

DOOSAN CORPORATION
SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
	(In Korean won)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	₩149,109,647,473	₩214,015,217,498
Net income	155,323,331,822	134,400,506,348
Adjustments	40,480,429,924	41,725,220,523
Changes in operating assets and liabilities	(46,694,114,273)	37,889,490,627
Interest received	7,045,902,458	8,526,988,889
Interest paid	(33,147,466,188)	(23,273,695,327)
Dividends received	69,845,320,469	24,513,973,500
Income tax paid	(9,331,895,855)	(128,218,699,404)
Net Cash Provided by Operating Activities	<u>183,521,508,357</u>	<u>95,563,785,156</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflows from investing activities		
Decrease in short-term financial instruments	43,335,977,867	-
Decrease in short-term loans	943,634,687	1,574,120,000
Decrease in long-term financial instruments	500,000	-
Disposal of long-term investment securities	-	19,576,756,930
Disposal of investments in subsidiaries and associates	130,393,173	-
Disposal of property, plant and equipment	118,249,533	164,952,731
Disposal of intangible assets	395,454,545	842,726,365
Disposal of investment property	3,902,107,397	41,700,000
Disposal of assets held for sale	-	18,626,500,000
Increase in government subsidy	1,358,685,358	549,430,522
Increase by merger	-	59,715,876,684
Increase by transfer of operations	-	52,136,819,465
Subtotal	<u>50,185,002,560</u>	<u>153,228,882,697</u>
Cash outflows for investing activities		
Increase in short-term financial instruments	-	(32,347,245,684)
Purchase of investments in subsidiaries and associates	(77,538,664,980)	(30,894,040,000)
Purchase of property, plant and equipment	(109,509,365,529)	(62,710,319,584)
Acquisition of intangible assets	(4,605,278,079)	(776,216,632)
Increase in long-term loans	(991,038,820)	(245,122,493)
Subtotal	<u>(192,644,347,408)</u>	<u>(126,972,944,393)</u>
Net Cash (Used in) Provided by Investing Activities	<u>(₩142,459,344,848)</u>	<u>₩26,255,938,304</u>

(Continued)

DOOSAN CORPORATION
SEPARATE STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
	(In Korean won)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflows from financing activities		
Increase in short-term borrowings	₩2,226,541,201	₩ -
Issuance of bonds	298,390,600,000	99,505,399,996
Increase in long-term borrowings	149,970,000,000	20,000,000,000
Issuance of share capital	2,572,503,000	3,139,890,200
Subtotal	<u>453,159,644,201</u>	<u>122,645,290,196</u>
Cash outflows for financing activities		
Decrease in short-term borrowings	-	(19,042,668,448)
Repayment of bonds	(160,043,582,586)	(102,546,121,576)
Repayment of long-term borrowings	(104,774,491,680)	(31,826,715,473)
Acquisition of treasury stock	(230,606,369,000)	(6,632,069,420)
Payment of dividends	(57,927,401,600)	(58,336,460,600)
Subtotal	<u>(553,351,844,866)</u>	<u>(218,384,035,517)</u>
Net Cash Used in Financing Activities	<u>(100,192,200,665)</u>	<u>(95,738,745,321)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	370,145	-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(59,129,667,011)	26,080,978,139
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	214,972,841,474	188,891,863,335
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>₩155,843,174,463</u>	<u>₩214,972,841,474</u>

(Concluded)

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