

**DOOSAN CORPORATION**  
**SEPARATE STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
	(In Korean won)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations:	₩219,661,208,648	₩149,109,647,473
Net income	80,922,579,358	155,323,331,822
Adjustments	82,306,828,066	40,480,429,924
Changes in operating assets and liabilities	56,431,801,224	(46,694,114,273)
Interest received	6,192,095,536	7,045,902,458
Interest paid	(36,381,240,831)	(33,147,466,188)
Dividends received	47,672,413,519	69,845,320,469
Income tax paid	(29,702,537,089)	(9,331,895,855)
Net cash provided by operating activities	<u>207,441,939,783</u>	<u>183,521,508,357</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash inflows from investing activities:		
Decrease in short-term financial instruments	-	43,335,977,867
Decrease in short-term loans	1,129,782,031	943,634,687
Decrease in long-term financial instruments	3,000,000	500,000
Disposal of long-term investment securities	25,570,884	-
Disposal of investments in subsidiaries and associates	5,952,137,400	130,393,173
Disposal of property, plant and equipment	1,459,963,272	118,249,533
Disposal of intangible assets	518,672,727	395,454,545
Disposal of investment property	-	3,902,107,397
Increase by transfer of operations	6,165,706,727	-
Increase by merger	196,314,942	-
Increase in government subsidy	229,337,037	1,358,685,358
Subtotal	<u>15,680,485,020</u>	<u>50,185,002,560</u>
Cash outflows for investing activities:		
Increase in short-term financial instruments	8,629,505,723	-
Purchase of long-term investment securities	7,000,000,000	-
Purchase of investments in subsidiaries and associates	24,334,988,749	77,538,664,980
Acquisition of property, plant and equipment	61,253,286,860	109,509,365,529
Acquisition of intangible assets	3,881,334,120	4,605,278,079
Increase in long-term loans	1,492,944,705	991,038,820
Subtotal	<u>(106,592,060,157)</u>	<u>(192,644,347,408)</u>
Net cash used in investing activities	<u>₩(90,911,575,137)</u>	<u>₩(142,459,344,848)</u>

(Continued)

**DOOSAN CORPORATION**  
**SEPARATE STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
	(In Korean won)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash inflows from financing activities		
Increase in short-term borrowings	₩-	₩2,226,541,201
Issuance of bonds	99,490,700,000	298,390,600,000
Increase in long-term borrowings	155,000,000,000	149,970,000,000
Exercise of share option	1,012,954,000	2,572,503,000
Subtotal	255,503,654,000	453,159,644,201
Cash outflows for financing activities		
Decrease in short-term borrowings	59,986,256,261	-
Repayment of bonds	116,962,384,436	160,043,582,586
Repayment of long-term borrowings	96,362,835,200	104,774,491,680
Acquisition of treasury stock	47,030,599,185	230,606,369,000
Payment of dividends	65,302,513,100	57,927,401,600
Equity spin-off	3,000,000,000	-
Subtotal	(388,644,588,182)	(553,351,844,866)
Net cash used in financing activities	(133,140,934,182)	(100,192,200,665)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	259,923	370,145
NET DECREASE IN CASH AND CASH EQUIVALENTS	(16,610,309,613)	(59,129,667,011)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	155,843,174,463	214,972,841,474
CASH AND CASH EQUIVALENTS AT END OF YEAR	₩139,232,864,850	₩155,843,174,463

(Concluded)

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