

September, 2007

INVESTOR RELATIONS

Preferred Bidder for PFI Road Projects

Seoul~Munsan Highway / Seoul~Pocheon Highway



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Project Summary

Through the successful record for PFI* business and numerous experience in road projects, GS E&C is selected as a preferred bidder for Seoul-Munsan Highway and Seoul-Pocheon Highway projects. Total investment amount is KRW 850 bn and 950 bn, respectively.

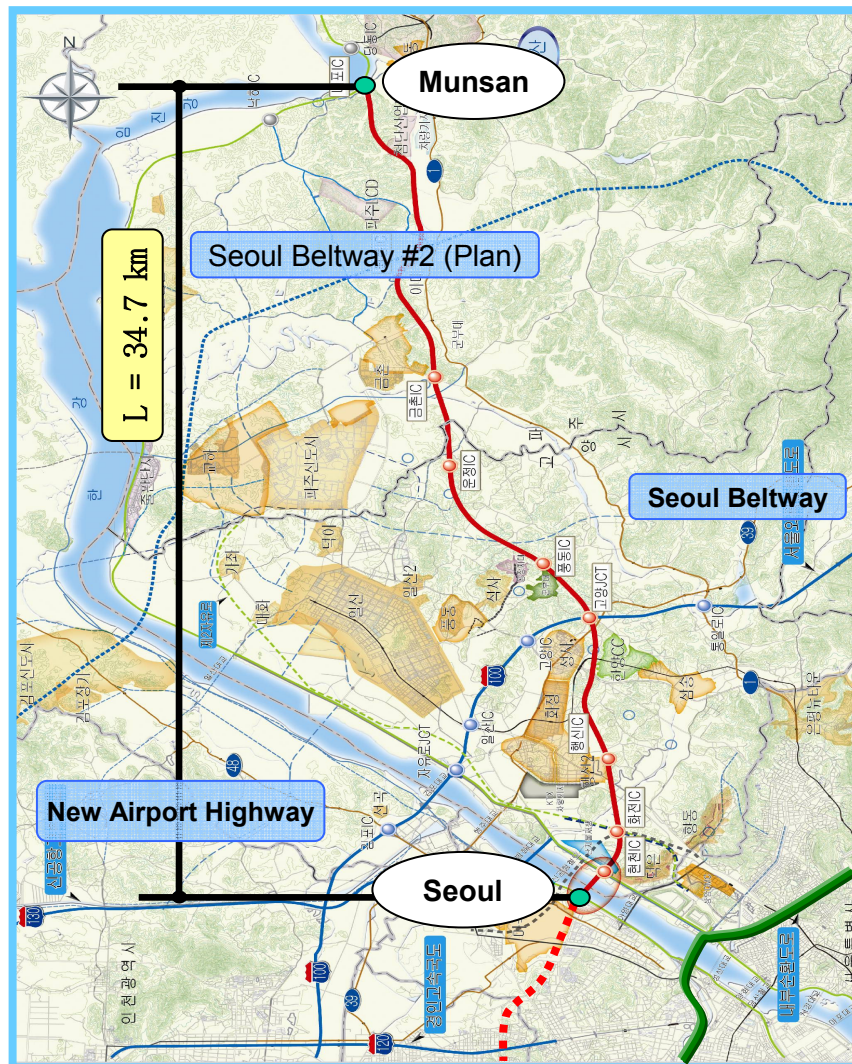
Project Summary	
Project	Seoul~Munsan Highway (BTO)
Location	Deokeundong-Koyang Gyeonggido ~ Naepori-Paju Gyeonggido
Project Description	Extends from Deokeundong-Koyang Gyeonggido to Naepori-Paju Gyeonggido Length : 34.7 km (4~6 Lanes) Bridge (Han River) : Kayangdong Kangseogu ~ Deokeundong-Koyang Gyeonggido (1.1km)
Competent Authorities	The Minister of Construction and Transportation
Total Investment Amount	KRW 852 bn (Total construction contract amount to be determined later)
Consortium	GS E&C (45.5%) - Leader Daelim Industrial (14.9%) Daewoo E&C (14.4%) Doosan Construction & Engineering (14.4%)
Contract Type	PFI (Privately Funded Infrastructure) - (BTO)
Project Period	60 months from the start of construction

Project Summary	
Project	Seoul~Pocheon Highway (BTO)
Location	Topyungdong-Guri Gyeonggido ~ Sinbukmyun-Pocheon Gyeonggido
Project Description	Extends from Topyungdong-Guri Gyeonggido to ~ Sinbukmyun-Pocheon Gyeonggido Length : 53km (4~6 Lanes)
Competent Authorities	The Minister of Construction and Transportation
Total Investment Amount	KRW 950 bn (Total construction contract amount to be determined later)
Consortium	Daewoo E&C (21.12%) - Leader Daelim Industrial (17.6%) GS E&C (14.08%) Hanjin Heavy Industries & Construction (14.08%)
Contract Type	PFI (Privately Funded Infrastructure) - (BTO)
Project Period	60 months from the start of construction

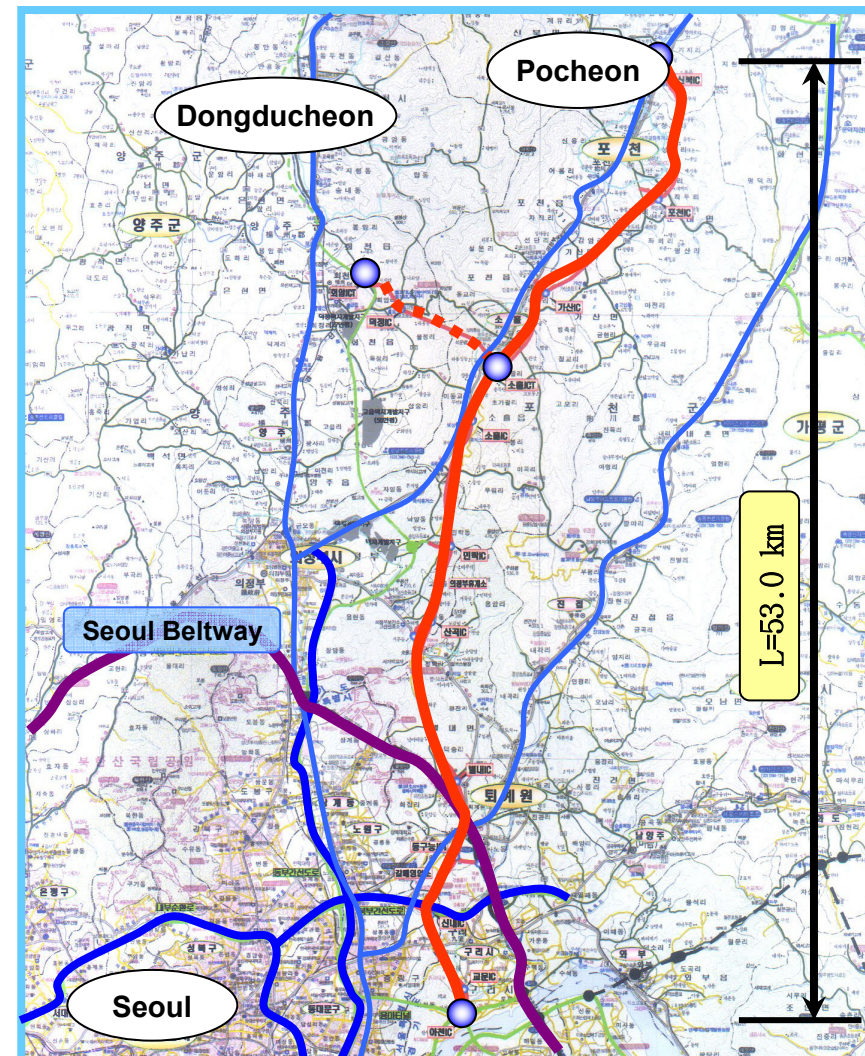
* Privately Funded Infrastructure

Project Site

Seoul~Munsan



Seoul~Pocheon





Prospect & Significance



<Seoul – Munsan Highway Han River Bridge>

GS E&C will continuously seek a strong opportunity of PFI projects based on abundant experience and know-how in order to meet our vision to pursue both profitability and growth in the future. Furthermore, based on the successful experience, GS E&C will make efforts to find good business opportunities in overseas market.

Followed by New Airport Highway, Cheonan-Nonsan Highway and Seoul Beltway, GS E&C has steadily pursued diverse PFI projects . On Sep 4, GS E&C is selected as a preferred bidder for Seoul-Munsan Highway PFI project after the 5-year business preparation.

The highway is expected to be the core road for the Northern traffic network in The Greater Seoul Area and to solve the traffic problem in Seoul, Koyang, and Paju area. Moreover, the bridge that connects Kayang Dong and Koyang Gyeonggi-do will give benefits to citizens living nearby Sangam and Magok. Along with Seoul-Munsan Highway, Seoul-Pocheon Highway will serve as a main road of Northern part of the Greater Seoul Area.



Appendix : PFI Projects

(KRW bn)

Process	Project	Contract Amount	GS E&C Portion	GS E&C Shares		Remarks
Approved	Youngdong Highway #2	758	121 (16%)	4	1.6%	To be completed in 2012
	Kyongsang-Cheonla Rail Way	331	76 (23%)	1.5	2.3%	To be completed in 2012
	Kangnam Beltway	798	92 (11.5%)	8	11.5%	To be completed in 2013
	Sangju-Youngchun Highway	1,286	129 (10%)	3.3	1.0%	To be completed in 2012
Under Construction	Seoul Beltway	1,392	376 (27%)	124.2	27.0%	To be completed in 2008
	Pyeongtaek Port #11	47	42 (89%)	7.8	10.0%	To be completed in 2008
	Pyeongtaek Port #12	47	26 (55%)	11.1	16.5%	To be completed in 2010
	Uijeongbu Light Rail Transit	256	155 (60%)	27.3	29.9%	To be completed in 2011
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	15%	9.1(MEDIC, May. 2003)-Sold
	Daegu West-North Road	64	16 (25%)	3.3	15%	3.7(Municipality of Daegu, Jun.2004)-Sold
	Cholmasan Tunnel	75	18 (24%)	1.0	24%	1.0 (KTCU, Nov. 2001)-Sold
	Manwolsan Tunnel	68	17 (25%)	5.0	15%	Completed (July,2005) / Holding

KTCU : Korea Teachers' Credit Union

KRIF : Korea Road Infrastructure Fund

MEDIC : Macquarie East Daegu Investment Company