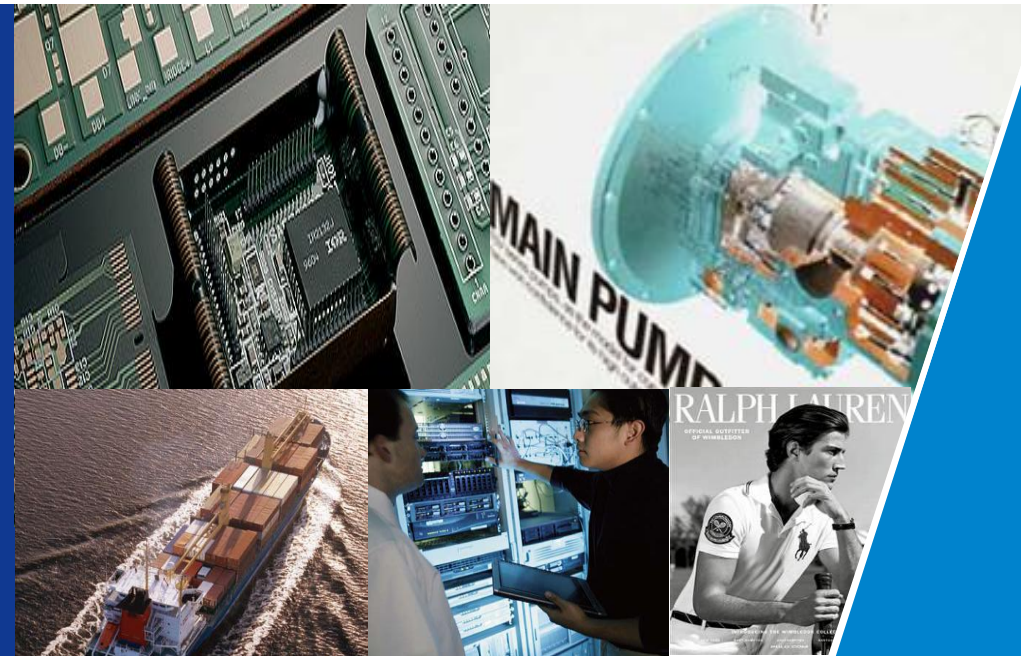




Doosan Corporation

Doosan Corp.
UBS Korea Conference 2010



2010. 6.

Disclaimer

This presentation is provided only as a reference material. Doosan Corp assumes no responsibility for investment decisions. We trust your decisions will be based on your own independent judgment.

Financial data in this presentation is on a non-consolidated basis.

HIGHLIGHTS



1 Stabilized financials by reducing L/E ratio



2 Capable of generating stable cash through our own business as an operating holding co.



3 Aim for shareholders' value-oriented management as a holding co.



4 Affiliates' steady earnings and growth



5 Investment assets value of W3.3tn



6 Doosan corp. plays a restructuring vehicle role

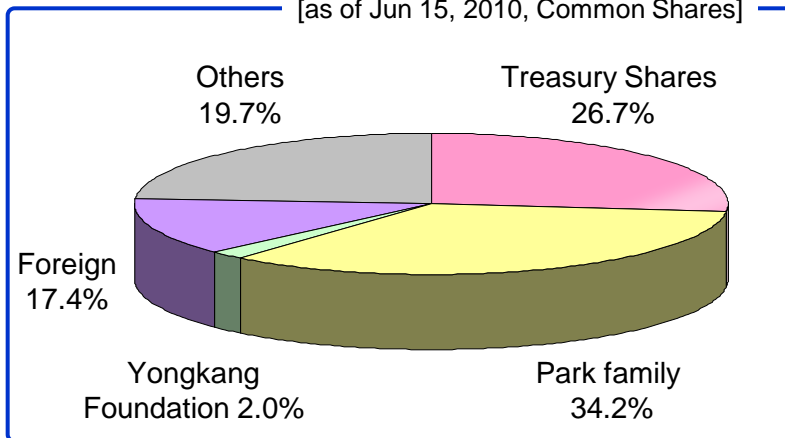
Doosan Corp. – Outline

- Doosan corporation is an **operating holding company**

[as of Jun 15, 2010]

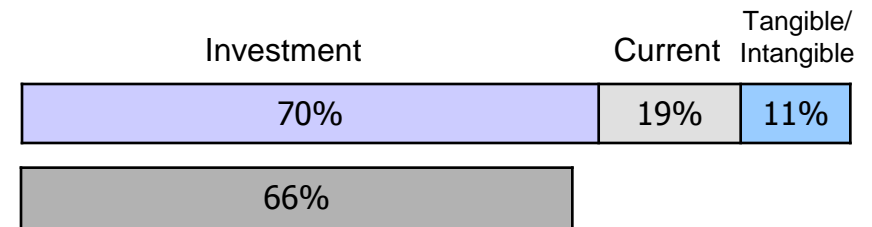
CEO	James B. Bemowski
Paid-in Capital	W153.2 bn
Total Shares	30,645,806 shares (Com. 24,875,992)
Market Cap.	W2,663.9bn
Credit Rating	A0
Employees	1,995

[as of Jun 15, 2010, Common Shares]



Assets (as of Mar.31, 2010)

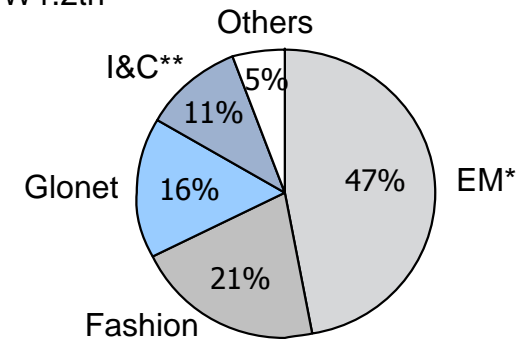
- Total Asset W2.707tn



Equity Method Securities W1.792tn

Sales Breakdown by Business (2009 Results Basis)

- Total Sales W1.2tn



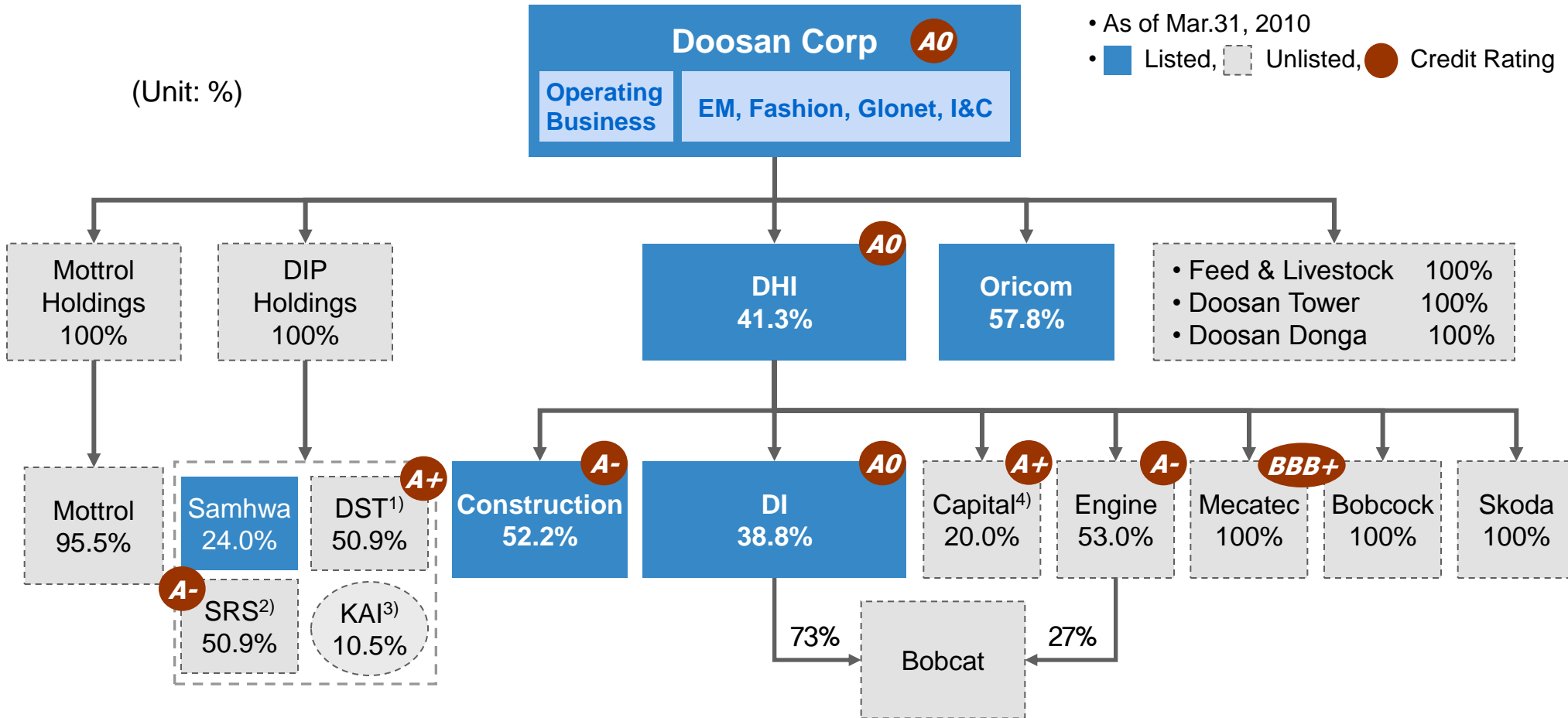
* EM: Electro-Materials

** I&C: Information & Communication

Shareholding Structure of Doosan Group

(Unit: %)

- As of Mar.31, 2010
- Listed, Unlisted, Credit Rating



1) DST : Defense System & Technology

2) SRS : System Restaurant Service (KFC & Burger King)

3) KAI : Korea Aerospace Industries

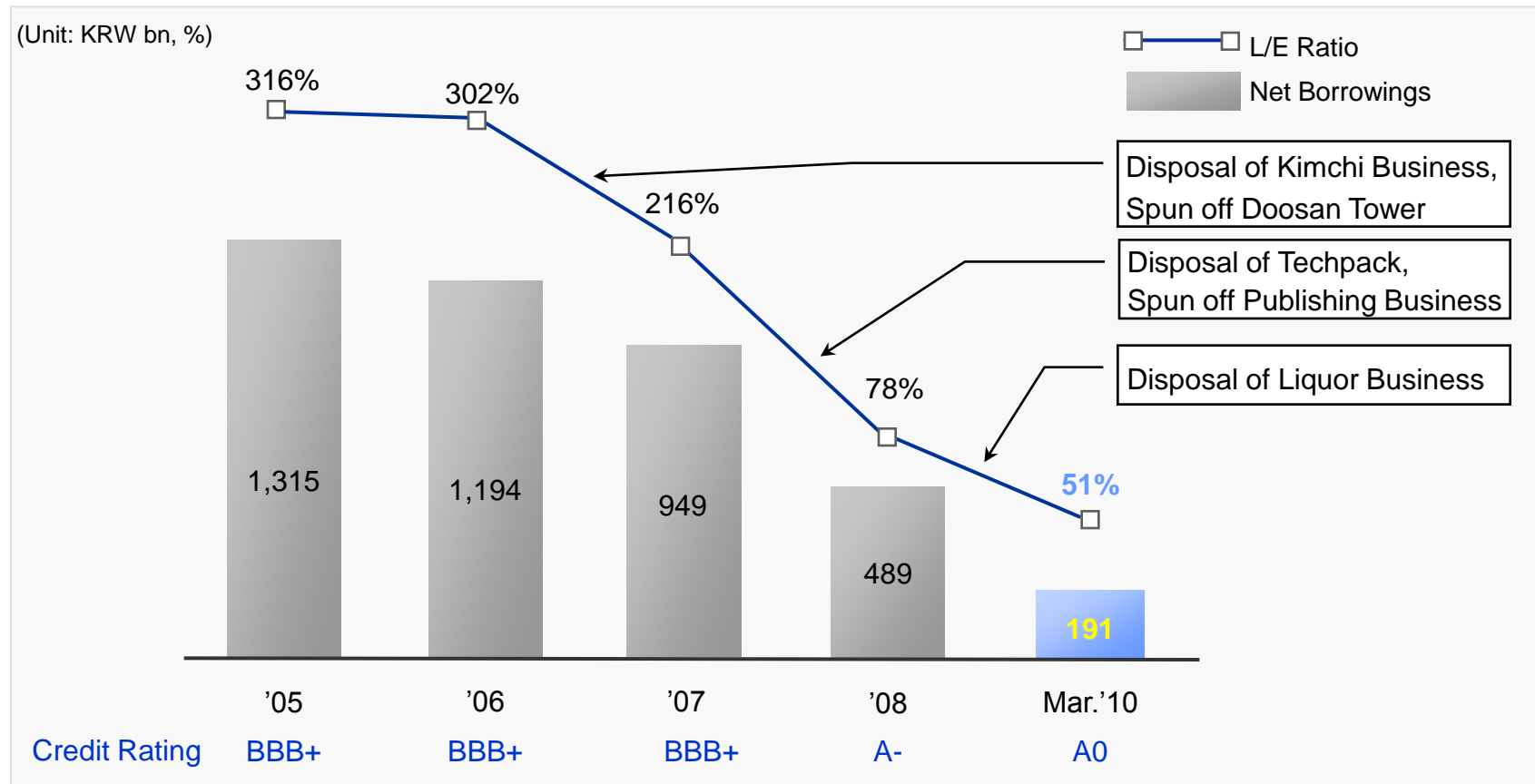
4) Capital: DI owns 20% shares beside DHI

※ Minority shares held by affiliates not displayed

1 Stabilized financials by reducing L/E ratio

- As of Mar 2010, L/E ratio 51%, Net borrowings W191bn (vs. L/E ratio 316%, Net borrowings W1,315bn in 2005)
- Credit rating was raised (A- → A0) due to the outstanding financial status by restructuring business and securing own stable earning sources

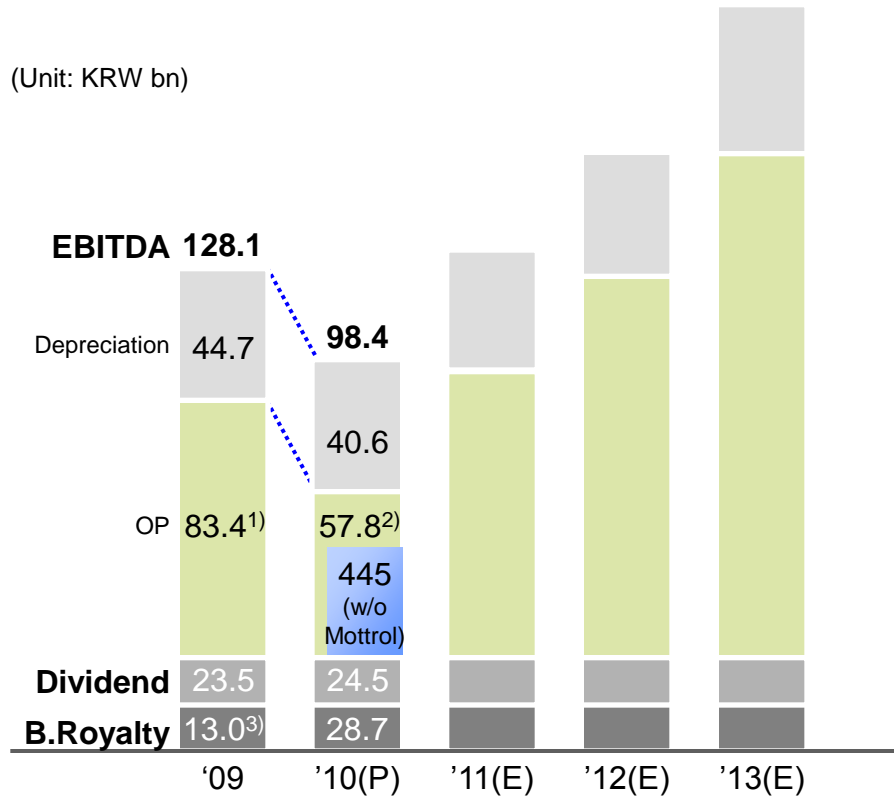
L/E Ratio & Net Borrowings



2 Capable of generating stable cash through our own business

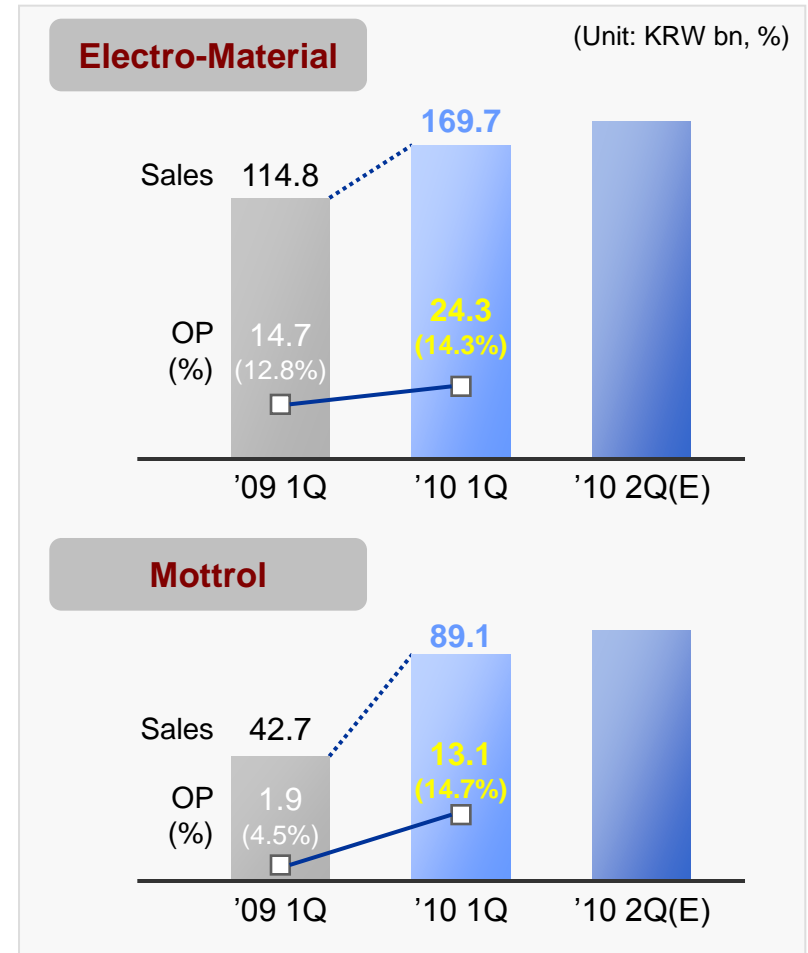
- Doosan Corp. is capable of generating more than W100bn annually through EBITDA, dividend from affiliates, and brand royalty

Cash Flow



- '09 EBIT: Sum of EM, Fashion, I&C, Glonet
- '10 EBIT: Sum of EM, I&C, Glonet, Mottrol (Planned zero EBIT for Fashion)
- Only 2H of OP from Mottrol is added (Annual OP of W25.3bn in 2010(P))
- '09 Royalty: Began to receive it from eight affiliates since Aug. 2009

1Q10 Performance by Business

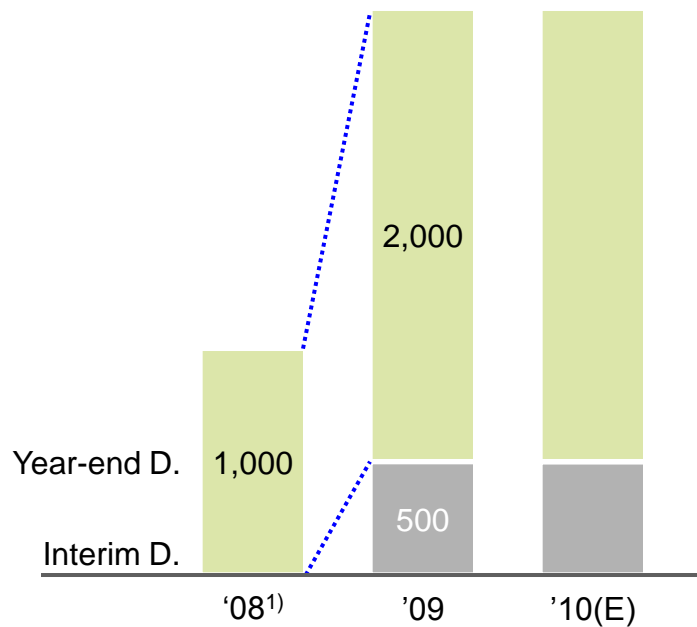


3 Aim for shareholders' value-oriented management as a holding co.

- Doosan Corp. paid dividend of W1,000 per share in 2008 and W2,500 per share in 2009
- Dividend will be continuously paid to increase shareholders' value

Dividend

(Unit: KRW)



1) It is made for the first time since 1998

(Unit: KRW bn, %)

	'08	'09	'10(E)
Net profit	109.7	232.3	-
Total amount of Dividend	24.2	58.3	-
- Dividend per share	W1,000	W2,500	-
Dividend payout ratio	22%	25%	-
Dividend yield ratio ²⁾	1.0%	2.6%	-

2) As of the ending date of stock market in each year

4 Affiliates' steady earnings and growth

- Equity method gain/loss of +W32.8bn in 1Q10 continued surplus since 4Q09 and annual plan of +W164.0bn in 2010

(Unit: KRW bn, %)

Affiliates	Shares	2009					2010	
		1Q	2Q	3Q	4Q	Total	1Q	Annual (P)
DHI	41.3%	-98.6	-13.4	-63.9	21.6	-154.3	11.4	
Oricom	57.8%	-0.7	0.4	0.2	1.6	1.5	0	
Doosan Donga	100%	-4.0	-3.0	-6.0	12.0	-1.0	-3.5	
Doosan F&L	100%	-2.8	2.8	3.9	1.1	5.0	1.2	
Doosan Tower	100%	-0.7	-2.3	0.9	1.6	-0.5	1.2	
Doosan Mottrol Holdings	100%	-2.3	-0.9	2.1	2.8	1.7	9.9	
DIP Holdings	100%	-	0.8	10.1	5.6	16.5	9.7	
Samhwa*	-	0.6	1.3	0.8	-	2.7	-	
SRS*	-	6.2	4.0	-	-	10.2	-	
Others	-	-3.3	-0.8	3.1	-2.2	-3.2	2.9	
Total	-	-105.6	-11.1	-48.8	44.1	-121.4	32.8	164.0

* SRS and Samhwa were not displayed since June 29, 2009 (SRS) and August 20, 2009 (Samhwa), respectively

→ Those are appeared under DIP holdings with valuation of equity method hereafter

5 Investment assets value of W3.3tn

- Doosan Corp's Market cap is discounted further relative to non-operating assets values
 - Market cap of W2,664bn (as of Jun 15, 2010) vs. Non-operating assets of W3,324bn

Value by Non-operating Assets

(Unit: KRW bn)

		Market Value	Adjustment	Base for Discount
Listed ¹⁾ (Current market value)	DHI	3,125	2,188	· 43.6 mm shares × 71,600 w/share (30% discounted)
	Oricom	9	6	· 1.2 mm shares × 7,230 w/share (30% discounted)
		3,134	2,194	
Unlisted (Book Value, Mar 31)	Doosan Tower	198	198	· Book values of unlisted companies
	DIP Holdings	174	174	
	Others ²⁾	78	78	
		450	450	
Properties (Current market value)		200	200	· Ranch at Anmyeon-do, Factory site, etc
Treasury shares ³⁾		686	480	· 30% discounted to the current market value
Total		4,470	3,324	

1) Listed companies market values (as of Jun 15, 2010)

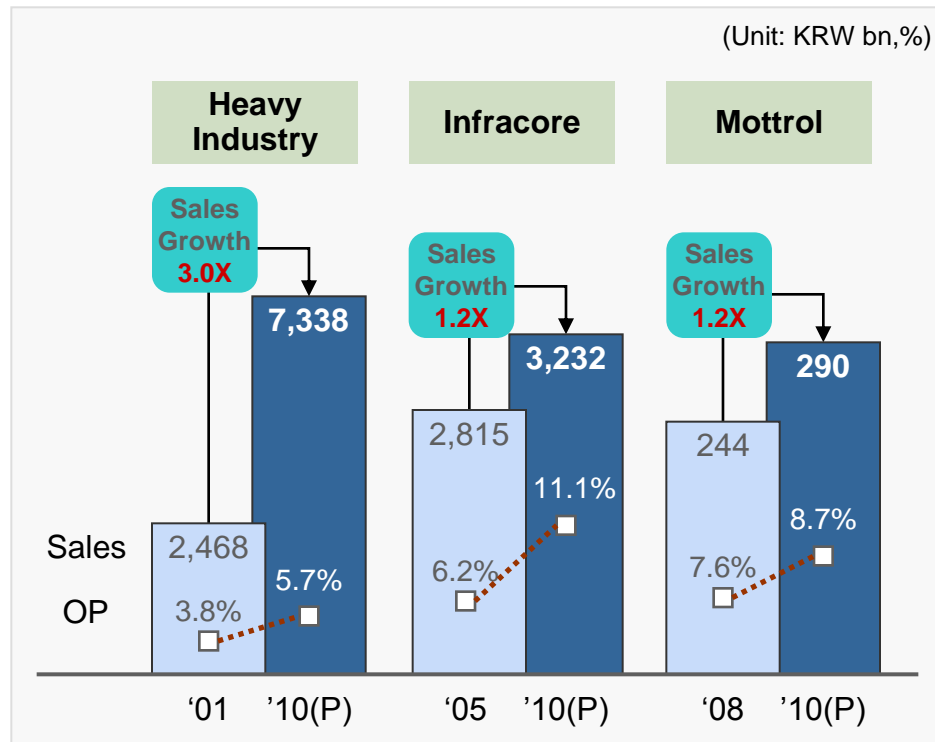
2) Publishing, Feed & Livestock, Neoplux, etc.

3) Common shares 26.7%, Preferred shares 12.9% (as of Jun 15, 2009)

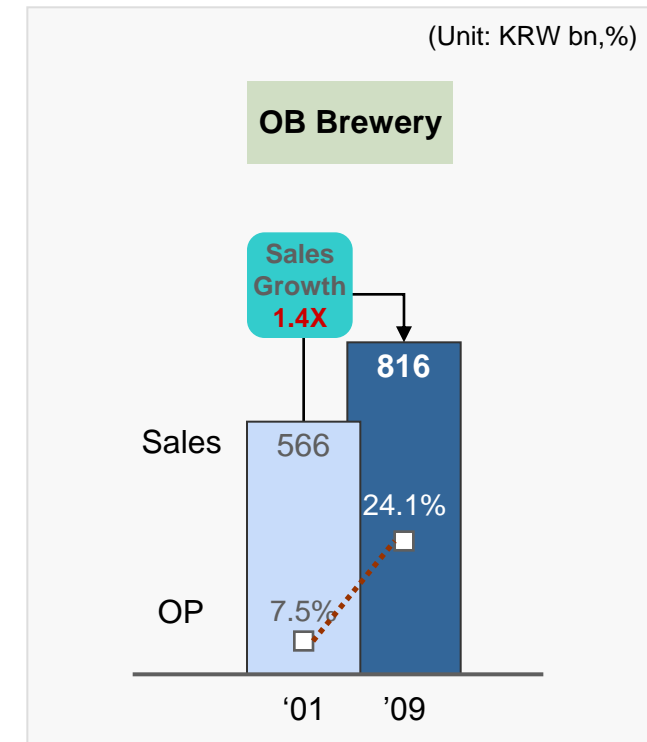
6 Doosan corp. plays a restructuring vehicle role in Doosan group

- Over the last 10 years, Doosan group made an inorganic growth by improving acquired companies values
- Doosan Corp will continuously play a restructuring vehicle role in Doosan group as a holding co.

Value Increase after Acquisition



Value Change after Disposal



1. Financial Status

2. Restructuring Business Portfolio

3. Introduction of Doosan EM

- Overview
- Products
- Competitors, Customers, Position

4. Introduction of Doosan Mottrol

- 1Q10 Results
- Sales Breakdown & Financial Status
- Sales by Region & Long-Range Strategy Plan
- Products (Hydraulic Devices& Defense Industry)

Appendix 1. Financial Status (Non-consolidated basis)

Summary Balance Sheet

(Unit: KRW bn)

	'09.12	'10. 3
Current Assets	496.6	507.4
Non-Current Assets	2,251.8	2,199.5
Assets	2,748.4	2,706.9
Current Liabilities	351.2	340.1
Non-Current Liabilities	581.6	573.7
Liabilities	932.8	913.8
Paid-in Capital	153.2	153.2
Shareholders' Equities	1,815.6	1,793.1
L/E Ratio	51%	51%

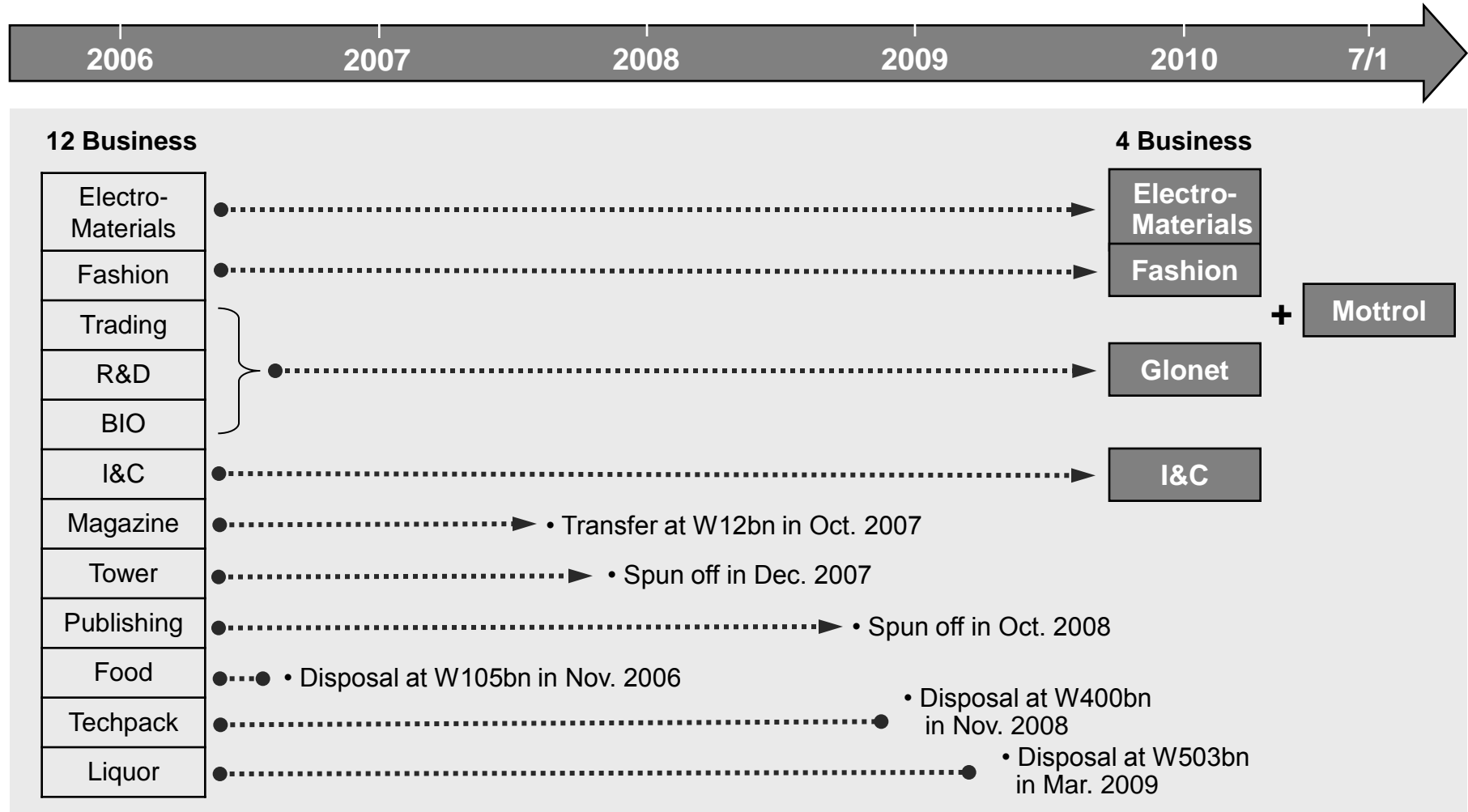
Borrowings & Net D/E Ratio

(Unit: KRW bn)

	'09.12	'10. 3
Bank	85.7	97.7
Debentures	300.0	250.0
Others	2.9	2.9
Total Borrowings	388.6	350.6
Cash	188.6	159.2
Net Borrowings	200.0	191.4
Net Debt/Equity	11%	11%

Appendix 2. Reorganization of Business Portfolio

- Selection & Concentration on business : Diminished its business from 12 to 4 business
- Plan to merge Doosan Mottrol, a new growth engine in July 2010



Appendix 3. ELECTRO-MATERIAL – OVERVIEW

Outline

(as of Dec. 2009)

- Establishment : Feb 8, 1974
- CEO : Hak-Chul Kim
- Sales : W571.9bn
- Employees : 966

Products & Locations

- Products : CCL, Flexible CCL(FCCL), Metal CCL(MCCL), OLED
- Locations
 - HQ (Seoul): Planning, HR, Sales, Procurement
 - HQ (Suji): R&D Center, Sales
 - Factory: Jeongpyung, Iksan, Gimchun
 - Affiliates: HK, Shanghai, Singapore, Shenzhen
 - Oversea Branches: Japan, Taiwan

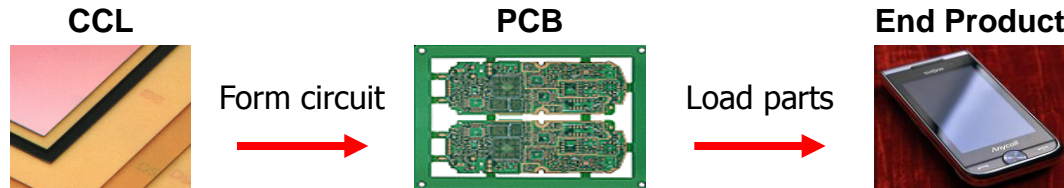


Appendix 3. ELECTRO-MATERIAL – PRODUCTS

- EM is one of the global leaders in Cooper Clad Laminate (CCL), which is the core material for Printed Circuit Board (PCB), including flexible CCL and special CCL such as heat dissipative substrate, and is extending its product portfolio to materials for OLED and display devices.

CCL (Copper Clad Laminate)

CCL is an essential electronic material applied from home electronics to the semiconductors. It is made with copper foil, paper-phenol resin, glass-epoxy resin, or other composite resins according to the application of the product



FCCL (Flexible CCL)

FCCL requires high resistance against repeated bending and suitability for the compact, high parts mounting density PCB's in small electronics, such as cellular phones, digital cameras, and notebooks.

MCCL (Metal CCL)

MCCL are materials that coated TRCC on aluminum sheets. It used as the LCD backlight of the LED TV and LED light sources. As the demand of heat dissipation products increases, MCCL have a great potential for growth

OLED

OLED (Organic Light Emitting Diode) is a new electronic element for the next generation of display and lighting devices. EM produces various kinds of high efficiency, long life organic light that emits materials at very high purity, used in the formation of OLED film

Appendix 3. ELECTRO-MATERIAL – COMPETITORS, CUSTOMERS, POSITION

Products	Competitors	Major Customers (Domestic & Oversea)	Position in Market
CCL (Copper Clad Laminate)	King Board, Nanya Panasonic, Isola	Samsung Elector-Mechanics, Daeduck GDS, Daeduck Electronics, Simmtech, Korea Circuit, DAP, CMK, Yuewah, Eurocir, Lear, etc	<ul style="list-style-type: none"> • Domestic No.1 (M/S 55%) • Global No.6 (M/S 6%)
FCCL (Flexible CCL)	Nippon Steel Corp. LG Chem, Thinflex	Interflex, SI Flex, YoungPoong Electronics, DaeduckGDS, Ichia, SME, BYD, MFLEX, Multek	<ul style="list-style-type: none"> • Domestic No.1 (M/S 63%) • Global No.2 (M/S 15%)
MCCL (Metal CCL)	Denka, Hankuk Carbon, CSEM	DaeduckGDS, Sejong Metal, Teranics, Nagase, Chinpoon, BUH, TPT	<ul style="list-style-type: none"> • Domestic No.1 (M/S 100%) • Global No.1 (M/S 92%)
OLED Material	Dow, Idemitsu Ludis	Samsung Mobile Display(SMD), CMEL	<ul style="list-style-type: none"> • Domestic No.3 (M/S 10%) • Global No.7 (M/S 7%)

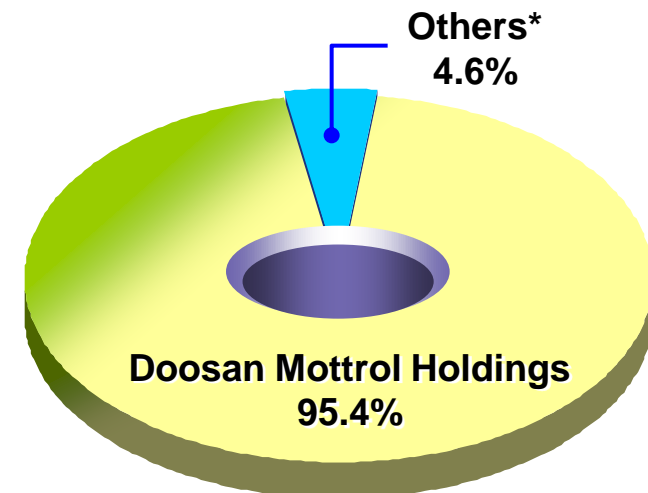
Appendix 4. MOTTROL – OVERVIEW

Overview

(as of Dec. 2009)

CEO	Yoon, Tae Sung
Paid-in Capital	₩11.7bn
Total Asset	₩200.8bn
Total Shares	23,432,540 shares
No. of Employee	400

Shareholder Structure

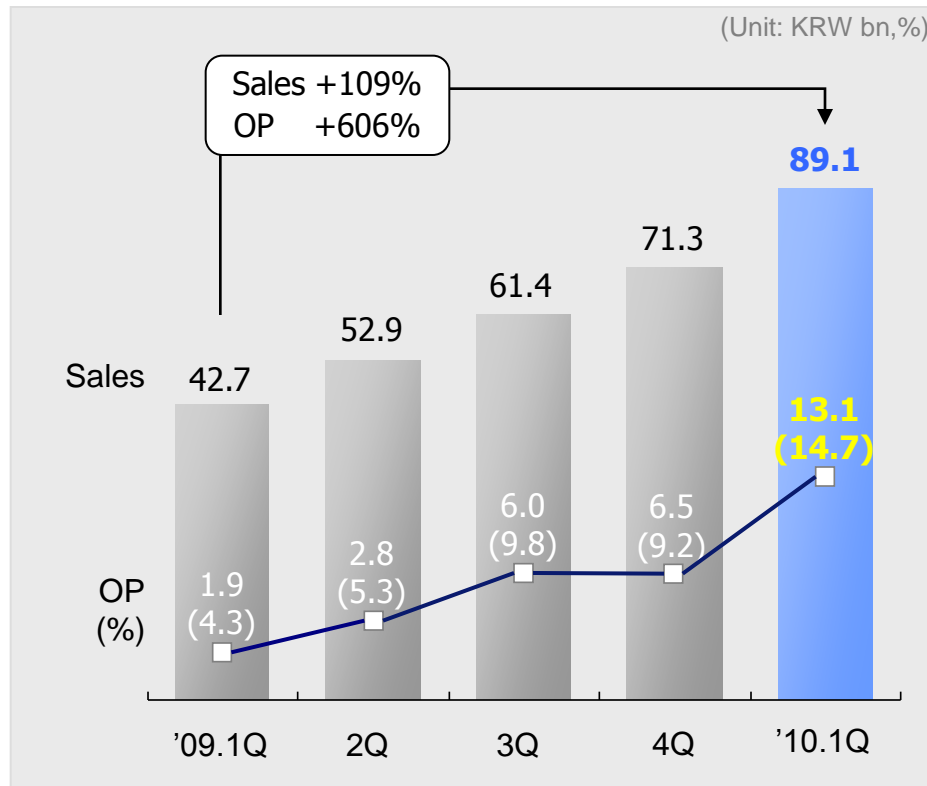


* 98 Shareholders (Employees & Individuals)

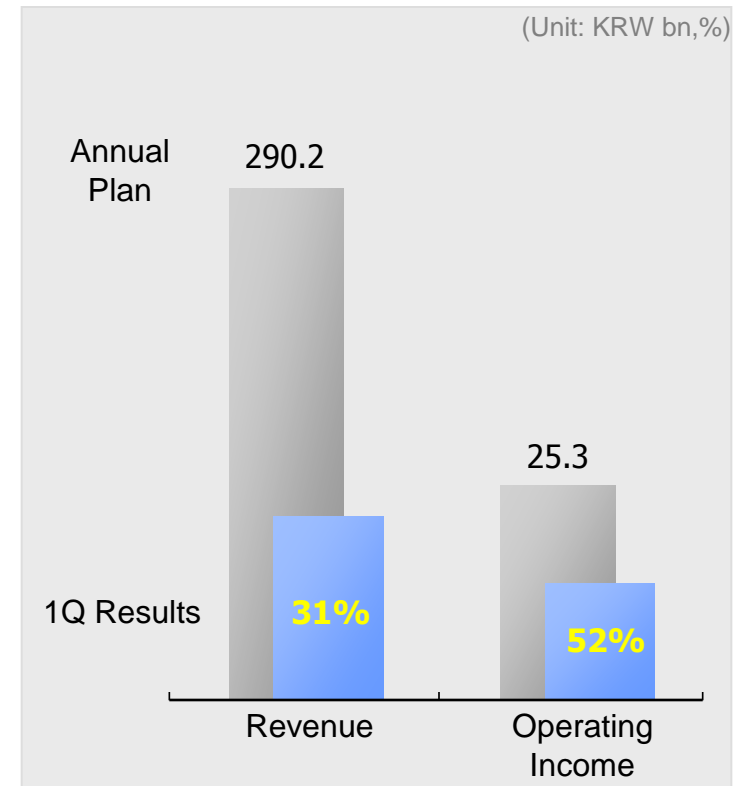
Appendix 4. MOTTROL – 1Q10 Results

- Both sales and operating profit reached historic-high quarterly results ever by showing steady growth of each quarter since bottoming out 1Q09
- Operating profit attained 52% vs annual plan. Annually, we project historic-high results for 2010

Revenue & Operating Income (Quarterly)



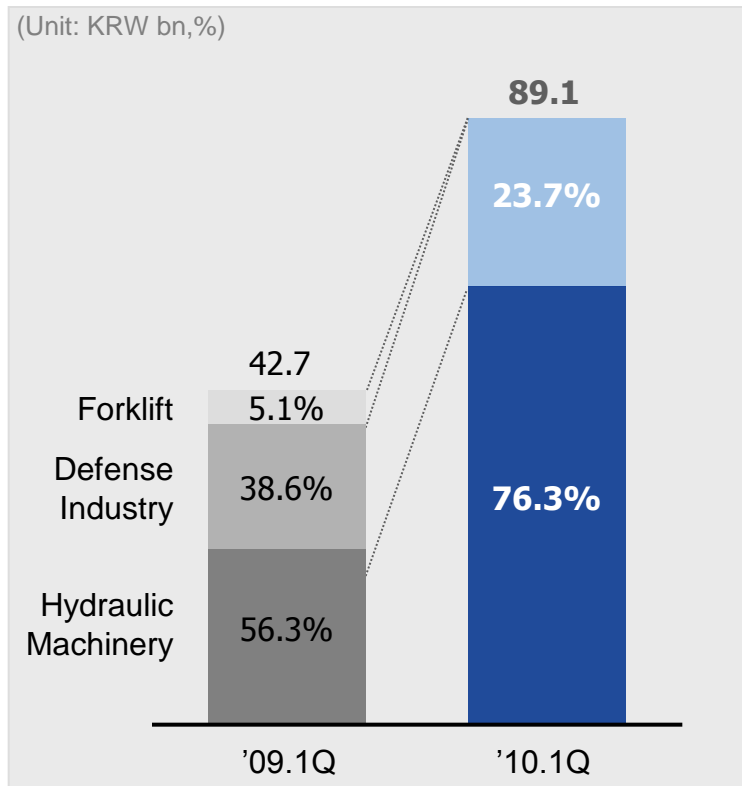
Annual Plan vs. 1Q Results



Appendix 4. MOTTROR – Sales Breakdown & Financial Status

- With competitiveness in quality and cost, sales in hydraulic machinery with high margin surged sharply.
- As of July 2009, production of electric forklift has been ceased because of low profitability.
- Financials have been in good condition with debt ratio of below 100% and growth of net cash size.

Sales Breakdown



Summary I/S and B/S

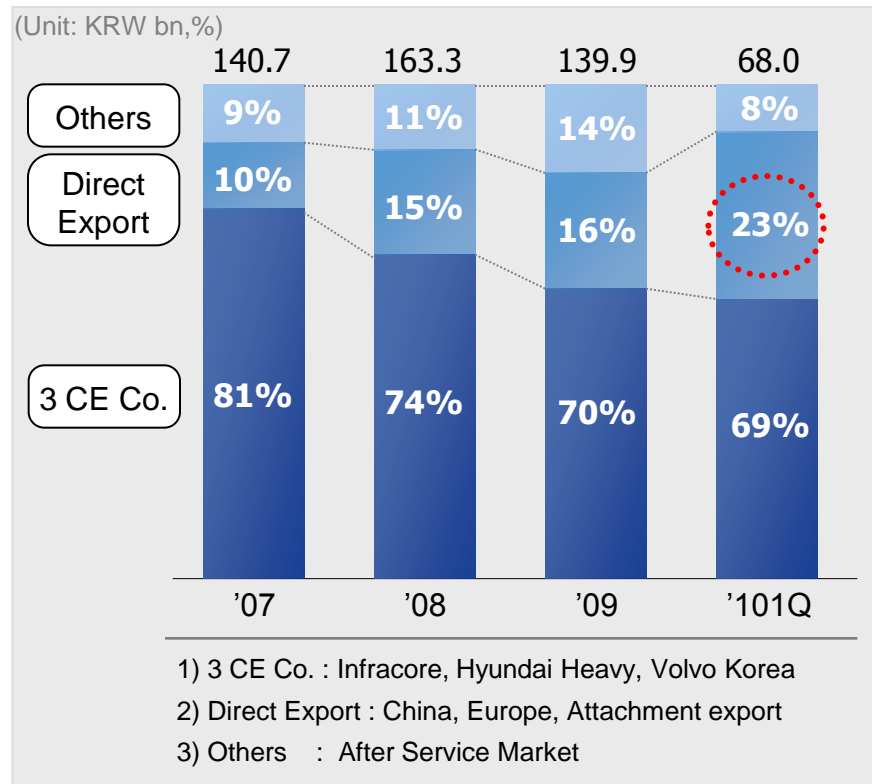
(Unit: KRW bn,%)

	'09.1Q	'10.1Q	YoY
Sales	42.7	89.1	+108.7 %
COGS	88.5%	80.0%	-8.4%P
SG&A	7.2%	5.2%	-2.0%P
EBIT	1.9	13.1	+606.1%
EBITDA	2.9	14.3	+388.2%
Net Profit	1.4	12.2	+742.0%
Asset	200.8	237.9	+37.1
Liabilities	88.2	115.0	+26.8
Equities	112.6	122.9	+10.3
Debt Ratio (L/E)	78.3%	93.6%	+15.3%P
Net Borrowings	-29.9	-46.3	-16.4

Appendix 4. MOTTROL – Sales by Region & Long-Range Growth Strategy

- Sales in 3 domestic major CE makers account for 69% and direct exports to China local makers steadily grows
- The long-ranged growth strategy is to expand sales in not only captive market but also non-captive market
 - To do so, securing QRD on current and applicable products, such as mining and farming equipments is the top priority task

Hydraulic Equipment Sales by Regions



* QRD: Quality, Reliability, Durability

Long-Range Growth Strategy

1 Perfect Supplier to Captive Market

- Expand the supply rate to Infracore
- Focus on strengthening QRD to achieve it

2 Expand Direct Export & Sales in Non-Captive Market

- Pass a supply audit test of Caterpillar, Global No.1 CE Co.
- Strengthen the regional marketing to expand direct export

3 Secure technology for core components & Entry to related components market

- Promote 8 strategic tasks, such as ① securing advanced technologies and products, ② Innovations in QRD, ③ achieving operational excellences, ④ developing a wind accelerator, etc.

Appendix 4. MOTTROL – PRODUCTS [Hydraulic Devices]

Main Pump



T5VP2D27
(for 5ton)



T5V Series
(for 13ton ~ 40ton)



DPA Series
(for 13ton ~ 34ton)

MCV (Main Control Valve)



MCV
(for 5ton ~ 8ton)

Swing Device (선회디바이스)

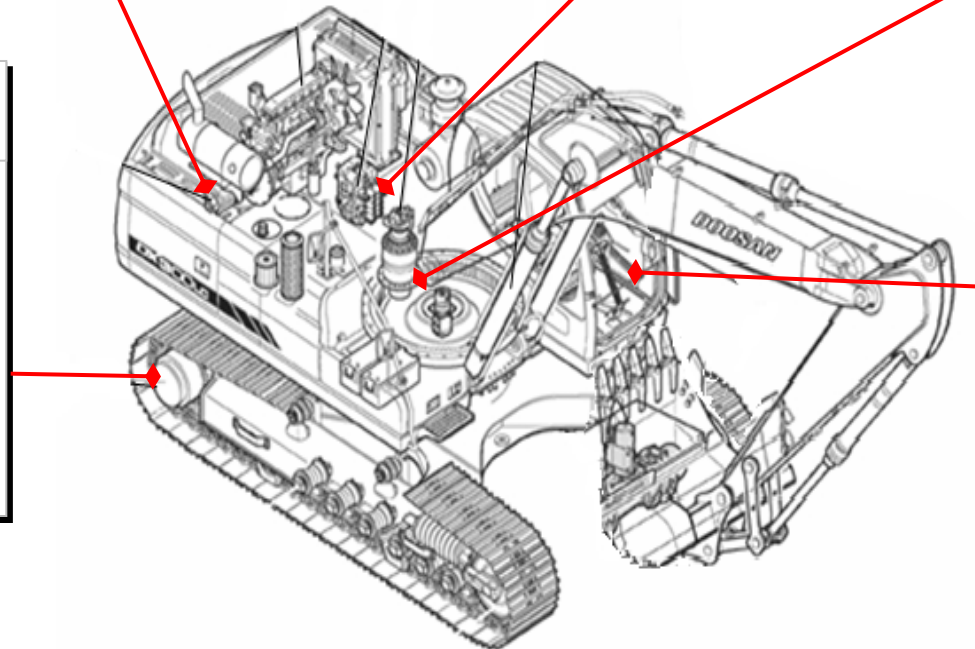


TSM Series
(for 4ton ~ 55ton)

Travelling Device (주행디바이스)



TM Series
(for 5ton ~ 55ton)



Additional Components



RCV*
(for 5ton~40ton)



Pedal Valve
(for 5ton)

*RCV : Remote Control Valve

Appendix 4. MOTTROL – PRODUCTS [Defense Industry]

Hydraulic/Electronic System for K1/K1A1 Tanks



Hydraulic Systems for K21 Armored Vehicles



Electric Drive Systems for Tanks' Gun & Turret



Active Sonar System



Hydraulic & Suspension Systems for K9(Self-Propelled Howitzers)



Terminal Antenna Pedestal for Surface Ships

