

**Doosan Corporation**  
**Separate statements of cash flows**  
**for the years ended December 31, 2017 and 2016**  
(Korean won)

	Notes	2017	2016
<b>Cash flows from operating activities</b>			
Cash generated from operating activities:	33		
Profit for the period		₩ 205,100,275,058	₩ 153,802,056,181
Adjustments		40,036,932,917	(45,950,672,776)
Changes in operating assets and liabilities		(94,828,749,945)	(49,874,632,324)
		<u>150,308,458,030</u>	<u>57,976,751,081</u>
Interest received		6,986,182,028	5,593,864,430
Interest paid		(41,251,069,147)	(38,365,658,250)
Dividends received		92,147,565,668	180,905,238,078
Income tax paid		(4,244,087,196)	(38,944,027,848)
<b>Net cash provided by operating activities</b>		<b><u>203,947,049,383</u></b>	<b><u>167,166,167,491</u></b>
<b>Cash flows from Investing activities</b>			
Cash inflows from investing activities:			
Decrease in short-term financial instruments		-	20,000,000
Decrease in short-term loans		24,199,000	217,532,880
Disposal of long-term investment securities		12,500,000	-
Disposal of investment in subsidiaries and associates		54,320,390,116	2,321,569,659
Disposal of property, plant and equipment		48,448,114,575	2,747,985,363
Disposal of intangible assets		2,298,967,220	189,843,709
Disposal of investment properties		51,795,873,500	8,403,449,947
Decrease in long-term loans		9,224,925,596	1,409,657,963
Increase in government grants		1,176,957,951	1,343,373,501
		<u>167,301,927,958</u>	<u>16,653,413,022</u>
Cash outflows from investing activities:			
Increase in short-term loans		7,992,000	-
Acquisition of long-term investment securities		93,162,508,595	337,248,287
Acquisition of investments in subsidiaries and associates		60,929,134,100	67,217,094,000
Acquisition of property, plant and equipment		68,142,349,411	147,317,905,881
Acquisition of intangible assets		13,078,303,252	15,307,264,401
Increase in long-term loans		2,035,125,000	53,414,100,000
		<u>(237,355,412,358)</u>	<u>(283,593,612,569)</u>
<b>Net cash flows used in investing activities</b>		<b><u>(70,053,484,400)</u></b>	<b><u>(266,940,199,547)</u></b>
<b>Cash flows from financing activities</b>			
Cash inflows from financing activities:			
Increase in short-term borrowings		383,366,951,328	266,693,983,513
Issuance of bonds		280,000,000,000	135,000,000,000
Increase in long-term borrowings		70,000,000,000	15,000,000,000
Exercise of stock option		125,914,000	-
		<u>733,492,865,328</u>	<u>416,693,983,513</u>
Cash outflows from financing activities:			
Repayment of short-term borrowings		701,047,299,986	-
Repayment of bonds		40,125,929,746	160,000,000,000
Repayment of long-term borrowings		115,742,208,200	65,046,683,360
Repayment of financial lease liabilities		9,609,537,173	10,443,489,596
Payment of dividends		100,425,616,900	91,267,158,850
		<u>(966,950,592,005)</u>	<u>(326,757,331,806)</u>
<b>Net cash flows provided by (used in) financing activities</b>		<b><u>(233,457,726,677)</u></b>	<b><u>89,936,651,707</u></b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>299,559,712</b>	<b>(534,624,238)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(99,264,601,982)</b>	<b>(10,372,004,587)</b>
<b>Cash and cash equivalents, beginning of the year</b>		<b>155,824,168,783</b>	<b>166,196,173,370</b>
<b>Cash and cash equivalents, end of the year</b>		<b><u>₩ 56,559,566,801</u></b>	<b><u>₩ 155,824,168,783</u></b>

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