

The Year Ahead

Uncertainty in global financial markets driven by the unfolding Eurozone financial crisis and weak consumer confidence is expected to prevail through the first half of 2012. Economic belt-tightening measures in China, our main export market, are expected to continue for the time being, resulting in an unfavorable export market outlook. Closer to home, instability in North Korea and domestic political changes on the horizon with the upcoming general and presidential elections are raising concerns that may amplify economic uncertainty. Given this outlook, we expect overall petrochemical industry growth to be flat. At the same time, a weaker US dollar and supply instability will continue to drive oil and raw material prices upward, increasing pressure on production costs.

Despite this challenging business environment, we have set a more ambitious sales target for 2012. We will be strengthening our management of key financial soundness indicators as we set our sights on graduating as soon as possible from our MOUs with creditor banks related to the company normalization plan. Toward this end, we will be reinforcing financial stability and our core capabilities as we realign our business portfolio and organization to put in place the foundation for continued growth. We will also sell off assets to lower net debt and push forward with efficient investment that will elevate our financial stability to the next level.



05 Financial Review

78	Independent Auditors' Report
80	Consolidated Statements of Financial Position
82	Consolidated Statements of Income
83	Consolidated Statements of Comprehensive Income
84	Consolidated Statements of Changes in Equity
86	Consolidated Statements of Cash Flows
88	Independent Auditors' Report
90	Separate Statements of Financial Position
92	Separate Statements of Income
93	Separate Statements of Comprehensive Income
94	Separate Statements of Changes in Equity
96	Separate Statements of Cash Flows