

Hanon Systems 2018 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	
	March 31	
	2018	2017
	(USD in Millions)	(USD in Millions)
Sales	\$ 1,300.4	\$ 1,358.7
Cost of sales	1,102.2	1,134.6
Gross profit	198.2	224.1
Selling, general and administrative expenses	108.9	104.8
Operating profit	89.3	119.3
Other non-operating income/expenses	(3.0)	(21.2)
Financial income/expenses	(3.0)	(3.6)
Share of profit in associates	1.2	2.3
Profit before income taxes	84.5	96.8
Income tax expense	23.0	27.2
Net income	61.5	69.6
Profit for the year attributable to:		
Equity holders of the parent company	\$ 59.3	\$ 67.0
Non-controlling interest	2.2	2.6

	March 31	Dec 31
	2018	2017
	(USD in Millions)	(USD in Millions)
Cash and cash equivalents	\$ 475.2	\$ 531.9
Trade receivables	885.1	828.0
Inventories	442.2	439.4
Investments in associates	92.5	90.6
Property, plant and equipment	1,202.0	1,183.3
Intangible assets	430.5	410.4
Lease assets	161.2	-
Other assets	476.0	379.1
Total assets	\$ 4,164.7	\$ 3,862.7
Trade payables	\$ 660.0	\$ 687.2
Net defined benefit liabilities	65.7	58.9
Borrowings	342.7	148.1
Debentures	561.7	561.6
Other liabilities	568.7	502.1
Total liabilities	\$ 2,198.8	\$ 1,957.9
Equity attributable to owners of the Parent company	\$ 1,896.5	\$ 1,855.3
Non-controlling interests	69.4	49.5
Total stockholders' equity	\$ 1,965.9	\$ 1,904.8
Total liabilities and equity	\$ 4,164.7	\$ 3,862.7

	For the three months ended	
	March 31	
	2018	2017
	(USD in Millions)	(USD in Millions)
Net cash inflow from operating activities	\$ 22.4	\$ 164.0
Investing activities		
Acquisition of property, plant, and equipment	(95.8)	(73.2)
Acquisition of intangible assets	(23.0)	(20.8)
Decrease in net assets held-for-sale	-	48.6
Other	2.7	(1.7)
Net cash outflow from investing activities	(116.1)	(47.1)
Financing activities		
Net decrease of borrowings	41.9	(98.2)
Proceeds from issuance of bond	-	280.5
Repayment of lease liabilities	(11.9)	-
Net cash inflow from financing activities	30.0	182.3
Net increase in cash and equivalents	(63.7)	299.2
Cash and cash equivalents at the beginning of year	531.9	398.7
Net foreign exchange differences	9.6	(11.2)
Cash and cash equivalents classified as assets held-for-sale	(2.6)	-
Cash and cash equivalents at the end of year	475.2	686.7