Ltd. (KMUK)	"	(38,863)	(33,285)	17,000,000	100.00%	KME 100%
Kia Motors Russian (KMR)	"	(50,643)	(43,374)	-	100.00%	KME 100%
Kia Motors Belgium (KMB)	"	(91,817)	(78,637)	1,000,000	100.00%	KME 100%
Kia Automobiles France (KMF)	"	(188,982)	(161,855)	5,000,000	100.00%	KME 100%
Kia Motors Iberia (KMIB)	"	(250,171)	(214,261)	31,600,000	100.00%	KME 100%
Kia Motors Slovakia s.r.o. (KMS)	Manufacturing	787,518	674,476	-	100.00%	KIA 100%
Dong Feng Yueda Kia Motor Co., Ltd. (DYK)	"	613,757	525,657	-	50.00%	KIA 50%
Kia Motors America Inc. (KMA)	Sales	233,414	199,909	1,000,000	100.00%	KIA 100%

Shareholders' equity as of December 31, 2009

Subsidiaries	Nature of business	Korean Won (*1) in millions	U.S. Dollars (Note 2) in thousands	Shares (*2)	Percentage ownership (*2)	Indirect ownership (*2)
Kia Motors Manufacturing Georgia, Inc. (KMMG)	Manufacturing	₩ 521,032	\$ 446,242	-	80.00%	KIA 50% & HMA 30%
Kia Motors Deutschland GmbH (KMD)	Sales	115,725	99,114	-	100.00%	KIA 100%
Kia Canada, Inc.(KCI)	"	(69,139)	(59,215)	6,298	100.00%	KIA 82.5% & KMA 17.5%
Kia Motors Polska Sp.z.o.o. (KMP)	"	(27,204)	(23,299)	15,637	99.60%	KMD 99.6%
Kia Japan Co., Ltd. (KJC)	"	29,105	24,927	267,800	100.00%	KIA 100%
Kia Motors Australia Pty. Ltd (KMAU)	"	(24,996)	(21,408)	-	100.00%	KIA 100%
Kia Motors New Zealand Ltd. (KMNZ)	"	(12,305)	(10,539)	-	100.00%	KMAU 100%
Hyundia WIA Automotive Engine (Shandong) Company (WAE)	Manufacturing	248,859	213,137	-	70.00%	KIA 18% & Hyundai WIA30%
Hyundai WIA Automotive Parts (WAP)	"	80,372	68,835	-	100.00%	Hyundai WIA 100%
Hyundai WIA Motor Dies (Shandong) Company	"	18,845	16,140	-	100.00%	Hyundai WIA 40% & WAP 60%
Hyundai-Kia Machine Europe GmbH (HKME)	"	14,717	12,604	-	100.00%	Hyundai WIA 100%
Hyundai-Kia Machine America Corp. (HKMA)	"	8,380	7,177	1,000	100.00%	Hyundai WIA 100%
Beijing Hyundai Hysco Steel Process Co., Ltd. (BHYSO)	"	53,701	45,993	-	100.00%	Hyundai Hysco 100%
Jiangsu Hyundai Hysco Steel Co., Ltd. (JHYSO)	"	21,383	18,314	-	90.00%	Hyundai Hysco 90%
Hysco Slovakia, s.r.o. (HS)	"	19,386	16,603	-	100.00%	Hyundai Hysco 100%
Hysco Steel India, Ltd. (HSI)	"	16,514	14,144	270,271	100.00%	Hyundai Hysco 100%
Hysco Czech S.R.O	"	12,841	10,998	-	100.00%	Hyundai Hysco 100%
Hyundai Hysco Rus LLC.	"	10,989	9,412	-	100.00%	Hyundai Hysco 100%
Hysco America Co. Inc. (HPA)	"	10,520	9,010	1,000	100.00%	Hyundai Hysco 100%
Hyundai Hysco USA, Inc. (HACI)	"	8,513	7,291	250,000	100.00%	Hyundai Hysco 100%
Dymos Lear Automotive India (DLAI)	"	29,601	25,352	5,674,032	65.00%	Dymos 65%
Dymos India Automotive Private Limited	"	3,605	3,088	-	100.00%	DLAI 100%
Dymos Czech Republic s.r.o	"	(1,591)	(1,363)	-	100.00%	Dymos 100%
Rotem USA Corporation	"	8,619	7,382	700,000	100.00%	Hyundai Rotem 100%
Eurotem DEMIRYOLU ARACLARI SAN. VE TIC A.S.	"	3,794	3,249	-	50.50%	Hyundai Rotem 50.50%
Hyundai Powertech Manufacturing America (PTA)	"	77,788	66,622	-	80.00%	KIA 10%, HPT 40% & HMA 30%
Autoever Systems Europe GmbH (ASE)	Information technology	3,676	3,148	-	100.00%	Autoever 100%

(*1) Local currency in foreign subsidiaries is translated into Korean Won using the Base Rate announced by Seoul Money Brokerage Services, Ltd. at December 31, 2009.
(*2) Shares and ownership are calculated by combining the shares and ownership, which the Company and its subsidiaries hold as of December 31, 2009. Indirect ownership represents subsidiaries' holding ownership.

In 2009, the Company added seven overseas companies: Hyundai Motor Espana S.L. (HMES), Hysco Czech S.R.O, Dymos Czech Republic s.r.o, Hyundai WIA Motor Dies(Shandong) Company, Kia Motors Russian (KMR), Hyundai Hysco Rus LLC and Dymos India Automotive Private Limited to its consolidated subsidiaries due to acquisition of ownership enabling the Company and its subsidiaries to exercise substantial control or the increase in individual assets at the end of the preceding year exceeding the required level of ₩10,000 million (US\$8,565 thousand) for consolidation with substantial control. In addition, Hyundai Autonet Co., Ltd. and its subsidiary, Hyundai Hitech Electronics, were excluded from consolidated subsidiaries as Hyundai Autonet Co., Ltd. was merged with Hyundai MOBIS. In addition, HMC Investment Securities Co., Ltd. excluded from consolidated subsidiaries due to the decrease of the ownership percentage of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Consolidated Financial Statement Presentation

The Company maintains its official accounting records in Korean Won and prepares statutory consolidated financial statements in the Korean language (Hangul) in conformity with the accounting principles generally accepted in the Republic of Korea. Certain accounting principles applied by the Company that conform with financial accounting standards and accounting principles in the Republic of Korea may not conform with generally accepted accounting principles in other countries. Accordingly, these financial statements are intended for use by those who are informed about Korean accounting principles and practices. The accompanying financial statements have been condensed, restructured and translated into English from the Korean language financial statements. Certain information included in the Korean language financial statements, but not required for a fair presentation of the Company and its subsidiaries' financial position, results of operations, changes in shareholders' equity or cash flows, is not presented in the accompanying financial statements.

The accompanying financial statements are stated in Korean Won, the currency of the country in which the Company is incorporated and operates. The translation of Korean Won amounts into U.S. Dollar amounts is included solely for the convenience of readers outside of the Republic of Korea and has been made at the rate of 1,167.60 to US\$1.00 at December 31, 2009, the Base Rate announced by Seoul Money Brokerage Service, Ltd. Such translations should not be construed as representations that the Korean Won amounts could be converted into U.S. Dollars at that or any other rate.

The Company prepared its consolidated financial statements as of December 31, 2009 in accordance with accounting principles generally accepted in the Republic of Korea. The significant accounting policies followed by the Company in the preparation of its consolidated financial statements as of December 31, 2009 are identical to those as of December 31, 2008.

According to the amendment of Article 1-2 of the Act on External Audit for Stock Companies, the Company renamed the balance sheets to statements of financial position.

The significant accounting policies followed by the Company in the preparation of its consolidated financial statements are summarized below.

Principles of Consolidation

The accompanying financial statements include the accounts of the Company and its subsidiaries. Under financial accounting standards for consolidated financial statements in the Republic of Korea, a company is regarded as a subsidiary of another company if more than 50% of its issued share capital is held by the other company, or more than 30% of its issued share capital is held by the other company and that company is the largest shareholder, or substantially controlled by the other company. Investments of 20% to 50% in affiliated companies or investments in affiliated companies over which the Company exerts a significant influence are accounted for using the equity method. Under the equity method, the original investment is recorded at cost and adjusted by the Company's share on the undistributed earnings or losses of these companies.

The fiscal year of the consolidated subsidiaries is the same as that of the Company. Differences in accounting policy between the Company and consolidated subsidiaries are adjusted in the consolidation.

Investments and equity accounts of subsidiaries were eliminated at the dates the Company obtained control of the subsidiaries. The difference between the cost of acquisition and the book value of the subsidiary is amortized using the straight-line method within twenty years from the year the acquisition occurred or reversed over the remaining weighted average useful life of the identifiable acquired depreciable assets for negative goodwill using the straight-line method.

When the Company acquires additional interests in a subsidiary after obtaining control over the subsidiary, the difference between incremental price paid by the Company and the amount of incremental interest in the shareholders' equity of the subsidiary is reflected in the consolidated capital surplus. In case a subsidiary still belongs to a consolidated economic entity after the Company disposes a portion of the stocks of subsidiaries to non-subsidiary parties, gain or loss on disposal of the subsidiary's stock is accounted for as consolidated capital surplus or capital adjustments.

Intragroup balances and transactions, including income, expenses and dividends are eliminated in full. Profits or losses resulting from intragroup transactions that are recognised in assets are eliminated in full. Unrealized gains and losses arising from sales by a controlling company to its subsidiary (downstream sales) are eliminated entirely and charged (credited) to controlling interest, and unrealized gains and losses arising from sales by a subsidiary to its controlling company or from transactions among subsidiaries (upstream sales) are eliminated entirely and allocated to controlling interest and minority interest.

Minority interest is the part of net operation results and net assets of a subsidiary other than controlling interest. When net loss attributable to minority shareholders exceeds the minority interest, the excess and any further losses attributable to the minority interest is allocated to the minority interest and presented as negative in equity. Where, under an arrangement, the allocation of interest to the parent and the minority resulting from the losses is not based on their ownership interest, losses attributable to minority interest are determined according to such arrangement.

When the Company acquires new subsidiaries during the year, the results of operations are reflected in the statement of income on an annual basis. However, total net income (loss) of the consolidated subsidiaries until the acquisition date is deducted from net income after income tax and accounted for as net income (loss) of newly consolidated subsidiaries before acquisition. In addition, when the Company disposes shares of subsidiaries during the year and the subsidiaries do not belong to the consolidation entity, the Company applies SKAS No. 11 – “Discontinuing Operation” which requires the Company not to present the income (loss) of the subsidiaries until the disposal date item-by-item but to present the total net income (loss) of the subsidiaries as a line item in the consolidated statement of income.

When translating the financial statements of the affiliates operating overseas, the Company applies the foreign exchange rate at the end date of the investor's reporting period to the associate's assets and liabilities, the foreign exchange rate at the date on which the investor acquired its equity interest in the associate to the investor's share of the associate's equity interest, the foreign exchange rate at each transaction date to the remaining equity interest in the associate after excluding any increase in retained earnings after the investor's acquisition of its equity interest in the associate, and the foreign exchange rate at the average rate for the pertinent period to the items in the associate's statement of income. In addition, when translating the statements of cash flows of the affiliates operating overseas, the Company applies the foreign exchange rate at the beginning date of the investor's reporting period to the beginning balance of cash and cash equivalents, the foreign exchange rate at the end date of the investor's reporting period to the ending balance of cash and cash equivalents and the foreign exchange rate at the average rate for the pertinent period to the items which explain the changes of cash and cash equivalents for the period. Differences derived from applying different foreign exchange rates are presented as effect of exchange rate on cash and cash equivalents in the consolidated statements of cash flows.

Revenue Recognition

Sales of goods is recognized at the time of shipment only if it meets the conditions that significant risks and rewards of ownership of the goods have been transferred to the customer, and neither continuing managerial involvement nor effective control over the goods sold is retained. Revenue arising from rendering of services is generally recognized by the percentage-of-completion method at the date of the end of the reporting period. In addition, revenue arising from interest, dividends or royalties is recognized when it is probable that future economic benefits will flow into the Company and those benefits can be measured reliably.

In the case of subsidiaries in financial business, interest revenues earned on financial assets are recognized as time passes using the level yield method, and fees and commissions in return for services rendered are recognized as services are provided.

Allowance for Doubtful Accounts

The Company provides an allowance for doubtful accounts based on management's estimate of the collectibility of receivables.

Inventories

Inventories are stated at the lower of cost or net realizable value, cost being determined by the moving average method, except for materials in transit for which cost is determined using the specific identification method. Valuation loss incurred when the market value of an inventory falls below its carrying amount is added to the cost of goods sold.

Investments in Securities Other Than Those Accounted for Using the Equity Method

Classification of Securities

At acquisition, the Company classifies securities into one of the three categories; trading, held-to-maturity or available-for-sale. Trading securities are those that were acquired principally to generate profits from short-term fluctuations in prices. Held-to-maturity securities are those with fixed or determinable payments and fixed maturity that the Company has the positive intent and ability to hold to maturity. Available-for-sale securities are those not classified as either held-to-maturity or trading securities. Trading securities are classified as short-term investment securities, whereas available-for-sale and held-to-maturity securities are classified as long-term investment securities, except for those whose maturity dates or whose likelihood of being disposed of are within one year from the date of the end of the reporting period, which are classified as short-term investment securities.

Valuation of Securities

Investments in securities are initially measured at cost, which consists of the market price of the consideration given to acquire them and incidental expenses. If the market price of the consideration given is not available, the market prices of the securities purchased are used as the basis for measurement. If neither the market price of the consideration given nor those of the acquired securities are available, the acquisition cost is measured at the best estimates of its fair value. After initial recognition, held-to-maturity securities are valued at amortized cost. The difference between their acquisition costs and face values is amortized over the remaining term of the securities by applying the effective interest method and added to or subtracted from the acquisition costs and interest income of the remaining period. Trading securities are valued at fair value, with unrealized gains or losses included in current operations. Available-for-sales securities are also valued at fair value, with unrealized holding gains or losses recognized in accumulated other comprehensive income (loss), until the securities are sold or if the securities are determined to be impaired and the lump-sum accumulated amount of accumulated other comprehensive income (loss) is reflected in current operations. However, available-for-sales securities that are not traded in an active market and whose fair value cannot be reliably measured are valued at cost.

If the estimated recoverable amount of securities is less than the acquisition cost of equity securities or amortized cost of debt securities and any objective evidence for such impairment loss exists, impairment loss is recognized in current operations in the period when it arises.

The lower of the fair value of treasury stock included in treasury stock fund and the fair value of investments in treasury stock funds is accounted for as treasury stock in capital adjustment.

Investment Securities Accounted for Using the Equity Method

Investment securities held for investment in companies in which the Company is able to exercise significant influence over the operating and financial policies of the investees are accounted for using the equity method. The Company's share in the net income or net loss of investees is reflected in current operations. The changes in the retained earnings, capital surplus or other capital accounts of investees are accounted for as an adjustment to retained earnings, to capital surplus or to accumulated other comprehensive income (loss).

The difference between the cost of the investment and the investor's share of the net fair value of the investee's identifiable assets and liabilities at the date of acquisition is amortized over 20 years for goodwill or reversed over the remaining weighted average useful life of the identifiable acquired depreciable assets for negative goodwill, which does not exceed the fair value of non-monetary assets acquired, using the straight-line method. Negative goodwill that exceeds the fair value of non-monetary assets acquired is credited to operations in the year of purchase.

The Company's portion of profits and losses resulting from inter-company transactions that are recognized in assets, such as inventories and fixed assets, are eliminated and charged to equity securities accounted for using the equity method.

If an investor's share of losses of an investee equals or exceeds its interest in the investee, the investor discontinues recognizing its share of further losses. If the investee subsequently reports profits, the investor resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized. Also, if the recoverable amount of investments in investee becomes less than its carrying amount, the Company recognizes impairment loss.

Property, Plant and Equipment and Related Depreciation

Property, plant and equipment are stated at cost, except for assets revalued upward in accordance with the Asset Revaluation Law of Korea. Routine maintenance and repairs are expensed as incurred. Expenditures that result in the increase of future economic benefits such as the enhancement of the value or extension of the useful lives of the facilities involved are treated as additions to property, plant and equipment.

Depreciation is computed using the straight-line method based on the estimated useful lives of the assets as follows:

	Useful lives (years)
Buildings and structures	2 – 60
Machinery and equipment	2 – 21
Vehicles	3 – 15
Dies, molds and tools	2 – 14
Other equipment	2 – 14

The Company charges all financing cost to current operations in accordance with SKAS No. 7 – “Capitalization of Financing Costs.” In addition, the Company assesses any possible recognition of impairment loss when there is an indication that expected future economic benefits of a tangible asset is considerably less than its carrying amount, as a result of technological obsolescence, rapid declines in market value or other causes of impairment. When it is determined that an asset may have been impaired and that its estimated total future cash flows from continued use or disposal is less than its carrying amount, the carrying amount of a tangible asset is reduced to its recoverable amount and the difference is recognized as an impairment loss. If the recoverable amount of the impaired asset exceeds its carrying amount in subsequent reporting period, the amount equal to the excess is treated as the reversal of the impairment loss; however, it cannot exceed the carrying amount that would have been determined had no impairment loss been recognized.

Intangibles

Intangible assets are stated at cost, net of accumulated amortization. Subsequent expenditures on intangible assets after their purchases or completions, which will probably enable the assets to generate future economic benefits and can be measured and attributed to the assets reliably, are treated as additions to intangible assets.

Amortization is computed using the straight-line method based on the estimated useful lives of the assets as follows:

	Useful lives (years)
Goodwill (negative goodwill)	5 – 20
Industrial property rights	2 – 40
Development costs	3 – 10
Other	2 – 50

If the recoverable amount of an intangible asset becomes less than its carrying amount as a result of obsolescence, sharp decline in market value or other causes of impairment, the carrying amount of an intangible asset is adjusted to its recoverable amount and the reduced amount is recognized as impairment loss. If the recoverable amount of a previously impaired intangible asset exceeds its carrying amount in subsequent periods, an amount equal to the excess is recorded as reversal of impairment loss; however, it cannot exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years.

Valuation of Receivables and Payables at Present Value

Receivables and payables arising from long-term installment transactions are stated at present value, if the difference between nominal value and present value is material. The present value discount is amortized using the effective interest rate method, and the amortization is included in interest expense or interest income. Interest rates of 5.4~11.0 percent are used in valuing the receivables and payables at present value as of December 31, 2009 and 2008, respectively.

Accounting for Lease Contracts

Whether a lease is a finance lease or an operating lease depends on the substance of the transaction rather than the form of the contract. The situations that individually or in combination normally lead to a lease being classified as a finance lease are: (1) the lease transfers ownership of the asset to the lessee by the end of the lease term; (2) the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be

reasonably certain, at the inception of the lease, that the option will be exercised; (3) the lease term is for the major part of the economic life of the asset even if title is not transferred; (4) at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset; and (5) the leased assets are of such a specialized nature that only the lessee can use them without major modifications; otherwise, it is classified as an operating lease.

At the commencement of the lease term, finance leases are recognized as assets and liabilities in their statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate to be used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine; if not, the lessee's incremental borrowing rate is used. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Accrued Severance Benefits

Employees and directors of the Company and its domestic subsidiaries with more than one year of service are entitled to receive a lump-sum payment upon termination of their service with each company, based on their length of service and rate of pay at the time of termination. The accrued severance benefits that would be payable assuming all eligible employees were to resign amount to ₩3,178,864 million (US\$2,722,563 thousand) and ₩3,067,643 million (US\$2,627,306 thousand) as of December 31, 2009 and 2008, respectively.

In accordance with the National Pension Act, certain portions of accrued severance benefits are deposited with the National Pension Fund and deducted from accrued severance benefits.

Actual payments of severance benefits by the Company and its domestic subsidiaries amounted to ₩602,326 million (US\$515,867 thousand) and ₩787,393 million (US\$674,369 thousand) in 2009 and 2008, respectively.

Also, overseas subsidiaries' accrued severance benefits are in accordance with each subsidiary' policies and their counties' regulations.

Accrued Warranties and Product Liabilities

The Company generally provides a warranty to the ultimate consumer for each product sold and accrues warranty expense at the time of sale based on actual claims history. Also, the Company accrues potential expenses, which may occur due to product liability suit, voluntary recall campaign and other obligations as of the date of the end of the reporting period. In addition, certain subsidiaries recognize other provision for the loss from the unused agreed credit limits, construction contracts, pre-contract sale or service contract.

If the difference between nominal value and present value is material, the provision is valued at present value of the expenditures estimated to settle the obligation.

Share-based Payment

Equity-settled share-based payments to employees are measured at fair value of the equity instrument or the goods and services received and the fair value is expensed on a straight-line basis over the vesting period. For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognized at the current fair value determined at each end date of the reporting period.

Derivative Instruments

All derivative instruments are accounted for at fair value with the valuation gain or loss recorded as an asset or liability. If the derivative instrument is not part of a transaction qualifying as a hedge, the adjustment to fair value is reflected in current operations.

The accounting for derivative transactions that are part of a qualified hedge based both on the purpose of the transaction and on meeting the specified criteria for hedge accounting differs depending on whether the transaction is a fair value hedge or a cash flow hedge. Fair value hedge accounting is applied to a derivative instrument designated as hedging the exposure to changes in the fair value of an asset or a liability or a firm commitment (hedged item) that is attributable to a particular risk. The gain or loss both on the hedging derivative instruments and on the hedged item attributable to the hedged risk is reflected in current operations. Cash flow hedge accounting is applied to a derivative instrument designated as hedging the exposure to variability in expected future cash flows of an asset or a liability or a forecast transaction that is attributable to a particular risk. The effective portion of gain or loss on a derivative instrument designated as a cash flow hedge is recorded as accumulated other comprehensive income (loss) and the ineffective portion is recorded in current operations. The effective portion of gain or loss recorded as accumulated other comprehensive income (loss) is reclassified to current earnings in the same period during which the hedged forecasted transaction affects earnings. If the hedged transaction results in the acquisition of an asset or the incurrence of a liability, the gain or loss in accumulated other comprehensive income (loss) is added to or deducted from the asset or the liability.

Accounting for Foreign Currency Transactions and Translation

The Company and its domestic subsidiaries maintain their accounts in Korean Won. Transactions in foreign currencies are recorded in Korean won based on the prevailing rates of exchange on the transaction dates. Monetary accounts with balances denominated in foreign currencies are recorded and reported in the accompanying financial statements at the exchange rates prevailing at the end dates of the reporting periods. The balances have been translated using the Base Rate announced by Seoul Money Brokerage Services, Ltd., which was ₩1,167.60 and ₩1,257.50 to US\$1.00 at December 31, 2009 and 2008, respectively, and translation gains or losses are reflected in current operations.

Income Tax Expense

Income tax expense is determined by adding or deducting the total income tax and surtaxes to be paid for the current period and the changes in deferred income tax assets or liabilities. In addition, current tax and deferred tax is charged or credited directly to equity if the tax relates to items that are credited or charged directly to equity in the same or different period.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences with some exceptions and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The carrying amount of deferred tax assets is reviewed at each end date of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are classified as current or non-current based on the classification of the related assets or liabilities for financial reporting and according to the expected reversal date of the specific temporary difference if they are not related to an asset or liability for financial reporting, including deferred tax assets related to carry forwards. Deferred tax assets and liabilities in the same current or non-current classification are offset if these relate to income tax levied by the same tax jurisdictions.

Reclassification of the Subsidiaries' Financial Statements

The Company reclassified some accounts in the subsidiaries' financial statements according to the Company's financial statements. This reclassification does not affect the amount of net income or net assets in the subsidiaries' financial statements. The assets and liabilities of the subsidiaries in financial industry are classified into specific current or non-current assets and liabilities; however, if it is not possible, it is classified into other financial assets and liabilities.

Reclassification of Accounts in Prior Financial Statements

The Company reclassified some accounts in the prior financial statements according to the Company's current financial statements for comparability purposes. This reclassification does not affect the reported net income or net assets in the prior financial statements.

Earnings per Common Share

Basic earnings per common share are computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per common share are computed by dividing diluted net income, which is adjusted by adding back the after-tax amount of expenses related to diluted securities, by weighted average number of common shares and diluted securities outstanding during the period.

Basic earnings per common share in 2009 and 2008 is computed as follows:

	Korean Won in millions, except per share amounts		U. S. Dollars (Note 2) in thousands, except per share amounts	
	2009	2008	2009	2008
Net income attributable to equity holders of the parent	₩ 2,973,473	₩ 857,751	\$ 2,546,654	\$ 734,627
Expected dividends on preferred stock	(682,777)	(335,799)	(584,770)	(287,597)
Net income available to common share	2,290,696	521,952	1,961,884	447,030
Weighted average number of common shares outstanding (*)	209,252,481	208,838,563	209,252,481	208,838,563
Basic earnings per common share	₩ 10,947	₩ 2,499	\$ 9.38	\$ 2.14

(*) Weighted average number of common shares outstanding includes transactions pertaining to change of treasury shares and exercise of stock option.

Diluted earnings per common share in 2009 and 2008 is computed as follows:

	Korean Won in millions, except per share amounts		U. S. Dollars (Note 2) in thousands, except per share amounts	
	2009	2008	2009	2008
Net income available to common share	₩ 2,290,696	₩ 521,952	\$ 1,961,884	\$ 447,030
Expenses related to diluted securities	-	-	-	-
Net income available to diluted common share	2,290,696	521,952	1,961,884	447,030
Weighted average number of common shares and diluted securities outstanding	209,252,481	209,068,481	209,252,481	209,068,481
Diluted earnings per common share	₩ 10,947	₩ 2,497	\$ 9.38	\$ 2.14

3. RESTRICTED FINANCIAL INSTRUMENTS:

Deposits with withdrawal restrictions as of December 31, 2009 and 2008 consist of the following:

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Cash and cash equivalents	₩ 373,817	₩ 232,829	\$ 320,158	\$ 199,408
Short-term financial instruments	139,539	178,917	119,509	153,235
Long-term financial instruments	26,520	5,430	22,714	4,651
	₩ 539,876	₩ 417,176	\$ 462,381	\$ 357,294

4. INVENTORIES:

Inventories as of December 31, 2009 and 2008 consist of the following:

Accounts	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Finished goods and merchandise	₩ 6,913,946	₩ 10,714,429	\$ 5,921,502	\$ 9,176,455
Semi finished goods and work in process	1,269,412	1,531,094	1,087,198	1,311,317
Raw materials and supplies	1,866,346	2,443,046	1,598,446	2,092,366
Materials in transit	639,987	682,798	548,122	584,788
Other	1,005,460	1,569,126	861,134	1,343,890
	₩ 11,695,151	₩ 16,940,493	\$ 10,016,402	\$ 14,508,816

5. SHORT-TERM INVESTMENT SECURITIES:

(1) Short-term investment securities as of December 31, 2009 consist of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands
	Acquisition cost	Book value	Book value
Available-for-sale securities:			
Corporate bond	₩ 4,800	₩ 4,800	\$ 4,111
Beneficiary certificates	150,000	163,526	140,053
Equity securities	19,568	82,577	70,724
Held-to-maturity securities:			
Government bonds	1,699	1,699	1,455
	₩ 176,067	₩ 252,602	\$ 216,343

(2) Short-term investment securities as of December 31, 2008 consist of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands
	Acquisition cost	Book value	Book value
Trading securities:			
Government bonds	₩ 554,159	₩ 558,089	\$ 477,980
Beneficiary certificates	127,195	124,807	106,892
Corporate bonds	139,681	139,705	119,651
Equity securities	5,460	5,330	4,565
Stock warrants	280	280	240
Available-for-sale securities:			
Government bonds	215	215	184
Corporate bond	13,861	13,863	11,873
Beneficiary certificates	220,200	220,363	188,732
Equity securities	1,524	119	102
Held-to-maturity securities:			
Government bonds	2,658	2,658	2,276
	₩ 1,065,233	₩ 1,065,429	\$ 912,495

6. LONG-TERM INVESTMENT SECURITIES:

(1) Long-term investment securities as of December 31, 2009 and 2008 consist of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Available-for-sale securities:				
Equity securities	₩ 729,273	₩ 888,846	\$ 624,591	\$ 761,259
Debt securities	7,157	171,176	6,130	146,605
	736,430	1,060,022	630,721	907,864
Held-to-maturity securities:				
Debt securities	19,808	15,232	16,965	13,046
	₩ 756,238	₩ 1,075,254	\$ 647,686	\$ 920,910

(2) Equity securities included in long-term investment securities as of December 31, 2009 consist of the following:

Companies	Korean Won in millions		U.S. Dollars (Note 2)	Ownership percentage (*2)
	Acquisition cost	Book value	in thousands	
Hyundai Heavy Industries Co., Ltd.	₩ 56,924	₩ 379,965	\$ 325,424	2.88
Hyundai Oil Refinery Co., Ltd.	53,314	116,013	99,360	4.35
Seoul Metro 9th line (*3)	41,779	41,779	35,782	25.00
Doosan Capital Co., Ltd.	10,500	26,000	22,268	10.49
Mexico Boleo (KBC)	21,478	21,478	18,395	16.67
Hyundai H&S	15,005	18,785	16,089	4.07
Hyundai Merchant Marine Co., Ltd.	9,161	18,503	15,847	0.45
Hyundai Development Company	9,025	16,988	14,550	0.60
KT Corporation (*1)	8,655	9,388	8,040	0.09
Hyundai Finance Corporation	9,888	8,726	7,473	9.29
West End Restructuring Association	5,000	5,000	4,282	17.24
Hyundai Technology Investment Co., Ltd.	4,490	4,490	3,845	14.97
Industry Otomotif Komersial	4,439	4,439	3,802	15.00
Hyundai Asan Corporation	22,500	4,239	3,631	3.27
Korea Information Service, Inc.	5,252	3,951	3,384	4.41
Kihyup Finance	3,700	3,700	3,169	12.75

Companies	Korean Won in millions		U.S. Dollars (Note 2)	Ownership percentage (*2)
	Acquisition cost	Book value	in thousands	
Kyungnam Credit Information Service Co., Ltd.	₩ 2,500	₩ 2,500	\$ 2,141	13.66
Machinery Financial Cooperative	2,040	2,040	1,747	3.53
NESSCAP Inc.	1,997	1,997	1,710	7.30
Muan Environment System Corporation (*3)	1,848	1,848	1,583	29.90
Ubivelo Co., Ltd. (Formerly, Veloxsoft Inc.)	1,710	1,710	1,465	7.08
Hyundai Research Institute	1,359	1,271	1,089	14.90
Korea Defense Industry Association	1,250	1,250	1,071	2.66
The Sign Corporation	1,200	1,200	1,028	11.28
Heesung PM Tech Corporation	1,194	1,194	1,023	19.90
Dongbu NTS Co., Ltd.	1,134	1,134	971	19.90
Jeonbuk Hyundai Motors FC Co., Ltd. (*2)	1,000	1,000	856	100.00
NGVTEK.com (*2)	821	821	703	78.05
Micro Infinity	607	607	520	9.02
Hyundai WIA Trade Corporation (*2)	590	590	505	100.00
Hyundai RB Co., Ltd.	550	550	471	4.54
Clean Air Technology Inc.	500	500	428	16.13
International Convention Center Jeju Co., Ltd.	500	500	428	0.30
ENOVA System	2,204	403	345	0.90
Chorokmaeul Co., Ltd. (Formerly, Hankyoreh Plus Inc.)	4,800	284	243	5.43
Carnes Co., Ltd. (*2)	250	250	214	49.99
KOENTEC	50	114	98	0.20
SeAh Besteel Corporation	102	29	25	0.02
ROTIS Inc.	1,000	8	7	0.19
GM Daewoo Auto and Technology Co., Ltd.	2,187	-	-	0.02
Equity investments	15,762	15,762	13,499	-
Beneficiary certificates	1,392	1,229	1,053	-
Other	8,018	7,038	6,028	-
		₩ 729,273	\$ 624,591	

(*1) Due to the merger of KT Corporation and KT Freetel, the shares of KT Freetel are exchanged with the shares of KT Corporation.

(*2) In conformity with Financial Accounting Standards in the Republic of Korea, the equity securities of these affiliates were not accounted for using the equity method since the Company believes the changes in the investment value due to the changes in the net assets of the investee, whose individual beginning balance of total assets or paid-in capital at the date of its establishment is less than ₩10,000 million (US\$8,565 thousand), are not material.

(*3) This investment security was excluded from using the equity method despite its ownership percentage exceeding twenty percentages, since there is no significant influence on the investee.

Equity securities included in long-term investment securities as of December 31, 2008 consist of the following:

Companies	Korean Won in millions		U.S. Dollars (Note 2) in thousands	(%)
	Acquisition cost	Book value	Book value	Ownership percentage (*2)
Hyundai Heavy Industries Co., Ltd.	₩ 56,924	₩ 436,905	\$ 374,191	2.88
Hyundai Oil Refinery Co., Ltd.	53,314	106,383	91,113	4.35
Seoul Metro 9th line (*3)	41,779	41,779	35,782	25.00
Doosan Capital Co., Ltd.	10,500	25,685	21,998	10.49
Hyundai H&S Co., Ltd.	15,005	12,692	10,870	4.07
Hyundai Merchant Marine Co., Ltd.	9,731	27,997	23,978	0.49
Hyundai Development Company	9,025	14,602	12,506	0.60
Hyundai Finance Corporation	9,888	9,409	8,058	9.29
West End Restructuring Association	5,000	5,000	4,282	17.24
Hyundai Technology Investment Co., Ltd.	4,490	4,490	3,845	14.97
Industry Otomotif Komersial	4,439	4,439	3,802	15.00
Hyundai Asan Corporation	22,500	7,053	6,041	4.61
Korea Information Service, Inc.	5,252	2,974	2,547	4.41
Kihyup Finance	3,700	3,700	3,169	12.75
Kyungnam Credit Information Service Co., Ltd.	2,500	2,500	2,141	13.66
Machinery Financial Cooperative (*3)	11,201	11,201	9,593	22.20
NESSCAP Inc.	1,997	1,997	1,710	12.05
Muan Environment System Corporation (*3)	1,848	1,848	1,583	29.90
Ubivelox Co., Ltd. (Formerly, Veloxsoft Inc.)	1,000	1,000	856	7.14
Hyundai Research Institute	1,359	1,271	1,089	14.90
Korea Defense Industry Association	1,250	1,250	1,071	2.66
The Sign Corporation	1,200	1,200	1,028	11.28
Heesung PM Tech Corporation	1,194	1,194	1,023	19.90
Dongbu NTS Co., Ltd.	1,134	1,134	971	19.90
NGVTEK.com (*2)	821	821	703	78.05
Micro Infinity	607	607	520	9.02
Hyundai WIA Trade Corporation (*2)	590	590	505	100.00
Hyundai RB Co., Ltd.	550	550	471	18.64
Clean Air Technology Inc.	500	500	428	16.13

Companies	Korean Won in millions		U.S. Dollars (Note 2) in thousands	(%)
	Acquisition cost	Book value	Book value	Ownership percentage (*2)
International Convention Center Jeju Co., Ltd.	₩ 500	₩ 500	\$ 428	0.30
ENOVA System	4,074	134	115	1.29
Chorokmaeul Co., Ltd. (Formerly, Hankyoreh Plus Inc.)	4,800	284	243	5.43
Carnes Co., Ltd. (*2)	250	250	214	49.99
KOENTEC	50	108	92	0.20
SeAh Besteel Corporation	102	146	125	0.02
ROTIS Inc.	1,000	8	7	0.19
GM Daewoo Auto and Technology Co., Ltd.	2,187	-	-	0.02
Korea Exchange	2,597	55,378	47,429	2.87
Daewoo International Corporation	9,822	53,799	46,077	2.50
KT Freetel	10,800	10,482	8,977	0.18
Treasury Stock Fund (*1)		5,443	4,662	
Hanil Dream MOA	5,375	5,436	4,656	17.92
Korea Investment Mutual Savings & Finance Co., Ltd.	3,000	3,000	2,569	0.41
Bond Market Income Fund	2,000	2,003	1,715	-
Korea Securities Finance Corporation	1,096	1,679	1,438	0.32
Korea Credit Card Electronic Settlement Service Co., Ltd.	484	484	415	7.50
SG Asset Co., Ltd.	6,625	261	224	1.02
Korea Smart Card Co., Ltd.	1,628	22	19	3.77
Hyundai Unicorns Co., Ltd.	5,795	-	-	14.90
Equity investments	6,571	6,571	5,628	-
Other	12,612	12,087	10,352	
		₩ 888,846	\$ 761,259	

(*1) The acquisition cost of Treasury Stock Fund is ₩7,213 million (US\$6,178 thousand) and the lower of the fair value of treasury stock and investments in those fund amounting to ₩1,200 million (US\$1,028 thousand) is recorded as treasury stock in capital adjustments.

(*2) In conformity with Financial Accounting Standards in the Republic of Korea, the equity securities of these affiliates were not accounted for using the equity method since the Company believes the changes in the investment value due to the changes in the net assets of the investee, whose individual beginning balance of total assets or paid-in capital at the date of its establishment is less than ₩7,000 million (US\$5,995 thousand), are not material.

(*3) This investment security was excluded from using the equity method despite its ownership percentage exceeding twenty percentages, since there is no significant influence on the investee.

(3) Debt securities, classified into available-for-sale securities, included in long-term investment securities as of December 31, 2009 consist of the following:

Description	Korean Won in millions		U.S. Dollars (Note 2) in thousands
	Acquisition cost	Book value	Book value
Government bonds	₩ 3,903	₩ 4,017	\$ 3,440
Corporate bonds	2,600	3,140	2,690
	₩ 6,503	₩ 7,157	\$ 6,130

Debt securities, classified into available-for-sale securities, included in long-term investment securities as of December 31, 2008 consist of the following:

Description	Korean Won in millions		U.S. Dollars (Note 2) in thousands
	Acquisition cost	Book value	Book value
Government bonds	₩ 9,718	₩ 9,055	\$ 7,755
Corporate bonds	6,500	6,500	5,567
Other	151,328	155,621	133,283
	₩ 167,546	₩ 171,176	\$ 146,605

(4) Held-to-maturity of long-term investment securities as of December 31, 2009 consist of the following:

Description	Korean Won in millions		U.S. Dollars (Note 2) in thousands
	Acquisition cost	Book value	Book value
Government bonds	₩ 9,808	₩ 9,808	\$ 8,400
Corporate bonds	10,000	10,000	8,565
	₩ 19,808	₩ 19,808	\$ 16,965

Held-to-maturity of long-term investment securities as of December 31, 2008 consist of the following:

Description	Korean Won in millions		U.S. Dollars (Note 2) in thousands
	Acquisition cost	Book value	Book value
Government bonds	₩ 14,232	₩ 14,232	\$ 12,189
Corporate bonds	1,000	1,000	857
	₩ 15,232	₩ 15,232	\$ 13,046

(5) Maturities of debt securities as of December 31, 2009 and 2008 consist of the following:

Maturity	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
	Book value	Book value	Book value	Book value
1 year~5 years	₩ 20,898	₩ 174,070	\$ 17,898	\$ 149,084
6 years~10 years	6,067	12,338	5,197	10,567
	₩ 26,965	₩ 186,408	\$ 23,095	\$ 159,651

7. INVESTMENT SECURITIES ACCOUNTED FOR USING THE EQUITY METHOD:

(1) Investment securities accounted for using the equity method as of December 31, 2009 consist of the following:

Affiliated company	Korean Won in millions			U.S. Dollars (Note 2) in thousands	(%)
	Acquisition cost	Net equity value	Book value	Book value	Ownership percentage (*2)
Hyundai Steel Company	₩ 245,153	₩ 1,374,898	₩ 1,131,474	\$ 969,060	21.39
HMC Investment Securities Co., Ltd.	215,284	171,223	215,294	184,390	29.95
Hyundai MOBIS	215,012	1,005,725	1,032,144	883,988	16.88
Korea Aerospace Industries, Ltd.	159,800	103,310	103,150	88,344	22.23
Eukor Car Carriers, Inc.	48,912	117,156	104,887	89,831	20.00
HK Mutual Savings Bank	45,719	23,551	35,799	30,660	20.00
Korea Economy Daily	34,141	31,418	33,818	28,964	24.90
Kia Tigers Co., Ltd. (*1)	20,300	(604)	-	-	100.00
Donghui Auto Co., Ltd.	10,530	10,803	10,803	9,252	35.10
Hyundai Amco Co., Ltd.	10,067	81,536	81,536	69,832	19.99
TRW Steering Co., Ltd.	8,952	6,531	6,531	5,594	29.00
Korea Credit Bureau Co., Ltd.	3,800	2,154	3,191	2,733	7.00
Wisco Co., Ltd.	1,736	27,711	26,375	22,589	38.63
Iljin Bearing Co., Ltd.	826	18,201	18,201	15,588	20.00
Daesung Automotive Co., Ltd.	400	13,194	13,194	11,300	20.00
Beijing-Hyundai Motor Company	417,163	1,007,878	999,693	856,195	50.00
Hyundai Motor Deutschland GmbH	11,528	38,279	37,900	32,460	35.29
Hyundai WIA Magna Power Train Co., Ltd.	7,500	6,649	6,649	5,695	50.00
KEFICO Vietnam Company Limited (*1)	6,245	5,841	5,841	5,003	100.00
Hyundai Motor Hungary (*2)	5,415	-	2,283	1,955	100.00
Autoever Systems America, Inc. (*1)	4,642	4,622	4,622	3,959	100.00
KEFICO Automotive Systems (Beijing) Co., Ltd. (*1)	4,042	5,967	1,573	1,347	100.00
Beijing Lear Dymos Automotive Systems Co., Ltd.	2,662	7,665	7,665	6,565	40.00
Yan Ji Kia Motors A/S (*1)	1,792	1,792	1,792	1,535	100.00
Hyundai Motor Japan R&D Center Inc. (*1)	1,510	2,945	2,945	2,522	100.00
Hyundai Capital Germany GmbH	1,065	1,065	1,065	912	30.01
Autoever Systems China Co., Ltd. (*1)	538	1,040	1,040	891	90.00
Autoever Systems India Pvt. Ltd. (*1)	520	1,269	1,269	1,087	100.00
MAINTRANCE (*1)	400	770	770	659	80.00
South Link9	200	1,181	1,181	1,011	20.00

Affiliated company	Korean Won in millions			U.S. Dollars (Note 2)	Ownership percentage (*2)
	Acquisition cost	Net equity value	Book value	in thousands	
Rotem Equipments (Beijing) Co., Ltd. (*1)	₩ 190	₩ 203	₩ 203	\$ 174	100.00
Hyundai Motor Brasil Montadora de Automoveis LTDA (HMMA) (*1)	137	137	137	117	100.00
EUKOR Shipowning Singapore Pte Ltd.	8	3,475	2,541	2,176	20.00
Eukor Car Carriers Singapore Pte. Ltd.	5	5	5	4	8.00
Hyundai Rotem Automotive (*1)	3	124	124	106	100.00
	₩ 1,486,197	₩ 4,077,714	₩ 3,895,695	\$ 3,336,498	

(*1) These companies are excluded in the consolidation since individual beginning balance of total assets is less than ₩10,000 million (US\$8,565 thousand).

(*2) As the company was under the liquidation procedure, it was excluded from consolidated subsidiaries.

Investment securities accounted for using the equity method as of December 31, 2008 consist of the following:

Affiliated company	Korean Won in millions			U.S. Dollars (Note 2)	Ownership percentage (*2)
	Acquisition cost	Net equity value	Book value	in thousands	
Hyundai Steel Company	₩ 245,153	₩ 1,061,240	₩ 791,420	\$ 677,818	21.39
Hyundai MOBIS	118,993	597,065	594,126	508,844	17.79
Korea Space & Aircraft Co., Ltd.	159,800	93,646	93,452	80,038	20.54
Eukor Car Carriers, Inc.	48,912	113,839	100,623	86,179	20.00
HK Mutual Savings Bank	37,114	17,071	26,391	22,603	15.49
Korea Economy Daily	34,141	29,428	32,133	27,520	24.90
Kia Tigers Co., Ltd. (*1)	20,300	31	31	26	100.00
Donghui Auto Co., Ltd.	10,530	9,607	9,607	8,228	35.10
Hyundai Amco Co., Ltd.	10,067	74,236	73,161	62,659	19.99
TRW Steering Co., Ltd.	8,952	6,369	6,369	5,455	29.00
Korea Credit Bureau Co., Ltd.	3,800	2,108	3,205	2,745	7.00
Wisco Co., Ltd.	1,736	24,781	23,360	20,007	38.63
Iljin Bearing Co., Ltd.	826	16,843	16,843	14,425	20.00
Daesung Automotive Co., Ltd.	400	11,323	11,323	9,698	20.00
Seoul Sung Bo Chiup LLC	4,236	4,475	4,237	3,629	23.30
Morningstar Korea Co., Ltd.	5,006	1,541	2,673	2,289	39.90
Beijing-Hyundai Motor Company	397,758	840,705	825,829	707,288	50.00
Hyundai Motor Deutschland GmbH	6,761	23,178	22,715	19,454	30.00
Hyundai Motor Hungary (*2)	5,415	2,192	2,283	1,955	100.00
KEFICO Automotive Systems(Beijing) Co. Ltd. (*1)	725	595	595	510	100.00
Yan Ji Kia Motors A/S (*1)	1,792	1,792	1,792	1,535	100.00
Hyundai Motor Japan R&D Center Inc. (*1)	1,510	3,296	3,296	2,823	100.00

Affiliated company	Korean Won in millions			U.S. Dollars (Note 2)	Ownership percentage (*2)
	Acquisition cost	Net equity value	Book value	in thousands	
Autoever Systems China Co., Ltd. (*1)	₩ 538	₩ 1,026	₩ 1,026	\$ 879	90.00
Autoever Systems India Pvt. Ltd. (*1)	520	1,089	1,089	933	100.00
MAINTRANCE (*1)	400	573	573	491	80.00
South Link9	200	712	712	610	20.00
Rotem Equipments (Beijing) Co., Ltd. (*1)	190	338	338	289	100.00
Eukor Car Carriers Singapore Pte.	5	5	5	4	8.00
Hyundai Rotem Automotive (*1)	3	86	86	74	100.00
Hyundai WIA Motor Dies Company (*1)	14,681	14,681	14,681	12,574	100.00
Hysco Czech S.R.O (*1)	13,162	14,227	14,329	12,272	100.00
Hyundai Autonet India Private Ltd. (HAIL) (*1)	4,308	4,802	4,308	3,690	100.00
HECT (*1)	3,972	5,277	5,277	4,519	100.00
Dymos India Automotive Private Limited (*1)	3,722	4,873	4,873	4,173	100.00
Beijing Lear Dymos Automotive Systems Co., Ltd.	2,662	7,138	7,195	6,162	40.00
Dymos Czech Republic s.r.o (*1)	2,553	(1,760)	-	-	100.00
Hyundai Autonet Europe (HAE) (*1)	1,005	1,237	1,005	861	100.00
Hyundai Autonet India Engineering (HAIE)(*1)	925	1,132	925	792	100.00
Hyundai Autonet America (HAA) (*1)	450	374	450	385	100.00
	₩ 1,173,223	₩ 2,991,171	₩ 2,702,336	\$ 2,314,436	

(*1) These companies are excluded in the consolidation since individual beginning balance of total assets is less than ₩7,000 million (US\$5,995 thousand).

(*2) As the company was under the liquidation procedure, it was excluded from consolidated subsidiaries.

(2) The changes in investment securities accounted for using the equity method in 2009 are as follows:

Affiliated company	Korean Won in millions				U.S. Dollars (Note 2)	
	Beginning of year	Acquisition (disposal)	Gain (loss) on valuation	Other changes (*)	End of year	End of year
Hyundai Steel Company	₩ 791,420	₩ -	₩ 239,377	₩ 100,677	₩ 1,131,474	\$ 969,060
HMC Investment Securities Co., Ltd.	-	72,448	500	142,346	215,294	184,390
Hyundai MOBIS	594,126	-	297,882	140,136	1,032,144	883,988
Korea Aerospace Industries, Ltd.	93,452	-	9,698	-	103,150	88,344
Eukor Car Carriers, Inc.	100,623	-	9,390	(5,126)	104,887	89,831
HK Mutual Savings Bank	26,391	8,605	(1,600)	2,403	35,799	30,660
Korea Economy Daily	32,133	-	2,011	(326)	33,818	28,964
Kia Tigers Co., Ltd.	31	-	(31)	-	-	-
Donghui Auto Co., Ltd.	9,607	-	1,196	-	10,803	9,252
Hyundai Amco Co., Ltd.	73,161	-	12,659	(4,284)	81,536	69,832
TRW Steering Co., Ltd.	6,369	-	162	-	6,531	5,594
Korea Credit Bureau Co., Ltd.	3,205	-	(14)	-	3,191	2,733

Affiliated company	Korean Won in millions					U.S. Dollars (Note 2)
	Beginning of year	Acquisition (disposal)	Gain (loss) on valuation	Other changes (*)	End of year	in thousands
Wisco Co., Ltd.	₩ 23,360	₩ -	₩ 3,114	₩ (99)	₩ 26,375	\$ 22,589
Ijin Bearing Co., Ltd.	16,843	-	1,583	(225)	18,201	15,588
Daesung Automotive Co., Ltd.	11,323	-	1,680	191	13,194	11,300
Beijing-Hyundai Motor Company	825,829	19,405	311,254	(156,795)	999,693	856,195
Hyundai Motor Deutschland GmbH	22,715	4,767	13,035	(2,617)	37,900	32,460
Hyundai WIA Magna Power Train Co., Ltd.	-	7,500	(851)	-	6,649	5,695
KEFICO Vietnam Company Limited	-	6,245	(73)	(331)	5,841	5,003
Hyundai Motor Hungary	2,283	-	-	-	2,283	1,955
Autoever Systems America, Inc.	-	4,642	456	(476)	4,622	3,959
KEFICO Automotive Systems (Beijing) Co., Ltd.	595	3,317	(1,692)	(647)	1,573	1,347
Beijing Lear Dymos Automotive Systems Co., Ltd.	7,195	-	3,582	(3,112)	7,665	6,565
Yan Ji Kia Motors A/S	1,792	-	-	-	1,792	1,535
Hyundai Motor Japan R&D Center Inc.	3,296	-	(44)	(307)	2,945	2,522
Hyundai Capital Germany GmbH	-	1,065	-	-	1,065	912
Autoever Systems China Co., Ltd.	1,026	-	106	(92)	1,040	891
Autoever Systems India Pvt. Ltd.	1,089	-	239	(59)	1,269	1,087
MAINTRANCE	573	-	197	-	770	659
South Link9	712	-	469	-	1,181	1,011
Rotem Equipments (Beijing) Co., Ltd.	338	-	(121)	(14)	203	174
HMMB	-	137	-	-	137	117
Eukor Shipowning Singapore Pte Ltd.	-	8	9,895	(7,362)	2,541	2,176
Eukor Car Carriers Singapore Pte.	5	-	-	-	5	4
Hyundai Rotem Automotive	86	-	44	(6)	124	106
Hyundai WIA Automotive Engine (Shandong) Company	14,681	-	-	(14,681)	-	-
Hyundai Hysco Czech S.R.O	14,329	-	-	(14,329)	-	-
HECT	5,277	-	-	(5,277)	-	-
Dymos India Automotive Private Limited	4,873	-	-	(4,873)	-	-
HAIL	4,308	-	-	(4,308)	-	-
Seoul Sung Bo Chiup LLC	4,237	-	-	(4,237)	-	-
Morningstar Korea Co., Ltd.	2,673	-	-	(2,673)	-	-
HAE	1,005	-	-	(1,005)	-	-
HAIE	925	-	-	(925)	-	-
HAA	450	-	-	(450)	-	-
	₩ 2,702,336	₩ 128,139	₩ 914,103	₩ 151,117	₩ 3,895,695	\$ 3,336,498

(*) Other changes consist of the decrease by ₩125,132 million (US\$107,170 thousand) due to receipt of dividends, increase of capital surplus by ₩516 million (US\$442 thousand), increase of retained earnings by ₩ 7,720 million (US\$6,612 thousand), increase of accumulated other comprehensive income by ₩118,924 million (US\$101,853 thousand), decrease by ₩2,015 million (US\$1,726 thousand) due to decrease in ownership percentage caused by uneven capital increase and increase of ₩151,104 million (US\$129,414 thousand) due to changes of consolidated subsidiaries.

The changes in investment securities accounted for using the equity method in 2008 are as follows:

Affiliated company	Korean Won in millions					U.S. Dollars (Note 2)
	Beginning of year	Acquisition (disposal)	Gain (loss) on valuation	Other changes (*)	End of year	in thousands
Hyundai Steel Company	₩ 577,540	₩ -	₩ 189,754	₩ 24,126	₩ 791,420	\$ 677,818
Hyundai MOBIS	450,841	-	67,991	75,294	594,126	508,844
Korea Space & Aircraft Co., Ltd.	89,321	-	4,131	-	93,452	80,038
Eukor Car Carriers, Inc.	104,164	-	7,243	(10,784)	100,623	86,179
HK Mutual Savings Bank	29,504	(5,552)	3,159	(720)	26,391	22,603
Korea Economy Daily	31,854	-	279	-	32,133	27,520
Kia Tigers Co., Ltd.	-	-	-	31	31	26
Donghui Auto Co., Ltd.	9,303	-	304	-	9,607	8,228
Hyundai Amco Co., Ltd.	57,111	-	14,061	1,989	73,161	62,659
TRW Steering Co., Ltd.	4,797	-	(200)	1,772	6,369	5,455
Korea Credit Bureau Co., Ltd.	-	-	(161)	3,366	3,205	2,745
Wisco Co., Ltd.	6,782	-	1,634	14,944	23,360	20,007
Ijin Bearing Co., Ltd.	16,109	-	960	(226)	16,843	14,425
Daesung Automotive Co., Ltd.	10,714	-	757	(148)	11,323	9,698
Beijing-Hyundai Motor Company	516,196	58,363	63,355	187,915	825,829	707,288
Hyundai Motor Deutschland GmbH	17,908	-	(408)	5,215	22,715	19,454
Hyundai Motor Hungary	2,283	-	-	-	2,283	1,955
KEFICO Automotive Systems(Beijing) Co. Ltd. (*1)	-	725	(37)	(93)	595	510
Beijing Lear Dymos Automotive Systems Co., Ltd.	3,809	-	3,888	(502)	7,195	6,162
Yan Ji Kia Motors A/S	1,792	-	-	-	1,792	1,535
Hyundai Motor Japan R&D Center Inc.	1,939	-	40	1,317	3,296	2,823
Autoever Systems China Co., Ltd.	614	-	126	286	1,026	879
Autoever Systems India Pvt. Ltd.	1,086	-	(100)	103	1,089	933
MAINTRANCE	-	400	173	-	573	491
South Link9	-	200	512	-	712	610
Rotem Equipments (Beijing) Co., Ltd.	-	-	(123)	461	338	289
Eukor Car Carriers Singapore Pte.	5	-	-	-	5	4
Hyundai Rotem Automotive	-	3	80	3	86	74
Hyundai WIA Motor Dies Company	-	14,681	-	-	14,681	12,574
Hyundai Hysco Czech S.R.O	745	12,418	(108)	1,274	14,329	12,272
HECT	-	-	(41)	5,318	5,277	4,519
Dymos India Automotive Private Limited	3,722	-	721	430	4,873	4,173
Hyundai Autonet India Private Ltd.	-	-	-	4,308	4,308	3,690

Affiliated company	Korean Won in millions					U.S. Dollars (Note 2)
	Beginning of year	Acquisition (disposal)	Gain (loss) on valuation	Other changes (*)	End of year	in thousands
Seoul Sung Bo Chiup LLC	₩ -	₩ 4,237	₩ -	₩ -	₩ 4,237	\$ 3,629
Morningstar Korea Co., Ltd.	-	(130)	-	2,803	2,673	2,289
HAE	-	-	-	1,005	1,005	861
HAIE	-	-	-	925	925	792
HAA	-	-	-	450	450	385
Kia Motors Manufacturing Georgia Inc.	74,425	-	-	(74,425)	-	-
Hyundai Motor Commonwealth of Independent States	18,333	-	-	(18,333)	-	-
Dymos Czech Republic s.r.o	898	-	(1,018)	120	-	-
Eurotem DEMIRYOLU ARACLARI SAN. VE TIC A.S.	1,538	-	-	(1,538)	-	-
Autoever Systems Europe GmbH	1,745	-	-	(1,745)	-	-
	₩ 2,035,078	₩ 85,345	₩ 356,972	₩ 224,941	₩ 2,702,336	₩ 2,314,436

(*) Other changes consist of the decrease by ₩63,242 million (US\$54,164 thousand) due to receipt of dividends, decrease of retained earnings by ₩417 million (US\$357 thousand), increase of accumulated other comprehensive income by ₩367,732 million (US\$314,947 thousand) and decrease of ₩79,132 million (US\$67,773 thousand) due to changes of consolidated subsidiaries.

(3) Condensed financial information of the affiliates as of and for the year ended December 31, 2009 is as follows:

Affiliated company	Korean Won in millions				U.S. Dollars (Note 2) in thousands			
	Assets	Liabilities	Sales	Net income (loss)	Assets	Liabilities	Sales	Net income (loss)
Hyundai Steel Company	₩ 15,580,398	₩ 8,973,935	₩ 7,966,444	₩ 1,151,997	\$ 13,343,952	\$ 7,685,796	\$ 6,822,922	\$ 986,637
HMC Investment Securities Co., Ltd.	1,920,950	1,349,438	271,440	28,368	1,645,212	1,155,737	232,477	24,296
Hyundai MOBIS	11,106,365	3,339,531	10,633,020	1,615,220	9,512,132	2,860,167	9,106,732	1,383,368
Korea Aerospace Industries, Ltd.	1,274,400	775,900	1,131,100	43,000	1,091,470	664,526	968,739	36,828
Eukor Car Carriers, Inc.	2,307,092	1,722,877	2,077,425	67,669	1,975,927	1,475,571	1,779,227	57,956
HK Mutual Savings Bank	2,228,843	2,111,088	303,250	(4,467)	1,908,910	1,808,058	259,721	(3,826)
Korea Economy Daily	192,300	65,400	118,700	8,400	164,697	56,012	101,662	7,194
Kia Tigers Co., Ltd.	3,956	4,560	25,492	(33)	3,388	3,905	21,833	(28)
Donghui Auto Co., Ltd.	126,521	95,742	129,513	3,581	108,360	81,999	110,922	3,067
Hyundai Amco Co., Ltd.	813,195	405,258	1,081,273	45,428	696,467	347,086	926,065	38,907
TRW Steering Co., Ltd.	91,050	68,529	155,218	(279)	77,980	58,692	132,938	(239)
Korea Credit Bureau Co., Ltd.	36,807	6,040	27,353	648	31,524	5,173	23,427	555
Wisco Co., Ltd.	252,749	181,008	303,414	7,842	216,469	155,026	259,861	6,716

Affiliated company	Korean Won in millions				U.S. Dollars (Note 2) in thousands			
	Assets	Liabilities	Sales	Net income (loss)	Assets	Liabilities	Sales	Net income (loss)
Iljin Bearing Co., Ltd.	₩ 127,973	₩ 36,969	₩ 178,164	₩ 7,483	\$ 109,603	\$ 31,662	\$ 152,590	\$ 6,409
Daesung Automotive Co., Ltd.	81,875	15,908	57,715	9,805	70,122	13,625	49,430	8,398
Beijing-Hyundai Motor Company	4,352,779	2,337,023	8,897,818	607,836	3,727,971	2,001,561	7,620,605	520,586
Hyundai Motor Deutschland GmbH	263,637	155,180	1,423,486	25,775	225,794	132,905	1,219,156	22,075
Hyundai WIA Magna Power Train Co., Ltd.	22,331	9,033	-	(1,701)	19,126	7,736	-	(1,457)
KEFICO Vietnam Company Limited	7,818	1,977	-	(73)	6,696	1,693	-	(63)
Hyundai Motor Hungary	3,866	1,670	-	-	3,311	1,430	-	-
Autoever Systems America, Inc.	4,638	16	761	456	3,972	14	652	391
KEFICO Automotive Systems (Beijing) Co., Ltd.	45,750	39,783	97,396	2,702	39,183	34,072	83,416	2,314
Beijing Lear Dymos Automotive Systems Co., Ltd.	74,067	54,903	172,542	8,524	63,435	47,022	147,775	7,300
Hyundai Motor Japan R&D Center Inc.	8,191	5,246	16,470	56	7,015	4,493	14,106	48
Hyundai Capital Germany GmbH	3,383	54	48	21	2,897	46	41	18
Autoever Systems China Co., Ltd.	2,191	1,036	6,367	119	1,876	887	5,453	102
Autoever Systems India Pvt. Ltd.	3,003	1,735	7,946	239	2,572	1,486	6,805	205
MAINTRANCE	1,805	843	4,269	358	1,546	722	3,656	307
South Link9	18,000	12,094	36,755	2,367	15,416	10,358	31,479	2,027
Rotem Equipments (Beijing) Co., Ltd.	366	163	-	(121)	313	140	-	(104)
HMMB	137	-	-	-	117	-	-	-
EUKOR Shipowning Singapore Pte Ltd.	112,063	94,763	33,234	33,177	95,977	81,161	28,464	28,415
Hyundai Rotem Automotive	650	526	1,710	44	557	450	1,465	38

(4) Significant unrealized profits (losses) that occurred in transactions with investees in 2009 and 2008 are ₩15,679 million (\$13,428 thousand) and ₩21,634 million (\$18,529 thousand), respectively.

(5) Unamortized (or unreversed) balances of goodwill and negative goodwill as of December 31, 2009 are ₩89,115 million (US\$76,323 thousand) and ₩258,513 million (US\$221,405 thousand), respectively. In addition, unamortized (or unreversed) balances of goodwill and negative goodwill as of December 31, 2008 are ₩14,358 million (US\$12,297 thousand) and ₩286,159 million (US\$245,083 thousand), respectively.

(6) The market price of listed equity securities as of December 31, 2009 is as follows:

Affiliated company	Korean Won in millions			U. S. Dollars (Note 2)
	Price per share	Number of shares	Market value	in thousands
Hyundai MOBIS	₩ 171,000	₩ 16,427,074	₩ 2,809,030	\$ 2,405,815
Hyundai Steel Company	86,500	18,159,517	1,570,798	1,345,322
HMC Investment Securities Co., Ltd.	21,700	8,784,816	190,631	163,267

8. LEASED ASSETS:

The Company and its subsidiaries have entered into lease agreements for certain machinery. The capital lease obligations are included in long-term debt in the accompanying statements of financial position. The following summarizes the gross amount of machinery and related accumulated depreciation recorded under the capital leases as of December 31, 2009:

	Korean Won in millions	U.S. Dollars (Note 2) in thousands
Acquisition costs	₩ 351,353	\$ 300,919
Less : accumulated depreciation	72,157	61,799
	₩ 279,196	\$ 239,120

The following is the schedule of future minimum lease payments required under the capital and operating leases as of December 31, 2009:

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	Capital leases	Operating leases	Finance leases	Operating leases
1 year	₩ 105,588	₩ 42,044	\$ 90,432	\$ 36,009
1 year ~ 5 years	61,484	236,923	52,658	202,914
	167,072	278,967	143,090	238,923
Less : interest portion	9,528	-	8,160	-
	₩ 157,544	₩ 278,967	\$ 134,930	\$ 238,923

9. PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipments as of December 31, 2009 and 2008 consist of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Buildings and structures	₩ 11,455,123	₩ 10,574,880	\$ 9,810,828	\$ 9,056,937
Machinery and equipment	19,266,613	18,035,439	16,501,039	15,446,590
Vehicles	371,353	274,745	318,048	235,307
Tools, dies and molds	6,661,360	6,014,935	5,705,173	5,151,537
Other equipment	2,049,919	2,062,835	1,755,669	1,766,732
	39,804,368	36,962,834	34,090,757	31,657,103
Less: accumulated depreciation	17,515,442	15,541,430	15,001,235	13,310,577
	22,288,926	21,421,404	19,089,522	18,346,526
Land	4,781,602	4,794,955	4,095,240	4,106,676
Construction in progress	1,750,709	2,701,902	1,499,408	2,314,065
	₩ 28,821,237	₩ 28,918,261	\$ 24,684,170	\$ 24,767,267

The changes in property, plant and equipment in 2009 are as follows:

	Korean Won in millions							U.S. Dollars (Note 2)
	Beginning of year	Acquisition	Transfer	Disposal	Depreciation	Other (*)	End of year	in thousands
Land	₩ 4,794,955	₩ 33,454	₩ 56,855	₩ (25,021)	₩ -	₩ (78,641)	₩ 4,781,602	\$ 4,095,240
Buildings and structures	8,412,149	246,546	920,392	(29,430)	(372,661)	(239,598)	8,937,398	7,654,503
Machinery and equipment	10,340,782	321,148	1,619,484	(100,625)	(1,488,551)	(343,971)	10,348,267	8,862,853
Vehicles	145,974	41,327	135,195	(38,067)	(51,337)	5,252	238,344	204,132
Tools, dies and molds	1,718,352	125,707	678,245	(13,825)	(477,682)	(8,767)	2,022,030	1,731,783
Other equipment	804,147	141,957	205,795	(57,934)	(278,392)	(72,686)	742,887	636,251
Construction in progress	2,701,902	2,852,427	(3,615,966)	(275,401)	-	87,747	1,750,709	1,499,408
	₩ 28,918,261	₩ 3,762,566	₩ -	₩ (540,303)	₩ (2,668,623)	₩ (650,664)	₩ 28,821,237	\$ 24,684,170

(*) Other includes foreign currency adjustment, changes in the scope of consolidation, impairment loss and transfer to other assets.

The changes in property, plant and equipment in 2008 are as follows:

	Korean Won in millions							U.S. Dollars (Note 2)
	Beginning of year	Acquisition	Transfer	Disposal	Depreciation	Other (*)	End of year	in thousands
Land	₩ 4,343,188	₩ 203,072	₩ 174,957	₩ (6,349)	₩ -	₩ 80,087	₩ 4,794,955	\$ 4,106,676
Buildings and structures	7,071,394	716,036	691,818	(9,305)	(326,665)	268,871	8,412,149	7,204,650
Machinery and equipment	9,094,571	822,958	1,608,518	(118,418)	(1,447,744)	380,897	10,340,782	8,856,442
Vehicles	126,140	20,189	48,232	(20,793)	(40,402)	12,608	145,974	125,021
Tools, dies and molds	1,514,600	225,896	510,873	(8,996)	(565,827)	41,806	1,718,352	1,471,696
Other equipment	532,358	134,456	126,634	(19,094)	(207,211)	237,004	804,147	688,717
Construction in progress	2,947,279	2,844,272	(3,161,032)	(92,927)	-	164,310	2,701,902	2,314,065
	₩ 25,629,530	₩ 4,966,879	₩ -	₩ (275,882)	₩ (2,587,849)	₩ 1,185,583	₩ 28,918,261	\$ 24,767,267

(*) Other includes foreign currency adjustment, changes in the scope of consolidation, impairment loss and transfer to other assets.

As of December 31, 2009 and 2008, the value of the land, which the Company and its subsidiaries own domestically, totals ₩5,749,735 million (US\$4,924,405 thousand) and ₩5,727,078 million (US\$4,905,000 thousand), respectively, in terms of land prices officially announced by the Korean government.

10. INSURANCE:

As of December 31, 2009, certain property, plant and equipment, inventories, cash and cash equivalents and securities are insured for ₩21,720,882million (US\$18,603,016 thousand). In addition, the Company carries products and completed operations liability insurance with a maximum coverage of ₩297,116 million (US\$254,467 thousand) and general insurance for vehicles and workers' compensation and casualty insurance for employees.

11. INTANGIBLES:

Intangibles as of December 31, 2009 and 2008 consist of the following:

Description	Korean Won in millions				U.S. Dollars (Note 2) in thousands			
	2009		2008		2009		2008	
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Government subsidy	Book value	Book value	Book value	Book value
Goodwill	₩ 634,062	₩ (229,429)	₩ (467)	₩ -	₩ 404,166	₩ 514,518	\$ 346,151	\$ 440,663
Negative goodwill	(98,671)	36,595	-	-	(62,076)	(68,167)	(53,165)	(58,382)
Industrial property rights	89,706	(69,549)	(121)	-	20,036	21,454	17,160	18,374
Development costs	7,284,029	(3,871,562)	(186,646)	(53,890)	3,171,931	2,799,538	2,716,625	2,397,686
Other	379,943	(203,512)	(2,301)	-	174,130	181,514	149,134	155,459
	₩ 8,289,069	₩ (4,337,457)	₩ (189,535)	₩ (53,890)	₩ 3,708,187	₩ 3,448,857	\$ 3,175,905	\$ 2,953,800

The changes in intangibles in 2009 are as follows:

Description	Korean Won in millions					U.S. Dollars (Note 2) in thousands	
	Goodwill	Negative goodwill	Industrial property rights	Development costs	Other	Total	Total
Beginning of the year	₩ 514,518	₩ (68,167)	₩ 21,454	₩ 2,799,538	₩ 181,514	₩ 3,448,857	\$ 2,953,800
Addition:							
Expenditures	-	-	6,670	1,360,814	61,794	1,429,278	1,224,116
Deduction:							
Amortization	(44,773)	6,091	(4,869)	(808,682)	(55,611)	(907,844)	(777,530)
Impairment loss	(467)	-	-	(149,817)	-	(150,284)	(128,712)
Government subsidy	-	-	-	(4,653)	-	(4,653)	(3,985)
Other (*)	(65,112)	-	(3,219)	(25,269)	(13,567)	(107,167)	(91,784)
End of the year	₩ 404,166	₩ (62,076)	₩ 20,036	₩ 3,171,931	₩ 174,130	₩ 3,708,187	\$ 3,175,905

(*) Other includes foreign currency adjustment and changes in the scope of consolidation.

The changes in intangibles in 2008 are as follows:

Description	Korean Won in millions					U.S. Dollars (Note 2) in thousands	
	Goodwill	Negative goodwill	Industrial property rights	Development costs	Other	Total	Total
Beginning of the year	₩ 510,731	₩ (73,472)	₩ 27,599	₩ 2,414,822	₩ 118,204	₩ 2,997,884	\$ 2,567,561
Addition:							
Expenditures	34,763	-	11,217	1,170,791	64,184	1,280,955	1,097,084
Deduction:							
Amortization	(30,870)	5,270	(9,682)	(776,680)	(37,849)	(849,811)	(727,827)
Impairment loss	-	-	-	(2,747)	-	(2,747)	(2,353)
Government subsidy	-	-	-	(26,633)	-	(26,633)	(22,810)
Other (*)	(106)	35	(7,680)	19,985	36,975	49,209	42,145
End of the year	₩ 514,518	₩ (68,167)	₩ 21,454	₩ 2,799,538	₩ 181,514	₩ 3,448,857	\$ 2,953,800

(*) Other includes foreign currency adjustment and changes in the scope of consolidation.

Research and development expenditures in 2009 and 2008 are as follows:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Development cost (capitalized)	₩ 1,360,814	₩ 1,170,791	\$ 1,165,480	\$ 1,002,733
Ordinary development (manufacturing cost)	215,273	323,330	184,372	276,918
Research costs (SG&A)	663,384	696,355	568,160	596,399
	₩ 2,239,471	₩ 2,190,476	\$ 1,918,012	\$ 1,876,050

12. OTHER ASSETS:

Other assets as of December 31, 2009 and 2008 consist of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Long-term notes and accounts receivable, net of allowance for doubtful accounts of ₩617 million in 2009 and ₩121 million in 2008, and unamortized present value discount of ₩11,259 million in 2009 and ₩9,753 million in 2008	₩ 62,172	₩ 31,620	\$ 53,248	\$ 27,081
Long-term notes and accounts receivable - other, net of allowance for doubtful accounts of ₩936 million in 2009 and ₩23,275 million in 2008, and unamortized present valuediscount of nil in 2009 and 2008	170,735	158,379	146,227	135,645
Long-term loans	11,547	300,737	9,890	257,569
Long-term deposits	545,253	776,249	466,986	664,824
Other	184,232	190,937	157,787	163,529
	₩ 973,939	₩ 1,457,922	\$ 834,138	\$ 1,248,648

13. OTHER FINANCIAL BUSINESS ASSETS AND LIABILITIES:

Other financial business assets as of December 31, 2009 and 2008 consist of the following:

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Finance receivables	₩ 15,716,002	₩ 16,804,583	\$ 13,460,091	\$ 14,392,414
Lease receivables	2,605,930	2,803,304	2,231,869	2,400,911
Card receivables	6,074,074	3,278,478	5,202,187	2,807,878
Other	1,319,669	1,312,014	1,130,240	1,123,685
	₩ 25,715,675	₩ 24,198,379	\$ 22,024,387	\$ 20,724,888

Other financial business liabilities as of December 31, 2009 and 2008 consist of the following:

	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Call money	₩ -	₩ 100,000	\$ -	\$ 85,646
Other operating accounts payable	199,664	79,233	171,005	67,860
Bonds sold under repurchase agreements	-	584,585	-	500,672
	₩ 199,664	₩ 763,818	\$ 171,005	\$ 654,178

The financial subsidiaries, which are included in the consolidated financial statements, are Hyundai Capital Services Inc., Hyundai Card Co., Ltd., Hyundai Commercial Inc., HMC Investment Securities Co., Ltd. (excluded in 2009), Hyundai Capital America (HCA) and Hyundai Auto Canada Captive Insurance Incorporation (HACCI) in 2009 and 2008.

14. SHORT-TERM BORROWINGS:

Short-term borrowings as of December 31, 2009 and 2008 consist of the following:

Description	Annual interest rate (%)	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2009	2008	2009	2008
Trade financing	2.50 ~ 6.13	₩ 5,237,016	₩ 7,074,891	\$ 4,485,282	\$ 6,059,345
General loans	1.65 ~ 9.38	4,128,803	8,441,611	3,536,145	7,229,883
Discount of trade bills	2.84 ~ 8.70	2,706,585	5,159,608	2,318,076	4,418,986
Banker's Usance	1.77 ~ 5.74	663,066	880,751	567,888	754,326
Overdrafts	2.60 ~ 9.29	213,555	25,355	182,901	21,715
Privately placed bonds	-	-	45,886	-	39,299
		₩ 12,949,025	₩ 21,628,102	\$ 11,090,292	\$ 18,523,554

15. LONG-TERM DEBT AND DEBENTURES:

Long-term debt and debentures as of December 31, 2009 and 2008 consist of the following:

Description	Annual interest rate (%)	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2009	2008	2009	2008
Debentures		₩ 21,832,116	₩ 19,022,847	\$ 18,698,284	\$ 16,292,264
Won currency loans:					
General loans	3.00 ~ 7.86	1,757,944	938,454	1,505,605	803,746
Facility loans	2.00 ~ 7.80	1,111,763	988,234	952,178	846,381
Capital lease	4.87	94,291	185,093	80,756	158,524
Commercial paper	4.88	20,000	20,000	17,129	17,129
Other	1.00 ~ 6.24	122,625	10,455	105,023	8,954
		3,106,623	2,142,236	2,660,691	1,834,734
Foreign currency loans:					
General loans	1.32 ~ 7.73	6,426,389	6,508,285	5,503,930	5,574,071
Facility loans	1.05 ~ 6.10	1,574,447	843,026	1,348,447	722,016
Capital lease	5.36	80,734	107,072	69,145	91,703
Other	0.92 ~ 3.42	19,163	32,811	16,413	28,101
		8,100,733	7,491,194	6,937,935	6,415,891
		33,039,472	28,656,277	28,296,910	24,542,889
Less: current maturities		9,789,043	6,418,366	8,383,901	5,497,059
		₩ 23,250,429	₩ 22,237,911	\$ 19,913,009	\$ 19,045,830

Debentures as of December 31, 2009 and 2008 consist of the following:

Description	Maturity	Annual interest rate (%)	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
			2009	2008	2009	2008
Domestic debentures:						
Guaranteed debentures	Oct.10, 2010 ~ Dec.14, 2012	5.33 ~ 9.90	₩ 790,280	₩ 330,000	\$ 676,841	\$ 282,631
Non-guaranteed debentures	Jan.17, 2010 ~ Mar.18, 2018	3.22 ~ 8.98	19,972,493	17,738,818	17,105,595	15,192,547
Convertible bonds	-	-	-	92,369	-	79,110
Bonds with warrants	Oct.31, 2010 ~ Mar.19, 2012	1.00 ~ 8.98	458,723	200,000	392,877	171,292
Other	May.18, 2012	3.5	37,885	-	32,447	-
Overseas debentures	Jun.24, 2010 ~ Apr.25, 2015	5.5	589,784	658,617	505,125	564,077
			21,849,165	19,019,804	18,712,885	16,289,657
Less: discount on debentures, call premium and other adjustments to debentures			17,049	(3,043)	14,601	(2,607)
			₩ 21,832,116	₩ 19,022,847	\$ 18,698,284	\$ 16,292,264

Details of bonds with warrants as of December 31, 2009 and 2008 are as follows:

Issuing Company	Hyundai Card Co., Ltd.	Kia Motors Corporation
Type of bond	Non-guaranteed subordinated bond with stock warrant (separable)	Non-guaranteed bond with stock warrant (separable)
Face value	₩ 200,000 million (\$ 171,292 thousand)	₩ 400,000 million (\$ 342,583 thousand)
Coupon rate	7.99%	1.00%
Date of issue	October 31, 2005	March 19, 2009
Maturity	October 31, 2010	March 19, 2012
Exercise price	₩ 8,831 per share	₩ 6,880 per share
Exercise period	Two weeks from the date of issue ~ April 30, 2009	April 19, 2009 ~ February 19, 2012

In 2009, 82,353 shares of Hyundai Card Co., Ltd. and 41,140,593 shares of Kia Motors Corporation were issued as a result of the exercise of warrants. In addition, the amount of ₩141,277 million (US\$ 120,998 thousand) of the bond with warrants issued by Kia Motors Corporation is redeemed in 2009.

The maturity of long-term debt and debentures as of December 31, 2009 is as follows:

Description	Korean Won in millions			U. S. Dollars (Note 2) in thousands	
	Debentures	Local currency loans	Foreign currency loans	Total	Total
2011	₩ 5,172,996	₩ 1,144,539	₩ 1,559,403	₩ 7,876,938	\$ 6,746,264
2012	7,466,132	282,354	2,575,974	10,324,460	8,842,463
2013	678,852	433,198	1,074,996	2,187,046	1,873,112
Thereafter	1,165,140	303,114	1,409,607	2,877,861	2,464,767
	14,483,120	2,163,205	6,619,980	23,266,305	19,926,606
Less : discount on debentures	15,876	-	-	15,876	13,597
	₩ 14,467,244	₩ 2,163,205	₩ 6,619,980	₩ 23,250,429	\$ 19,913,009

16. PLEDGED ASSETS, CHECKS AND NOTES:

As of December 31, 2009, the following assets, checks and notes are pledged as collateral:

- (1) The Company's and its subsidiaries' property, plant and equipment are pledged as collateral for various loans to a maximum of ₩5,019,019 million (US\$4,298,577 thousand).
- (2) The Company's and its subsidiaries' certain bank deposits and investment securities, including 213,466 shares of Kia Motors Corporation, and some government bonds are pledged as collateral to financial institutions and others.
- (3) Certain overseas subsidiaries' receivables and other financial business assets are pledged as collateral for their borrowings.
- (4) 40 blank checks, 1 check amounting to ₩2,624 million (US\$ 2,247 thousand), 116 blank promissory notes and 3 promissory notes amounting to ₩24,144 million (US\$ 20,678 thousand) are pledged as collateral for short-term borrowings, long-term debt and other payables.

17. ACCRUED WARRANTIES:

The changes in accrued warranties in current and long-term liabilities in 2009 and 2008 are as follows:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Beginning of year	₩ 4,884,518	₩ 4,380,493	\$ 4,183,383	\$ 3,751,707
Accrual	889,827	1,372,677	762,099	1,175,640
Use	(1,002,217)	(868,652)	(858,356)	(743,964)
End of year	₩ 4,772,128	₩ 4,884,518	\$ 4,087,126	\$ 4,183,383

18. STATEMENTS OF COMPREHENSIVE INCOME:

Statements of comprehensive income in 2009 and 2008 consist of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Net income	₩ 4,043,436	₩ 1,092,552	\$ 3,463,032	\$ 935,725
Other comprehensive income (loss):				
Gain (loss) on valuation of available-for-sale securities, net of deferred tax effect ₩(1,713) million and ₩168,818 million in 2009 and 2008, respectively.	6,074	(411,676)	5,202	(352,583)
Gain on valuation of investment securities accounted for using the equity method, net of deferred tax effect ₩(21,976) million and ₩(73,090) million in 2009 and 2008, respectively.	90,975	150,993	77,916	129,319
Gain (loss) on valuation of derivatives, net of deferred tax effect ₩(81,554) million and ₩103,244 million in 2009 and 2008, respectively.	281,861	(340,463)	241,403	(291,593)
Gain (loss) on overseas operation translation, net of deferred tax effect ₩136,782 million and ₩(385,206) million in 2009 and 2008, respectively.	(466,046)	1,214,633	(399,149)	1,040,282
Comprehensive income	₩ 3,956,300	₩ 1,706,039	\$ 3,388,404	\$ 1,461,150
Equity holders of the parent	₩ 2,861,134	₩ 1,149,335	\$ 2,450,440	\$ 984,357
Minority interests	1,095,166	556,704	937,964	476,793
	₩ 3,956,300	₩ 1,706,039	\$ 3,388,404	\$ 1,461,150

19. INCOME TAX EXPENSE AND DEFERRED INCOME TAX ASSETS (LIABILITIES):

Income tax expense in 2009 and 2008 consists of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Income tax currently payable	₩ 1,053,257	₩ 707,153	\$ 902,071	\$ 605,647
Changes in deferred taxes due to:				
Temporary differences	433,351	(615,668)	371,146	(527,294)
Carry forward of unused tax credits	326	43,111	279	36,923
Change in consolidated subsidiaries	13,537	(14,539)	11,594	(12,452)
Deferred tax charged or credited to equity	27,735	315,390	23,754	270,118
Income tax charged or credited to equity	(10,930)	(25,528)	(9,361)	(21,864)
Income tax expense	₩ 1,517,276	₩ 409,919	\$ 1,299,483	\$ 351,078

The components of accumulated temporary differences and deferred tax assets (liabilities) as of December 31, 2009 are as follows:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	Accumulated temporary differences	Deferred tax assets (liabilities)	Accumulated temporary differences	Deferred tax assets (liabilities)
Accrued warranties	₩ 4,379,835	₩ 1,070,008	\$ 3,751,143	\$ 916,417
Long-term investment securities	(88,199)	(97,287)	(75,539)	(83,322)
Allowance for doubtful accounts	557,193	126,548	477,212	108,383
Investments in subsidiaries and associates	(3,559,783)	(905,055)	(3,048,804)	(775,141)
Reserve for research and manpower development	(319,511)	(74,989)	(273,648)	(64,225)
Derivative assets	(838,981)	(207,813)	(718,552)	(177,983)
Development cost	29,969	7,201	25,667	6,167
Depreciation	(1,422,179)	(481,589)	(1,218,036)	(412,461)
Accrued income	53,031	12,838	45,419	10,995
Advanced depreciation provisions	(509,377)	(2,291)	(436,260)	(1,962)
Loss on foreign exchange translation	1,109,559	265,203	950,290	227,135
Provision for other liabilities	414,510	94,000	355,010	80,507
Other	1,954,569	757,515	1,674,008	648,780
Accumulated temporary differences	1,760,636	564,289	1,507,910	483,290
Carry over tax deduction	402,934	400,499	345,096	343,010
	₩ 2,163,570	₩ 964,788	\$ 1,853,006	\$ 826,300

The components of accumulated temporary differences and deferred tax assets (liabilities) as of December 31, 2008 are as follows:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	Accumulated temporary differences	Deferred tax assets (liabilities)	Accumulated temporary differences	Deferred tax assets (liabilities)
Accrued warranties	₩ 4,470,609	₩ 1,161,845	\$ 3,828,887	\$ 995,071
Long-term investment securities	(56,647)	(92,111)	(48,516)	(78,889)
Allowance for doubtful accounts	660,558	168,274	565,740	144,120
Investments in subsidiaries and associates	(2,362,253)	(498,287)	(2,023,170)	(426,762)
Reserve for research and manpower development	(383,122)	(82,890)	(328,128)	(70,992)
Derivative liabilities	(1,297,230)	(275,969)	(1,111,023)	(236,356)
Development cost	(17,542)	(6,178)	(15,024)	(5,291)
Depreciation	(1,440,540)	(446,552)	(1,233,762)	(382,453)
Accrued income	(136,897)	(33,105)	(117,246)	(28,353)
Advanced depreciation provisions	(509,768)	(2,377)	(436,595)	(2,036)
Loss on foreign exchange translation	2,019,944	482,396	1,729,997	413,152
Provision for other liabilities	397,532	88,572	340,469	75,858
Other	1,678,008	534,022	1,437,145	457,367
Accumulated temporary differences	3,022,652	997,640	2,588,774	854,436
Carry over tax deduction	403,260	400,825	345,375	343,290
	₩ 3,425,912	₩ 1,398,465	\$ 2,934,149	\$ 1,197,726

The temporary differences of ₩174,514 million (US\$149,464 thousand) and ₩263,723 million (US\$225,868 thousand) as of December 31, 2009 and 2008, respectively, were not recognized since it is not probable that the temporary difference will be reversed in the foreseeable future.

The Company believes average taxable income in the coming years will exceed the amount of deferred taxes to be realized every year based on its assessment. The tax rate used in calculating deferred tax assets or liabilities arising from temporary differences is 24.2% (tax rate used in calculating deferred tax assets or liabilities which are realized after 2012 is 22%) including resident tax.

20. CAPITAL STOCK:

Capital stock as of December 31, 2009 and 2008 consists of the following:

	Authorized	Issued	Par value	Korean Won in millions	U. S. Dollars (Note 2) in thousands
Common stock	450,000,000 shares	220,276,479 shares	₩ 5,000	₩ 1,157,982	\$ 991,763
Preferred stock	150,000,000 shares	65,202,146 shares	5,000	331,011	283,497
				₩ 1,488,993	\$ 1,275,260

In 2008, part of the stock options granted to the directors were exercised at an exercise price of ₩26,800 (US\$22.95) and new common stock of 402,671 shares were issued. This issue of new common stock resulted in the increase in paid-in capital in excess of par value by ₩13,391 million (US\$11,469 thousand).

The Company completed stock retirement of 1,320,000 common shares of treasury stock on May 4, 2004, which had been acquired for the purpose of such retirement based on the decision of the Board of Directors on March 12, 2004. Also, the Company acquired treasury stock after cancellation of Trust Cash Fund on March 2, 2001, and in accordance with the decision of the Board of Directors, on March 5, 2001, the Company retired 10,000,000 common shares in treasury and 1,000,000 second preferred shares in treasury, which had additional dividend rate of 2 percent to the rate of common stock, using the retained earnings. Due to these stock retirements, the total face value of outstanding stock differs from the capital stock amount.

The preferred shares are non-cumulative, participating and non-voting. Of the total preferred stock issued of 65,202,146 shares as of December 31, 2009, a total of 27,588,281 preferred shares (First and Third preferred shares) are eligible to receive cash dividends, if declared, equal to that declared for common shares plus an additional 1 percent minimum increase while the dividend rate for the remaining 37,613,865 preferred shares (Second preferred shares) is 2 percent higher than that declared for common shares.

21. CAPITAL ADJUSTMENTS:

Capital adjustments as of December 31, 2009 and 2008 consist of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Treasury stock	₩ (743,909)	₩ (719,685)	\$ (637,127)	\$ (616,380)
Stock option cost	-	450	-	386
	₩ (743,909)	₩ (719,235)	\$ (637,127)	\$ (615,994)

(1) Treasury stock

For the stabilization of stock price, the Company has treasury stock consisting of 11,213,999 common shares and 2,950,960 preferred shares with a carrying value of ₩743,909 million (US\$637,127 thousand) and 11,031,741 common shares and 2,950,960 preferred shares with a carrying value of ₩719,685 million (US\$616,380 thousand) as of December 31, 2009 and 2008, respectively, which were acquired directly or indirectly through the Treasury Stock Fund and Trust Cash Fund.

(2) Stock option cost

The Company granted directors stock options at an exercise price of ₩26,800 (grant date: February 14, 2003, beginning date for exercise: February 14, 2006, expiry date for exercise: February 13, 2011). These stock options all require at least two-year continued service starting from the grant date. There is no valid stock option as of December 31, 2009, as 5,000 stock options were cancelled on January 24, 2008, and 402,671 stock options were exercised on December 2, 2008.

22. ACCUMULATED OTHER COMPREHENSIVE INCOME:

Accumulated other comprehensive income as of December 31, 2009 and 2008 consists of the following:

Description	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Gain on valuation of available-for-sale securities, net	₩ 361,445	₩ 355,295	\$ 309,562	\$ 304,295
Gain on valuation of investment securities accounted for using the equity method, net	56,620	13,369	48,493	11,450
Loss on valuation of derivatives, net	(85,241)	(296,916)	(73,005)	(254,296)
Gain on overseas operation translation	173,146	546,561	148,292	468,106
	₩ 505,970	₩ 618,309	\$ 433,342	\$ 529,555

23. DIVIDENDS:

The computation of the proposed dividends for 2009 is as follows:

	Number of shares	Dividend rate	Korean Won in millions	U. S. Dollars (Note 2) in thousands
Common shares, net of treasury shares	209,275,129	23%	₩ 240,666	\$ 206,120
Preferred shares, net of treasury shares:				
First and Third preferred shares	25,637,321	24%	30,766	26,350
Second preferred shares	36,613,865	25%	45,767	39,198
			₩ 317,199	\$ 271,668

The computation of the proposed dividends for 2008 is as follows:

	Number of shares	Dividend rate	Korean Won in millions	U. S. Dollars (Note 2) in thousands
Common shares, net of treasury shares	209,244,738	17%	₩ 177,859	\$ 152,329
Preferred shares, net of treasury shares:				
First and Third preferred shares	25,637,321	18%	23,073	19,761
Second preferred shares	36,613,865	19%	34,783	29,790
			₩ 235,715	\$ 201,880

The payout ratios (dividends declared/net income) are 10.7% and 27.5% for the years ended December 31, 2009 and 2008, respectively.

24. ELIMINATION OF UNREALIZED PROFITS AND LOSSES:

Unrealized profits and losses resulting from sales among consolidated subsidiaries are calculated based on the average gross margin rate of selling companies and are eliminated in the consolidated financial statements.

Unrealized profits and losses related to sales of inventories and property, plant and equipment in 2009 are as follows:

	Korean Won in millions			U.S. Dollars (Note 2) in thousands		
	Inventories	Property, plant and equipment	Others	Inventories	Property, plant and equipment	Others
Upstream sales	₩ 4,149	₩ -	₩ -	\$ 3,553	\$ -	\$ -
Downstream sales	485,331	227,996	(146,878)	415,665	195,269	(125,795)
Sales between consolidated subsidiaries	429,186	8,091	(45,584)	367,580	6,930	(39,041)

Unrealized profits and losses related to sales of inventories and property, plant and equipment in 2008 are as follows:

	Korean Won in millions			U.S. Dollars (Note 2) in thousands		
	Inventories	Property, plant and equipment	Others	Inventories	Property, plant and equipment	Others
Upstream sales	₩ 5,641	₩ -	₩ -	\$ 4,831	\$ -	\$ -
Downstream sales	760,538	177,669	(231,248)	651,369	152,166	(198,054)
Sales between consolidated subsidiaries	350,594	10,100	(71,909)	300,269	8,650	(61,587)

25. INTER-COMPANY TRANSACTIONS:

Significant transactions in 2009 and 2008 between the Company and consolidated subsidiaries are as follows:

	Korean Won in millions				U.S. Dollars (Note 2) in thousands			
	2009		2008		2009		2008	
	Company's income	Company's expenses	Company's income	Company's expenses	Company's income	Company's expenses	Company's income	Company's expenses
Hyundai Capital Service Inc.	₩ 845,385	₩ 44,971	₩ 687,693	₩ 40,285	\$ 724,036	\$ 38,516	\$ 588,980	\$ 34,502
Kia Motors Corporation	316,083	285,785	528,339	200,651	270,712	244,763	452,500	171,849
Hyundai WIA Corporation	207,005	292,168	154,000	334,713	177,291	250,230	131,894	286,668
Dymos Inc.	751	470,683	620	444,376	643	403,120	531	380,589
Hyundai PowerTech Co., Ltd.	12,759	437,019	28,154	231,322	10,928	374,288	24,113	198,118
KEFICO Corporation	440	300,141	379	363,791	377	257,058	325	311,572
Hyundai HYSCO	14,323	236,784	2,277	228,899	12,267	202,795	1,950	196,042
Hyundai Commercial Inc.	191,005	2,973	-	-	163,588	2,546	-	-
Autoever Systems Corp.	532	183,187	524	175,608	456	156,892	449	150,401
Hyundai Card Co., Ltd.	1,356	110,105	2,112	74,546	1,161	94,300	1,809	63,845
METIA Corporation	974	47,094	2,162	47,788	834	40,334	1,852	40,928
Hyundai Autonet Co., Ltd.	138	41,795	1,452	112,340	118	35,796	1,244	96,214
Haevichi Hotel & Resort Co., Ltd.	9,020	10,276	109	8,510	7,725	8,801	93	7,288
Partecs Company, Ltd.	67	16,680	61	16,339	57	14,286	52	13,994
Hyundai Rotem Company	2,796	1,989	4,070	8,306	2,395	1,703	3,486	7,114
Automobile Industrial Ace Corporation	911	3,035	829	1,905	780	2,599	710	1,632
M & Soft Co., Ltd.	1,182	933	94	741	1,012	799	81	635
Haevichi Country Club Co., Ltd.	126	1,077	51	627	108	922	44	537
Mseat Co., Ltd.	22	-	67	-	19	-	57	-

	Korean Won in millions				U.S. Dollars (Note 2) in thousands			
	2009		2008		2009		2008	
	Company's income	Company's expenses	Company's income	Company's expenses	Company's income	Company's expenses	Company's income	Company's expenses
Hyundai Motor America	₩ 3,339,499	₩ 159,169	₩ 3,146,443	₩ 196	\$ 2,860,140	\$ 136,322	\$ 2,694,795	\$ 168
Hyundai Auto Canada Corp.	1,206,896	-	735,327	-	1,033,655	-	629,776	-
Hyundai Motor Company Australia	966,846	69	559,571	-	828,063	59	479,249	-
Hyundai Motor India	688,252	973	915,551	325	589,459	833	784,131	278
Hyundai Motor Group (China) Ltd.	606,651	4,392	592,586	761	519,571	3,762	507,525	652
Hyundai Assan Otomotive Sanayi Ve Ticaret A.S.	282,026	47,907	488,919	-	241,543	41,030	418,738	-
Hyundai Motor Europe GmbH	269,432	-	1,234,800	-	230,757	-	1,057,554	-
Hyundai Motor Commonwealth of Independent States	212,943	12,114	733,097	-	182,377	10,375	627,867	-
Hyundai Motor Manufacturing Alabama, LLC	149,482	940	254,872	479	128,025	805	218,287	410
Hyundai America Technical Center Inc.	79	143,305	2,482	73,192	68	122,735	2,126	62,686
Hyundai Motor Manufacturing Czech,s.r.o.	73,883	-	57,420	409	63,278	-	49,178	350
Hyundai Motor Europe Technical Center GmbH	134	57,348	163	53,222	115	49,116	140	45,582
Hyundai Motor Poland Sp. Zo.O	18,936	6,208	1,115,737	733	16,218	5,317	955,582	628
Hyundai Auto Czech s.r.o.	19,930	-	36,911	-	17,069	-	31,613	-
Hyundai Motor Japan Co.	14,664	-	6,762	-	12,559	-	5,791	-
Hyundai Motor Company Italy	-	11,808	29,487	-	-	10,113	25,254	-
Hyundai Motor Norway AS	8,352	21	44,499	-	7,153	18	38,112	-
Kia Motors Australia Pty. Ltd.	-	2,138	-	-	-	1,831	-	-
Hyundai Capital America	1,389	-	1,086	-	1,190	-	930	-
Stampeted Metal America Research Technology Inc.	230	-	-	-	197	-	-	-
Hyundai Translead, Inc	153	-	-	-	131	-	-	-
Hyundai Motor (UK) Ltd.	61	-	-	-	52	-	-	-
Hyundai Motor Manufacturing Rus LLC	35	-	-	-	30	-	-	-
Beijing Jingxian Motor Safeguard Service Co., Ltd.	4	-	-	-	3	-	-	-

As of December 31, 2009 and 2008, significant balances related to the transactions between the Company and consolidated subsidiaries are as follows:

	Korean Won in millions				U.S. Dollars (Note 2) in thousands			
	2009		2008		2009		2008	
	Company's receivable	Company's payable	Company's receivable	Company's payable	Company's receivable	Company's payable	Company's receivable	Company's payable
Hyundai Capital Service Inc.	₩ 23,068	₩ 5,554	₩ 71,283	₩ 3,471	\$ 19,757	\$ 4,757	\$ 61,051	\$ 2,973
Kia Motors Corporation	211,066	182,580	307,047	108,885	180,769	156,372	262,973	93,255
Hyundai WIA Corporation	79,675	78,304	35,592	56,139	68,238	67,064	30,483	48,081
Dymos Inc.	4,322	179,528	3,252	112,956	3,702	153,758	2,785	96,742
Hyundai PowerTech Co., Ltd.	4,851	153,512	12,893	86,364	4,155	131,477	11,042	73,967
KEFICO Corporation	776	74,875	775	55,010	665	64,127	664	47,114
Hyundai HYSCO	4,025	77,052	3,196	38,933	3,447	65,992	2,737	33,344
Hyundai Commercial Inc.	3,186	307	-	-	2,729	263	-	-
Autoever Systems Corp.	15	72,577	19	69,277	13	62,159	16	59,333
Hyundai Card Co., Ltd.	31,630	36,144	26,916	35,138	27,090	30,956	23,052	30,094
METIA Corporation	155	16,275	356	12,034	133	13,939	305	10,307
Haevichi Hotel & Resort Co., Ltd.	38,989	1,122	30,063	1,109	33,392	961	25,748	950
Partecs Company, Ltd.	10	7,801	-	3,874	9	6,681	-	3,318
Hyundai Rotem Company	410	37,563	155	23,898	351	32,171	133	20,468
M & Soft Co., Ltd.	256	467	-	288	219	400	-	247
Haevichi Country Club Co., Ltd.	-	740	-	-	-	634	-	-
Hyundai Motor America	931,272	12,444	1,323,393	17,741	797,595	10,658	1,133,430	15,194
Hyundai Auto Canada Corp.	243,130	3,935	122,352	2,189	208,231	3,370	104,789	1,875
Hyundai Motor Company Australia	285,799	386	172,797	3,275	244,775	331	147,993	2,805
Hyundai Motor India	214,973	38	229,426	13	184,115	33	196,494	11
Hyundai Motor Group (China) Ltd.	29,666	-	154,950	-	25,408	-	132,708	-
Hyundai Assan Otomotive Sanayi Ve Ticaret A.S.	177,966	10,508	265,479	356	152,420	9,000	227,372	305
Hyundai Motor Europe GmbH	50,776	-	200,508	-	43,487	-	171,727	-
Hyundai Motor Commonwealth of Independent States	526,957	-	660,310	-	451,316	-	565,528	-
Hyundai Motor Manufacturing Alabama, LLC	15,125	129	34,752	2,643	12,954	110	29,764	2,264
Hyundai America Technical Center Inc.	7	13,170	16	8,352	6	11,280	14	7,153
Hyundai Motor Manufacturing Czech,s.r.o.	21,768	17	61,729	70	18,643	15	52,868	60
Hyundai Motor Europe Technical Center GmbH	46	6,968	20	6,742	39	5,968	17	5,774

	Korean Won in millions				U.S. Dollars (Note 2) in thousands			
	2009		2008		2009		2008	
	Company's receivable	Company's payable	Company's receivable	Company's payable	Company's receivable	Company's payable	Company's receivable	Company's payable
Hyundai Motor Poland Sp. Zo.O	₩ 46,127	₩ 3,334	₩ 168,845	₩ 499	\$ 39,506	\$ 2,855	\$ 144,609	\$ 427
Hyundai Auto Czech s.r.o.	8,867	2,312	-	-	7,594	1,980	-	-
Hyundai Motor Japan Co.	10,212	110	11,713	105	8,746	94	10,032	90
Hyundai Motor Company Italy	-	-	13,086	-	-	-	11,208	-
Hyundai Motor Norway AS	8,901	1,158	21,190	382	7,623	992	18,148	327
Kia Motors Australia Pty. Ltd.	6,430	763	-	252	5,507	653	-	216
Hyundai Capital America	-	-	1,086	-	-	-	930	-
Stampd Metal America Research Technology Inc.	88	-	-	-	75	-	-	-
Hyundai Translead, Inc	24	-	-	-	21	-	-	-
Hyundai Motor (UK) Ltd.	-	310	2,245	6,580	-	266	1,923	5,635
Hyundai Motor Manufacturing Rus LLC	51	-	-	-	44	-	-	-

Significant transactions in 2009 and 2008 between the consolidated subsidiaries are as follows:

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's income	Subsidiary's income	Subsidiary's income	Subsidiary's income
Kia Motors Corporation	Kia Motors America Inc.	₩ 3,472,093	₩ 4,427,801	\$ 2,973,701	\$ 3,792,224
	Kia Motors Europe GmbH	1,810,217	1,101,707	1,550,374	943,565
	Kia Canada, Inc.	696,038	601,520	596,127	515,176
	Kia Motors Slovakia S.r.o.	465,470	465,614	398,655	398,779
	Hyundai WIA Corporation	373,715	292,905	320,071	250,861
	Hyundai Motor Group (China) Ltd.	238,532	267,322	204,293	228,950
	Kia Motors Australia Pty. Ltd.	255,929	229,483	219,192	196,542
	Dong Feng Yueda Kia Motor Co., Ltd.	233,775	192,427	200,218	164,806
	Hyundai Capital Service Inc.	135,752	156,818	116,266	134,308
	Hyundai Motor America	126	68,122	108	58,344
	Dymos Inc.	32,215	29,683	27,591	25,422
	Kia Motors Manufacturing Georgia, Inc.	34,932	15,987	29,918	13,692
	Hyundai Motor India	8,326	20,753	7,131	17,774
	Automobile Industrial Ace Corporation	15,275	12,636	13,082	10,822

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's income	Subsidiary's income	Subsidiary's income	Subsidiary's income
Kia Motors Corporation	Hyundai HYSCO	₩ 14,453	₩ 12,637	\$ 12,378	\$ 10,823
	Hyundai Auto Canada Corp.	769	24,906	659	21,331
	Hyundai PowerTech Co., Ltd.	11,167	13,899	9,564	11,904
	Autoever Systems Corp.	8,311	10,085	7,118	8,637
	Hyundai Motor Manufacturing Czech,s.r.o.	15,804	1,816	13,535	1,555
	METIA Corporation	-	8,161	-	6,990
	KEFICO Corporation	3,038	2,425	2,602	2,077
	Hyundai Card Co., Ltd.	349	304	299	260
	Haevichi Hotel & Resort Co., Ltd.	379	207	325	177
Autoever Systems Corp.	Kia Motors Corporation	59,312	57,095	50,798	48,899
	Hyundai Card Co., Ltd.	58,010	47,127	49,683	40,362
	Hyundai Capital Service Inc.	27,275	23,247	23,360	19,910
	Hyundai Rotem Company	13,904	13,551	11,908	11,606
	Kia Motors Manufacturing Georgia, Inc.	12,793	-	10,957	-
	Hyundai WIA Corporation	8,893	6,465	7,616	5,537
	Hyundai HYSCO	7,805	7,628	6,685	6,533
	Hyundai Information Service North America	7,507	2,112	6,429	1,809
	Hyundai Motor Manufacturing Czech,s.r.o.	3,917	122	3,355	104
	Hyundai Motor India	3,651	476	3,127	408
	Hyundai Commercial Inc.	3,027	2,660	2,592	2,278
	Hyundai PowerTech Co., Ltd.	2,736	4,553	2,343	3,899
	Dymos Inc.	2,498	3,375	2,139	2,891
	KEFICO Corporation	2,203	2,670	1,887	2,287
	Hyundai Powertech Manufacturing America	1,718	-	1,471	-
	Autoever Systems Europe GmbH	1,284	3,930	1,100	3,366
	Hyundai Motor Manufacturing Alabama, LLC	1,082	1,788	927	1,531
Hyundai Capital Service Inc.	Hyundai Card Co., Ltd.	15,596	36,964	13,357	31,658
	Kia Motors Corporation	9,528	26,674	8,160	22,845
	Hyundai Commercial Inc.	3,818	8,229	3,270	7,048
Hyundai Card Co., Ltd.	Kia Motors Corporation	40,964	40,855	35,084	34,991
	Hyundai Capital Service Inc.	18,377	13,942	15,739	11,941

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands		
		2009	2008	2009	2008	
		Subsidiary's income	Subsidiary's income	Subsidiary's income	Subsidiary's income	
Hyundai Card Co., Ltd.	Autoever Systems Corp.	₩ 5,660	₩ 5,447	\$ 4,848	\$ 4,665	
	M & Soft Co., Ltd.	1,486	1,721	1,273	1,474	
	Dymos Inc.	1,005	1,313	861	1,125	
KEFICO Corporation	Kia Motors Corporation	116,018	80,723	99,365	69,136	
	Hyundai PowerTech Co., Ltd.	38,275	44,269	32,781	37,915	
	Hyundai WIA Corporation	7,262	8,352	6,220	7,153	
Dymos Inc.	Kia Motors Corporation	176,382	143,179	151,064	122,627	
	Hyundai Rotem Company	59,639	44,769	51,078	38,343	
	Hyundai Motor India	52,836	-	45,252	-	
	Mseat Co., Ltd.	30,542	35,369	26,158	30,292	
	Hyundai WIA Corporation	12,638	24,057	10,824	20,604	
	Dymos Czech Republic s.r.o	10,507	-	8,999	-	
	Dymos Lear Automotive India	6,300	4,315	5,396	3,696	
	Hyundai PowerTech Co., Ltd.	472	31,922	404	27,340	
	Hyundai WIA Corporation	Kia Motors Corporation	1,610,007	1,683,242	1,378,903	1,441,626
		Hyundai Wia Automotive Engine (Shandong) Company	193,531	112,158	165,751	96,059
Hyundai Wia Automotive Parts		63,300	24,652	54,214	21,113	
Hyundai-Kia Machine America Corp.		35,112	80,856	30,072	69,250	
Hyundai Wia Motor Dies (Shandong) Company		33,354	-	28,566	-	
Hyundai-Kia Machine Europe GmbH		26,616	49,411	22,795	42,318	
Hyundai PowerTech Co., Ltd.		11,578	885	9,916	758	
Hyundai Rotem Company		8,096	3,221	6,934	2,759	
Dymos Inc.		3,681	16,660	3,153	14,269	
Hyundai Motor India		2,276	16	1,949	14	
Hyundai Motor Manufacturing Alabama, LLC		2,069	-	1,772	-	
Hyundai HYSCO		1,770	1,725	1,516	1,477	
Hyundai PowerTech Co., Ltd.		Kia Motors Corporation	220,253	252,733	188,637	216,455
	Hyundai WIA Corporation	119,666	127,943	102,489	109,578	
	Hyundai Powertech Manufacturing America	43,638	-	37,374	-	
	Partecs Company, Ltd.	1,084	486	928	416	
Hyundai Rotem Company	Green Air Co., Ltd.	135,665	-	116,191	-	
	Hyundai Motor Manufacturing Czech,s.r.o.	15,882	-	13,602	-	

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's income	Subsidiary's income	Subsidiary's income	Subsidiary's income
Hyundai Rotem Company	Dong Feng Yueda Kia Motor Co., Ltd.	₩ 3,688	₩ -	\$ 3,159	\$ -
	Hyundai Motor India	3,332	-	2,854	-
	Kia Motors Corporation	2,755	1,280	2,360	1,096
Hyundai HYSCO	Hyundai HYSCO	2,108	1,865	1,805	1,597
	Beijing Hyundai Hysco Steel Process Co., Ltd.	272,485	207,444	233,372	177,667
	Hysco Steel India, Ltd.	169,115	186,067	144,840	159,359
	Hyundai Hysco USA, Inc.	81,336	323,051	69,661	276,680
	Hysco America Co. Inc.	59,808	65,525	51,223	56,119
	Kia Motors Corporation	54,936	67,821	47,050	58,086
	Jiangsu Hyundai Hysco Steel Co., Ltd.	48,755	30,137	41,757	25,811
	Hysco Slovakia, s.r.o.	21,911	33,778	18,766	28,929
	Hyundai Motor India	15,633	3,704	13,389	3,172
	Hyundai Rotem Company	5,614	5,704	4,808	4,885
METIA Corporation	Hyundai WIA Corporation	2,885	4,303	2,471	3,685
	Hyundai WIA Corporation	47,940	39,453	41,059	33,790
	Kia Motors Corporation	17,835	16,880	15,275	14,457
Automobile Industrial Ace Corporation	Dymos Inc.	2,244	3,442	1,922	2,948
	Kia Motors Corporation	74,480	78,580	63,789	67,300
	Hyundai WIA Corporation	7,285	6,932	6,239	5,937
Mseat Co., Ltd.	Dymos Inc.	21	96	18	82
	Dymos Inc.	297,548	262,515	254,837	224,833
Haevichi Resort Co., Ltd.	Kia Motors Corporation	5,114	3,302	4,380	2,828
	Hyundai Card Co., Ltd.	453	371	388	318
	Hyundai HYSCO	253	190	217	163
M & Soft Co., Ltd.	Kia Motors Corporation	-	40	-	34
	Autoever Systems Corp.	87	-	75	-
Hyundai America Technical Center Inc.	Kia Motors Corporation	48,778	39,466	41,776	33,801
	Hyundai America Technical Center Inc.	44,380	34,536	38,010	29,579
Hyundai Motor America	Hyundai Motor Manufacturing Alabama, LLC	32,160	59,931	27,544	51,328
	Hyundai Capital America	4,484	3,220	3,840	2,758

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's income	Subsidiary's income	Subsidiary's income	Subsidiary's income
Hyundai Motor America	Innocean Worldwide Americas, LLC (Formerly, World Marketing Group LLC)	₩ 3,274	₩ 2,942	\$ 2,804	\$ 2,520
	Hyundai Information Service North America	1,107	1,131	948	969
	Kia Motors America Inc.	308	6,567	264	5,624
	Kia Motors Corporation	-	6,913	-	5,921
Innocean Worldwide Americas, LLC (Formerly, World Marketing Group LLC)	Hyundai Motor America	27,311	54,965	23,391	47,075
	Kia Motors America Inc.	-	17,911	-	15,340
Hyundai Motor Europe Technical Center GmbH	Kia Motors Corporation	-	45,579	-	39,036
Hyundai-Kia Machine America Corp.	Hyundai WIA Corporation	-	1,347	-	1,154
Kia Motors America Inc.	Kia Motors Corporation	663,816	427,355	568,530	366,011
	Hyundai America Technical Center Inc.	10,757	2,771	9,213	2,373
	Hyundai Information Service North America	2,273	537	1,947	460
	Hyundai Motor America	-	3,788	-	3,244
	Hyundai Capital America	384	-	329	-
Hyundai Motor Europe GmbH	Hyundai Motor (UK) Ltd.	36,068	404,259	30,891	346,231
	Hyundai Motor Company Italy	22,173	-	18,990	-
	Hyundai Motor Manufacturing Czech,s.r.o.	16,900	-	14,474	-
	Hyundai Motor India	15,965	-	13,673	-
	Hyundai Motor Europe Technical Center GmbH	347	1,406	297	1,204
Hyundai Capital America	Kia Motors America Inc.	4,221	-	3,615	-
	Hyundai Motor America	2,282	6,614	1,954	5,665
Hyundai Translead, Inc	Hyundai Motor America	12,891	9,347	11,041	8,005
	Kia Motors America Inc.	10,003	4,829	8,567	4,136
	Hyundai Auto Canada Corp.	1,914	1,756	1,639	1,504
	Kia Canada, Inc.	529	318	453	272
Hyundai Motor India	Hyundai Motor (UK) Ltd.	371,645	288,339	318,298	246,950
	Hyundai Motor Company Italy	309,975	-	265,480	-
	Hyundai Assan Otomotive Sanayi Ve Ticaret A.S.	69,900	29,480	59,866	25,248
	Hyundai Motor Manufacturing Rus LLC	67,457	-	57,774	-
	Hyundai Auto Czech s.r.o.	59,989	-	51,378	-

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's income	Subsidiary's income	Subsidiary's income	Subsidiary's income
Hyundai Motor India	Hyundai WIA Corporation	₩ 42,220	₩ -	\$ 36,160	\$ -
	Hyundai Motor Poland Sp. Zo.O	32,807	36,897	28,098	31,601
	Hyundai Motor Norway	18,321	3,908	15,691	3,347
	Hyundai Motor Espana.S.L	10,285	-	8,809	-
	Hyundai Motor Manufacturing Czech,s.r.o.	3,609	-	3,091	-
	Kia Motors Europe GmbH	Kia Motors (UK) Ltd.	608,419	553,734	521,085
Kia Motors Deutschland GmbH		807,025	450,772	691,183	386,067
Kia Motors Corporation		360,522	439,040	308,772	376,019
Kia Automobiles France		300,409	291,596	257,288	249,740
Kia Motors Polska Sp.z.o.o.		263,624	234,165	225,783	200,552
Kia Motors Belgium		202,767	182,380	173,661	156,201
Kia Motors Iberia		127,625	256,347	109,305	219,550
Kia Motors Sweden AB		179,992	138,268	154,156	118,421
Kia Motors Austria GmbH		154,270	137,266	132,126	117,563
Kia Motors Czech s.r.o.		121,888	136,578	104,392	116,973
Kia Motors Hungary Kft		17,651	61,868	15,117	52,987
Kia Canada, Inc.	Kia Motors Corporation	65,824	22,343	56,375	19,136
	Kia Motors Slovakia S.r.o.	1,863,532	2,211,472	1,596,036	1,894,032
Hyundai Motor Manufacturing Alabama, LLC	Hyundai Motor America	3,245,529	3,743,930	2,779,658	3,206,518
	Hyundai Auto Canada Corp.	745,948	543,522	638,873	465,504
	Hyundai Capital America	785	6,985	672	5,982

As of December 31, 2009 and 2008, significant balances related to the transactions between the consolidated subsidiaries are as follows:

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable
Kia Motors Corporation	Kia Motors America Inc.	₩ 105,383	₩ 97,234	\$ 90,248	\$ 83,277
	Kia Motors Europe GmbH	159,374	267,919	136,485	229,461
	Kia Canada, Inc.	33,353	9,189	28,563	7,870
	Kia Motors Slovakia S.r.o.	233,376	184,501	199,860	158,017
	Hyundai WIA Corporation	4,328	19,024	3,706	16,293
	Hyundai Motor Group (China) Ltd.	-	6,190	-	5,301
	Kia Motors Australia Pty. Ltd.	45,516	43,208	38,979	37,006
	Dong Feng Yueda Kia Motor Co., Ltd.	58,720	81,582	50,287	69,872
	Hyundai Capital Service Inc.	12,383	6,376	10,605	5,461
	Dymos Inc.	632	1,516	541	1,298
	Kia Motors Manufacturing Georgia, Inc.	227	13,710	194	11,742
	Hyundai Motor India	-	12,176	-	10,428
	Automobile Industrial Ace Corporation	2,307	-	1,976	-
	Hyundai HYSKO	1,768	1,107	1,514	948
	Hyundai Auto Canada Corp.	761	-	652	-
	Hyundai PowerTech Co., Ltd.	75	-	64	-
	Autoever Systems Corp.	324	375	277	321
	Hyundai Motor Manufacturing Czech,s.r.o.	13,411	1,816	11,485	1,555
	METIA Corporation	59	7,349	51	6,294
	KEFICO Corporation	404	-	346	-
	Hyundai Card Co., Ltd.	14,131	7,159	12,102	6,131
	Haevichi Hotel & Resort Co., Ltd.	11,297	10,561	9,675	9,045
Autoever Systems Corp.	Kia Motors Corporation	11,841	8,821	10,140	7,555
	Hyundai Card Co., Ltd.	9,883	8,960	8,464	7,674
	Hyundai Capital Service Inc.	89	2,353	76	2,015
	Hyundai Rotem Company	4,566	7,398	3,910	6,336
	Kia Motors Manufacturing Georgia, Inc.	1,169	-	1,001	-
	Hyundai WIA Corporation	2,486	1,469	2,129	1,258
	Hyundai HYSKO	2,298	1,892	1,968	1,620
	Hyundai Information Service North America	1,621	537	1,388	460

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable
Autoever Systems Corp.	Hyundai Motor Manufacturing Czech,s.r.o.	₩ 1,299	₩ 2,966	\$ 1,112	\$ 2,540
	Hyundai Motor India	449	17	385	15
	Hyundai Commercial Inc.	15	38	13	33
	Hyundai PowerTech Co., Ltd.	1,113	3,286	953	2,814
	Dymos Inc.	819	1,358	701	1,163
	KEFICO Corporation	265	433	227	371
	Hyundai Powertech Manufacturing America	764	-	654	-
	Autoever Systems Europe GmbH	749	2,217	641	1,899
	Hyundai Motor Manufacturing Alabama, LLC	125	217	107	186
Hyundai Capital Service Inc.	Hyundai Card Co., Ltd.	1,794	1,638	1,536	1,403
	Kia Motors Corporation	4,013	2,814	3,437	2,410
	Hyundai Commercial Inc.	151	384	129	329
Hyundai Card Co., Ltd.	Kia Motors Corporation	31,073	20,179	26,610	17,282
	Hyundai Capital Service Inc.	91,544	63,085	78,397	54,030
	Autoever Systems Corp.	9,811	14,451	8,402	12,377
	M & Soft Co., Ltd.	193	117	165	100
	Dymos Inc.	385	324	330	277
KEFICO Corporation	Kia Motors Corporation	30,872	15,902	26,438	13,619
	Hyundai PowerTech Co., Ltd.	9,618	6,620	8,237	5,670
	Hyundai WIA Corporation	820	1,182	702	1,012
Dymos Inc.	Kia Motors Corporation	37,376	20,009	32,008	17,137
	Hyundai Rotem Company	8,703	11,230	7,453	9,618
	Hyundai Motor India	8,319	497	7,124	426
	Mseat Co., Ltd.	335	1,323	287	1,133
	Hyundai WIA Corporation	2,235	7,673	1,914	6,572
	Dymos Czech Republic s.r.o	4,601	-	3,940	-
	Dymos Lear Automotive India	2,156	-	1,846	-
	Hyundai PowerTech Co., Ltd.	46	6,771	39	5,799
Hyundai WIA Corporation	Kia Motors Corporation	605,548	296,333	518,582	253,797
	Hyundai Wia Automotive Engine (Shandong) Company	7,795	17,116	6,676	14,659
	Hyundai Wia Automotive Parts	6,101	7,280	5,225	6,235
	Hyundai-Kia Machine America Corp.	5,097	6,701	4,365	5,739

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable
Hyundai WIA Corporation	Hyundai Wia Motor Dies (Shandong) Company	₩ 12	₩ -	\$ 10	\$ -
	Hyundai-Kia Machine Europe GmbH	2,268	5,216	1,942	4,467
	Hyundai PowerTech Co., Ltd.	11,737	906	10,051	776
	Hyundai Rotem Company	178	5,848	152	5,009
	Dymos Inc.	500	5,680	428	4,865
	Hyundai Motor India	102	1,187	87	1,017
	Hyundai Motor Manufacturing Alabama, LLC	31	-	27	-
	Hyundai HYSCO	-	1,168	-	1,000
	Hyundai PowerTech Co., Ltd.	Kia Motors Corporation	72,295	33,096	61,912
Hyundai WIA Corporation		44,893	32,557	38,446	27,884
Hyundai Powertech Manufacturing America		1	-	1	-
Partecs Company, Ltd.		73	43	63	37
Hyundai Rotem Company	Green Air Co., Ltd.	4,450	-	3,811	-
	Hyundai Motor Manufacturing Czech,s.r.o.	593	-	508	-
	Dong Feng Yueda Kia Motor Co., Ltd.	475	-	407	-
	Hyundai Motor India	30	170	26	146
	Kia Motors Corporation	1,340	121	1,148	104
	Hyundai HYSCO	76,732	75,413	65,712	64,588
Hyundai HYSCO	Beijing Hyundai Hysco Steel Process Co., Ltd.	646	25,008	553	21,418
	Hysco Steel India, Ltd.	8,827	38,925	7,559	33,338
	Hyundai Hysco USA, Inc.	3,797	90,608	3,252	77,602
	Hysco America Co. Inc.	3,854	25,338	3,301	21,701
	Kia Motors Corporation	22,918	8,486	19,627	7,268
	Jiangsu Hyundai Hysco Steel Co., Ltd.	949	4,384	813	3,755
	Hyundai Motor India	483	369	414	316
	Hyundai Rotem Company	1,333	-	1,142	-
	Hyundai WIA Corporation	1,347	1,491	1,154	1,277
	Hysco Slovakia, S.r.o.	1,224	10,353	1,048	8,867
METIA Corporation	Hyundai WIA Corporation	27,167	17,272	23,265	14,793
	Kia Motors Corporation	6,855	7,594	5,871	6,504
	Dymos Inc.	1,042	1,432	892	1,226
Automobile Industrial Ace Corporation	Kia Motors Corporation	22,004	11,305	18,844	9,682

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable
Automobile Industrial Ace Corporation	Hyundai WIA Corporation	₩ 2,657	₩ 1,257	\$ 2,275	\$ 1,077
	Dymos Inc.	-	25	-	21
Mseat Co., Ltd.	Dymos Inc.	102,480	43,766	87,762	37,484
Haevichi Hotel & Resort Co., Ltd.	Kia Motors Corporation	554	418	474	358
	Hyundai Card Co., Ltd.	660	430	565	368
	Hyundai HYSCO	44	44	38	38
M & Soft Co., Ltd.	Kia Motors Corporation	-	2	-	2
Hyundai America Technical Center Inc.	Kia Motors Corporation	6,595	3,917	5,648	3,355
Hyundai Motor America	Hyundai America Technical Center Inc.	2,212	2,145	1,894	1,837
	Hyundai Motor Manufacturing Alabama, LLC	8,841	10,243	7,571	8,773
	Hyundai Capital America	119,010	546	101,918	468
	Innocean Worldwide Americas, LLC (Formerly, World Marketing Group LLC)	25	5	21	4
	Hyundai Information Service North America	135	541	116	463
	Kia Motors America Inc.	-	301	-	258
Innocean Worldwide Americas, LLC (Formerly, World Marketing Group LLC)	Kia Motors Corporation	1,160	2,900	993	2,484
	Hyundai Motor America	33,834	89,622	28,975	76,757
	Kia Motors America Inc.	-	90,432	-	77,451
Hyundai Motor Europe Technical Center GmbH	Kia Motors Corporation	-	6,480	-	5,550
Hyundai-Kia Machine America Corp.	Hyundai WIA Corporation	-	595	-	510
Kia Motors America Inc.	Kia Motors Corporation	65,664	15,715	56,234	13,459
	Hyundai America Technical Center Inc.	995	4	852	3
	Hyundai Information Service North America	196	1,806	168	1,547
	Hyundai Motor America	-	1,107	-	948
Hyundai Motor Europe GmbH	Hyundai Motor (UK) Ltd.	59,071	221,903	50,587	190,051
	Hyundai Motor Company Italy	4,896	-	4,193	-
	Hyundai Motor Manufacturing Czech,s.r.o.	876	-	750	-
	Hyundai Motor India	804	-	689	-
Hyundai Capital America	Kia Motors America Inc.	73,883	11,216	63,272	9,606
	Hyundai Motor America	35,529	416,209	30,426	356,465

Subsidiaries	Counterpart subsidiaries	Korean Won in millions		U. S. Dollars (Note 2) in thousands	
		2009	2008	2009	2008
		Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable	Subsidiary's receivable
Hyundai Translead, Inc	Hyundai Motor America	₩ 1,603	₩ 2,170	\$ 1,373	\$ 1,859
	Kia Motors America Inc.	1,600	-	1,370	-
	Hyundai Auto Canada Corp.	243	190	208	163
	Kia Canada, Inc.	42	13	36	11
Hyundai Motor India	Hyundai Motor (UK) Ltd.	222,962	98,822	190,941	84,637
	Hyundai Motor Company Italy	113,881	-	97,526	-
	Hyundai Assan Otomotive Sanayi Ve Ticaret A.S.	358	-	307	-
	Hyundai Motor Manufacturing Rus LLC	333	-	285	-
	Hyundai Auto Czech S.r.o.	8,666	-	7,421	-
	Hyundai WIA Corporation	460	16,929	394	14,499
	Hyundai Motor Poland Sp. Zo.O	12,760	17,778	10,927	15,226
	Hyundai Motor Norway AS	11,210	11,996	9,600	10,274
	Hyundai Motor Espana.S.L	10,474	-	8,970	-
	Hyundai Motor Manufacturing Czech,s.r.o.	32	135	27	116
Kia Motors Europe GmbH	Kia Motors (UK) Ltd.	262,562	240,578	224,854	206,045
	Kia Motors Deutschland GmbH	309,881	398,275	265,377	341,106
	Kia Motors Corporation	96,784	8,934	82,884	7,652
	Kia Automobiles France	333,743	349,937	285,812	299,706
	Kia Motors Polska Sp.z.o.o.	196,164	94,391	167,992	80,842
	Kia Motors Belgium	226,254	141,183	193,760	120,917
	Kia Motors Iberia	361,980	579,169	309,994	496,034
	Kia Motors Sweden AB	120,793	78,775	103,445	67,467
	Kia Motors Australia Pty. Ltd.	108,205	128,953	92,665	110,443
	Kia Motors Czech s.r.o.	57,214	38,150	48,997	32,674
Kia Motors Hungary Kft	Kia Motors Hungary Kft	30,537	39,721	26,151	34,019
	Kia Motors Sales Slovensko s.r.o.	19,845	23,878	16,995	20,450
Kia Canada, Inc.	Kia Motors Corporation	2,188	3,725	1,874	3,190
Kia Motors Slovakia S.r.o.	Kia Motors Europe GmbH	1,014,518	332,677	868,817	284,924
Hyundai Motor Manufacturing Alabama, LLC	Hyundai Motor America	298,521	208,910	255,649	178,923
	Hyundai Auto Canada Corp.	63,760	59,733	54,603	51,159

26. RELATED PARTY TRANSACTIONS:

(1) In 2009, significant transactions with related parties other than the consolidated subsidiaries are as follows:

Companies	Related party	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
		Sales / revenues	Purchases / expenses	Sales / revenues	Purchases / expenses
Hyundai Motor Company	Hyundai Mobis	₩ 473,848	₩ 3,467,698	\$ 405,831	\$ 2,969,937
	Asset Management Co., Ltd.	3,575	156,362	3,062	133,917
	Glovis Co., Ltd.	27,617	316,670	23,653	271,214
	Beijing Hyundai Motor Company	511,660	5,968	438,215	5,111
	Hyundai Steel Company	4,847	1,296	4,151	1,110
	Iljin Bearing Co., Ltd.	28	16,154	24	13,835
	Eukor Car Carriers Inc.	635	596,120	544	510,552
	IHL Corporation	286	71,540	245	61,271
	BNG Steel Co., Ltd.	195	59,393	167	50,868
	Innocean Worldwide Inc.	12	35,618	10	30,505
	Wisco Co., Ltd.	7	77,157	6	66,082
	Samwoo Co., Ltd.	-	241,652	-	206,965
Kia Motors Corporation	Hyundai Mobis	55,751	1,676,181	47,748	1,435,578
	Asset Management Co., Ltd.	277	30,712	237	26,304
	Glovis Co., Ltd.	14,606	605,633	12,509	518,699
	Donghui Auto Co., Ltd.	926	129,535	793	110,941
	Eukor Car Carriers Inc.	521	452,645	446	387,671

In 2008, significant transactions with related parties other than the consolidated subsidiaries are as follows:

Companies	Related party	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
		Sales / revenues	Purchases / expenses	Sales / revenues	Purchases / expenses
Hyundai Motor Company	Hyundai Mobis	₩ 373,301	₩ 3,262,899	\$ 319,717	\$ 2,794,535
	Asset Management Co., Ltd.	2,007	161,145	1,719	138,014
	Glovis Co., Ltd.	32,290	445,772	27,655	381,785
	Beijing Hyundai Motor Company	325,178	13,343	278,501	11,428
	Hyundai Steel Company	3,034	1,945	2,598	1,666
	Iljin Bearing Co., Ltd.	-	28,101	-	24,067
	Eukor Car Carriers Inc.	556	765,147	476	655,316
	IHL Corporation	41	83,547	35	71,554
	BNG Steel Co., Ltd.	14	79,416	12	68,016
	Innocean Worldwide Inc.	24	28,191	21	24,144
	Wisco Co., Ltd.	2	85,035	2	72,829
	Samwoo Co., Ltd.	1	103,568	1	88,702
Kia Motors Corporation	Hyundai Mobis	66,487	1,567,349	56,943	1,342,368
	Asset Management Co., Ltd.	723	34,176	619	29,270
	Glovis Co., Ltd.	15,671	488,620	13,422	418,482
	Donghui Auto Co., Ltd.	-	91,188	-	78,099
	Eukor Car Carriers Inc.	499	474,385	427	406,291

(2) As of December 31, 2009, significant balances related to the transactions other than the consolidated subsidiaries are as follows:

Companies	Related party	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
		Receivables	Payables	Receivables	Payables
Hyundai Motor Company	Hyundai Mobis	₩ 193,958	₩ 1,072,707	\$ 166,117	\$ 918,728
	Asset Management Co., Ltd.	277	51,863	237	44,418
	Glovis Co., Ltd.	17,205	69,622	14,735	59,628
	Beijing Hyundai Motor Company	89,385	307	76,554	263
	Hyundai Steel Company	1,606	21,883	1,375	18,742
	Eukor Car Carriers Inc.	7	49,834	6	42,681
	HMC Investment Securities Co., Ltd.	-	28,526	-	24,431
	IHL Corporation	20	15,892	17	13,611
	BNG Steel Co., Ltd.	1	17,470	1	14,962
	Innocean Worldwide Inc.	1,565	39,788	1,340	34,077
	Wisco Co., Ltd.	429	26,042	367	22,304
	Samwoo Co., Ltd.	1,368	67,895	1,172	58,149
Kia Motors Corporation	Hyundai Mobis	24,457	478,058	20,946	409,436
	Asset Management Co., Ltd.	-	13,816	-	11,833
	Glovis Co., Ltd.	1,314	72,981	1,125	62,505
	Eukor Car Carriers Inc.	-	22,503	-	19,273

As of December 31, 2008, significant balances related to the transactions other than the consolidated subsidiaries are as follows:

Companies	Related party	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
		Receivables	Payables	Receivables	Payables
Hyundai Motor Company	Hyundai Mobis	₩ 75,275	₩ 650,614	\$ 64,470	\$ 557,223
	Asset Management Co., Ltd.	329	61,267	282	52,473
	Glovis Co., Ltd.	502	43,426	430	37,193
	Beijing Hyundai Motor Company	41,733	887	35,743	760
	Hyundai Steel Company	857	21,887	734	18,745
	Eukor Car Carriers Inc.	25	103,329	21	88,497
	HMC Investment Securities Co., Ltd.	36	-	31	-
	IHL Corporation	36	19,551	31	16,745
	BNG Steel Co., Ltd.	4	10,748	3	9,205
	Innocean Worldwide Inc.	9	56,757	8	48,610
	Wisco Co., Ltd.	470	26,177	403	22,419
	Samwoo Co., Ltd.	1	11,160	1	9,558
Kia Motors Corporation	Hyundai Mobis	21,368	461,246	18,301	395,038
	Asset Management Co., Ltd.	3	10,285	3	8,809
	Glovis Co., Ltd.	725	61,805	621	52,933
	Eukor Car Carriers Inc.	-	116,666	-	99,919

27. SELLING AND ADMINISTRATIVE EXPENSES:

Selling and administrative expenses in 2009 and 2008 are as follows:

	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
	2009	2008	2009	2008
Salary-related costs	₩ 3,282,206	₩ 2,899,468	\$ 2,811,071	\$ 2,483,272
Export costs	1,261,844	1,767,268	1,080,716	1,513,590
Sales promotion and advertisements	3,781,283	4,084,588	3,238,509	3,498,277
Sales commissions	932,110	686,285	798,313	587,774
Sales warranties	1,239,006	1,684,549	1,061,156	1,442,745
Taxes and dues	274,774	174,854	235,332	149,755
Communications	57,896	67,998	49,585	58,237
Utilities	90,821	66,840	77,784	57,246
Freight and warehousing	754,111	465,550	645,864	398,724
Rent	145,437	128,327	124,561	109,907
Travel	175,967	178,324	150,708	152,727
Service charges	732,154	611,581	627,059	523,793
Maintenance	98,479	68,184	84,343	58,397
Supplies	33,418	33,233	28,621	28,463
Research	663,384	696,355	568,160	596,399
Depreciation	516,004	556,193	441,936	476,356
Amortization	110,703	112,629	94,812	96,462
Provision for other liabilities	55,510	46,096	47,542	39,479
Bad debt	320,434	238,293	274,438	204,088
Other	262,206	268,144	224,569	229,652
	₩ 14,787,747	₩ 14,834,759	\$ 12,665,079	\$ 12,705,343

28. COMMITMENTS AND CONTINGENCIES:

(1) The Company and its consolidated subsidiaries are contingently liable for guarantees of indebtedness of related parties including subsidiaries as of December 31, 2009 as follows:

Company providing guarantee of indebtedness	Beneficiary companies	Korean Won in millions	U.S. Dollars (Note 2) in thousands
Hyundai Motor Company	Hyundai Capital Services, Inc.	₩ 659,401	\$ 564,749
	Hyundai Merchant Marine Co., Ltd.	199,895	171,202
	Hyundai Rotem Company	298,772	255,886
	Hyundai Motor America	251,034	215,000
	Hyundai Motor Manufacturing Alabama, LLC	651,691	558,146
	Hyundai Capital America	876,910	751,036

Company providing guarantee of indebtedness	Beneficiary companies	Korean Won in millions	U.S. Dollars (Note 2) in thousands	
Hyundai Motor Company	Hyundai Motor India	₩ 291,900	\$ 250,000	
	Hyundai Motor Europe GmbH	89,519	76,669	
	Hyundai Motor Europe Technical Center GmbH	83,714	71,697	
	Hyundai Motor Manufacturing Rus LLC	330,503	283,062	
	Hyundai Motor Manufacturing Czech, s.r.o.	1,024,659	877,577	
	Hyundai Motor (UK) Ltd.	37,555	32,164	
	Hyundai Motor Commonwealth of Independent States	128,656	110,188	
	Hyundai Motor Japan Co.	25,256	21,631	
	Hyundai Motor Espana S.L.	133,942	114,716	
	Hyundai Motor Company Italy	50,228	43,018	
	Hyundai Motor Japan R&D Center Inc.	6,946	5,949	
	Hyundai Motor Poland Sp.Zo.O	16,743	14,340	
	Hyundai Translead, Inc.	89,905	77,000	
	Stamped Metal America Research Technology Inc.	140,112	120,000	
	Hyundai America Technical Center Inc.	23,352	20,000	
	Beijing Jingxian Motor Safeguard Service Co., Ltd.	4,670	4,000	
	Beijing Mobis Transmission Co., Ltd.	17,704	15,162	
	UTS	280,224	240,000	
	Dymos Inc.	Dymos Czech Republic s.r.o	38,676	33,124
		Dymos Lear Automotive India	22,768	19,500
Hyundai WIA Corp.	Hyundai Capital Services, Inc.	43,906	37,604	
	Hyundai WIA Automotive Parts	74,726	64,000	
	Hyundai-Kia Machine America Corp.	95,159	81,500	
	Hyundai-Kia Machine Europe GmbH	50,228	43,018	
	Hyundai Wia Automotive Engine (Shandong) Company	68,888	59,000	
	Hyundai WIA Motors Dies (Shandong) Company	14,011	12,000	
Kia Motors Corporation	Kia Motors Slovakia S.r.o.	1,019,861	873,468	
	Kia Motors (UK) Ltd.	19,554	16,747	
	Kia Motors Europe GmbH	33,486	28,679	
	Kia Motors Manufacturing Georgia, Inc.	868,385	743,735	
	Kia Motors America Inc.	29,190	25,000	
	Dong Feng Yueda Kia Motor Co., Ltd.	150,382	128,796	
	Kia Motors Russian	58,600	50,188	
	Kia Automobiles France	4,186	3,585	
Hyundai Powertech	Hyundai Powertech Manufacturing America Inc.	81,732	70,000	
Hyundai Motor America	Kia Motors Manufacturing Georgia, Inc.	1,554,216	1,331,120	
Hyundai Motor India	Hyundai Motor India Engineering Private Ltd.	4,985	4,269	
Mseat Co., Ltd.	Dymos Inc.	16,500	14,132	
KEFICO Corporation	KEFICO Automotive Systems (Beijing) Co., Ltd.	5,838	5,000	
Total		₩ 9,968,568	\$ 8,537,657	

(2) As of December 31, 2009, the outstanding balance of accounts receivable discounted with recourse amounts to ₩227,138 million (US\$194,534 thousand), including discounted overseas accounts receivable translated using the foreign exchange rate at December 31, 2009.

(3) The Company and its subsidiaries offered financial institutions 40 checks including 1 check amounting to ₩2,624 million (US\$2,247 thousand) and 116 promissory notes including 3 checks amounting to ₩24,144 million (US\$20,678 thousand) that were issued by the Company as collateral to guarantee the payment of borrowings.

(4) The Company and Kia Motors Corporation, one of domestic subsidiaries, use a customer financing system related to a long-term instalment sales system and has provided guarantees of ₩117,645 million (US\$100,758 thousand) to the banks concerned as of December 31, 2009. These guarantees are all covered by insurance contracts, which regulate a customer and the Company and Kia Motors Corporation as a contractor and a beneficiary, respectively.

(5) The Company signed lease financial agreements with Hyundai Commercial Inc. and Hyundai Capital Services, Inc. to promote sales of buses. According to the agreements, the Company has a joint responsibility to the guarantee limit of the lease user's liability stipulated in the agreement. As of December 31, 2009, the amount of guarantee is ₩37,076 million (US\$31,754 thousand). In addition, the Company is obliged to pay the lease fee and dispose of leased assets within certain period in case the lease users are bankrupt or long overdue.

(6) Ongoing lawsuits

1) The Company accrues estimated product liabilities expenses and carries the products and completed operations liability insurance (see Note 10) in order to cover the potential loss, which may occur due to the lawsuits related to its operation such as product liabilities. The Company expects that the resolution of pending cases against the Company as of December 31, 2009 will not have any material effect on its financial position.

2) Twenty four significant lawsuits that Kia Motors Corporation, one of domestic subsidiaries, is facing are in progress and the potential payment for damages according to the result of the lawsuits is up to ₩15,275 million (US\$13,082 thousand). Although the outcomes of these lawsuits are not currently predictable, management believes that the resolution of these matters will not have material adverse effect on the operation or financial position of the company.

3) There exist other ongoing lawsuits related to subsidiaries that were not presented above; however, the Company expects there would not be significant effects on its consolidated financial statements.

(7) As of December 31, 2009, the Company's consolidated subsidiaries have been provided for payment guarantee by other companies as follows:

Consolidated Subsidiaries	Company providing guarantee of indebtedness	Amounts of guarantee KRW in millions	U.S. Dollars (Note 2) in thousands
Dymos Inc.	Seoul Guarantee Insurance Company	KRW 16,545	\$ 14,170
KEFICO Corporation	Korea Exchange Bank and others	KRW 18,497	15,842
	Seoul Guarantee Insurance Company	KRW 107	92
Hyundai Rotem Company	Machinery Financial Cooperative and others	KRW 1,561,815	1,337,628
		USD 328,650	329
		EUR 348,606	500
		CAD 8,033	8
		HKD 45,138	6
		GBP 1,468	2
		SGD 6,409	5
		TWD 6,870	1
	CNY 38,819	6	
	OMR 9,997	26	

Consolidated Subsidiaries	Company providing guarantee of indebtedness	Amounts of guarantee KRW in millions	U.S. Dollars (Note 2) in thousands
Hyundai Rotem Company	Machinery Financial Cooperative and others	EGP 15,000	3
		NZD 20,405	15
Hyundai Card Co., Ltd.	Seoul Guarantee Insurance Company	KRW 5,534	4,740
Hyundai WIA Corporation	The Export-Import Bank of Korea	USD 16,237,916	16,238
		JPY 888,732,000	9,612
		USD 10,248,255	10,248
		KRW 266	228
		EUR 110,000	158
		CAD 270,000	256
	Hana Bank	USD 180,820	181
	Kookmin Bank	USD 6,888,345	6,888
EUR 987,100		1,415	
JPY 253,444,000		2,741	
	Woori Bank	USD 6,864,000	6,864
	Machinery Financial Cooperative and others	KRW 217,046	185,891
Autoever Systems Corp.	Shinhan Bank	USD 1,998,000	1,998
		USD 300,000	300
		KRW 601	515
M & Soft Co., Ltd.	Seoul Guarantee Insurance Company	KRW 179	153

(8) The Company made an agreement with its European sales subsidiaries and agents for them to be responsible for projected costs for dismantling and recycling vehicles sold in corresponding countries to comply with European Parliament directive regarding End-of-Life vehicles (ELV).

(9) In 2006, the Company sold 10,658,367 shares of Hyundai Rotem Company to MSPE Metro Investment AB and entered into a shareholders' agreement. MSPE Metro Investment AB is entitled to put option to sell those shares back to the Company in certain events (as defined) in accordance with the agreement.

(10) Hyundai Capital Services, Inc., one of domestic subsidiaries of the Company, made a credit facility agreement on a US\$ 1,000 million renewable one-year revolving credit facility up to 3 years to be provided by General Electric Capital Corporation (the "GECC") to Hyundai Capital Services, Inc. on January 13, 2009. Under the terms of such agreement, Hyundai Capital Services, Inc. shall pay commitment fee of 3M Euribor+631bp for the usage of facility and 28bp for the remaining. Also, the maturity of individual draw-down is within 1 year from the time of withdrawal and in case of termination, the maturity for previous withdrawals can be extended to 1 year from the time of termination. In addition, Hyundai Capital Services, Inc., GECC and the Company made a support agreement on credit facility agreement on the same date of the credit facility agreement. According to the support agreement, when Hyundai Capital Services, Inc. cannot redeem in a year after the withdrawal, GECC has the right of debt-to-equity swap for the relevant draw-down and has the put option that GECC can sell converted stocks to the Company within the ownership of the Company. In this case, the amount which the Company pays to GECC is the amount of withdrawal for debt-to-equity swap multiplied by the ownership of the Company. Also, the Company has the call option that it can buy converted stocks from GECC on the same condition of put option when the GECC does not exercise the put option. According to the support agreement, Hyundai Capital Services, Inc. is supposed to pay 15bp commission to the Company based on the amount on which the credit facility agreement was established multiplied by the ownership percentage of the company.

(11) Hyundai Capital Services, Inc. made a Revolving Credit Facility Agreement with the following financial institutions for credit line:

Financial institution	Credit line	Commission	Contract term
Mizuho Corporate Bank, Seoul Branch	KRW 65,000 million	- committed : 91 dayCD+1.5% - uncommitted : 30bp	Dec 15, 2009 ~ Dec 14, 2010
JP Morgan Seoul Branch	KRW 34,000 million	- committed : 91 dayCD+1.5% - uncommitted : 30bp	Sep 29, 2009 ~ Sep 28, 2010
Citibank, Seoul	KRW 50,000 million	- committed : 91 dayCD+1.5% - uncommitted : 30bp	Sep 29, 2009 ~ Sep 28, 2010
Standard Chartered, Seoul Branch	KRW 50,000 million	- committed : 91 dayCD+1.8% - uncommitted : 30bp	Dec 28, 2009 ~ Dec 28, 2010

(12) Hyundai Card Co., Ltd., one of domestic subsidiaries of the Company, made an agreement regarding asset backed securitization. According to the agreement, in order for the credibility of the asset-backed securities, several required provisions are made as a trigger clauses to be used for early redemption calls, thereby limiting the risk that investors will have resulting from a change in quality of the assets in the future. In the event the asset-backed securitization of the Hyundai Card Co., Ltd. violates the applicable trigger clause, Hyundai Card Co., Ltd. is obliged to make early redemption for asset-backed securities.

(13) Hyundai WIA Corp., one of domestic subsidiaries of the Company, made a general installment financing contracts with Doosan Capital Co., Ltd., Hyundai Commercial Inc. and Hyundai Capital Services, Inc. in order to promote the sales of its machine tools. According to the contracts, if a user of the installment financing service is in default, Hyundai WIA Corp. has to accept responsibility for the default receivable. The amounts of principal that have not matured are ₩8,582 million (US\$7,350 thousand), ₩6,639 million (US\$5,686 thousand) and ₩43,402 million (US\$37,172 thousand) for Doosan Capital Co., Ltd., Hyundai Commercial Inc. and Hyundai Capital Service Inc. respectively. The ceiling amounts are ₩150,000 million (US\$128,469 thousand), ₩54,000 million (US\$46,249 thousand) and ₩68,157 million (US\$58,374 thousand) for Doosan Capital Co., Ltd., Hyundai Commercial Inc. and Hyundai Capital Services, Inc., respectively, as of December 31, 2009.

29. DERIVATIVE INSTRUMENTS:

(1) The Company entered into derivative instrument contracts including forwards, options and swaps to hedge the exposure to changes in foreign exchange rate. As of December 31, 2009 and 2008, the Company deferred the net loss of ₩101,135 million (US\$86,618 thousand) and ₩226,514 million (US\$194,000 thousand), respectively, on valuation of the effective portion of derivative instruments for cash flow hedging purposes from forecasted exports as accumulated other comprehensive income (loss). The longest period in which the forecasted transactions are expected to occur is within 23 months from December 31, 2009. Of the net loss on valuation recorded as accumulated other comprehensive income (loss) as of December 31, 2009, net gain of ₩10,625 million (US\$9,100 thousand) is expected to be realized and charged to current operations within one year from December 31, 2009.

For the years ended December 31, 2009 and 2008, the Company recognized the net loss of ₩42,050 million (US\$36,014 thousand) and ₩130,929 million (US\$112,135 thousand), respectively, on valuation of the ineffective portion of such instruments and the other derivative instruments in current operations.

The Company recorded total gain on valuation of outstanding derivatives and to be paid of ₩35,836 million (US\$30,692 thousand) and ₩22,536 million (US\$19,301 thousand) in current and non-current derivative assets as of December 31, 2009 and 2008, respectively. Also, total loss on valuation of outstanding derivatives and present value of premiums to be received of ₩179,020 million (US\$153,323 thousand) and ₩393,804 million (US\$337,276 thousand) is recorded in current and non-current derivative liabilities as of December 31, 2009 and 2008, respectively.

(2) The transactions of derivatives belonging to subsidiaries as of December 31, 2009 consist of the following:

Derivatives	Gain (loss)		Other comprehensive gain (loss)	
	Korean Won in millions	U.S. Dollars (Note 2) in thousands	Korean Won in millions	U.S. Dollars (Note 2) in thousands
Currency option	₩ (18,870)	\$ (16,161)	₩ -	\$ -
Currency forward	13,580	11,631	3,113	2,666
Forward exchange	1,959	1,678	-	-
Currency swap	(382,947)	(327,978)	42,298	36,226
Interest rate swap	(46,923)	(40,188)	(14,875)	(12,740)
Others	-	-	(59,129)	(50,641)
Total	₩ (433,201)	\$ (371,018)	₩ (28,593)	\$ (24,489)

30. SEGMENT INFORMATION:

(1) Consolidated financial statements by industry

The consolidated statements of financial position as of December 31, 2009 and 2008, consolidated statements of income for the years then ended, by industry under which the Company and its subsidiaries' business are classified, are as follows:

Consolidated Statement of Financial Position as of December 31, 2009

ASSETS	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
	Non-financial industry	Financial industry	Non-financial industry	Financial industry
Current assets:	₩ 33,769,845	₩ 3,016,532	\$ 28,922,444	\$ 2,583,532
Non-current assets:	37,887,197	1,935,685	32,448,781	1,657,833
Investments, net of unamortized present value discount	4,557,037	182,681	3,902,909	156,459
Property, plant and equipment, net of accumulated depreciation	28,425,050	396,187	24,344,853	339,317
Intangibles, net of amortization	3,667,316	40,871	3,140,901	35,004
Other non-current assets	1,237,794	1,315,946	1,060,118	1,127,053
Other financial business assets	-	25,715,675	-	22,024,387
Total assets	₩ 71,657,042	₩ 30,667,892	\$ 61,371,225	\$ 26,265,752
LIABILITIES	Non-financial industry	Financial industry	Non-financial industry	Financial industry
Current liabilities	₩ 32,314,135	₩ 10,940,640	\$ 27,675,689	\$ 9,370,196
Borrowings	13,158,032	9,580,036	11,269,298	8,204,896
Other current liabilities	19,156,103	1,360,604	16,406,391	1,165,300
Non-current liabilities	15,168,170	14,740,665	12,990,896	12,624,755
Borrowings	9,822,869	13,427,560	8,412,872	11,500,137
Other non-current liabilities	5,345,301	1,313,105	4,578,024	1,124,618
Other financial business liabilities	-	199,664	-	171,005
Total liabilities	₩ 47,482,305	₩ 25,880,969	\$ 40,666,585	\$ 22,165,956

Consolidated Statements of Financial Position as of December 31, 2008

ASSETS	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
	Non-financial industry	Financial industry	Non-financial industry	Financial industry
Current assets:	₩ 36,149,951	₩ 2,624,437	\$ 30,960,904	\$ 2,247,719
Non-current assets:	37,478,317	2,754,699	32,098,593	2,359,283
Investments, net of unamortized present value discount	3,908,195	182,703	3,347,204	156,477
Property, plant and equipment, net of accumulated depreciation	28,537,629	380,632	24,441,272	325,995
Intangibles, net of amortization	3,391,825	57,032	2,904,955	48,845
Other non-current assets	1,640,668	2,134,332	1,405,162	1,827,966
Other financial business assets	-	24,198,379	-	20,724,888
Total assets	₩ 73,628,268	₩ 29,577,515	\$ 63,059,497	\$ 25,331,890
LIABILITIES	Non-financial industry	Financial industry	Non-financial industry	Financial industry
Current liabilities	₩ 36,592,696	₩ 11,353,374	\$ 31,340,096	\$ 9,723,684
Borrowings	18,213,857	9,832,611	15,599,398	8,421,215
Other current liabilities	18,378,839	1,520,763	15,740,698	1,302,469
Non-current liabilities	14,843,325	14,300,673	12,712,680	12,247,922
Borrowings	9,006,897	13,231,014	7,714,026	11,331,804
Other non-current liabilities	5,836,428	1,069,659	4,998,654	916,118
Other financial business liabilities	-	763,818	-	654,178
Total liabilities	₩ 51,436,021	₩ 26,417,865	\$ 44,052,776	\$ 22,625,784

Consolidated Statements of Income for the year ended December 31, 2009

	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
	Non-financial industry	Financial industry	Non-financial industry	Financial industry
Sales	₩ 86,421,828	₩ 5,041,236	\$ 74,016,640	\$ 4,317,605
Cost of sales	68,187,590	2,867,486	58,399,787	2,455,880
Selling and administrative expenses	13,459,439	1,328,308	11,527,440	1,137,639
Operating income	4,774,799	845,442	4,089,414	724,086
Other income (expenses), net	(91,191)	28,722	(78,101)	24,599
Income before income tax	4,683,608	874,164	4,011,313	748,685
Income tax expense	1,300,065	217,211	1,113,450	186,033
Changes in consolidation scope	(2,487)	5,427	(2,130)	4,648
Net income	₩ 3,381,056	₩ 662,380	\$ 2,895,732	\$ 567,300

Consolidated Statements of Income for the year ended December 31, 2008

	Korean Won in millions		U.S. Dollars (Note 2) in thousands	
	Non-financial industry	Financial industry	Non-financial industry	Financial industry
Sales	₩ 75,229,225	₩ 4,507,126	\$ 64,430,648	\$ 3,860,163
Cost of sales	59,216,976	2,612,573	50,716,835	2,237,558
Selling and administrative expenses	13,543,222	1,291,537	11,599,196	1,106,147
Operating income	2,469,027	603,016	2,114,617	516,458
Other income (expenses), net	(1,709,077)	134,018	(1,463,752)	114,781
Income before income tax	759,950	737,034	650,865	631,239
Income tax expense	222,441	187,478	190,511	160,567
Changes in consolidation scope	-	5,487	-	4,699
Net income	₩ 537,509	₩ 555,043	\$ 460,354	\$ 475,371

(2) Regional Results of Operations and Total Assets

Results of operations and total assets, by region where the Company and its subsidiaries for the year ended and as of December 31, 2009 are located, are as follows:

	Korean Won in millions					
	Domestic	North America	Asia	Europe	Consolidation adjustments	Consolidated amounts
Total sales	₩ 69,233,672	₩ 24,976,955	₩ 15,389,963	₩ 17,897,319	₩ (36,034,845)	₩ 91,463,064
Inter-company sales	(25,646,181)	(4,528,234)	(1,439,188)	(4,421,242)	36,034,845	-
Net sales	43,587,491	20,448,721	13,950,775	13,476,077	-	91,463,064
Operating income	4,923,882	216,618	531,745	(886,613)	834,609	5,620,241
Total assets	₩ 88,219,897	₩ 19,311,188	₩ 8,230,392	₩ 13,072,414	₩ (26,508,958)	₩ 102,324,934

Results of operations and total assets, by region where the Company and its subsidiaries for the year ended and as of December 31, 2008 are located, are as follows:

	Korean Won in millions					
	Domestic	North America	Asia	Europe	Consolidation adjustments	Consolidated amounts
Total sales	₩ 67,925,912	₩ 20,736,976	₩ 11,109,982	₩ 17,288,701	₩ (37,325,220)	₩ 79,736,351
Inter-company sales	(25,432,889)	(4,651,446)	(824,792)	(6,416,093)	37,325,220	-
Net sales	42,493,023	16,085,530	10,285,190	10,872,608	-	79,736,351
Operating income	3,474,314	(138,195)	278,054	(270,633)	(271,497)	3,072,043
Total assets	₩ 82,782,195	₩ 22,765,447	₩ 7,858,805	₩ 13,083,435	₩ (23,284,099)	₩ 103,205,783

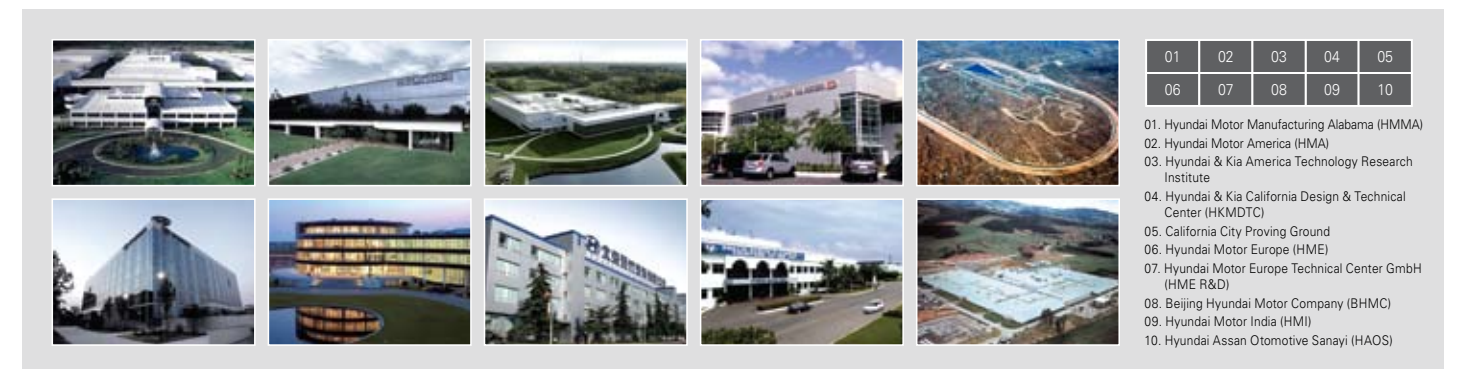
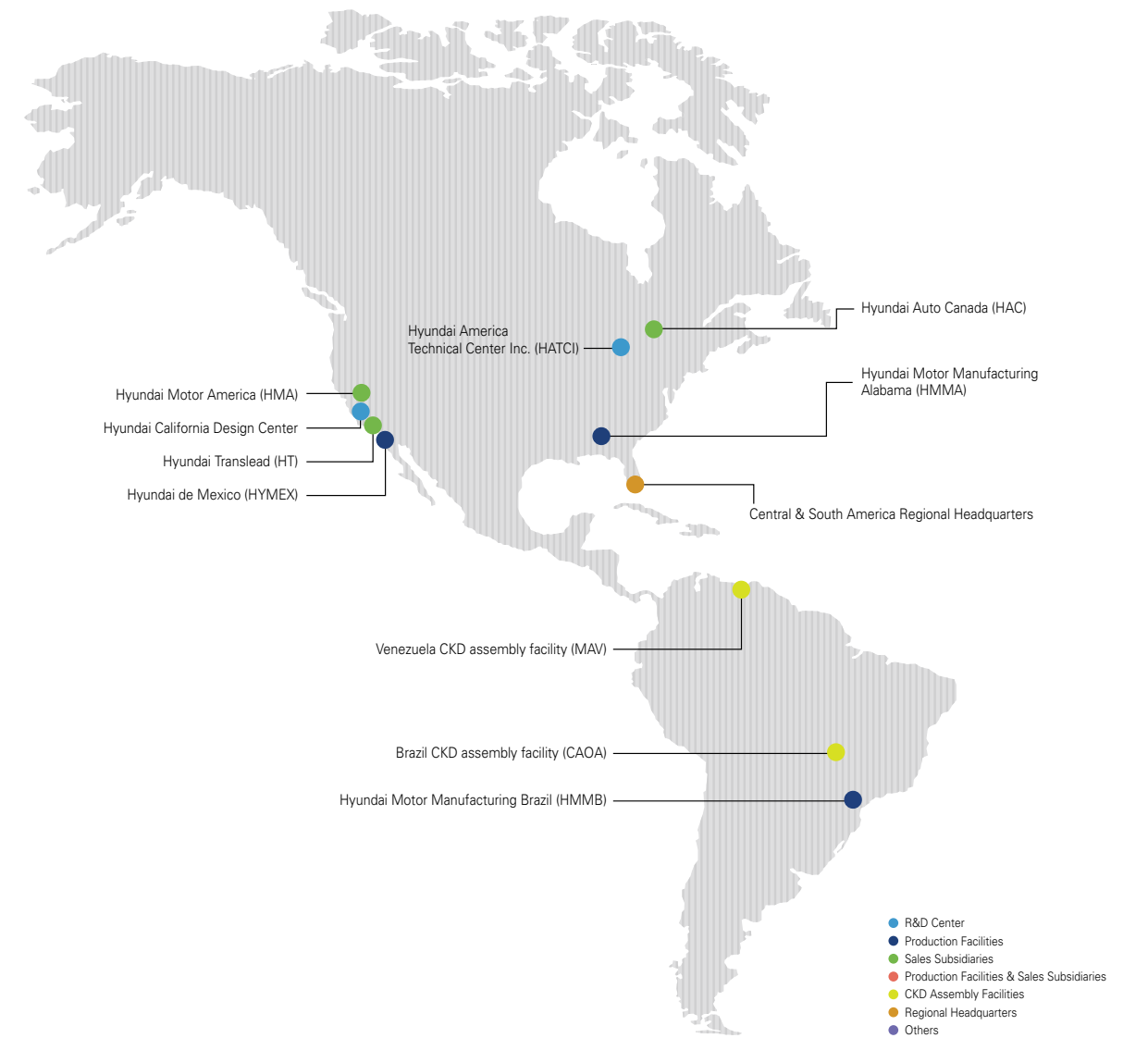
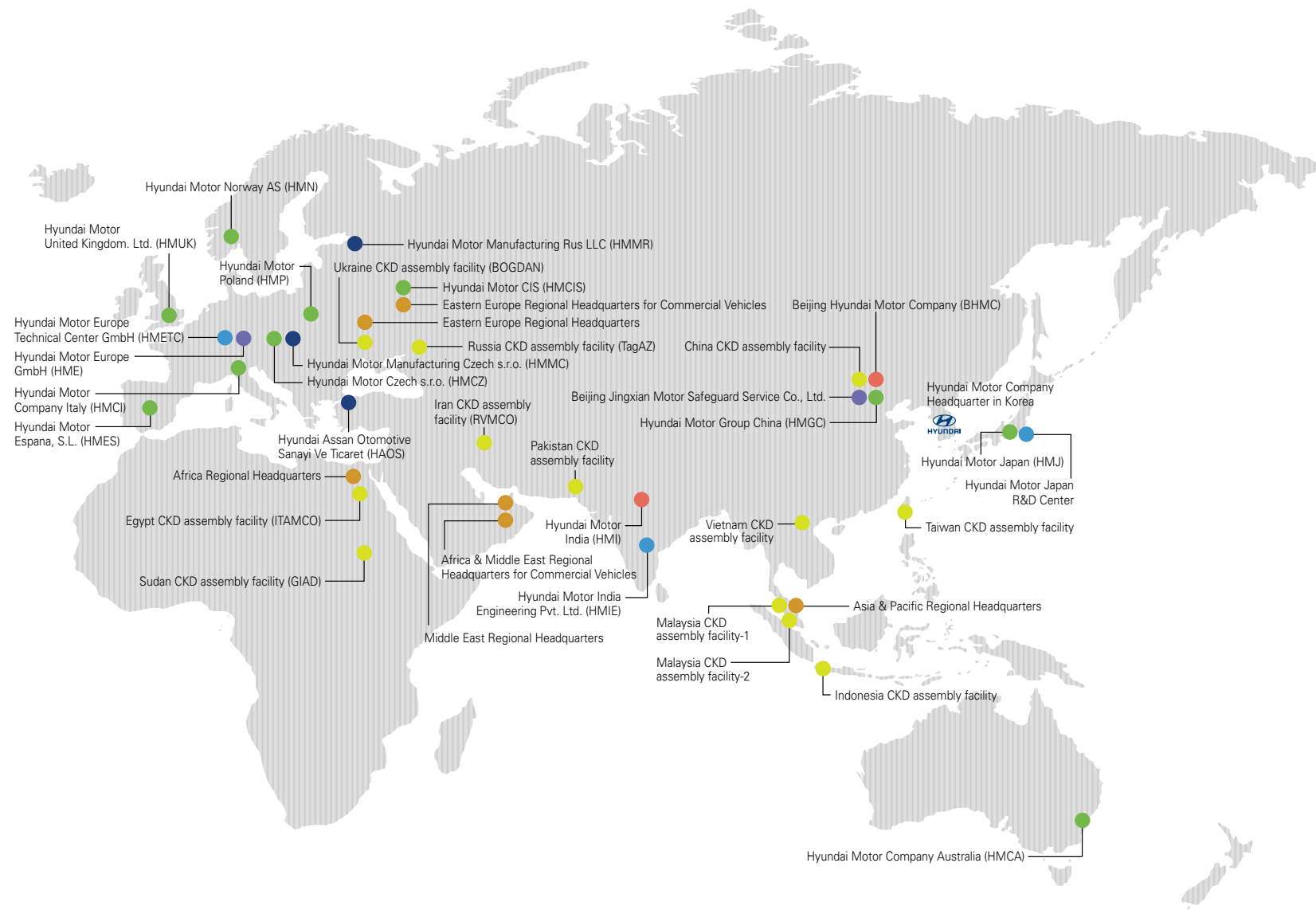
31. DISPOSAL OF RECEIVABLES IN FINANCIAL SUBSIDIARIES:

Hyundai Capital Service Inc. sold receivables to the SPCs for the purpose of raising its operating capital in accordance with the Act on Asset Backed Securities. The amounts of disposal for the years ended December 31, 2009 and 2008 are ₩1,281,232 million (US\$1,097,321 thousand) and ₩1,881,851 million (US\$1,611,726 thousand), respectively. The amounts of money receivable trust purchased at the disposal of receivables to the SPCs are ₩152,928 million (US\$130,976 thousand) and ₩614,331 million (US\$526,149 thousand) in 2009 and 2008, respectively. Also, Hyundai Card Co., Ltd. sold its card assets of ₩806,608 million (US\$690,826 thousand) for ₩806,608 million (US\$690,826 thousand) in 2008. There was no such transaction in 2009.

32. ADOPTION OF THE KOREAN INTERNATIONAL FINANCIAL REPORTING STANDARDS:

The Company has the plan to adopt the Korean International Financial Reporting Standards (the "K-IFRS") for preparing its financial statements from January 1, 2011. The Company formed a task force team and has been analyzing the impacts of adoption of the K-IFRS. In addition, the Company holds internal or external training sessions for related employees, and the implementation plan and progress status are reported to the management on a regular basis.

The items expected to significantly influence on the Company among GAAP differences between K-IFRS and K-GAAP are changes in the scope of consolidation, employee benefits, borrowing costs, investment property, income tax, disclosures of financial instruments and others, and these items may be changed depending on the additional analysis in the future.





Equus (Centennial)



Genesis



Genesis Coupe



Azera (Grandeur)



Sonata



Elantra (Avante)



i30



i30cw



i20



i10



Accent



Getz



Veracruz



Santa Fe



Tucson



H-1 (Grand Starex)



HD45



HD65 / HD72 / HD78



HD120



HD270 Dump



HD1000 Tractor



County



Super Aero City



Universe

Sincerely yours...

From Hyundai



If people are happier, if our communities find more to live for, if the nature smiles one more time with Hyundai Motor Company, that's all we need. As long as our customers, our communities, and the nature keep smiling, we will neither grow tired nor stop our efforts to make good cars and make the world happier.

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