

GS E&C Presentation

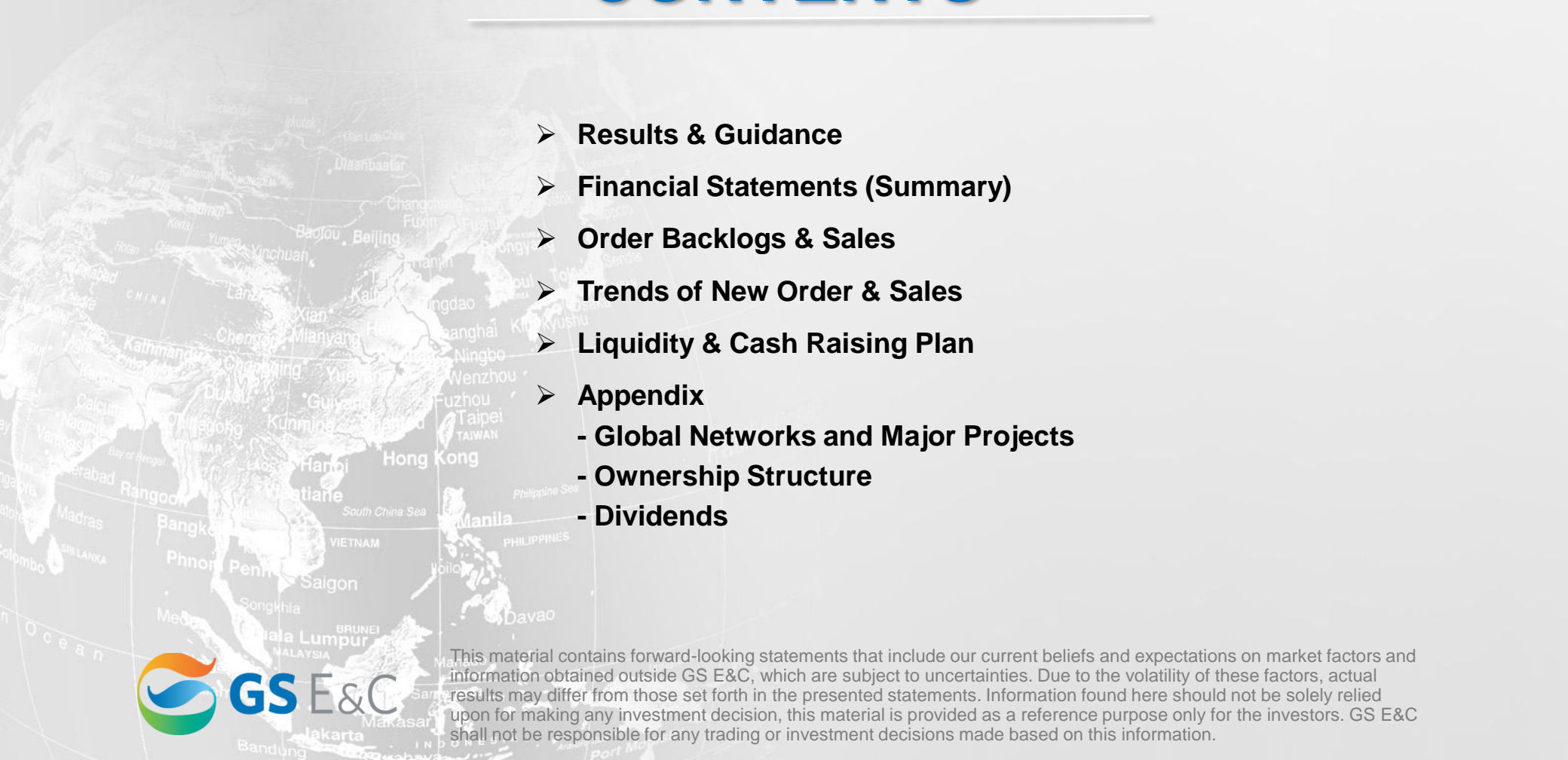
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CONTENTS

- 
- **Results & Guidance**
 - **Financial Statements (Summary)**
 - **Order Backlogs & Sales**
 - **Trends of New Order & Sales**
 - **Liquidity & Cash Raising Plan**
 - **Appendix**
 - **Global Networks and Major Projects**
 - **Ownership Structure**
 - **Dividends**



This material contains forward-looking statements that include our current beliefs and expectations on market factors and information obtained outside GS E&C, which are subject to uncertainties. Due to the volatility of these factors, actual results may differ from those set forth in the presented statements. Information found here should not be solely relied upon for making any investment decision, this material is provided as a reference purpose only for the investors. GS E&C shall not be responsible for any trading or investment decisions made based on this information.



(Unit : KRW bn)

| | 2013 | 2014.1H | 2014(P) |
|------------------|--------|---------|---------|
| New Orders | 9,009 | 7,846 | 14,000 |
| Sales Revenues | 9,566 | 4,407 | 10,646 |
| Gross Profits | -379 | 152 | |
| - Domestic | 12.3% | 4.4% | |
| - Overseas | -19.0% | 2.9% | |
| Infra(Civil) | 2.6% | -0.2% | |
| Plant | -23.2% | 6.4% | |
| Power | 1.0% | 1.0% | |
| Architecture | 13.1% | 0.9% | |
| Parnas, etc | 9.4% | 9.0% | |
| Operating Profit | -935 | -7 | 160 |
| Ordinary Profit | -993 | -25 | 240 |
| Net Profit | -827 | -26 | |

(Unit : KRW bn)

| Division | 14.1H New Orders | Major Projects |
|---------------------|------------------|---|
| Infra (civil) | 267 | - HaNam railway (Sangil~Geomdan) (60) - Philipin Puerto Princesa Airport improve (32) |
| Plant | 5,553 | - Iraq Karbala Pjt (2,426) - Kuwait Clean Fuels Pjt (1,710) - UAE Rumaitha/Shanayel Facilities ph3 (752) - Turkey Star Refinery Pjt-additional works (198) |
| Power | 1,033 | - Dangjin CCPP Pjt – unit 5 (623) - Algeria Kais CCPP Pjt (326) |
| Archi. / Housing | 992 | - BangBae zone 5 reconstruction (275) - Wirae New City A2-2 block (110) - Fusionopolis 2A Tower A&B Fittingout (103) - Dapsimni zone 14 redevelopment (64) |

Financial Statements (Summary)



Net debt and borrowings has significantly reduced mainly due to new rights offering and advanced payment from overseas new orders. As the current cash raising plan is finalized, there would be further improvement in financial structure.

Statements of Financial Position

| Account | 13 | 14.1H |
|--|---------------|---------------|
| Total Asset | 12,427 | 12,657 |
| Cash and cash equiv. | 1,866 | 2,053 |
| Trade & other Receivable | 4,785 | 4,617 |
| Inventories | 499 | 505 |
| Short Term financial instrument and other current assets | 1,264 | 1,326 |
| Tangible Assets | 2,243 | 2,256 |
| Total Liabilities | 9,268 | 8,974 |
| Trade and other Payables | 1,527 | 1,365 |
| Borrowings | 4,247 | 3,918 |
| Total Equity | 3,159 | 3,682 |
| Capital Stock | 255 | 355 |
| Debt Ratio | 293% | 244% |
| (nonconsolidated) | (263%) | (212%) |

Statements of Income

(Unit: KRW)

| Account | 13 | 14.1H |
|------------------------|--------------|--------------|
| Infra(Civil) | 1,147 | 489 |
| Plant | 3,796 | 1,968 |
| Power | 1,044 | 516 |
| Architecture / Housing | 3,339 | 1,320 |
| Parnas etc | 240 | 114 |
| Total | 9,565 | 4,407 |
| Gross Profit | (379) | 152 |
| SG&A | 556 | 159 |
| Operating Profit | (935) | (7) |
| Ordinary Profit | (993) | (25) |
| Net Profit | (827) | (26) |

Order Backlogs & Sales



Order Backlogs

(KRW bn)

| Division | 2013 | 2014.1H | Changes |
|------------------------|---------------|---------------|-----------|
| Infra(Civil) | 4,042 | 3,782 | -6% |
| Plant | 14,282 | 17,019 | 19% |
| Power | 1,822 | 2,530 | 39% |
| Architecture / Housing | 17,022 | 16,105 | -5% |
| Domestic | 21,019 | 20,539 | -2% |
| Overseas | 16,149 | 18,896 | 17% |
| Total | 37,168 | 39,436 | 6% |

❖ Overseas Order Backlogs by region

- Asia: 29% (Khazak, Singapore, Vietnam..)
- Middle East: 35% (Saudi, UAE, Kuwait, Iraq..)
- Africa: 12% (Egypt, Algeria, Tanzania, Mozambiq)
- Europe: 7% (Turkey)
- Others: 17% (Australia, Canada)

Sales Revenues

(KRW bn)

| Division | 2013 | 2014.1H |
|------------------------|--------------|--------------|
| Infra(Civil) | 1,147 | 489 |
| Plant | 3,796 | 1,968 |
| Power | 1,044 | 516 |
| Architecture / Housing | 3,339 | 1,320 |
| Parnas etc. | 240 | 114 |
| Domestic | 4,590 | 1,740 |
| Overseas | 4,976 | 2,667 |
| Total | 9,566 | 4,407 |

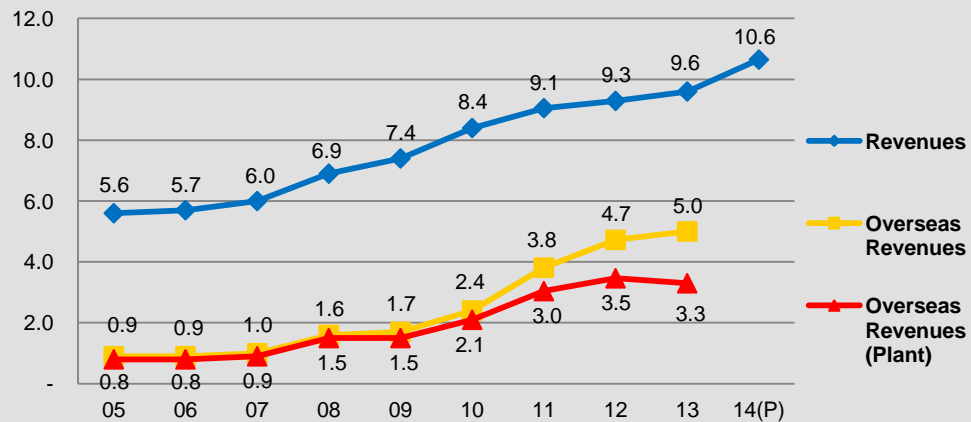
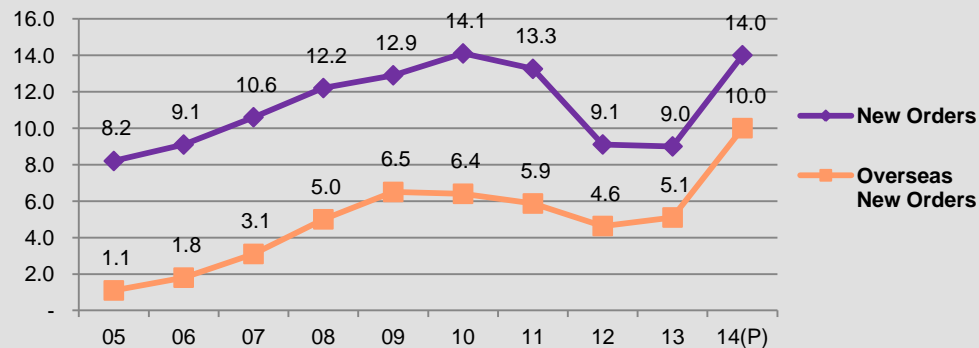
- ❖ It secured about 3.9 years work volume averagely based on 10 trillion annual revenue.

Trends of New Orders & Sales

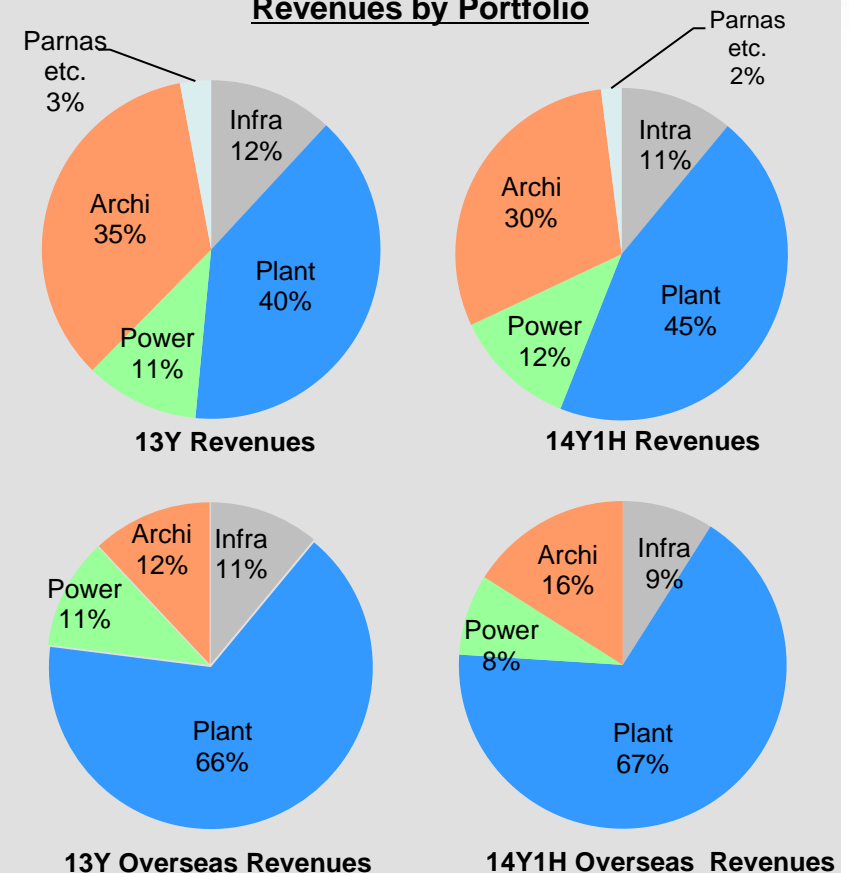


Despite the weaker than expected new order achievements in last 2 years, GS E&C is expected to keep the robust business growth with profitability going forward through overseas business, which takes now over 50%.

New Orders & Revenues



Revenues by Portfolio



Liquidity & Cash Raising Plan



✓Cash Flow & Liquidity

(KRW trn)

| | 10 | 11 | 12 | 13 | 14.1H |
|------------------------|-------|------|------|------|-------|
| Gross Debt | 1.32 | 2.26 | 2.46 | 4.25 | 3.92 |
| Cash & Cash Equivalent | 1.49 | 1.49 | 1.42 | 1.87 | 2.05 |
| Net Debt | -0.17 | 0.77 | 1.04 | 2.38 | 1.86 |

✓Pay-back Schedule

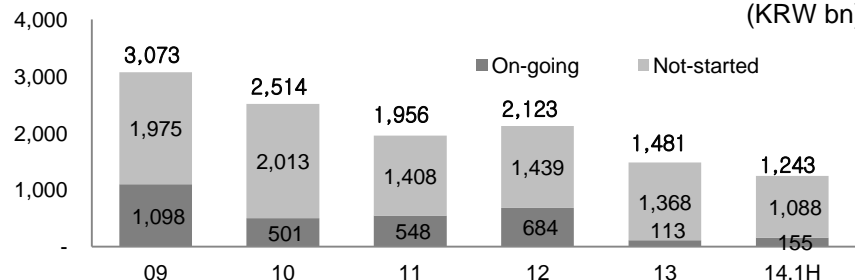
(KRW bn)

| | 2015 | 2016 | After 2017 | Total |
|------------------|------|------|------------|-------|
| Corp. Bond | - | 320 | 362 | 682 |
| Commercial Paper | - | - | 800 | 800 |



✓PF Guarantee

(KRW bn)



✓Housing Supply Units

| | 09 | 10 | 11 | 12 | 13 | 14.1H | 14(P) |
|----|-------|-------|-------|-------|-------|-------|--------|
| 세대 | 1,517 | 2,961 | 6,103 | 5,234 | 4,292 | 4,420 | 13,000 |

✓Capital Raising Plan : KRW 1.2 ~ 1.5 trillion

New Rights Offering

| | |
|-------------------------|---------------------|
| Ordinary Shares | 20,000,000 |
| Issue Price | KRW 27,600 |
| Capital Increase Amount | KRW 552,000,000,000 |
| To be listed | Jun. 25, 2014 |

Asset Disposal

Parnas Hotel (KRW 474 bn), Others (KRW 123 bn)

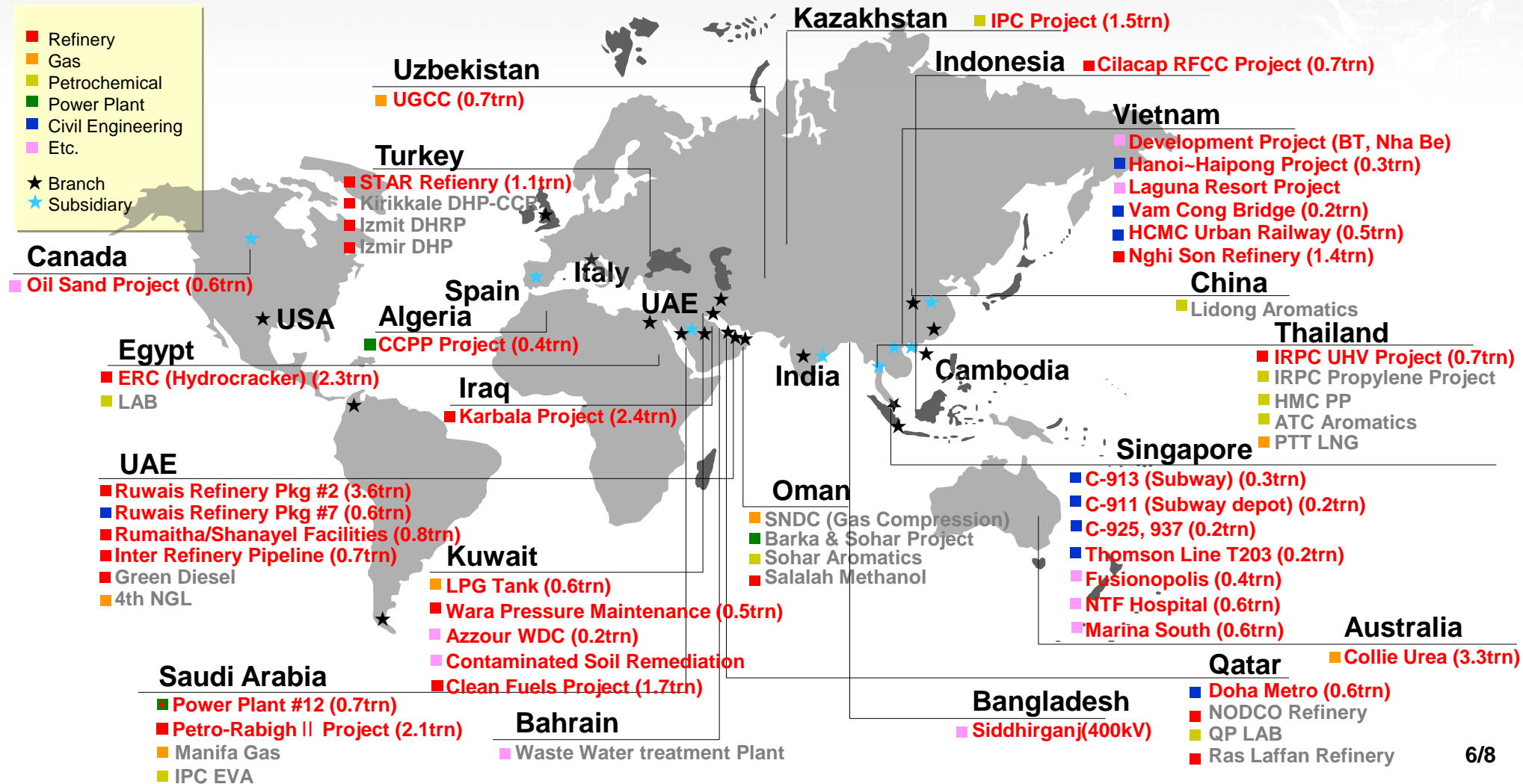
* () ; book value



Appendix – Global Networks & Major Projects



GS E&C currently operates more than 50 on-going projects, 33 branches & local entities in overseas.

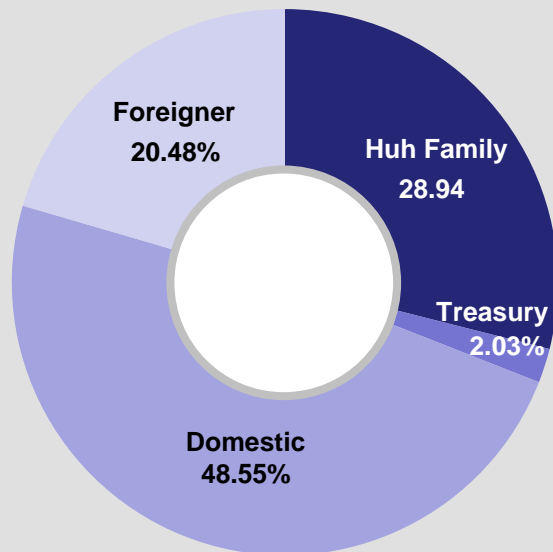


Appendix – Ownership Structure



GS E&C

(As of 1H 2014)



Huh Family

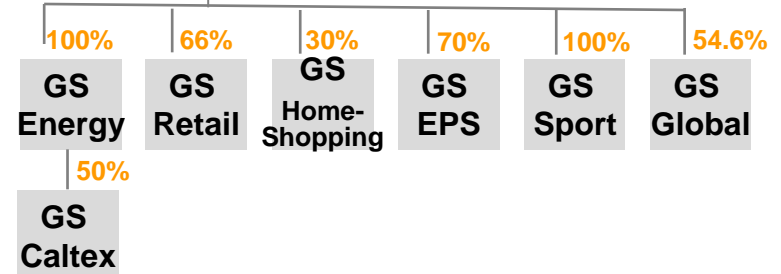
(As of 1H 2014)

GS Holdings



28.94%

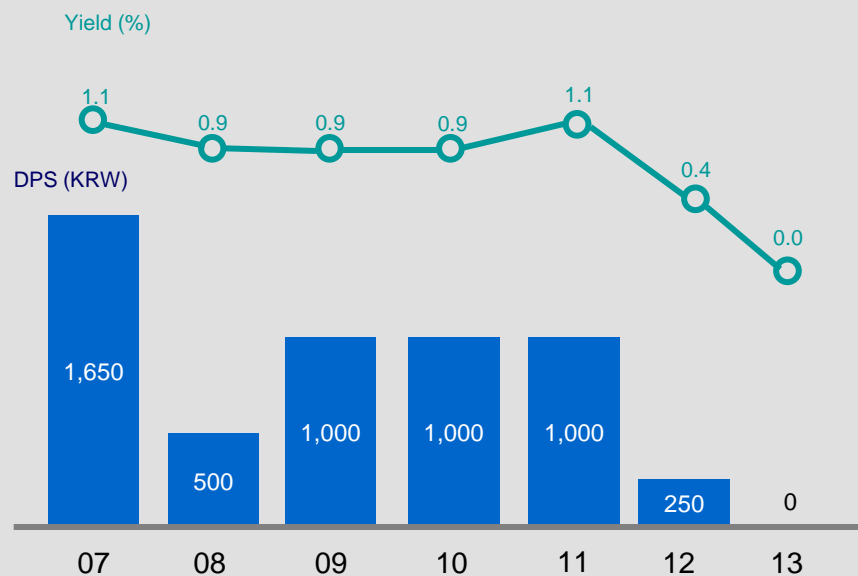
Subsidiary



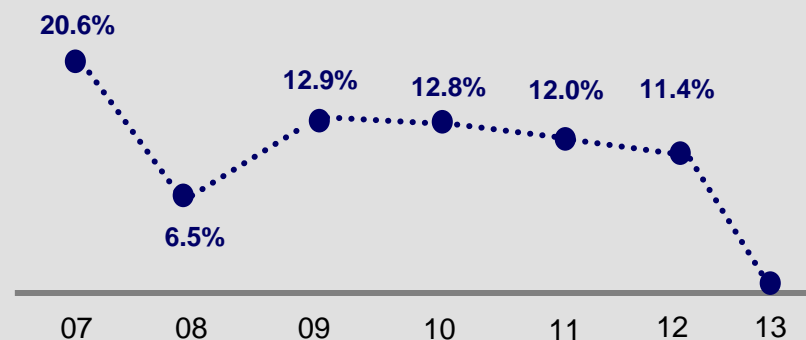
Appendix - Dividends



Yield & DPS



Payout Ratio





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