

The Convening Notice of 48th Annual General Meeting

The Annual General Meeting of Shareholders of Hyundai Motor Company (the “Company”) will be held pursuant to Article 365 of the Korean Commercial Code and Article 14 of the Articles of Incorporation of the Company as follows.

1. Date : March 11, 2016 (Friday) 09:00 AM
2. Place : Grand Hall, 2nd Floor West Building, Head office of Hyundai Motor Company
12 Heolleung-ro, Seocho-gu, Seoul, Korea (T : 82-2-3464-1114)
3. Purposes of the Meeting
 - <Issues to report> Independent Auditor’s Report, Annual Report, Appointment of External Auditors Report, Corporate Governance and Communication Committee Report
 - <Agenda> Item 1 : Approval of financial statements for the 48th Fiscal Year (1/1/2015 ~ 12/31/2015)
Item 2 : Appointment of director(s)
Item 3 : Appointment of member(s) of Audit Committee
Item 4 : Approval of director’s compensation cap
4. Matters regarding the Exercise of Voting Rights
 - <What to bring to the shareholders’ meeting>
 - In-person : An invitation to the AGM and an identification
 - Proxy : An invitation to the AGM, a power of attorney (with information of the relevant shareholder and the person with the power of attorney filled in, and duly executed and sealed), and an identification of the agent.
 - ※ Korea Securities Depository cannot exercise the voting rights on behalf of shareholders pursuant to the capital market and financial investment service act Article 314 Section 5. Therefore, shareholders do not need to notify an intention of exercising the voting rights to the Korea Securities Depository. As before, shareholders can directly exercise the voting rights by visiting the place or indirectly exercise the right by providing a power of attorney to proxy.
5. Other matters

For the 48th fiscal year, the Company expects to pay a cash dividend of KRW 3,000 for per share of common stock. (Series 1 Preferred Stock: KRW 3,050; Series 2 Preferred Stock: KRW 3,100; Series 3 Preferred Stock: KRW 3,050)

February 25, 2016

Hyundai Motor Company
Representative Director, Yoon Gap Han
(Seal omitted)

**Item 1: Approval of financial statements for the 48th Business Year
(1/1/2015 ~ 12/31/2015)**

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	December 31, 2015		December 31, 2014	
	(In millions of Korean Won)			
Current assets:				
Cash and cash equivalents	₩	7,331,463	₩	7,096,513
Short-term financial instruments		6,904,917		4,002,506
Other financial assets		10,334,803		14,884,434
Trade notes and accounts receivable		4,468,351		3,750,092
Other receivables		3,846,104		3,722,109
Inventories		9,198,999		7,417,239
Current tax assets		57,022		32,869
Financial services receivables		23,777,277		22,498,584
Non-current assets classified as held for sale		47,643		47,643
Other assets		1,562,631		1,573,695
Total current assets		67,529,210		65,025,684
Non-current assets:				
Long-term financial instruments		71,545		99,044
Other financial assets		2,804,842		2,520,119
Long-term trade notes and accounts receivable		67,591		51,534
Other receivables		1,163,566		1,039,157
Property, plant and equipment		28,698,927		22,542,259
Investment property		291,424		322,207
Intangible assets		4,298,088		3,821,656
Investments in joint ventures and associates		16,909,943		16,157,334
Deferred tax assets		764,733		649,850
Financial services receivables		24,559,123		21,496,004
Operating lease assets		17,719,606		13,265,616
Other assets		489,348		234,653
Total non-current assets		97,838,736		82,199,433
Total assets	₩	165,367,946	₩	147,225,117

(Continued)

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014 (CONTINUED)

LIABILITIES AND EQUITY	December 31, 2015	December 31, 2014
	(In millions of Korean Won)	
Current liabilities:		
Trade notes and accounts payable	₩ 7,081,124	₩ 7,041,529
Other payables	4,711,494	4,686,473
Short-term borrowings	9,384,165	6,845,920
Current portion of long-term debt and debentures	10,788,049	9,679,498
Income tax payable	1,000,763	656,201
Provisions	1,710,342	1,844,780
Other financial liabilities	675,437	223,303
Other liabilities	5,862,146	4,201,969
Total current liabilities	41,213,520	35,179,673
Non-current liabilities:		
Long-term other payables	2,054	2,339
Debentures	36,207,504	30,302,085
Long-term debt	8,552,622	7,430,429
Net defined benefit liabilities	604,433	594,058
Provisions	5,031,558	4,882,090
Other financial liabilities	145,282	210,528
Deferred tax liabilities	4,257,834	4,051,203
Other liabilities	2,471,738	1,952,147
Total non-current liabilities	57,273,025	49,424,879
Total liabilities	98,486,545	84,604,552
Equity:		
Capital stock	1,488,993	1,488,993
Capital surplus	3,520,395	4,134,550
Other capital items	(1,588,697)	(1,273,752)
Accumulated other comprehensive loss	(1,431,821)	(1,344,826)
Retained earnings	60,035,088	54,649,863
Equity attributable to the owners of the Company	62,023,958	57,654,828
Non-controlling interests	4,857,443	4,965,737
Total equity	66,881,401	62,620,565
Total liabilities and equity	₩ 165,367,946	₩ 147,225,117

(Concluded)

See accompanying notes to consolidated financial statements.

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
	(In millions of Korean Won, except per share amounts)	
Sales	₩ 91,958,736	₩ 89,256,319
Cost of sales	73,701,296	70,126,276
Gross profit	18,257,440	19,130,043
Selling and administrative expenses	11,899,534	11,580,057
Operating income	6,357,906	7,549,986
Gain on investments in joint ventures and associates, net	1,930,675	2,388,658
Finance income	831,376	881,883
Finance expenses	713,452	601,019
Other income	1,255,105	1,039,865
Other expenses	1,202,237	1,308,099
Income before income tax	8,459,373	9,951,274
Income tax expense	1,950,208	2,301,806
Profit for the year	₩ 6,509,165	₩ 7,649,468
Profit attributable to:		
Owners of the Company	6,417,303	7,346,807
Non-controlling interests	91,862	302,661
Earnings per share attributable to the owners of the Company:		
Basic earnings per share:		
Common stock	₩ 23,861	₩ 27,037
1st preferred stock	₩ 23,909	₩ 27,122
Diluted earnings per share:		
Common stock	₩ 23,861	₩ 27,037
1st preferred stock	₩ 23,909	₩ 27,122

See accompanying notes to consolidated financial statements.

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
	(In millions of Korean Won)	
Profit for the year	₩ 6,509,165	₩ 7,649,468
Other comprehensive income (loss):		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of defined benefit plans	68,670	(379,062)
Changes in retained earnings of equity-accounted investees, net	(15,571)	(82,187)
	53,099	(461,249)
Items that may be reclassified subsequently to profit or loss:		
Loss on available-for-sale (“AFS”) financial assets, net	(59,422)	(225,611)
Gain (loss) on valuation of cash flow hedge derivatives, net	8,297	(62,752)
Changes in share of earnings of equity-accounted investees, net	(11,585)	80,382
Gain (loss) on foreign operations translation, net	630	(379,757)
	(62,080)	(587,738)
Total other comprehensive loss	(8,981)	(1,048,987)
Total comprehensive income	₩ 6,500,184	₩ 6,600,481
Comprehensive income attributable to:		
Owners of the Company	6,384,881	6,405,423
Non-controlling interests	115,303	195,058
Total comprehensive income	₩ 6,500,184	₩ 6,600,481

See accompanying notes to consolidated financial statements.

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Capital stock	Capital surplus	Other capital items	Accumulated other comprehensive income (loss)	Retained earnings	Total equity attributable to the owners of the Company	Non- controlling interests	Total equity
(In millions of Korean Won)								
Balance at January 1, 2014	₩ 1,488,993	₩ 4,130,668	₩ (1,128,779)	₩ (834,036)	₩ 48,274,239	₩ 51,931,085	₩ 4,651,704	₩ 56,582,789
Comprehensive income:								
Profit for the year	-	-	-	-	7,346,807	7,346,807	302,661	7,649,468
Gain (loss) on AFS financial assets, net	-	-	-	(227,394)	-	(227,394)	1,783	(225,611)
Loss on valuation of cash flow hedge derivatives, net	-	-	-	(31,570)	-	(31,570)	(31,182)	(62,752)
Changes in valuation of equity-accounted investees, net	-	-	-	80,124	(82,103)	(1,979)	174	(1,805)
Remeasurements of defined benefit plans	-	-	-	-	(348,491)	(348,491)	(30,571)	(379,062)
Loss on foreign operations translation, net	-	-	-	(331,950)	-	(331,950)	(47,807)	(379,757)
Total comprehensive income (loss)	-	-	-	(510,790)	6,916,213	6,405,423	195,058	6,600,481
Transactions with owners, recorded directly in equity:								
Payment of cash dividends	-	-	-	-	(534,409)	(534,409)	(52,519)	(586,928)
Increase in subsidiaries' stock	-	(952)	-	-	-	(952)	148,659	147,707
Purchases of subsidiaries' stock	-	-	-	-	-	-	5,649	5,649
Disposals of subsidiaries' stock	-	4,834	-	-	-	4,834	16,909	21,743
Purchases of treasury stock	-	-	(144,973)	-	-	(144,973)	-	(144,973)
Others	-	-	-	-	(6,180)	(6,180)	277	(5,903)
Total transactions with owners, recorded directly in equity	-	3,882	(144,973)	-	(540,589)	(681,680)	118,975	(562,705)
Balance at December 31, 2014	₩ 1,488,993	₩ 4,134,550	₩ (1,273,752)	₩ (1,344,826)	₩ 54,649,863	₩ 57,654,828	₩ 4,965,737	₩ 62,620,565

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HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014 (CONTINUED)

	Capital stock	Capital surplus	Other capital items	Accumulated other comprehensive loss	Retained earnings	Total equity attributable to the owners of the Company	Non- controlling interests	Total equity
	(In millions of Korean Won)							
Balance at January 1, 2015	₩ 1,488,993	₩ 4,134,550	₩ (1,273,752)	₩ (1,344,826)	₩ 54,649,863	₩ 57,654,828	₩ 4,965,737	₩ 62,620,565
Comprehensive income:								
Profit for the year	-	-	-	-	6,417,303	6,417,303	91,862	6,509,165
Gain (loss) on AFS financial assets, net	-	-	-	(62,845)	-	(62,845)	3,423	(59,422)
Gain (loss) on valuation of cash flow hedge derivatives, net	-	-	-	(640)	-	(640)	8,937	8,297
Changes in valuation of equity-accounted investees, net	-	-	-	(12,967)	(15,552)	(28,519)	1,363	(27,156)
Remeasurements of defined benefit plans	-	-	-	-	70,125	70,125	(1,455)	68,670
Gain (loss) on foreign operations translation, net	-	-	-	(10,543)	-	(10,543)	11,173	630
Total comprehensive income (loss)	-	-	-	(86,995)	6,471,876	6,384,881	115,303	6,500,184
Transactions with owners, recorded directly in equity:								
Payment of cash dividends	-	-	-	-	(1,085,983)	(1,085,983)	(266,583)	(1,352,566)
Increase in subsidiaries' stock	-	-	-	-	-	-	15,646	15,646
Purchases of subsidiaries' stock	-	-	-	-	-	-	11,104	11,104
Disposals of subsidiaries' stock	-	7,067	-	-	-	7,067	17,065	24,132
Reclassification to other financial liabilities	-	(621,267)	-	-	-	(621,267)	-	(621,267)
Purchases of treasury stock	-	-	(314,945)	-	-	(314,945)	-	(314,945)
Others	-	45	-	-	(668)	(623)	(829)	(1,452)
Total transactions with owners, recorded directly in equity	-	(614,155)	(314,945)	-	(1,086,651)	(2,015,751)	(223,597)	(2,239,348)
Balance at December 31, 2015	₩ 1,488,993	₩ 3,520,395	₩ (1,588,697)	₩ (1,431,821)	₩ 60,035,088	₩ 62,023,958	₩ 4,857,443	₩ 66,881,401

(Concluded)

See accompanying notes to consolidated financial statements.

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
	(In millions of Korean Won)	
Cash flows from operating activities:		
Cash generated from operations:		
Profit for the year	₩ 6,509,165	₩ 7,649,468
Adjustments	9,495,809	8,369,656
Changes in operating assets and liabilities	(13,497,418)	(12,421,149)
	<u>2,507,556</u>	<u>3,597,975</u>
Interest received	712,853	704,872
Interest paid	(1,458,498)	(1,393,607)
Dividend received	1,149,100	1,030,074
Income tax paid	(1,662,596)	(1,818,469)
Net cash provided by operating activities	<u>1,248,415</u>	<u>2,120,845</u>
Cash flows from investing activities:		
Proceeds from disposals (purchases) of short-term financial instruments, net	(2,874,548)	10,877,563
Proceeds from disposals (purchases) of other financial assets (Current), net	4,340,226	(12,735,214)
Proceeds from disposals of other financial assets (Non-current)	171,985	184,805
Receipts from other receivables	63,025	48,493
Disposals of long-term financial instruments	383	-
Proceeds from disposals of property, plant and equipment	62,698	47,045
Proceeds from disposals of intangible assets	15,165	8,130
Proceeds from disposals of investments in subsidiaries	99,013	453,215
Proceeds from disposals of investments in joint ventures and associates	-	23,811
Acquisitions of other financial assets (Non-current)	(156,792)	(239,953)
Increases in other receivables	(78,076)	(50,971)
Purchases of long-term financial instruments	(30,811)	(32,143)
Acquisitions of property, plant and equipment	(8,141,729)	(3,353,809)
Acquisitions of intangible assets	(1,218,136)	(1,372,086)
Cash outflows from business combinations	(86,613)	-
Acquisitions of investments in joint ventures and associates	(256,624)	(130,417)
Other cash receipts from investing activities, net	30,546	76,521
Net cash used in investing activities	<u>(8,060,288)</u>	<u>(6,195,010)</u>

(Continued)

HYUNDAI MOTOR COMPANY AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014 (CONTINUED)

	2015	2014
	(In millions of Korean Won)	
Cash flows from financing activities:		
Proceeds from short-term borrowings, net	₩ 1,887,238	₩ 1,412,120
Proceeds from long-term debt and debentures	28,132,100	19,001,138
Paid-in capital increase of subsidiaries	15,646	147,707
Purchases of subsidiaries' stock	11,104	5,649
Disposals of subsidiaries' stock	27,153	23,678
Repayment of long-term debt and debentures	(21,142,350)	(15,120,767)
Purchases of treasury stock	(314,945)	(144,973)
Dividends paid	(1,352,510)	(586,928)
Other cash payments from financing activities, net	(49,769)	(30,647)
Net cash provided by financing activities	7,213,667	4,706,977
Effect of exchange rate changes on cash and cash equivalents	(166,844)	(408,729)
Net increase in cash and cash equivalents	234,950	224,083
Cash and cash equivalents, beginning of the year	7,096,513	6,872,430
Cash and cash equivalents, end of the year	₩ 7,331,463	₩ 7,096,513

(Concluded)

See accompanying notes to consolidated financial statements.

HYUNDAI MOTOR COMPANY
SEPARATE STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	December 31, 2015	December 31, 2014
	(In millions of Korean Won)	
Current assets:		
Cash and cash equivalents	₩ 583,280	₩ 708,379
Short-term financial instruments	5,975,546	3,274,698
Other financial assets	8,465,284	12,762,921
Trade notes and accounts receivable	3,668,054	3,484,450
Other receivables	821,479	772,949
Inventories	2,253,083	2,186,561
Non-current assets classified as held for sale	47,643	47,643
Other assets	284,006	386,988
Total current assets	22,098,375	23,624,589
Non-current assets:		
Long-term financial instruments	32	32
Other financial assets	2,330,829	2,033,641
Long-term trade notes and accounts receivable	16,624	14,436
Other receivables	931,842	844,908
Property, plant and equipment	20,922,177	14,910,734
Investment property	259,571	192,227
Intangible assets	3,286,482	2,807,051
Investments in subsidiaries, joint ventures and associates	17,132,292	16,915,784
Total non-current assets	44,879,849	37,718,813
Total assets	₩ 66,978,224	₩ 61,343,402

(Continued)

HYUNDAI MOTOR COMPANY
SEPARATE STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014 (CONTINUED)

LIABILITIES AND SHAREHOLDERS' EQUITY	December 31, 2015		December 31, 2014	
	(In millions of Korean Won)			
Current liabilities:				
Trade notes and accounts payable	₩	3,617,281	₩	3,730,301
Other payables		2,832,128		2,672,893
Short-term borrowings		1,649,453		1,422,042
Current portion of long-term debt and debentures		300,532		301,898
Income tax payable		849,666		503,068
Provisions		975,862		1,099,683
Other financial liabilities		42,090		12,432
Other liabilities		1,906,074		968,956
Total current liabilities		<u>12,173,086</u>		<u>10,711,273</u>
Non-current liabilities:				
Debentures		-		299,369
Long-term debt		469,099		8,519
Net defined benefit liabilities		400,719		402,803
Provisions		4,088,491		3,962,957
Other financial liabilities		952		2,267
Deferred tax liabilities		57,231		214,969
Other liabilities		91,882		79,254
Total non-current liabilities		<u>5,108,374</u>		<u>4,970,138</u>
Total liabilities		<u>17,281,460</u>		<u>15,681,411</u>
Equity:				
Capital stock		1,488,993		1,488,993
Capital surplus		3,964,962		3,964,962
Other capital items		(1,588,697)		(1,273,752)
Accumulated other comprehensive income		425,708		502,379
Retained earnings		45,405,798		40,979,409
Total equity		<u>49,696,764</u>		<u>45,661,991</u>
Total liabilities and equity	₩	<u>66,978,224</u>	₩	<u>61,343,402</u>

(Concluded)

See accompanying notes to separate financial statements.

HYUNDAI MOTOR COMPANY
SEPARATE STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
	(In millions of Korean Won, except per share amounts)	
Sales	₩ 44,439,694	₩ 43,045,875
Cost of sales	33,393,861	33,045,812
Gross profit	11,045,833	10,000,063
Selling and administrative expenses	6,778,577	6,264,567
Operating income	4,267,256	3,735,496
Gain on disposals of investments in subsidiaries and associates	278,674	35,818
Finance income	1,906,016	2,384,765
Finance expenses	183,661	152,811
Other income	804,364	696,803
Other expenses	392,586	592,839
Income before income tax	6,680,063	6,107,232
Income tax expense	1,244,578	1,193,512
Profit for the year	₩ 5,435,485	₩ 4,913,720
Earnings per share:		
Basic earnings per share:		
Common stock	₩ 20,207	₩ 18,077
1 st preferred stock	₩ 20,256	₩ 18,151
Diluted earnings per share:		
Common stock	₩ 20,207	₩ 18,077
1 st preferred stock	₩ 20,256	₩ 18,151

See accompanying notes to separate financial statements.

HYUNDAI MOTOR COMPANY
SEPARATE STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

		2015		2014
(In millions of Korean Won)				
Profit for the year	₩	5,435,485	₩	4,913,720
Other comprehensive income (loss):				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plans		76,887		(294,538)
		76,887		(294,538)
Items that may be reclassified subsequently to profit or loss:				
Loss on available-for-sale (“AFS”) financial assets, net		(66,007)		(230,020)
Loss on valuation of cash flow hedge derivatives, net		(10,664)		-
		(76,671)		(230,020)
Total other comprehensive income (loss)		216		(524,558)
Total comprehensive income	₩	5,435,701	₩	4,389,162

See accompanying notes to separate financial statements.

HYUNDAI MOTOR COMPANY
SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Capital stock	Capital surplus	Other capital items	Accumulated other comprehensive income	Retained earnings	Total
(In millions of Korean Won)						
Balance at January 1, 2014	₩ 1,488,993	₩ 3,964,962	₩ (1,128,779)	₩ 732,399	₩ 36,894,636	₩ 41,952,211
Payment of cash dividends	-	-	-	-	(534,409)	(534,409)
Purchase of treasury stock	-	-	(144,973)	-	-	(144,973)
Loss on AFS financial assets, net	-	-	-	(230,020)	-	(230,020)
Remeasurements of defined benefit plans	-	-	-	-	(294,538)	(294,538)
Profit for the year	-	-	-	-	4,913,720	4,913,720
Balance at December 31, 2014	<u>₩ 1,488,993</u>	<u>₩ 3,964,962</u>	<u>₩ (1,273,752)</u>	<u>₩ 502,379</u>	<u>₩ 40,979,409</u>	<u>₩ 45,661,991</u>
Balance at January 1, 2015	₩ 1,488,993	₩ 3,964,962	₩ (1,273,752)	₩ 502,379	₩ 40,979,409	₩ 45,661,991
Payment of cash dividends	-	-	-	-	(1,085,983)	(1,085,983)
Purchase of treasury stock	-	-	(314,945)	-	-	(314,945)
Loss on AFS financial assets, net	-	-	-	(66,007)	-	(66,007)
Loss on valuation of cash flow hedge derivatives, net	-	-	-	(10,664)	-	(10,664)
Remeasurements of defined benefit plans	-	-	-	-	76,887	76,887
Profit for the year	-	-	-	-	5,435,485	5,435,485
Balance at December 31, 2015	<u>₩ 1,488,993</u>	<u>₩ 3,964,962</u>	<u>₩ (1,588,697)</u>	<u>₩ 425,708</u>	<u>₩ 45,405,798</u>	<u>₩ 49,696,764</u>

See accompanying notes to separate financial statements.

HYUNDAI MOTOR COMPANY
SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
	(In millions of Korean Won)	
Cash flows from operating activities:		
Cash generated from operations:		
Profit for the year	₩ 5,435,485	₩ 4,913,720
Adjustments	2,167,590	1,481,288
Changes in operating assets and liabilities	(855,261)	(1,758,009)
	<u>6,747,814</u>	<u>4,636,999</u>
Interest received	484,422	477,952
Interest paid	(47,651)	(21,509)
Dividend received	1,479,875	1,830,719
Income tax paid	(1,055,787)	(932,083)
Net cash provided by operating activities	<u>7,608,673</u>	<u>5,992,078</u>
Cash flows from investing activities:		
Proceeds from disposals (purchases) of short-term financial instruments, net	(2,700,848)	10,780,608
Proceeds from disposals (purchases) of other financial assets (current), net	4,307,591	(12,740,370)
Receipts from other receivables	47,920	25,162
Proceeds from disposals of other financial assets (non-current)	5,864	1,709
Proceeds from disposals of property, plant and equipment	40,740	18,709
Proceeds from disposals of intangible assets	3,720	1,566
Proceeds from disposals of investments in subsidiaries, joint ventures and associates	129,869	511,282
Acquisitions of other financial assets (non-current)	(4,989)	(7,387)
Increases in other receivables	(66,848)	(39,707)
Acquisitions of property, plant and equipment	(7,045,949)	(2,077,466)
Acquisitions of intangible assets	(1,087,288)	(1,068,679)
Acquisitions of investments in subsidiaries, joint ventures and associates	(348,598)	(647,169)
Net cash used in investing activities	<u>(6,718,816)</u>	<u>(5,241,742)</u>
Cash flows from financing activities:		
Proceeds from short-term borrowings, net	226,299	96,453
Proceeds from long-term debt	469,053	-
Repayment of long-term debt and debentures	(309,380)	(101,864)
Purchase of treasury stock	(314,945)	(144,973)
Dividends paid	(1,085,983)	(534,409)
Net cash used in financing activities	<u>(1,014,956)</u>	<u>(684,793)</u>
Net increase (decrease) in cash and cash equivalents	(125,099)	65,543
Cash and cash equivalents, beginning of the year	<u>708,379</u>	<u>642,836</u>
Cash and cash equivalents, end of the year	<u>₩ 583,280</u>	<u>₩ 708,379</u>

See accompanying notes to separate financial statements.

Item 2: Appointment of Director(s)

*Nominees (4 persons)

Name	Date of birth	Major Career	Transaction with the Company	Relationship with Major Shareholder
	Recommended by			
Chung, Eui Sun	1970-Oct-18	· Vice Chairman of HMC (current) · President of KMC (former)	None	Director
	BOD ¹			
Lee, Won Hee	1960-Feb-5	· President of HMC (current) · CFO of HMC (former)	None	Director at affiliate
	BOD ¹			
Nam, Sung Il	1954-Apr-18	· Professor of Economics, Sogang University (current) · Chair of School of Economics, Sogang University (former)	None	Director at affiliate
	EDCRC ²			
Yi, You Jae	1960-July-15	· Professor of Business Administration, Seoul National University (current) · President of the Korean Marketing Association (former)	None	Director at affiliate
	EDCRC ²			

Item 3: Appointment of member(s) of Audit Committee

*Nominees (1 person)

Name	Date of birth	Major Career	Transaction with the Company	Relationship with Major Shareholder
	Recommended by			
Nam, Sung Il	1954-Apr-18	· Professor of Economics, Sogang University (current) · Chair of School of Economics, Sogang University (former)	None	Director at affiliate
	BOD ¹			

1. Board of Directors

2. External Director Candidate Recommendation Committee

Item 4: Approval of Compensation Cap for Directors

Year	Number of BOD	Compensation Cap
2016	9 persons	15 billion Korean Won