



Investors Presentation

1Q 2011

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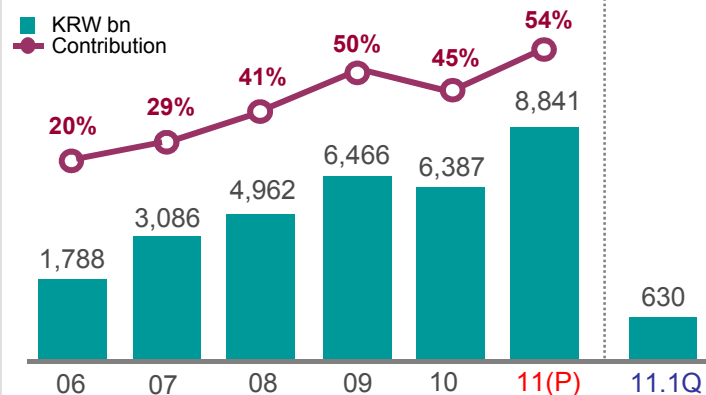
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Investment Highlight – Global Player

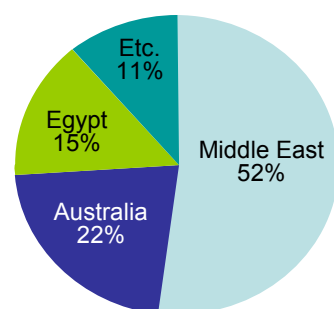


Contributions to overseas new orders and sales revenues will be 54%, 46% respectively.

Overseas New Orders

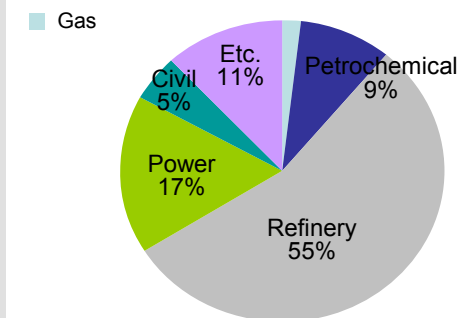


Order Backlogs by Region
(KRW 14,091bn)



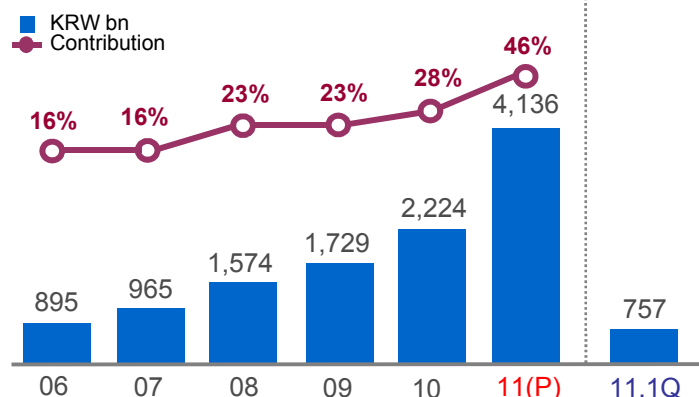
(as of 1Q 2011)

Order Backlogs by Portfolio
(KRW 14,091bn)

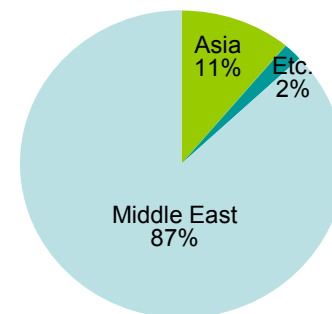


(as of 1Q 2011)

Overseas Sale Revenues

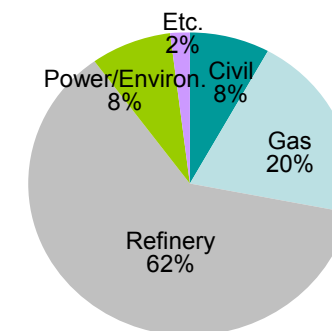


Sales Revenues by Region
(KRW 757bn)



(as of 1Q 2011)

Sales Revenues by Portfolio
(KRW 757bn)



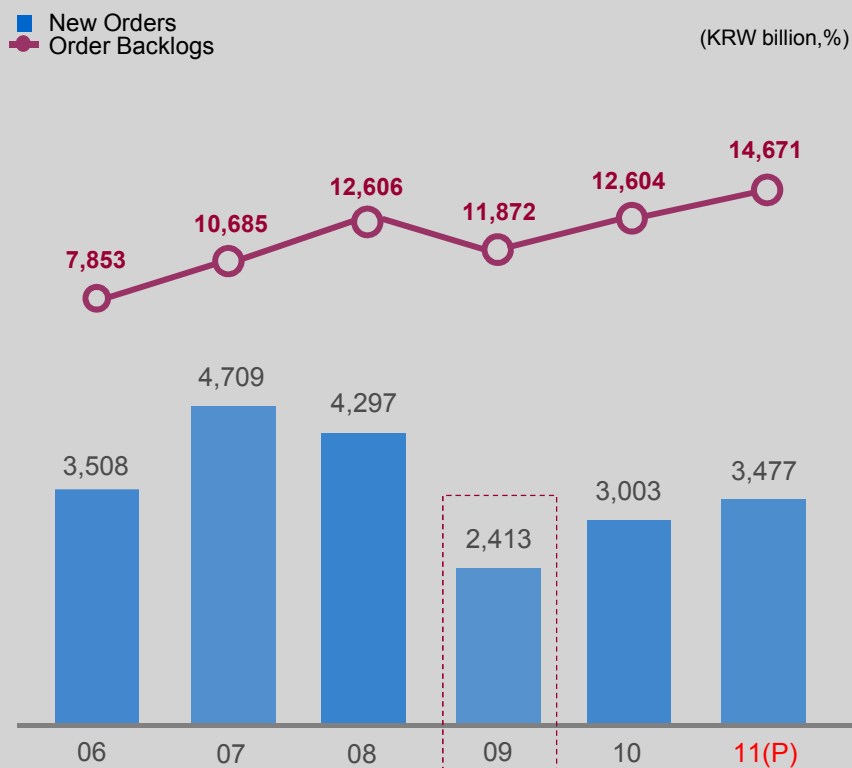
(as of 1Q 2011)

Investment Highlight – Turn around

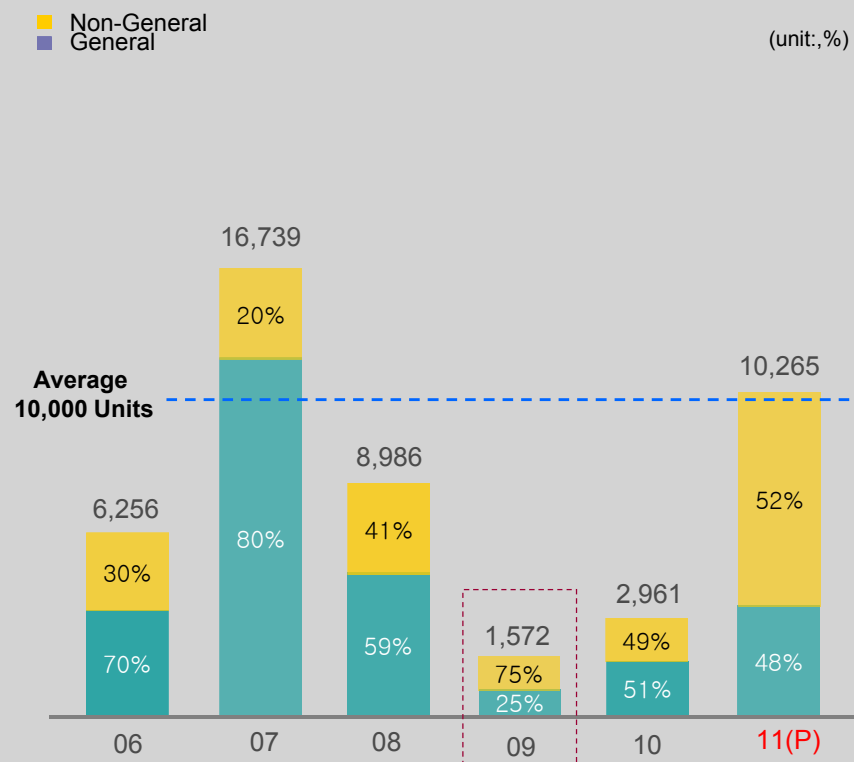


New orders in housing sector and housing supply will be back to the average level in 2011.

Housing Division



Supply of Housing Units



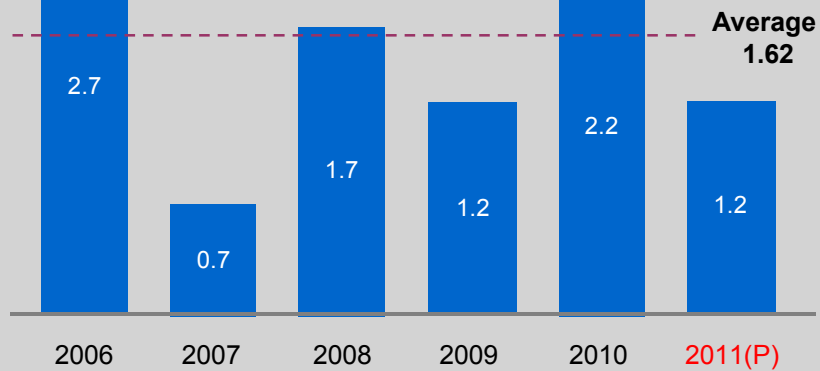
Investment Highlight – Stable group Work



GS E&C enjoys stable revenues and margins through a large and steady flow of group works.

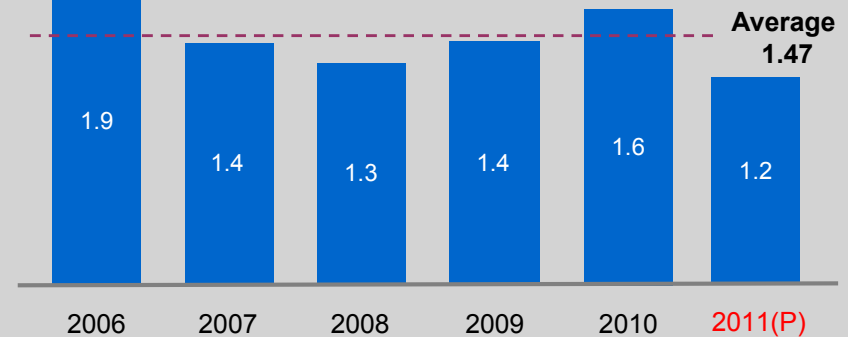
New Orders

(KRW trn)



Sales Revenues

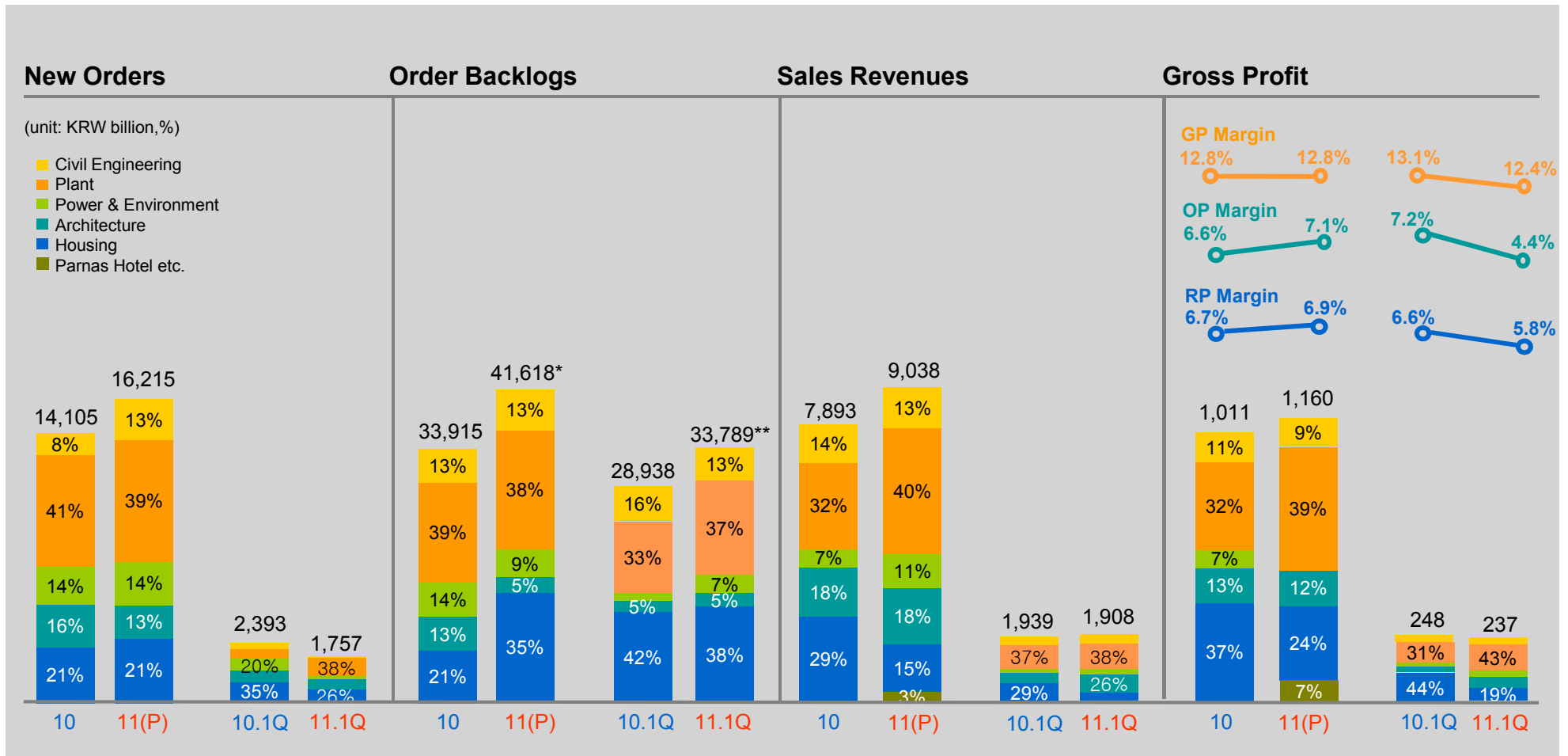
(KRW trn)



Overview by Division - Company Overall



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



*Not included Provisional Order Backlogs in Housing KRW 9.5 trillion

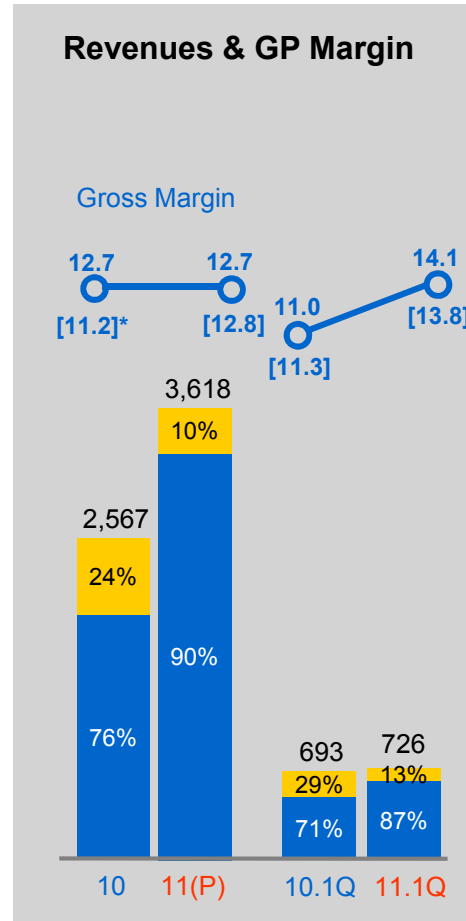
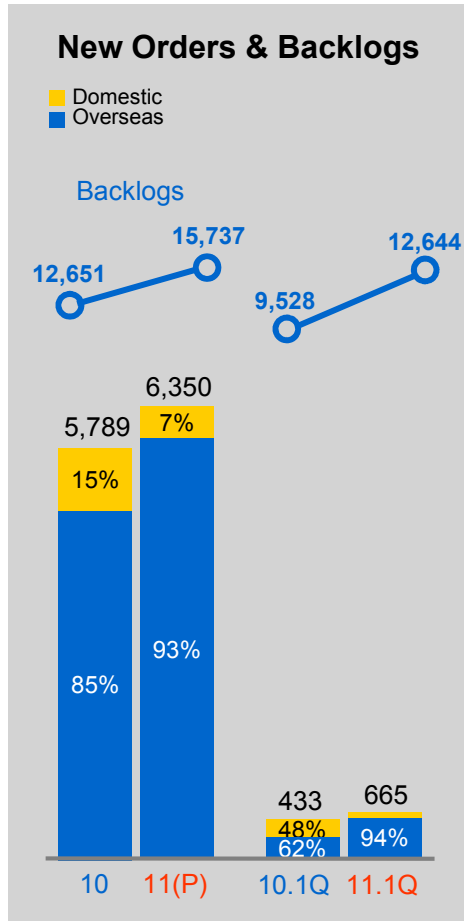
**Not included Provisional Order Backlogs in Housing KRW 11.1 trillion

Overview by Division - Plant



New orders went up due to overseas new orders, and sales revenues slightly increased.

(unit: KRW billion, %)



*[] : Overseas Gross Margin

2011 Keyword

Market

- Oil-price expectation
2011 : USD100 ~ 115
~2015 : USD 110 in average
- Oil refinery market
~2015 : CAGR 4% (Mainly from Middle East and Africa)
- Petrochemical market
Expected recovery from next year
~2015 : CAGR 8%

GS E&C Strategy

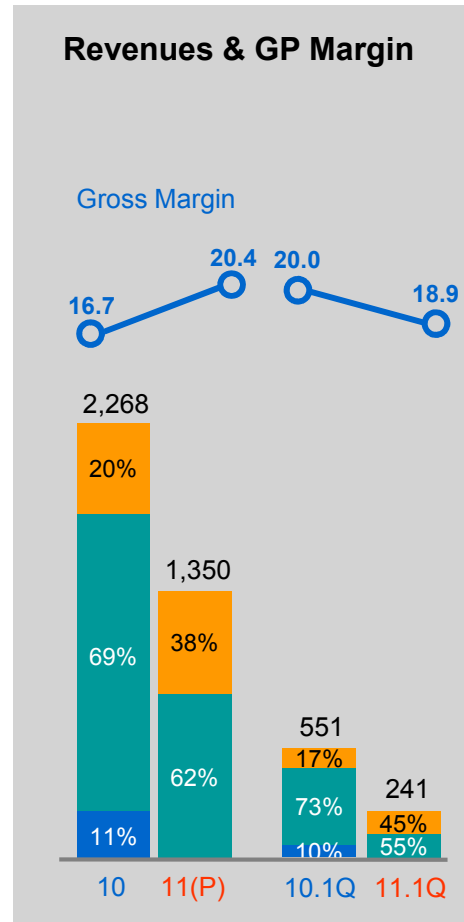
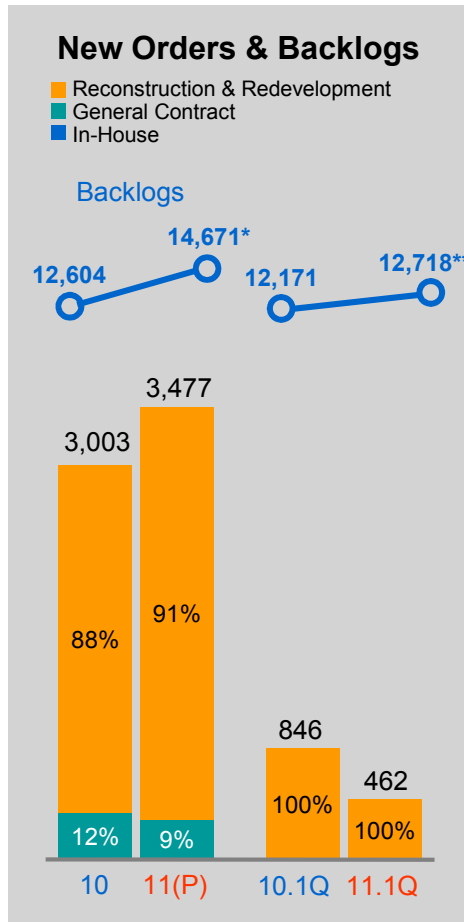
- Enter new market (Latin America, Africa, etc.)
- Develop new business area (Gasification, LNG, Offshore plant)
- Strengthen global network & Diversify outsourcing channel
- Secure profitability through project financing business and cost innovation

Overview by Division – Housing



New orders went down due to the decrease of reconstruction and redevelopment projects. And sales revenues sharply dropped due to the project closing.

(unit: KRW billion, %)



2011 Keyword

Market

- Continuing deregulation
Done: Tax benefits(2011.5.1)
Expected: Removing Price cap, DTI
- Demand polarization in housing market
a. Small-medium sized housing market rebounded with shortage of supply
b. Presale performance and housing price rebounded in provincial area
- Redevelopment/Reconstruction market improving

GS E&C Strategy

- Back to the average level of new supply
→ over 10,000 (Public presale 50%)
- Supply mainly small-medium size housing for real demanders with market price
- Lower PF loan guarantee
: 2.57tn [2010] → 1.5tn [2011(P)]
- Focusing on redevelopment & reconstruction

*Not included Provisional Order Backlogs in Housing 9.5 KRW trillion

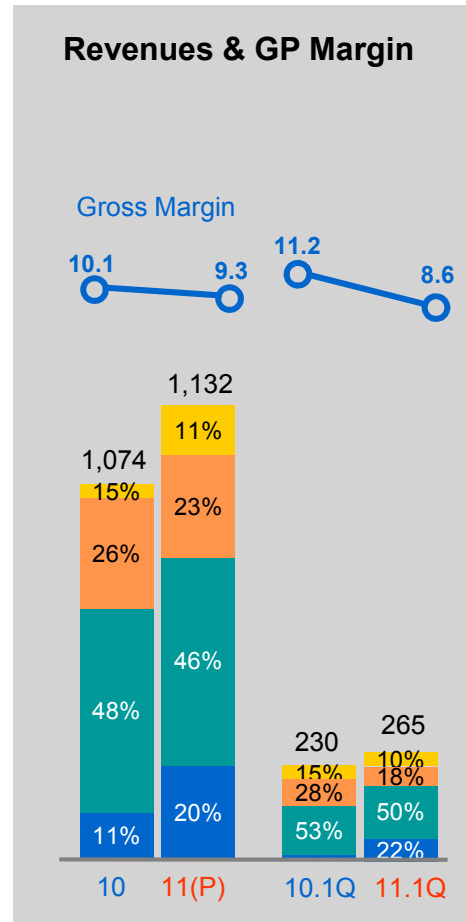
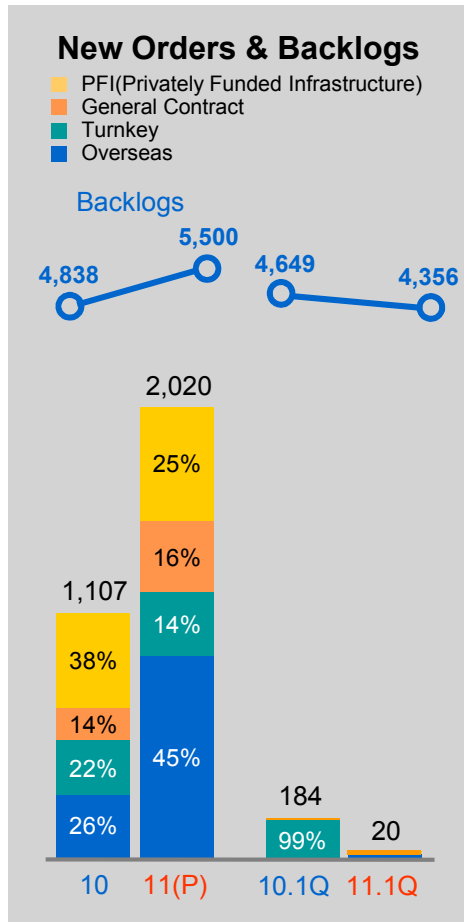
**Not included Provisional Order Backlogs in Housing 11.1 KRW trillion

Overview by Division – Civil Engineering



New orders went down due to the decrease of new orders for public projects, but sales revenues slightly increased due to backlog effect.

(unit: KRW billion, %)



2011 Keyword

Market

- Decrease in budget for SOC project (2010: 25tn ~ 2011: 24tn : focusing on four river and railway related projects)
- “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

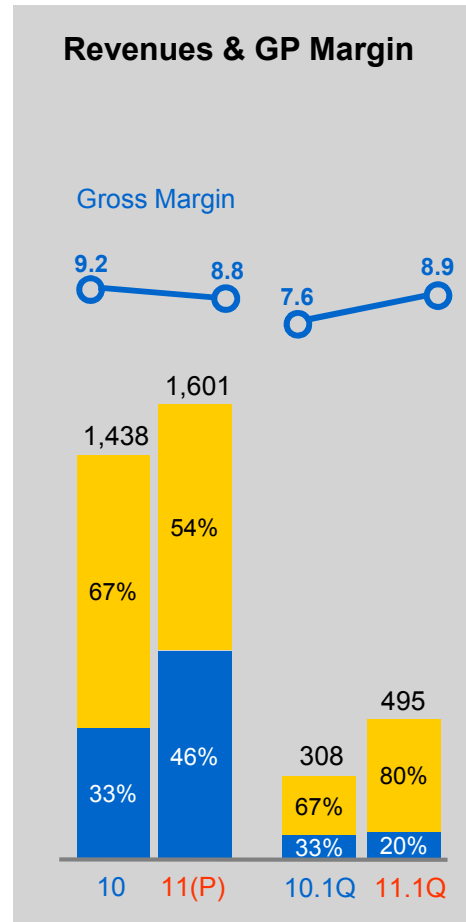
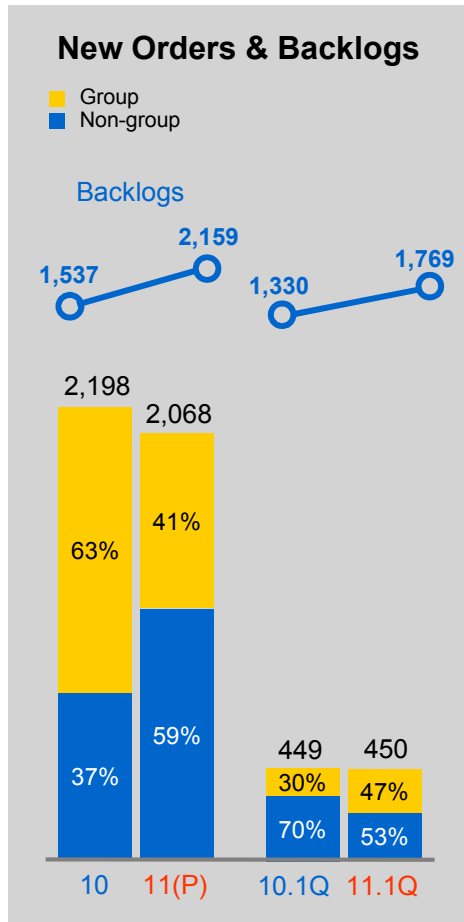
- Domestic**
- Continuously maintain M/S in public market
 - Make chance to develop green business like tidal power generation and maglev train
- Overseas**
- Continued orders from Singapore, Vietnam and Middle East

Overview by Division - Architecture



Sales revenues increased due to the group work.

(unit: KRW billion, %)



2011 Keyword

Market

- Domestic
 - Increase in total market size with relocation of government office buildings
 - But private market is still sluggish related to a slowdown in economic growth
- Overseas
 - Increase in overseas public order (Asia and Middle East)
 - a. after Middle East Riot
 - b. 2022 Qatar World Cup

GS E&C Strategy

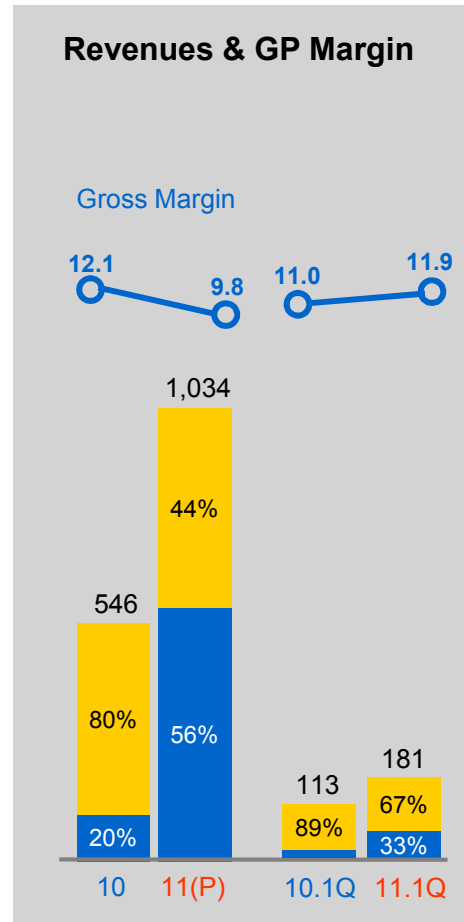
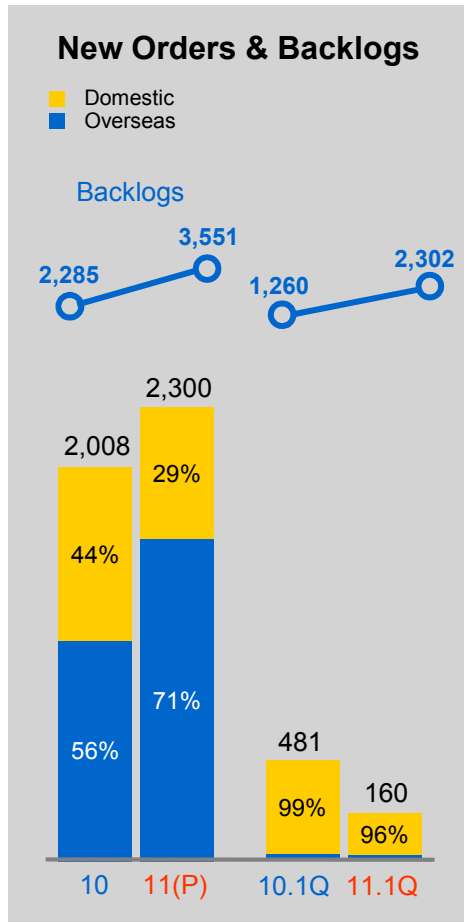
- Maintain domestic market volume focusing on domestic public sector
- Diversifying business area : M&E Work (Mechanical and Electrical work)
- Non-group new order increases from overseas order flow
- Group work is still our captive market

Overview by Division – Power Plant & Environment



Sales revenues increased due to backlog effect.

(unit: KRW billion, %)



2011 Keyword

Market

- Power
- Increase in new renewable energy and nuclear power plant
 - Continuous new orders from combine cycle power plant

- Environment
- Increase in water related business
 - Increase in overseas market (Middle East and Asia)

GS E&C Strategy

- Participate in combined cycle 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



Appendix

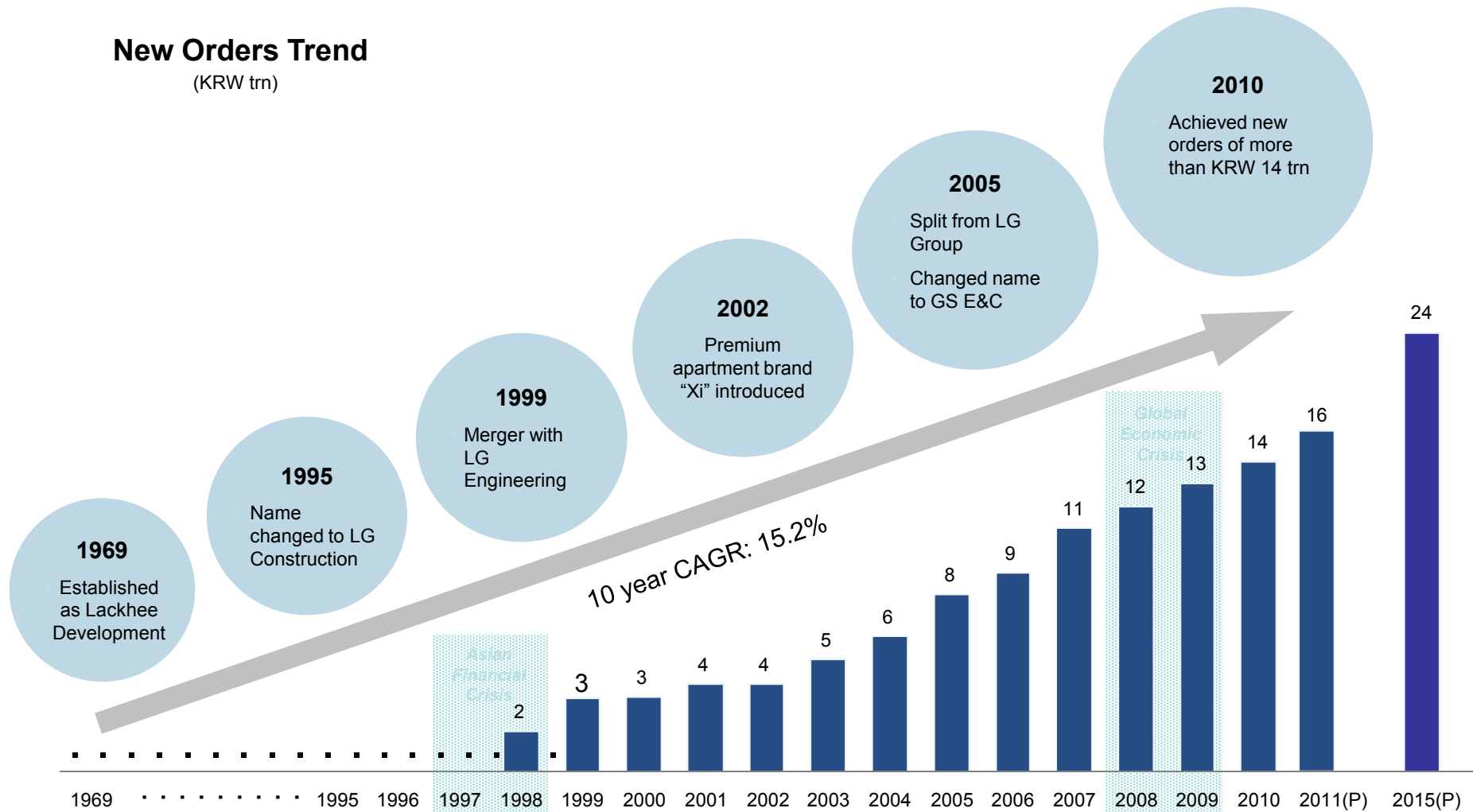
- 01_Key Corporate Milestones
- 02_Ownership Structure
- 03_Borrowings & Investment Plan
- 04_Dividends
- 05_PF Guarantee
- 06_PFI Projects
- 07_Major Material Prices
- 08_Major Overseas Projects
- 09_Vietnam Project
- 010_Balance Sheet (Summary)
- 011_Income Statement (Summary)

Appendix – Key Corporate Milestones



New Orders Trend

(KRW trn)

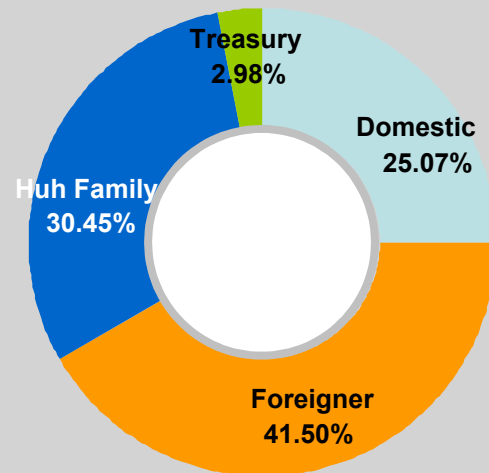


Appendix - Ownership Structure



GS E&C

(As of 2011 1Q)

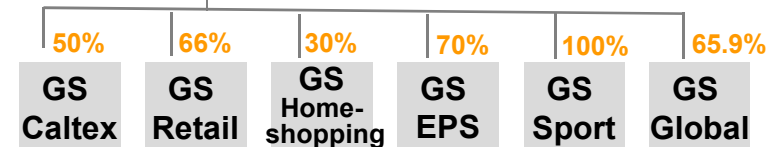


Huh Family

(As of 2011 1Q)



Subsidiary



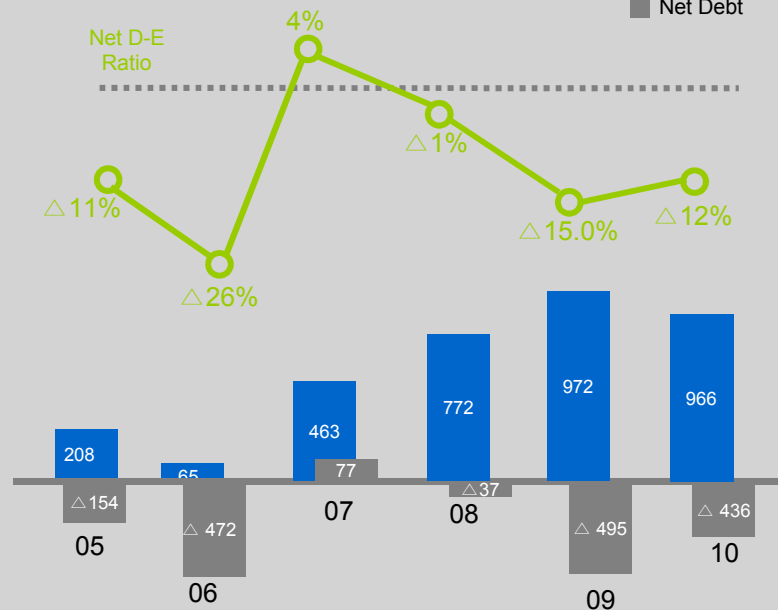
Appendix - Borrowings & Investment Plan



Borrowings

(KRW bn, %)

■ Total Debt
■ Net Debt



Investment Plan

(KRW bn)

Description	08	09	10
Land & Facility	57	54	100
Development (Domestic & Overseas)	118	10	23
PFI	9	46	30
Ordinary Resort & etc.	14	11	52
Total	198	121	205

Appendix - Dividends



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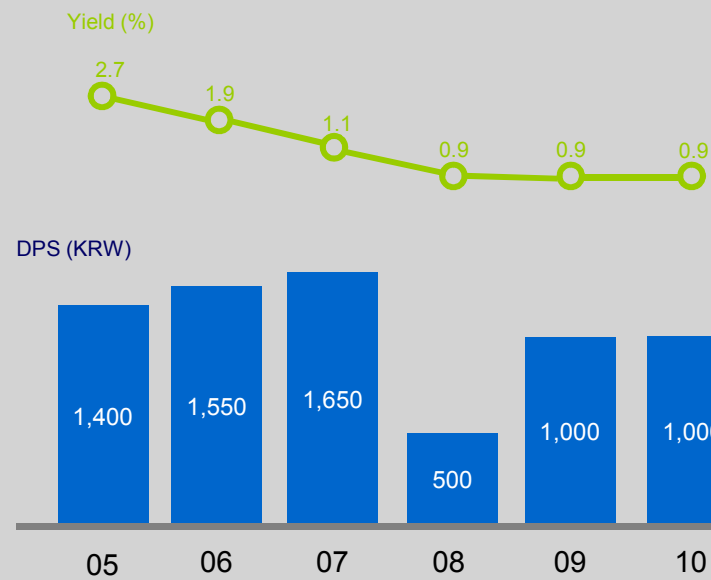


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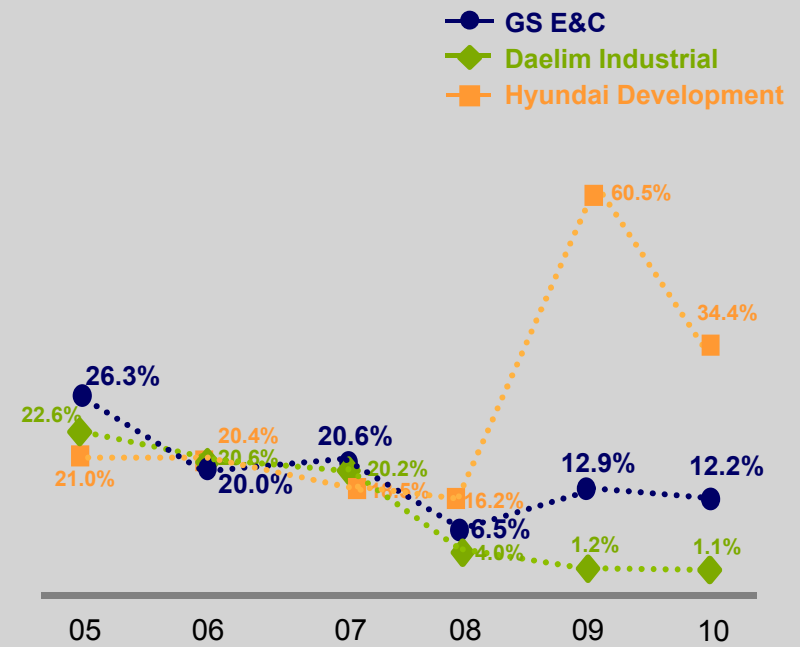


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Yield & DPS



Payout Ratio

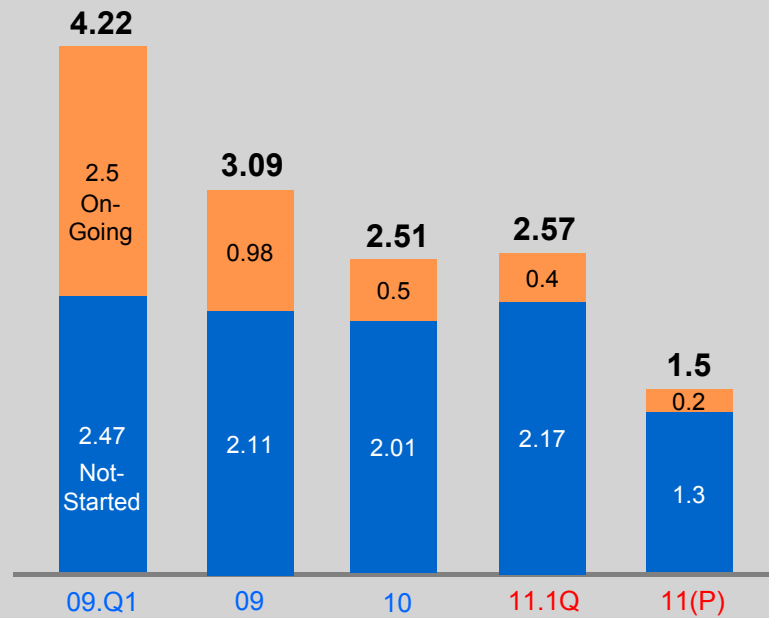


Appendix – PF Guarantee



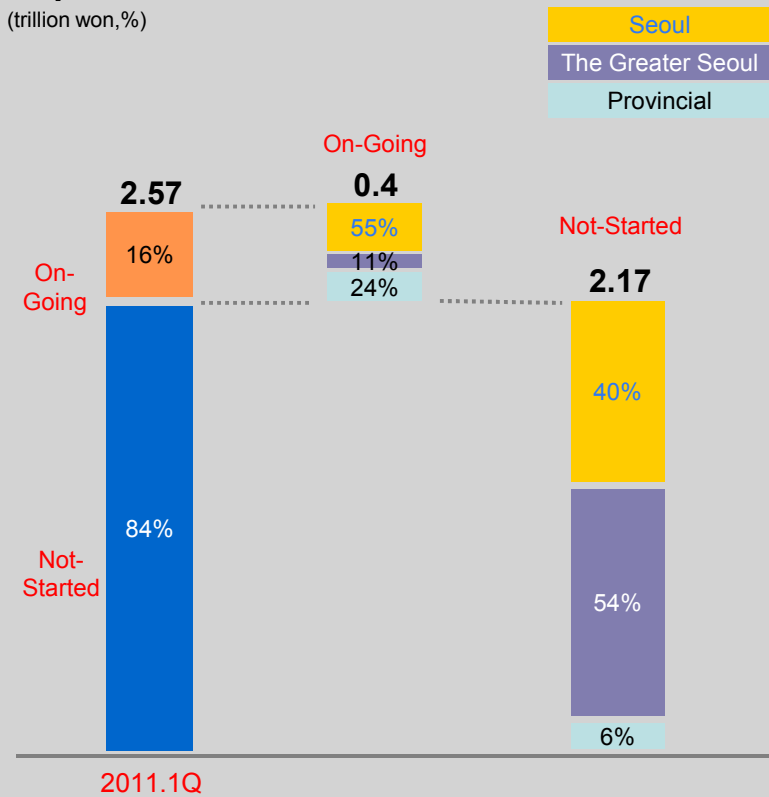
PF Guarantee Reduction Plan

(Trillion Won, %)



Composition of PF Guarantee

(trillion won, %)



Appendix - PFI Projects



(1Q of 2011)

(KRW bn)

Status	Name of Project	Contract Amount	GS Contract Portion	Invested Amount	GS Share	Remarks
Preferred Bidder	Western Underground Roads					
	Choeup Light Rail Transit					
	Incheon International Pier				Undecided	
Approved	New Bundang (Yongsan-Gangnam) Railway	822	82 (10.0%)	4.8	4.0%	To be completed in 2018
	Sillim LRT Project	535	53 (10.0%)	2.9	4.0%	To be completed in 2017
	Oksan-Ochang Highway	192	96 (50.0%)	2.4	5.0%	To be completed in 2017
	Seoul-Munsan Highway	668	304 (45.5%)	6.3	4.55%	To be completed in 2016
	Sangju-Youngchun Highway	1,286	129 (10.0%)	28.4	10.0%	To be completed in 2016
	Seoul-Pocheon Highway	964	136 (14.08%)	4.4	1.408%	To be completed in 2016
	Youngdong Highway #2	758	121 (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	New Bundang Extension (Jeongja-Gwanggyo) Railway	1,066	117 (11.0%)	12.4	11.0%	To be completed in 2015
	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 West-North Road	64	16 (25%)	3.3	15%	3.7(Municipality of Daegu, June.2004)-sold
	Manwolsan Tunnel	68	17 (25%)	5.0	15%	Completed (July,2005) – Contracted in 09 - 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 Material Prices



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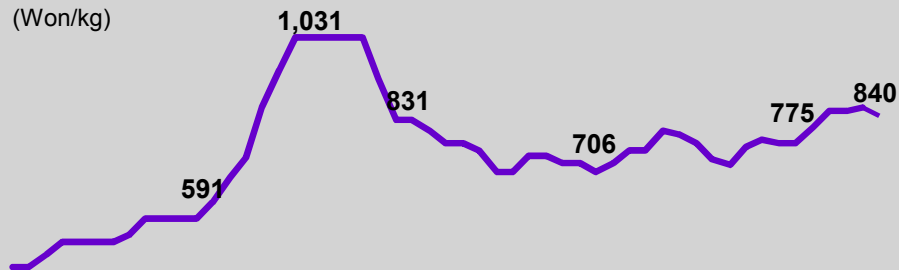
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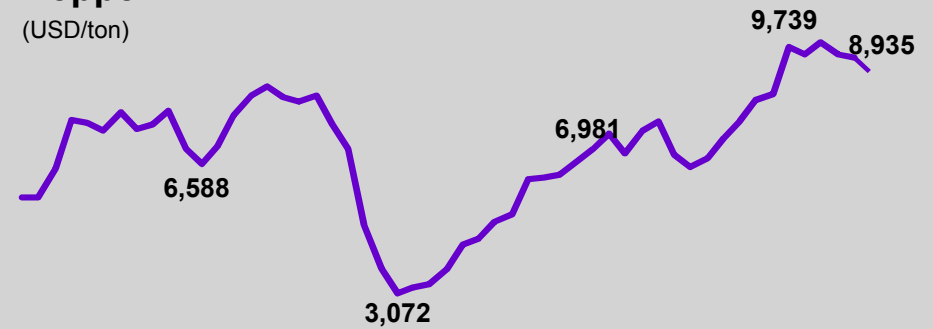
Re-bar*

(Won/kg)



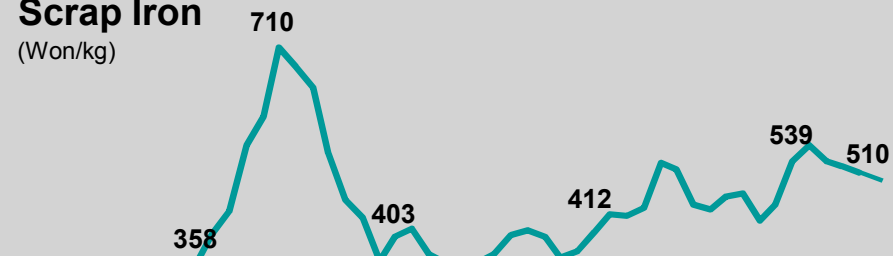
Copper

(USD/ton)



Scrap Iron

(Won/kg)



Remicon**

(Won/cubic meter)



2007

2008

2009

2010

May.
2011

2007

2008

2009

2010

May.
2011

*Re-bar: Reinforced-bar

**Remicon: Ready-mixed concrete

Appendix - Major Overseas Projects



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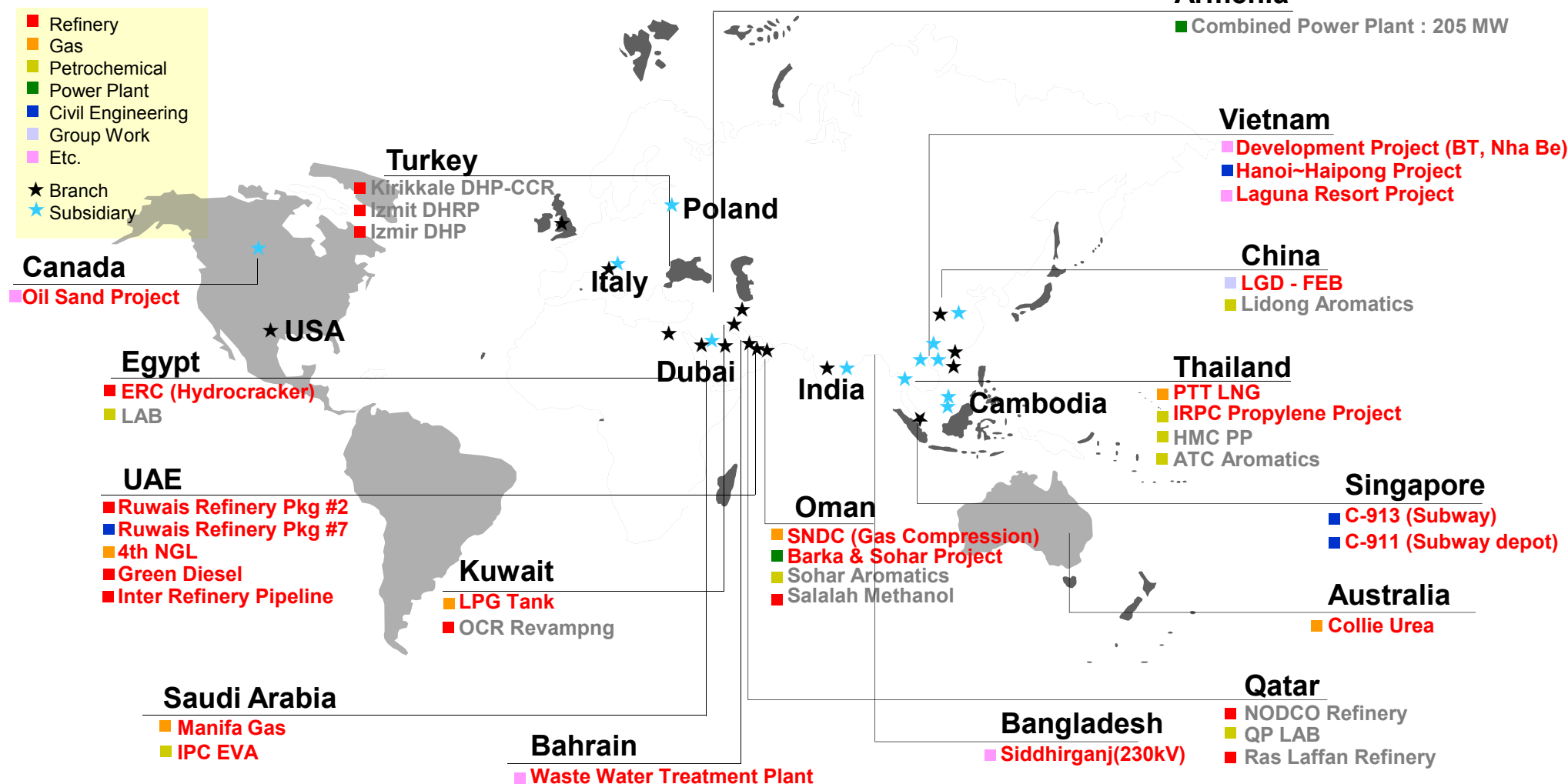


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Red : On-going / Gray: Completed



Appendix - Vietnam Project



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 2010 <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 • Foundation work

Appendix - Balance Sheet (Summary)



(Unit: KRW bn,%)

Account	07	08	09	10	11.1Q(E)
Total Asset	5,739	8,182	8,946	9,338	10,411
Cash & Deposits	386	809	1,467	1,402	1,265
Trade Receivable	2,120	2,242	2,429	2,963	4,020
Inventories	424	457	429	290	278
Investments	888	1,839	1,628	1,334	1,602
Tangible Assets	1,089	1,412	1,422	1,449	1,068
Total Liabilities	3,593	5,147	5,647	5,752	6,800
Trade Payables	1,357	1,483	1,366	1,595	1,667
Borrowings	463	772	972	966	1,057
Total Shareholder's Equity	2,146	3,035	3,299	3,586	3,611
Capital Stock	255	255	255	255	255
L/E Ratio	167.5	169.6	171.2	160.4	188.3

Appendix - Income Statements (Summary)



(Unit: KRW bn,%)

Account		07	08	09	10	11.1Q(E)
Sales Revenues	Civil Eng.	796	657	833	1,074	265
	Plant	1,989	2,099	2,341	2,567	726
	Power/Environ.	214	393	495	546	181
	Architecture	1,056	1,275	1,180	1,438	495
	Housing	1,957	2,442	2,528	2,268	241
Total		6,012	6,866	7,377	7,893	1,908
Growth Profit		860	913	955	1,011	237
Selling & Admin Expenses		418	435	387	490	132
Operating Profit		442	478	568	521	84
Ordinary Profit		567	549	508	525	111
Net Profit		399	382	383	407	82



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