

November 2005

GS E&C

Investor Relations



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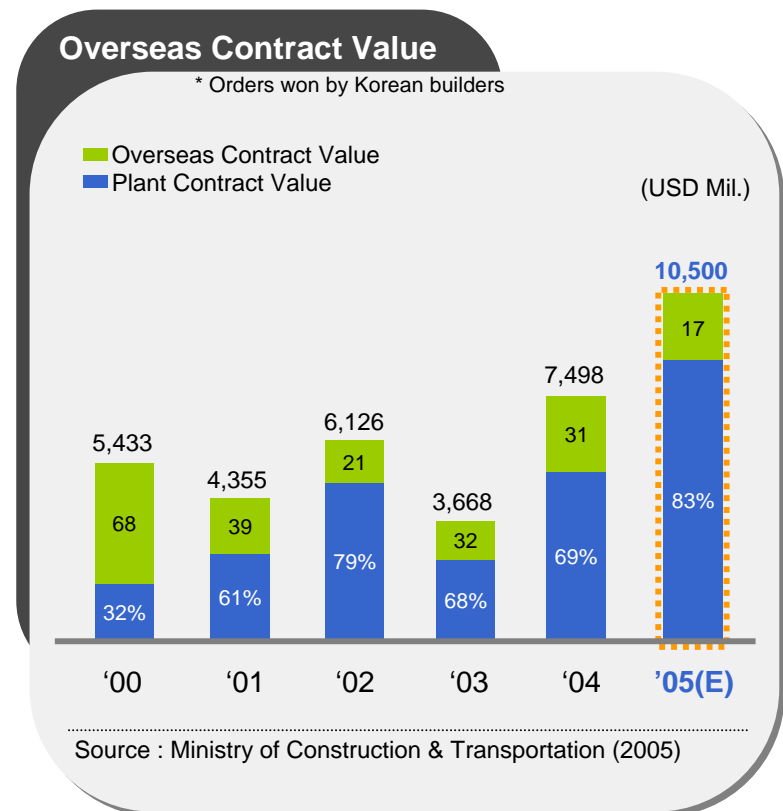
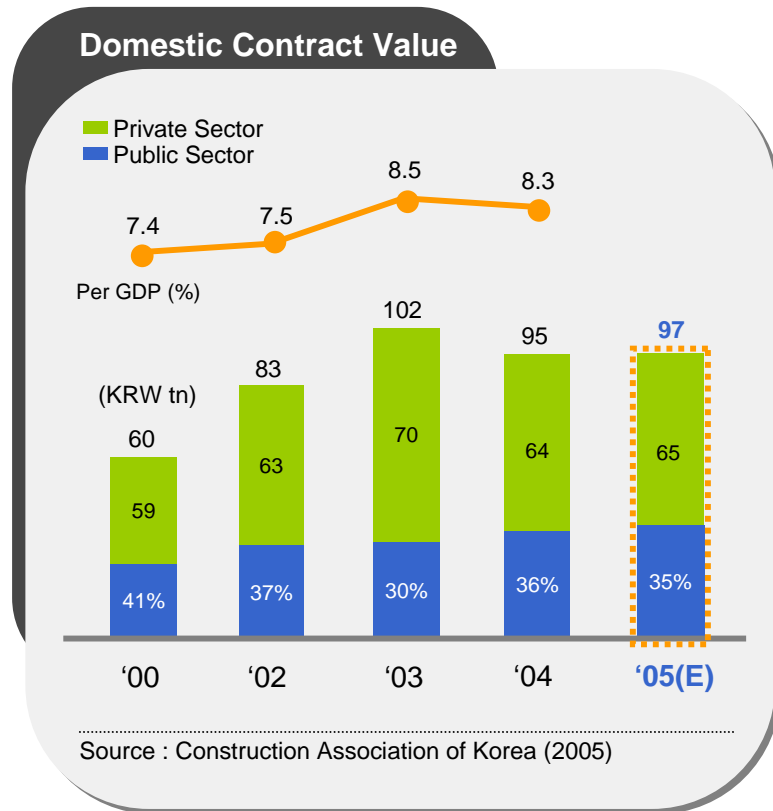
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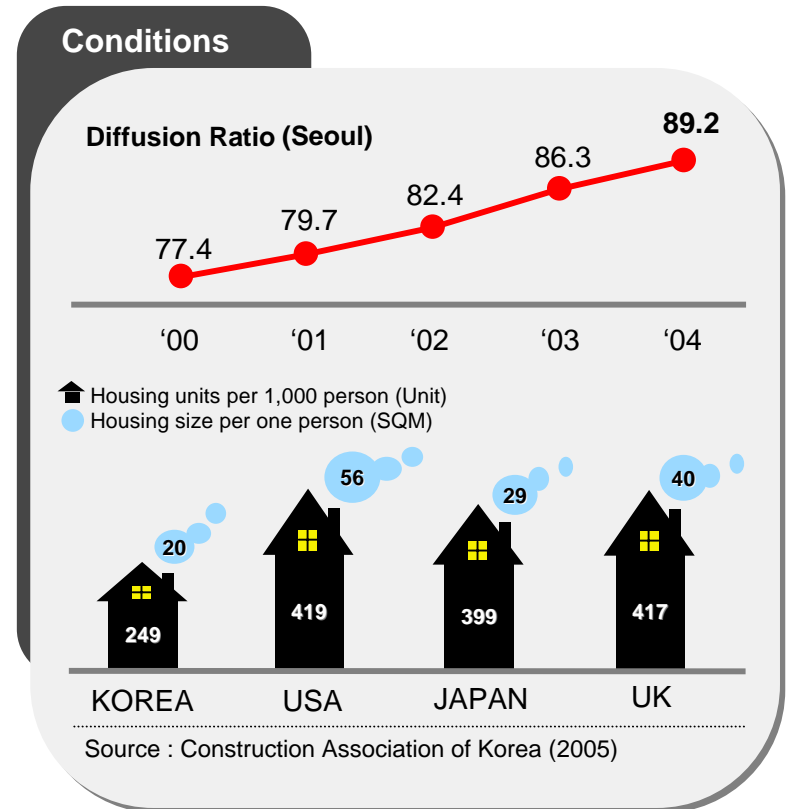
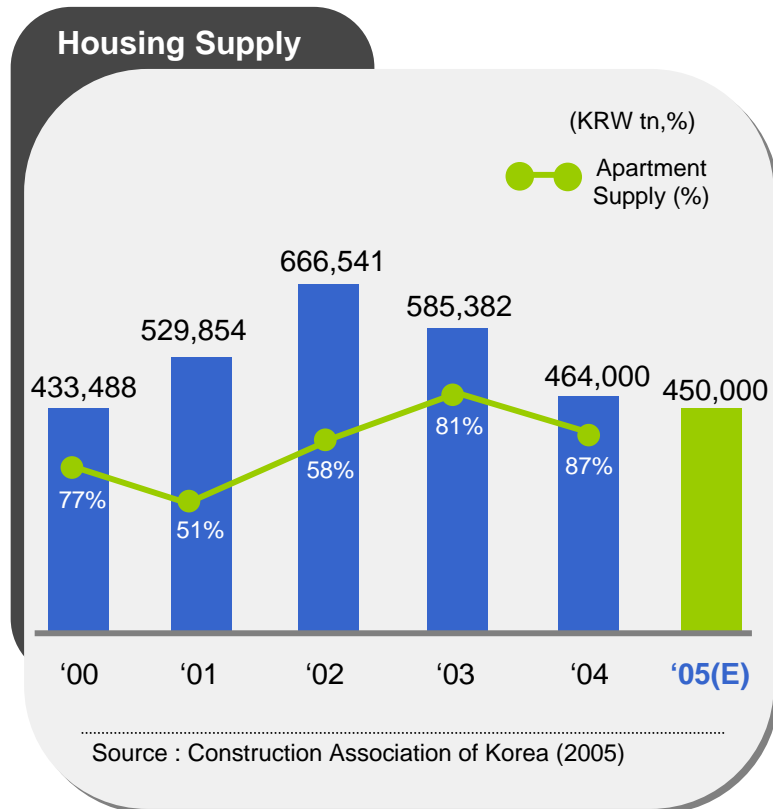
* The result for 3Q.05 is provisional figure

This material contains forward-looking statements that include our current beliefs and expectations on market factors and information obtained outside GS E&C, which are subject to uncertainties. Due to the volatility of these factors, actual results may differ from those set forth in the presented statements. Information found here should not be solely relied upon for making any investment decision, this material is provided as a reference purpose only for the investors. GS E&C shall not be responsible for any trading or investment decisions made based on this information.

While domestic contracts are expected to be flat year on year, overseas contracts are predicted to increase substantially from last year.

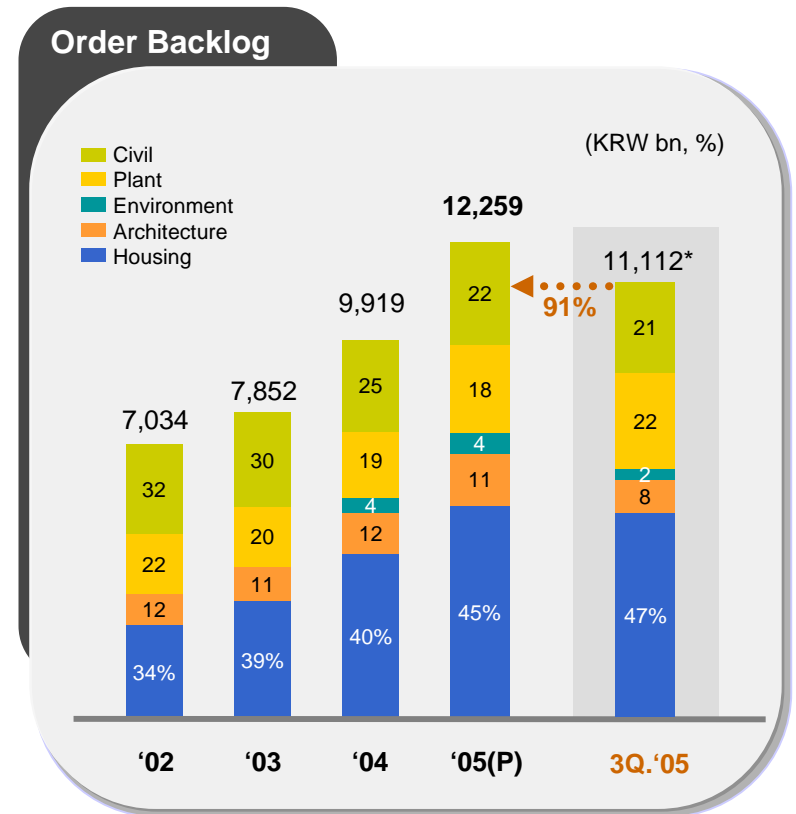


Housing supply is expected to fall compared to last year, though more housing is needed.



Overview - Company

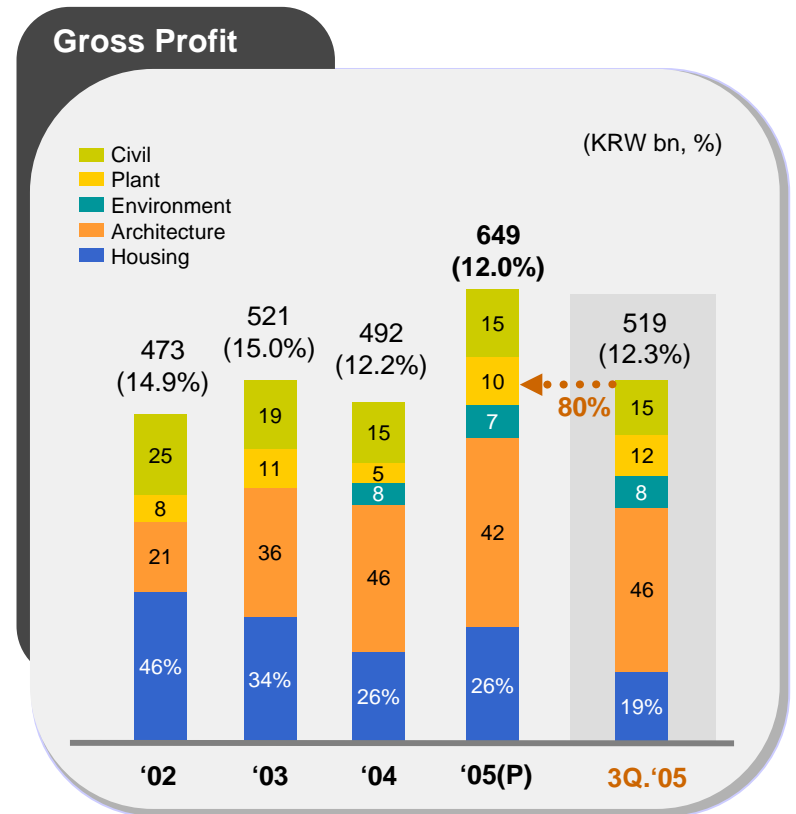
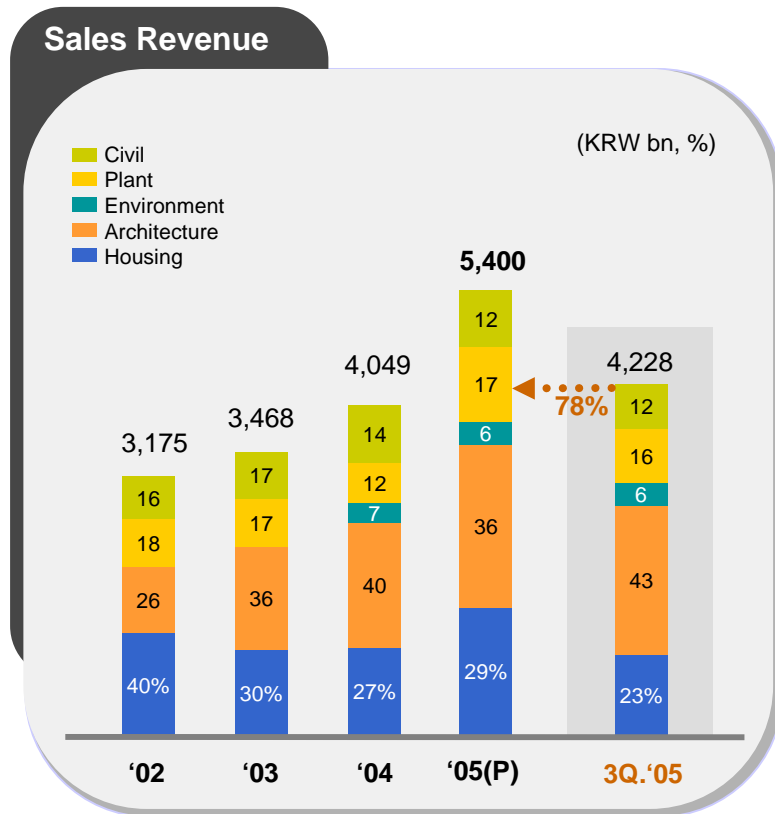
New orders are expected to increase to KRW 7.7 trillion mainly due to Group works in the Architecture division and reconstruction projects in the Housing division.



*Approximately KRW 12.8 trillion of provisional order backlog not included.
*Exposure to Overseas -18%, Affiliates - 9%

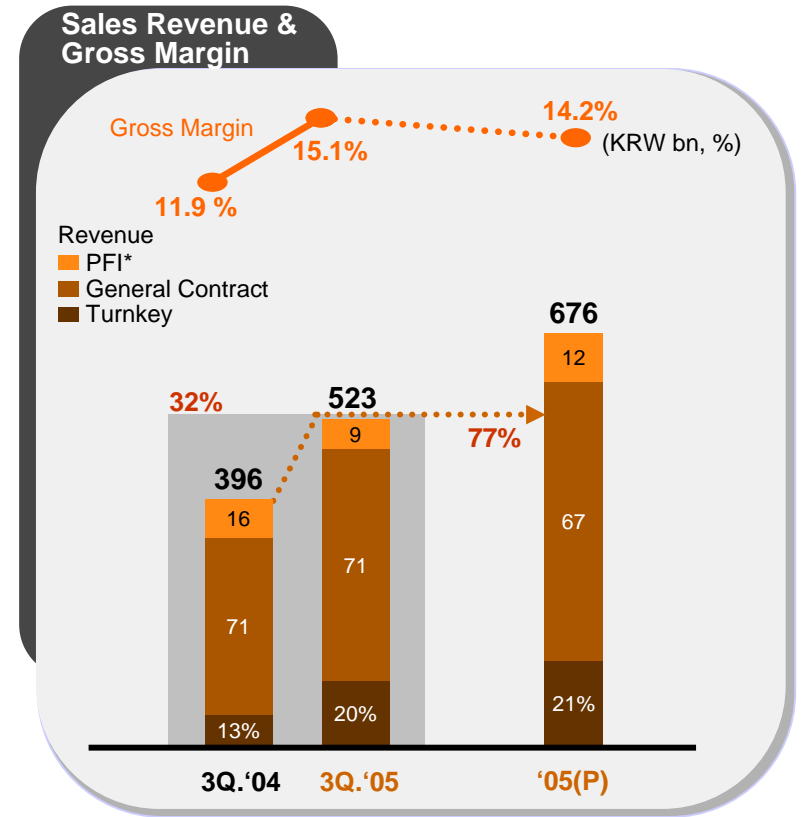
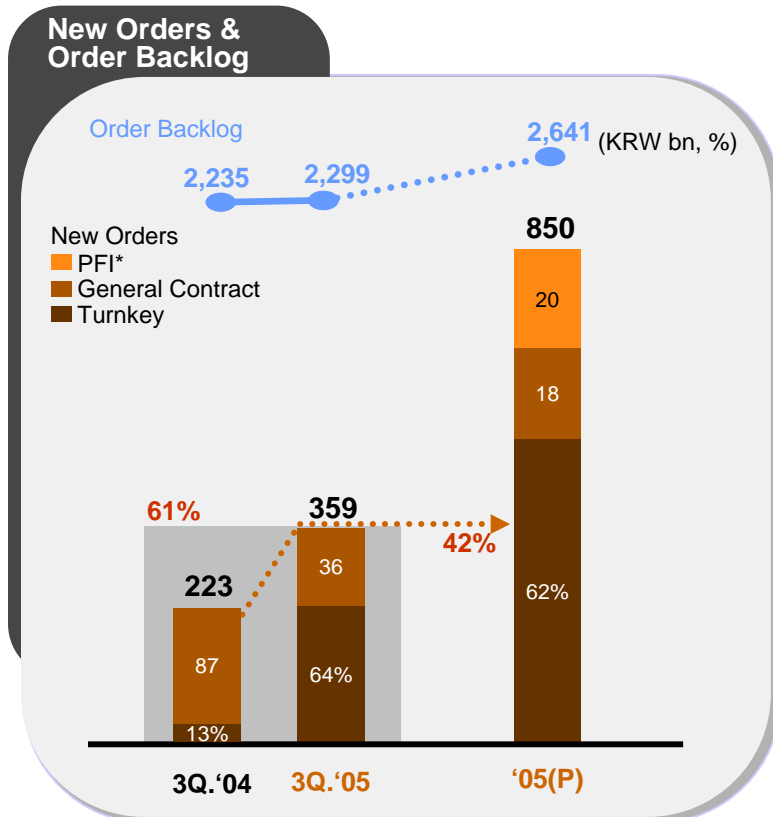
Overview - Company

Gross margin should remain in line with last year's result. However, sales revenue and gross profit will grow substantially due to the favorable performance in Group and overseas works.



Overview – Divisions (Civil)

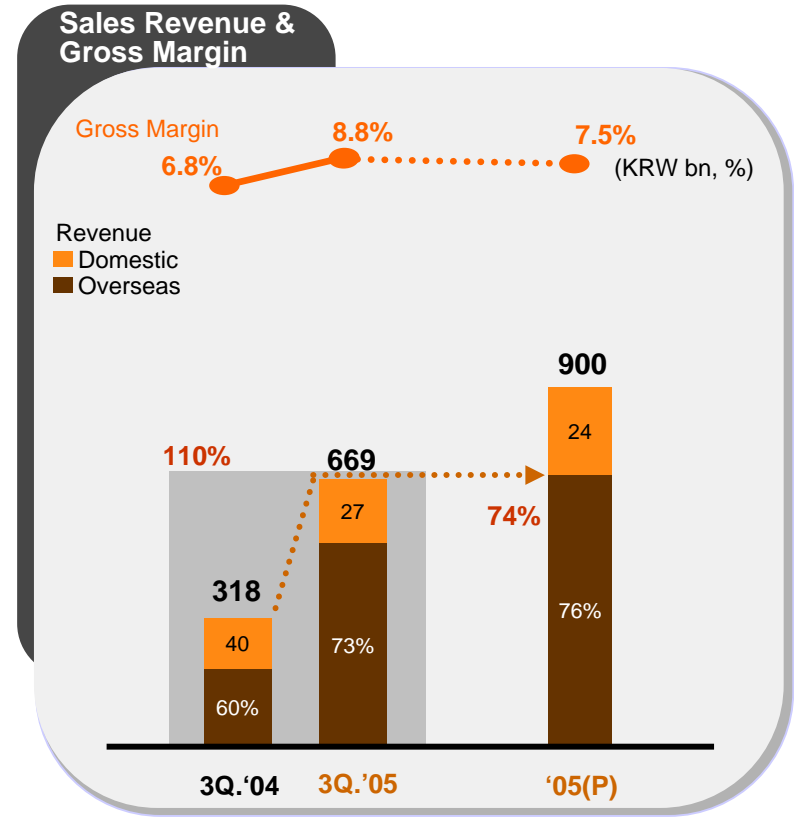
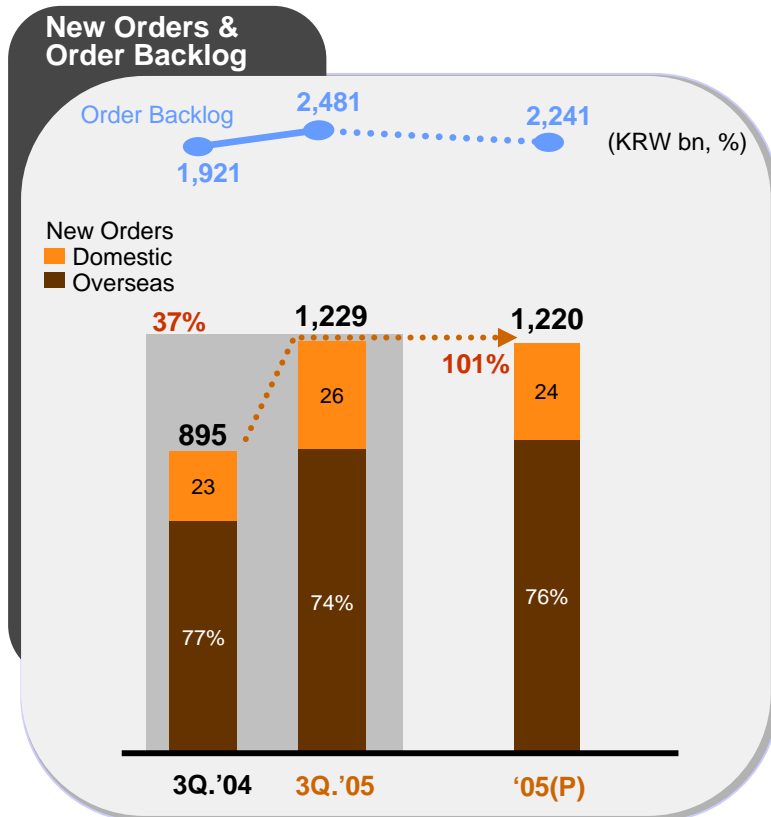
With a number of new turnkey projects, new orders have increased substantially and revenue has grown steadily.



*PFI : Privately Funded Infrastructure

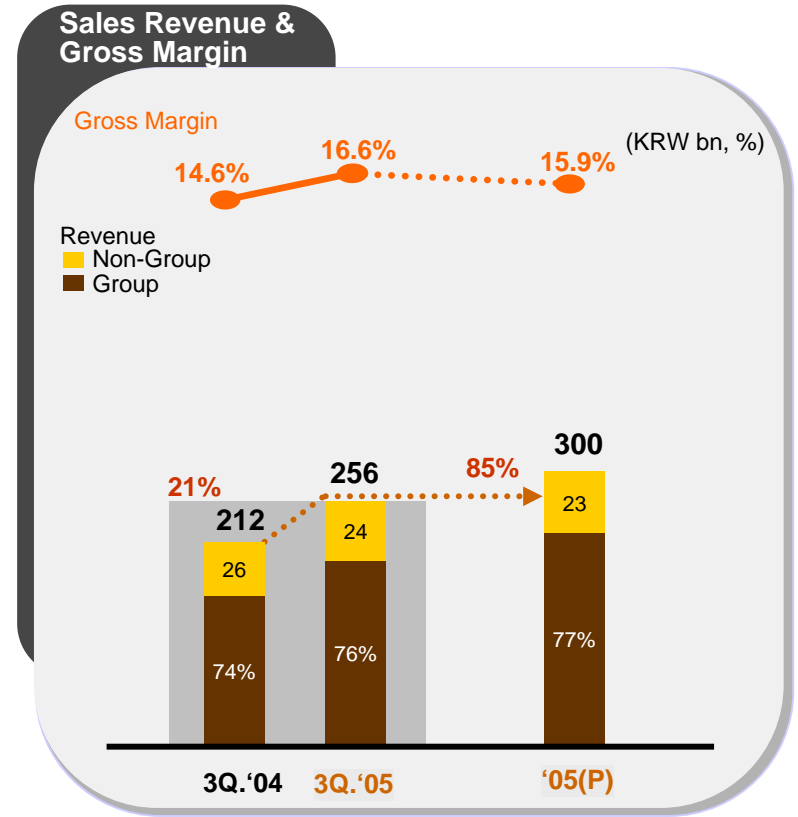
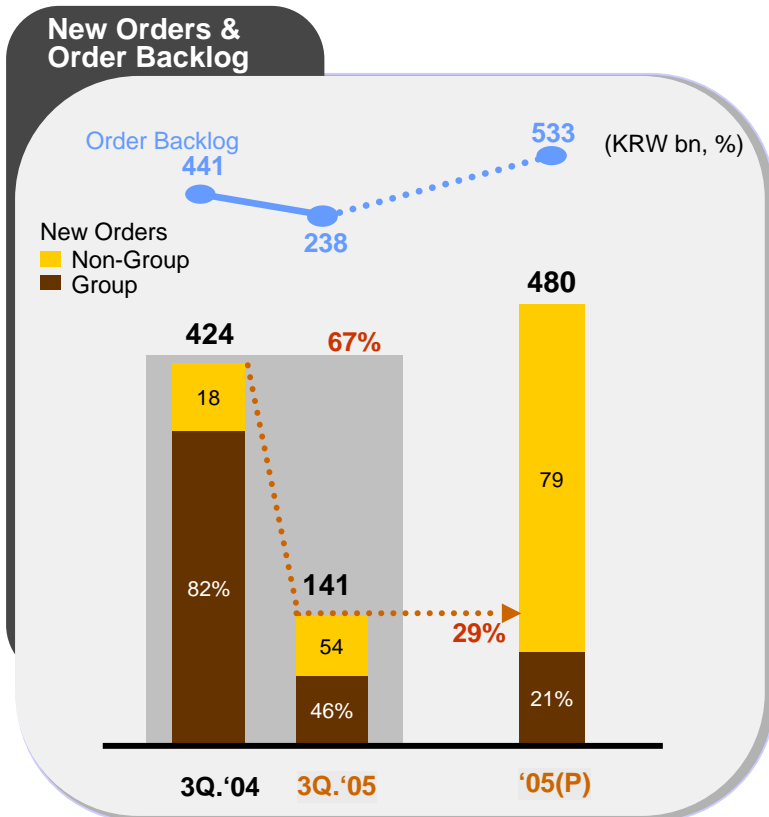
Overview – Divisions (Plant)

New orders have already hit our target thanks to an abundance of overseas contracts. Sales revenue has also increased sharply with positive progress on overseas and domestic projects.



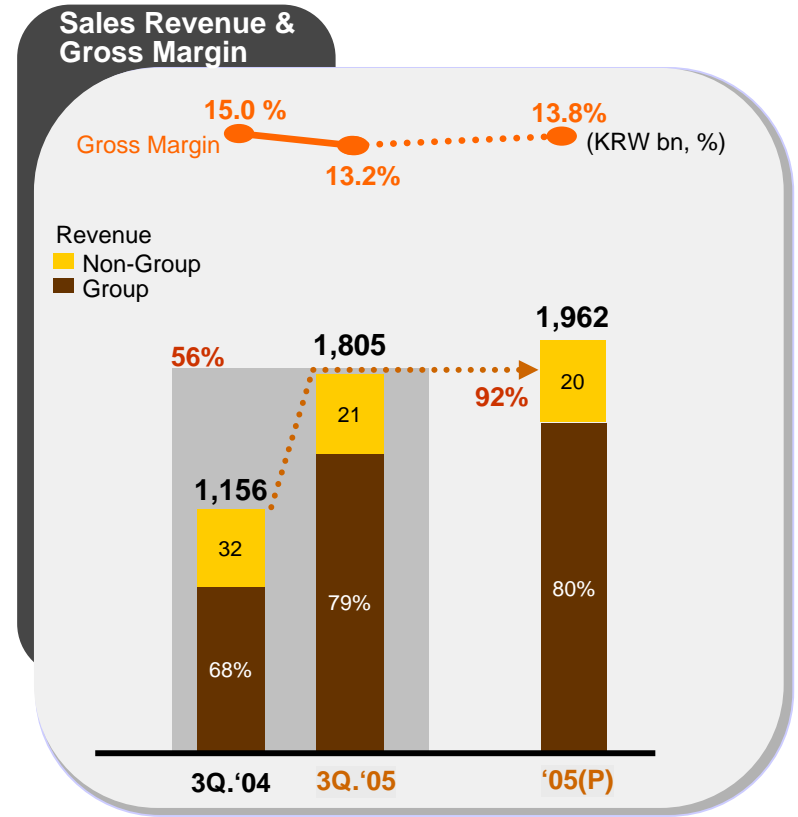
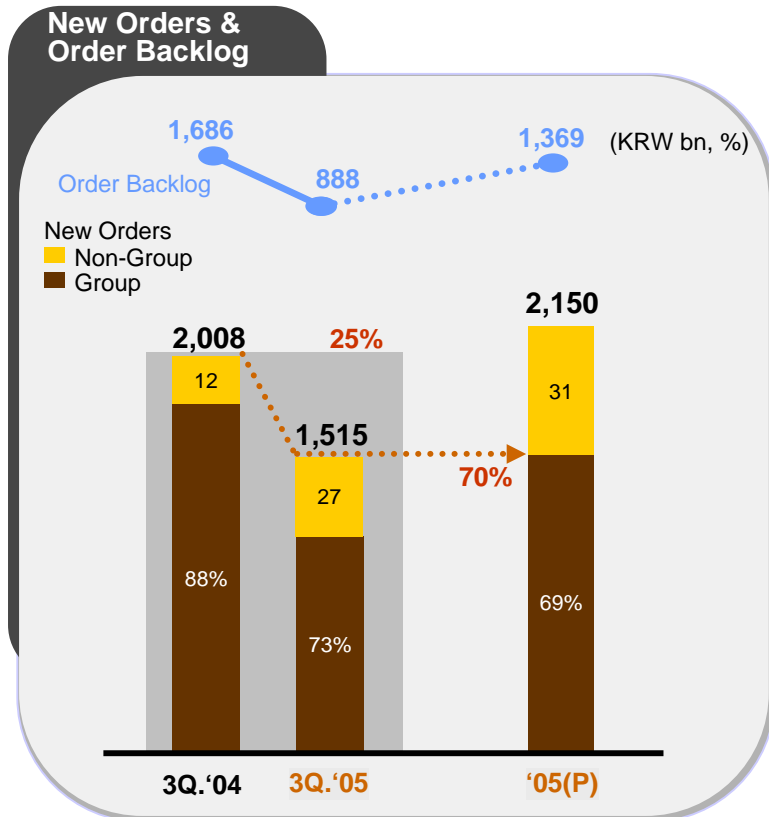
Overview – Divisions (Environment)

New orders have decreased due to a decline in Group works, but revenue is up 21% thanks to steady progress on existing Group works.



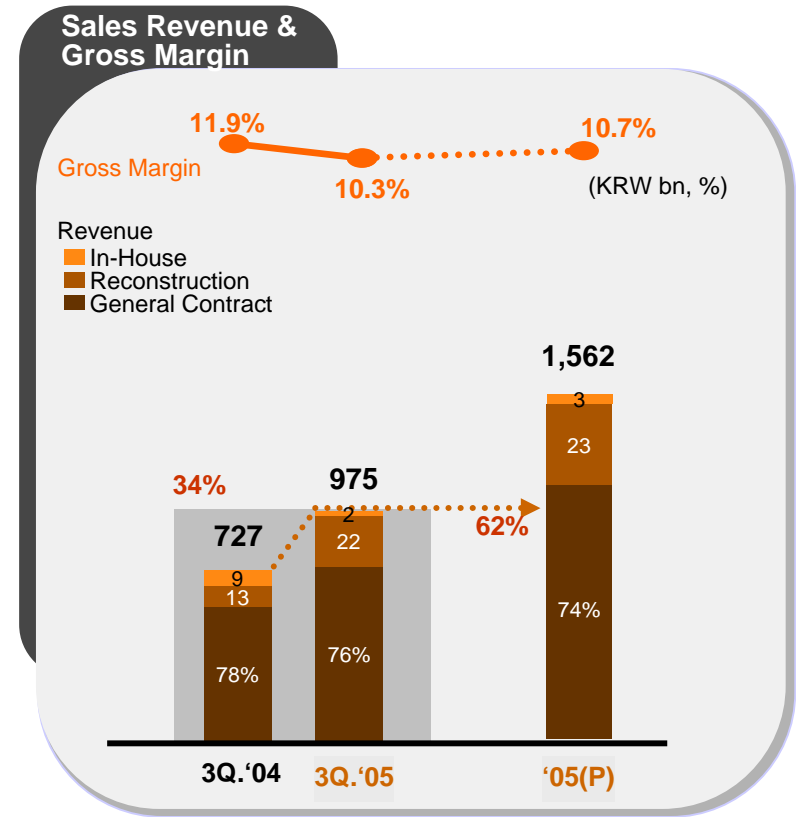
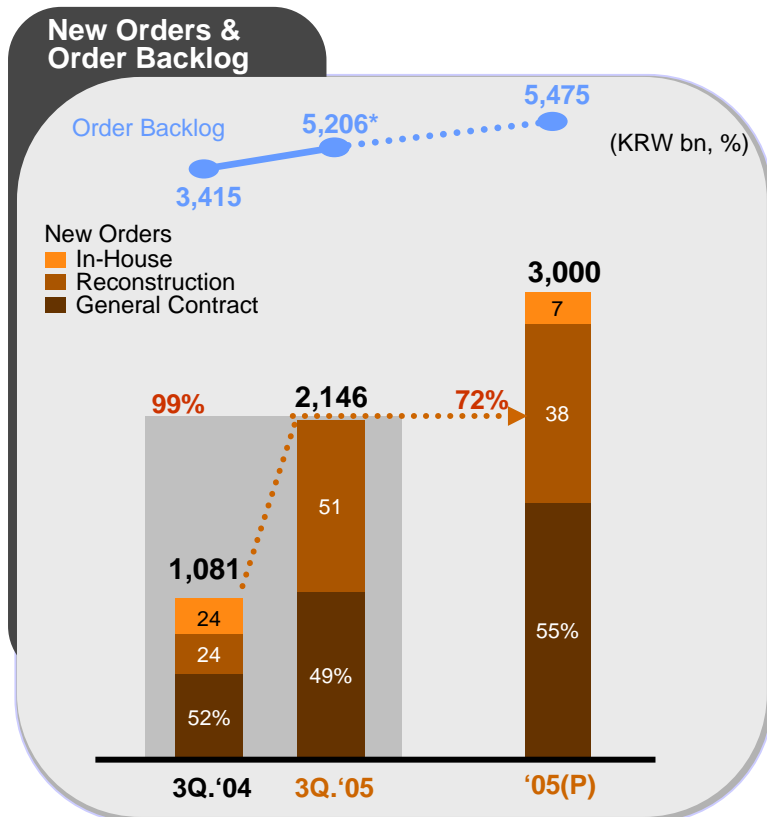
Overview – Divisions (Architecture)

New orders have decreased due to a decline in Group works. Revenue has increased substantially due to the fast progress on existing Group works.



Overview – Divisions (Housing)

New orders have soared with huge reconstruction projects. Sales revenue has also increased thanks to progress in existing projects.



* Approximately W12.8 trillion of provisional order backlog not included.

Investment Highlights - Solid Earnings from Group Works

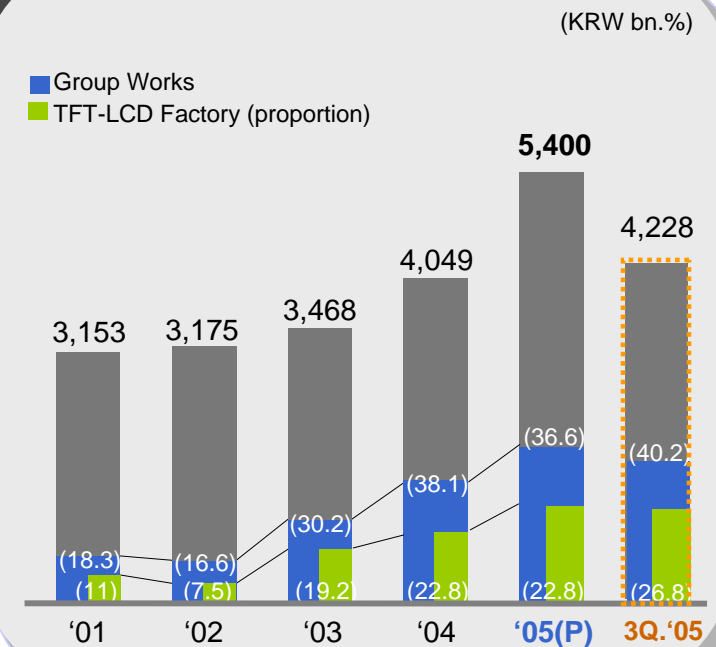
Our major Group works are a TFT-LCD factory project and a GS Caltex HOU project. In addition, we expect to secure other group projects. Considering the current market situation, Group works will be a significant earnings contributor.

Major Group Works

LG Phillips	Completion	Generation	Location
P 8~10	by 2013	8th or above	Paju
P 7	Q2 2006	7th	Paju
P 1 ~ 6	Q4 2004	1st ~ 6 th	Gumi

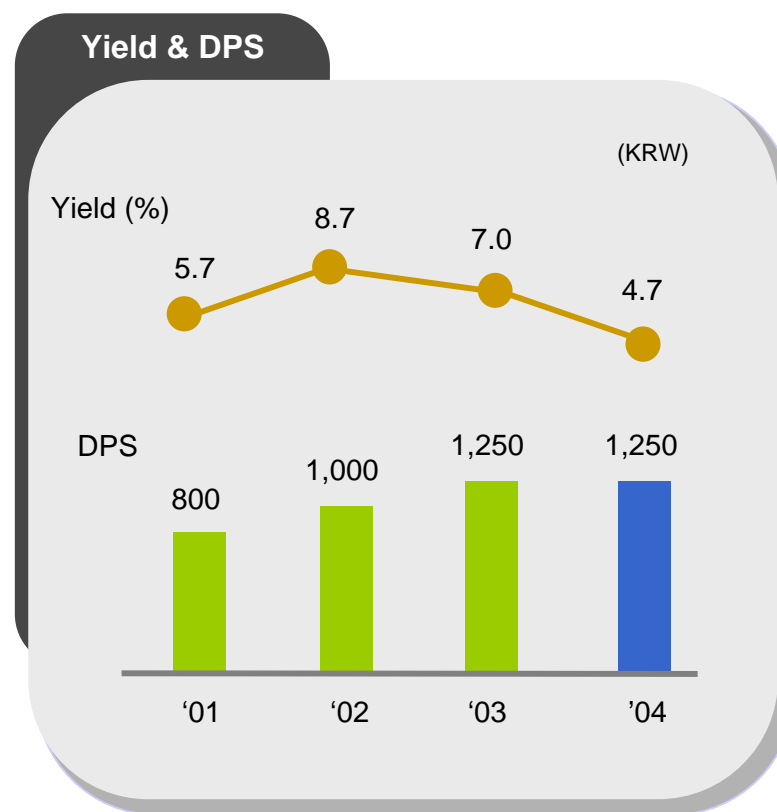
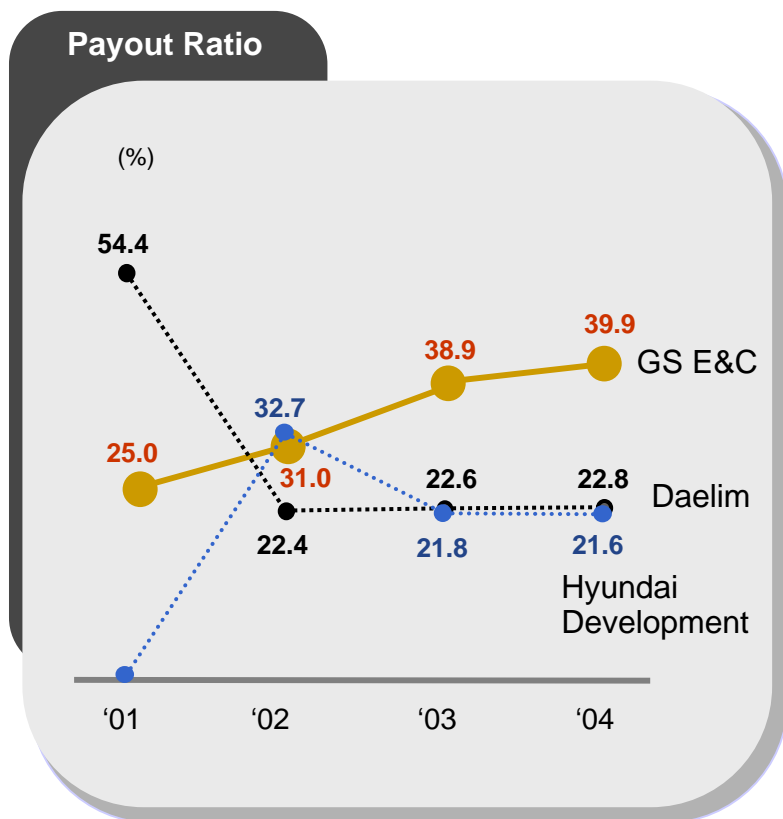
GS Caltex	Completion	Location	Amount
HOU	by 2008	Yeosu	approx. KRW 1.3 tn.

Revenue from Group Works



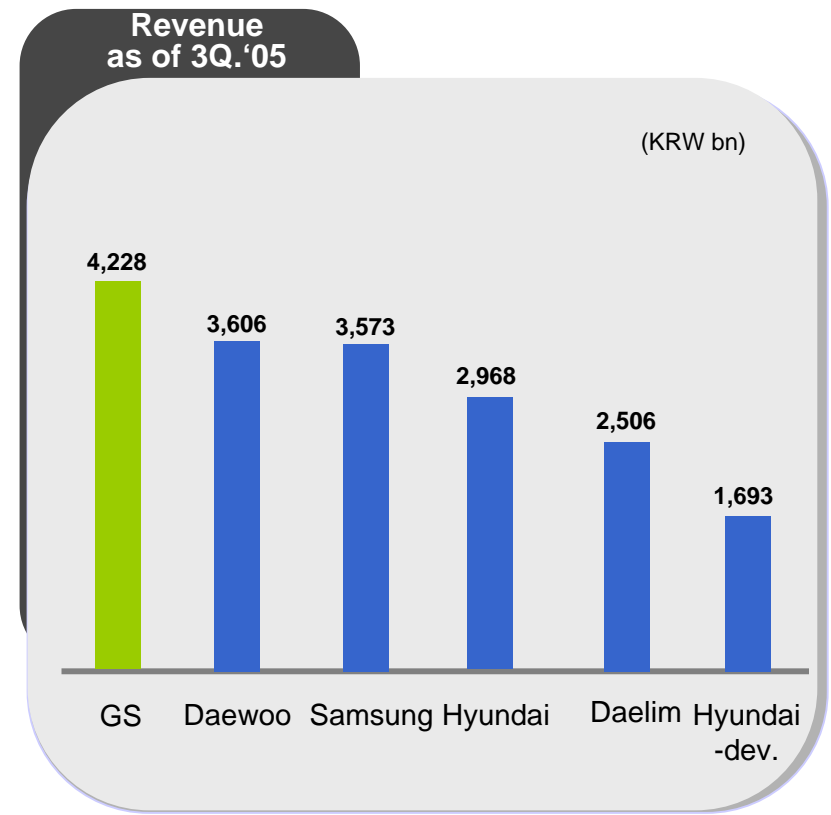
Investment Highlights - Attractive Dividends

Our dividend payout ratio has increased four years in a row to 40% in 2004, while our competitors' payout ratios have remained at a low 20% for the past two years.



Investment Highlights – Fulfill Target Achievement & Top of Sales

We surpassed our revenue target and we expect to meet our full-year goal as well. GS E&C recorded the highest sales revenue among its peer group in 3Q 2005.

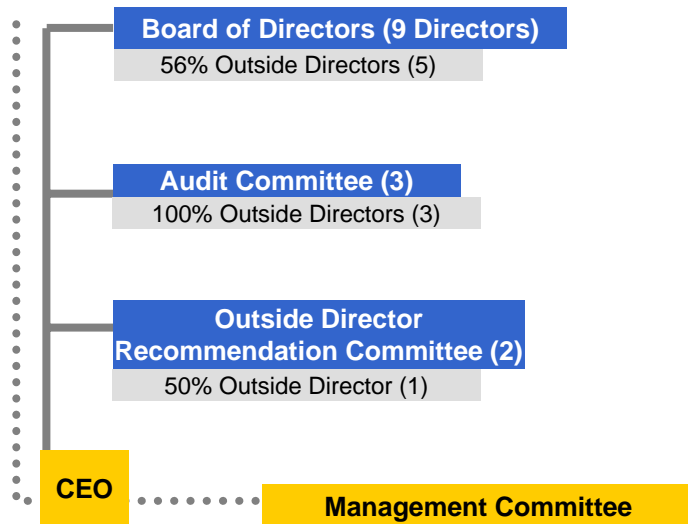


Appendix

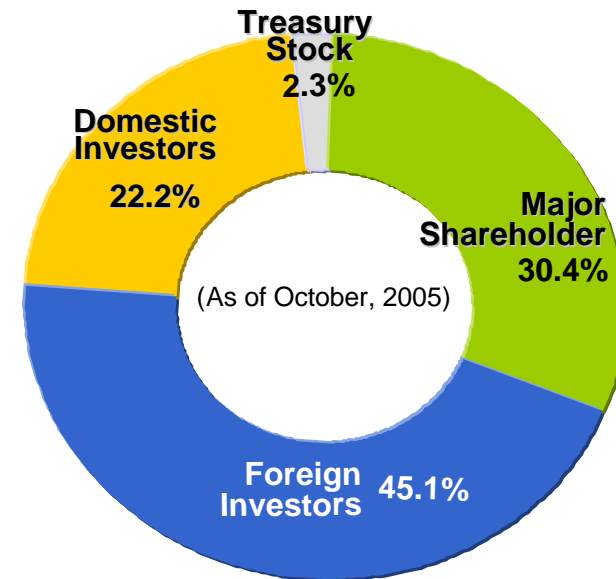
- ✓ **Governance**
- ✓ **Financials**
- ✓ **Investments**
- ✓ **PFI Projects**
- ✓ **Provisional Order Backlog in Housing Division**
- ✓ **Major Material Prices**
- ✓ **Overseas Business**

Corporate Governance

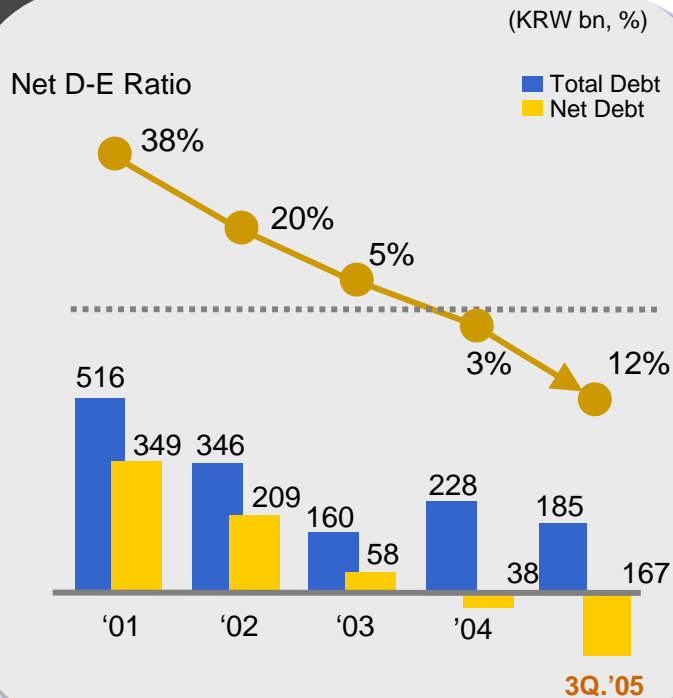
(As of October, 2005)



Ownership Structure



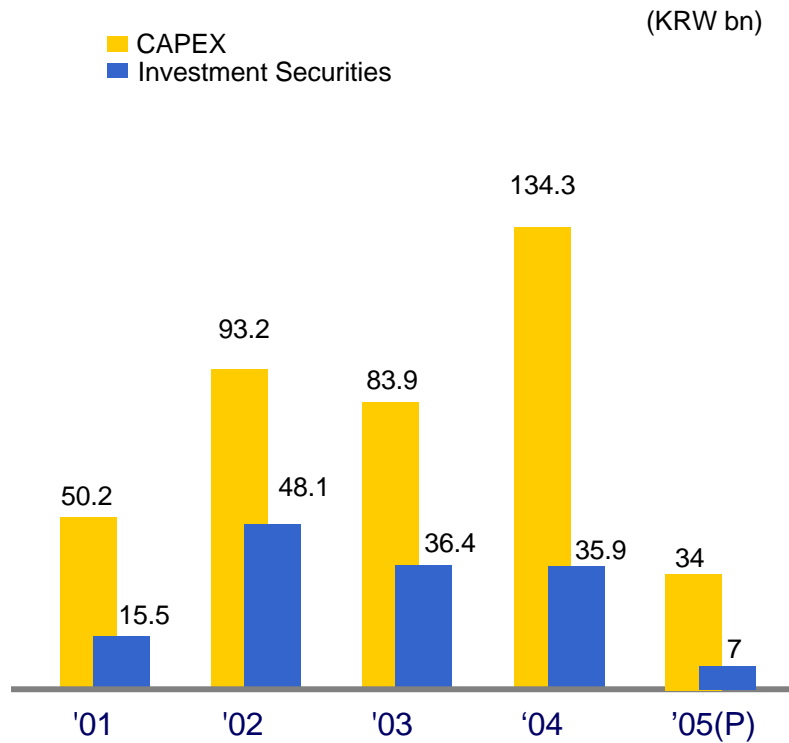
Borrowings



(KRW bn)

Account	'01	'02	'03	'04	3Q,'05
Short-term Loan	204	151	145	165	123
Short-term Borrowings	89	31	14	164	122
Current long-term debt	115	120	131	1	1
Long-term Loan	312	195	15	63	62
Long-term Borrowings	16	16	15	13	12
Debentures	296	179	-	50	50
Total Debt	516	346	160	228	185
Cash / Cash Equivalents	153	133	99	262	348
Short-term financial instrument	14	4	3	4	4
Cash / Bank Deposit	167	137	102	266	352
Net Debt	349	209	58	38	167

Investment Trends



Investment Plan

(KRW bn)

Description	'04	'05 (P)	1H.'05
PFI	36	7	-
Land	143	34	30
Resort & etc.	115	10	13
IT & R&D etc.	19	24	7
Total	313	75	50

* All figures are net amounts

Appendix - PFI Projects

(As of 3Q. '05)

(KRW bn)

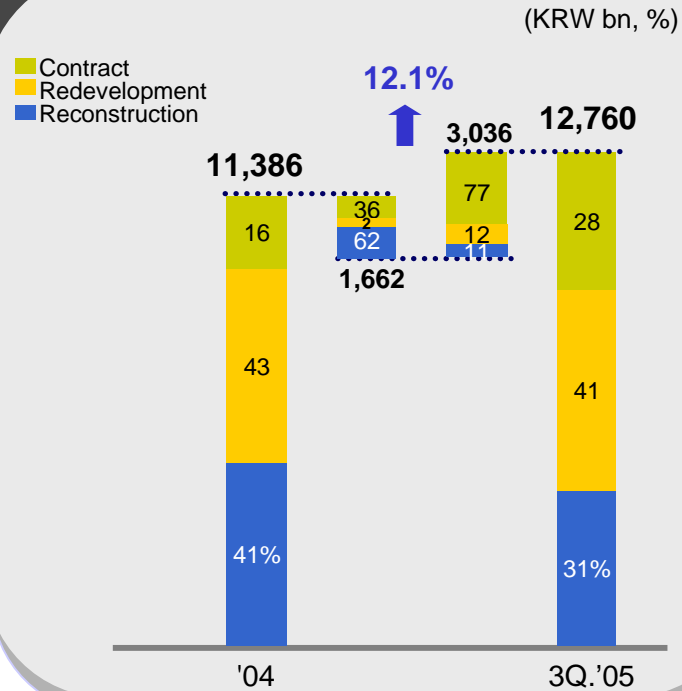
Status	Name of Project	GS Shares (%)	Invested Amount	Contract Amount	Remarks
Investment Completed	New Airport Highway	5%	21.7	117.7	22.8 (KTCU, Dec. 2003)-sold
	Cheonan-Nonsan Highway	25%	112.5	332.0	112.5 (KRIF, Feb. 2004)-sold
	Daegu East Beltway	14.6%	8.7	22.1	9.1(MEDIC, May. 2005)-sold
	Daegu West-North Road	15.1%	3.3	6.9	3.5(Municipality of Daegu, Jun.2004)-sold
	Cholmasan Tunnel	23.5%	1.0	18.0	1.0 (KTCU, Nov. 2001)-sold
	Manwolsan Tunnel	15%	5.0	16.5	completed in July. 2005
	Seoul Beltway	27%	124.2	402.1	To be completed in 2008
Sub -Total			276.4	915.3	

KTCU : Korea Teachers' Credit Union, KRIF : Korea Road Infrastructure Fund, MEDIC : Macquarie East Daegu Investment Company

Status	Name of Project	Consortium Leader	GS Shares (%)	Investment Plan	Invested Amount	Contract Amount
Under Investment	Kangnam Beltway	Doosan	11.5%	27.0	1.3	97.1
	Sub-Total			27.0	1.3	97.1

Appendix - Provisional Order Backlog in Housing Division

Provisional Order Backlog



By Sectors

(KRW bn)

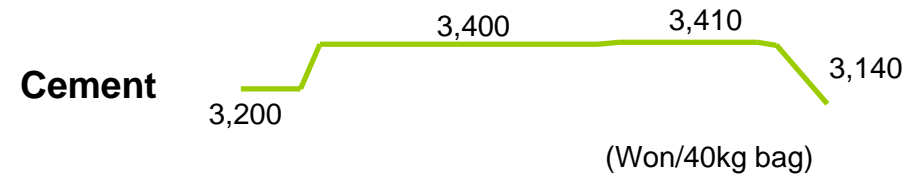
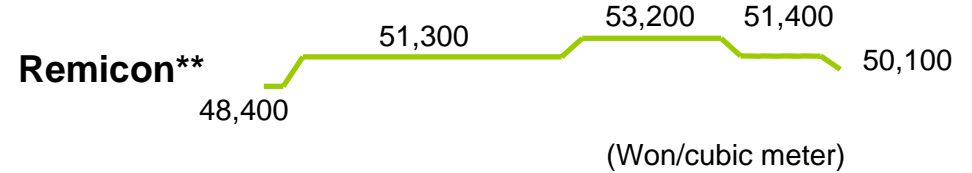
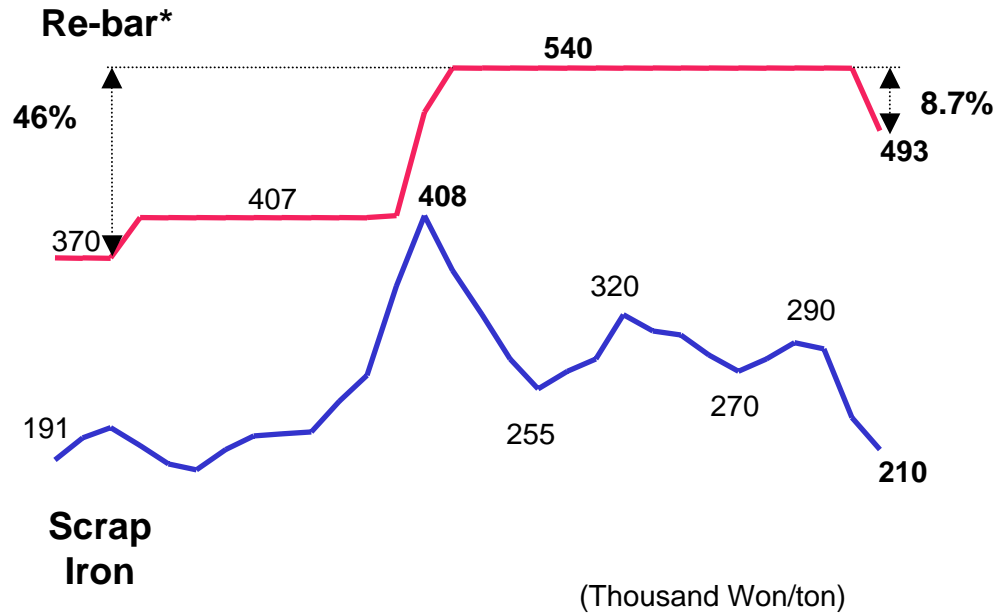
Description	'04	New Order Recognition (3Q.'05)	New Provisional (3Q.'05)	3Q.'05
Contract	1,864	592	2,349	3,621
Redevelopment	4,879	27	364	5,216
Reconstruction	4,643	1,043	323	3,923
Total	11,386	1,662	3,036	12,760

New Provisional Order

(KRW bn)

Description	Project	Amount
Contract	Yangju Baekseok	1,006
	Koyang Siksa 2	195
	Youngjong Unnam	224
	Total	2,349
Redevelopment	Kalhyun 1	172
	Total	364
Reconstruction	Buchun Single Houses	34
	Others(Increased)	317
	Total	323

Appendix - Major Material Prices



'02 '03 '03 '04 '05
4Q 1Q 4Q 4Q 3Q

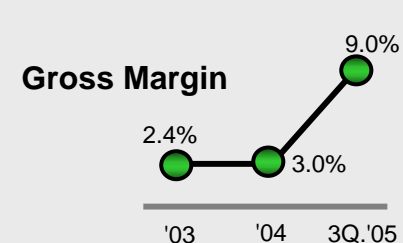
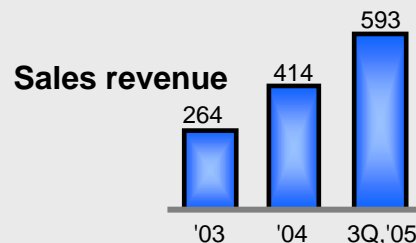
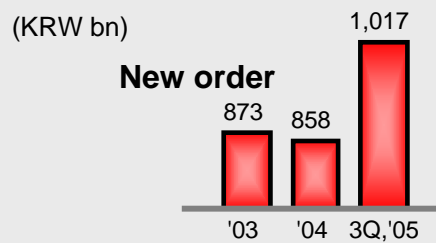
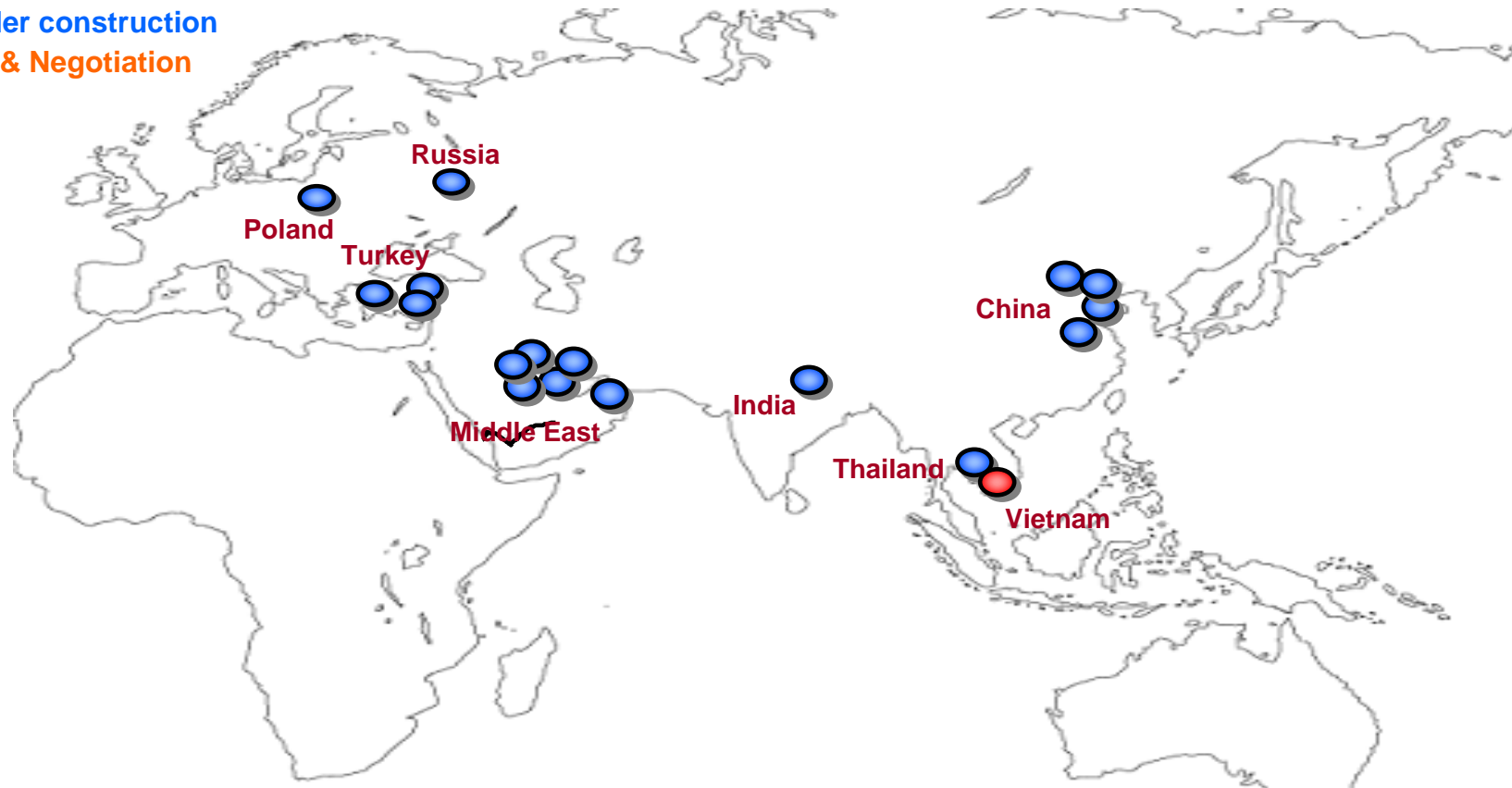
'02 '03 '03 '04 '05
4Q 1Q 4Q 4Q 3Q

*Re-bar: Reinforced-bar

**Remicon: Ready-mixed concrete

Appendix – Overseas Business

- Under construction
- F/S & Negotiation





<http://www.gsconstir.com>

