

December 2007

INVESTOR RELATIONS

Vietnam BT Project Investment Certificate Approval





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1. Approved Investment Certificate

GS E&C accelerates Vietnam business through approval of BT (Build and Transfer) project investment certificate (I/C). It will be a new business model of overseas development going forward.

- BT project was approved by Vietnam prime minister on November 30, and approved I/C from the minister of the planning and investment on December 14.
- GS E&C will accelerate Vietnam business through I/C approval of Cu-Chi resort, Nha Be new town and BT project.
- BT project started from MOU between GS E&C and Ho chi minh People's Committee on October 2004, and it is about development of 1 million m² in Hochiminh CBD area. It is the first BT type development business as a foreign company in Vietnam.

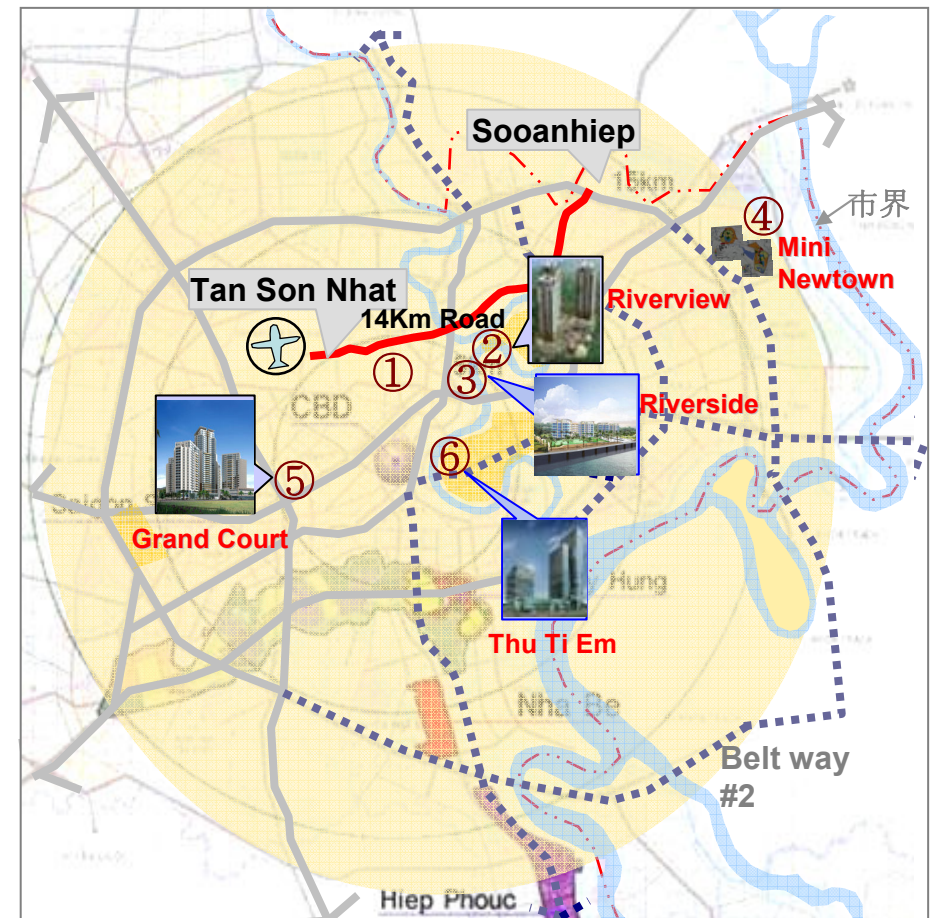


(Nha Be New Town IC Approval Ceremony)

2. Overview(1)

GS E&C constructs 14Km of road, which connects from Tan Son Nhat airport to north-eastern Hochiminh city inner belt way. As soon as start the road construction, Hochiminh government lease five pieces of lands to GS E&C as a compensation of the road construction. GS E&C will develop those lands as residential, commercial and office buildings, and expects USD 1.5 billion sales revenue for the next 8 years.

Location	Hochiminh City, Vietnam
Area	1,020,000m ²
Content	<ol style="list-style-type: none"> ① Road – Tan Son Nhat Airport to Soanhip, 14km ② Riverview – Apartment 258 Units ③ Riverside – Apartment 90 Units ④ Mini New Town – Apartment 4,700 Units ⑤ Grand Court – Apartment 604 Units ⑥ Thu Ti Em – Residential, Commercial and Office Buildings
Period	8 years from construction start
Investment	USD 340 mil approximately
Process	<ul style="list-style-type: none"> • First official letter sent to HPC about BT on May 2005 • Submitted I/C application on May 2006 • Approved I/L on November 2007





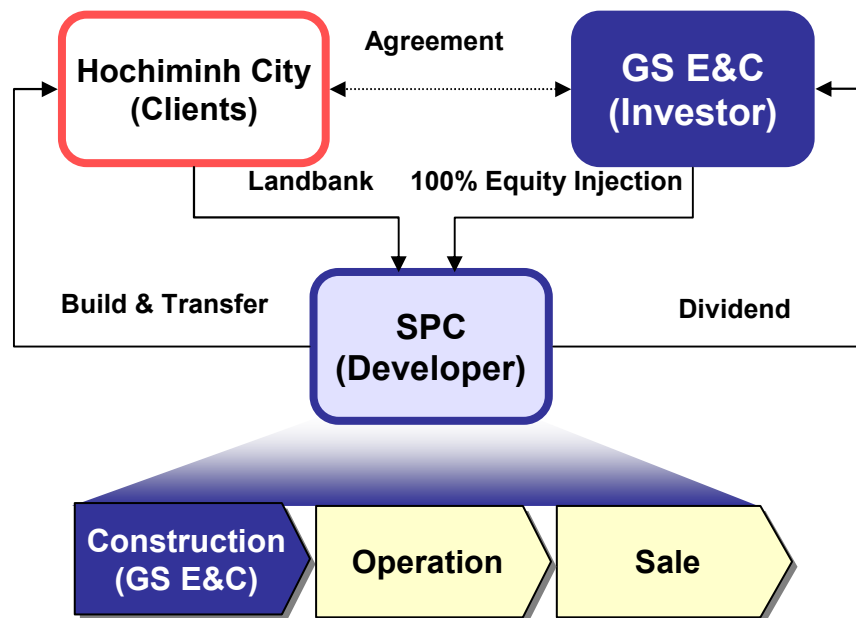
2. Overview(2)

Project	Content	Project	Content
①Road Construction	<ul style="list-style-type: none">-Road construction from Tan Son Nhat airport to Xuan Hiep-Length:13.563 km, Width: 30 ~ 60m (6~12 lanes)-Construction Period: 48months-Going to be applied Nielson Arch type bridge for the first time in Vietnam	④Mini New Town	<ul style="list-style-type: none">-Located on district 9 which is close to subway station, Industrial park development and Hochiminh Univ. move plan-Ground area: 918,000 m2-Planned population 19,500, single family home 330 Units, APT 4,097 units, residential & commercial complex 262 units. Plan to donate park and public facility land
②Riverview	<ul style="list-style-type: none">-Located on district 2 riverside. Away 6km from CBD-Ground area: 17,209 m2-GS E&C's first apartment in Vietnam. GS E&C will stress Xi brand name by supplying luxurious APT.-27 Floors of 3 buildings APT: 5 type of 175 m2 ~ 632 m2 (258 units)	⑤Grand Court	<ul style="list-style-type: none">-Mass housing complex on district 10. Enable to use various culture, leisure, sports and educational facilities-Ground area: 17,208 m2-Base 1, 25 & 31 floors of 6 buildings. Consists of medium size APT (604 units)
③Riverside	<ul style="list-style-type: none">-Located on district 2 riverside. Away 6km from CBD-Ground area: 27,018 m2-Large and the most luxurious residential building-6 Floors of 3 buildings: 3 type of 185 m2 ~ 241 m2 (90 units)	⑥Thu Ti -Em	<ul style="list-style-type: none">-Located on district 2. Strategically planned as a secondary center of Hochiminh (7,370,000 m2, population 130,000, commuter 350,000)-Ground area: 40,000 m2-Phase 1(development of mixed-use complex): convenient facilities-Phase 2(development of residential complex): comfortable & luxurious complex by using lake-Phase 3 (Construction of a high-rise building)

3. BT project structure

GS E&C established 100% owned SPC for BT Project in Vietnam, and responsible for the entire construction, pre-sale and operation of BT project.

BT Business Structure



Point

- The first BT project by foreigners in Vietnam
- Obtain land bank as soon as road construction start

Core Points of BT Project

- Hochiminh government lease 5 pieces of land as a reward of 14 Km road construction.
- GS E&C owns 100% of SPC equity.
- GS E&C recognizes construction profit, and collects invested capital and dividends from SPC.
- No further negotiation with Hochiminh government about the five land prices.

4. Main point of BT Project

BT Project I/C approval has a significant meaning that GS E&C accelerates Vietnam business along with I/C approval of Nha be and Cuchi. BT project is a successful model of overseas development in NGE countries. It will contribute sales revenue of USD 200 million per year and total USD 1.5billion. GS E&C will recognize total USD 7 billion revenue in Vietnam including Nha be and Cuchi. Moreover, GS E&C has been doing feasibility study to control business risks from the beginning of BT project, and will manage all kinds of risks until the end of the business completion. After Vietnam BT project, it is expected that BT type development businesses increase in Cambodia and other NGE countries. It is a proof of GS E&C's superior development ability with trust of partners. Increase in overseas development will contribute achieving Vision 2010 but also Vision 2015.



Thu Ti Em



Riverview



Riverside



Grand Court



Mini New Town

5. Business process in Vietnam

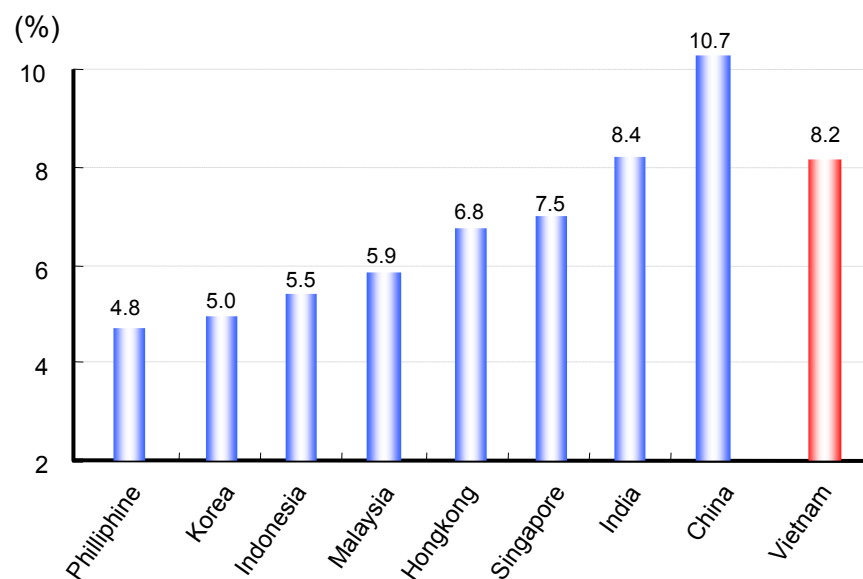
Vietnam project is a long-term development project with strong profitability and firm revenue and it will enhance our experience in overseas development market.

SPC	Type	Project	Process
 <p>BT Project (SPC 1)</p>	 <p>Build and Transfer</p>	<ul style="list-style-type: none"> • Road Construction & Transfer (14km) • Develop 5 pieces of land in downtown (1.02 million m²) • Build apartments (6,000 units), office buildings, etc. • Project period : 8 years 	<ul style="list-style-type: none"> • IC Approval (Dec 14, 2007) • Start Pre-sale (1Q, 2008) 
<p>Nha Be New Town (SPC 2)</p>	<p>Development Project by GS E&C</p>	<ul style="list-style-type: none"> • Lease land (3.5 million m²) - 10km from the city center • Build apartments (17,000 units), hospital, school, park, etc. • Project period : 10 years 	<ul style="list-style-type: none"> • Approved IC (May 25. 07) • Start construction (1H.'08)
<p>Cuchi Resort (SPC 3)</p>	 <p>Development Project by GS E&C</p>	<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 • Project period : 2 years (Operation for 50 years) 	<ul style="list-style-type: none"> • Approved IC (Mar.27. 07) • Start construction (1Q.'08)

Appendix 1 - Macro Economy of Vietnam & Hochiminh

Vietnam is experiencing substantial economic growth, and going into global economy with membership of WTO.

GDP Growth of Asian Countries
(2006 Base)



Vietnam
Economy
Index

Economy of
Hochiminh

	2000	2005	2010
Population	77 mil	83 mil	88 mil
GDP per Capita	\$365	\$640	\$1100
GDP Growth Rate	6.7%	8.4%	8%
FDI**	\$1.9 bn	\$6.8 bn	\$8.4 bn
Export	\$15 bn	\$32.2 bn	\$67.5 bn
Inflation*	-0.6%	8.5%	-

* Decade Inflation Rate Average: 3~4% till 2003

** Foreign Investment in 2006 : USD 10.2 bn

	Populati on (mil)	GDP per Capita (USD)	Export (USD 100 mil)	FDI (USD 100 mil)
Hochimi nh	6.24 (7.4%)	1,970	137 (35%)	22 (22%)
Vietnam	84.11	692	396	102

* 2006 Base

•Source: General Statistics Office in Vietnam(GSO),

Korea Investment & Securities Co. Ltd. Hochiminh DPI

** FDI : Foreign Direct Investment

Appendix 2 – Real Estate Market of Vietnam & Hochiminh

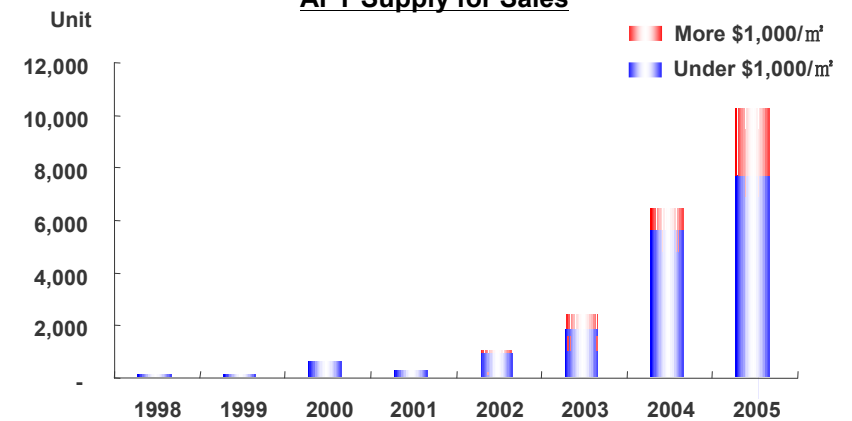
Hochiminh housing market has been focused on single houses. However, demand for apartment is going up rapidly.

Housing Market Structure Change

1. View change about APT
 - Low residential quality \Rightarrow High quality
2. Increase of high density area development caused by high land price
3. Advent of large developer– Mass investment is possible in early stage (Foreigner, Vietnamese)

Early APT Market Growth

APT Supply for Sales



* Source : Vietnam Real Estate Market Report (Chesterton 1Q. 2006)

Character of Presale Apartment Market

1. Downtown (High quality) APT & Middle Class APT for Local People
 - Downtown Area : Investment purpose
 - Middle Class : Residential APT for local people
2. Demand increase in residential APT for local
 - People Increase of Residential Rate of Local People at Phu Mi Hung APT (Initially 20% \rightarrow Recently 50%)

Increase Demand of Local People

<APT Supply by Area & Grade >

