

GS E&C Presentation

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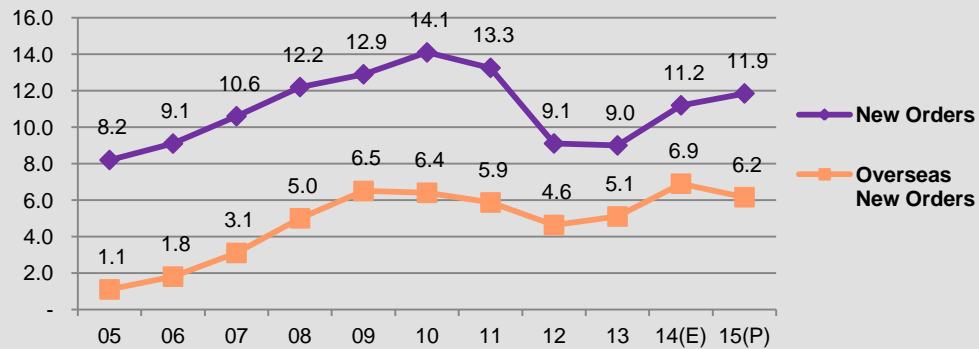


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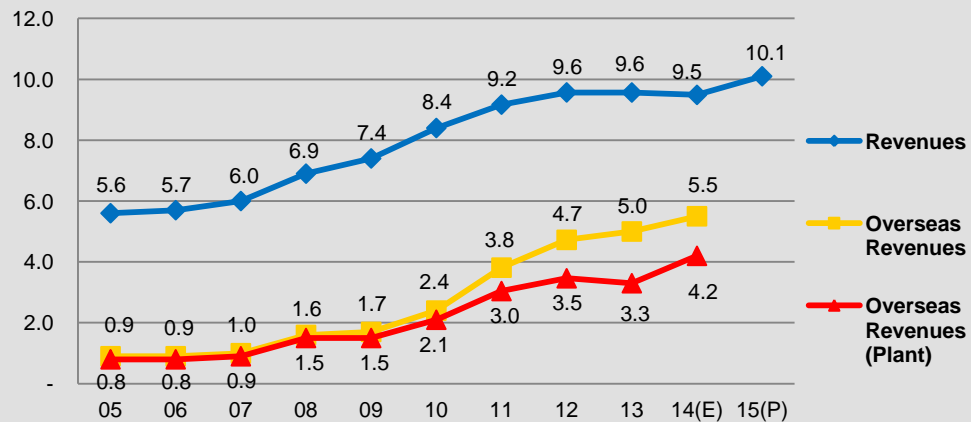
Trend of New Orders & Sales Revenues



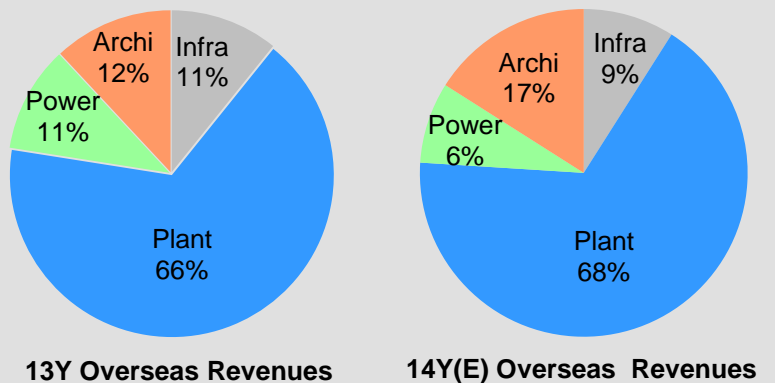
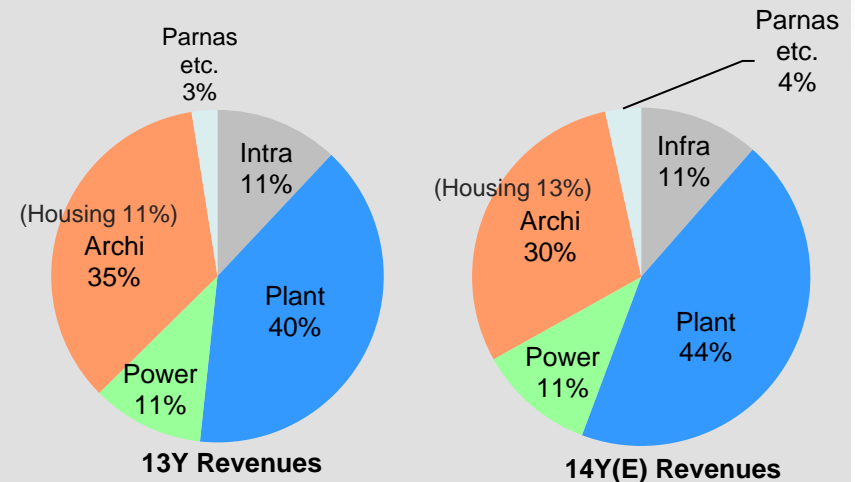
New Orders



Sales Revenues



Sales Revenues by Portfolio



Order Backlogs



Order backlogs by division

(KRW bn)

Division	2013	2014(E)	%
Plant	11,348	12,823	37.5%
Power	1,507	1,515	4.4%
Infra(civil)	4,042	4,172	12.2%
Architecture	17,022	15,657	45.8%
Domestic	21,019	19,749	57.8%
Overseas	12,900	14,419	42.2%
Total	33,919	34,167	100.0%

Overseas order backlogs by region

(KRW bn)

Region	2014(E)	%
Middle East (Saudi, UAE, Kuwait, Iraq..)	6,873	47.7%
Asia (Khazak, Singapore, Vietnam..)	4,572	31.7%
Africa (Egypt, Algeria, Tanzania, Mozambique)	1,829	12.7%
Europe (Turkey)	1,128	7.8%
Other (Canada)	17	0.1%
Total	14,419	100%

Overseas order backlogs by year awarded

(KRW bn)

	Up to 2011	2012	2013	2014(E)	Total
Plant	1,920	1,092	3,549	4,655	11,217
Power	5	71	88	317	481
Infra(civil)	352	231	550	646	1,778
Architec.	35	211	519	176	942
Total	2,313	1,605	4,706	5,795	14,419
%	16.0%	11.1%	32.6%	40.2%	100.0%

Up to 2011 : ERC (1,459), TBO road (199), Tank Farm (112)

2012 : Rabigh (863), HCMC (223), NTF hospital (137)

2013 : KLPE pj (1,441), STAR (1,108), NSRP (1,001), Marina South (467)

2014 : Karbarla (2,392), CFP (1,564), Ru/Sh (694)

- ❖ Collie Urea Project (Australia) (KRW 3,249 bn) in current order backlogs is excluded because its contract effectiveness has been delayed for long period whereas its contract amount is huge.

Results & Guidance



(Unit : KRW bn)

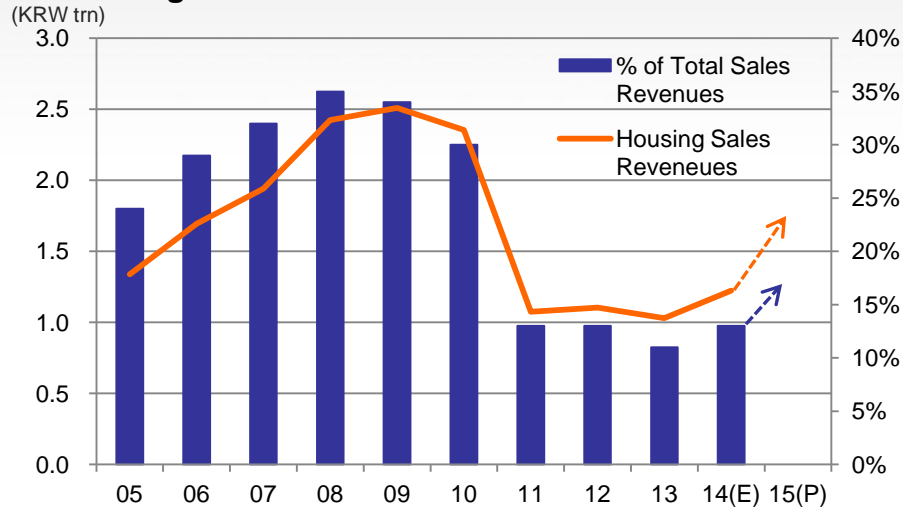
	2014(E)	2015(P)
New Orders	11,216	11,850
- <i>Domestic</i>	4,314	5,690
- <i>Overseas</i>	6,902	6,160
Sales Revenues	9,488	10,100
Gross Profits	429	
- <i>Domestic</i>	8.8%	
- <i>Overseas</i>	1.5%	
<i>Infra(Civil)</i>	6.2%	
<i>Plant</i>	3.4%	
<i>Power</i>	-2.0%	
<i>Architecture</i>	6.4%	
<i>Parnas, etc</i>	17.9%	
Operating Profit	51	
Ordinary Profit	-30	
Net Profit	-22	

(Unit : KRW bn)

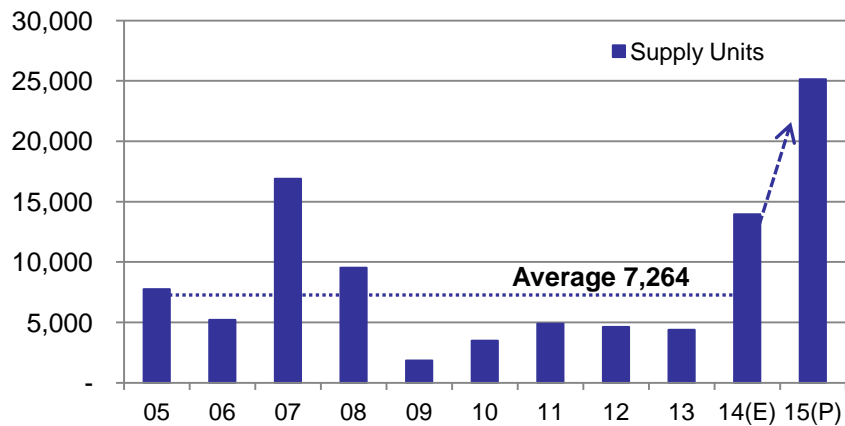
Division	2014 New Orders	Major Projects
Infra (civil)	1,027	<ul style="list-style-type: none"> - Kuwait Causeway Bridge Pjt (599) - HaNam railway (Sangil-Geomdan) (60) - KNOC Geoje branch system supplementation work (41) - GSC crude oil dock2 repair work(34) - Boryeong LNG Terminal (34) - Philipin Puerto Princesa Airport improve (32)
Plant	5,830	<ul style="list-style-type: none"> - Iraq Karbala Pjt (2,426) - Kuwait Clean Fuels Pjt (1,710) - UAE Rumaitha/Shanayel Facilities ph3 (752) - Turkey Star Pjt (198)
Power	1,121	<ul style="list-style-type: none"> - Dangjin Coal-FiredPowerComplex unit 5(623) - Algeria CCPP Pjt (326)
Archi. / Housing	3,238	<ul style="list-style-type: none"> - Misa Central Xi (558) - BangBae zone 5 reconstruction (275) - Gwang Myeong station Park Xi (223) - Daegu station central Xi (201) - ShinBanPo zone 6 reconstruction (200) - Mi-a zone 3 redevelopment (198) - Wirae New City A2-3 block (112) - Wirae New City A2-2 block (110) - ICN airport Terminal 2 Frame/Exterior(107) - Fusionopolis 2A Tower A&B Fittingout (103)



✓Housing Sales Revenues Trend



✓Housing Supply



2015 Housing supply plan is subject to market condition.

✓Unstarted PF Projects(as of 2014)

Site	PF Guarantee (KRW bn)	Expected Supply Units*	Expected Start*
Osan	176	2,040	2015
Siksa #2	110	1,677	2015
Pyungtaek	410	5,705	2015
Chungju Bangseo	112	1,500	2015
Donggyo Office	80	-	-
Yongin Shinbong	144	-	-
Yongin Dongcheon	79	-	-
Yongin Dongbaek	64	-	-
Yangju Baekseok	280	-	-
Total	1,455		

*It's subject to change.

✓Housing Order Backlogs

(Unit : KRW bn)

	2014
PF	1,178
Reconstruction/Redevelopment	11,763
In house	794
Total	13,735

Liquidity & Cash Raising Plan



✓Debt Ratio

	10	11	12	13	14(E)
%	151.8	201.8	199.8	293.4	265.6

✓Cash Flow & Liquidity

(KRW trn)

	10	11	12	13	14(E)
Gross Debt	1.32	2.26	2.46	4.25	3.92
Cash & Cash Equivalent	1.49	1.49	1.42	1.87	2.15
Net Debt	-0.17	0.77	1.04	2.38	1.77

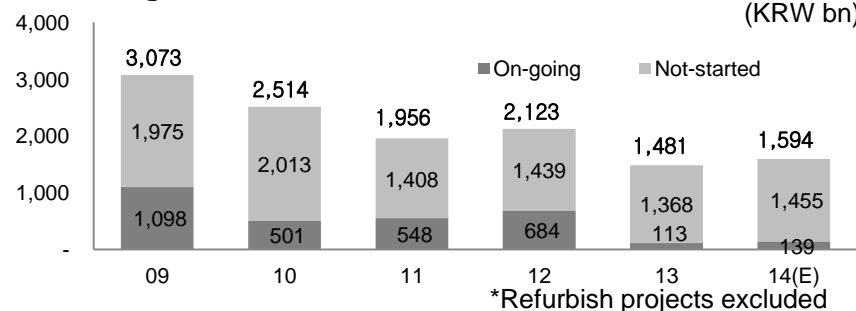
✓Pay-back Schedule for CB & CP

(KRW bn)

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

✓Housing PF Guarantee

(KRW bn)



✓Capital Raising Plan since 2014 : KRW 1.3 ~ 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)*
- GS Retail named preferred bidder in February 2015

Others (KRW 123 bn)*

*(): Book Value



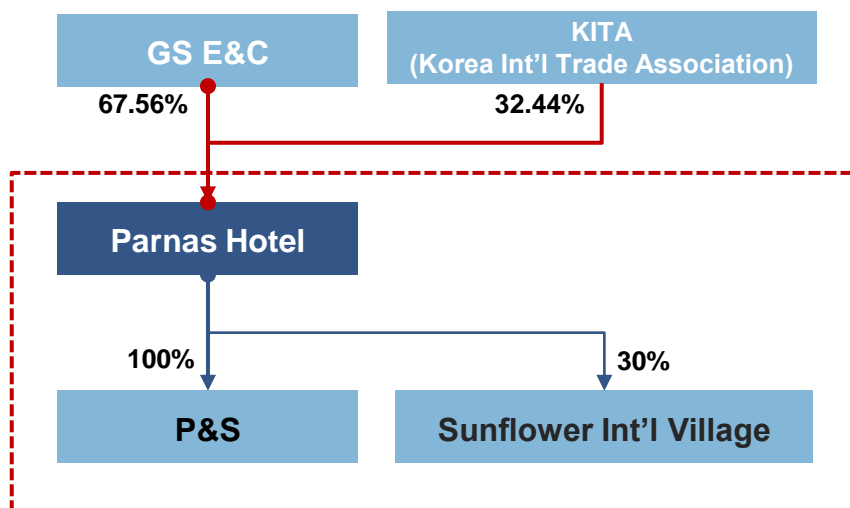
- Investment in housing business
- To pay down debt

Appendix - Parnas Hotel

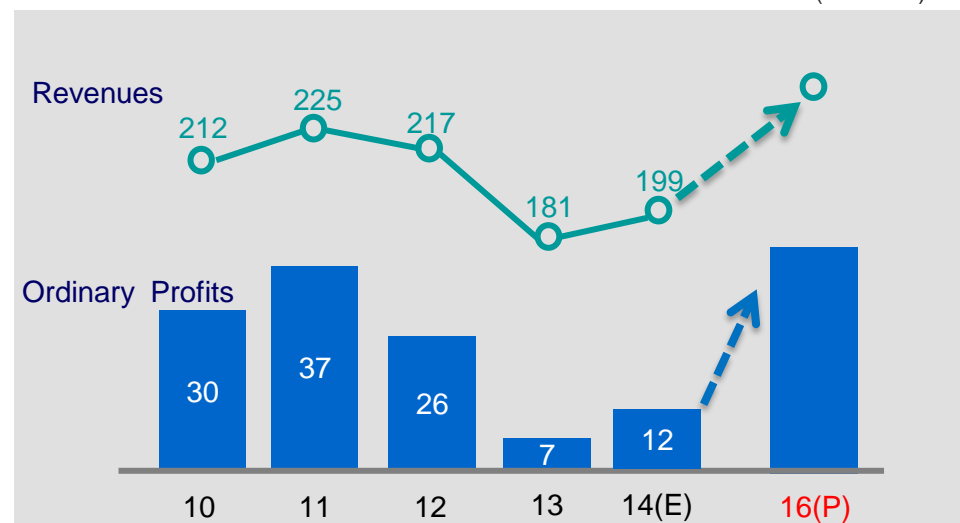


GS E&C selected GS Retail as preferred bidder to dispose of its 67.56% stake in Parnas Hotel. It is expected to sign a stock purchase agreement (SPA) in 1Q15 and complete the stake transfer by 1H15.

- ✓ Parnas is running the following hotels;
 - Grand InterContinental Seoul Parnas (Seoul)
 - InterContinental Seoul COEX (Seoul)
 - Nine Tree Hotel (Seoul)
 - Sunflower Int'l Village (Vietnam)
- ✓ Another new hotel called 'Parnas Tower' is under construction in Seoul.
 - Total floor area : 218,490m² (B8 ~ 38F)
 - Hotel, Office, Mall, etc.
 - Grand open is expected in August 2016.



- ✓ Ownership
 - GS E&C(67.56%), Korean Int'l Trade Association(32.44%)
- ✓ Recent performance (KRW bn.)



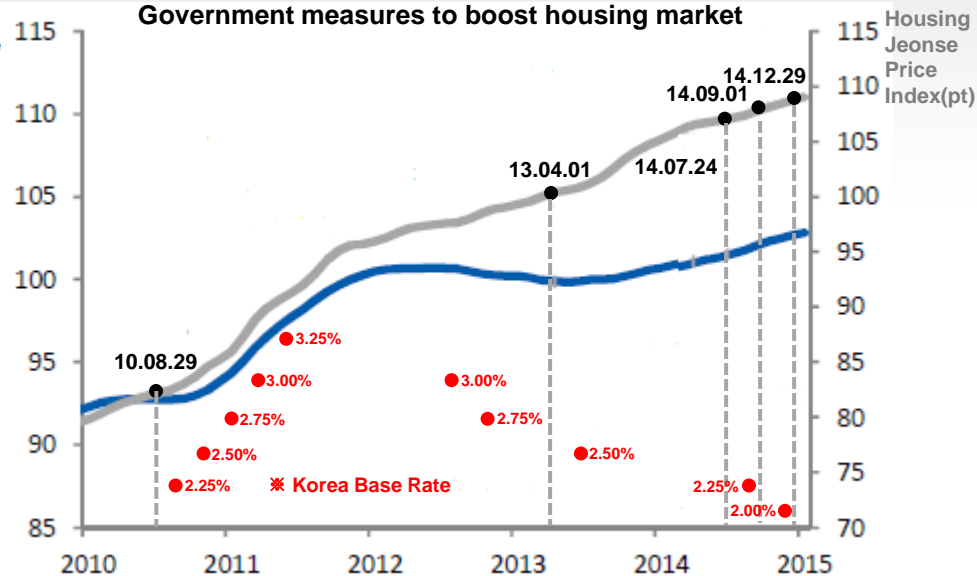
	10	11	12	13	14(E)
Assets	1,118	1,112	1,121	1,211	1,250
Liabilities	446	435	426	510	543
Equity	671	676	696	700	707

Appendix – Housing Market

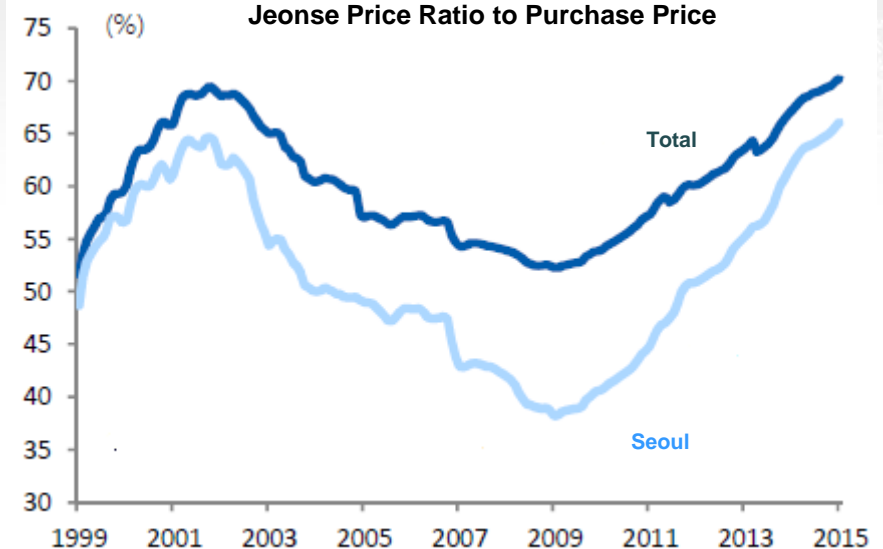


Housing
Purchase
Price
Index(pt)

Government measures to boost housing market



Jeonse Price Ratio to Purchase Price

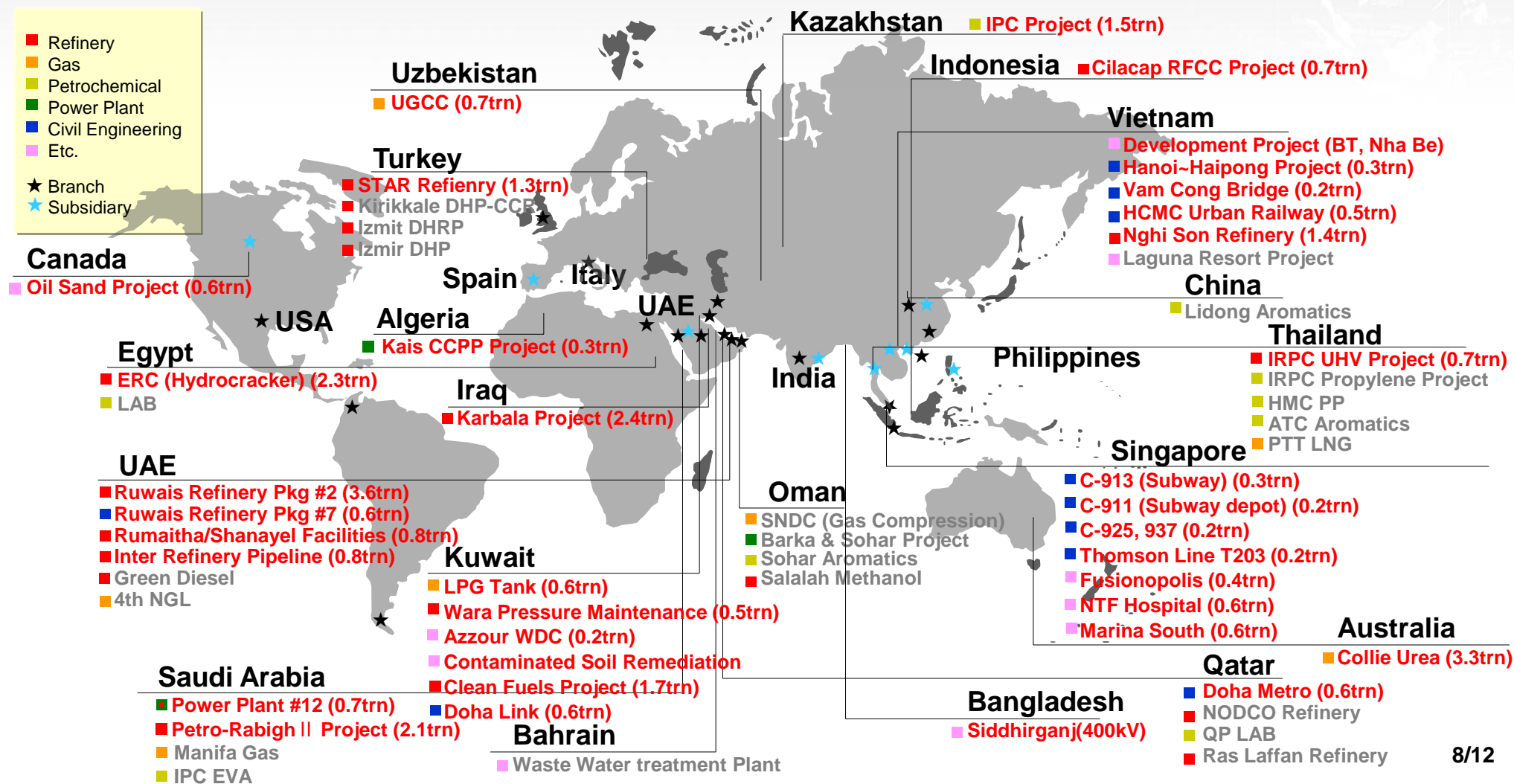


10.08.29	13.04.01	14.07.24	14.09.01	14.12.29
<ul style="list-style-type: none"> -Revision of DTI rules for households owning one or no home. -Public housing supply and schedule adjusted 	<ul style="list-style-type: none"> - Full exemption of capital gains tax for those who purchase new or unsold housing (subject to sell within five years) - Exemption of acquisition tax for first home owner 	<ul style="list-style-type: none"> - Deregulation of DTI(debt to income) and LTV(loan to value) ratio 	<ul style="list-style-type: none"> - Easing rules on reconstruction & redevelopment (easing the term required for reconstruction from 40 to 30 years) -Improving apartment subscription system - LH to stop designating public housing sites by 2017 	<ul style="list-style-type: none"> -Flexible application of presale price cap system -Abolition of the rules on restitution of excess reconstruction profits - Elimination of the cap on the number of presale homes for association members (reconstruction only)

Appendix – Global Networks & Major Projects



GS E&C currently operates more than 50 on-going projects, 34 branches & local entities in overseas.



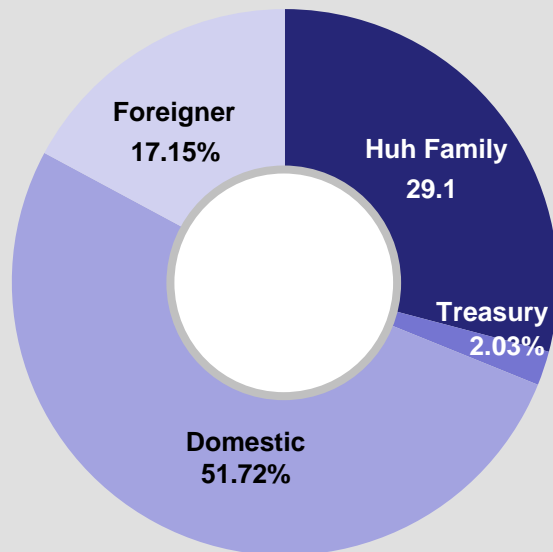
Red : On-going / Gray: Completed (KRW trillion)

Appendix – Ownership Structure



GS E&C

(As of 2014)



Huh Family

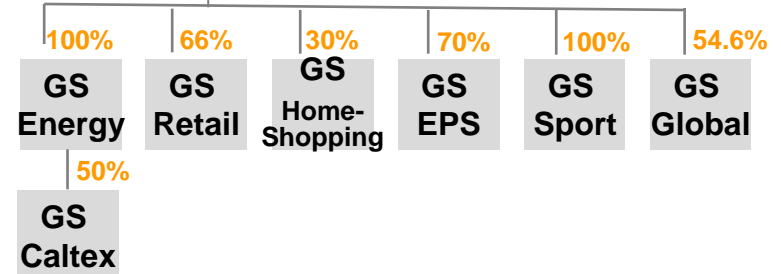
(As of 2014)

GS Holdings



29.15%

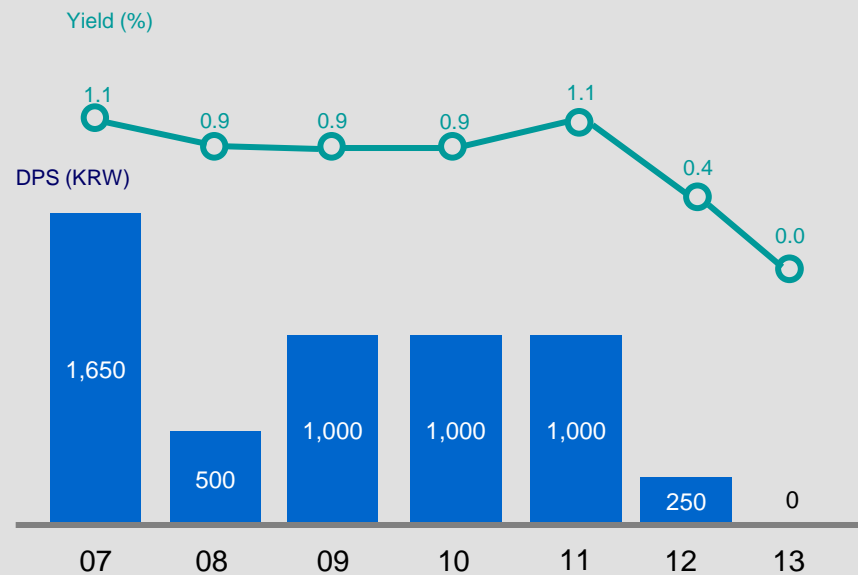
Subsidiary



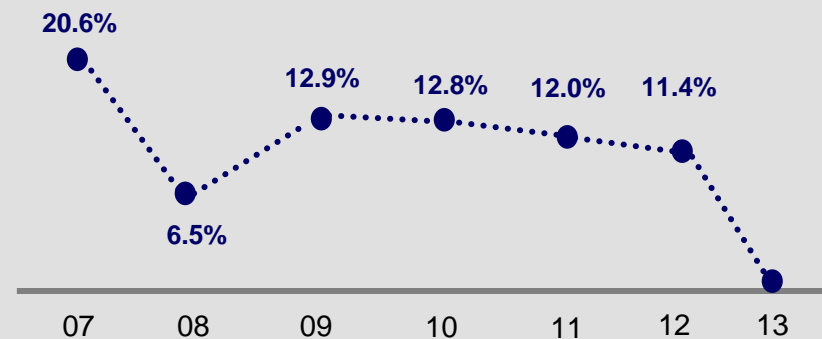
Appendix - Dividends



Yield & DPS



Payout Ratio



Financial Status – Statements of Financial Position (Summary)



(Unit : KRW bn, %)

Account	11	12	13	14(E)
Total Assets	11,779	11,776	12,427	13,095
Cash and cash equivalents	1,492	1,430	1,866	2,151
Trade and other receivable	4,620	4,479	4,785	4,574
Inventories	976	869	499	613
Short-Term financial instrument and other current assets	1,184	1,100	1,264	1,315
Tangible Assets	2,195	2,254	2,243	2,456
Total Liabilities	7,877	7,847	9,268	9,513
Trade and other payables	1,738	1,449	1,527	1,633
Borrowings	2,258	2,460	4,247	3,919
Total Equity	3,903	3,928	3,159	3,582
Capital Stock	255	255	255	355
Debt ratio	201.8	199.8	293.4	265.6

Financial Status – Statements of Income (Summary)



(Unit : KRW bn)

Account		11	12	13	14(E)
Sales Revenues	Infra(civil)	1,097	1,237	1,147	1,086
	Plant	3,875	4,492	3,796	4,202
	Power	594	655	1,044	1,062
	Architecture / Housing	3,303	2,904	3,339	2,812
	Parnas etc.	298	282	240	326
Total		9,168	9,569	9,566	9,488
Gross Profit		1,054	765	(379)	429
Selling & Administrative Expenses		644	589	556	378
Operating Profit		410	176	(935)	51
Ordinary Profit		524	182	(993)	(30)
Net Profit		407	95	(827)	(22)



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