

Oct. 2009

INVESTOR RELATIONS

# **GS E&C Consortium, 1.24 Billion EUR Project Award**

## **IRAN South Pars Phase 6~8 Gas Sweetening Project**



**Best Partner &  
First Company**

GS Engineering & Construction

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# 1. Project Overview

GS E&C consortium was awarded EUR1.24billion Iran GAS Sweetening project as an EPC contractor, and this project is located next to SP 9~10 project site

## Overview

Location	Assaluyeh, Iran
Client	Pars Oil & Gas Company(POGC)
Finance	Client own fund
Facility	3,900 MMSCFD* (650 MMSCFD × 6 Units)
Contract Type	EPC Lump Sum Turnkey
Consortium	GS E&C, IGC** (Local Partner)
Period	42 months
Amount	EUR 1.24Billion (GS E&C 77%)

\* MMSCFD : Million Standard Cubic Feet per Day

\*\* IGC=Iranian International General Contract Company

## Location



## 2. Risk Analysis & Experience

GS E&C will focus on risk management by hedging on expected risks to keep prices competitive, and has a confidence that the project will successfully be executed

Capability	<ul style="list-style-type: none"> <li>• Previous Experience on successful completion of SP Gas Development 9~10 Project at Iran with same license</li> </ul>
Payment	<ul style="list-style-type: none"> <li>• Reliable client (Iran state-owned company)</li> <li>• Monthly progress payment by advanced payment(5%) and L/C</li> </ul>
Raw Material & F/X Risk	<ul style="list-style-type: none"> <li>• Contingency cost for raw-material fluctuation</li> <li>• Contingency cost for F/X risk</li> </ul>
Others	<ul style="list-style-type: none"> <li>• Preparing for contingency cost</li> </ul>

### Introduction



### GAS Project Experience

Project	Type	Period
UAE, Ruwais 4 <sup>th</sup> NGL Train	LSTK	2009~2013
Saudi, Manifa	LSTK	2008~2011
Thai, PTT LNG	LSTK	2008~2011
Oman, Salalah Methanol	LSTK	2007~2010
Iran, South Pars 9-10	LSTK	2003~2009

Area	1.63mil km <sup>2</sup>
Population	70 mil
Capital	Tehran
Language	Persian
Religion	Islam
Industry	Service(51%), Manufacture(21%), Oil & Gas(15.1%)
F/X	\$1 = 9,752 Iran Ryal ('Oct 7, 09)



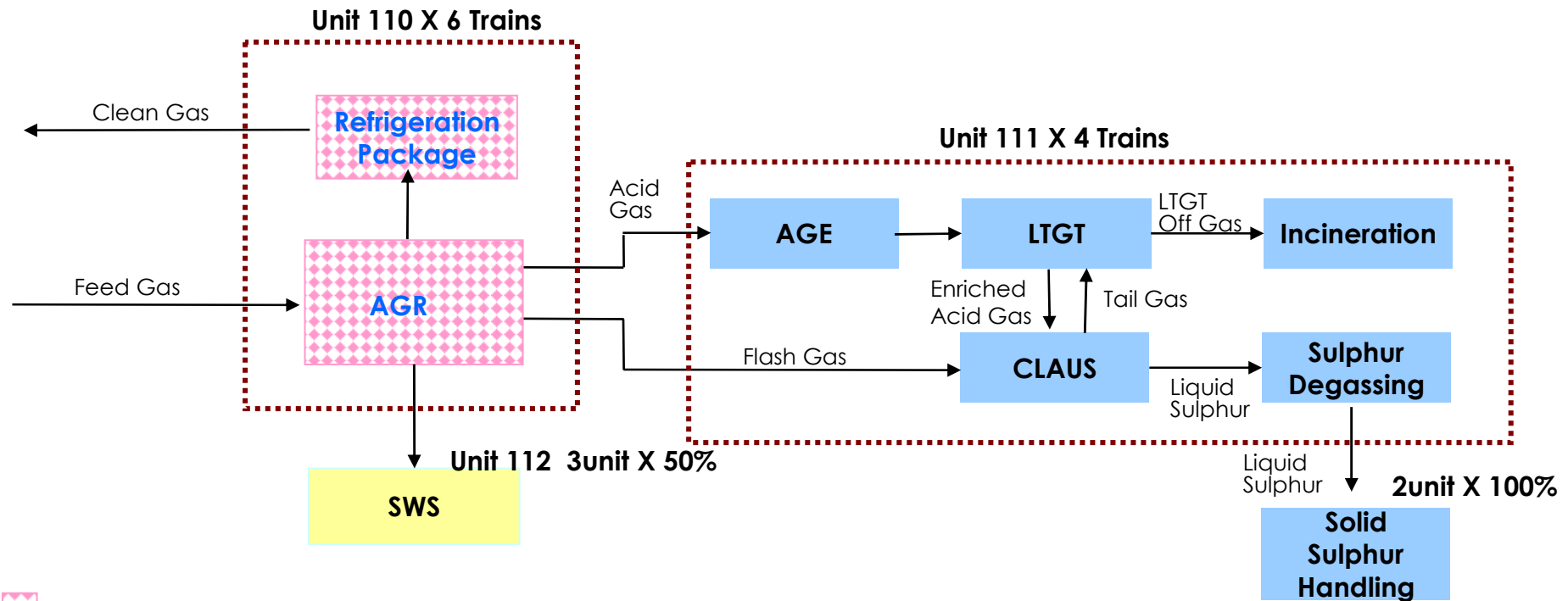
### 3. Prospect

- POGC is constructing a new Gas Sweetening project. GS E&C consortium is awarded EUR 1.24 billion project as an EPC contractor. POGC is the owner of SP 9~10 project, which GS E&C completed successfully. This project will contribute to increase annual revenue by 500 billion Won.
- With successive awards from gas business, GS E&C will acquire whole experience of LNG construction processes including gas development, LNG terminal and liquefaction process and GS E&C is the only Korean construction company which has completed LNG Value Chain and joined LNG club. This project will secure GS E&C's market positioning in Gas business.
- Following completion of SP 9~10 and LOA awards from Iran LNG Liquefaction project, this project will help GS E&C's status in Iran. And GS E&C plans to acquire additional gas projects in middle east.




<Iran, SP 9~10 Project>

# Process Summary



 Unit 110 : AGR, Refrigeration (6 Trains)

 Unit 111 : AGE, LTGT, Claus, Sulphur Degassing, Incineration, Solid Sulphur Handling (4 Trains, 3 Operation + 1 Standby)

 Unit 112 : SWS

\* AGR : Acid Gas Removal  
AGE : Acid Gas Enrichment  
LTGT : Lurgi Tail Gas Treatment  
SWS : Sour Water Stripper

# Overseas Projects

	Description	Project	Client	Project Type	Contract Amount Unit: USD	Project Period
2009 Awards	UAE	Ruwais 4 <sup>th</sup> NGL Train	GASCO	Gas	1.2 bn	2009 – 2013
	Singapore	C913	LTA	Civil	310 ml	2009 – 2015
	Singapore	Depot C911	LTA	Civil	144 ml	2009 – 2015
Under Construction	Vietnam	Hanoi~Haiphong	VIDIFI	Civil	175 ml	2008 – 2011
	Saudi Arabia	Manifa	Aramco	Gas	501 ml	2008 – 2011
	UAE	Green Diesel	Takreer	VDU Hydrocracker	1.13 bn	2008 – 2011
	Thailand	PTT LNG	PTT LNG Co., Ltd.	LNG Terminal	393 mil	2008 – 2011
	Egypt	ERC Hydrocracker	ERC	Hydrocracker	2.17 bn	2007 – 2013
	Armenia	Yerevan Power Plant	YTPP	Power Plant	218 mil	2007 – 2010
	Oman	Salalah Methanol	SMC	Methanol	722 mil	2007 – 2010
	Thailand	HMC PP	HMC Polymers Co. Ltd.	Poly Propylene	176 mil	2007 – 2009
	Oman	Aromatics	AOL	Aromatics	1.25 bn	2006 – 2009
	Qatar	Laffan Refinery	QP 80% + Exxonmobil 10%+TotalFinaElf 10%J/V	Refinery	370 mil	2005 – 2009
	Turkey	Tupras Refinery	Tupras	DHP	108 mil	2005 – 2009