Consolidated Financial Statements

U.S. dollar amounts are converted solely for convenience at the rate of ¥116 per US\$1.00, the approximate exchange rate prevailing at December 31,2016.

Consolidated Statement of Financial Position

Sumitomo Rubber Industries, Ltd. and its Consolodated Subsidaries

		Thou	Thousands of U.S. dollars		
	Date of transition to IFRS				
	As of Dec. 31,	As of Dec. 31,	As of Dec. 31		
	2015	2015	2016		
ssets					
Current assets					
Cash and cash equivalents	462,526	461,690	573,207		
Trade and other receivables	1,830,991	1,637,414	1,576,330		
Other financial assets	33,784	47,155	32,940		
Inventories	1,209,491	1,245,750	1,198,21		
Other current assets	145,743	240,414	175,84		
Total current assets	3,682,535	3,632,423	3,556,543		
Non-current assets					
Property, plant and equipment	3,124,431	3,199,397	3,131,83		
Goodwill	50,819	134,681	132,33		
Intangible assets	132,172	179,250	184,87°		
Investments accounted for using equity method	411,569	34,871	35,09		
Other financial assets	466,776	489,164	355,509		
Net defined benefit asset	192,724	208,336	177,88		
Deferred tax assets	117,983	112,931	119,72		
Other non-current assets	48,836	47,154	44,42		
Total non-current assets	4,545,310	4,405,784	4,181,68°		
Total assets	8,227,845	8,038,207	7,738,224		

		usands of U.S. dollars	
	Date of transition to IFRS	As of Dec. 31,	As of Dec. 31, 2016
Liabilities and aguity	As of Dec 31, 2015	2015	2016
Liabilities and equity Liabilities			
Current liabilities			
	076 746	4 070 070	664.076
Bonds and loans payable	976,716	1,079,078	664,276
Trade and other payables	1,110,328	1,032,440	1,036,517
Other financial liabilities	20,819	20,276	22,621
Income tax payable	109,603	30,319	85,862
Provisions	53,310	44,483	63,362
Other current liabilities	261,267	251,628	299,802
Total current liabilities	2,532,043	2,458,224	2,172,440
Non-current liabilities			
Bonds and loans payable	1,537,560	1,128,250	1,047,897
Other financial liabilities	46,457	47,750	39,457
Net defined benefit liability	156,379	196,733	191,276
Provisions	8,957	10,466	10,319
Deferred tax liabilities	88,414	87,155	104,776
Other non-current liabilities	150,345	214,482	210,499
Total non-current liabilities	1,988,112	1,684,836	1,604,224
Total liabilities	4,520,155	4,143,060	3,776,664
Equity			
Capital stock	367,741	367,741	367,741
Capital surplus	325,767	326,862	327,043
Retained earnings	2,621,983	3,104,681	3,361,810
Treasury stock	(4,819)	(4,888)	(4,914)
Other components of equity	126,044	(153,991)	(350,680)
Total equity attributable to owners of parent	3,436,716	3,640,405	3,701,000
Non-controlling interest	270,974	254,742	260,560
Total equity	3,707,690	3,895,147	3,961,560
Total liabilities and equity	8,227,845	8,038,207	7,738,224

Consolidated Statement of Income

Sumitomo Rubber Industries, Ltd. and its Consolodated Subsidaries

		Thousands of U.S. dollars
	Jan.1 to Dec. 31, 2015	Jan.1 to Dec. 31, 2016
Sales revenue	6,883,474	6,523,241
Cost of sales	(4,555,112)	(4,307,327)
Gross profit	2,328,362	2,215,914
Selling, general and administrative expenses	(1,648,595)	(1,570,086)
Other income	116,268	33,879
Other expenses	(27,302)	(47,948)
Operating profit	768,733	631,759
Financial income	22,448	27,310
Financial expenses	(72,750)	(55,310)
Share of (Profit) loss of entities accounted for using equity method	48,388	491
Profit before tax	766,819	604,250
Income tax expenses	(130,060)	(239,845)
Profit for the year	636,759	364,405
Profit attributable to:		
Owners of the parent company	620,483	356,586
Non-controlling interests	16,276	7,819
Profit for the year	636,759	364,405
Earning per share		
Basic earning per share (U.S. dollars)	2.365	1.359

Consolidated Statement of Comprehensive Income

Sumitomo Rubber Industries, Ltd. and its Consolodated Subsidaries

		Thousands of U.S. dollars
	Jan.1 to Dec. 31, 2015	Jan.1 to Dec. 31, 2016
Profit for the year	636,759	364,405
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	4,112	(724)
Remeasurements of defined benefit plan	10,483	(12,681)
Share of other comprehensive income of associates accounted for using the equity method	(24,164)	-
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	(974)	2,690
Currency translation differences of foreign operations	(289,285)	(165,656)
Share of other comprehensive income of associates accounted for using the equity method	(9)	· · · · · · · -
Other comprehensive income, net of tax	(299,837)	(176,371)
Total comprehensive income for the year	336,922	188,034
Total comprehensive income fot the year attribute to:		
Owners of parent company	331,414	195,422
Non-controlling interests	5,508	(7,388)
Total comprehensive income fot the year	336,922	188,034

January 1 to December 31, 2015			arritar attailarra-lat- a	of the pert	Tho	usands of U.S. dollars
		E	quity attributable to owners of	of the parent company	Other componer	ate of equity
						its or equity
					Currency translation differences of	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	foreign operations	Cash flow hedge
Balance as of January 1, 2015	367,741	325,767	2,621,983	(4,819)	-	362
Profit for the year			620,483			, ··
Other comprehensive income otal comprehensive income			620.402		(278,154)	(974) (974)
Purchase of treasury stock		-	620,483	(69)	(278,154)	(974)
Disposal of treasury stock		0		0		
Dividends			(124,380)			
Changes in ownership interests in subsidiaries		1,095				
without a loss of control		1,000				
Changes in scope of consolidation			(40.405)			
Transfer to retained earnings Other increase and decrease			(13,405)			(4,373)
otal transactions with owners	-	1,095	(137,785)	(69)	-	(4,373)
Balance as of December 31, 2015	367,741	326,862	3,104,681	(4,888)	(278,154)	(4,985)
·		•	· ·	, , ,	, ,	, , ,
					Tho	usands of U.S. dollars
		quity attributable to owners	of the parent company			
	Ot	her components of equity				
	Financial assets					
	measured at fair	Damagauramanta				
	value through other comprehensive	Remeasurements of defined			Non-controlling	
	income	benefit plan	Total	Total	interests	Total
Balance as of January 1, 2015	125,682		126,044	3,436,716	270,974	3,707,690
Profit for the year	·		-	620,483	16,276	636,759
Other comprehensive income	3,897	(13,836)	(289,067)	(289,067)	(10,769)	(299,836)
Total comprehensive income	3,897	(13,836)	(289,067)	331,416	5,507	336,923
Purchase of treasury stock			-	(69)		(69)
Disposal of treasury stock			-	0		0
Dividends			-	(124,380)	(29,180)	(153,560)
Changes in ownership interests in subsidiaries without a loss of control			-	1,095	16,465	17,560
Changes in scope of consolidation					(9,024)	(9,024)
Transfer to retained earnings	(431)	13,836	13,405		(9,024)	(9,024)
Other increase and decrease	(401)	10,000	(4,373)	(4,373)		(4,373)
				(//		
Total transactions with owners	(431)	13,836	9,032	(127,727)	(21,739)	(149,466)
Salance as of December 31, 2015	(431) 129,148	13,836	9,032 (153,991)	(127,727) 3,640,405	254,742	3,895,147
Total transactions with owners Balance as of December 31, 2015 January 1 to December 31, 2016		-		3,640,405	254,742	3,895,147 usands of U.S. dollars
Salance as of December 31, 2015		-	(153,991)	3,640,405	254,742 Tho Other componer Currency translation	3,895,147
Salance as of December 31, 2015	129,148	E	(153,991) quity attributable to owners o	3,640,405	254,742 Tho Other componer Currency translation differences of	3,895,147 usands of U.S. dollars
Balance as of December 31, 2015 January 1 to December 31, 2016	129,148 Capital stock	E Capital surplus	(153,991) quity attributable to owners of Retained earnings	3,640,405 of the parent company Treasury stock	254,742 Thor Other componer Currency translation differences of foreign operations	3,895,147 usands of U.S. dollars hits of equity Cash flow hedge
Balance as of December 31, 2015 Ianuary 1 to December 31, 2016 Balance as of January 1, 2016	129,148	E	(153,991) quity attributable to owners of Retained earnings 3,104,681	3,640,405	254,742 Tho Other componer Currency translation differences of	3,895,147 usands of U.S. dollars ats of equity
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year	129,148 Capital stock	E Capital surplus	(153,991) quity attributable to owners of Retained earnings	3,640,405 of the parent company Treasury stock	254,742 Tho Other componer Currency translation differences of foreign operations (278,154)	3,895,147 usands of U.S. dollars hts of equity Cash flow hedge (4,985)
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income	129,148 Capital stock	E Capital surplus	(153,991) quity attributable to owners of Retained earnings 3,104,681 356,586	3,640,405 of the parent company Treasury stock	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924)	3,895,147 usands of U.S. dollars hits of equity Cash flow hedge
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income	129,148 Capital stock	E Capital surplus	(153,991) quity attributable to owners of Retained earnings 3,104,681	3,640,405 of the parent company Treasury stock (4,888)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154)	3,895,147 usands of U.S. dollars hts of equity Cash flow hedge (4,985) 2,692
Balance as of December 31, 2015 Ianuary 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income	129,148 Capital stock	E Capital surplus	(153,991) quity attributable to owners of Retained earnings 3,104,681 356,586	3,640,405 of the parent company Treasury stock	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924)	3,895,147 usands of U.S. dollars its of equity Cash flow hedge (4,985) 2,692
Balance as of December 31, 2015 Ianuary 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Total comprehensive income Purchase of treasury stock	129,148 Capital stock	Capital surplus 326,862	(153,991) quity attributable to owners of Retained earnings 3,104,681 356,586	3,640,405 of the parent company Treasury stock (4,888)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924)	3,895,147 usands of U.S. dollars its of equity Cash flow hedge (4,985) 2,692
Balance as of December 31, 2015 Ianuary 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries	129,148 Capital stock	Capital surplus 326,862	(153,991) quity attributable to owners of the second seco	3,640,405 of the parent company Treasury stock (4,888)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924)	3,895,147 usands of U.S. dollars its of equity Cash flow hedge (4,985) 2,692
Salance as of December 31, 2015 Salance as of January 1, 2016 Salance as of January 1, 2016 Profit for the year Other comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control	129,148 Capital stock	Capital surplus 326,862	(153,991) quity attributable to owners of the second seco	3,640,405 of the parent company Treasury stock (4,888)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924)	3,895,147 usands of U.S. dollars its of equity Cash flow hedge (4,985) 2,692
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disyosal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation	129,148 Capital stock	Capital surplus 326,862	(153,991) quity attributable to owners of the second seco	3,640,405 of the parent company Treasury stock (4,888)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924)	3,895,147 usands of U.S. dollars its of equity Cash flow hedge (4,985) 2,692
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings	129,148 Capital stock	Capital surplus 326,862	(153,991) quity attributable to owners of the second seco	3,640,405 of the parent company Treasury stock (4,888)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924)	3,895,147 usands of U.S. dollars ats of equity Cash flow hedge (4,985) 2,692 2,692
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease	Capital stock 367,741	Capital surplus 326,862 - 0 181	(153,991) quity attributable to owners of the second seco	3,640,405 of the parent company Treasury stock (4,888) - (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924)	3,895,147 usands of U.S. dollars ats of equity Cash flow hedge (4,985) 2,692 2,692
Balance as of December 31, 2015 Balance as of January 1, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease	Capital stock 367,741	Capital surplus 326,862 0 181	(153,991) quity attributable to owners of the second seco	3,640,405 of the parent company Treasury stock (4,888) (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924)	3,895,147 usands of U.S. dollars Its of equity Cash flow hedge (4,985) 2,692 2,692 2,692 698 698
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Balance as of December 31, 2015 Balance as of January 1, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease	Capital stock 367,741	Capital surplus 326,862 - 0 181 327,043	(153,991) quity attributable to owners of the search of t	3,640,405 of the parent company Treasury stock (4,888) (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924)	3,895,147 usands of U.S. dollars Its of equity Cash flow hedge (4,985) 2,692 2,692 2,692 698 698
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings	Capital stock 367,741 - 367,741	Capital surplus 326,862 - 0 181 327,043 quity attributable to owners	(153,991) quity attributable to owners of the search of t	3,640,405 of the parent company Treasury stock (4,888) (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924)	3,895,147 usands of U.S. dollars its of equity Cash flow hedge (4,985) 2,692 2,692 2,692 698 698 (1,595)
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Fotal transactions with owners	Capital stock 367,741 - 367,741	Capital surplus 326,862 - 0 181 327,043	(153,991) quity attributable to owners of the search of t	3,640,405 of the parent company Treasury stock (4,888) (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924)	3,895,147 usands of U.S. dollars tts of equity Cash flow hedge (4,985) 2,692 2,692 698 698 (1,595)
Balance as of December 31, 2015 January 1 to December 31, 2016 Balance as of January 1, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Fotal transactions with owners	Capital stock	Capital surplus 326,862 - 0 181 327,043 quity attributable to owners	(153,991) quity attributable to owners of the search of t	3,640,405 of the parent company Treasury stock (4,888) (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924)	3,895,147 usands of U.S. dollars tts of equity Cash flow hedge (4,985) 2,692 2,692 698 698 (1,595)
Balance as of December 31, 2015 Balance as of January 1, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease	29,148 Capital stock 367,741 - 367,741 Engine Continuation of the continuation of t	Capital surplus 326,862 - 0 181 327,043 quity attributable to ownersher components of equity	(153,991) quity attributable to owners of the search of t	3,640,405 of the parent company Treasury stock (4,888) (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924)	3,895,147 usands of U.S. dollars tts of equity Cash flow hedge (4,985) 2,692 2,692 698 698 (1,595)
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anuary 1 to December 31, 2016 anuary 1 to December 31, 2016 Profit for the year Other comprehensive income Otal transactions in scope of consolidation Transfer to retained earnings Other increase and decrease Otal transactions with owners Italiance as of December 31, 2016	Capital stock 367,741 - 367,741 Et Ottor Financial assets measured at fair value through other comprehensive income	Capital surplus 326,862 - 0 181 181 327,043 quity attributable to ownersher components of equity Remeasurements	(153,991) quity attributable to owners of the search of t	3,640,405 of the parent company Treasury stock (4,888) (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) (428,078) Tho	3,895,147 usands of U.S. dollars tts of equity Cash flow hedge (4,985) 2,692 2,692 698 698 (1,595)
Salance as of December 31, 2015 Salance as of January 1, 2016 Profit for the year Other comprehensive income Ottal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Total transactions with owners Salance as of December 31, 2016	Capital stock 367,741 367,741 Endity of the company of the co	Capital surplus 326,862 - 0 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan	(153,991) Quity attributable to owners of the parent company Total	3,640,405 of the parent company Treasury stock (4,888) (26) 0 (26) (4,914)	254,742 Thorogen and the state of the state	3,895,147 usands of U.S. dollars tits of equity Cash flow hedge (4,985) 2,692 2,692 2,692 4,995) usands of U.S. dollars Total
Balance as of December 31, 2015 Balance as of January 1, 2016 Profit for the year Other comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Total transactions with owners Balance as of December 31, 2016 Profit for the year Other comprehensive income	Capital stock 367,741 - 367,741 Et Ottor Financial assets measured at fair value through other comprehensive income	Capital surplus 326,862 - 0 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan	(153,991) Quity attributable to owners of the parent company Total	3,640,405 of the parent company Treasury stock (4,888) - (26) (26) (4,914) Total 3,640,405 356,586 (161,164)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) (428,078) Tho Non-controlling interests 254,742	3,895,147 usands of U.S. dollars tis of equity Cash flow hedge (4,985) 2,692 2,692 2,692 4,595) usands of U.S. dollars Total 3,895,147
Balance as of December 31, 2015 Banuary 1 to December 31, 2016 Profit for the year Other comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Total transactions with owners Balance as of December 31, 2016	Capital stock 367,741	Capital surplus 326,862 - 0 181 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan	(153,991) quity attributable to owners of the parent company Total (153,991)	3,640,405 Treasury stock (4,888) - (26) 0 (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) Tho (428,078) Tho Non-controlling interests 254,742 7,819	3,895,147 usands of U.S. dollars tits of equity Cash flow hedge (4,985) 2,692 2,692 2,692 4,595) usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034
Balance as of December 31, 2015 Banuary 1 to December 31, 2016 Profit for the year Other comprehensive income Total comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Fotal transactions with owners Balance as of December 31, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Fotal comprehensive income Furchase of treasury stock	Capital stock 367,741	Capital surplus 326,862 0 181 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan - (13,216)	(153,991) quity attributable to owners of the parent company Total (153,991) (161,164)	3,640,405 of the parent company Treasury stock (4,888) - (26) (26) (4,914) Total 3,640,405 356,586 (161,164)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) (428,078) Tho Non-controlling interests 254,742 7,819 (15,207)	3,895,147 usands of U.S. dollars tits of equity Cash flow hedge (4,985) 2,692 2,692 2,692 4,995 usands of U.S. dollars Total 3,895,147 364,405 (176,371)
Salance as of December 31, 2015 Salance as of January 1, 2016 Profit for the year Other comprehensive income Otal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Otal transactions with owners Salance as of December 31, 2016 Profit for the year Other comprehensive income Otal comprehensive income Purchase of treasury stock Disposal of treasury stock	Capital stock 367,741	Capital surplus 326,862 0 181 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan - (13,216)	(153,991) quity attributable to owners of the parent company Total (153,991) (161,164)	3,640,405 Treasury stock (4,888) (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422 (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) Tho Indicate the second of the secon	3,895,147 usands of U.S. dollars tis of equity Cash flow hedge (4,985) 2,692 2,692 2,692 4,955 usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034 (26) 0
Balance as of December 31, 2015 Banuary 1 to December 31, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Fotal comprehensive income Other some of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Fotal transactions with owners Balance as of December 31, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends	Capital stock 367,741	Capital surplus 326,862 0 181 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan - (13,216)	(153,991) quity attributable to owners of the parent company Total (153,991) (161,164)	3,640,405 Treasury stock (4,888) (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422 (26)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) (428,078) Tho Non-controlling interests 254,742 7,819 (15,207)	3,895,147 usands of U.S. dollars tits of equity Cash flow hedge (4,985) 2,692 2,692 2,692 4,595) usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034 (26)
Balance as of December 31, 2015 Banuary 1 to December 31, 2016 Profit for the year Other comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Total transactions with owners Balance as of December 31, 2016 Profit for the year Other comprehensive income Total comprehensive income Total comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries Changes in ownership interests in subsidiaries	Capital stock 367,741	Capital surplus 326,862 0 181 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan - (13,216)	(153,991) quity attributable to owners of the parent company Total (153,991) (161,164)	3,640,405 Treasury stock (4,888) (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422 (26) 0	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) Tho Indicate the second of the secon	3,895,147 usands of U.S. dollars tis of equity Cash flow hedge (4,985) 2,692 2,692 2,692 4,995 usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034 (26) 0
Salance as of December 31, 2015 Salance as of January 1, 2016 Profit for the year Other comprehensive income Otal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease otal transactions with owners Salance as of December 31, 2016 Profit for the year Other comprehensive income Otal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control	Capital stock 367,741	Capital surplus 326,862 0 181 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan - (13,216)	(153,991) quity attributable to owners of the parent company Total (153,991) (161,164)	3,640,405 Treasury stock (4,888) (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422 (26) 0 (135,680)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) Tho Non-controlling interests 254,742 7,819 (15,207) (7,388) (11,329) 22,190	3,895,147 usands of U.S. dollars tts of equity Cash flow hedge (4,985) 2,692 2,692 2,692 2,692 4,595) usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034 (26) 0 (147,009) 22,371
Balance as of December 31, 2015 January 1 to December 31, 2016 Profit for the year Other comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Fotal transactions with owners Balance as of December 31, 2016 Profit for the year Other comprehensive income Furchase of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in ownership interests in subsidiaries without a loss of control Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation	Capital stock 367,741	Capital surplus 326,862 - 0 181 181 327,043 quity attributable to ownersher components of equity Remeasurements of defined benefit plan - (13,216) (13,216)	(153,991) Retained earnings 3,104,681 356,586 356,586 (135,680) 36,223 (99,457) 3,361,810 Total (153,991) (161,164) (161,164)	3,640,405 Treasury stock (4,888) (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422 (26) 0 (135,680)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) Tho Available of the component of the c	3,895,147 usands of U.S. dollars tits of equity Cash flow hedge (4,985) 2,692 2,692 2,692 1,595 usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034 (26) 0 (147,009)
Balance as of December 31, 2015 Banuary 1 to December 31, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Fotal transactions with owners Balance as of December 31, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Fotal comprehensive income Fotal comprehensive income Changes in ownership interests in subsidiaries without a loss of control Changes in ownership interests in subsidiaries without a loss of control	Capital stock 367,741	Capital surplus 326,862 0 181 181 327,043 quity attributable to owners her components of equity Remeasurements of defined benefit plan - (13,216)	(153,991) Retained earnings 3,104,681 356,586 356,586 (135,680) 36,223 (99,457) 3,361,810 Total (153,991) (161,164) (161,164) (36,223)	3,640,405 Treasury stock (4,888) (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422 (26) 0 (135,680)	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) Tho Non-controlling interests 254,742 7,819 (15,207) (7,388) (11,329) 22,190	3,895,147 usands of U.S. dollars tts of equity Cash flow hedge (4,985) 2,692 2,692 2,692 2,692 1,595 usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034 (26) 0 (147,009) 22,371 2,345
Balance as of December 31, 2015 January 1 to December 31, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings Other increase and decrease Fotal transactions with owners Balance as of December 31, 2016 Profit for the year Other comprehensive income Fotal comprehensive income Purchase of treasury stock Disposal of treasury stock Dividends Changes in ownership interests in subsidiaries without a loss of control Changes in scope of consolidation Transfer to retained earnings	Capital stock 367,741	Capital surplus 326,862 - 0 181 181 327,043 quity attributable to ownersher components of equity Remeasurements of defined benefit plan - (13,216) (13,216)	(153,991) Retained earnings 3,104,681 356,586 356,586 (135,680) 36,223 (99,457) 3,361,810 Total (153,991) (161,164) (161,164)	3,640,405 Treasury stock (4,888) (26) (4,914) Total 3,640,405 356,586 (161,164) 195,422 (26) 0 (135,680) 181	254,742 Tho Other componer Currency translation differences of foreign operations (278,154) (149,924) (149,924) Tho Non-controlling interests 254,742 7,819 (15,207) (7,388) (11,329) 22,190	3,895,147 usands of U.S. dollars tts of equity Cash flow hedge (4,985) 2,692 2,692 2,692 2,692 usands of U.S. dollars Total 3,895,147 364,405 (176,371) 188,034 (26) 0 (147,009) 22,371

Thousands of U.S. dollars

	Jan.1 to Dec. 31, 2015	Jan.1 to Dec. 31, 2016
Cash flows from operating activities		
Profit before tax	766,819	604,250
Depreciation and amortization	443,267	441,793
Impairment loss	2,974	3,405
Interest and dividends income	(20,345)	(20,802)
Interest expenses	38,586	32,000
Share of (profit) loss of entities accounted for using equity method	(48,388)	(491)
Loss (gain) on sales and retirement of non-current assets	7,543	5,793
Loss (gain) on sales of shares of subsidiaries and associates	(78,164)	-
Decrease (increase) in inventories	(73,957)	32,776
Decrease (increase) in trade and other receivables	166,164	38,948
Increase (decrease) in trade and other payables	(116,034)	(10,259)
Other, net	(43,395)	67,414
Subtotal	1,045,070	1,194,827
Interest received	12,828	15,078
Dividend income received	7,534	5,681
Interest expenses paid	(36,983)	(29,707)
Income taxes paid	(279,621)	(80,793)
Net cash provided by (used in) operating activities	748,828	1,105,086
Cash flows from investing activities		
Purchase of property, plant and equipment	(497,466)	(415,707)
Proceeds from sales of property, plants and equipment	8,345	3,793
Purchase of intangible assets	(36,483)	(44,569)
Purchase of investment securities	(1,310)	(767)
Proceeds from sales of investment securities	698	89,250
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	1,034
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(150,543)	-
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	24,457	-
Proceeds from sales of shares of associates	391,991	-
Payment for transfer of business	(16,466)	-
Other, net	12,363	3,656
Net cash provided by (used in) investing activities	(264,414)	(363,310)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(53,483)	(214,043)
Proceeds from long-term debt and newly issued bonds	8,233	126,491
Repayments of long-term debt and redemption of bonds	(252,491)	(381,819)
Proceeds from contributions of non-controlling interests	32,043	22,448
Cash dividends paid	(124,379)	(135,681)
Cash dividends paid to non-controlling interests	(29,181)	(11,328)
Purchase of shares of non-controlling interests	(14,776)	(164)
Other, net	(20,337)	(18,447)
Net cash provided by (used in) financing activities	(454,371)	(612,543)
Effect of exchange rate change on cash and cash equivalents	(30,879)	(17,716)
Net increase (decrease) in cash and cash equivalents	(836)	111,517
Cash and cash equivalents at the beginning of current period	462,526	461,690
Cash and cash equivalents at the end of current period	461,690	573,207