

Investors Presentation

Merrill Lynch Conference

Best Partner & First Company

Great Innovation / Great Challenge / Great Partnership



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Great Innovation / Great Challenge / Great Partnership

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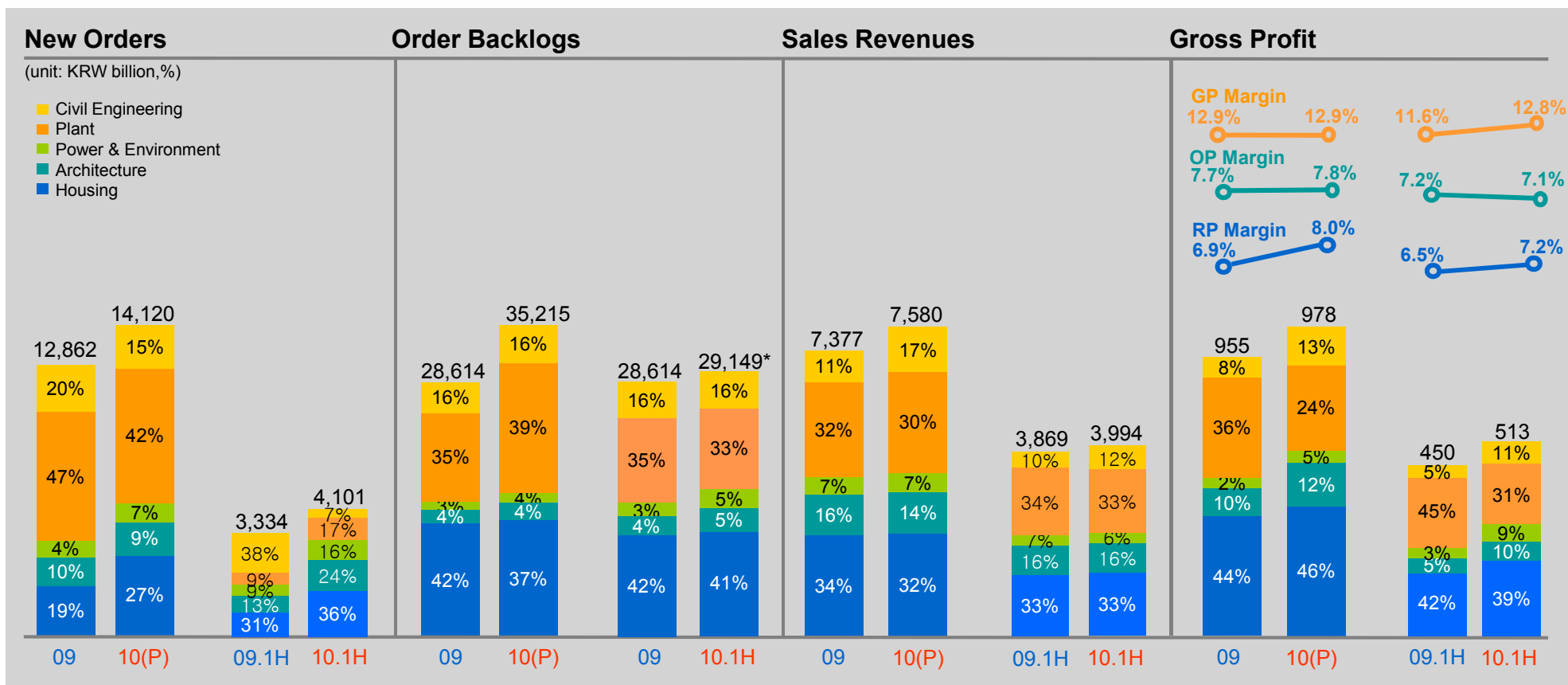
Appendix



Business Overview - Company Overall

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New orders, sales revenues and operating profit will go up YoY.



*Not included Provisional Order Backlogs in Housing KRW 11.7 trillion

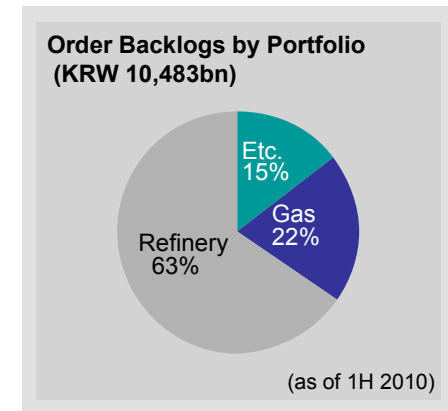
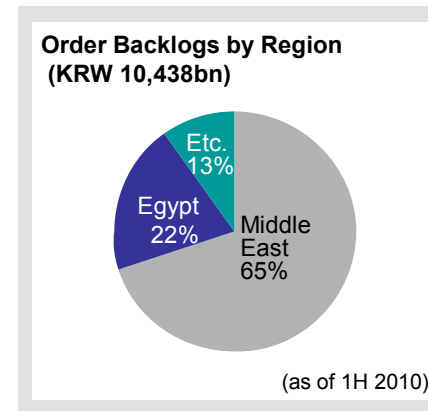
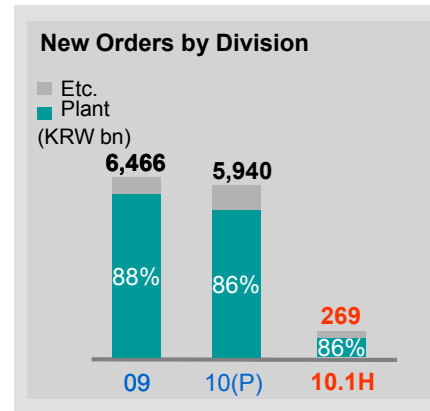
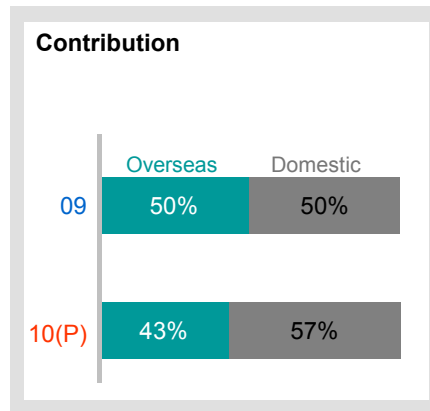


Business Overview - Overseas

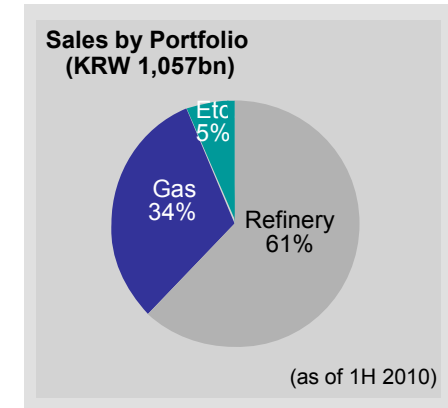
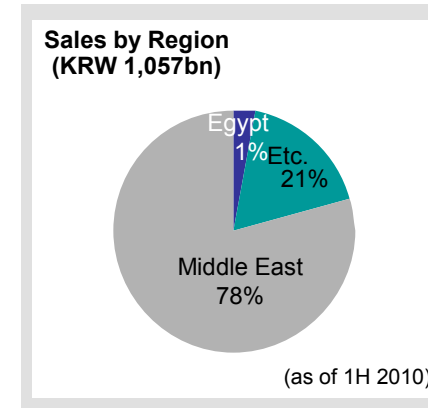
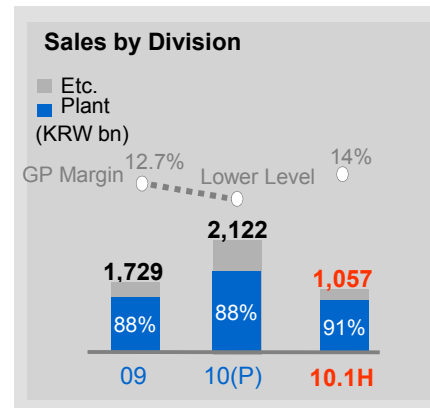
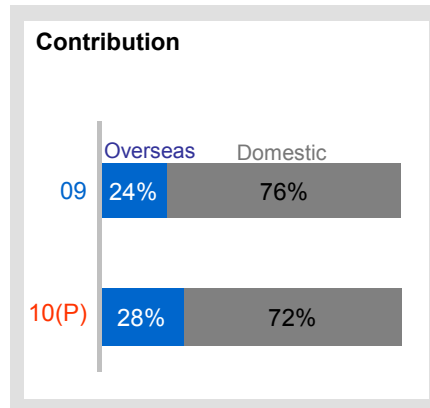
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Contributions to overseas new orders and sales revenues are 43%, 28% respectively.

Overseas New Orders



Overseas Sales Revenues



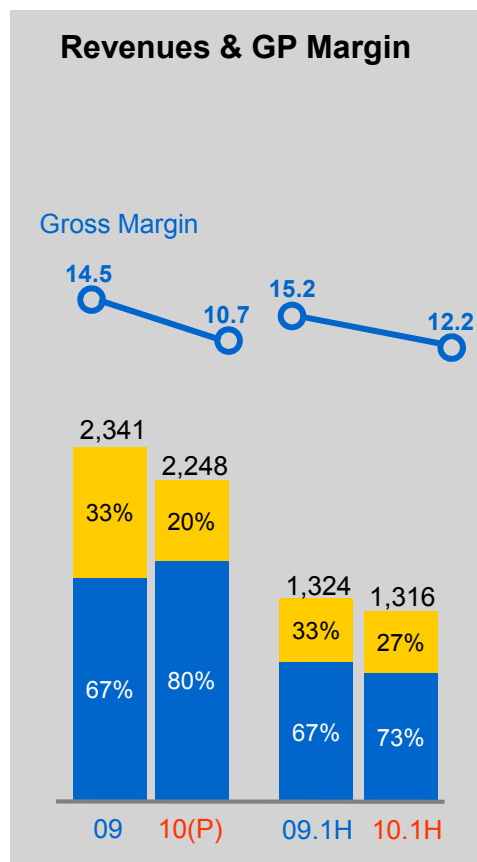
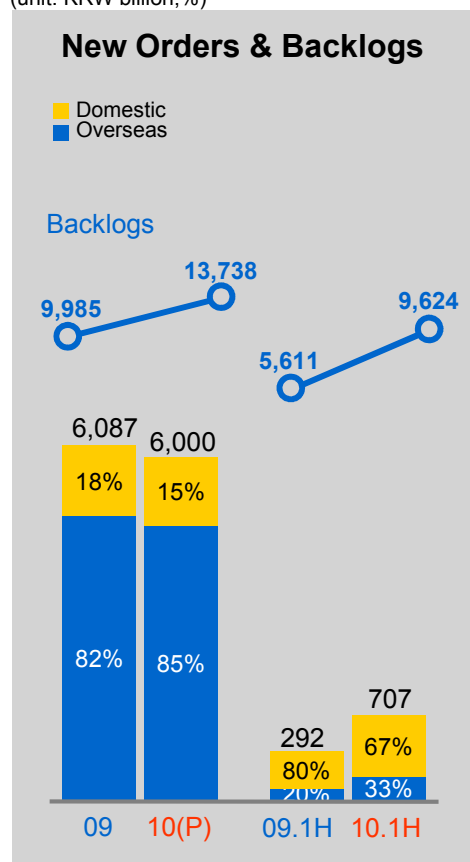


Overview by Division - Plant

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New orders went up due to base effect, but sales revenues slightly decreased since many projects are in initial stages.

(unit: KRW billion, %)



2010 Keyword

Market

- Oil-price expectation
2010 : USD 60 ~ 75
~2015 : USD 100 in average
- Oil refinery market
~2015 : CAGR 4% (Mainly from Middle East and Africa)
- Petrochemical market : Oversupply, but
Expected recovery from next year
~2015 : CAGR 8%

GS E&C Strategy

- Enter new market (Latin America, Africa, etc.)
- Developing new business area (Gas, LNG)
- Strengthen global network & Diversify outsourcing Channel
- Risk management through cost innovation and cash flow management

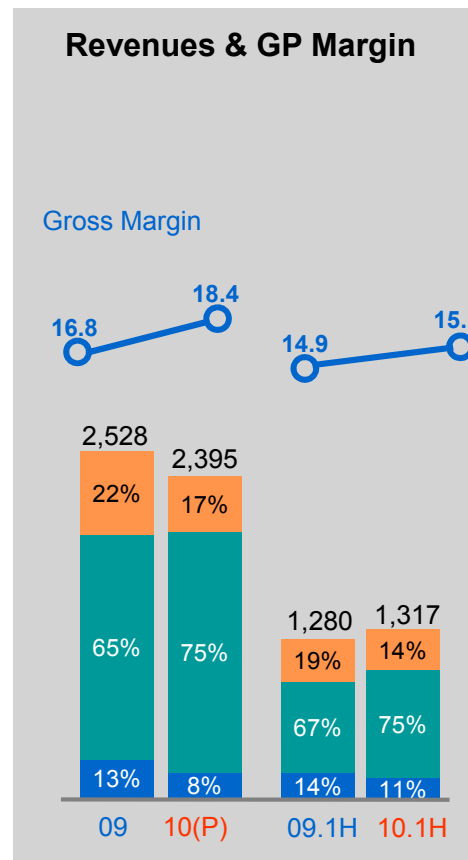
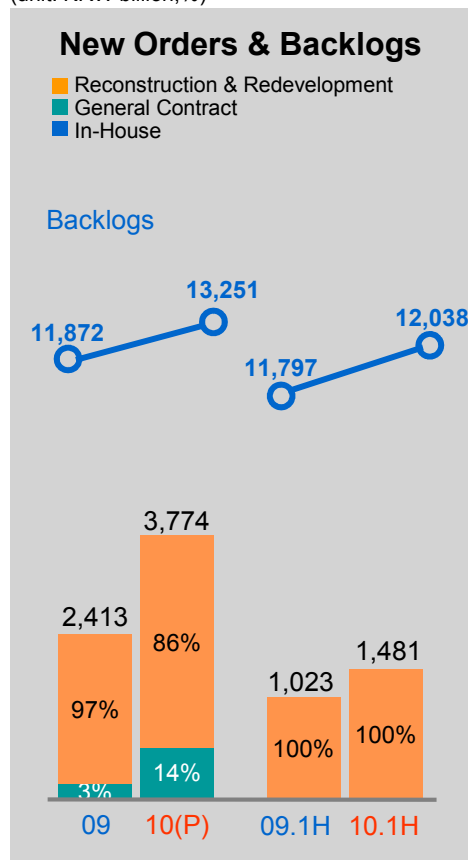


Overview by Division - Housing (I)

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New orders increased due to the boom of reconstruction and redevelopment projects. And sales revenues increased slightly YoY.

(unit: KRW billion, %)



2010 Keyword

Market

- Expected deregulation : Price cap, DTI, Tax benefits
- Provincial housing market rebounded with shortage of supply
- Stabilized housing price with low transaction volume
- Redevelopment/Reconstruction market improving

GS E&C Strategy

- Cash flow oriented management
- Try to digest unsold-unit : 4,061 → 2,000
- Lower PF loan guarantee 3.2tn → 2.1tn
- New supply in Seoul and Greater Seoul area → 6,000 (Public presale 45%)
- Focusing on redevelopment & reconstruction

(See next page for detailed information)

*Not included Provisional Order Backlogs in Housing KRW 11.7 trillion



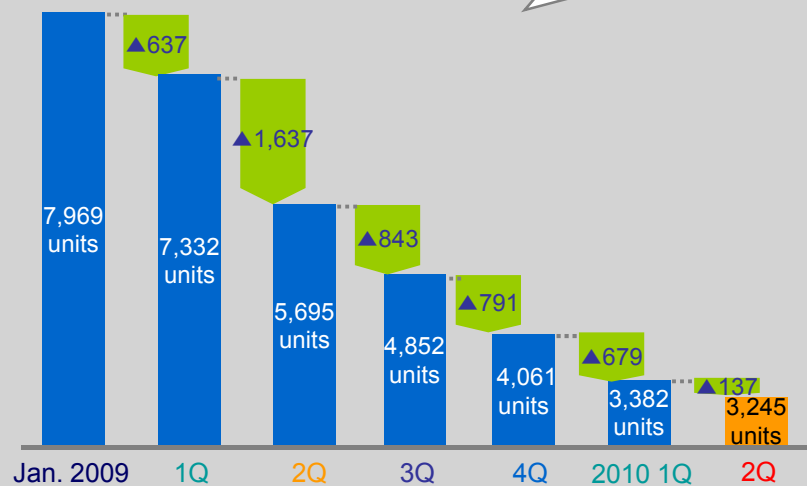
Overview by Division - Housing (II)

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GS E&C will try to digest unsold units through various promotion plan. 40% of unsold units is located in Provincials and 60% is located in Seoul and The Greater Seoul area.

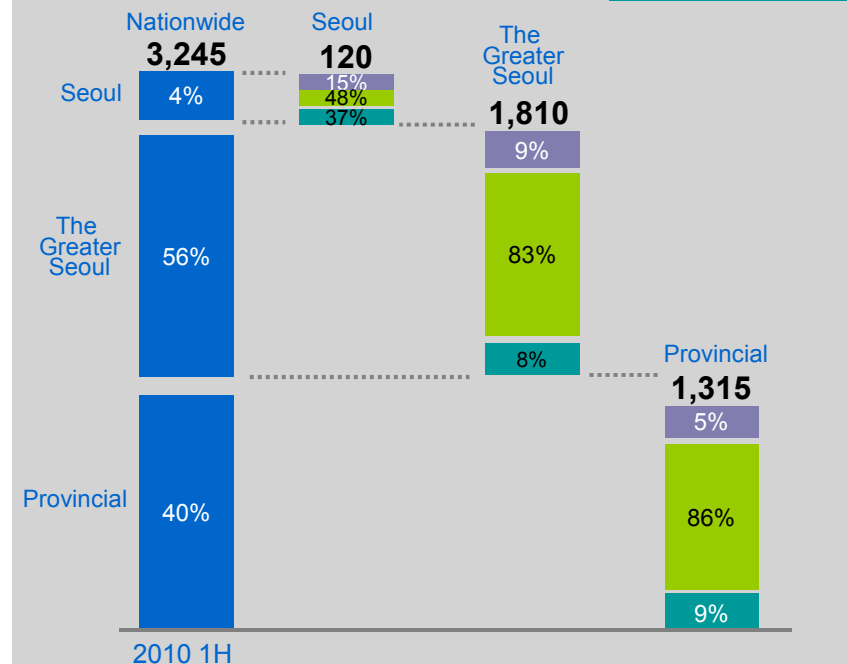
Unsold Unit Reduction Plan

- 1) Before Completion Projects
 - Indirect discount sales
 - : Smaller Initial Payment, Free Option (kitchen)
- 2) After Completion Projects
 - Direct discount sales (5~20%)
 - Buyers support program



Composition of Unsold Units

(Units, %)

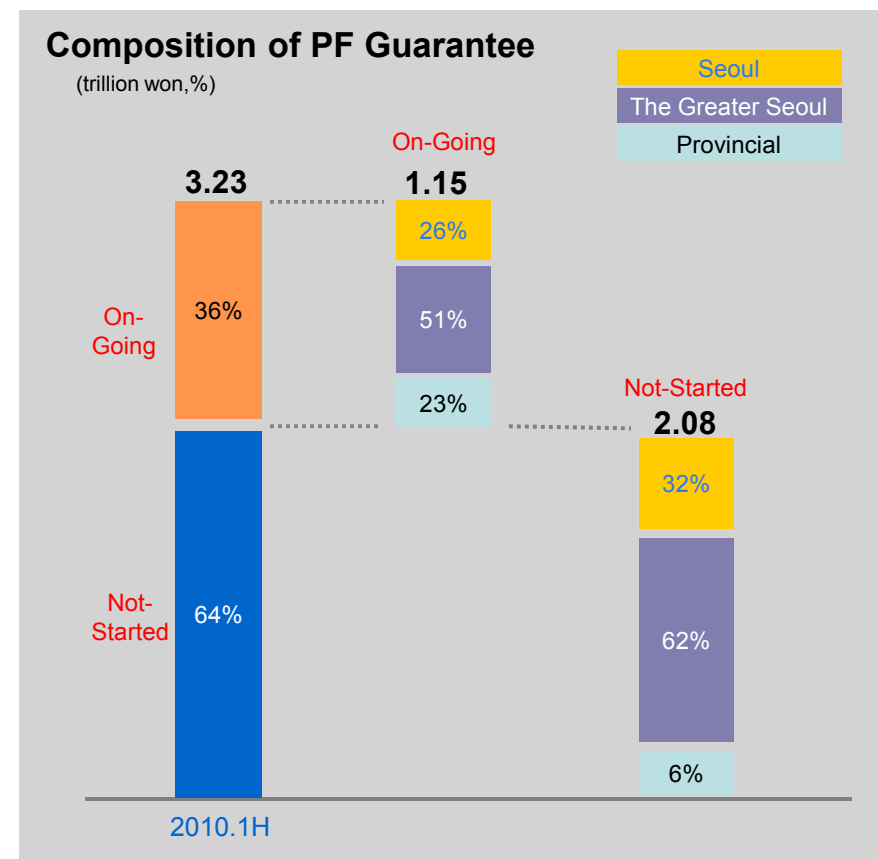
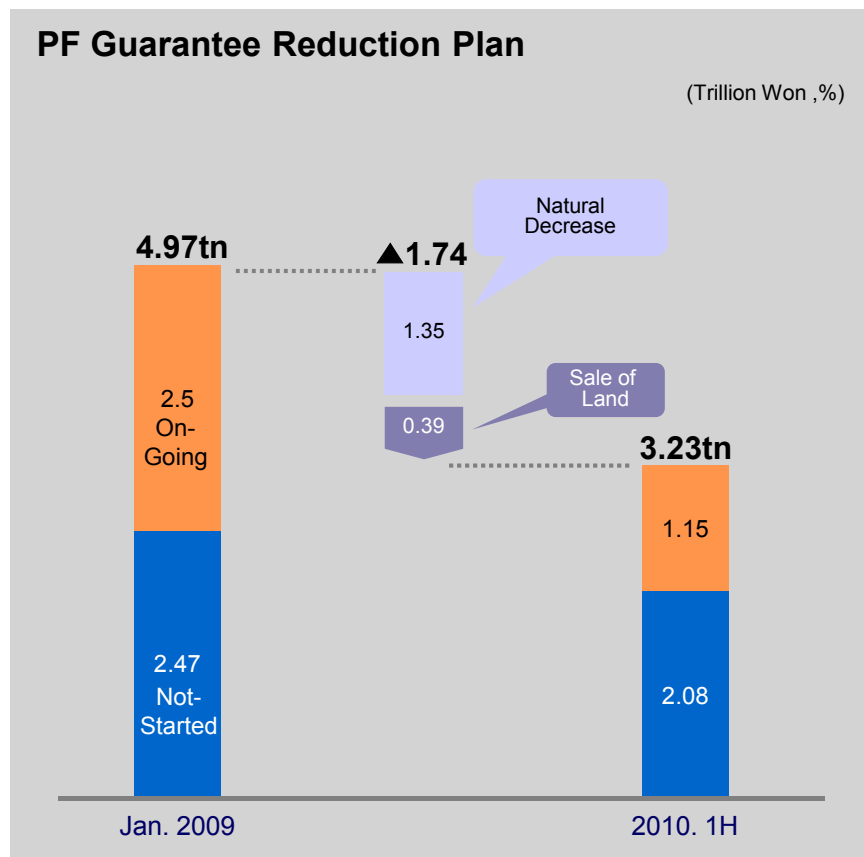




Overview by Division - Housing (II)

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PF guarantee has decreased from KRW 4,969 bn in early 2009 to KRW 3,230 bn in 2010 1H. On-going project occupies 36% and majority is located in Seoul and The Greater Seoul area.



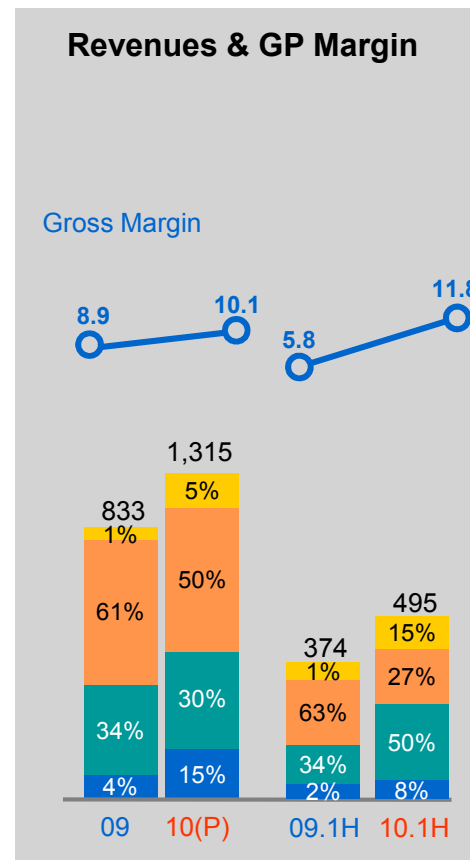
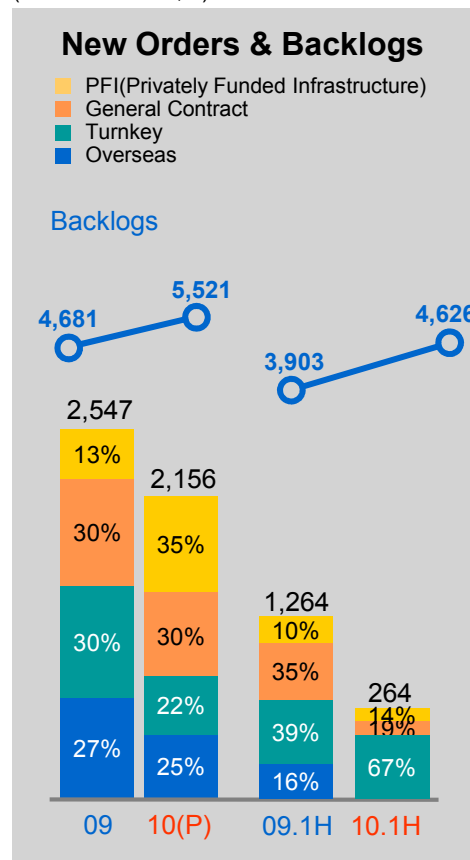


Overview by Division - Civil Engineering

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New orders decreased. However, sales revenues increased due to backlog effect.

(unit: KRW billion, %)



2010 Keyword

Market

- Decrease in budget for public project (2009: 53tn -> 2010: 44tn)
- "Green Business" continues
: Water-related Project : Four river improvement
: Light railway, etc.
- Overseas government increase budget for public infrastructure to boost economy (Asia, Africa and Middle East)

GS E&C Strategy

- Domestic**
- Continuously maintain M/S in public market
 - Make chance to develop green business like tidal power generation and maglev train
- Overseas**
- Continued orders from Singapore, Vietnam and Middle East

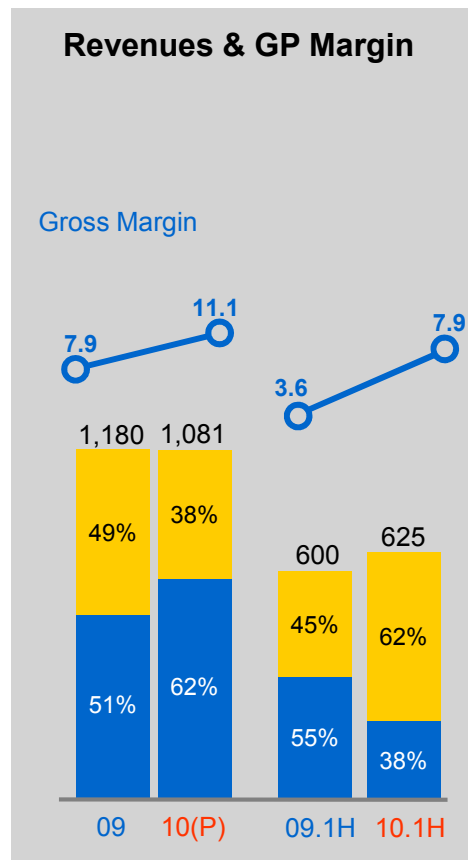
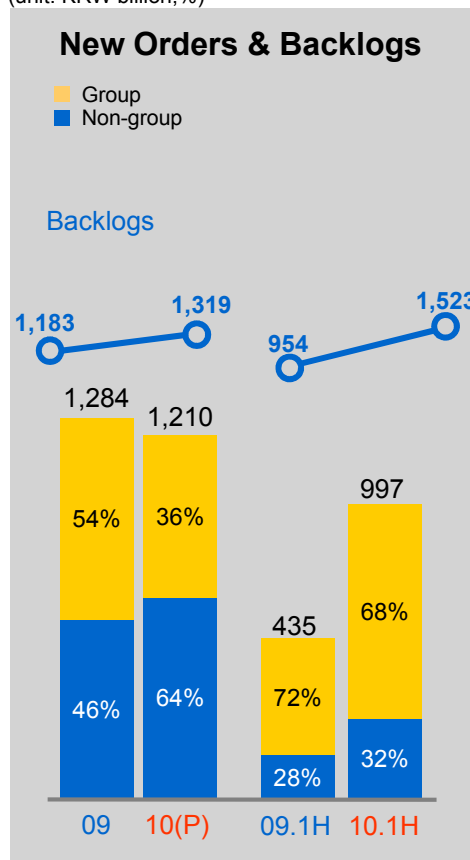


Overview by Division - Architecture

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New orders increased, and growth margin improved YoY.

(unit: KRW billion, %)



2010 Keyword

Market

- Domestic
 - Increase in total market size (3.6%)
 - Private market will be rebounded with increased new investments
- Overseas
 - Increase in overseas public order (Asia and Middle East)

GS E&C Strategy

- Enthusiastically enter domestic & overseas public market
- Diversifying business area
 - : M&E Work (Mechanical and Electrical work)
- New order increase from increasing GroupCapex

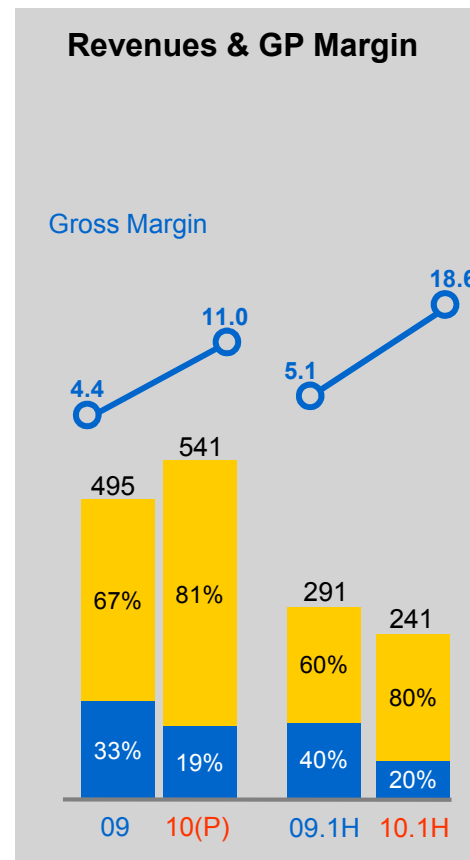
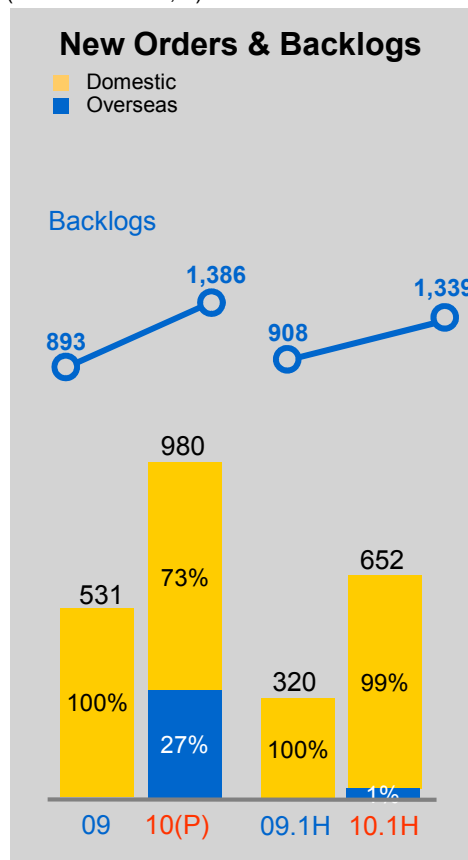


Overview by Division - Power Plant & Environment

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New orders increased due to the award of nuclear power plant domestically. And, profitability rebounded.

(unit: KRW billion, %)



2010 Keyword

Market

- Power
 - Increase in nuclear power plant
 - Continuous order from overseas market
- Environment
 - Domestic market size: 5.5 trillion
 - Increase in overseas market (Middle East and Asia)

GS E&C Strategy

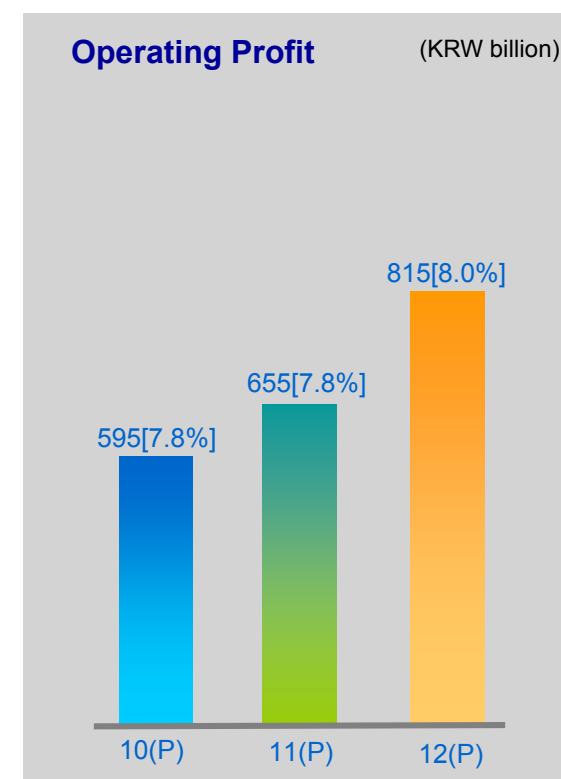
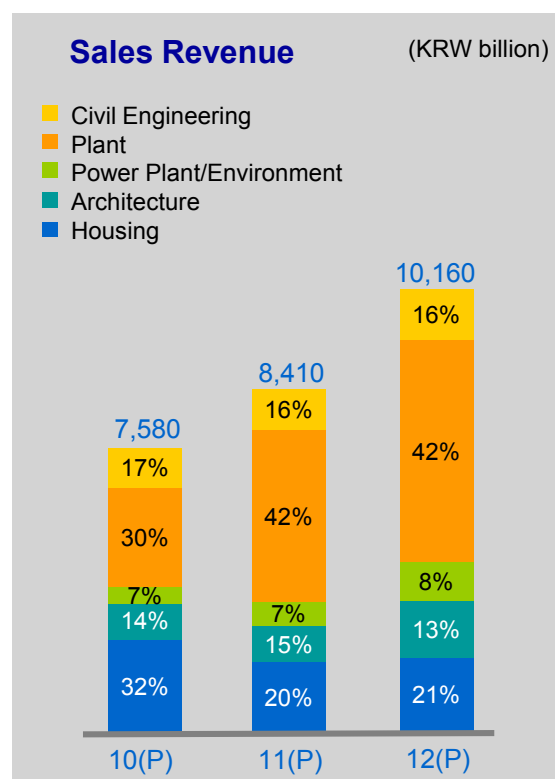
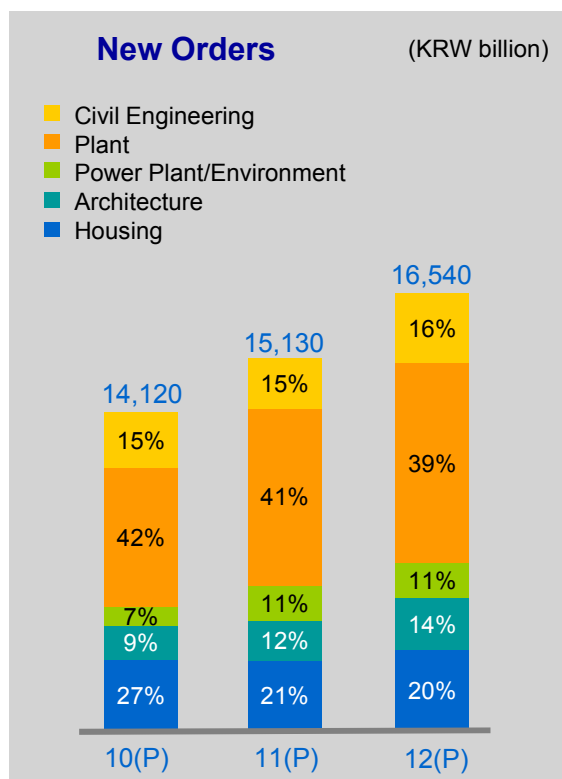
- Participate in nuclear power plant business
- Diversifying marketing countries : East Asia , Middle east, Africa
- Continue to participate in various green business - energy generation, waste disposal, waste water treatment, incineration, and desalination



Business Outlook

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Based on balanced business portfolio growth, new orders and sales revenues will be 16.5 trillion and 10.2 trillion respectively in 2012.



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Appendix

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- 03_Dividends
- 04_PFI Projects
- 05_Major Overseas Projects
- 06_Vietnam Project
- 07_Balance Sheet (Summary)
- 08_Income Statement (Summary)

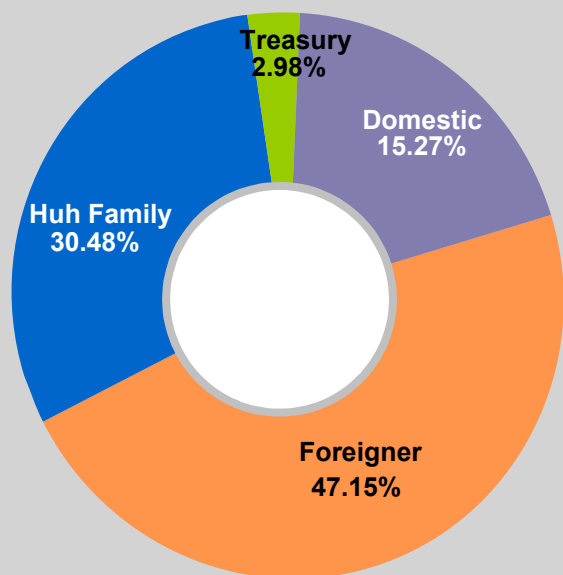


Appendix - Ownership Structure

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GS E&C

(As of 2010 1H)

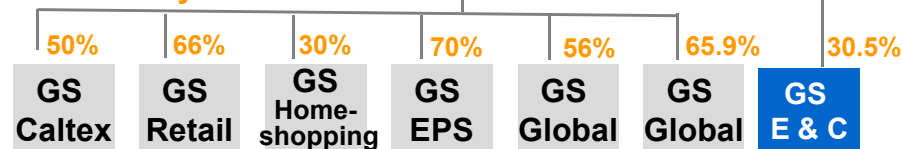


Huh Family

(As of 2010 1H)

46%
GS Holdings

Subsidiary





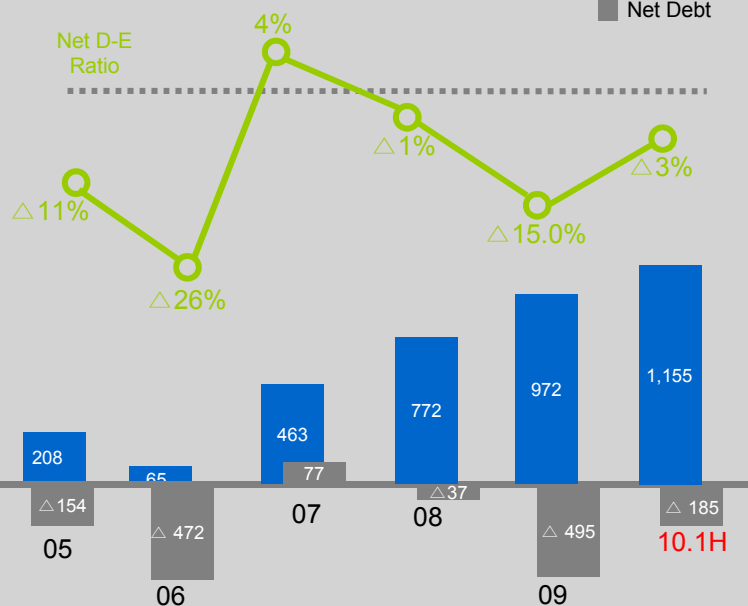
Appendix - Borrowings & Investment

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Borrowings

(KRW bn, %)

■ Total Debt
■ Net Debt



Investment

(KRW bn)

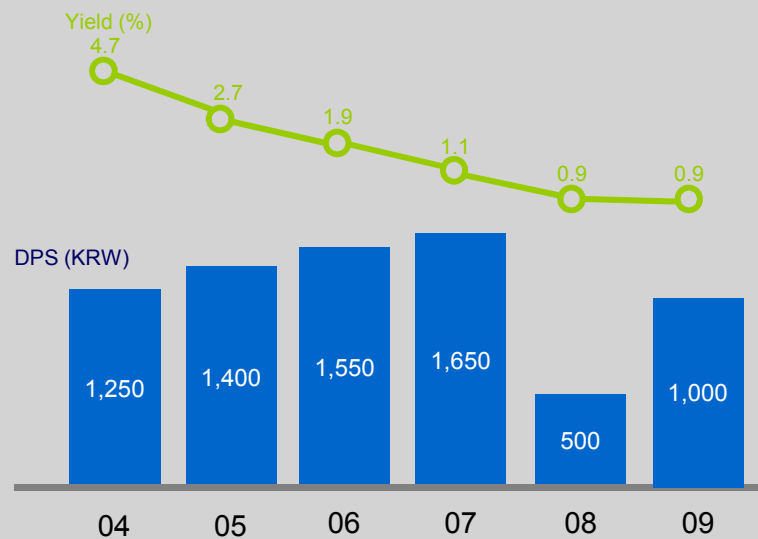
Description	07	08	09
Land & Facility	248	57	54
Development (Domestic & Overseas)	261	118	10
PFI	9	9	46
Ordinary Resort & etc.	17	14	11
Total	535	198	121



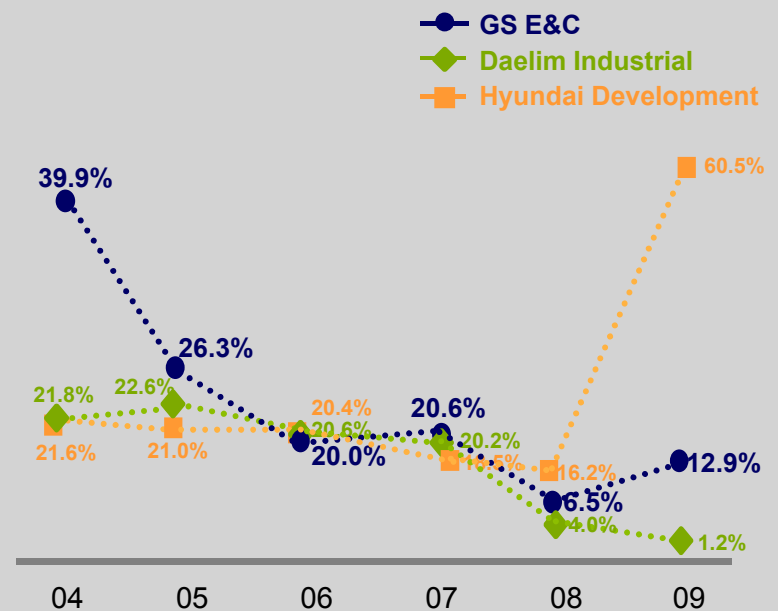
Appendix - Dividends

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Yield & DPS



Payout Ratio





Appendix - PFI Projects

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(1H of 2010)

(KRW bn)

Status	Name of Project	Contract Amount	GS Contract Portion	Invested Amount	GS Share	Remarks
Preferred Bidder	Choeup Light Rail Transit Incheon International Pier				Undecided	
Approved	New Bundang Extension Railway	1,025	113 (11.0%)	3.6	2.2%	To be completed in 2015
	Oksan-Ochang Highway	192	96 (50.0%)	2.4	5.0%	To be completed in 2017
	Seoul-Munsan Highway	668	304 (45.5%)	9.8	4.6%	To be completed in 2016
	Sangju-Youngchun Highway	1,286	129 (10%)	3.3	1.0%	To be completed in 2016
	Seoul-Pocheon Highway	964	136 (14.08%)	4.4	1.4%	To be completed in 2016
	Youngdong Highway #2	675	108 (16%)	4.1	1.6%	To be completed in 2015
	Eun-Pyeong New Road	165	90 (54.4%)	1.1	2.7%	To be completed in 2014
Under Construction	Uijeongbu Light Rail Transit	272	164 (60.4%)	27.3	29.9%	To be completed in 2012
	Kyongsang-Cheonla Rail Way BTL	332	76 (23%)	1.5	2.3%	To be completed in 2013
	Kangnam Beltway	931	107 (11.5%)	20.7	1.15%	To be completed in 2014
Investment Completed	New Airport Highway	3,820	191 (5%)	21.7	5%	22.8 (KTCU, Dec. 2003)-sold
	Cheonan-Nonsan Highway	1,344	336 (25%)	112.5	25%	113.1 (KRIF, Feb. 2004)-sold
	Daegu East Beltway	120	30 (25%)	8.7	12%	9.1(MEDIC, May. 2003)-sold
	Daegu West-North Road	64	16 (25%)	3.3	15%	3.7(Municipality of Daegu, June.2004)-sold
	Cholmasan Tunnel	75	18 (25%)	1.0	24%	1.0 (KTCU, Nov. 2001)-sold
	Seoul Beltway	1,612	435 (27%)	124.2	27%	Completed (Dec.,2007) - Contracted in 09

KTCU : Korea Teachers' Credit Union

KRIF : Korea Road Infrastructure Fund

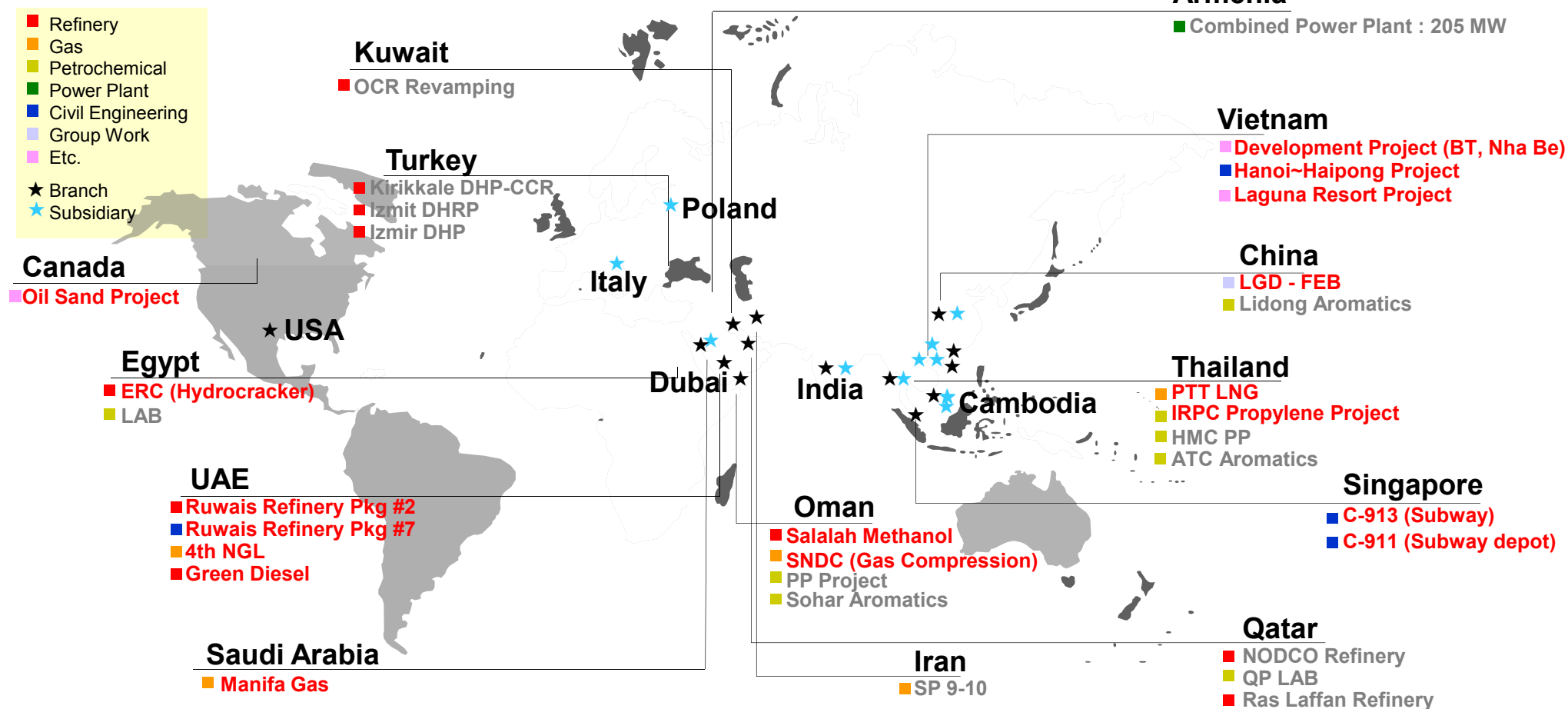
MEDIC : Macquarie East Daegu Investment Company



Appendix - Major Overseas Projects

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Red : On-going / Gray: Completed





Appendix - Vietnam Project

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Vietnam Project



Project	Original Plan	Current Status
BT (SPC1)	<ul style="list-style-type: none">• Road (14km) construction & transfer• Develop 4 pieces of land in Downtown (1 million m²)<ul style="list-style-type: none">- Riverview (D2)- Riverside (D2)- Thu Thiem (D2)- Mini New Town (D9)	<ul style="list-style-type: none">• Road : Binh Loi Bridge• Plan to develop 4 pieces of land<ul style="list-style-type: none">- Riverview(D2) : Presale : May 29th, 2010(90 Units) Presale : Aug 2010(180 Units)- Riverside(D2) : Xi sample house & Office (P: 2012)- Thu Thiem (D2) : Prepare development plan (P: 2011)- Mini New Town (D9) : Wait for city planning permit
Nha Be New Town (SPC2)	<ul style="list-style-type: none">• Lease land (3.5 million m²)• 10km from the city center• Build 17,000 residential units, hospital, schools, parks, etc. (Four phases)	<ul style="list-style-type: none">• Phase #1 - Received Land Use Right (LUR)<ul style="list-style-type: none">- Expect LUR of #2 ~ #4• Major development from 2011<ul style="list-style-type: none">- Foundation work & Infrastructure
Cu Chi Resort (SPC3)	<ul style="list-style-type: none">• Lease land (2 million m²)• 24 km from the city center• Develop golf resort, 36 holes, villa and condominium	<ul style="list-style-type: none">• LUR for two parts of land out of total three in 2009• Invitation to investors



Appendix - Balance Sheet (Summary)

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(Unit: KRW bn, %)

Account	06	07	08	09	10.1H
Total Asset	4,751	5,739	8,182	8,946	9,352
Cash & Deposits	537	386	809	1,467	1,340
Trade Receivable	1,738	2,120	2,242	2,429	2,877
Inventories	195	424	457	429	372
Investments	691	888	1,839	1,628	1,671
Tangible Assets	1,038	1,089	1,412	1,422	1,417
Total Liabilities	2,967	3,593	5,147	5,647	5,982
Trade Payables	1,260	1,357	1,483	1,366	1,497
Borrowings	65	463	772	972	1,155
Total Shareholder's Equity	1,784	2,146	3,035	3,299	3,370
Capital Stock	255	255	255	255	255
D/E Ratio	166.3	167.5	169.6	171.2	177.5



Appendix - Income Statements (Summary)

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(Unit: KRW bn, %)

Account		06	07	08	09	10.1H
Sales Revenues	Civil Eng.	714	796	657	833	495
	Plant	1,455	1,989	2,099	2,341	1,316
	Power/Environ.	257	214	393	495	241
	Architecture	1,598	1,056	1,275	1,180	625
	Housing	1,721	1,957	2,442	2,528	1,317
Total		5,745	6,012	6,866	7,377	3,994
Growth Profit		762	860	913	955	513
Selling & Admin Expenses		359	418	435	387	229
Operating Profit		403	442	478	568	284
Ordinary Profit		543	567	549	508	287
Net Profit		387	399	382	383	217



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