

Hanon Systems 2016 Q2 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.

	Six Months Ended	
	Q2 2016	Q2 2015
	Hanon	Hanon
	(USD in Millions)	(USD in Millions)
Sales	\$ 2,469.0	\$ 2,518.9
Cost of sales	2,094.1	2,136.7
<b>Gross margin</b>	374.9	382.3
Selling, general and administrative expenses	205.9	231.8
<b>Operating income</b>	169.0	150.4
Other Income/expense	3.7	8.4
Financial income/expense	(14.0)	(6.3)
Equity in net income of non-consolidated affiliates	3.9	6.2
<b>Income before income taxes</b>	162.6	158.6
Provision for income taxes	47.4	44.4
<b>Net income</b>	115.2	114.3
<b>Net income attributable to non-controlling interests</b>	6.5	6.4
<b>Net income Hanon</b>	\$ 108.8	\$ 107.9

	Jun 30	Dec 31
	Hanon	Hanon
	(USD in Millions)	(USD in Millions)
Cash and equivalents	\$ 362.9	\$ 381.5
Accounts receivable, net	822.4	852.5
Inventories, net	355.3	326.1
Property and equipment, net	942.3	932.3
Equity in net assets of non-consolidated affiliates	80.7	76.1
Intangible assets, net	190.3	177.0
Other assets	424.3	206.2
<b>Total assets</b>	\$ 3,178.2	\$ 2,951.7
Accounts payable	\$ 590.7	\$ 618.4
Accrued employee liabilities	62.6	51.4
Debt	312.0	55.1
Other liabilities	656.1	691.5
Hanon shareholders' equity	1,502.9	1,488.7
Non-controlling interests	53.9	46.7
<b>Total liabilities and shareholders' equity</b>	\$ 3,178.2	\$ 2,951.7

	Six Months Ended	
	Q2 2016	Q2 2015
	Hanon	Hanon
	(USD in Millions)	(USD in Millions)
<b>Net cash provided from operating activities ( I )</b>	\$ 117.2	\$ 212.6
<b>Investing activities</b>		
Acquisition of property, plant, and equipment, net	(100.9)	(100.5)
Acquisition of intangible assets, net	(36.7)	(16.4)
Other	(17.5)	7.3
<b>Net cash used in investing activities ( II )</b>	(155.1)	(109.6)
<b>Financing activities</b>		
Short-term debt, net	(111.0)	(9.5)
Long-term debt, net	(1.5)	-
Dividend	(118.3)	(96.7)
Other	256.0	-
<b>Net cash used in financing activities ( III )</b>	25.3	(106.2)
<b>Increase(Decrease) in cash and equivalents ( I+ II + III )</b>	(12.5)	(3.2)