

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))

	Notes	For the six months ended June 30,			
		2017 KRW	2016 KRW	2017 USD	2016 USD
Cash flows from operating activities					
Profit for the period		18,738,205	11,100,196	16,411,666	9,721,994
Adjustments	23	16,849,218	15,606,076	14,757,215	13,668,422
Changes in assets and liabilities arising from operating activities	23	(8,852,117)	(1,294,161)	(7,753,036)	(1,133,478)
Cash generated from operations		26,735,306	25,412,111	23,415,845	22,256,938
Interest received		855,926	739,934	749,654	648,064
Interest paid		(234,578)	(213,162)	(205,453)	(186,696)
Dividends received		116,632	197,904	102,151	173,332
Income tax paid		(4,449,853)	(4,073,652)	(3,897,358)	(3,567,866)
Net cash generated from operating activities		23,023,433	22,063,135	20,164,839	19,323,772
Cash flows from investing activities					
Net decrease (increase) in short-term financial instruments		14,228,691	(3,736,033)	12,462,054	(3,272,166)
Proceeds from disposal of short-term available-for-sale financial assets		141,491	2,810,743	123,923	2,461,761
Acquisition of short-term available-for-sale financial assets		-	(2,104,714)	-	(1,843,392)
Proceeds from disposal of long-term financial instruments		18,427	589,858	16,139	516,621
Acquisition of long-term financial instruments		(632,632)	(20,283)	(554,084)	(17,765)
Proceeds from disposal of long-term available-for-sale financial assets		158,960	299,941	139,223	262,700
Acquisition of long-term available-for-sale financial assets		(149,752)	(67,606)	(131,159)	(59,212)
Proceeds from disposal of investment in associates and joint ventures		356,087	1,537,457	311,875	1,346,566
Acquisition of investment in associates and joint ventures		(12,850)	(24,104)	(11,255)	(21,111)
Disposal of property, plant and equipment		74,551	63,954	65,295	56,013
Purchases of property, plant and equipment		(21,144,265)	(8,743,821)	(18,518,989)	(7,658,186)
Disposal of intangible assets		889	518	779	454
Purchases of intangible assets		(410,758)	(617,473)	(359,758)	(540,807)
Cash outflows from business combinations		(8,624,973)	(198,164)	(7,554,095)	(173,560)
Others		(106,588)	32,733	(93,353)	28,668
Net cash used in investing activities		(16,102,722)	(10,176,994)	(14,103,405)	(8,913,416)

The above interim consolidated statements 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 six months ended June 30,			
	2017	2016	2017	2016
	KRW	KRW	USD	USD
Cash flows from financing activities				
Net increase (decrease) in short-term borrowings	289,091	(755,922)	253,197	(662,067)
Acquisition of treasury stock	(4,214,232)	(5,347,031)	(3,690,992)	(4,683,143)
Proceeds from long-term borrowings and debentures	692,445	299,187	606,471	262,040
Repayment of long-term borrowings and debentures	(1,121,754)	(46,067)	(982,477)	(40,347)
Dividends Paid	(4,823,973)	(2,924,524)	(4,225,028)	(2,561,414)
Net increase in non-controlling interests	7,017	5,869	6,147	5,140
Net cash used in financing activities	(9,171,406)	(8,768,488)	(8,032,682)	(7,679,791)
Effect of exchange rate changes on cash and cash equivalents	(853,661)	86,362	(747,671)	75,639
Net increase (decrease) in cash and cash equivalents	(3,104,356)	3,204,015	(2,718,919)	2,806,204
Cash and cash equivalents				
Beginning of the period	32,111,442	22,636,744	28,124,479	19,826,161
End of the period	29,007,086	25,840,759	25,405,560	22,632,365

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