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INVESTOR RELATIONS

GS E&C Consortium, 900million USD Refinery Project Award **– NHR Refinery Project in Tatarstan Russia –**



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Project Overview

GS E&C executed many refinery plants in various regions in the world. Owing to our good experience and excellent reputations, GS E&C consortium was awarded a 900million USD refinery project (Package 1&3) in Tatarstan, Russia. GS E&C's work portion is approximately U\$400 million.

Project Summary	
Project	Tatarstan, NHR Refinery Project
Client	TANECO (Tatneft, which is Tatarstan public company, owns 100% shares)
Facility	Refinery facility of 150,000 barrels/day - Package 1&3 (GS E&C consortium) : Naphtha / Kerosene / Diesel Treatment / Aromatic Complex - Package 2: Hydro-cracker
Location	Nizhnekamsk, Tatarstan (170km away from Kazan, 800km away from Moscow)
Finance	Project Financing
Consortium	GS E&C + Tecnimont (Italy)
Amount	U\$ 900 mil (GS E&C's portion U\$400 mil)
Contract Type	Converted Lump Sum Turnkey
Period	36 Months





Risk Analysis & Experience

GS E&C will manage expected risks, and successfully execute Tatarstan NHR project utilizing extensive worldwide refinery project experience.

Project Risk Analysis			
Capability	• Executed refinery projects worldwide		
Payment	• No risk due to unconditional & irrevocable payment guarantee from the client • Will hedge the risk by insurance from Korea Export Insurance company. • Can reflect cost increase through cost plus fee contract.		
Raw Material & F/X Risk	• Insuring foreign exchange risk and make forward deal contracts. • Hedge foreign exchange risk by derivative and preparing for contingency cost.		
Selected project list out of total 50's refinery experience			
Project	Type	Period	Scope
Green Diesel (UAE)	Hydro-Treating Unit	08 ~ 11	LSTK
ERC (Egypt)	Hydrocracker	07 ~ 11	LSTK
Laffan (Qatar)	Condensate	05 ~ 08	LSTK
Kirikkale (Turkey)	CCR / DHP	05 ~ 07	E,P,CM
Izmit DHRP (Turkey)	Desulfurization	03 ~ 07	E, P
HOU #2 (Korea)	Hydrocracker	05 ~ 07	E,PS,C
Izmir DHP (Turkey)	Desulfurization	02 ~ 04	LSTK
OCR Revamp (Kuwait)	ARDS	02 ~ 04	LSTK
QP Condensate (Qatar)	FCC / CDU	99 ~ 02	LSTK

Tatarstan Overview

- Area: 67,800 m² (68% of South Korea)
- Population: 376 million (2006)
- Capital City: Kazan
- Race: Tatarstan 53%, Russian 40%
- Language: Tatarstan, Russian
- Government: Constituent republic of Russia, Presidential System
- GRP(Gross Regional Product): 2.4 billion USD (2006)
- Natural Resource: The largest oil reserve in Russia (8 billion ton)
- Industry: Petro-chemical, Machinery
- Credit Rating: Moody's Ba1, Fitch BB+ (2006)



TANECO of Tartastan, Russia is constructing a new refinery plant capable of processing of 150,000 barrel per day of crude oil. GS E&C is to construct aromatic complex worth about U\$400 million.

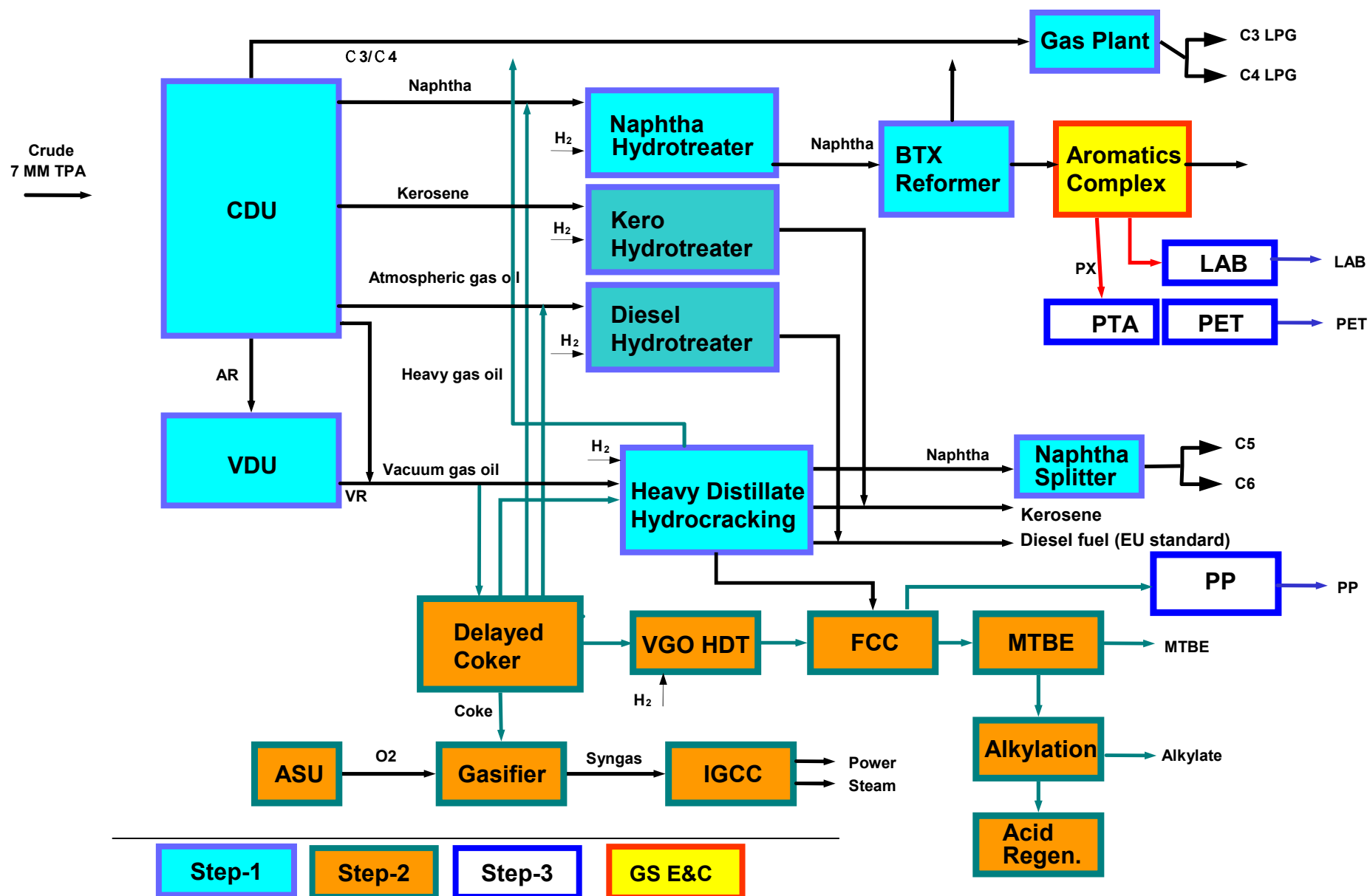
Following the awards of Egypt refinery project worth 2 billion USD last year and Kuwait NRP project worth 2 billion USD this year, Tatarstan NHR project is one good evidence that GS E&C has been consolidating its position towards the global leader in refinery construction. This project will contribute to increase annual revenue by 120 million USD.

GS E&C has Vision 2015 plan where GS E&C intends to become one of the leading global EPC contractors by the year 2015. The Tatarstan refinery project is an important stepping stone for GS E&C towards this goal. Tatarstan has the largest oil reserves in Russia. GS E&C plans to acquire additional projects in Tatarstan. And these experience will help GS E&C further secure extensive volume of business in Russia and CIS countries, which are expected to have significant economic growth in the next decade.



<Completed IZMIR Refinery Plant in 2004 >

Process Summary





Overseas Plant Projects

	Description	Project	Client	Project Type	Contract Amount Unit: USD	Project Period
Awarded in 2008	Kuwait	KNPC NRP	KNPC	Refinery	2 bn	2008 – 2012
	UAE	Green Diesel	Takreer	Vacuum Distillation Unit Hydrocracker	1.14 bn	2008 – 2011
	Thailand	PTT LNG	PTT LNG Co., Ltd.	LNG Terminal	390 mil	2008 – 2011
Currently Progressing	Egypt	ERC Hydrocracker	ERC	Hydrocracker	2 bn	2007 – 2011
	Armenia	Yerevan Power Plant	YTPP	Power Plant	218 mil	2007 – 2010
	Oman	Salalah Methanol	SMC	Methanol	720 mil	2007 – 2010
	Thailand	HMC PP	HMC Polymers Co. Ltd.	Poly Propylene	185 mil	2007 – 2009
	Oman	Aromatics	AOL	Aromatics	1.21 bn	2006 – 2009
	Qatar	Laffan Refinery	QP 80%+ExxonMobil 10%+TotalFinaElf 10%	LAB	370 mil	2005 – 2008
	Egypt	LAB	J/V E-LAB	LAB	220 mil	2005 – 2008
	Thailand	ATC Aromatics	The Aromatics (Thailand) Public Co. Ltd	Aromatics	660 mil	2005 – 2008
	Turkey	Tupras Kirikkale	TUPRAS	DHP	108 mil	2005 – 2008
	Iran	SP 9&10	NIOC	Gas	660 mil	2003 – 2008