

**BMT Company Limited**  
**Statements of Cash Flows**  
For the years Ended December 31, 2015 and 2014

<i>(in thousands of Korean Won)</i>	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>		
Net income	₩ 2,549,077	₩ 1,644,359
Adjustments to reconcile net income to net cash used in operating activities	3,446,427	6,834,504
Changes in operating assets and liabilities	(1,694,010)	(3,985,976)
Interest received	120,717	245,681
Interest paid	(791,826)	(804,209)
Income tax paid	(1,023,225)	(1,377,925)
Net cash provided by (used in) operating activities	<u>2,607,160</u>	<u>2,556,434</u>
<b>Cash flows from investing activities</b>		
Disposal (acquisition) of short-term financial instruments	(238,525)	96,018
Disposal (acquisition) of short-term loans	(948,764)	(648,370)
Disposal (acquisition) of trading securities	(199,916)	(100,000)
Disposal (acquisition) of long-term financial instruments	(292,073)	(18,487)
Acquisition of investment securities	-	(2,378,637)
Available for sale securities	(25,170)	-
Acquisition of property, plant and equipment	(1,245,299)	(4,476,353)
Disposal of property, plant and equipment	80,000	4,091
Acquisition of intangible assets	(42,565)	(142,690)
Others	249,292	(163,976)
Net cash used in investing activities	<u>(2,663,020)</u>	<u>(7,828,404)</u>
<b>Cash flows from financing activities</b>		
Increase(Decrease) in short-term borrowings	3,000,000	1,500,000
Increase(Decrease) in long-term borrowings	(652,337)	609,780
Exercise of stock warrants	-	-
Increase in national subsidy	74,656	150,000
Disposal(purchase) of treasury stock	(990,338)	706,679
Dividends	(806,314)	(796,321)
Net cash provided by (used in) financing activities	<u>625,667</u>	<u>2,170,138</u>
Net increase(Decrease) in cash and cash equivalents	<u>569,807</u>	<u>(3,101,832)</u>
<b>Cash and cash equivalents</b>		
Beginning of the year	7,791,297	10,932,321
Effect on foreign currency exchange of cash and cash equivalents	55,943	(39,192)
End of the year	<u>₩ 8,417,047</u>	<u>₩ 7,791,297</u>

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