

S-OIL Corporation and Subsidiary
Consolidated Statements of Cash Flows
Nine Month Periods ended September 30, 2016 and 2015

<i>(in millions of Korean won)</i>	Notes	<u>2016 3Q</u>	<u>2015 3Q</u>
Cash flows from operating activities			
Cash generated from operations	20	₩ 944,868	₩ 2,116,997
Interest received		29,022	21,027
Interest paid		(59,960)	(42,666)
Income tax refund (paid)		41,898	(88,224)
Dividend received		9,723	5,600
Net cash generated from operating activities		<u>965,551</u>	<u>2,012,734</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		417	3,373
Proceeds from sale of intangible assets		2,203	172
Decrease in other receivables		14,979	15,851
Settlement of derivative financial instruments		40,346	10,237
Inflow from other investing activities		4,254	3,392
Purchases of property, plant and equipment	8	(540,366)	(400,794)
Purchases of intangible assets	9	(2,320)	(371)
Increase in other receivables		(6,156)	(16,193)
Acquisition of jointly controlled entities	7	(61)	(279)
Increase in financial assets		(1,557,776)	(1,132,957)
Outflow from other investing activities		(4,421)	(3,603)
Net cash generated from investing activities		<u>(2,048,901)</u>	<u>(1,521,172)</u>
Cash flows from financing activities			
Increase of borrowings		1,404,730	-
Repayment of borrowings		(46,277)	(440,005)
Payment of dividends		(209,641)	(128,155)
Net cash generated from financing activities		<u>1,148,812</u>	<u>(568,160)</u>
Net increase in cash and cash equivalents		65,462	(76,598)
Cash and cash equivalents at the beginning of year		201,203	711,525
Exchange gain(loss)on cash and cash equivalents		(97)	106
Cash and cash equivalents at the end of period		<u>₩ 266,568</u>	<u>₩ 635,033</u>

The accompanying notes are an integral part of these consolidated financial statements