

Hanon Systems 2017 Q1 Disclosure

Financial Consolidated Statement Information

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.

	For the three months ended	
	Mar 31	
	2017	2016
	(USD in Millions)	(USD in Millions)
Sales	\$ 1,298.3	\$ 1,279.5
Cost of sales	1,084.1	1,070.4
Gross profit	214.2	209.1
Selling, general and administrative expenses	100.2	115.2
Operating profit	114.0	93.9
Other non-operating income/expenses	(20.3)	2.2
Financial income/expenses	(3.4)	(5.2)
Share of profit in associates	2.2	2.4
Profit before income taxes	92.5	93.3
Income tax expense	26.0	28.5
Net income	66.5	64.8
Profit for the year attributable to:		
Equity holders of the parent company	\$ 64.00	\$ 61.40
Non-controlling interest	2.5	3.4

	Mar 31	Dec 31
	2017	2016
	(USD in Millions)	(USD in Millions)
Cash and cash equivalents	\$ 656.2	\$ 381.0
Trade receivables	824.2	834.1
Inventories	372.0	385.0
Investments in associates	86.6	85.1
Property, plant and equipment	1,020.2	1,055.6
Intangible assets	327.1	313.9
Other assets	320.8	403.5
Total assets	\$ 3,607.1	\$ 3,458.2
Trade payables	\$ 619.1	\$ 627.5
Net defined benefit liabilities	56.2	53.9
Debt	741.4	579.0
Other liabilities	451.3	509.0
Total liabilities	\$ 1,868.0	\$ 1,769.4
Equity attributable to owners of the Parent company	\$ 1,687.9	\$ 1,637.5
Non-controlling interests	51.2	51.3
Total stockholders' equity	\$ 1,739.1	\$ 1,688.8
Total liabilities and equity	\$ 3,607.1	\$ 3,458.2

	For the three months ended	
	Mar 31	
	2017	2016
	(USD in Millions)	(USD in Millions)
Net cash inflow from operating activities	\$ 156.7	\$ 56.2
Investing activities		
Acquisition of property, plant, and equipment	(70.0)	(40.9)
Acquisition of intangible assets	(19.9)	(18.6)
Decrease in net assets held-for-sale	46.4	-
Other	(1.5)	3.9
Net cash outflow from investing activities	(45.0)	(55.6)
Financing activities		
Net decrease of borrowings	(93.9)	(172.2)
Proceeds from issuance of bond	268.1	267.9
Dividends paid to non-controlling interests	-	(8.7)
Other	-	0.9
Net cash inflow from financing activities	174.2	87.9
Net increase in cash and equivalents	285.9	88.5
Cash and cash equivalents at the beginning of year	380.9	400.6
Net foreign exchange differences	(10.6)	(5.3)
Cash and cash equivalents at the end of year	656.2	483.8