

KUMHO PETROCHEMICAL CO., LTD.  
Separate Statements of Cash Flows  
For the years ended December 31, 2013 and 2012

(In millions of won)

	<b>Note</b>	<b>2013</b>	<b>2012</b>
<b>Cash flows from operation activities</b>			
Cash generated from operation activities	28 ₩	355,980	309,846
Interest received		2,594	9,294
Interest paid		(61,342)	(100,689)
Dividends received		20,847	17,552
Income tax paid		(26,034)	3,535
<b>Net cash provided by operating activities</b>		<b>292,045</b>	<b>239,538</b>
<b>Cash flows from investing activities</b>			
Increase in short-term loans		-	(3,637)
Increase in long-term loans		(7,204)	(9,675)
Cash from sales of long-term loans		334	235
Acquisition of property, plant and equipment		(161,084)	(195,712)
Proceeds from sales of property, plant and equipment		8	244
Acquisition of intangible assets		(1,953)	(2,551)
Proceeds from sales of intangible assets		1,680	725
Acquisition of investments in subsidiaries		(21,113)	-
Acquisition of available-for-sale financial assets		(329)	(699)
Proceeds from sales of available-for-sale financial assets		-	1,500
Acquisition of other investments		(16)	(16)
<b>Net cash used in investing activities</b>		<b>(189,677)</b>	<b>(209,586)</b>
<b>Cash flows from financing activities</b>			
Net repayments of short-term borrowings		(303,867)	(566,684)
Proceeds from long-term borrowings		162,600	402,266
Repayments of current portion of long-term borrowings		(57,897)	(410,823)
Proceeds from issuance of bonds		-	398,308
Repayments of bonds		(11,700)	(13,400)
Dividends paid		(55,946)	(55,946)
<b>Net cash from used in financing activities</b>		<b>(266,810)</b>	<b>(246,279)</b>
<b>Effect of exchange rate fluctuations on cash held</b>		<b>(230)</b>	<b>(49)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(164,672)</b>	<b>(216,376)</b>
<b>Cash and cash equivalents at 1 January</b>		<b>198,203</b>	<b>414,579</b>
<b>Cash and cash equivalents at 31 December</b>	₩	<b>33,531</b>	<b>198,203</b>