

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2010 AND 2009

(in millions of Korean won)

	Notes	2010	2009
Cash flows from operating activities			
Cash generated from operations	36	₩ 2,985,720	₩ 2,886,497
Interest received		25,547	24,018
Interest paid		(81,889)	(115,004)
Dividends received		1,196	1,408
Income taxes paid		(423,384)	(585,814)
Net cash generated from operating activities		₩ 2,507,190	₩ 2,211,105
Cash flows from investing activities			
Decrease in other receivables		285,614	150,632
Decrease in non-current other receivables		7,869	3,402
Decrease in non-current other financial assets		617	7,250
Proceeds from disposal of property, plant and equipment		5,080	37,271
Proceeds from disposal of intangible assets		182	727
Decrease in other non-current assets		-	229
Increase in other receivables		(189,958)	(106,798)
Increase in non-current other receivables		(13,023)	(4,530)
Increase in non-current other financial assets		(612)	(3,893)
Acquisition of subsidiary, net of cash acquired	37	(61,972)	-
Acquisition of investments in associates		(14,210)	(20,146)
Purchases of property, plant and equipment		(1,617,231)	(1,099,333)
Purchases of intangible assets		(24,304)	(23,543)
Increase in other non-current assets		-	(173)
Net cash used in investing activities		₩ (1,621,948)	₩ (1,058,905)
Cash flows from financing activities			
Proceeds from borrowings		231,776	142,285
Proceeds from issuance of debentures		-	298,653
Proceeds from settlement of derivatives		-	28,442
Capital increase from non-controlling interests		3,437	6,925
Repayments of borrowings		(579,627)	(598,743)
Purchase of treasury shares		-	(2,293)
Dividends		(279,988)	(210,584)
Net cash used in financing activities		₩ (624,402)	₩ (335,315)
Cash flows from spin-off			
		-	(231,391)
Net increase in cash and cash equivalents		260,840	585,494
Cash and cash equivalents at beginning of the year		1,106,596	513,664
Exchange gains on cash and cash equivalents		598	7,438
Cash and cash equivalents at the end of the year		₩ 1,368,034	₩ 1,106,596

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