

June 2007

INVESTOR RELATIONS

Preferred Bidder for Sa-dong, Ansan Development Project [June, 2007]



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1. Project Highlight

◇ Culture-Centered and R&D City Focusing on Robot and Environment



On June 8, GS E&C is selected as a preferred bidder for Sa-dong in Ansan development project. The project size is 34 thousand m² (112 thousand pyung) and it is located in Sa-dong, Sanglockgu, Ansan, which is close to east coast of lake "Sihwa." Total investment amount is expected to be about 3.5 trillion won.

The project is also called "Eco Nomos" and the main foreign investor is Lehman Brothers. GS E&C will participate in its construction as a consortium leader and Samsung Corps and other companies will be partners for the project. And Hana Bank, and Woori Bank will participate in the project as finance investors.

The project invites business proposals from February this year and 14 companies submitted business proposal in March. And GS E&C is selected as preferred bidder today. In June 2008, the contract will be completed with start of construction in 2H 2008.

2. Summary

Location	Sa-dong, Sanglock-gu, Ansan
Land	34 thousand m ² (111,875 pyung (block 90))
Project Site	<ul style="list-style-type: none"> ▪ East side of lake "Siwha" ▪ West Sea Highway, Youngdong Highway ▪ Close to Subway #4 (3Km from Kozan Station)
Business Method	<ul style="list-style-type: none"> • Based on foreign investment promotion law • Joint promotion by both private and public
Financing	<ul style="list-style-type: none"> • Foreign investor : Lehman Brothers • Constructors : GS E&C, Samsung Corps, and etc. • Financing : Hana Bank, Woori Bank, and etc. • Developer : Donghun
Project Period	2008 ~ 2013 (6 years)
Schedule	<ul style="list-style-type: none"> ▪ Feb, 2007 Invites proposals (45 days) ▪ March, 2007 Submit proposals (14 companies) ▪ April, 2007 3 Consortium selected (GS E&C, SK, POSCO) ▪ June, 2007 Select preferred bidder ▪ June, 2007 MOU with Ansan City ▪ June, 2008 Contract (Ground breaking in 2008)



3. Development Direction

“Nomos” from “Eco Nomos” is the word from Egypt and means “Partition of land using canal.” It implicates “Ecology + Economy,” the vision of Ansan City and three growth drivers, Robot, Environment, and Culture. And the city will create Ansan City as one of three major development sources of Kyungi-do development including Incheon city for logistics and Suwon city for semiconductor business.

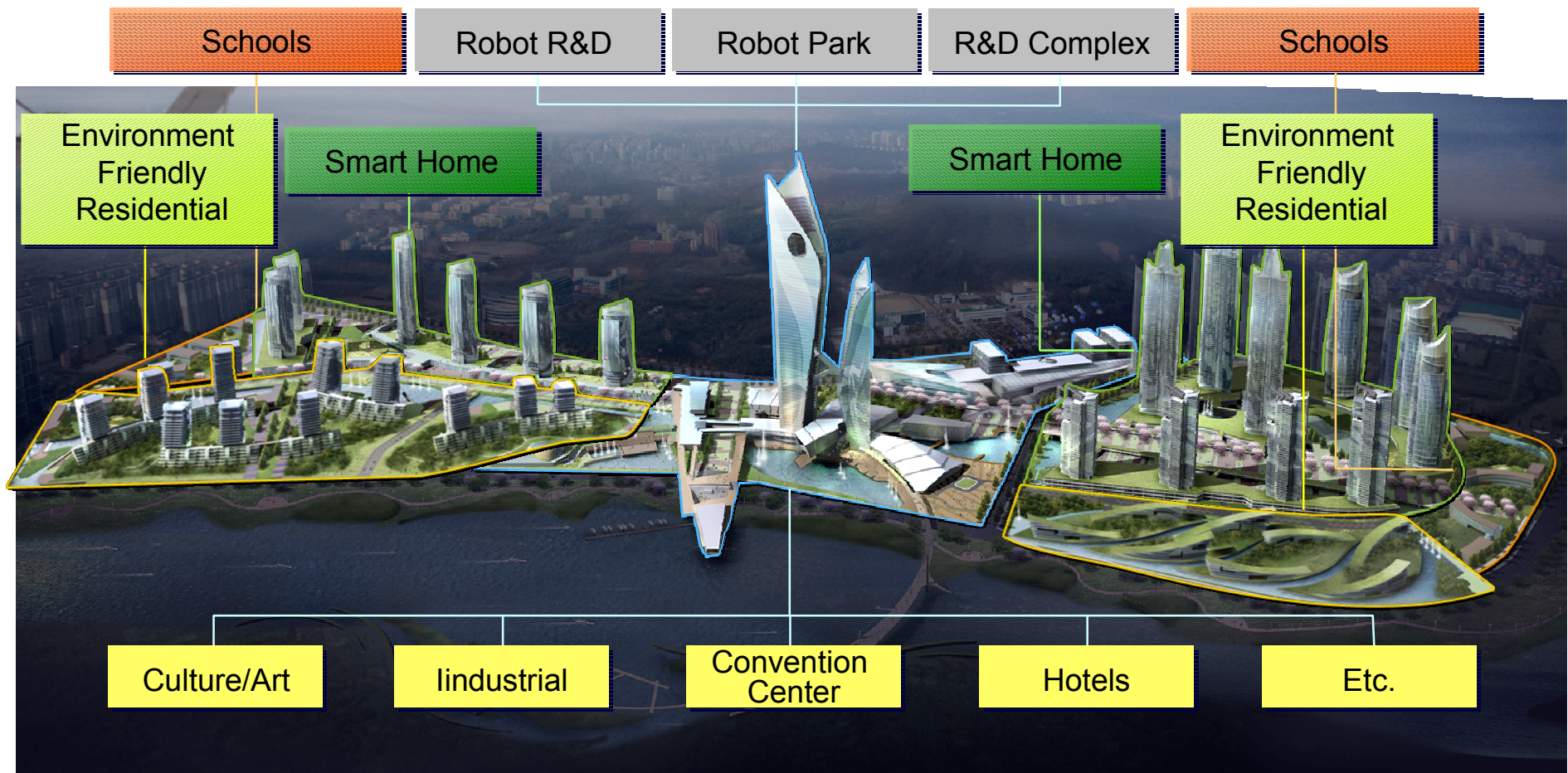
Differentiate strategy related to the center of Ansan City

- Center of New City Culture
- Sharing functions of the center of city
- City Facilities related to the center of city
(High-tech research center, cultural art center,
Convention center, hotel, retail)



4. City Plans

The project includes facilities focusing on Robot, Environment, Culture, and Residential. For example, the Robot Park, Environment R&D center, Cultural Art center, Convention center, smart home and environment friendly residential facility will create the town along with hotel, residence, best quality retail, and environment school.



5. Prospect & Significance

Followed by Woobuk Leisure Complex, Kwangmyung PF, Incheon Dowha PF, we are selected as a preferred bidder for the “Eco Nomos” project with 3.5 trillion won of total investment amount.

Through the experience, GS E&C displays its competitiveness in the mega size development project and will steadily continue pursuing more profitable projects in the future.

In addition, based on such successful record for mega size development project, we will make stronger core ability for development project. And we will make best efforts to be a number one Company in development business focusing on profitable projects.

GS E&C's new orders has steadily increased and this year's new orders target is 10 trillion won. With the success of the “Eco Nomos,” GS E&C will achieve it's vision 2010.

Sa-dong Ansan (Bird's-Eye View)





Appendix : GS E&C's Development Projects

Woonbuk Leisure Complex

- Client : Incheon Urban Development Corporation
- Location : 326 Woonbook-dong, Jung-gu, Incheon
- Development : Mixed-use Development : Residential, Leisure, Commercial , Office
- Business Period : Mar., '07 ~ Dec., '13

Kwangmyung PF Project

- Client : Korea National Housing Corporation
- Location : New Town in Kwangmyung, Kyunggi-do
- Development : Residential, Office
- Business Period : Sep., '06 ~ Dec., '11

Kyungbang K-Project

- Client : Kyungbang Co., Ltd
- Location : 441-10 #21, Youngdeungpo Dong, Seoul
- Development : Multiplex Development for Enjoyable City Life with Commercial, Business, Culture and Leisure
- Construction Period : June, '06 ~ May, '09 (35 months)

Incheon Dowha PF Project

- Client : Incheon Urban Development
- Location : Namgu, Dowha Dong, Incheon
- Development : Incheon University removal project
- Business Period : Dec., '06 ~ Feb., '14