

DOOSAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(In Korean Won)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	₩1,215,437,372,905	₩1,459,039,549,789
Net income	130,167,997,406	201,507,512,711
Adjustments	1,755,656,142,777	2,105,039,431,845
Changes in operating assets and liabilities	(670,386,767,278)	(847,507,394,767)
Interest received	75,207,923,701	98,560,976,957
Interest paid	(762,780,166,861)	(1,288,934,084,799)
Dividends received	6,754,831,670	9,115,153,533
Income tax paid	(151,258,402,361)	(357,030,864,975)
Net Cash Provided by (Used in) Operating Activities	<u>383,361,559,054</u>	<u>(79,249,269,495)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflows from investing activities		
Disposal of short-term investment securities	20,365,520,440	-
Decrease in long-term financial instruments	10,383,994,277	3,894,240,992
Disposal of long-term investment securities	95,670,513,742	9,511,426,621
Decrease in long-term loans	28,553,101,355	3,457,131,274
Disposal of investments in associates	279,031,676	10,248,678,400
Disposal of property, plant and equipment	117,118,367,182	127,079,999,780
Disposal of intangible assets	5,882,482,848	6,335,096,792
Disposal of investment property	66,745,998,106	5,064,996,937
Disposal of assets classified as held for sale	4,872,000,000	12,500,000,000
Business transfer	-	101,175,043,963
Business combinations	-	196,314,942
Others	275,953,207	-
Subtotal	<u>350,146,962,833</u>	<u>279,462,929,701</u>
Cash outflows from investing activities		
Increase in short-term financial instruments	289,686,475,192	181,029,376,559
Acquisition of short-term investment securities	-	5,239,536,584
Increase in short-term loans	269,714,576,301	13,909,252,041
Increase in long-term financial instruments	22,250,162,450	17,447,235,809
Acquisition of long-term investment securities	28,518,247,796	74,822,622,527
Increase in long-term loans	24,627,850,063	4,693,143,330
Acquisition of investments in associates	72,999,741,669	25,544,505,826
Acquisition of property, plant and equipment	503,846,434,550	830,232,060,420
Acquisition of intangible assets	274,609,767,599	280,449,516,116
Acquisition of investment property	2,519,425,745	529,780,603
Others	-	10,000,000
Subtotal	<u>(1,488,772,681,365)</u>	<u>(1,433,907,029,815)</u>
Net Cash Used in Investing Activities	<u>₩(1,138,625,718,532)</u>	<u>₩(1,154,444,100,114)</u>

(Continued)

DOOSAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(In Korean Won)

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflows from financing activities		
Increase in short-term borrowings	₩-	₩182,560,191,140
Increase in asset-backed loans	620,000,000,000	330,000,000,016
Issuance of bonds	1,372,313,983,500	1,680,248,493,885
Increase in long-term borrowings	1,568,388,491,690	1,699,991,343,100
Exercise of share option	2,528,359,000	1,012,954,000
Capital increase with consideration in subsidiaries	883,915,834,022	-
Issuance of capital securities	-	530,535,202,054
Disposal of treasury stock in subsidiaries	299,918,800,070	-
Others	334,958,000	2,280,063,500
Subtotal	<u>4,747,400,426,282</u>	<u>4,426,628,247,695</u>
Cash outflows for financing activities		
Repayment in short-term borrowings	632,441,631,704	-
Decrease in asset-backed loans	656,800,000,000	388,559,277,489
Repayment of bonds	1,868,494,643,523	1,465,830,844,878
Repayment of long-term borrowings	1,563,590,274,033	1,406,770,741,845
Acquisition of treasury stock	36,132,480,960	47,030,599,185
Acquisition of treasury stock in subsidiaries	11,768,002,116	-
Payment of dividends	118,611,387,600	116,417,915,609
Payment of dividends on capital securities	17,862,000,000	-
Additional acquisition of investments in subsidiaries	111,831,153,520	81,000,022,568
Equity spin-off	-	6,558,940,000
Subtotal	<u>(5,017,531,573,456)</u>	<u>(3,512,168,341,574)</u>
Net Cash (Used in) Provided by Financing Activities	<u>(270,131,147,174)</u>	<u>914,459,906,121</u>
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS		
	<u>10,506,071,452</u>	<u>(2,988,752,788)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,014,889,235,200)	(322,222,216,276)
CASH AND CASH EQUIVALENTS, AT BEGINNING OF THE YEAR	2,273,339,037,677	2,595,561,253,953
CASH AND CASH EQUIVALENTS, AT END OF THE YEAR	<u>₩1,258,449,802,477</u>	<u>₩2,273,339,037,677</u>

(Concluded)

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