

**S-OIL Corporation and Subsidiary**  
**Consolidated Statements of Cash Flows**  
**Three-Month Periods Ended March 31, 2015 and 2014**

<i>(in millions of Korean won)</i>	<b>Notes</b>	<b>2015</b>	<b>2014</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	20	₩ 1,384,461	₩ (594,680)
Interest received		7,706	6,114
Interest paid		(14,204)	(10,296)
Income tax refund (paid)		(545)	(9,509)
<b>Net cash generated from operating activities</b>		<b>1,377,418</b>	<b>(608,371)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		739	852
Proceeds from sale of intangible assets		5	-
Decrease in other receivables		4,496	5,049
Decrease in other financial assets		-	137,722
Decrease in other assets		910	1,371
Purchases of property, plant and equipment	8	(71,731)	(87,111)
Purchases of intangible assets	9	(51)	(677)
Increase in other receivables		(3,685)	(5,290)
Acquisition of jointly controlled entities	7	-	(264)
Settlement of derivative financial instruments		(4,661)	(969)
Increase in financial assets		(809,958)	-
Increase in other assets		(2,748)	(2,979)
<b>Net cash generated from investing activities</b>		<b>(886,684)</b>	<b>47,704</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		383,050	756,408
Repayment of borrowings		(777,710)	(844)
Dividends paid		-	(37)
<b>Net cash generated from financing activities</b>		<b>(394,660)</b>	<b>755,527</b>
<b>Net increase in cash and cash equivalents</b>		<b>96,074</b>	<b>194,860</b>
<b>Cash and cash equivalents at the beginning of year</b>		<b>711,525</b>	<b>584,603</b>
<b>Exchange gain(loss)on cash and cash equivalents</b>		<b>6</b>	<b>14</b>
<b>Cash and cash equivalents at the end of period</b>		<b>₩ 807,605</b>	<b>₩ 779,477</b>