



Annual Report 2014

HYUNDAI ELEVATOR CO., LTD. and Subsidiaries

Consolidated Statements of Financial Position

December 31, 2014 and 2013

<i>(in Korean won)</i>	Notes	2014	2013
Assets			
Current assets			
Cash and cash equivalents	4,5	126,819,019,126	114,983,668,303
Short-term financial instruments	4,5	8,000,000,000	5,000,000,000
Held-to-maturity financial assets	4,5,12	1,513,520,000	867,085,000
Trade receivables	4,5,6,8,33	215,173,610,311	172,853,912,072
Due from customers for contract work	4,5,8,21,33	99,944,963,660	112,474,008,306
Other receivables	4,5,8,33	12,410,822,908	3,361,787,406
Derivative financial assets	4,5,32	301,505,182	436,989,366
Inventories	9	29,812,734,336	12,486,513,154
Other financial assets	4,5,32	43,764,461,506	204,006,779,088
Other current assets	33	14,064,980,181	25,790,859,054
Current tax assets		677,112,405	-
		<u>552,482,729,615</u>	<u>652,261,601,749</u>
Non-current assets			
Long-term financial instruments	4,5,7	8,142,970,330	835,485,120
Available-for-sale financial assets	4,5,11	2,559,473,609	23,538,154,620
Held-to-maturity financial assets	4,5,12	3,146,540,000	4,362,735,000
Investments in jointly controlled entity and associates	13	257,540,610,213	279,565,425,375
Derivative financial assets	4,5,32	-	575,060
Investment property	14,34	13,539,927,499	14,556,156,918
Property, plant and equipment	15,34	120,851,188,402	99,959,058,767
Intangible assets	16	6,559,741,689	5,631,477,066
Other financial assets	4,5,33	16,536,924,631	15,684,849,399
Other non-current assets		2,690,078,446	7,987,110,872
Deferred income tax assets	20	88,861,878,867	99,949,211,758
		<u>520,429,333,686</u>	<u>552,070,239,955</u>
Total assets		<u>1,072,912,063,301</u>	<u>1,204,331,841,704</u>
Liabilities			
Current liabilities			
Trade payables	4,5,10,33	137,035,681,247	116,536,185,908
Other payables	4,5,10,33	52,395,836,462	44,873,037,568
Borrowings and debentures	4,5,17	187,624,041,569	120,425,095,875
Derivative financial liabilities	4,5,32	44,695,181,160	336,022,741,816
Advances received	33	22,359,982,529	7,185,302,729
Due to customers for contract work	21	98,242,730,751	81,348,431,084
Provisions	21	10,168,152,753	9,972,450,460
Other financial liabilities	4,5	1,099,040	1,393,800
Other current liabilities		13,181,570,522	12,711,081,505
Current income tax liabilities		1,491,337,062	8,496,625,723
		<u>567,195,613,095</u>	<u>737,572,346,468</u>
Non-current liabilities			
Other payables	4,5,10	689,500,000	770,500,000
Borrowings and debentures	4,5,6,17	105,402,211,036	194,641,364,582
Derivative financial liabilities	4,5,32	626,359,939	96,836,135,291
Net defined benefit liabilities	18	20,710,602,734	10,926,386,731
Long-term employee benefit obligations	19	5,139,742,038	3,513,061,221
Deferred income tax liabilities	20	1,462,425,782	-
		<u>134,030,841,529</u>	<u>306,687,447,825</u>
Total liabilities		<u>701,226,454,624</u>	<u>1,044,259,794,293</u>
Equity attributable to owners of the Parent Company			
Paid-in capital			
Capital stock	1,22	98,162,565,000	68,162,565,000
Capital surplus	22	678,534,277,559	530,240,065,159
Accumulated other comprehensive income		(5,409,401,513)	9,022,915,646
Accumulated deficit	23	(400,665,974,222)	(448,203,716,239)
		<u>370,621,466,824</u>	<u>159,221,829,566</u>
Non-controlling interest		<u>1,064,141,853</u>	<u>850,217,845</u>
Total equity		<u>371,685,608,677</u>	<u>160,072,047,411</u>
Total liabilities and equity		<u>1,072,912,063,301</u>	<u>1,204,331,841,704</u>

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

HYUNDAI ELEVATOR CO., LTD. and Subsidiaries
Consolidated Statements of Comprehensive Income
Years Ended December 31, 2014 and 2013

<i>(in Korean won, except loss per share amounts)</i>	Notes	2014	2013
Sales	33,34	1,305,580,741,993	1,066,212,843,099
Cost of sales	25,33	<u>1,047,283,518,957</u>	<u>879,037,034,937</u>
Gross profit		258,297,223,036	187,175,808,162
Selling, marketing and administrative expenses	25,26,33	<u>124,534,588,459</u>	<u>88,552,510,884</u>
Operating profit	34	133,762,634,577	98,623,297,278
Other income	27,33	18,729,170,525	5,069,330,633
Other expenses	28	15,732,136,113	15,654,034,747
Gain (loss) from associates and jointly controlled entity	13	4,848,216,022	(166,412,724,726)
Gain on disposal of investment in associates and jointly controlled entity	13	504,673,263	5,260,561,747
Finance income	5,29,32,33	8,987,158,284	9,656,925,078
Finance expenses	5,30,32	<u>79,661,327,158</u>	<u>326,382,200,522</u>
Profit (loss) before income tax		71,438,389,400	(389,838,845,259)
Income tax expense(benefit)	20	<u>21,018,936,495</u>	<u>(47,176,688,545)</u>
Income (loss) for the year		<u>50,419,452,905</u>	<u>(342,662,156,714)</u>
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss:			
Remeasurement of net defined benefit liability	18	(1,688,151,261)	8,463,308,158
Remeasurement of net defined benefit liabilities from associates		(1,239,562,881)	968,772,439
Items that will be reclassified subsequently to profit or loss:			
Change in value of available-for-sale financial assets	11	(8,692,877,899)	321,423,890
Other comprehensive gain (loss) from jointly controlled entity and associates		(6,410,531,799)	2,226,528,396
Foreign operation currency translation differences		<u>691,262,298</u>	<u>(3,010,940,949)</u>
Other comprehensive income (loss) for the year, net of tax		<u>(17,339,861,542)</u>	<u>8,969,091,934</u>
Total comprehensive income (loss) for the year		<u>33,079,591,363</u>	<u>(333,693,064,780)</u>
Profit(loss) for the year attributable to:			
Equity holders of the Parent Company		50,465,456,159	(342,331,766,285)
Non-controlling interest		(46,003,254)	(330,390,429)
Total comprehensive income (loss) for the year attributable to:			
Equity holders of the Parent Company		33,105,424,858	(333,077,008,515)
Non-controlling interest		(25,833,495)	(616,056,265)
Earnings (loss) per share attributable to the equity holders of the Parent Company during the year (in won)	24	2,711	(26,473)

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

HYUNDAI ELEVATOR CO., LTD. and Subsidiaries
Consolidated Statements of Changes in Equity
Years Ended December 31, 2014 and 2013

	Attributable to equity holders of the Parent Company					Non-controlling Interest	Total Equity
	Capital stock	Capital surplus	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated deficit)	Total		
<i>(in Korean won)</i>							
Balance at January 1, 2013	60,162,565,000	442,484,738,959	9,200,238,473	(115,304,030,551)	396,543,511,881	200,000	396,543,711,881
Total comprehensive income	-	-	-	(342,331,766,285)	(342,331,766,285)	(330,390,429)	(342,662,156,714)
Loss for the year	-	-	-	-	-	-	-
Change in value of available-for-sale financial assets	-	-	321,423,890	-	321,423,890	-	321,423,890
Other comprehensive gain from associates and jointly controlled entity	-	-	2,226,528,396	-	2,226,528,396	-	2,226,528,396
Remeasurement of net defined benefit liabilities from associates	-	-	-	968,772,439	968,772,439	-	968,772,439
Foreign operation currency translation differences	-	-	(2,725,275,113)	-	(2,725,275,113)	(285,665,836)	(3,010,940,949)
Remeasurement of net defined benefit liability	-	-	-	8,463,308,158	8,463,308,158	-	8,463,308,158
Total comprehensive loss for the year	-	-	(177,322,827)	(332,899,685,688)	(333,077,008,515)	(616,056,265)	(333,693,064,780)
Transactions with equityholders of the Parent Company							
Issuance of share capital	8,000,000,000	87,755,326,200	-	-	95,755,326,200	-	95,755,326,200
Refund of capital stock of subsidiaries	-	-	-	-	-	(200,000)	(200,000)
Payment of initial capital of subsidiaries	-	-	-	-	-	399,995,539	399,995,539
Changes in scope of consolidation	-	-	-	-	-	1,066,278,571	1,066,278,571
Total transactions with equityholders of the Parent Company	8,000,000,000	87,755,326,200	-	-	95,755,326,200	1,466,074,110	97,221,400,310
Balance at December 31, 2013	68,162,565,000	530,240,065,159	9,022,915,646	(448,203,716,239)	159,221,829,566	850,217,845	160,072,047,411
Balance at January 1, 2014	68,162,565,000	530,240,065,159	9,022,915,646	(448,203,716,239)	159,221,829,566	850,217,845	160,072,047,411
Total comprehensive income	-	-	-	50,465,456,159	50,465,456,159	(46,003,254)	50,419,452,905
Profit (loss) for the year	-	-	-	-	-	-	(8,692,877,899)
Change in value of available-for-sale financial assets	-	-	(8,692,877,899)	-	(8,692,877,899)	-	-
Other comprehensive loss from associates and jointly controlled entity	-	-	(6,410,531,799)	-	(6,410,531,799)	-	(6,410,531,799)
Remeasurement of net defined benefit liabilities from associates	-	-	-	(1,239,562,881)	(1,239,562,881)	-	(1,239,562,881)
Foreign operation currency translation differences	-	-	671,092,539	-	671,092,539	20,169,759	691,262,298
Remeasurement of net defined benefit liability	-	-	-	(1,688,151,261)	(1,688,151,261)	-	(1,688,151,261)
Total comprehensive income (loss) for the year	-	-	(14,432,317,159)	47,537,742,017	33,105,424,858	(25,833,495)	33,079,591,363
Transactions with equityholders of the Parent Company							
Issuance of share capital	30,000,000,000	148,294,212,400	-	-	178,294,212,400	-	178,294,212,400
Payment of initial capital of subsidiaries	-	-	-	-	-	239,757,503	239,757,503
Total transactions with equityholders of the Parent Company	30,000,000,000	148,294,212,400	-	-	178,294,212,400	239,757,503	178,533,969,903
Balance at December 31, 2014	98,162,565,000	678,534,277,559	(5,409,401,513)	(400,665,974,222)	370,621,466,824	1,064,141,853	371,685,608,677

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

HYUNDAI ELEVATOR CO., LTD. and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended December 31, 2014 and 2013

<i>(in Korean won)</i>	Notes	2014	2013
Cash flows from operating activities			
Cash generated from operations	31	164,736,531,896	117,497,740,117
Interest received		3,068,262,269	6,151,986,967
Interest paid		(13,130,826,836)	(22,036,421,511)
Dividends received		765,218,993	186,152,976
Income tax refund (payment)		(11,955,912,355)	2,553,124,671
Net cash generated from operating activities		<u>143,483,273,967</u>	<u>104,352,583,220</u>
Cash flows from investing activities			
Proceeds from disposal of held-to-maturity financial instruments		841,308,070	326,615,000
Return of guarantee deposits		164,867,436,333	17,514,844,400
Proceeds from disposal of associates		1,293,979,737	-
Net cash flow due to acquisition of subsidiaries		7,840,848,430	104,926,693
Decrease in derivative financial assets		503,270,941	716,581,831
Proceeds from disposal of property, plant and equipment		1,301,215,599	229,552,007
Proceeds from disposal of available-for-sale financial assets		19,108,647,257	116,763,103
Proceeds from disposal of intangible assets		-	793,354,653
Proceeds from disposal of long-term financial instruments		817,485,120	3,000,000
Acquisition of short-term financial instruments		(3,000,000,000)	(5,000,000,000)
Increase in long-term loans		(260,051,600)	(184,361,621)
Acquisition of held-to-maturity financial instruments		(297,325,000)	(1,900,690,000)
Acquisition of available-for-sale financial assets		(501,882,510)	(79,782,750)
Acquisition of long-term financial instruments		(8,140,610,561)	(817,485,120)
Acquisition of associates		-	(59,469,738,179)
Increase in guarantee deposits		(979,653,306)	(88,013,887,745)
Acquisition of property, plant and equipment		(27,048,855,284)	(25,851,922,717)
Acquisition of intangible assets		-	(1,798,493,072)
Decrease of derivative financial liabilities		(445,591,347,703)	(49,120,860,059)
Net cash used in investing activities		<u>(289,245,534,477)</u>	<u>(212,431,583,576)</u>
Cash flows from financing activities			
Proceeds from borrowings		79,225,812,642	64,909,850,000
Issuance of shares		178,294,212,400	95,755,326,200
Payment of non-controlling interest		239,757,500	399,995,539
Repayments of debentures		(100,824,259,873)	(196,668,984,206)
Refund of capital stock of subsidiaries		-	(200,000)
Net cash generated from (used in) financing activities		<u>156,935,522,669</u>	<u>(35,604,012,467)</u>
Net increase (decrease) in cash and cash equivalents		11,173,262,159	(143,683,012,823)
Cash and cash equivalents at the beginning of the year		114,983,668,303	259,999,021,577
Exchange gain and loss on cash and cash equivalents		662,088,664	(1,332,340,451)
Cash and cash equivalents at the end of the year		<u>126,819,019,126</u>	<u>114,983,668,303</u>

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