

Arabtec and GS Engineering and Construction sign Memorandum of Understanding to form an infrastructure Joint Venture

- Joint venture will target heavy infrastructure projects in the MENA region,
- Over \$600bn of planned infrastructure projects in the GCC in the next six years,
- Partnership between two leading engineering and construction companies

Abu Dhabi, UAE, 4th November 2013 – Arabtec Holding, a leading engineering and construction Group specialising in complex projects in the Middle East and North Africa region, and GS Engineering and Construction Corp. (“GS E&C”), a leading south Korean engineering and construction company, announced today the signing of a Memorandum of Understanding to form a joint venture that will pursue heavy infrastructure engineering and construction projects in the Middle East and North Africa region (MENA).

Under the name Arabtec – GS Infrastructure LLC, the joint venture will be incorporated and headquartered in Abu Dhabi. The management team of the new joint venture will be appointed shortly and will consist of experienced executives from both Arabtec and GS E&C.

The joint venture will pursue and perform large scale heavy infrastructure engineering and construction projects, such as metro, railway, bridge, port and tunnel projects, in the MENA region.

Headquartered in Seoul, South Korea, GS E&C is one of the leading engineering and construction contractors in South Korea. GS E&C, founded in 1969 as a part of GS group, separated from LG group in 2005 and it has expanded globally, managing megaprojects in the Middle East, Southeast Asia, and around the world.

GS E&C has a well-established track record of project delivery, not only in GCC but also in Asia, for civil infrastructure projects with an overall backlog of USD 4.2 billion. GS E&C is executing five metro projects in Singapore and the first metro project in Hochiminh, Vietnam. In 2013, GS E&C was awarded the new 18 km-long Doha Metro Red Line in Qatar and it will complete the Marine jetty works in Ruwais in the UAE.

Meanwhile, the joint venture will benefit from Arabtec’s extensive regional credentials and skilled workforce along with a proven track record of delivering technically complex construction projects in the region. The two companies will also benefit from their buying power in procurement which will enhance project profitability.

The GCC’s infrastructure sector is one of the key drivers of long term economic growth in the region. Over the next six years, there is over US\$600bn of planned infrastructure projects in the GCC, with over \$220bn of this being rail infrastructure projects.

Hasan Abdullah Ismaik, Managing Director and CEO of Arabtec Holding said:

“Another key component of the company’s five year growth strategy is being put in place through this exciting new joint venture with GS. This partnership demonstrates further progress being made on diversifying the business into other high margin and high growth segments of engineering and construction. GS has a proven track-record in the region, which further complements our expertise in the infrastructure sector and will allow both parties to capitalise on a range of new opportunities in this fast growing sector.”

Mr. Lim Byeong Yong, President and CEO of GS Engineering and Construction commented, "We are very pleased and honoured to have partnered with Arabtec on this exciting venture. The joint venture brings together two like-minded industry leaders with complementary skills and capabilities. The partnership works well with our existing backlog of projects already underway in the region as it will help us grow and expand it. The growth in infrastructure expenditure in this region is substantial and we believe that our partnership with Arabtec is the perfect vehicle to solidify our operations in the Middle East, as well as contribute to the growth of its infrastructure sector and future generations of engineers."

- Ends -

About Arabtec Holding

Arabtec is a leading engineering and construction group specialising in complex projects in the Middle East and North Africa region, including high-rise commercial and residential development, infrastructure and oil and gas. The UAE-based group's impressive list of completed projects includes iconic buildings such as the world's tallest building, the Burj Khalifa in Dubai, and Abu Dhabi landmark, the Emirates Palace Hotel; as well as other technically challenging work on airports and related infrastructure.

Arabtec was the first private construction firm to go public when it was listed on the Dubai Financial Market in 2005. Today, Arabtec Holding consists of many subsidiaries, with specialisations spanning all segments of the construction cycle. The group is currently working on some of the most prestigious projects in the Middle East, such as the Louvre Museum in Abu Dhabi and a regeneration project in the centre of the Qatari capital, Doha, and is expanding into other regions. The group is also expanding in the oil and gas, power and related infrastructure sectors.

Arabtec's strong track record and commitment to timely and cost-efficient delivery has contributed to its rapid growth in recent years and a reputation for quality that has often translated into a market-led pricing premium for completed projects.

For more information, please visit www.arabteholding.com

About GS Engineering & Construction Corp.

Headquartered in Seoul, South Korea, GS E&C which is ranked 28th from ENR's '2013 - The Top 250 International Contractors' has established its status as a top-ranking EPC company domestically since its foundation in 1969 by achieving tremendous growth in the fields of architecture, civil engineering, housing, plant, environment and power plant. With its global workforce at 15,000 and revenue at US\$ 9.3 Billion with US\$ 9.1 Billion of new order in 2012, GS E&C successfully operates 205 construction projects in 19 countries.

GS E&C is carrying out diverse sustainability management practices in the area of environment, economy and society under its corporate ideology together with core value. Whereby, GS E&C was listed on the internationally recognized Dow Jones Sustainability Index (DJSI*) World Class in 2013. The Dow Jones Sustainability Index (DJSI) evaluates it as the top 10% best company among 2,500 market capitalization companies in the world.

For more information, Please visit www.gsconst.co.kr

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