

Hanon Systems 2016 Q1 Disclosure

Hanon systems

The accompanying financial statements are expressed in Korean won, and for solely for the convenience of the reader, have been translated into United States dollars at the rate of Korea Exchange Bank's US dollars quarter ending exchange rates for the Income Statements, Cash Flow Statements and Balance Sheets. Such translation should not be construed as a representation that the Korean won amounts can actually be converted into United States dollars at the exchange rate used for the purpose of such translation.

	Three Months Ended	
	Q1 2016	Q1 2015
	Hanon	Hanon
	(USD in Millions)	(USD in Millions)
Sales	\$ 1,188.7	\$ 1,250.1
Cost of sales	994	1,053
Gross margin	194.3	196.9
Selling, general and administrative expenses	107	124
Operating income	87.2	72.9
Other Income/expense	2.0	(0.5)
Financial income/expense	(4.8)	(2.0)
Equity in net income of non-consolidated affiliates	2.3	3.4
Income before income taxes	86.7	73.7
Provision for income taxes	(26.5)	(18.7)
Net income	60.2	55.0
Net income attributable to non-controlling interests	3.2	3.1
Net income Hanon	\$ 57.0	\$ 51.9

	Mar 31	Dec 31
	Hanon	Hanon
	(USD in Millions)	(USD in Millions)
Cash and equivalents	\$ 468.1	\$ 381.5
Accounts receivable, net	855.1	852.5
Inventories, net	362.5	326.1
Property and equipment, net	940.7	932.3
Equity in net assets of non-consolidated affiliates	81.1	76.1
Intangible assets, net	197.1	177.0
Other assets	247.2	206.2
Total assets	\$ 3,152.0	\$ 2,951.7
Accounts payable	\$ 613.6	\$ 618.4
Accrued employee liabilities	57.8	51.4
Debt	315.8	55.1
Other liabilities	624.6	691.5
Hanon shareholders' equity	1,490.6	1,488.7
Non-controlling interests	49.5	46.7
Total liabilities and shareholders' equity	\$ 3,152.0	\$ 2,951.7

	Three Months Ended	
	Q1 2016	Q1 2015
	Hanon	Hanon
	(USD in Millions)	(USD in Millions)
Net cash provided from operating activities (I)	\$ 52.2	\$ 164.6
Investing activities		
Acquisition of property, plant, and equipment, net	(37.9)	(41.7)
Acquisition of intangible assets, net	(17.3)	(1.0)
Other	3.6	4.5
Net cash used in investing activities (II)	(51.6)	(38.2)
Financing activities		
Short-term debt, net	(157.9)	(7.8)
Long-term debt, net	(0.2)	-
Dividend	(8.1)	(2.5)
Other	247.8	0.1
Net cash used in financing activities (III)	81.7	(10.3)
Increase(Decrease) in cash and equivalents (I+ II + III)	82.3	116.1