



BEYOND STEEL

HYUNDAI STEEL INTEGRATED REPORT 2017



Consolidated Statements of Financial Position

52nd (As of December 31, 2016)
51st (As of December 31, 2015)
50th (As of December 31, 2014)

(Unit: KRW)

	52 nd	51 st	50 th
Assets			
I. Total current assets	6,794,973,724,870	6,666,847,614,070	6,120,637,512,290
Cash and cash equivalents	737,221,941,998	820,293,377,680	695,483,722,766
Short-term financial instruments	168,948,368,210	188,951,393,609	180,376,679,213
Trade and other receivables	2,371,015,053,950	2,249,012,150,413	2,165,675,060,100
Income tax refund receivables	5,375,277,677	7,826,134,909	
Inventories	3,407,724,268,132	3,287,218,827,476	2,953,972,759,040
Current derivative financial assets	2,293,590,840	13,102,025,933	
Other current financial assets	12,524,302,685	11,155,109,690	10,239,054,061
Other current assets	89,870,921,378	89,288,594,360	110,890,237,110
Assets held-for-sale			4,000,000,000
II. Total non-current assets	25,594,298,137,478	25,269,585,923,391	22,813,161,889,858
Non-current trade and other receivables	1,158,057,701	8,770,152,807	678,280,455
Available-for-sale financial assets	1,554,528,785,625	1,450,944,101,872	1,391,086,795,524
Investments in associates	116,200,718,756	116,252,881,797	115,567,455,953
Investment property, net	217,788,377,990	218,603,025,027	219,547,800,590
Property, plant and equipment, net	21,645,220,541,999	21,410,717,552,774	19,572,284,839,279
Intangible assets, net	1,793,114,184,759	1,852,604,842,964	1,341,026,934,109
Non-current derivative financial assets	5,079,504,160	6,701,054,854	179,795,443
Other non-current financial assets	206,506,412,675	160,784,922,645	163,058,581,621
Deferred tax assets	23,684,318,003	20,050,477,048	8,936,135,910
Other non-current assets	31,017,235,810	24,156,911,603	795,270,974
Total assets	32,389,271,862,348	31,936,433,537,461	28,933,799,402,148
Liabilities			
I. Total current liabilities	6,813,114,744,937	6,657,440,588,526	5,885,585,483,280
Trade and other payables	2,853,552,359,281	2,458,879,019,012	1,878,044,862,366
Short-term borrowings	1,105,519,933,343	1,893,484,852,382	1,866,156,485,598
Current portion of bonds	1,229,574,853,669	1,400,372,814,106	939,428,697,679
Current portion of long-term borrowings	1,380,403,113,648	653,378,892,365	901,396,915,873
Income taxes payable	125,783,258,670	116,558,353,459	155,714,100,593
Current derivative financial liabilities	53,778,063	2,462,403,736	3,547,937,388
Other non-current financial liabilities	399,928,829	363,400,000	
Other current liabilities	117,827,519,434	131,940,853,466	141,296,483,783
Total non-current liabilities	9,212,518,096,258	9,758,994,346,807	9,233,426,347,053
Bonds	4,070,640,241,437	4,579,221,197,078	4,591,033,769,870
Long-term borrowings	4,285,664,696,687	4,409,825,463,846	3,951,602,154,045
Non-current derivative financial liabilities	58,509,696,562	15,171,928,432	10,863,741,027
Other non-current financial liabilities	865,506,000	1,079,963,151	1,969,126,768
Defined benefit liabilities	43,646,291,389	95,944,442,610	78,086,550,340
Deferred tax liabilities	682,261,812,665	601,066,165,970	555,479,831,666
Other non-current liabilities	70,929,851,518	56,685,185,720	44,391,173,337
Total liabilities	16,025,632,841,195	16,416,434,935,333	15,119,011,830,333
Equity			
Equity attributable to owners of the Parent Company	16,070,417,085,335	15,242,022,800,475	13,623,903,615,917
Share capital	667,228,925,000	667,228,925,000	582,748,920,000
Share premium	3,914,352,871,253	3,921,954,413,634	2,869,623,263,719
Retained earnings	10,548,492,652,600	9,794,918,989,922	9,191,935,247,743
Accumulated other comprehensive income	1,069,448,968,948	1,040,931,727,413	992,190,799,354
Treasury stock	(129,106,332,466)	(183,011,255,494)	(12,594,614,899)
Non-controlling interests	293,221,935,818	277,975,801,653	190,883,955,898
Total equity	16,363,639,021,153	15,519,998,602,128	13,814,787,571,815
Total liabilities and equity	32,389,271,862,348	31,936,433,537,461	28,933,799,402,148

Consolidated Statements of
Comprehensive Income

52nd January 1, 2016 ~ December 31, 2016
51st January 1, 2015 ~ December 31, 2015
50th January 1, 2014 ~ December 31, 2014

(Unit: KRW)

	52 nd	51 st	50 th
Sales	16,691,511,903,578	16,132,512,865,309	16,762,359,710,587
Cost of sales	14,230,770,140,074	13,701,874,413,909	14,441,611,789,482
Gross profit	2,460,741,763,504	2,430,638,451,400	2,320,747,921,105
Selling, general and administrative expenses	1,015,739,681,950	966,496,708,672	829,609,437,617
Operating income	1,445,002,081,554	1,464,141,742,728	1,491,138,483,488
Financial income(loss)	(296,660,642,264)	(483,000,111,481)	(412,440,010,856)
Finance income	173,529,171,303	117,331,770,752	215,284,187,056
Finance costs	(470,189,813,567)	(600,331,882,233)	(627,724,197,912)
Share of profit of associates	10,016,558,035	9,494,766,187	11,528,755,804
Other income(loss)	(28,128,084,449)	(63,908,980,783)	8,523,858,973
Other income	186,195,985,041	158,269,731,293	113,083,893,829
Other expenses	(214,324,069,490)	(222,178,712,076)	(104,560,034,856)
Net profit before taxes (loss)	1,130,229,912,876	926,727,416,651	1,098,751,087,409
Income tax expense	296,251,392,313	187,560,785,017	316,455,731,694
Profit for the year	833,978,520,563	739,166,631,634	782,295,355,715
Other comprehensive income (loss)	61,130,379,315	4,780,706,148	(274,251,709,106)
Items that are or may be reclassified to profit or loss:			
Remeasurements of net defined benefit liabilities	32,880,453,191	(43,861,423,284)	(37,144,653,242)
Items that will be never reclassified to profit or loss:			
Gain (loss) on fair value of AFS financial assets	78,112,403,529	43,195,756,621	(234,490,797,459)
Gain(loss) on overseas operations translation	(268,459,688)	60,873,776	48,247,354
Items that will be never reclassified to profit or loss:	(42,343,702,850)	6,678,963,874	(3,005,447,617)
Re-measurements of defined benefit plan	(7,250,314,867)	(1,293,464,839)	340,941,858
Total comprehensive income for the year	895,108,899,878	743,947,337,782	508,043,646,609
Profit attributable to:			
Owners of the parent company	818,763,275,714	733,620,694,702	764,761,099,904
Non-controlling interests	15,215,244,849	5,545,936,932	17,534,255,811
Total comprehensive income attributable to:			
Owners of the parent company	879,862,765,713	738,633,546,738	492,147,213,595
Non-controlling interests	15,246,134,165	5,313,791,044	15,896,433,014
Earnings per share			
Basic earnings per share	6,253	5,955	6,600

HYUNDAI STEEL COMPANY AND SUBSIDIARIES

Condensed Consolidated Interim Financial Statements

(Unaudited)

September 30, 2017 and 2016

(With Independent Auditors' Review Report Thereon)

HYUNDAI STEEL COMPANY AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Comprehensive Income
(Unaudited)

For the three-month and nine-month periods ended September 30, 2017 and 2016

(In millions of won)

	<i>Note</i>	2017		2016	
		Three-month period	Nine-month period	Three-month period	Nine-month period
Sales	32,33	₩ 4,820,243	14,086,853	4,063,401	12,032,958
Cost of sales	29,32	(4,209,474)	(12,253,414)	(3,466,462)	(10,228,779)
Gross profit		<u>610,769</u>	<u>1,833,439</u>	<u>596,939</u>	<u>1,804,179</u>
Selling, general and administrative expenses	24,29	(271,140)	(793,264)	(240,690)	(746,575)
Operating income	33	<u>339,629</u>	<u>1,040,175</u>	<u>356,249</u>	<u>1,057,604</u>
Finance income	25,31	24,298	149,042	141,317	225,398
Finance costs	25,31	(131,315)	(344,635)	(92,041)	(321,508)
Share of profits of associates	10	5,775	16,869	3,300	9,854
Other income	26	41,549	132,738	26,600	130,501
Other expenses	26	(35,643)	(108,649)	(31,632)	(139,796)
Profit before income taxes		<u>244,293</u>	<u>885,540</u>	<u>403,793</u>	<u>962,053</u>
Income tax expenses	27	(64,650)	(226,378)	(103,127)	(248,248)
Profit for the period		<u>₩ 179,643</u>	<u>659,162</u>	<u>300,666</u>	<u>713,805</u>
Other comprehensive income (loss)					
Items that are or may be reclassified subsequently to profit or loss:					
Change in fair value of available-for-sale financial assets	31	₩ (45,443)	(103,098)	99,724	123,003
Change in capital adjustments of equity method accounted investments		-	-	-	(495)
Effective portion of changes in fair value of cash flow hedges	31	(5,805)	(2,239)	(7,788)	(16,884)
Foreign currency translation difference for foreign operations		21,252	(7,301)	(56,074)	(67,449)
Other comprehensive income (loss) for the period, net of income tax		<u>(29,996)</u>	<u>(112,638)</u>	<u>35,862</u>	<u>38,175</u>
Total comprehensive income for the period		<u>₩ 149,647</u>	<u>546,524</u>	<u>336,528</u>	<u>751,980</u>

See accompanying notes to the condensed consolidated interim financial statement.