

U.S. CONSTRUCTION MARKET - AN OPPORTUNITY FOR KOREAN CONSTRUCTION INDUSTRY

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KIM KYUNG JUN BIO

- 1978 - 1982 : Korea Electric Power Corp.,
Ko-Ri Nuclear Power Plant Construction
- 1982 -1983 : Miryung Construction Ltd,
Kumho Highway Construction Field Office
- 1987 - 2017. 2 : North Carolina Department
of Transportation, NC, USA
- 2017. 3 - Present : Busan National University

OUTLINE

- US Construction Spending
- US Infrastructure Status
- Pros and Cons of US Construction Market
- Why Should We Enter US Market?
- Strategies to Enter US Construction Market

US CONSTRUCTION SPENDING

	Seasonally Adjusted Annual Rate as of February 2017	
	(millions of dollars)	(percentage)
Total	1,192,822	100
Private	917,319	76.9
Residential	484,665	40.6
Nonresidential	432,654	36.3
Public	275,503	23.1
State and Local	253,648	21.3
Federal	21,855	1.8

Value of Construction Put in Place - Seasonally Adjusted Annual Rate

(Millions of dollars. Details may not add to totals due to rounding.)

Type of Construction:							Percent change	
							Feb 2017 from -	
	Feb 2017	Jan 2017	Dec 2016	Nov 2016	Oct 2016	Feb 2016	Jan 2017	Feb 2016
Total Construction	1,192,822	1,183,840	1,188,941	1,191,468	1,173,749	1,157,704	0.8	3.0
Residential	490,969	482,224	481,759	477,406	466,621	462,484	1.8	6.2
Nonresidential	701,853	701,616	707,182	714,062	707,128	695,220	0.0	1.0
Lodging	28,278	28,432	28,321	28,971	27,382	24,828	-0.5	13.9
Office	75,487	75,386	76,148	75,502	74,224	62,570	0.1	20.6
Commercial	80,479	81,205	81,578	79,109	76,542	71,754	-0.9	12.2
Health care	39,638	40,430	41,381	41,243	42,017	39,940	-2.0	-0.8
Educational	92,811	92,205	90,464	92,615	89,473	89,624	0.7	3.6
Religious	3,540	3,429	3,597	3,670	3,335	3,565	3.2	-0.7
Public safety	8,135	7,534	8,772	8,159	8,247	8,359	8.0	-2.7
Amusement and recreation	22,890	22,043	22,428	22,629	22,360	21,012	3.8	8.9
Transportation	39,361	39,611	41,815	41,638	42,541	44,050	-0.6	-10.6
Communication	19,984	21,758	21,643	20,625	20,028	19,721	-8.2	1.3
Power	98,594	96,738	96,055	93,860	92,649	94,314	1.9	4.5
Highway and street	89,164	87,991	87,831	92,356	94,525	93,929	1.3	-5.1
Sewage and waste disposal	18,975	18,960	19,160	20,483	20,990	26,237	0.1	-27.7
Water supply	10,436	10,597	12,007	11,755	11,989	12,333	-1.5	-15.4
Conservation and development	6,760	6,767	7,452	7,971	7,719	8,243	-0.1	-18.0
Manufacturing	67,323	68,533	68,533	73,476	73,107	74,743	-1.8	-9.9

Type of Construction:								Percent change	
								Feb 2017 from -	
	Feb 2017	Jan 2017	Dec 2016	Nov 2016	Oct 2016	Feb 2016	Jan 2017	Feb 2016	
Total Construction	1,192,822	1,183,840	1,188,941	1,191,468	1,173,749	1,157,704	0.8	3.0	
Total Private Construction	917,319	909,986	909,664	904,708	886,172	858,137	0.8	6.9	
Residential	484,665	476,148	475,167	470,807	459,538	455,693	1.8	6.4	
Nonresidential	432,654	433,839	434,496	433,900	426,634	402,444	-0.3	7.5	
Lodging	27,889	28,064	28,001	28,592	26,974	24,270	-0.6	14.9	
Office	68,159	67,840	68,128	67,045	66,453	54,622	0.5	24.8	
Commercial	77,578	78,238	78,474	75,970	73,340	68,308	-0.8	13.6	
Health care	31,524	32,234	32,746	32,681	33,170	31,540	-2.2	-0.1	
Educational	21,150	20,914	20,425	20,817	19,769	18,288	1.1	15.6	
Religious	3,540	3,429	3,597	3,670	3,335	3,565	3.2	-0.7	
Amusement and recreation	12,496	12,078	12,550	12,585	12,255	10,978	3.5	13.8	
Transportation	10,616	11,084	11,384	11,466	12,371	11,954	-4.2	-11.2	
Communication	19,910	21,662	21,488	20,529	19,924	19,568	-8.1	1.7	
Power	92,245	89,600	89,064	86,829	85,620	84,321	3.0	9.4	
Manufacturing	66,769	67,906	67,874	72,935	72,618	73,989	-1.7	-9.8	
Total Public Construction	275,503	273,854	279,277	286,761	287,577	299,567	0.6	-8.0	
Residential	6,304	6,076	6,592	6,599	7,083	6,791	3.8	-7.2	
Nonresidential	269,199	267,778	272,685	280,162	280,494	292,775	0.5	-8.1	
Office	7,328	7,545	8,020	8,457	7,771	7,949	-2.9	-7.8	
Commercial	2,901	2,966	3,104	3,139	3,202	3,446	-2.2	-15.8	
Health care	8,114	8,196	8,635	8,562	8,847	8,400	-1.0	-3.4	
Educational	71,661	71,291	70,039	71,799	69,704	71,335	0.5	0.5	
Public safety	8,021	7,411	8,642	8,054	8,158	8,272	8.2	-3.0	
Amusement and recreation	10,394	9,965	9,878	10,044	10,105	10,034	4.3	3.6	
Transportation	28,745	28,528	30,431	30,172	30,170	32,096	0.8	-10.4	
Power	6,349	7,138	6,990	7,031	7,029	9,993	-11.1	-36.5	
Highway and street	88,851	87,706	87,629	92,163	94,368	93,666	1.3	-5.1	
Sewage and waste disposal	18,786	18,767	18,904	20,201	20,634	25,824	0.1	-27.3	
Water supply	10,295	10,456	11,881	11,607	11,837	12,142	-1.5	-15.2	
Conservation and development	6,739	6,718	7,399	7,917	7,667	8,154	0.3	-17.4	

US Population Growth Projection

as of July 1, numbers in thousands

Year	Population	Numeric Change	Percent Change	Natural Increase	Vital Events		Net International Migration ¹
					Births	Deaths	
2015	321,369	2,621	0.82	1,380	3,999	2,619	1,241
2016	323,996	2,627	0.82	1,377	4,027	2,650	1,250
2017	326,626	2,630	0.81	1,374	4,055	2,681	1,256
2018	329,256	2,631	0.81	1,369	4,080	2,712	1,262
2019	331,884	2,628	0.80	1,361	4,104	2,743	1,267
2020	334,503	2,619	0.79	1,349	4,125	2,777	1,271
2021	337,109	2,606	0.78	1,331	4,142	2,811	1,275
2022	339,698	2,589	0.77	1,307	4,155	2,848	1,282
2023	342,267	2,569	0.76	1,279	4,165	2,887	1,291
2024	344,814	2,547	0.74	1,246	4,174	2,927	1,301
2025	347,335	2,521	0.73	1,210	4,181	2,971	1,310
2026	349,826	2,491	0.72	1,171	4,187	3,016	1,320
2027	352,281	2,456	0.70	1,127	4,191	3,064	1,329
2028	354,698	2,417	0.69	1,079	4,194	3,115	1,338
2029	357,073	2,374	0.67	1,028	4,196	3,168	1,347
2030	359,402	2,329	0.65	974	4,198	3,224	1,355
2031	361,685	2,283	0.64	919	4,200	3,281	1,363
2032	363,920	2,235	0.62	864	4,203	3,339	1,371
2033	366,106	2,187	0.60	808	4,207	3,399	1,379
2034	368,246	2,139	0.58	753	4,212	3,459	1,386
2035	370,338	2,093	0.57	699	4,219	3,520	1,394
2036	372,390	2,052	0.55	651	4,227	3,576	1,401
2037	374,401	2,012	0.54	604	4,235	3,631	1,407
2038	376,375	1,974	0.53	560	4,245	3,685	1,414
2039	378,313	1,938	0.51	518	4,255	3,737	1,420
2040	380,219	1,906	0.50	479	4,266	3,787	1,426
2041	382,096	1,877	0.49	445	4,278	3,833	1,432
2042	383,949	1,852	0.48	414	4,290	3,876	1,438
2043	385,779	1,831	0.48	388	4,303	3,916	1,443
2044	387,593	1,814	0.47	365	4,317	3,952	1,448
2045	389,394	1,801	0.46	348	4,332	3,984	1,453
2046	391,187	1,792	0.46	335	4,347	4,012	1,458
2047	392,973	1,786	0.46	324	4,362	4,038	1,462
2048	394,756	1,783	0.45	317	4,377	4,060	1,466
2049	396,540	1,784	0.45	314	4,391	4,077	1,470
2050	398,328	1,788	0.45	315	4,406	4,091	1,473

US INFRASTRUCTURE STATUS

- ASCE Report Card Overall Rate: D+
Aviation: D, Bridges: C+, Roads: D, Rail: B,
Transit: D-, Inland Waterways: D, Dams: D,
Levees: D, Ports: C+, Drinking Water: D,
Waste Water: D+, Solid Waste: C+, Energy: D+,
Hazardous Waste: D+, Schools: D+,
Public Parks: D+

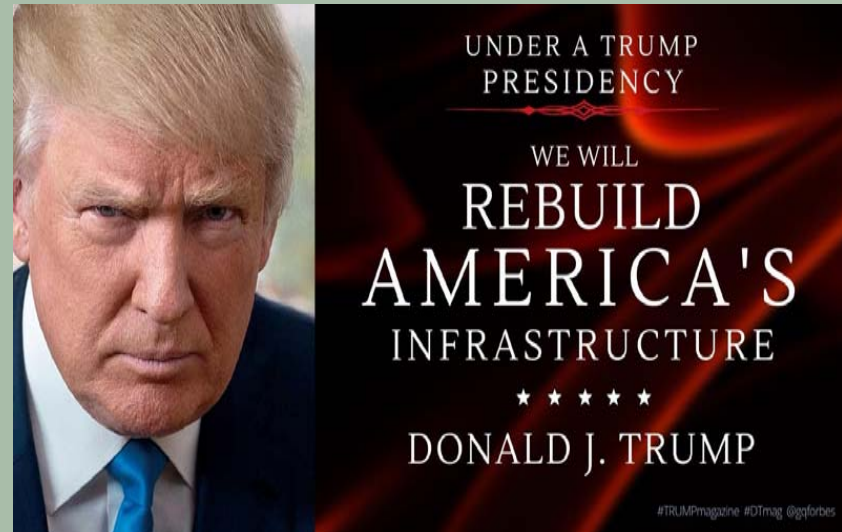
PROJECTED FUNDING GAP

(All values are in billions of constant 2015 dollars.)

	Surface Transportation	Water / Waste Water	Electricity	Airports	Ports & Waterways	Total
2016 through 2025						
Total Needs	2,042	150	934	157	37	3,320
Funded	941	45	757	115	22	1,880
Funding Gap	1,101	105	177	42	15	1,440
2016 through 2040						
Total Needs	7,646	204	2,458	376	112	10,796
Funded	3,312	52	1,893	288	69	5,614
Funding Gap	4,334	152	565	88	43	5,182

FUTURE FUNDING

- Construction funding will increase significantly.
- Will rely on more private investments (PPP projects).



PROS OF US CONSTRUCTION MARKET

- Very Large and Stable Market
- Generally Open and Transparent
- Relatively Low Risk and Good Profitability
- Generally Good Business Environment
- Good Market Growth Potential
- Opportunity for Advancement in Technology and Management

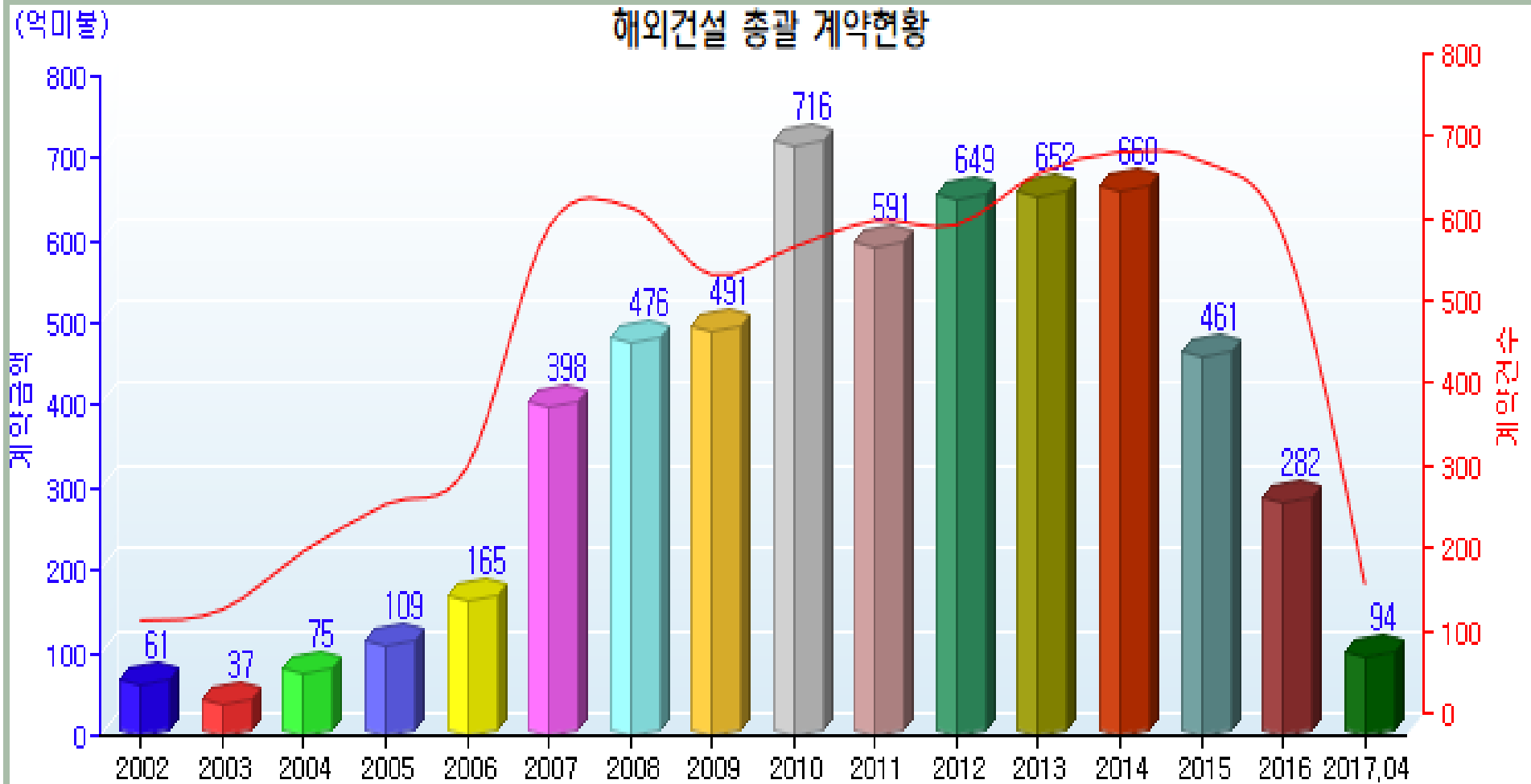
CONS OF US CONSTRUCTION MARKET

- New Market - Little Knowledge or Experience
- Initial Investment Risk and Learning Curve
- Competition with Local Firms
- Dealing with 50 Different States and Complex Laws and Regulations
- Korean Firms' Relative Inferiority in Technology and Management Skills

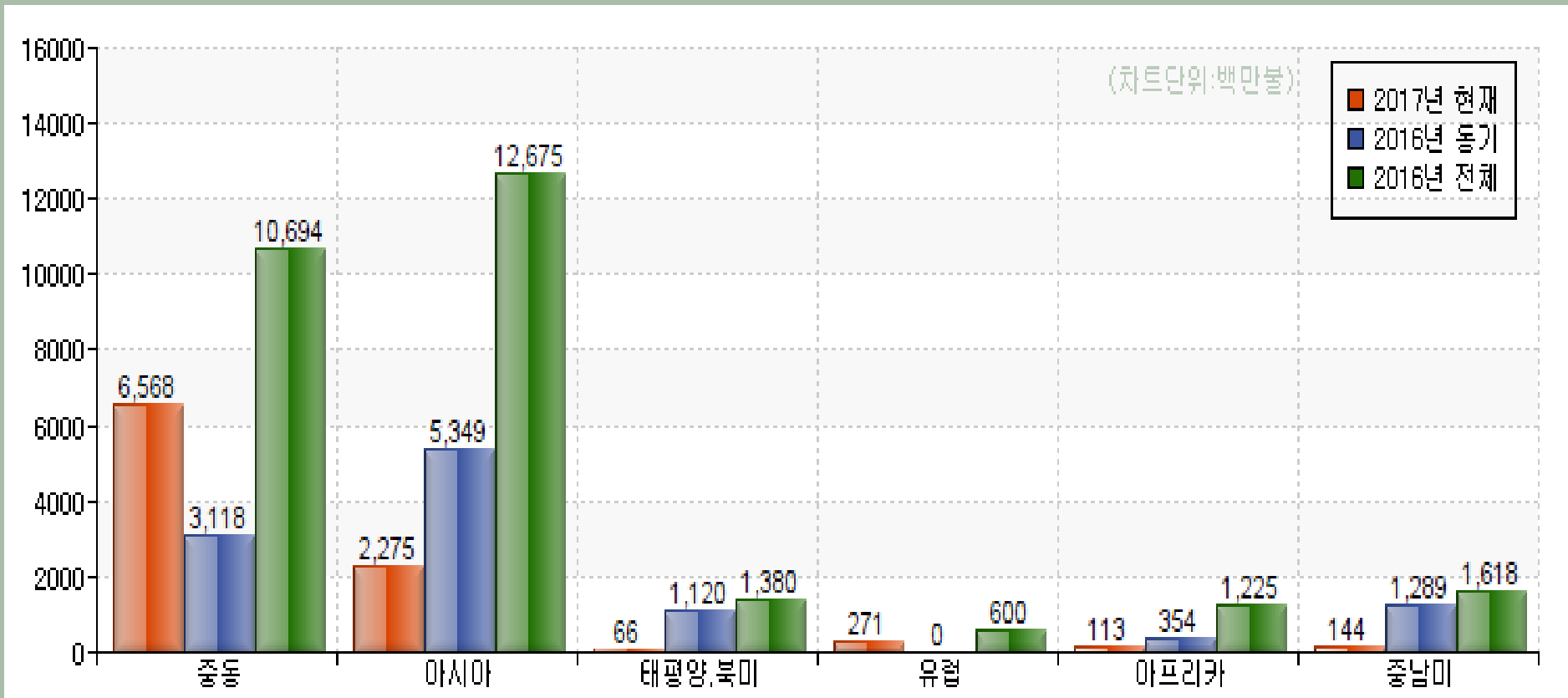
WHY SHOULD WE ENTER US CONSTRUCTION MARKET?

- Declining Construction Market Size
 - both Domestic and International
- Declining Competitiveness with Latecomers (China, India, etc.) in the Current International Market
- Declining Profit and Higher Risk of Loss
- Need to Diversify International Market to Maintain Sustainability

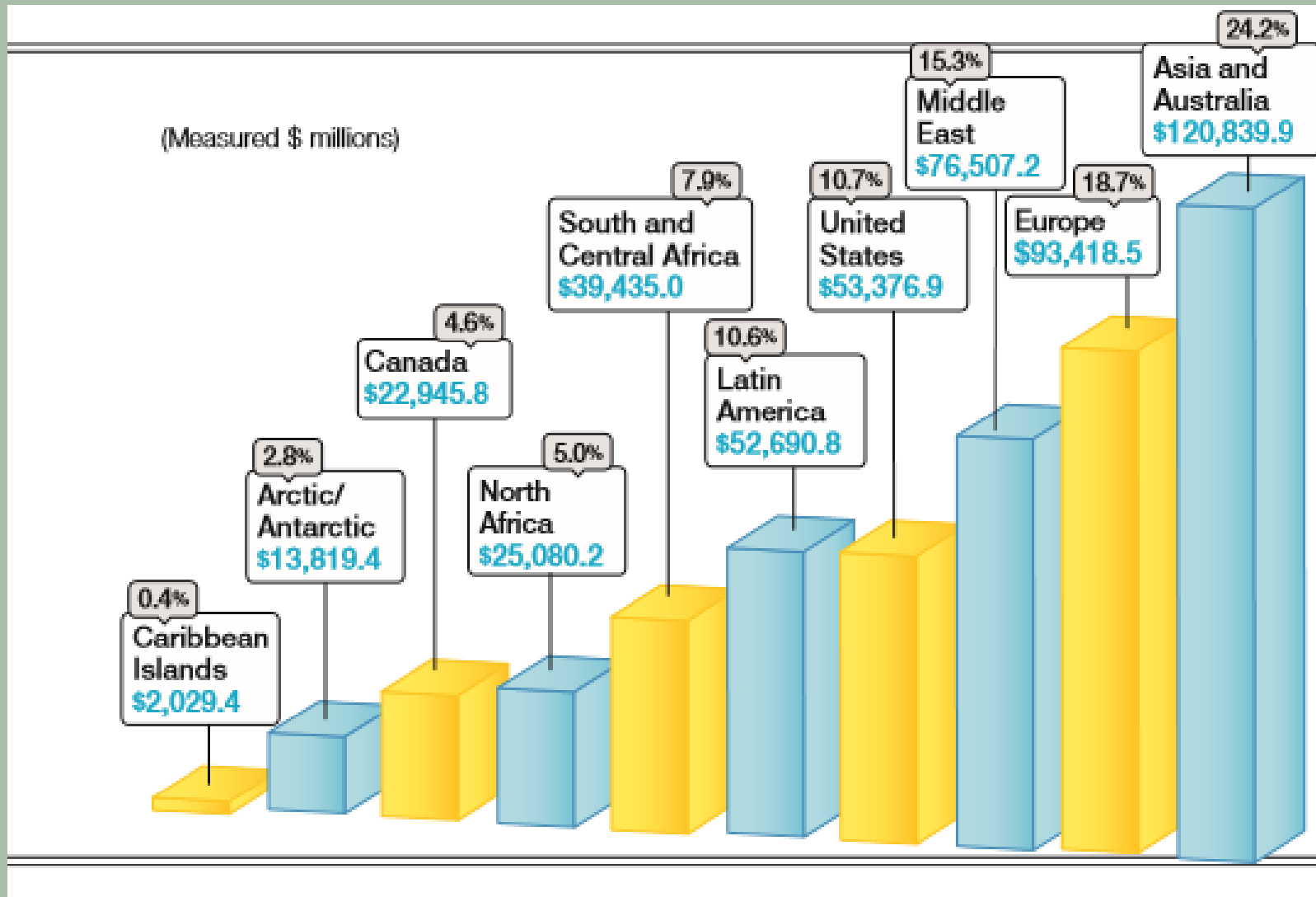
KOREA'S INTERNATIONAL CONTRACT TOTAL



KOREA'S INTERNATIONAL CONTRACT BY REGION



INTERNATIONAL CONTRACT BY REGION

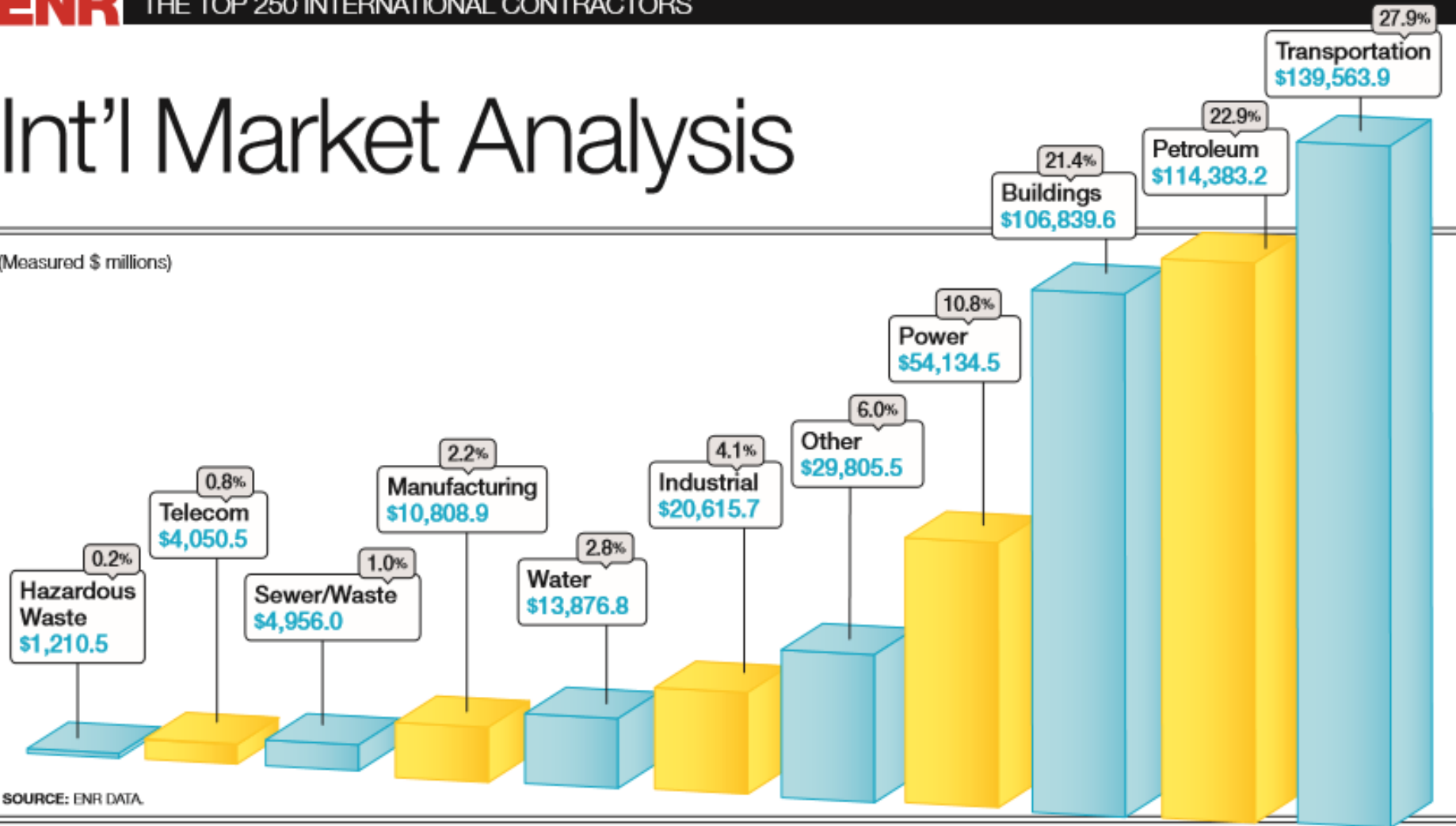


INTERNATIONAL CONTRACT BY MARKET TYPE

ENR THE TOP 250 INTERNATIONAL CONTRACTORS

Int'l Market Analysis

(Measured \$ millions)



SOURCE: ENR DATA

TOP 10 INTERNATIONAL CONTRACTORS BY REGION

1 ASIA
Top 10 Revenue: \$59,260.8 Mil.
Sector's Revenue: \$120,839.9 Mil.

RANK 2016	RANK 2015	Company
1	2	HOCHTIEF AG
2	1	ACS, ACTIVIDADES DE CONSTRUCCIÓN
3	3	BECHTEL
4	6	CHINA COMMUNICATIONS CONSTRUCTION
5	5	SAMSUNG C&T CORP.
6	4	POWER CONSTRUCTION CORP. OF CHINA
7	10	CHINA STATE CONSTRUCTION ENG'G CORP. LTD.
8	8	JGC CORP.
9	7	HYUNDAI ENGINEERING & CONSTRUCTION
10	9	CIMIC GROUP LTD.

2 EUROPE
Top 10 Revenue: \$57,955.1 Mil.
Sector's Revenue: \$93,417.8 Mil.

RANK 2016	RANK 2015	Company
1	1	STRABAG SE
2	2	VINCI
3	3	SKANSKA AB
4	4	BOUYGUES SA
5	6	FERROVIAL
6	5	ROYAL BAM GROUP NV
7	**	NCC AB
8	9	BECHTEL
9	7	ACS, ACTIVIDADES DE CONSTRUCCIÓN
10	10	RENAISSANCE CONSTRUCTION

3 UNITED STATES
Top 10 Revenue: \$43,709.7 Mil.
Sector's Revenue: \$53,376.9 Mil.

RANK 2016	RANK 2015	Company
1	1	ACS, ACTIVIDADES DE CONSTRUCCIÓN
2	2	HOCHTIEF AG
3	3	SKANSKA AB
4	4	LENDLEASE GROUP
5	6	OBAYASHI CORP.
6	5	BOUYGUES SA
7	8	ORASCOM CONSTRUCTION LTD.
8	9	KAJIMA CORP.
9	**	CHINA STATE CONSTRUCTION ENG'G CORP.
10	**	POWER CONSTRUCTION CORP. OF CHINA

4 MIDDLE EAST
Top 10 Revenue: \$28,577.2 Mil.
Sector's Revenue: \$76,507.2 Mil.

RANK 2016	RANK 2015	Company
1	1	CONSOLIDATED CONTRACTORS GROUP
2	2	HYUNDAI ENG'G & CONSTRUCTION CO. LTD.
3	7	PETROFAC LTD.
4	9	LARSEN & TOUBRO LTD.
5	4	CHINA COMMUNICATIONS CONSTRUCTION
6	**	SAMSUNG C&T CORP.
7	**	SAMSUNG ENGINEERING CO. LTD.
8	10	GS ENGINEERING & CONSTRUCTION
9	8	DAELIM INDUSTRIAL CO. LTD.
10	6	SAIPEM

5 LATIN AMERICA/CARIBBEAN
Top 10 Revenue: \$31,698.2 Mil.
Sector's Revenue: \$52,720.2 Mil.

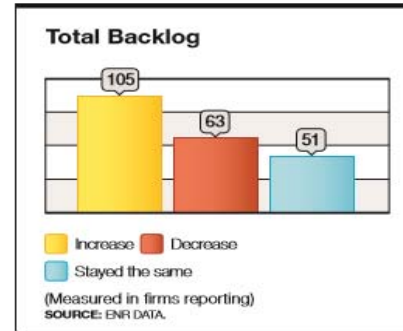
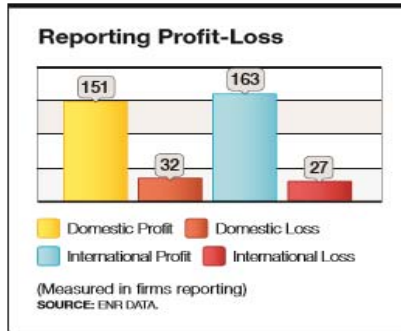
RANK 2016	RANK 2015	Company
1	1	ODEBRECHT ENGENHARIA E CONSTRUÇÃO SA
2	2	ACS, ACTIVIDADES DE CONSTRUCCIÓN
3	3	ABEINSA SA
4	6	FLUOR CORP.
5	8	ORASCOM HUARTE LAIN (OHL SA)
6	4	BECHTEL
7	**	HYUNDAI ENG'G & CONSTRUCTION CO. LTD.
8	**	POSCO ENGINEERING & CONSTRUCTION
9	**	CHINA NAT'L MACHINERY INDUSTRY CORP.
10	9	GRUPO ISOLUX CORSAN SA

6 CANADA
Top 10 Revenue: \$16,824.0 Mil.
Sector's Revenue: \$22,945.8 Mil.

RANK 2016	RANK 2015	Company
1	1	PCL CONSTRUCTION ENTERPRISES INC.
2	3	BECHTEL
3	2	FLUOR CORP.
4	4	KIEWIT CORP.
5	6	BOUYGUES SA
6	5	WORLEYPARSONS
7	8	ACS, ACTIVIDADES DE CONSTRUCCIÓN
8	9	HOCHTIEF AG
9	**	JACOBS
10	7	AECOM

7 AFRICA
Top 10 Revenue: \$27,677.4 Mil.
Sector's Revenue: \$64,515.2 Mil.

RANK 2016	RANK 2015	Company
1	1	CHINA COMMUNICATIONS CONSTRUCTION GRP.
2	2	POWER CONSTRUCTION CORP. OF CHINA
3	4	CHINA RAILWAY GROUP LTD.
4	3	SAIPEM
5	10	CHINA STATE CONSTRUCTION ENG'G CORP. LTD.
6	5	CHINA CIVIL ENG'G CONSTRUCTION CORP.
7	7	ODEBRECHT ENGENHARIA E CONSTRUÇÃO SA
8	6	VINCI
9	**	ORASCOM CONSTRUCTION LTD.
10	**	CHINA RAILWAY CONSTRUCTION CO. LTD.



TOP 10 INTERNATIONAL CONTRACTORS BY MARKET TYPE

1		TRANSPORTATION
RANK		Top 10 Revenue: \$72,057.7 Mil. Sector's Revenue: \$139,563.9 Mil.
2016	2014	
1	1	CHINA COMMUNICATIONS CONSTRUCTION
2	2	VINCI
3	3	ACS, ACTIVIDADES DE CONSTRUCCIÓN
4	4	BOUYGUES SA
5	5	STRABAG SE
6	10	ODEBRECHT ENGENHARIA E CONSTRUÇÃO SA
7	6	FERROVIAL
8	7	HOCHTIEF AG
9	8	SKANSKA AB
10	9	BECHTEL

2		PETROLEUM
RANK		Top 10 Revenue: \$61,620.3 Mil. Sector's Revenue: \$114,383.2 Mil.
2016	2015	
1	1	TECHNIP
2	2	SAIPEM
3	3	BECHTEL
4	8	JGC CORP.
5	5	PETROFAC LTD.
6	4	FLUOR CORP.
7	9	TECNICAS REUNIDAS
8	**	CHIYODA CORP.
9	10	GS ENGINEERING & CONSTRUCTION
10	6	CB&I INC.

3		BUILDINGS
RANK		Top 10 Revenue: \$53,254.0 Mil. Sector's Revenue: \$106,839.6 Mil.
2016	2015	
1	2	HOCHTIEF AG
2	1	ACS, ACTIVIDADES DE CONSTRUCCIÓN
3	3	SKANSKA AB
4	5	STRABAG SE
5	6	CHINA STATE CONSTRUCTION ENG'G CORP.
6	7	BOUYGUES SA
7	8	LENLEASE GROUP
8	9	PCL CONSTRUCTION ENTERPRISES INC.
9	**	KAJIMA CORP.
10	**	ROYAL BAM GROUP NV

4		POWER
RANK		Top 10 Revenue: \$29,712.7 Mil. Sector's Revenue: \$54,143.5 Mil.
2016	2015	
1	1	POWER CONSTRUCTION CORP. OF CHINA
2	8	ODEBRECHT ENGENHARIA E CONSTRUÇÃO SA
3	3	HYUNDAI ENG'G & CONSTRUCTION CO. LTD.
4	2	ABEINSA SA
5	5	VINCI
6	7	CHINA GEZHOUBA GROUP CO. LTD.
7	4	ACS, ACTIVIDADES DE CONSTRUCCIÓN
8	6	CHINA NATIONAL MACHINERY INDUSTRY CORP.
9	**	GRUPO ISOLUX CORSAN SA
10	**	LARSEN & TOUBRO LTD.

5		INDUSTRIAL
RANK		Top 10 Revenue: \$12,731.2 Mil. Sector's Revenue: \$20,615.7 Mil.
2016	2015	
1	1	BECHTEL
2	3	DANIELI & C. OM SPA
3	2	FLUOR CORP.
4	5	ORASCOM CONSTRUCTION LTD.
5	8	POSCO ENGINEERING & CONSTRUCTION
6	6	CHINA METALLURGICAL GROUP CORP.
7	7	STRABAG SE
8	4	ODEBRECHT ENGENHARIA E CONSTRUÇÃO SA
9	9	VINCI
10	**	SKANSKA AB

6		WATER
RANK		Top 10 Revenue: \$7,522.0 Mil. Sector's Revenue: \$13,876.8 Mil.
2016	2015	
1	1	SALINI IMPREGILO SPA
2	3	ODEBRECHT ENGENHARIA E CONSTRUÇÃO SA
3	**	CHINA COMMUNICATIONS CONSTRUCTION
4	8	OBAYASHI CORP.
5	4	POWER CONSTRUCTION CORP. OF CHINA
6	6	STRABAG SE
7	2	ACS, ACTIVIDADES DE CONSTRUCCIÓN
8	5	CHINA INT'L WATER & ELECTRIC CORP.
9	9	ACCIONA INFRASTRUCTURE
10	**	CHINA NATIONAL MACHINERY INDUSTRY CORP.

7		MANUFACTURING
RANK		Top 10 Revenue: \$7,574.1 Mil. Sector's Revenue: \$10,706.9 Mil.
2016	2015	
1	1	M+W GROUP
2	2	SAMSUNG C&T CORP.
3	**	HYUNDAI ENG'G & CONSTRUCTION CO. LTD.
4	**	SAMSUNG ENGINEERING CO. LTD.
5	4	TAKENAKA CORP.
6	3	KAJIMA CORP.
7	8	SHIMIZU CORP.
8	10	WALBRIDGE
9	5	HOCHTIEF AG
10	7	ACS, ACTIVIDADES DE CONSTRUCCIÓN

8		SEWER/WASTE
RANK		Top 10 Revenue: \$2,890.4 Mil. Sector's Revenue: \$4,956.0 Mil.
2016	2015	
1	1	ACS, ACTIVIDADES DE CONSTRUCCIÓN
2	3	STRABAG SE
3	5	SKANSKA AB
4	6	EIFFAGE
5	10	CHINA COMMUNICATIONS CONSTRUCTION
6	**	SALINI IMPREGILO SPA
7	**	OBAYASHI CORP.
8	**	SAMSUNG ENGINEERING CO. LTD.
9	**	GS ENGINEERING & CONSTRUCTION
10	**	ED. ZÜBLIN AG

9		TELECOMMUNICATIONS
RANK		Top 10 Revenue: \$3,759.9 Mil. Sector's Revenue: \$4,050.5 Mil.
2016	2015	
1	3	VINCI
2	1	ACS, ACTIVIDADES DE CONSTRUCCIÓN
3	2	HOCHTIEF AG
4	6	SKANSKA AB
5	**	CHINA COMMUNICATIONS CONSTRUCTION
6	**	LENLEASE GROUP
7	9	CHINA NAT'L MACHINERY INDUSTRY CORP.
8	**	STRUCTURE TONE
9	10	FLUOR CORP.
10	**	SAMSUNG C&T CORP.

INTERNATIONAL MARKET SHARE

HOW THE TOP INTERNATIONAL CONTRACTORS SHARED THE 2015 MARKET

DESIGNER NATIONALITY	# OF FIRMS	INT'L REVENUE		MIDDLE EAST		ASIA		AFRICA		EUROPE		UNITED STATES		CANADA		LAT. AMER / CARIB.	
		\$ MIL.	%	\$ MIL.	%	\$ MIL.	%	\$ MIL.	%	\$ MIL.	%	\$ MIL.	%	\$ MIL.	%	\$ MIL.	%
AMERICAN	39	47,319.2	9.7	4,440.1	5.8	13,844.8	11.5	889.1	1.4	7,990.8	8.6	NA	NA	13,896.8	60.6	6,257.7	11.4
CANADIAN	1	3,172.1	0.7	918.1	1.2	1,072.0	0.9	318.0	0.5	114.8	0.1	446.1	0.8	NA	NA	303.1	0.6
EUROPEAN	52	212,263.3	43.6	24,714.2	32.3	34,477.2	28.5	16,298.1	25.3	70,228.0	75.2	37,919.4	71.0	6,329.4	27.6	22,297.1	40.7
BRITISH	2	7,825.2	1.6	4,962.6	6.5	694.0	0.6	822.4	1.3	1,176.2	1.3	23.0	0.0	0.0	0.0	147.0	0.3
GERMAN	4	29,113.3	6.0	1,423.8	1.9	11,767.3	9.7	158.0	0.2	2,333.9	2.5	12,005.8	22.5	1,062.7	4.6	361.7	0.7
FRENCH	5	34,556.0	7.1	666.7	0.9	4,318.9	3.6	3,593.4	5.6	19,315.8	20.7	2,877.0	5.4	2,398.4	10.5	1,385.8	2.5
ITALIAN	15	25,620.6	5.3	5,321.3	7.0	4,132.9	3.4	6,512.2	10.1	4,386.4	4.7	824.5	1.5	734.9	3.2	3,708.3	6.8
DUTCH	3	9,749.8	2.0	900.9	1.2	1,157.8	1.0	1,185.7	1.8	5,775.9	6.2	0.0	0.0	1.4	0.0	728.2	1.3
SPANISH	11	59,797.0	12.3	3,759.8	4.9	11,513.5	9.5	1,560.6	2.4	11,420.7	12.2	15,278.0	28.6	2,049.0	8.9	14,215.4	25.9
OTHER EUROPEAN	12	45,601.5	9.4	7,679.1	10.0	892.8	0.7	2,465.8	3.8	25,819.1	27.6	6,911.1	12.9	83.0	0.4	1,750.7	3.2
AUSTRALIAN	3	9,931.1	2.0	882.5	1.2	3,571.7	3.0	99.0	0.2	1,077.0	1.2	2,763.9	5.2	1,507.7	6.6	29.3	0.1
JAPANESE	14	25,167.7	5.2	1,276.4	1.7	14,054.1	11.6	301.6	0.5	2,685.0	2.9	5,827.1	10.9	611.6	2.7	412.0	0.8
CHINESE	65	93,674.9	19.3	13,121.0	17.2	30,210.3	25.0	35,375.4	54.9	3,368.7	3.6	3,906.3	7.3	178.8	0.8	7,514.4	13.7
KOREAN	12	40,580.4	8.3	16,208.6	21.2	15,547.3	12.9	3,225.2	5.0	1,049.0	1.1	356.4	0.7	392.9	1.7	3,800.8	6.9
TURKISH	39	22,591.7	4.6	6,074.3	7.9	6,684.8	5.5	3,008.2	4.7	6,693.0	7.2	131.5	0.2	0.0	0.0	0.0	0.0
BRAZILIAN	2	15,740.7	3.2	159.2	0.2	0.0	0.0	2,075.0	3.2	11.9	0.0	86.4	0.2	0.0	0.0	13,408.2	24.5
ALL OTHERS	23	15,882.6	3.3	8,712.6	11.4	1,377.9	1.1	2,925.5	4.5	200.5	0.2	1,939.8	3.6	28.7	0.1	697.6	1.3
ALL FIRMS	250	486,323.6	100.0	76,507.0	100.0	120,839.9	100.0	64,515.1	100.0	93,418.5	100.0	53,376.9	100.0	22,945.8	100.0	54,720.1	100.0

SOURCE: ENR. NOTE: EXCLUDING \$13,819.4 MILLION IN ARCTIC/ANTARCTIC OR UNALLOCATED

STRATEGIES TO ENTER US CONSTRUCTION MARKET

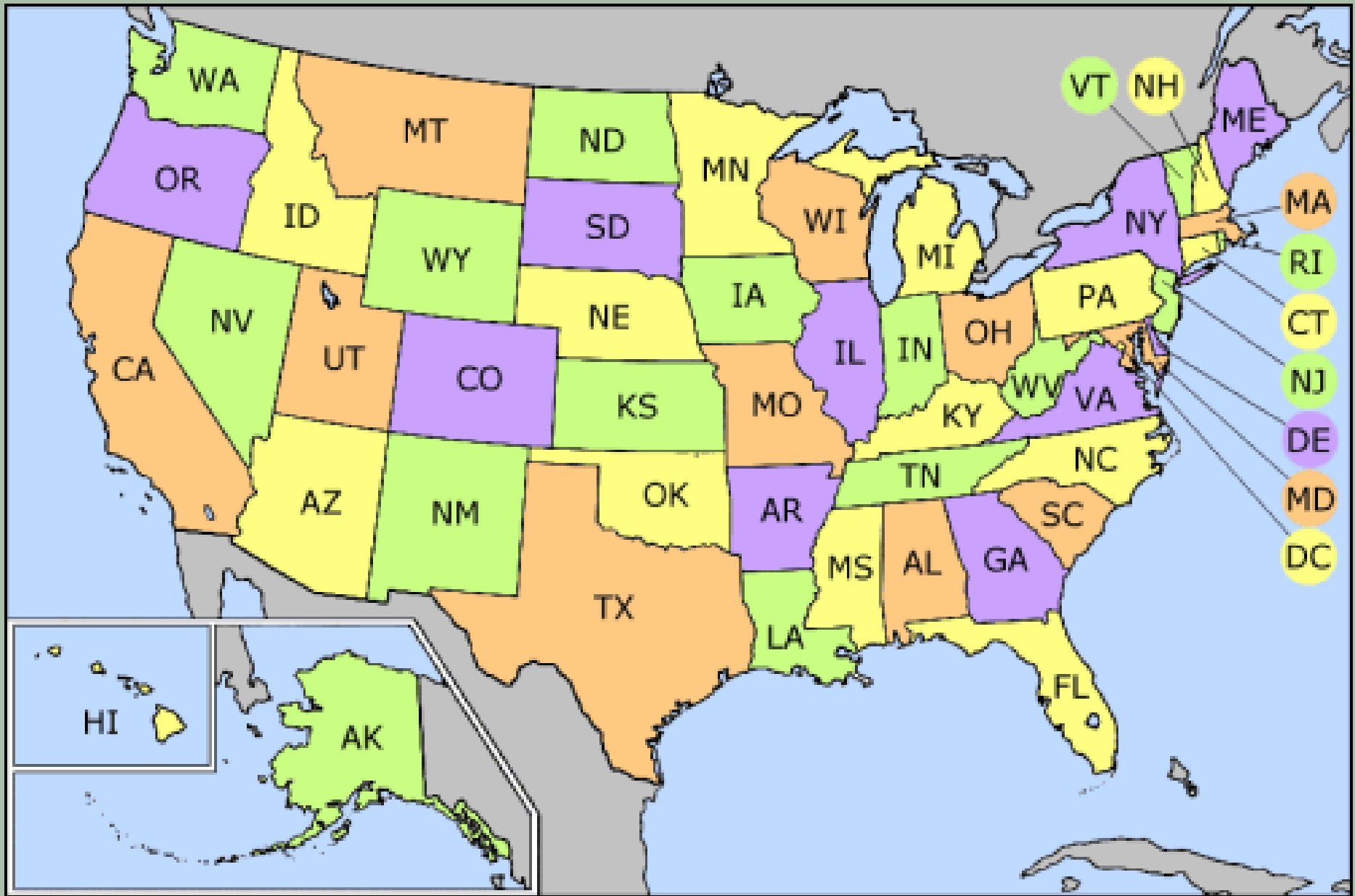
- Develop/Hire Personnel to Study US Market
- Change Way of Thinking
- Study US Laws/Regulations and Contract Practices
- Rely on Correct/Verified Information Only
- Study Foreign Firms Practicing in US
- Select Target States for Landing

STRATEGIES TO ENTER US CONSTRUCTION MARKET (Cont'd)

- Prioritize Market/Project Types
- Consider Acquiring Local Firm – M&A
- Hire Local Law Firm to Get Assistance
- Develop & Improve Technical Capacity
- Develop Long-Term Plan: It Will Take Time
& Effort to Enter a New Market

FACTORS TO CONSIDER TO SELECT TARGET STATES

- GDP and Recent Growth Rate
- Population and Recent Growth Rate
- State's Revenue for Infrastructure
- State's Fiscal Soundness
- Business Environment: Tax, Regulation, Availability of Work Force, Labor Union, Cost of Living, Security, Weather, Mobility



GDP & POPULATION OF TOP 20 STATES

STATE	GDP (2015)			Population (Estimated)		
	Amount (100 Million \$)	Percentage	Growth Rate (%)	Value (2016)	Percentage	Growth Rate (%)
			('10-'15)			('10-'16)
CA	24,485	13.19	25.38	39,250,017	12.15	5.4
TX	16,394	8.83	26.77	27,862,596	8.62	10.8
NY	14,556	7.84	19.28	19,745,289	6.11	1.9
FL	8,932	4.81	20.96	20,612,439	6.38	9.6
IL	7,719	4.16	18.65	12,801,539	3.96	-0.2
PA	6,843	3.69	17.15	12,784,227	3.96	0.6
OH	5,991	3.23	22.92	11,614,373	3.59	0.7
NJ	5,794	3.12	15.25	8,944,469	2.77	1.7
NC	5,098	2.75	19.65	10,146,788	3.14	6.4
GA	5,012	2.70	21.5	10,310,371	3.19	6.4
VA	4,809	2.59	13.29	8,411,808	2.60	5.1
MA	4,789	2.58	19.38	6,811,779	2.11	4
MI	4,680	2.52	20.48	9,928,300	3.07	0.5
WA	4,494	2.42	22.54	7,288,000	2.26	8.4
MD	3,652	1.97	15.68	6,016,447	1.86	4.2
MN	3,348	1.80	22.76	5,519,952	1.71	4.1
IN	3,311	1.78	18.83	6,633,053	2.05	2.3
CO	3,186	1.72	22.01	5,540,545	1.71	10.2
TN	3,103	1.67	23.55	6,651,194	2.06	4.8
WS	3,007	1.62	20.49	5,778,708	1.79	1.6

BEST & WORST STATES FOR BUSINESS (2015)

State	Rank
Texas	1
Florida	2
North Carolina	3
Tennessee	4
Georgia	5
Indiana	6
Louisiana	7
Nevada	8
Arizona	9
South Carolina	10
Colorado	11
Wisconsin	12
Iowa	13
Virginia	14
Utah	15
Oklahoma	16
Wyoming	17
Idaho	18
North Dakota	19
Delaware	20
New Hampshire	21
Ohio	22
South Dakota	23
Alabama	24
Nebraska	25

State	Rank
Missouri	26
Kansas	27
Kentucky	28
Montana	29
Maine	30
Minnesota	31
Washington	32
Arkansas	33
Alaska	34
Pennsylvania	35
New Mexico	36
Rhode Island	37
West Virginia	38
Mississippi	39
Maryland	40
Vermont	41
Oregon	42
Michigan	43
Hawaii	44
Connecticut	45
Massachusetts	46
New Jersey	47
Illinois	48
New York	49
California	50

MAJOR FOREIGN FIRMS IN US

- Skanska (Sweden) – Skanska USA
- Balfour Beatty (UK) - Balfour Beatty US
- Hochtief (Germany) – Flatiron, Turner
- ACS/Dragados (Spain) – Dragados USA
- Kajima (Japan) – Kajima USA Group
- China State Corporation (China)
 - China Construction America

CONCLUSION

- US is still Land of Opportunity
- Entering US Construction Market is a Must for Korean Construction Industry
- It is Definitely Possible, but Not Without Preparation
- Act Right Away, but Take Time and Fully Prepare for the New Market

Questions or Comments?

THANK YOU !

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