

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.3))

	For the three months ended March 31,				
	Notes	2017	2016	2017	2016
		KRW	KRW	USD	USD
Cash flows from operating activities					
Profit for the period		7,684,354	5,252,803	6,655,144	4,549,264
Adjustments	23	7,909,512	7,804,125	6,850,145	6,758,873
Changes in assets and liabilities arising from operating activities	23	(3,211,085)	(2,293,099)	(2,781,006)	(1,985,971)
Cash generated from operations		12,382,781	10,763,829	10,724,283	9,322,166
Interest received		378,987	407,560	328,227	352,973
Interest paid		(92,981)	(122,036)	(80,528)	(105,691)
Dividends received		27,227	38,124	23,580	33,018
Income tax paid		(2,098,743)	(2,369,187)	(1,817,646)	(2,051,868)
Net cash generated from operating activities		10,597,271	8,718,290	9,177,916	7,550,598
Cash flows from investing activities					
Net decrease in short-term financial instruments		10,082,810	1,689,647	8,732,360	1,463,343
Proceeds from disposal of short-term available-for-sale financial assets		-	650,743	-	563,585
Acquisition of short-term available-for-sale financial assets		(544,463)	(1,939,684)	(471,540)	(1,679,891)
Proceeds from disposal of long-term financial instruments		10,153	500,001	8,793	433,033
Acquisition of long-term financial instruments		(86,835)	(13,486)	(75,205)	(11,680)
Proceeds from disposal of long-term available-for-sale financial assets		53,041	253,940	45,937	219,928
Acquisition of long-term available-for-sale financial assets		(28,847)	(12,513)	(24,983)	(10,837)
Proceeds from disposal of investment in associates and joint ventures		76,522	1,536,832	66,273	1,330,995
Acquisition of investment in associates and joint ventures		(4,160)	(4,848)	(3,603)	(4,199)
Disposal of property, plant and equipment		35,250	29,891	30,529	25,888
Purchases of property, plant and equipment		(8,901,692)	(4,736,465)	(7,709,436)	(4,102,083)
Disposal of intangible assets		47	483	41	418
Purchases of intangible assets		(171,098)	(350,010)	(148,182)	(303,131)
Cash outflows from business combinations		(8,624,973)	-	(7,469,780)	-
Others		(60,894)	4,804	(52,738)	4,162
Net cash used in investing activities		(8,165,139)	(2,390,665)	(7,071,534)	(2,070,469)

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

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(In millions of Korean won, in thousands of US dollars (Note 2.3))

	Notes	For the three months ended March 31,			
		2017	2016	2017	2016
		KRW	KRW	USD	USD
Cash flows from financing activities					
Net decrease in short-term borrowings		(3,575,834)	(1,451,895)	(3,096,902)	(1,257,434)
Acquisition of treasury stock		(2,045,795)	(2,898,148)	(1,771,790)	(2,509,982)
Proceeds from long-term borrowings and debentures		434,803	114,705	376,567	99,342
Repayment of long-term borrowings and debentures		(2,042)	(28,367)	(1,769)	(24,568)
Payment of dividends		(218)	(3,921)	(189)	(3,396)
Net increase in non-controlling interests		194	6,057	170	5,246
Net cash used in financing activities		(5,188,892)	(4,261,569)	(4,493,913)	(3,690,792)
Effect of exchange rate changes on cash and cash equivalents		(1,791,744)	66,956	(1,551,766)	57,988
Net increase(decrease) in cash and cash equivalents		(4,548,504)	2,133,012	(3,939,297)	1,847,325
Cash and cash equivalents					
Beginning of the period		32,111,442	22,636,744	27,810,569	19,604,873
End of the period		27,562,938	24,769,756	23,871,272	21,452,198

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