

Doosan Corporation and its subsidiaries
Consolidated statements of changes in equity
for the years ended December 31, 2018 and 2017
(Korean won)

	Share capital	Capital surplus	Other equity items	Accumulated other comprehensive income	Retained earnings	Non-controlling interests	Total
As of January 1, 2017	₩ 134,838,235,000	₩ 827,782,485,400	₩ (493,679,547,141)	₩ 511,895,897,145	₩ 1,410,659,241,495	₩ 5,509,361,812,964	₩ 7,900,858,124,863
Total comprehensive income:							
Profit for the year	-	-	-	-	40,567,984,409	5,381,126,524	45,949,110,933
Remeasurements of net defined benefit liabilities	-	-	-	-	21,724,396,123	33,215,984,650	54,940,380,773
Land revaluation surplus	-	-	-	115,028,477,082	21,474,788,424	163,838,660,179	300,341,925,685
Gain on valuation of available-for-sale financial assets	-	-	-	898,267,984	-	4,550,554,435	5,448,822,419
Loss on valuation of derivatives designated as cash flow hedges	-	-	-	(9,644,266,164)	-	(27,708,833,399)	(37,353,099,563)
Loss on foreign operations translation	-	-	-	(8,446,930,143)	-	(120,747,242,291)	(129,194,172,434)
Share of other comprehensive loss of associates and joint ventures	-	-	-	(2,810,111,512)	-	1,699,877,995	(1,110,233,517)
Subtotal	-	-	-	95,025,437,247	83,767,168,956	60,230,128,093	239,022,734,296
Transactions with shareholders directly reflected in shareholders' equity and others:							
Exercise of stock options	7,500,000	180,464,400	(62,050,400)	-	-	-	125,914,000
Cancellation of stock options	-	1,802,180,300	(1,802,180,300)	-	-	-	-
Payment of dividends	-	-	-	-	(100,425,616,900)	(65,685,841,285)	(166,111,458,185)
Retirement of treasury stocks	-	-	61,480,484,781	-	(61,480,484,781)	-	-
Changes in scope of consolidation	-	-	-	-	-	13,948,638,772	13,948,638,772
Transaction of treasury stocks in subsidiaries	-	21,904,044	-	-	-	(189,929,723)	(168,025,679)
Acquisition of investments by subsidiaries	-	3,908,005,438	-	-	-	(11,281,209,306)	(7,373,203,868)
Disposal of part of investments by subsidiaries	-	-	(830,721,293)	-	-	128,545,873,829	127,715,152,536
Stock options of subsidiaries	-	1,480,577,491	(1,480,577,491)	-	-	-	-
Conversion of convertible bonds of subsidiaries	-	(11,277,376)	-	-	-	22,020,685	10,743,309
Issuance of bonds with stock warrants in subsidiaries	-	22,621,793,787	-	-	-	62,327,760,578	84,949,554,365
Exercise of stock warrants of subsidiaries	-	(3,718,656,164)	-	-	-	8,268,514,706	4,549,858,542
Repayment of hybrid bonds of subsidiaries	-	-	(8,097,202,730)	-	-	(559,067,394,270)	(567,164,597,000)
Payment of dividends on hybrid bonds	-	-	-	-	-	(26,656,014,920)	(26,656,014,920)
Changes in share ratio of subsidiaries	-	(9,816,314,016)	(274,334)	-	-	9,527,236,184	(289,352,166)
Subtotal	7,500,000	16,468,677,904	49,207,478,233	-	(161,906,101,681)	(440,240,344,750)	(536,462,790,294)
As of December 31, 2017	₩ 134,845,735,000	₩ 844,251,163,304	₩ (444,472,068,908)	₩ 606,921,334,392	₩ 1,332,520,308,770	₩ 5,129,351,596,307	₩ 7,603,418,068,865

(Continued)

Doosan Corporation and its subsidiaries
Consolidated statements of changes in equity
for the years ended December 31, 2018 and 2017 (cont'd)
(Korean won)

	Share capital	Capital surplus	Other equity items	Accumulated other comprehensive income	Retained earnings	Non-controlling interests	Total
As of January 1, 2018	₩ 134,845,735,000	₩ 844,251,163,304	₩ (444,472,068,908)	₩ 606,921,334,392	₩ 1,332,520,308,770	₩ 5,129,351,596,307	₩ 7,603,418,068,865
Effect of adoption of new accounting standards (See Note 2)	-	-	-	(8,652,701,395)	(20,123,316,200)	(63,263,887,016)	(92,039,904,611)
As of January 1, 2018 (Modified)	134,845,735,000	844,251,163,304	(444,472,068,908)	598,268,632,997	1,312,396,992,570	5,066,087,709,291	7,511,378,164,254
Total comprehensive loss:							
Loss for the year	-	-	-	-	(116,862,087,818)	(223,648,906,696)	(340,510,994,514)
Remeasurements of net defined benefit liabilities	-	-	-	-	(14,600,542,513)	30,948,491,623	16,347,949,110
Land revaluation surplus	-	-	-	(62,130,720,958)	14,697,285,503	(17,837,384,317)	(65,270,819,772)
Gain on valuation of financial assets (designated) at fair value through OCI	-	-	-	40,135,697	1,928,916	708,984,071	751,048,684
Gain on valuation of derivatives designated as cash flow hedges	-	-	-	6,809,385,283	-	14,901,469,153	21,710,854,436
Gain on foreign operations translation	-	-	-	10,189,877,855	-	128,870,173,674	139,060,051,529
Share of other comprehensive loss of associates and joint ventures	-	-	-	(1,272,102,721)	-	(2,347,839,086)	(3,619,941,807)
Subtotal	-	-	-	(46,363,424,844)	(116,763,415,912)	(68,405,011,578)	(231,531,852,334)
Transactions with shareholders directly reflected in shareholders' equity and others:							
Capital share issue costs	-	(877,900)	-	-	-	-	(877,900)
Cancellation of stock options	-	6,365,065,700	(6,365,065,700)	-	-	-	-
Payment of dividends	-	-	-	-	(177,090,255,099)	(65,329,824,578)	(242,420,079,677)
Retirement of treasury stocks	-	-	58,408,585,701	-	(58,408,585,701)	-	-
Divided combination of subsidiaries	-	(52,518,091,993)	-	-	-	34,245,322,412	(18,272,769,581)
Changes in scope of consolidation	-	-	-	(455,926,782)	-	(83,170,330,940)	(83,626,257,722)
Disposal of part of investments by subsidiaries	-	(3,586,569,997)	(2,476,993,242)	-	-	507,324,714,945	501,261,151,706
Stock options of subsidiaries	-	1,431,233,389	(1,431,233,389)	-	-	-	-
Issuance of stock warrants in subsidiaries	-	376,684,331	-	-	-	921,499,607	1,298,183,938
Exercise of stock warrants of subsidiaries	-	(34,884,854,984)	-	-	-	74,249,227,236	39,364,372,252
Repayment of hybrid bonds of subsidiaries	-	-	-	-	-	(333,286,268,697)	(333,286,268,697)
Changes in other equity items	-	-	-	-	-	882,424,833	882,424,833
Subtotal	-	(82,817,411,454)	48,135,293,370	(455,926,782)	(235,498,840,800)	135,836,764,818	(134,800,120,848)
As of December 31, 2018	₩ 134,845,735,000	₩ 761,433,751,850	₩ (396,336,775,538)	₩ 551,449,281,371	₩ 960,134,735,858	₩ 5,133,519,462,531	₩ 7,145,046,191,072

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