

Hanon Systems 2017 Q3 Disclosure

Financial Consolidated Statement Information

The Company maintains its accounting records in Korean won and prepares statutory financial statements in Korean language (Hangul) in conformity with K-IFRS.

Income Statement

	For the nine months ended	
	Sep 30	
	2017	2016
	(KRW in Billions)	(KRW in Billions)
Sales	4,161.2	4,202.0
Cost of sales	3,488.5	3,547.1
Gross profit	672.7	654.9
Selling, general and administrative expenses	342.1	348.4
Operating profit	330.6	306.5
Other non-operating income/expenses	(26.1)	0.4
Financial income/expenses	(8.2)	(19.2)
Share of profit in associates	6.5	6.3
Profit before income taxes	302.8	294.0
Income tax expense	83.1	84.2
Net income	219.7	209.8
Profit for the year attributable to:		
Equity holders of the parent company	211.8	197.5
Non-controlling interest	7.9	12.3

Balance Sheet

	Sep 30	Dec 31
	2017	2016
	(KRW in Billions)	(KRW in Billions)
Cash and cash equivalents	535.7	425.2
Trade receivables	886.1	930.9
Inventories	498.9	429.7
Investments in associates	99.2	95.0
Property, plant and equipment	1,225.7	1,178.1
Intangible assets	402.1	350.3
Other assets	380.1	450.5
Total assets	4,027.8	3,859.7
Trade payables	649.2	700.3
Net defined benefit liabilities	82.1	60.2
Debt	747.6	646.2
Other liabilities	529.1	568.1
Total liabilities	2,008.0	1,974.8
Equity attributable to owners of the Parent company	1,965.3	1,827.6
Non-controlling interests	54.5	57.3
Total stockholders' equity	2,019.8	1,884.9
Total liabilities and equity	4,027.8	3,859.7

Cash Flow Statement

	For the nine months ended	
	Sep 30	
	2017	2016
	(KRW in Billions)	(KRW in Billions)
Net cash inflow from operating activities	344.6	238.2
Investing activities		
Acquisition of property, plant, and equipment	(201.1)	(180.0)
Acquisition of intangible assets	(59.4)	(59.8)
Decrease in net assets held-for-sale	51.8	-
Increase in other current asset	-	(89.8)
Cash outflow from business combination	-	(31.2)
Other	6.2	23.0
Net cash outflow from investing activities	(202.5)	(337.8)
Financing activities		
Net decrease of borrowings	(198.1)	(64.8)
Proceeds from issuance of bond	299.2	299.0
Dividends paid	(120.1)	(156.9)
Dividends paid to non-controlling interests	(2.2)	(18.5)
Other	-	3.7
Net cash inflow from financing activities	(21.2)	62.5
Net increase in cash and equivalents	120.9	(37.1)
Cash and cash equivalents at the beginning of year	425.2	447.1
Net foreign exchange differences	(10.4)	(23.2)
Cash and cash equivalents classified as assets held-for-sale	-	(0.4)
Cash and cash equivalents at the end of year	535.7	386.4