

KUMHO PETROCHEMICAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2018 and 2017

In millions of won

	2018	2017
Cash flows from operation activities:		
Cash generated from operation activities	₩ 578,693	488,542
Interest received	2,959	1,730
Interest paid	(59,085)	(64,850)
Dividends received	23,001	16,457
Income tax paid	(60,918)	(20,832)
Net cash provided by operating activities	484,650	421,047
Cash flows from investing activities:		
Increase in short-term financial instruments	(82,000)	(4,000)
Proceeds from sales of short-term financial instruments	-	14,000
Increase in long-term financial instruments	-	(10,598)
Proceeds from sales of long-term financial instruments	232	3
Increase in long-term loans	(499)	(383)
Collection of long-term loans	261	211
Acquisition of property, plant and equipment	(134,109)	(105,974)
Sales of property, plant and equipment	5,496	5,182
Receipts of insurance	846	-
Acquisition of intangible assets	(1,369)	(832)
Sales of intangible assets	1,760	79
Acquisition of available-for-sale financial assets	-	(3,400)
Sales of available-for-sale financial assets	-	72
Sales of financial assets at fair value through OCI	18,716	-
Acquisition of other investments	(15)	(370)
Increase in cash due to change in scope of consolidation	-	(13)
Net cash used in investing activities	₩ (190,681)	(106,023)

In millions of won

	2018	2017
Cash flows from financing activities:		
Net proceeds(repaysments) of short-term borrowings	₩ (81,415)	(59,747)
Proceeds from issuance of bonds	69,720	217,905
Proceeds from long-term borrowings	17,300	147,540
Repayments of current portion of long-term borrowings	(350,287)	(541,476)
Repayments of long-term borrowings	(10,095)	(15,612)
Repayments of other payables	(309)	(220)
Payments of derivative instruments	(7,135)	(3,034)
Dividends paid	(27,298)	(22,094)
Capital increase from non-controlling interests	-	84
Increase of parent's ownership interests	(36,887)	-
Payment for share issuance costs	-	(22)
Net cash used in financing activities	(426,406)	(276,676)
Effect of exchange rate fluctuations on cash held	(188)	(895)
Net increase(decrease) in cash and cash equivalents	(132,625)	37,453
Cash and cash equivalents at the beginning of year	234,430	196,977
Cash and cash equivalents at the end of year	₩ 101,805	234,430