

**Lotte Confectionery and Subsidiaries**  
**Consolidated Statements of Financial Position**  
**December 31, 2012 and 2011**

<i>(in millions of Korean won)</i>	<b>Notes</b>	<b>2012</b>	<b>2011</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3,6,7	179,675	182,610
Trade and other receivables	3,6,9,35	252,991	247,449
Other financial assets	3,6,8,10	59,001	104,491
Inventories	11	193,858	181,245
Other current assets		27,195	25,089
		<u>712,720</u>	<u>740,884</u>
<b>Non-current assets</b>			
Investments in associate	12	188,615	231,153
Other financial assets	6,8,10	1,696,466	1,537,064
Property, plant and equipment	5,13	1,224,467	1,231,626
Intangible assets	5,14	110,788	75,125
Investment property	5,16	83,765	78,064
Deferred tax assets	20	3,616	4,576
Other non-current assets		3,950	2,773
		<u>3,311,667</u>	<u>3,160,381</u>
<b>Total assets</b>		<u>4,024,387</u>	<u>3,901,265</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	3,6,17,35	214,879	259,904
Borrowings	3,6,18	31,731	6,509
Debentures	3,6,18	-	289,358
Other financial liabilities	3,6,10	50,910	48,647
Income taxes payable		20,002	22,463
Deferred revenue		1,253	1,751
Provisions	21	25,906	23,891
Other current liabilities		27,613	19,329
		<u>372,294</u>	<u>671,852</u>
<b>Non-current liabilities</b>			
Borrowings	3,6,18	2,827	10,994
Debentures	3,6,18	299,149	99,605
Other financial liabilities	3,6,10	22,642	22,109
Defined benefit liabilities	19	16,469	7,648
Provisions	21	135	38
Deferred income tax liabilities	20	491,644	455,443
Deferred revenue		9,293	9,550
Other non-current liabilities		8,331	9,037
		<u>850,490</u>	<u>614,424</u>
<b>Total liabilities</b>		<u>1,222,784</u>	<u>1,286,276</u>
<b>Equity attributable to owners of the parent</b>			
Capital stock	22	7,107	7,107
Capital surplus	22	11,353	12,998
Other components of equity	22	(15,034)	(15,034)
Accumulated other comprehensive income	23	1,082,049	988,526
Retained earnings	24	1,620,138	1,537,107
		<u>2,705,613</u>	<u>2,530,704</u>
<b>Non-controlling interest</b>		<u>95,990</u>	<u>84,285</u>
<b>Total equity</b>		<u>2,801,603</u>	<u>2,614,989</u>
<b>Total liabilities and equity</b>		<u>4,024,387</u>	<u>3,901,265</u>

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