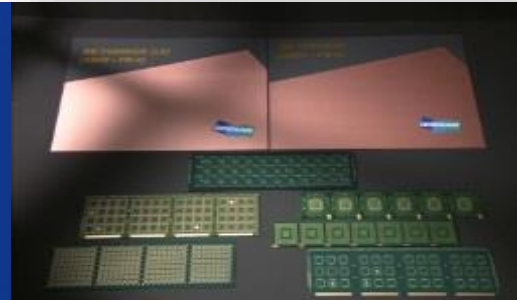




Doosan Corporation

Quarterly Business Review 1Q17

2017. 5



Disclaimer

The information herein is provided for your information purposes only and contains preliminary figures which may be materially different from the final figures.

Forecasts and projections contained in this material are based on current business environments and management strategies, and they may differ from the actual results upon changes and unaccounted variables. We make no guarantees and assume no responsibility for the use of information provided. We trust your decisions will be based on your own independent judgment.

Financial data in this presentation is on a IFRS consolidated and IFRS parent basis.

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1Q Result (Consolidated)

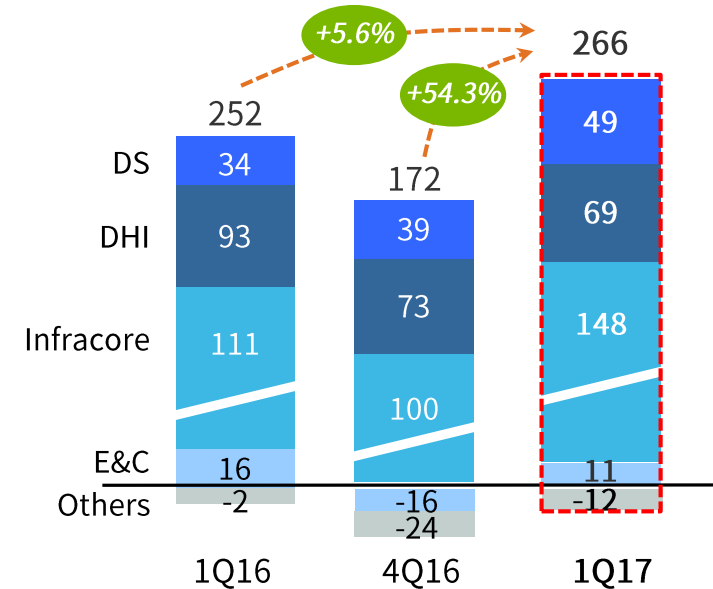
Sales & OP

(in KRW bn, %)

	1Q16	4Q16	1Q17	YoY	QoQ
Sales	3,709	4,803	4,086	+10.2%	-14.9%
OP	252	172	266	+5.6%	+54.3%
(M)	6.8%	3.6%	6.5%	-0.3%p	+2.9%p
- DS ¹⁾	34	39	49	+43.7%	+24.4%
- DHI	93	73	69	-25.1%	-4.5%
- Infracore	111	100	148	+33.5%	+48.0%
- E&C	16	-16	11	-30.0%	-
- Others ²⁾	-2	-24	-12	-	-

Quarterly OP

(in KRW bn)



1) including overseas branches of in-house biz 2) including Doosan Engine, DFS and others

- Thanks to profitability improvement of DS Corp and subsidiaries, 1Q OP grew on both YoY and QoQ basis.
 - 5.6% YoY growth and 54.3% QoQ growth

1Q Result (In-house business)

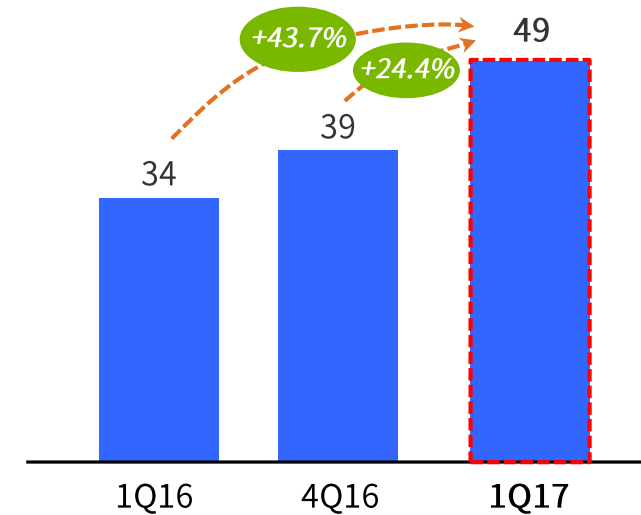
Sales & OP

(in KRW bn, %)

	1Q16	4Q16	1Q17	YoY	QoQ
Sales	492	618	555	+12.7%	-10.2%
OP	34	39	49	+43.7%	+24.4%
(M)	6.9%	6.4%	8.8%	+1.9%p	+2.4%p

Quarterly OP

(in KRW bn)



- 1Q OP was KRW 49 bn, a QoQ and YoY improvement thanks to growth of in-house biz across the board.
 - Solid performance continued by E-M's sales growth of high-end products, I.V. with recovery of domestic market and overseas sales growth, and Mottrol with recovery of Chinese excavator market.
 - Fuel Cell had a sluggish quarter due to preparation for domestic plant setup, but earnings will rebound beginning 2Q with product delivery and new order intake.

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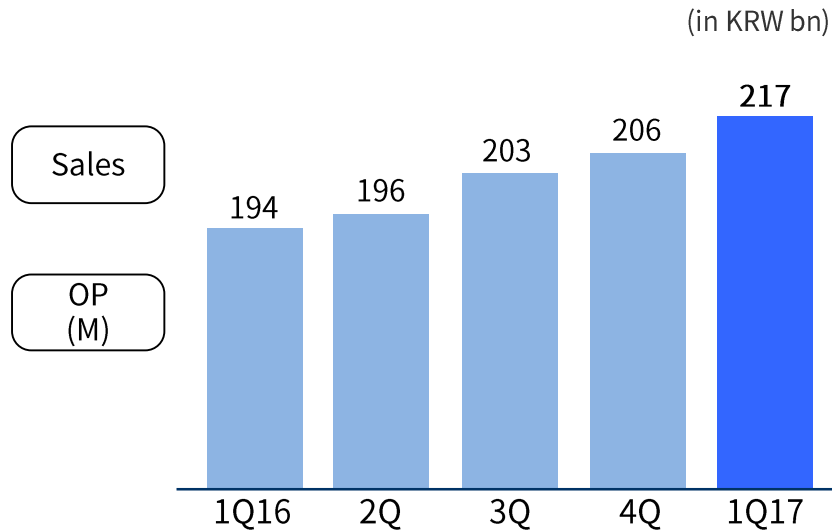
I. 1Q17 Results

II. In-house Business Result and Outlook

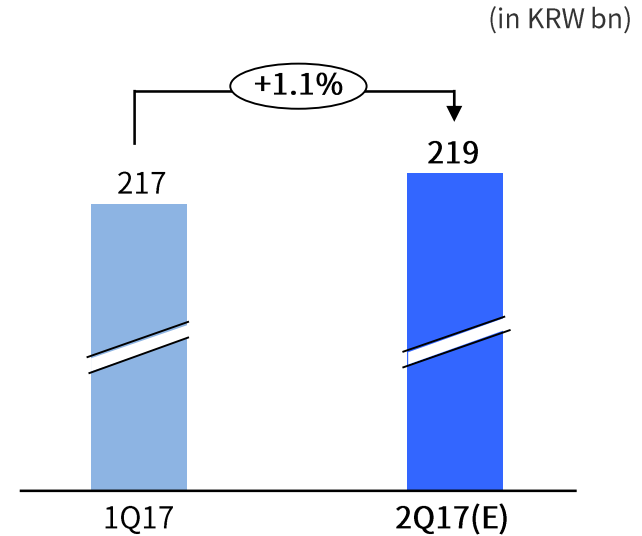
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Electro-Materials

Quarterly Sales and OP



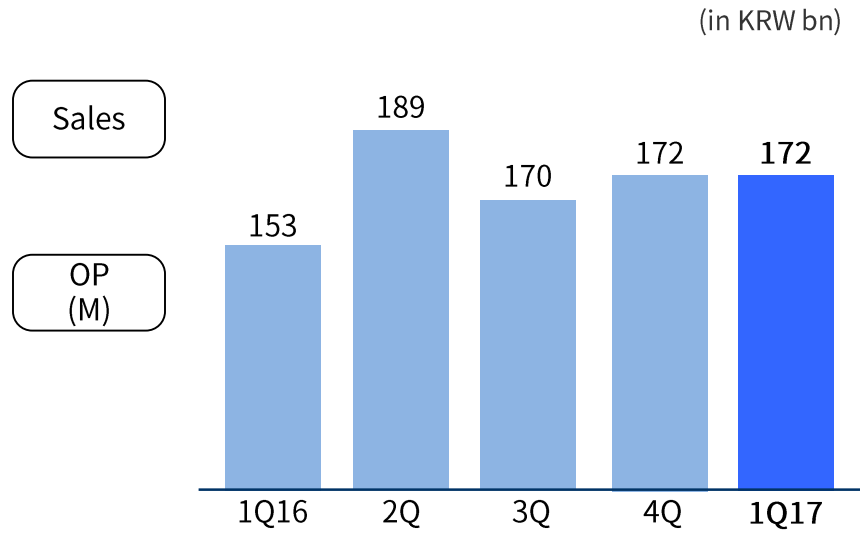
2Q Sales Outlook



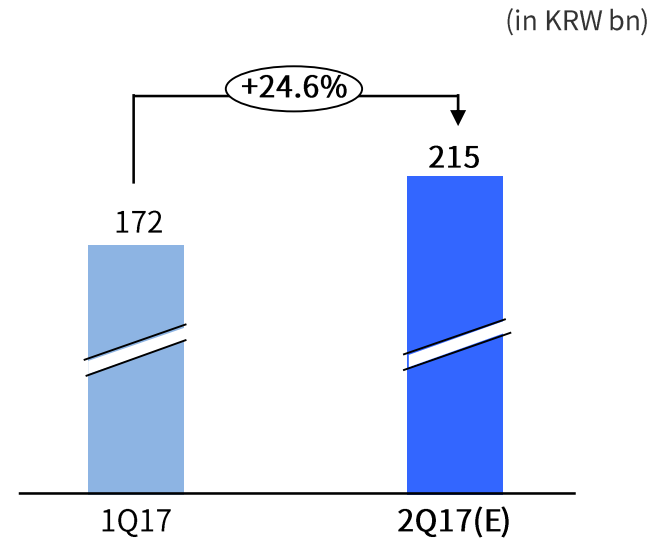
- 1Q Sales grew by 11.4% YoY thanks to high-end products sales increase and new product launch.
 - YoY sales growth of FCCL, PKG CCL, OLED thanks to new product launch in end-market and new customers secured (Chinese set makers)
 - Sales growth of overseas branches (Changshu, China / Circuit Foil Luxembourg)
- Sales growth is to be continued in 2Q thanks to NWB CCL and new customers in Chinese mobile market.

Industrial Vehicles

Quarterly Sales and OP

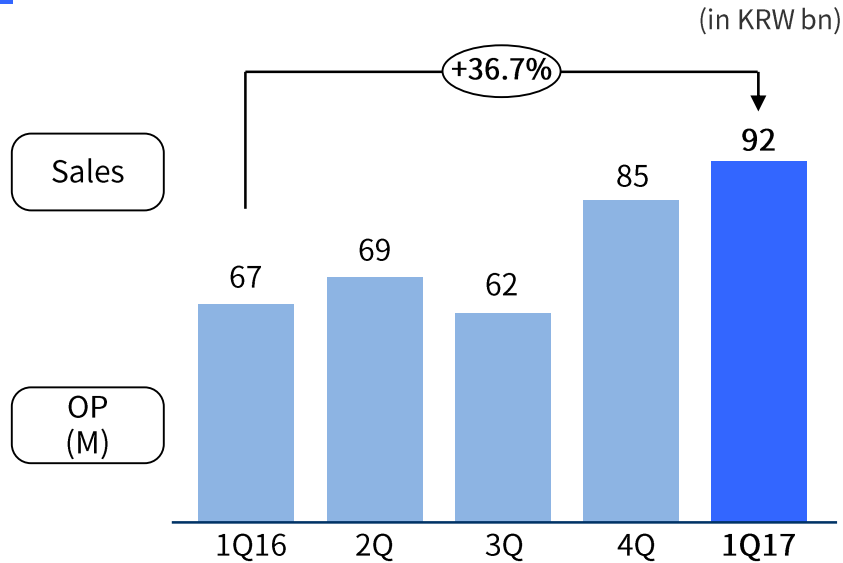


2Q Sales Outlook

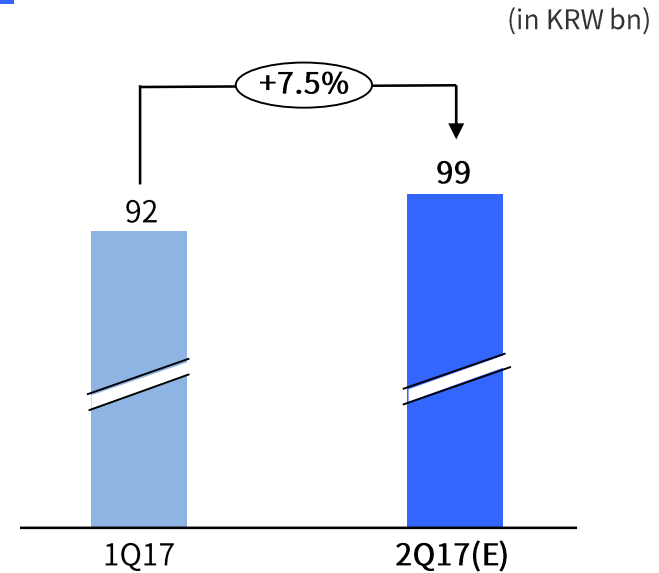


- Even in its off-peak season, sales and OP improved by 13% and 42% respectively YoY thanks to sales increase to big rental companies in N.A. and domestic.
 - Total units sold increased by 34% YoY with new orders from domestic rental companies
 - Orders from national account in N.A. / Fleet deal orders from Western Europe
 - Strategic partnership with Top-tier companies in Oceanic region and Asia
- 2Q sales is expected to grow by 25% QoQ with sales increase to defense industry and orders from government projects in domestic market.

Quarterly Sales and OP



2Q Sales Outlook

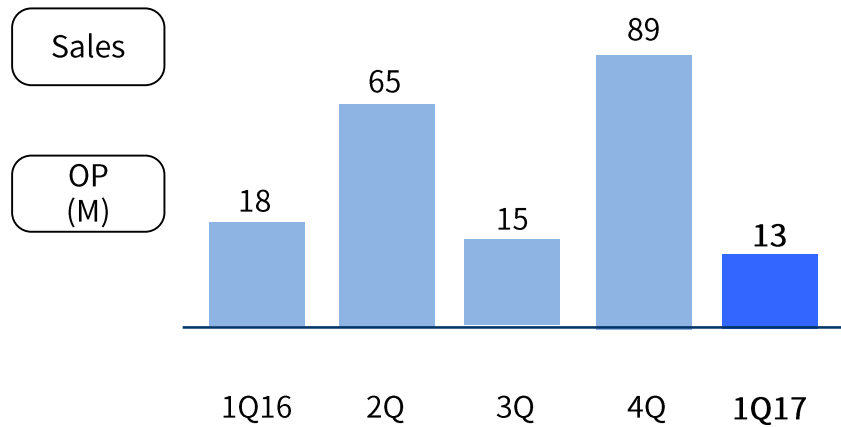


- Thanks to recovery of Chinese excavator market and platform expansion, Mottrol's 1Q earnings hugely improved on YoY basis.
 - Better market position achieved by supplying to new models for Chinese local major players.
 - Solid earnings from components sold to defense industry for aerospace/guided missile
- 2Q Sales is expected to increase by 7.5% with new agent pool in N.A. and sales expansion in non-China market such as, newly supplied pump/valve to Russia.

Fuel Cell

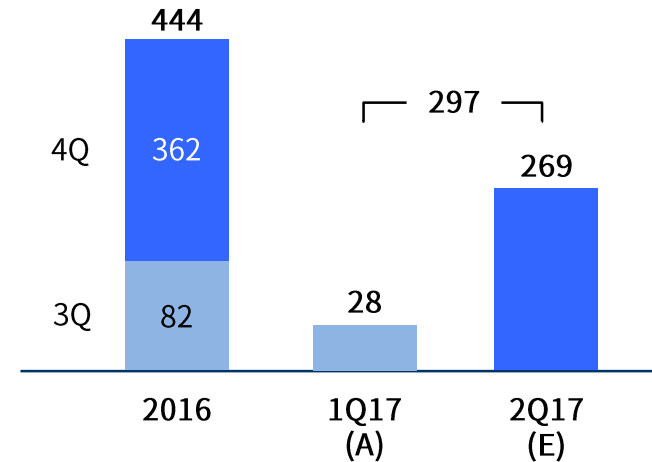
Quarterly Sales and OP

(in KRW bn)



Order Outlook

(in KRW bn)



- Due to cost rise by domestic plant set-up, 1Q earnings has been temporarily damaged.
 - Product delivery of new projects scheduled in 2Q will contribute to sales expansion in 2nd half.
- Improvement of seasonality in new order intake
 - 2Q : bidding for 25MW of direct order from power generators
 - 3Q : 40MW contract negotiation with private power generators
- Partnership establishment with a bank for PPA business model in U.S. (9MW for pilot project)

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Appendix : 1Q17 Result(Parent)

(in KRW bn, %)

	1Q16	4Q16	1Q17	YoY	QoQ
Sales	454	567	612	+34.8%	+7.9%
OP (M)	71 (15.7%)	-15 (-)	108 (17.7%)	+52.0% (+2.0%P)	
▪ In-house Biz.	35	18	36	+4.0%	+101.7%
▪ Others*	36	-33	72	+98.9%	

* Including dividend income, common expenses, consolidated adjustment, DFS business and etc.

Appendix : Financial Summary

Financial Summary

	(in KRW bn)	
	Parent	
	4Q16	1Q17
Current Asset	811	855
Non-Current Asset	2,934	2,875
Total Assets	3,745	3,731
Current Liabilities	1,043	1,055
Non-Current Liabilities	589	600
Total Liabilities	1,632	1,655
Paid-in Capital	135	135
Total Equity	2,113	2,076
L/E Ratio	77%	79.7%

	(in KRW bn)	
	Consolidated	
	4Q16	1Q17
Current Asset	10,769	10,928
Non-Current Asset	17,896	17,284
Total Assets	28,665	28,212
Current Liabilities	13,440	13,879
Non-Current Liabilities	7,324	6,911
Total Liabilities	20,764	20,790
Paid-in Capital	2,392	2,222
Total Equity	7,901	7,422
L/E Ratio	263%	280.1%

Debt

	(in KRW bn)	
	Parent	
	4Q16	1Q17
Bank	749	599
Corp. Bonds	335	395
Others	0	0
Debt	1,084	994
Cash	156	56
Net Debt	929	937
Net D/E Ratio	44%	45.1%

E O D