

**S-OIL Corporation and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**6-months period June 30, 2019 and 2018**

<i>(In millions of Korean won)</i>	Notes	2019.1H	2018.1H
<b>Cash flows from operating activities</b>			
Cash generated from operations	20	46,425	332,915
Interest received		6,812	19,179
Interest paid		(79,846)	(60,238)
Income tax paid		32,844	(261,307)
Dividends		4,697	5,937
<b>Net cash inflow (outflow) from operating activities</b>		<u>10,932</u>	<u>36,486</u>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of property, plant and equipment		727	78
Proceeds from disposal of intangible assets		383	298
Decrease in other receivables		12,181	10,142
Decrease in other financial assets		501	1,402,017
Settlement of derivative assets and liabilities		-	15,310
Proceeds from other investment activities		-	1,488
Payments for property, plant and equipment	8	(373,098)	(1,095,279)
Payments for intangible assets	9	(160)	(274)
Increase in other receivables		(4,617)	(15,941)
Increase in other financial assets		(4,067)	(1,000)
Settlement of derivative assets and liabilities		(24,463)	-
Decrease from other investment activities		(18)	-
<b>Net cash outflow from investing activities</b>		<u>(392,631)</u>	<u>316,839</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		1,026,218	1,121,450
Repayment of borrowings		(218,609)	(7,289)
Decrease in other payables		(25,848)	-
Dividends paid		(17,559)	(547,258)
<b>Net cash inflow (outflow) from financing activities</b>		<u>764,202</u>	<u>566,903</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		382,503	920,228
<b>Cash and cash equivalents at the beginning of the year</b>		664,506	480,052
Effects of exchange rate changes on cash and cash equivalents		52	119
<b>Cash and cash equivalents at the end of the period in the consolidated statement of financial position</b>		<u>1,047,061</u>	<u>1,400,399</u>

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.