

Gwangyang Bay Area Free Economic Zone



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GFEZ Overview



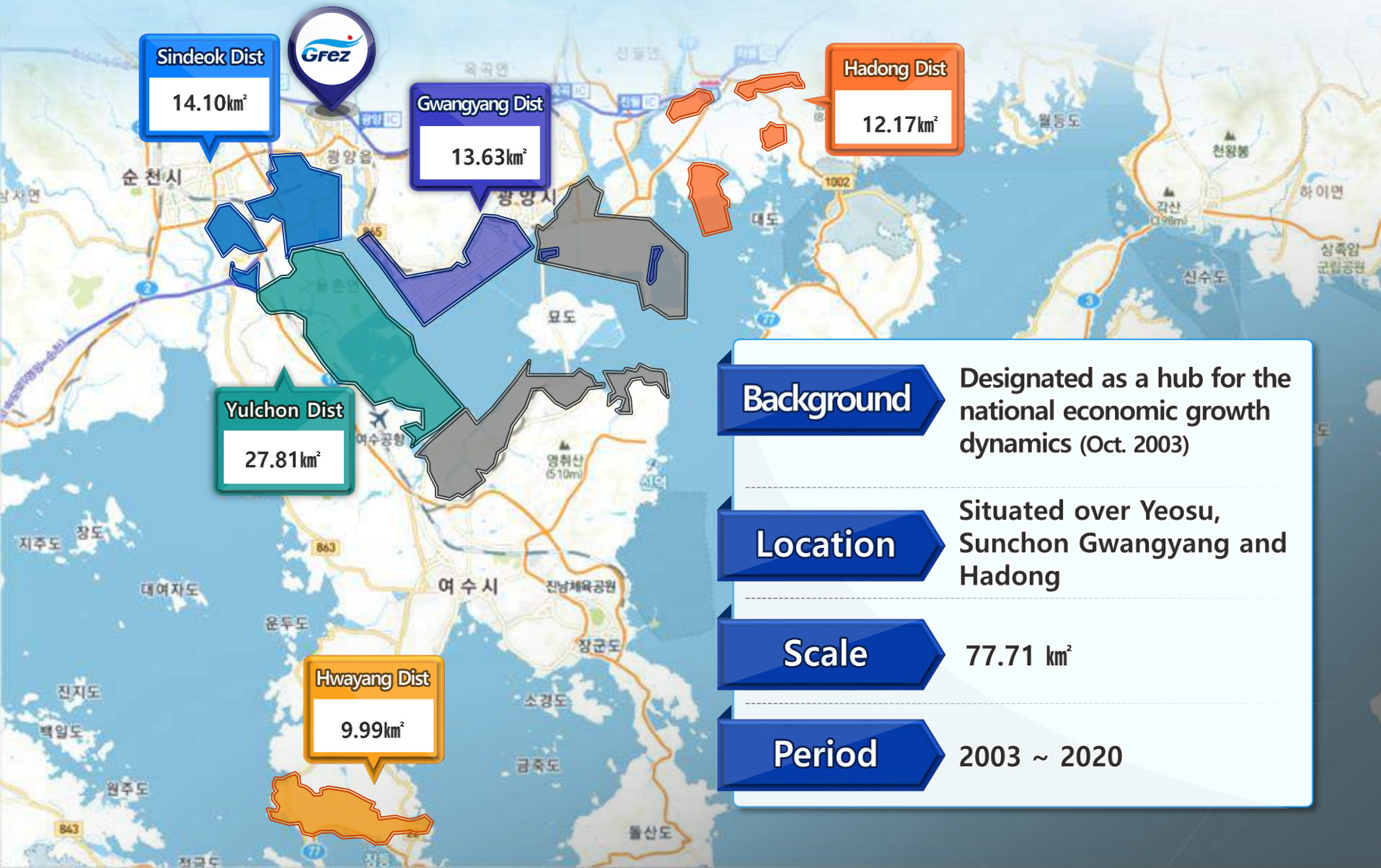
Business Hub for Northeast Asia



The Mecca of Global Economy



GFEZ Overview





Industrial Competitiveness



1

Export/Import through International Port

- Clustering steel and petrochemical industries in the hinterland
- Securing spacious industrial lands with low prices
- Advanced port facilities and low port/service fees
- Excellent natural conditions (+17m of berthing depth)

Gwangyang port becomes the logistics hub in Northeast Asia as accomplishing the cargo volume of over 2M TEU for the third consecutive years

Cargo Handling

240M tons

Ship clearance and berthing

60,000 ships
yearly

94 berths
(14 Container berths)

2 Optimal Industrial Conditions

- **Mecca for Korean Steel Industry**
POSCO : World best steel producer (20M tons/year with annual sales over KRW 15T)
Hyundai Steel : annual steel production over 1.92M tones per year
- **The largest Petrochemical Industrial Complex in Korea**
Yeosu National Industrial Complex : 272 resident companies
with over KRW 98T annual sales



3 Providing Lands at the Lowest Price

Comparison of Land Prices

(KRW/3.3m²)

GFEZ	Hwajeon, Busan	Ansung, Gyeonggi	Seokmun, Chungnam
459	1,537	1,100	763

- Accounting for 14.7% of national industrial area total (188.9km²)

Ind. Complex	Manufacturing	Annual Revenue	Annual Export
13 Areas	688 Companies	USD 122.4 B	USD 47.6 B

4 Convenient transportation infrastructure



International container port
(Handled 2.27M TEU in 2012)



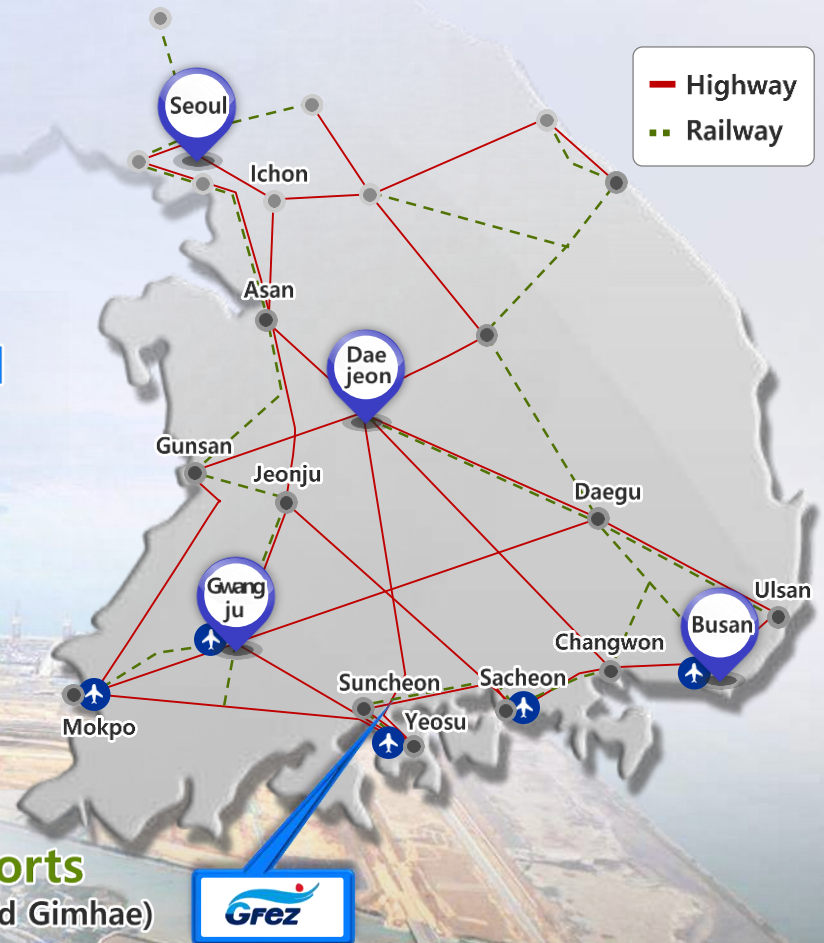
KTX connecting to Seoul
(Within 3 hours distance)



Connected to 5 Highways
(3 hours to Seoul Metropolitan Area)



One-hour access to airports
(Gwangju, Yeosu, Sacheon, Muan and Gimhae)



5 Optimal Living Conditions and Natural Landscape

Medical Center

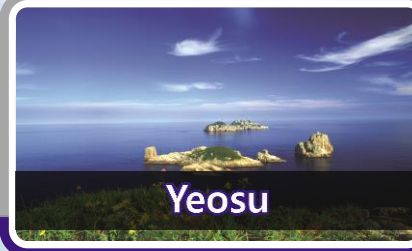


- Area : 75,468 m² (approx. 23,000 pyeong)
- Target : medical center with functions designated foreigners

International School



- Area : 99,000 m²
- Capacity : 1,000 students (elementary, middle and high schools)



6 Various Investment Incentives

Foreign-invested Companies

Tax Benefits

National Tax

Tariff, individual consumption and value added taxes - exempted for capital goods
Corporate and income tax –
7 year period (100% exemption for first 5 years and 50% off for additional 2 years)
5 year period (100% exemption for first 3 years and 50% off for additional 2 years)

Local tax

Acquisition and property tax - 100% exemption for up to 15 years

Subsidy

- Various subsidies including business accommodation, employment encouragement, education/training and facility construction/expansion.

U-Turn Companies

Tax Benefits

- Corporate and income tax - 100% exemption for first 5 years and 50% off for additional 2 years (only effective upon businesses with any overseas business location liquidated or transferred)
Tariff - 100% exemption

Subsidy

- Provides subsidies for business accommodation and facility construction/expansion



Development Plans



GFEZ Development Plan

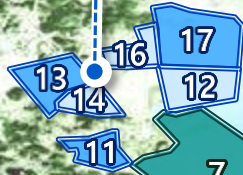


GFEZ



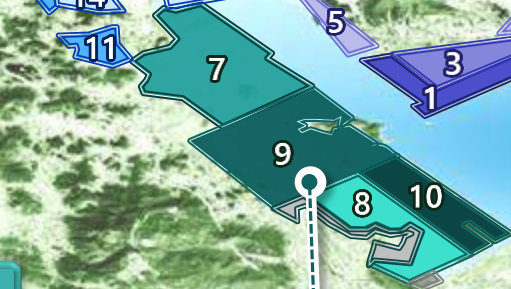
Sindeok Dist

14.10km²



Yulchon Dist

27.81km²



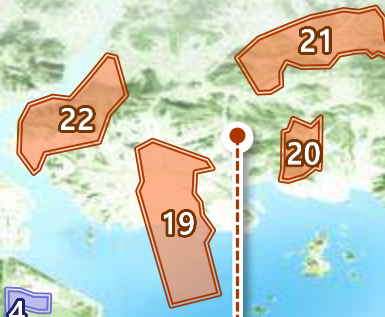
Gwangyang Dist

13.63km²



Hadong Dist

12.17km²



Hwayang Dist

9.99km²



Gwangyang District : Logistics (13.63km²)



Development Goal : Establish the foundation of becoming the Hub for Northeast Asian logistics industry by leveraging advantages of Gwangyang Harbor

Target Business : Logistics, Intermediate Trade, International Business, Finance / Manufacturing(Export-oriented business)



Gwangyang District

Container Port Terminal (6.17 km²)



- Berths in Operation : 14 (4,600K TEU)
- Handling Capacity : 2.27 M TEU
- Operator : CJ Korea Express Corp.
HSGT, KIT, etc.



Gwangyang District

East Hinterland (2.54km²)



- Target Business : Logistics, Manufacturing, International Business
- Rental Fee : US\$0.12 /m²/month (preferential fee)
- Tenants : 27 companies (including Dongbu Express)

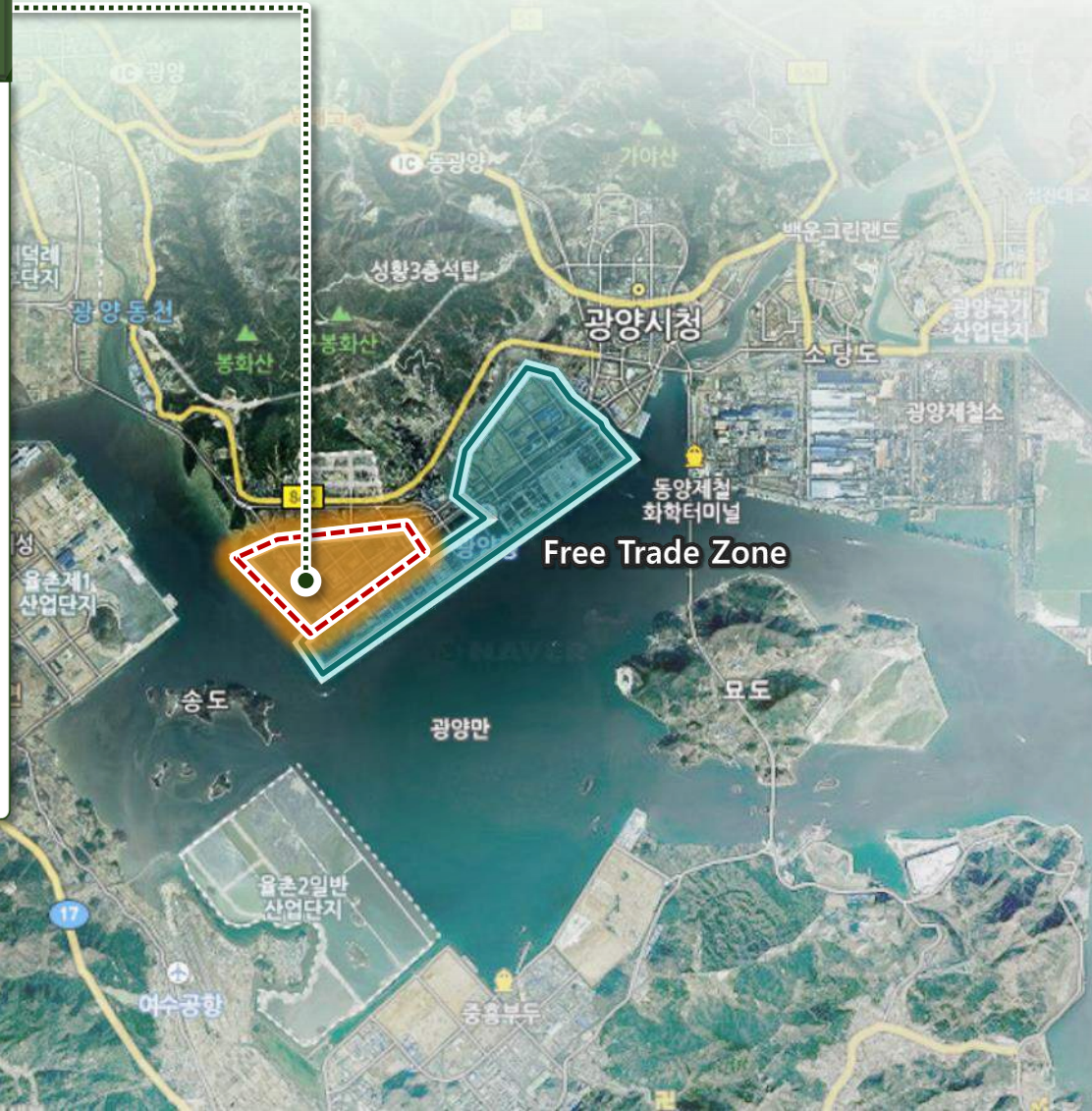


Gwangyang District

West Hinterland (1.94km²)



- Target Business : Logistics, Manufacturing, International Business
- Rental Fee : US\$0.12/m²/month (preferential fee)
- Tenants : Recruiting is underway



Gwangyang District

Hwanggeum Industrial Complex (1.12km²)



- Project Period : 2010 ~ 2016
- Target Business : Primary Metal, Automobile and Trailer Manufacturing, Machinery Manufacturing

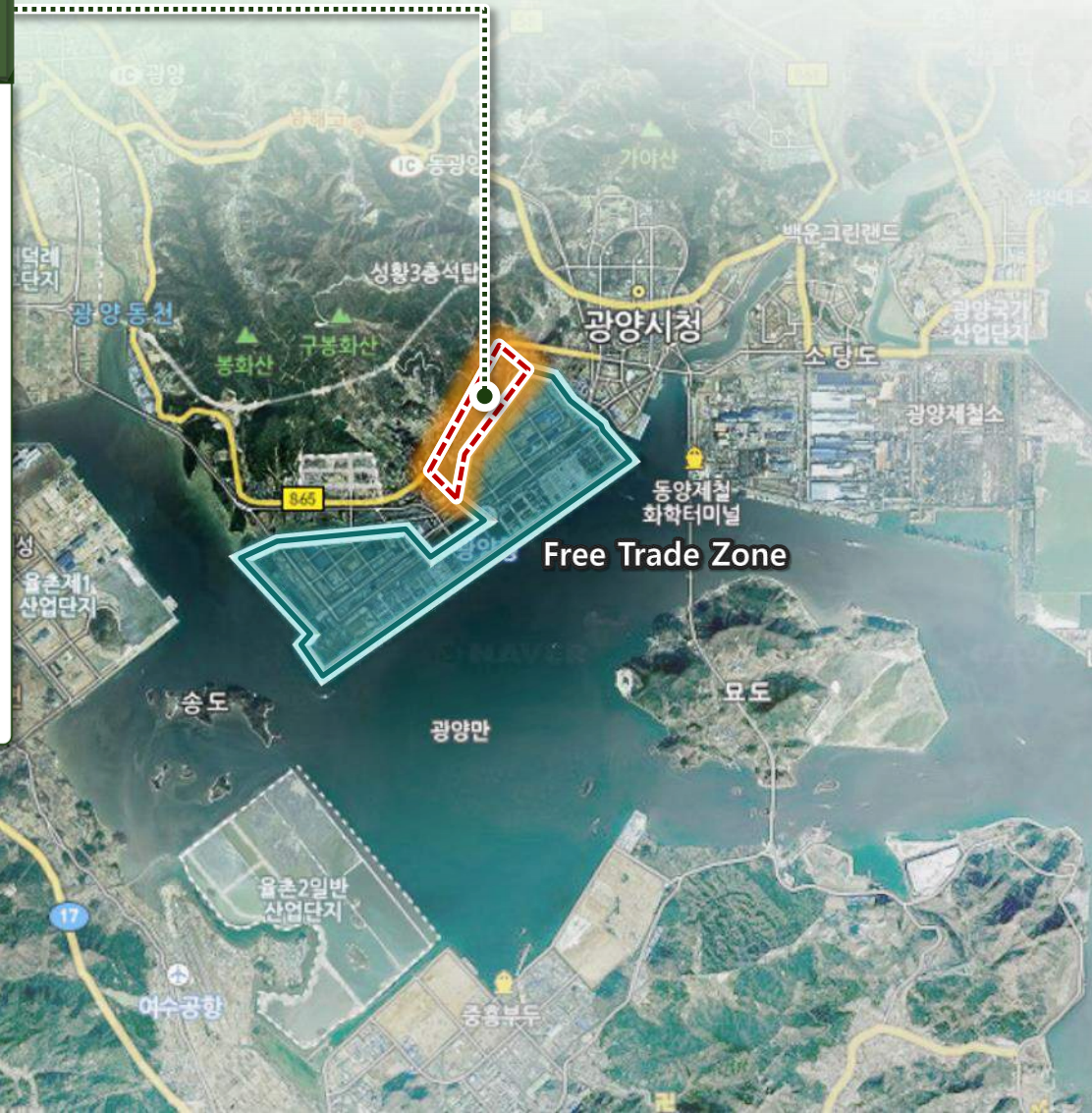


Gwangyang District

Seonghwang International Business Park (0.75km²)

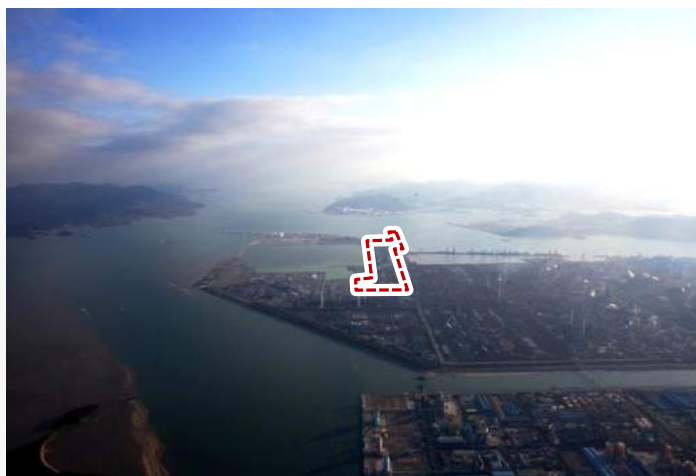


- Project Period : 2011 ~ 2015
- Target Business : Advanced Industries, Logistics, Business Facilities

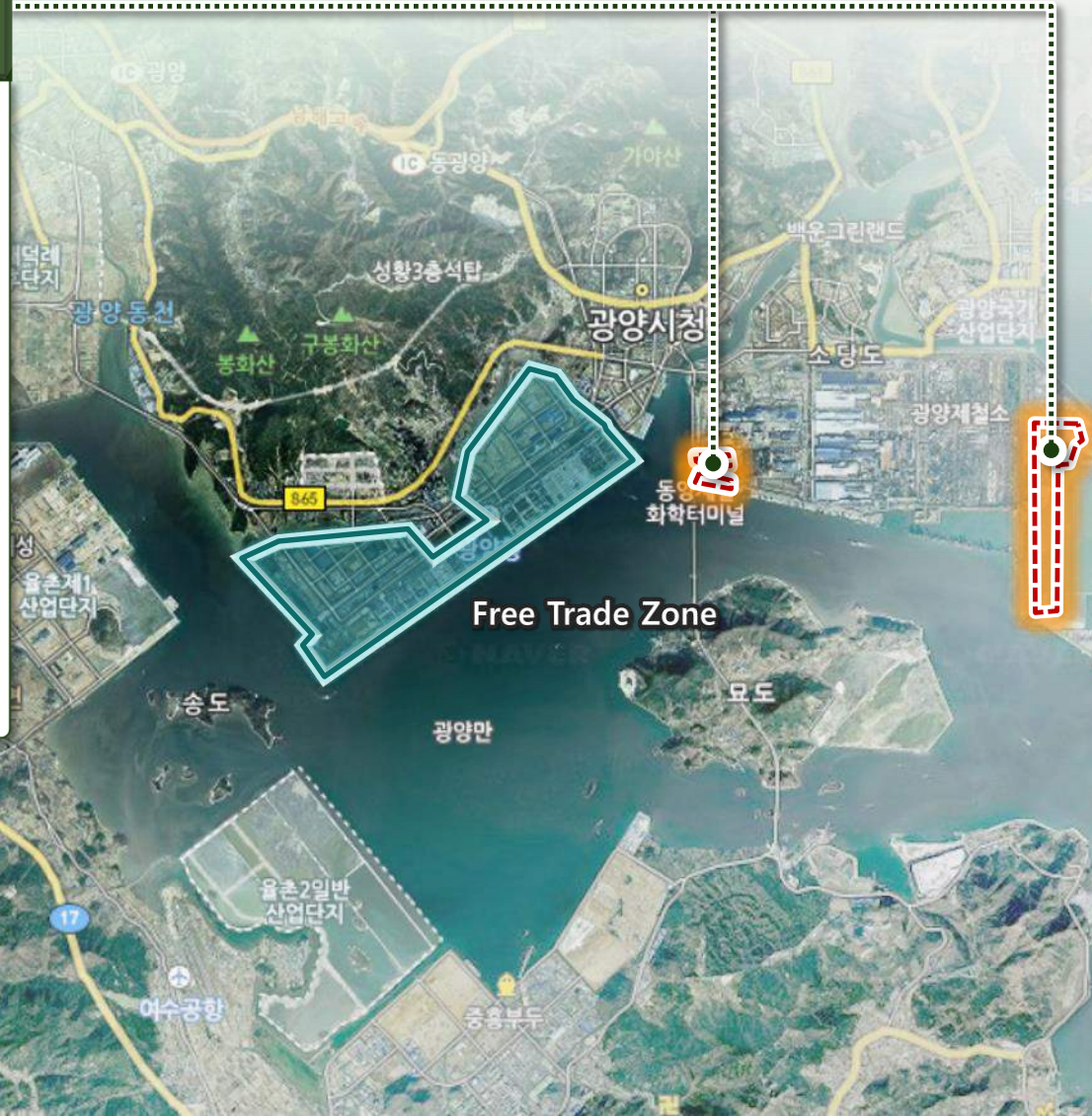


Gwangyang District

POSCO Terminal CTS (1.11km²)



- Target Business : Manufacturing and Logistics
- Tenants : POSCO Terminal, SNNC, etc.



Gwangyang District

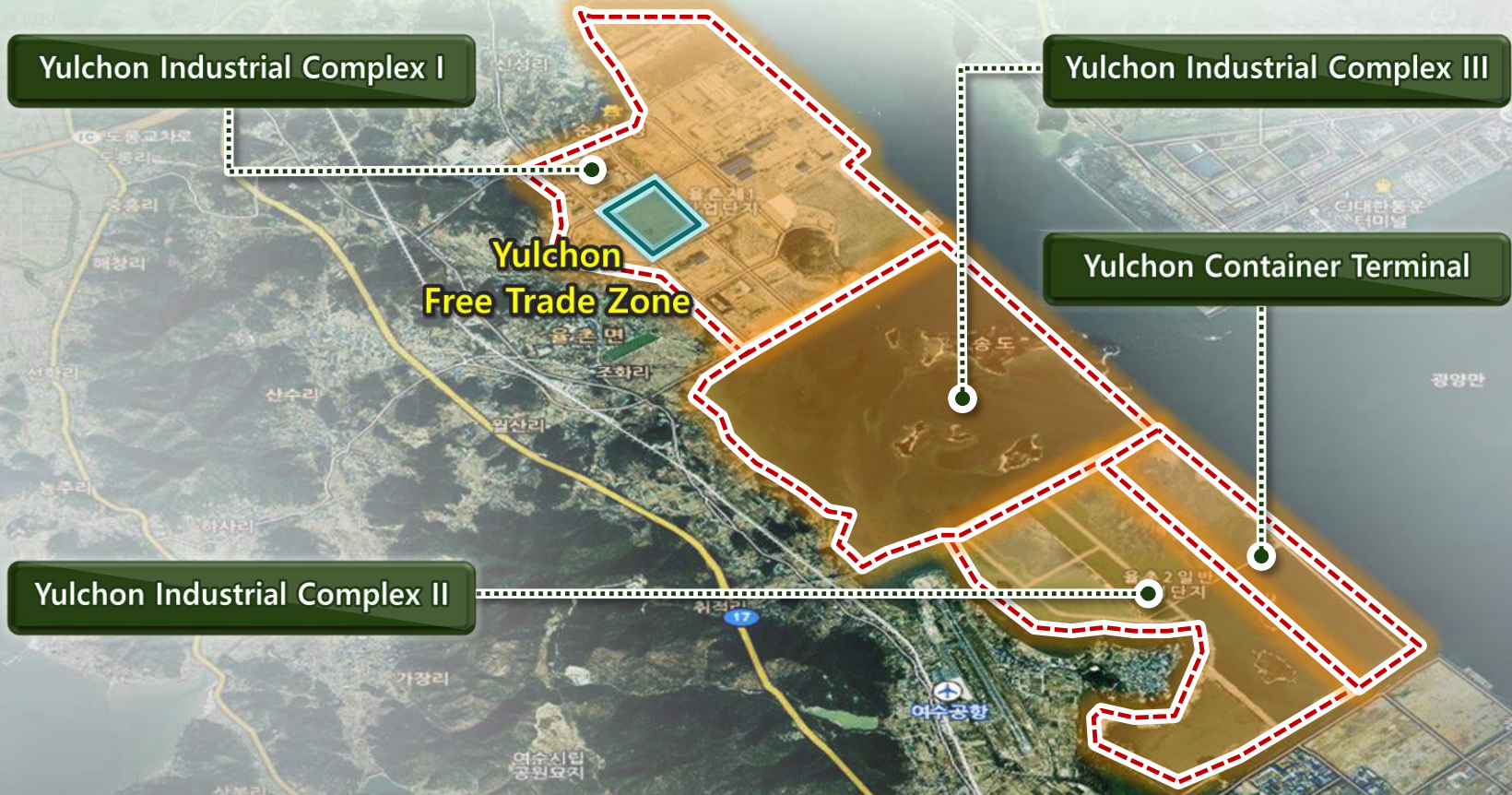


Yulchon District : Manufacturing (27.81km²)



Development Goal : Foster petrochemical and steel industries in tandem with POSCO and Yeosu National Industrial Complex

Target Business : Steel, Machinery, Metal, New Renewable Energy

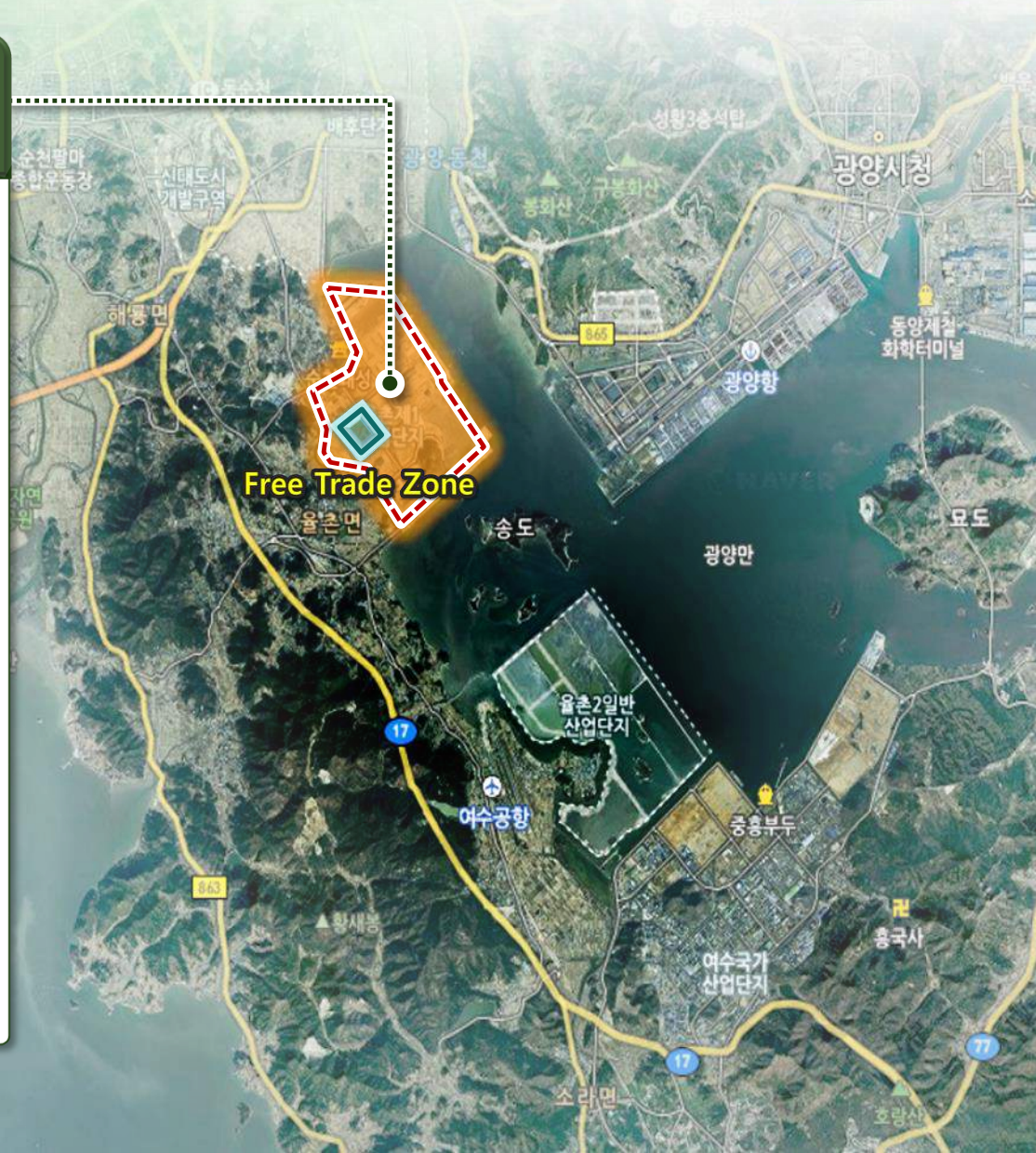


Yulchon District

Yulchon Industrial Complex I (9.13km²)



- Construction 94%
- Sales 74% (96 companies)
- Land Price : KRW 139,226/m²
(KRW 460,000 per pyeong)
- * **Yulchon Free Trade Zone** (0.34km²)
 - Export-oriented domestic/
foreign-invested companies
 - Rental fee : KRW 51/m²/month
(up to 50 years)

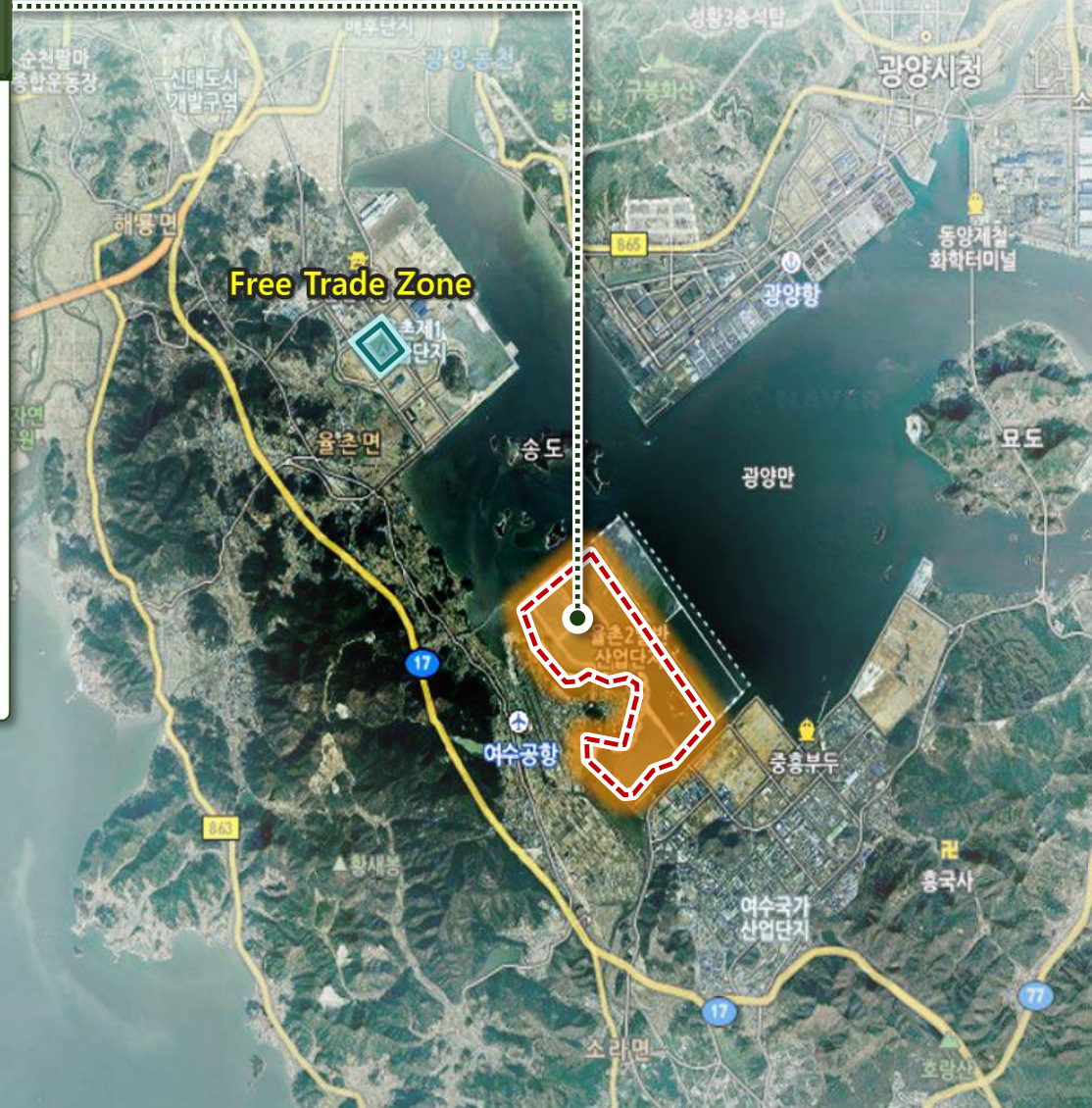


Yulchon District

Yulchon Industrial Complex II (3.79km²)



- Project Period : 2010 ~ 2020
- Target Business : Machinery, Electric/Electronics, Metal

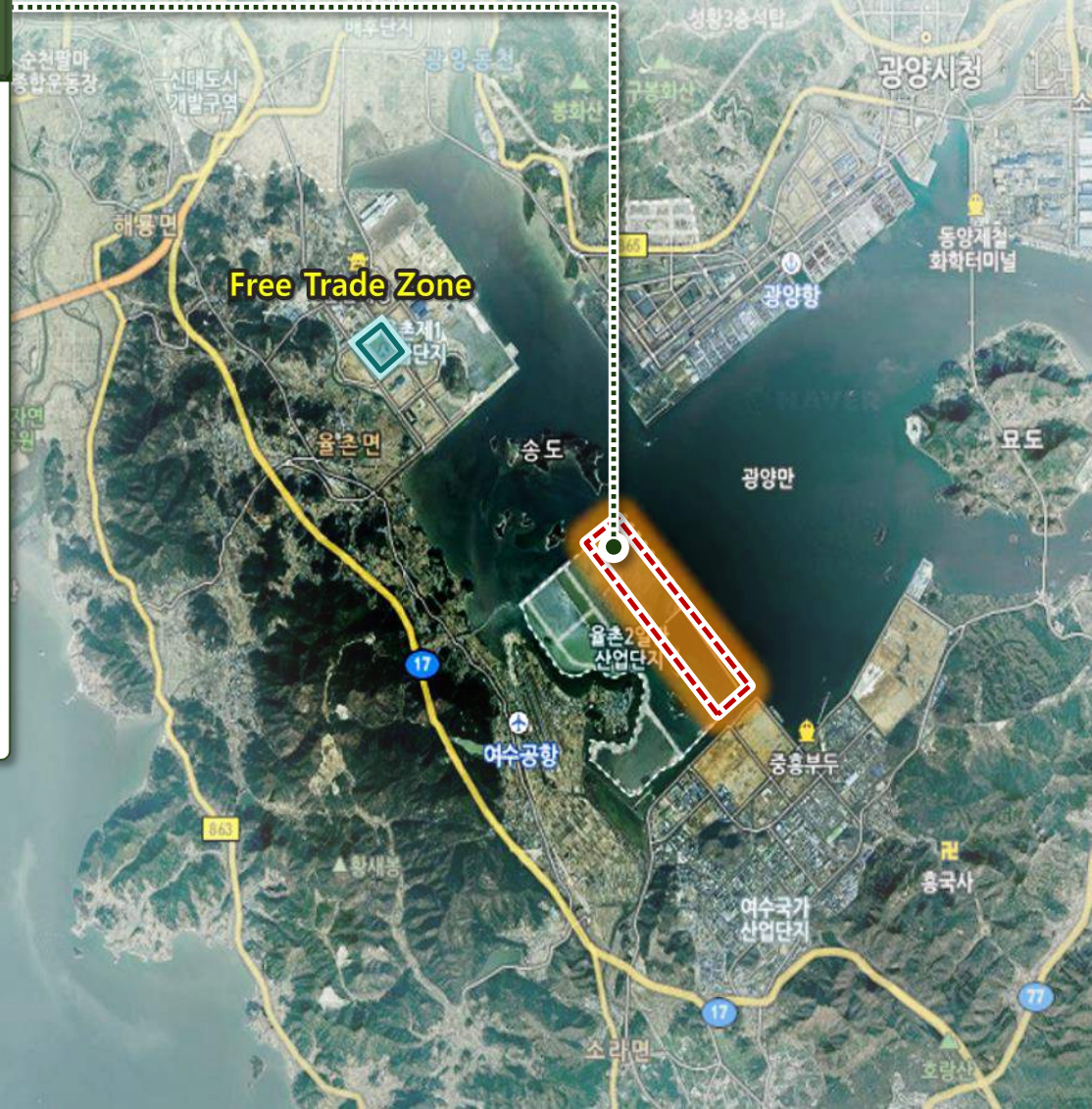


Yulchon District

Yulchon Container Terminal (5.13km²)



- Capacity : 9 berths
(located in Yulchon Industrial Complex)
- Handling cargos from Yulchon Industrial Complex



Yulchon District

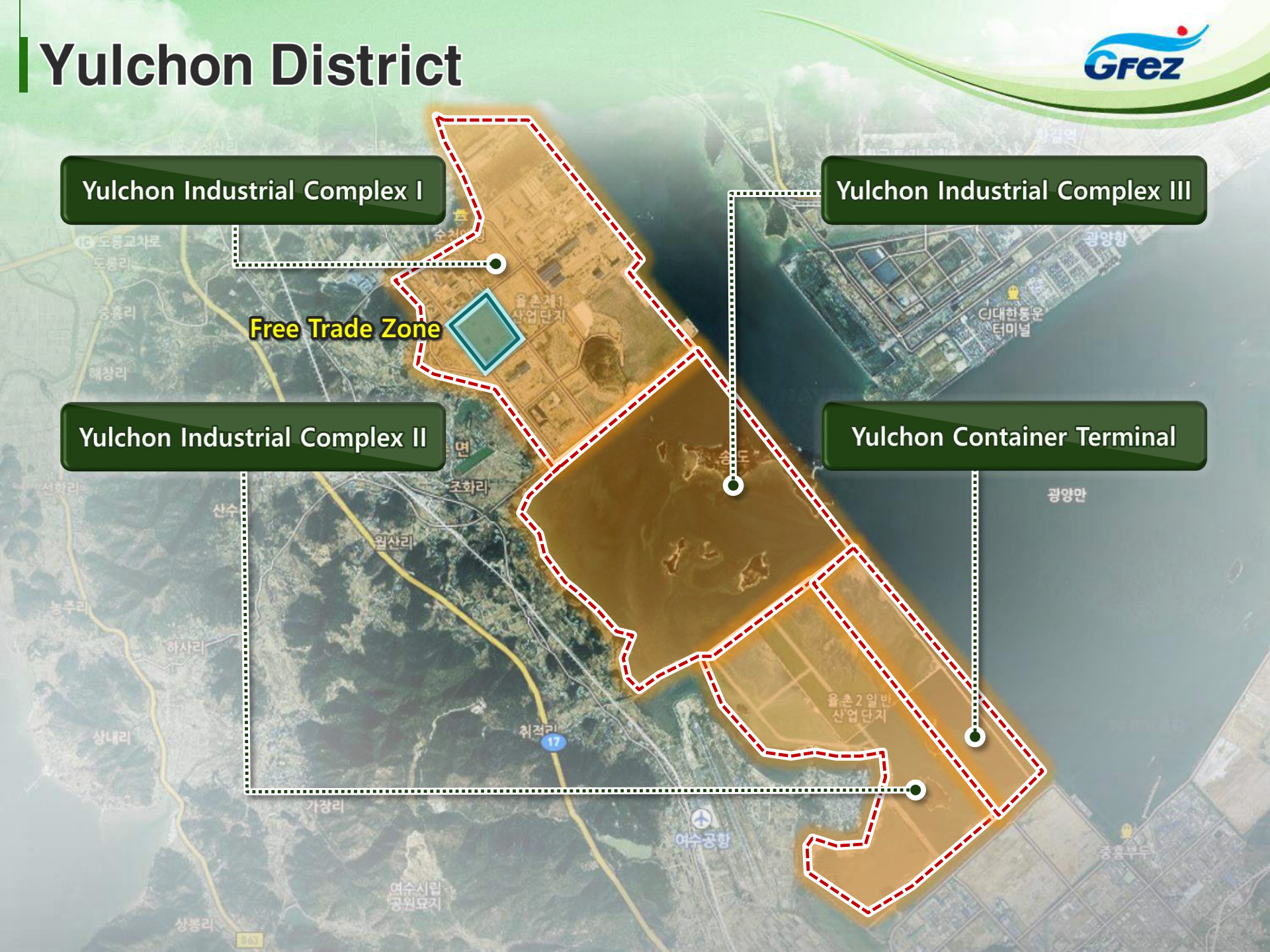
Yulchon Industrial Complex I

Yulchon Industrial Complex III

Yulchon Industrial Complex II

Yulchon Container Terminal

Free Trade Zone

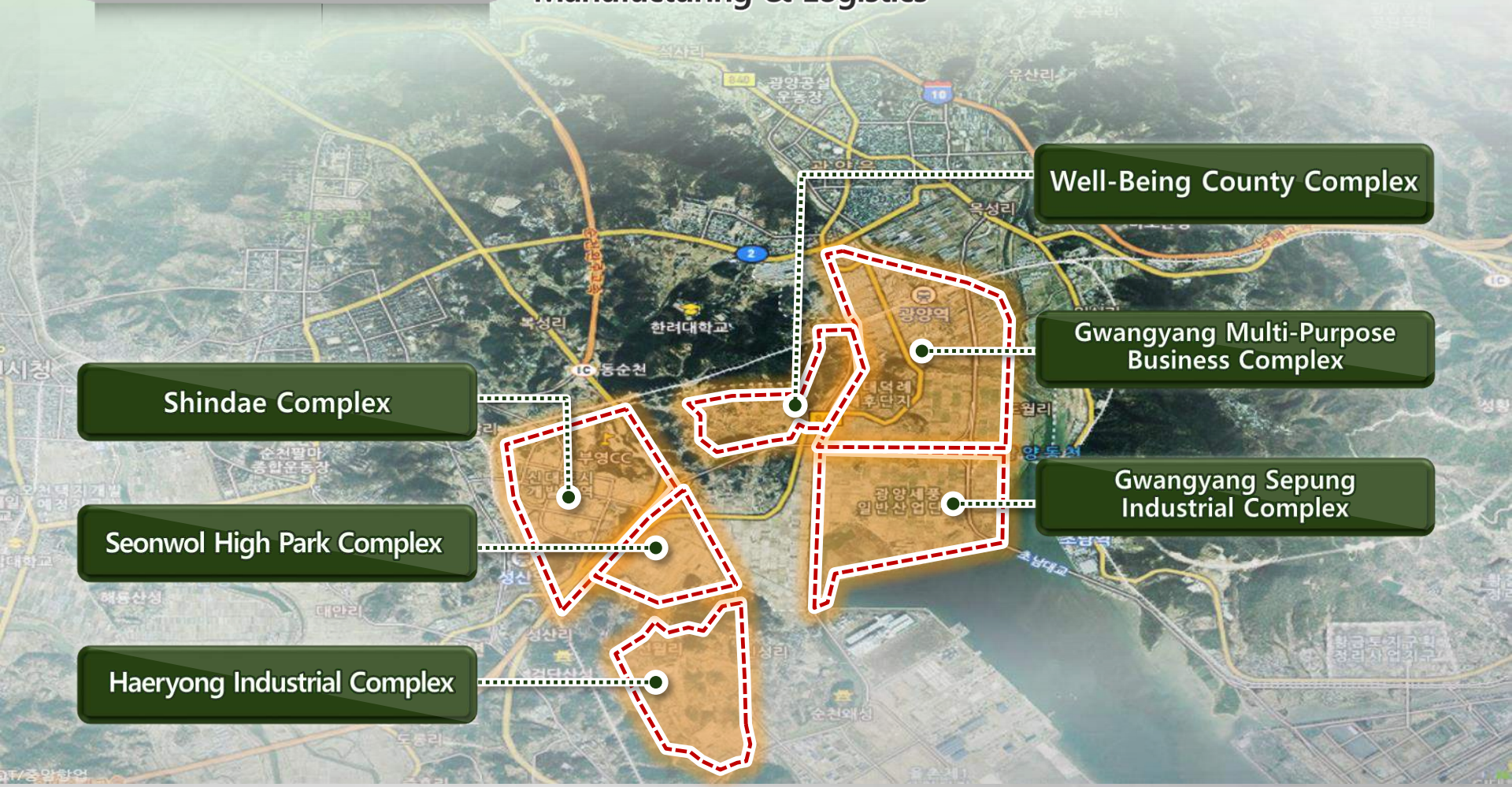


Sindeok District : Residential (14.10km²)



Development Goal : Provide growth momentum by integrating and linking economic and living zones

Target Business : Residential, Education, Medical & Healthcare, Business, Leisure, Manufacturing & Logistics

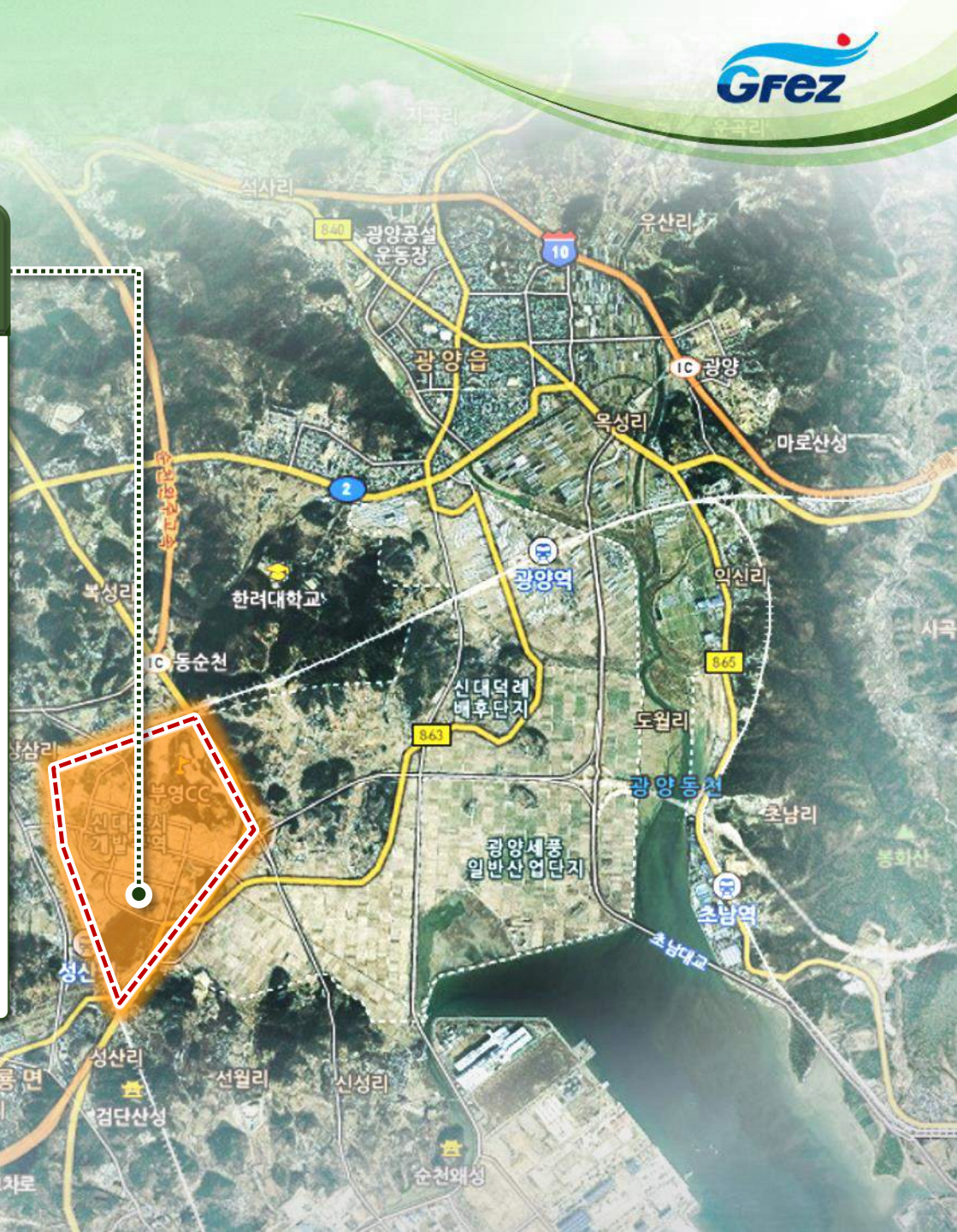


Shindeok District

Shindae Complex (2.90km²)



- Developer : Suncheon Eco Valley Co., Ltd.
- Target Population (settled) : 30,000 (11,000 households)
- Target Business : Hospital, Business Facility, Broadcasting Station, etc.

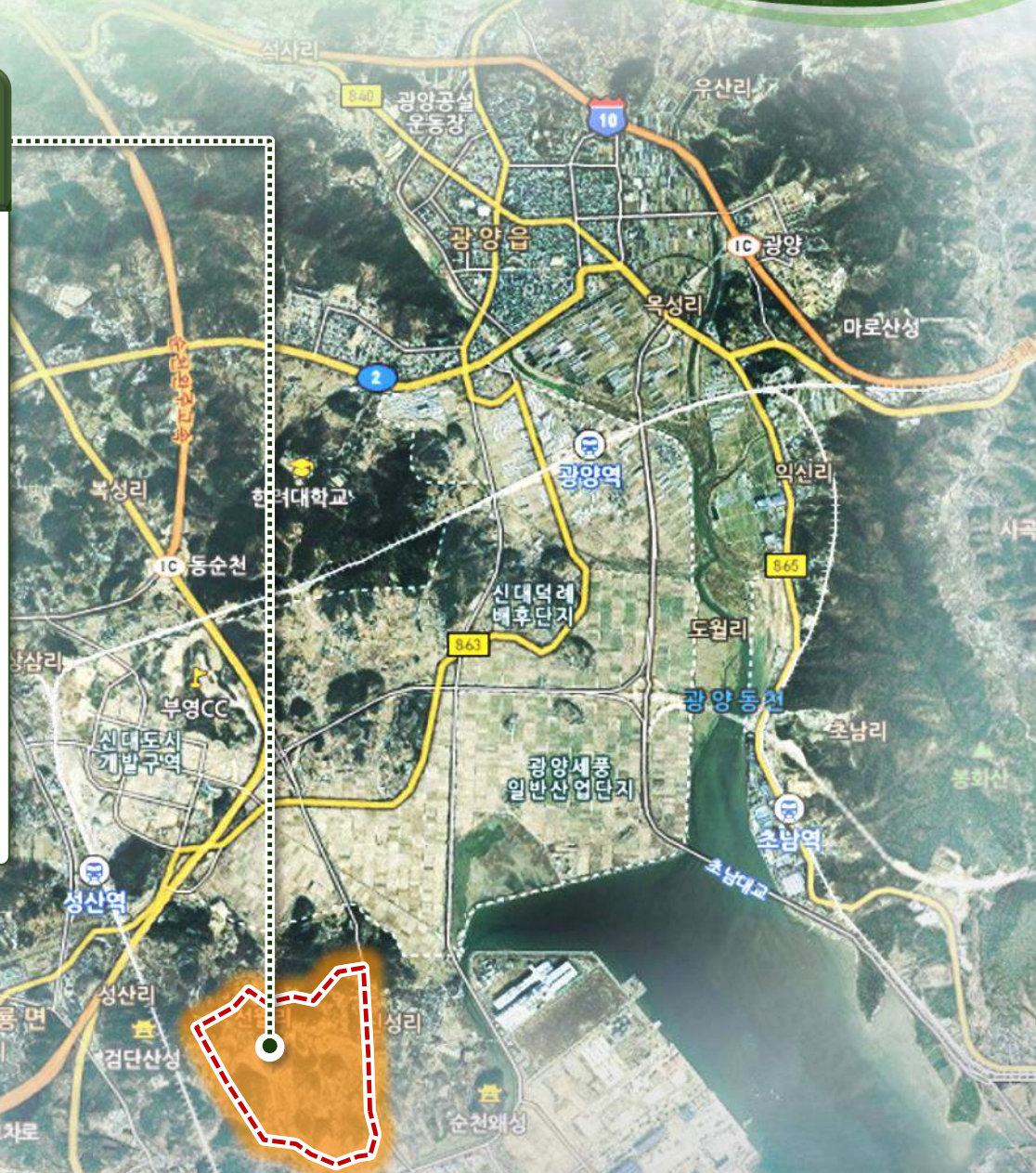


Shindeok District

Haeryong Industrial Complex (1.59km²)



- Project Period : 2008 ~ 2014
- Target Business : Automobile & Trailer Manufacturing, Primary Metal, Transportation Equipment, etc.

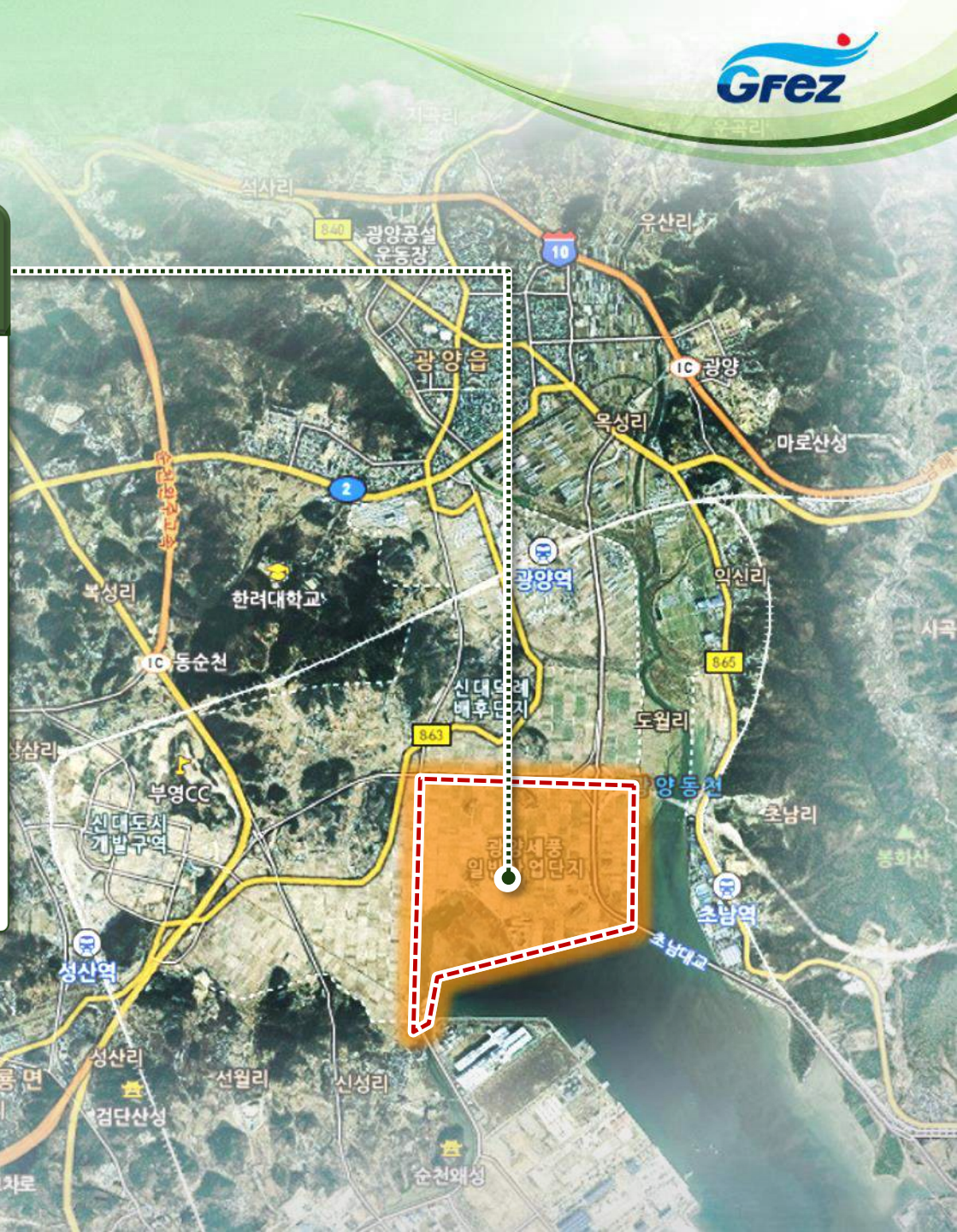


Shindeok District

Gwangyang Sepung Industrial Complex (3.00km²)



- Project Period : 2010 ~ 2015
- Target Business : Primary Metal, Fabricated Metal, Manufacturing, Technology & Information, Foods, etc.

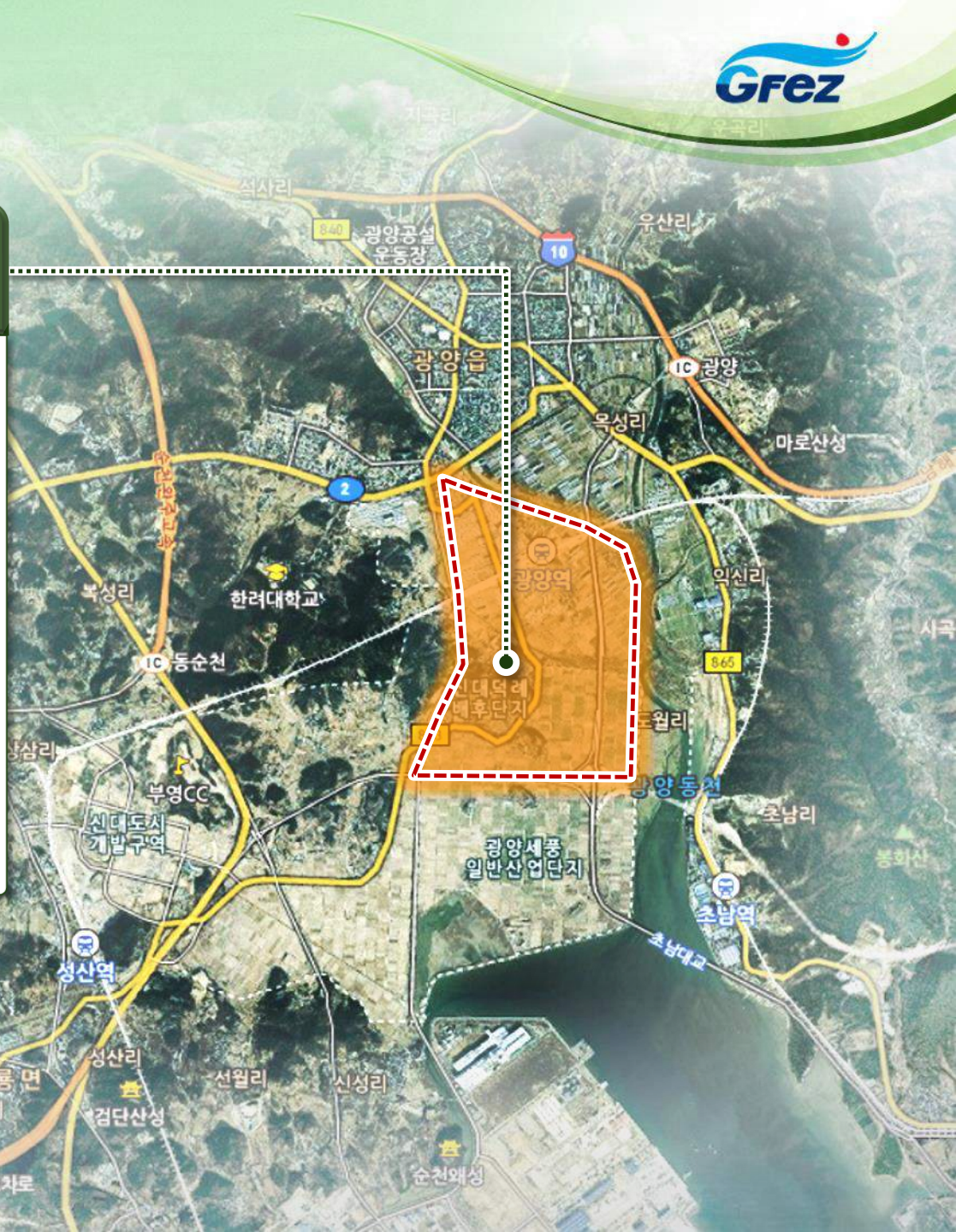


Shindeok District

Gwangyang Multi-Purpose Business Complex (4.43km²)



- Project Period : 2012~2020
- Target Business : Multi-purpose, R&D, Logistics

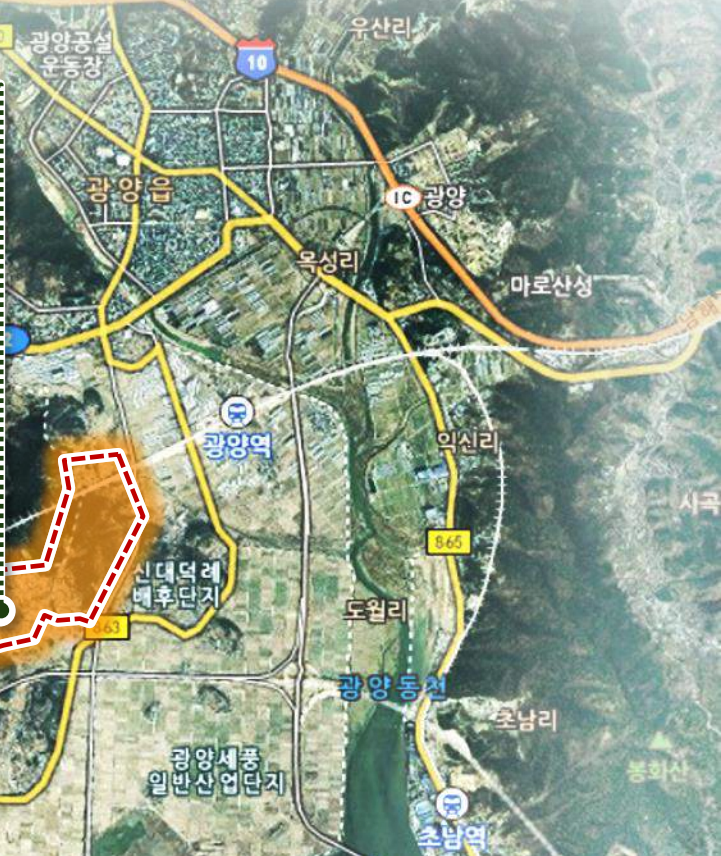


Shindeok District

Well-Being County Complex (1.11km²)



- Project Period : 2012~2020
- Target Business : Foreign Hospital, Foreign School and Sports Facilities, Residential Areas

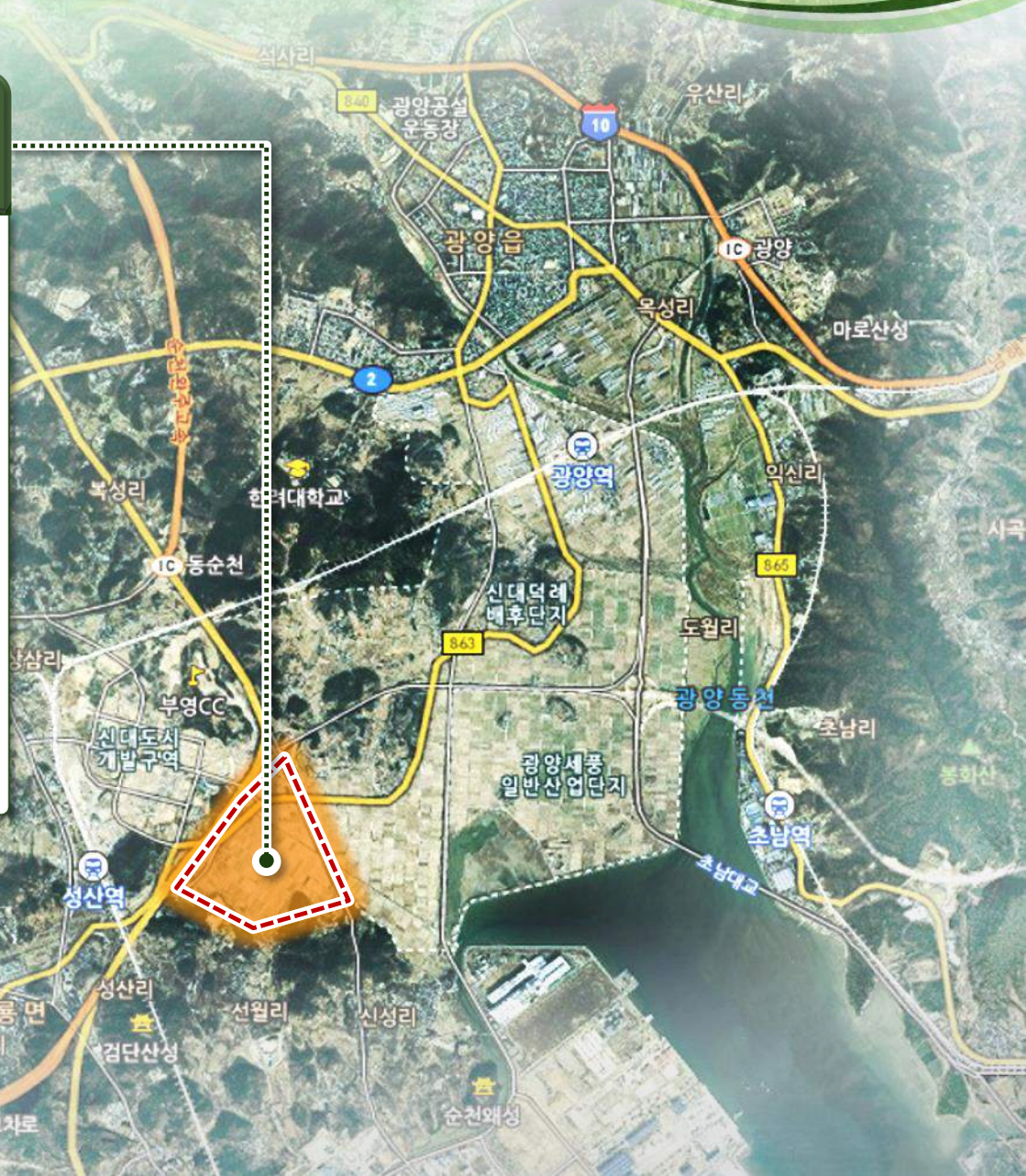


Shindeok District

Seonwol High Park Complex (1.07km²)



- Project Period : 2012~2020
- Target Business : Business, Commercial and Residential Facilities



Shindeok District

Shindae Complex

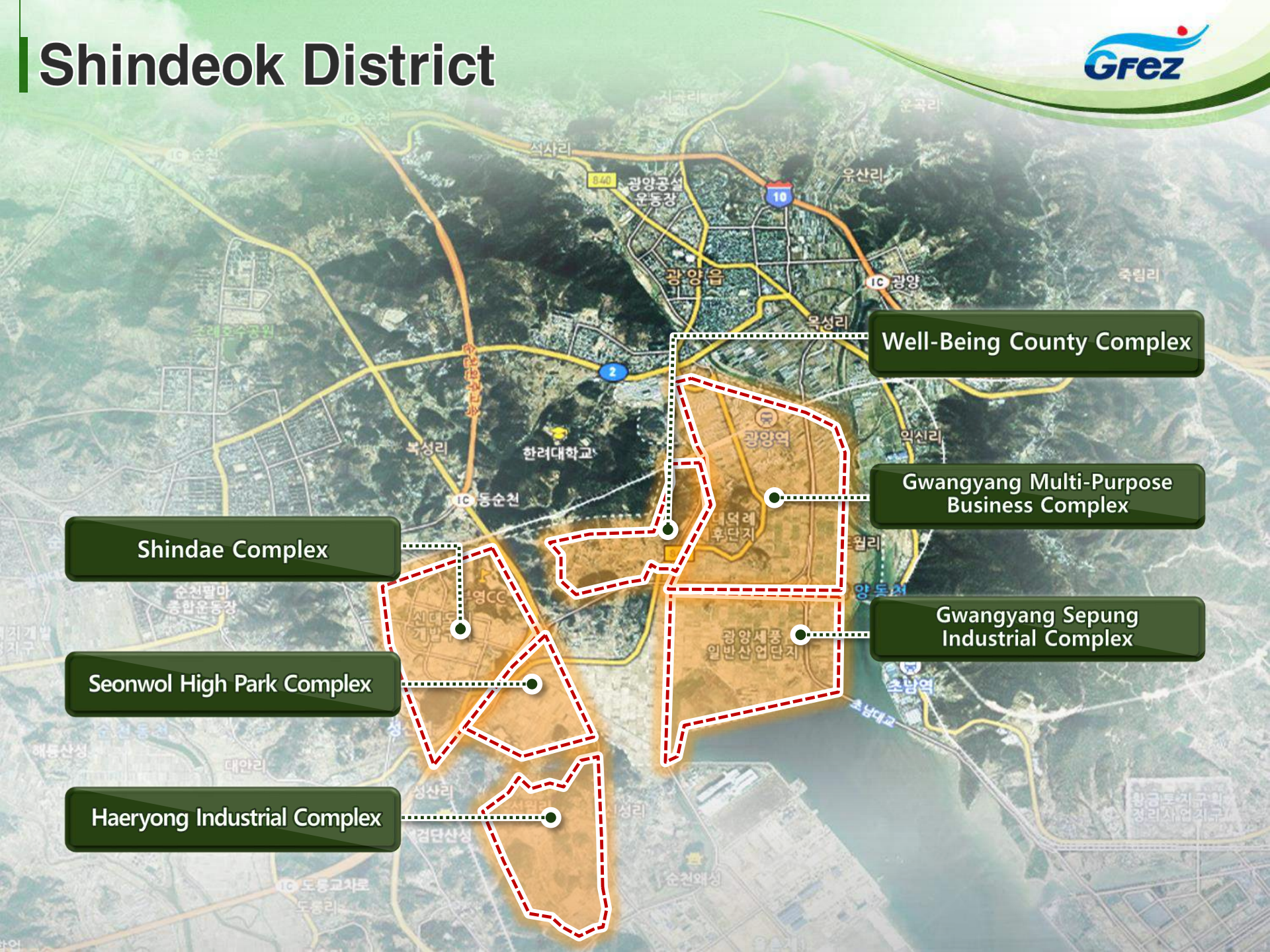
Seonwol High Park Complex

Haeryong Industrial Complex

Well-Being County Complex

Gwangyang Multi-Purpose Business Complex

Gwangyang Sepung Industrial Complex



Hwayang District : Tourism (9.99km²)

Development Goal : Representative tourism site in the Namhae region and a hub for marine tourism business in Northeastern Asia

Target Business : Golf Course, Marina Facilities, Lodging

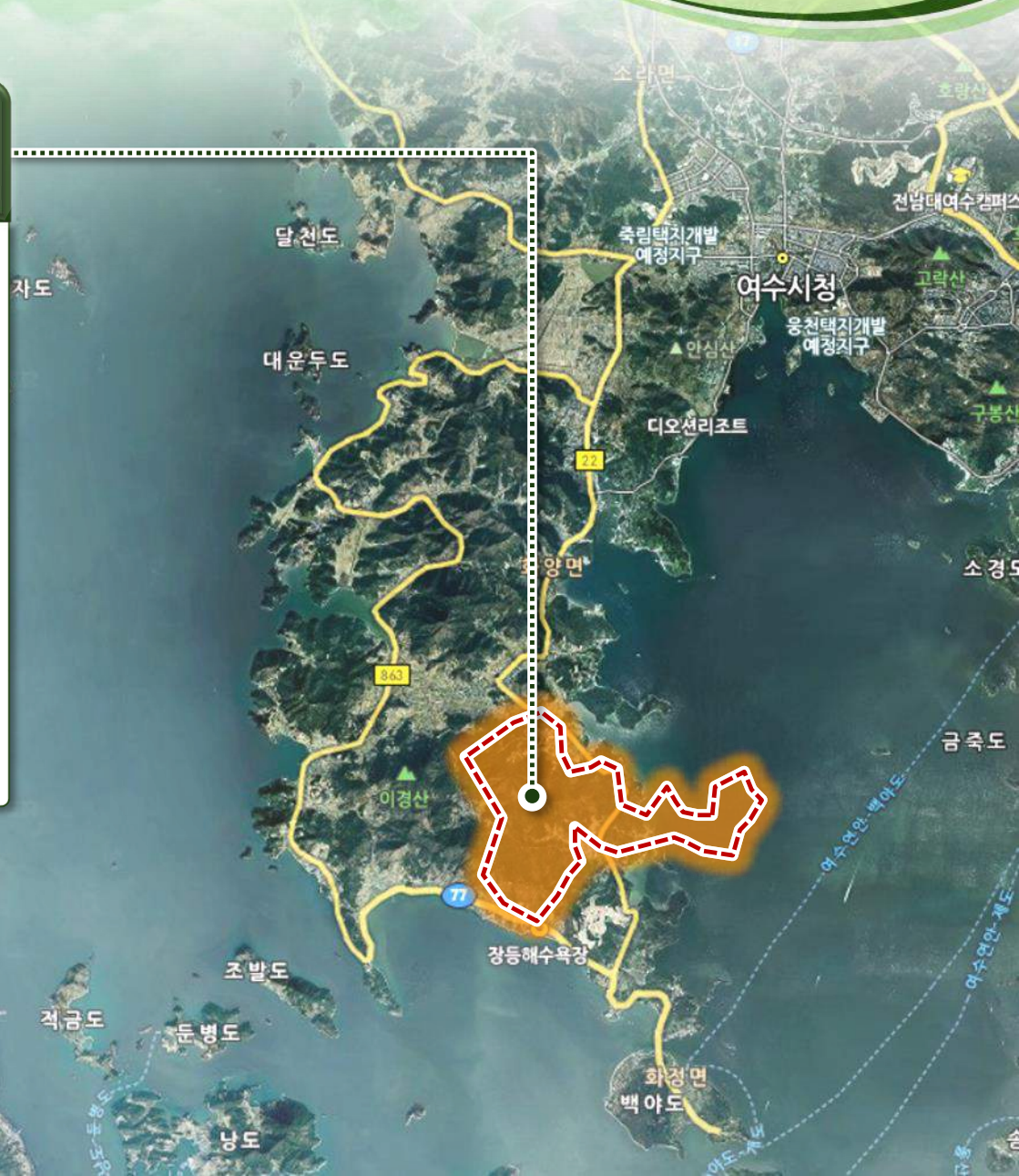


Hwayang District

Golf Island (1.98km²)



- 18-hole Golf Courses, Condominium, Pensions (currently under operation)

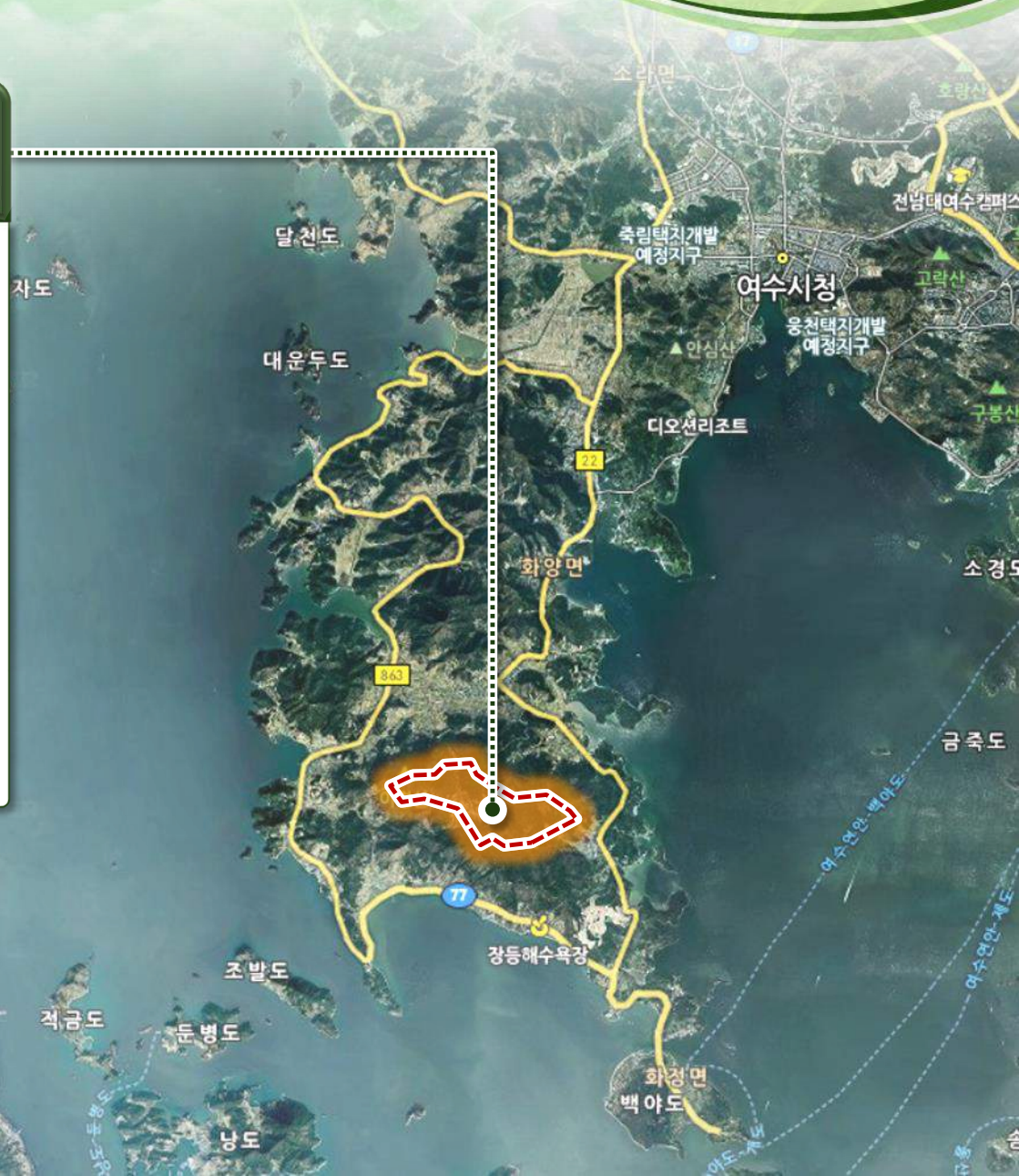


Hwayang District

Forest Valley (1.92km²)



- Four-season resort leveraging themes of Korean foods and cultures (IRR = 16.8%)

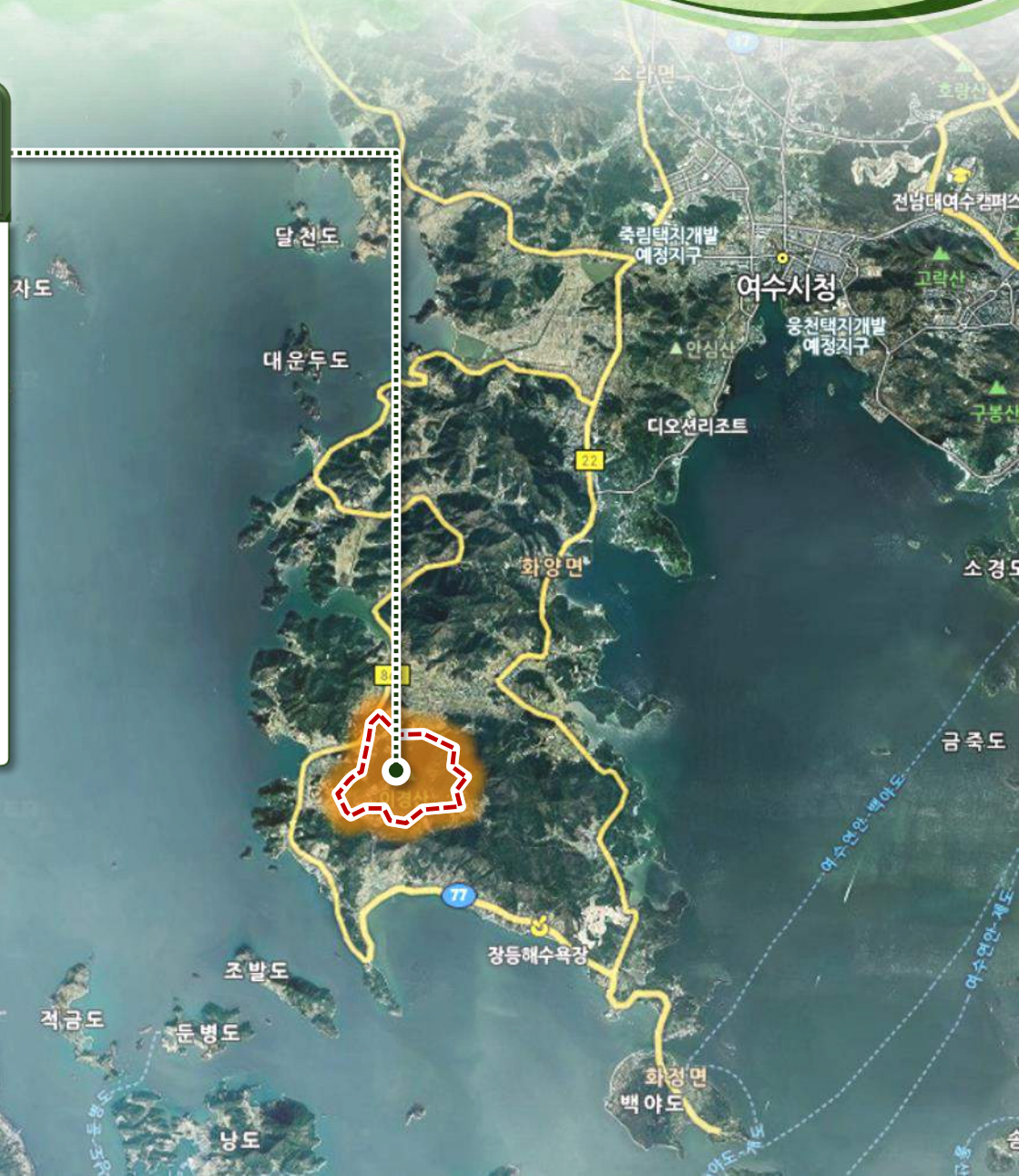


Hwayang District

Hill Top
(2.25km²)

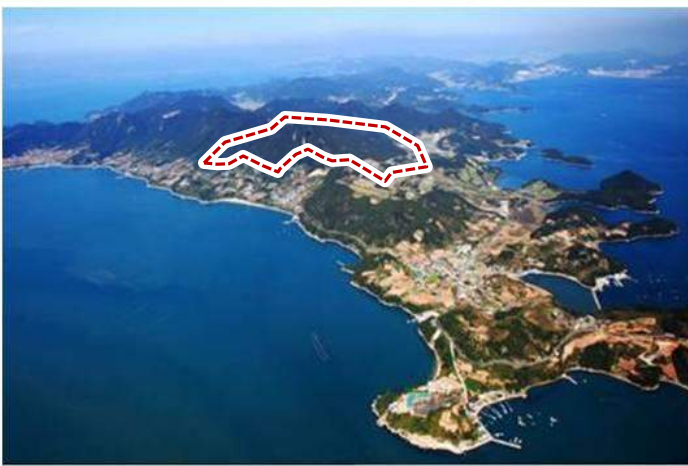


- Multi-Purpose Center for Seasonal Visiting Training

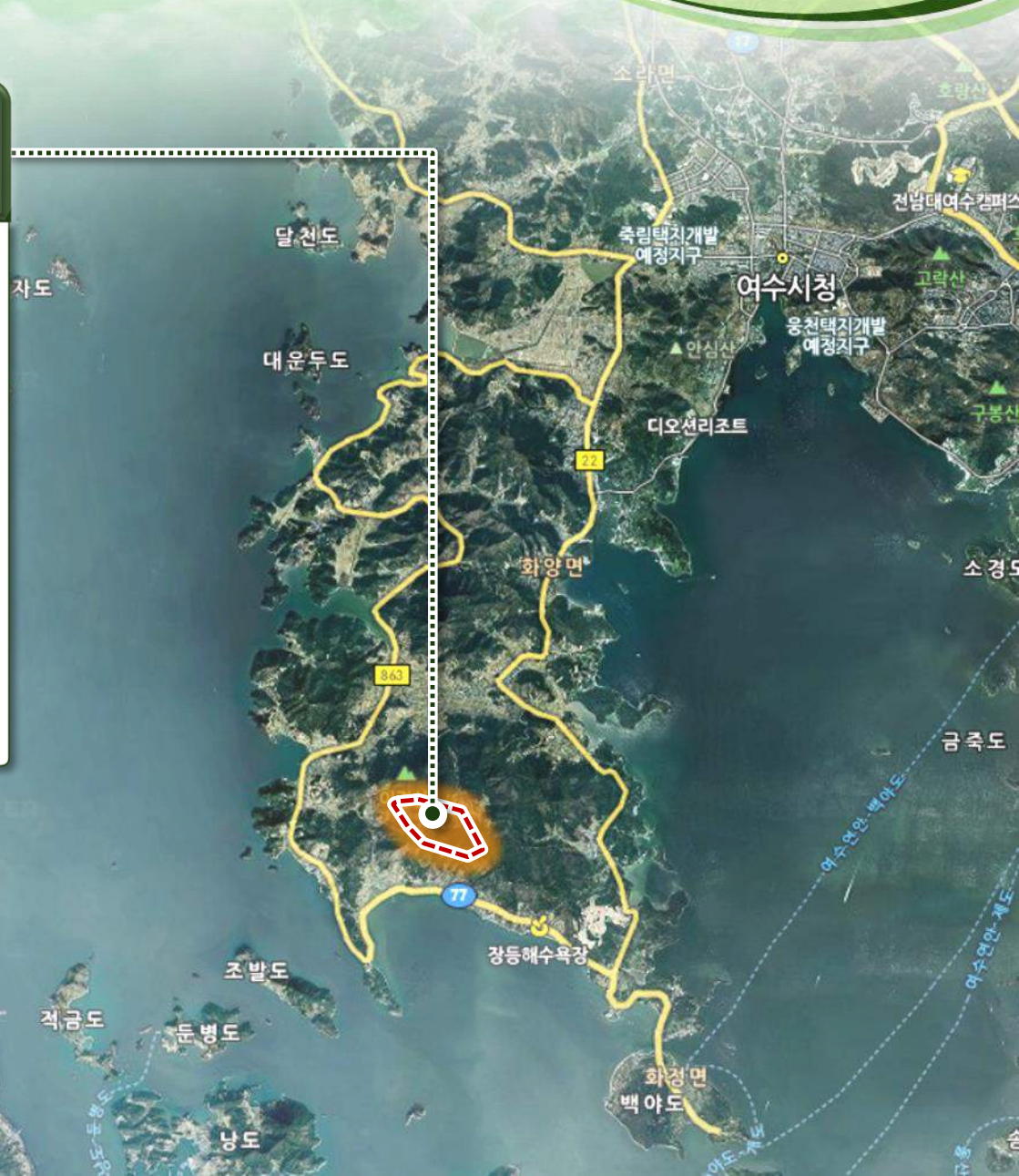


Hwayang District

Mountain Top
(0.97km²)



● Belvedere, Cable Car and Parks



Hwayang District

Hill Top

Forest Valley

Mountain Top

Golf Island

Marina Beach

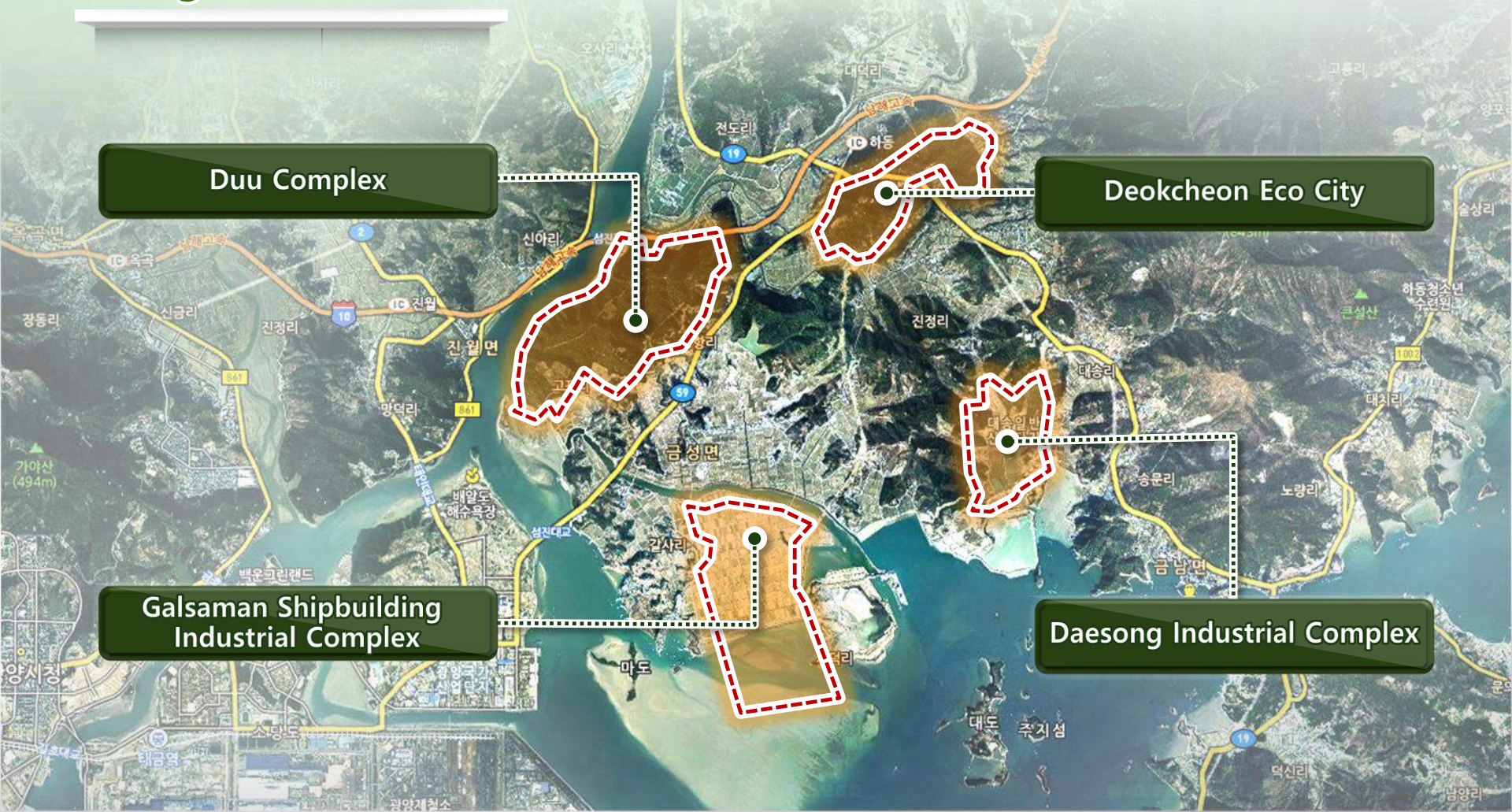


Hadong District : Multi-Function (12.17km²)



Development Goal : Cluster R&D, education and production functions for fostering world class offshore plant industry

Target Business : Production, Business, Residential, Tourism



Duu Complex

Deokcheon Eco City

Galsaman Shipbuilding Industrial Complex

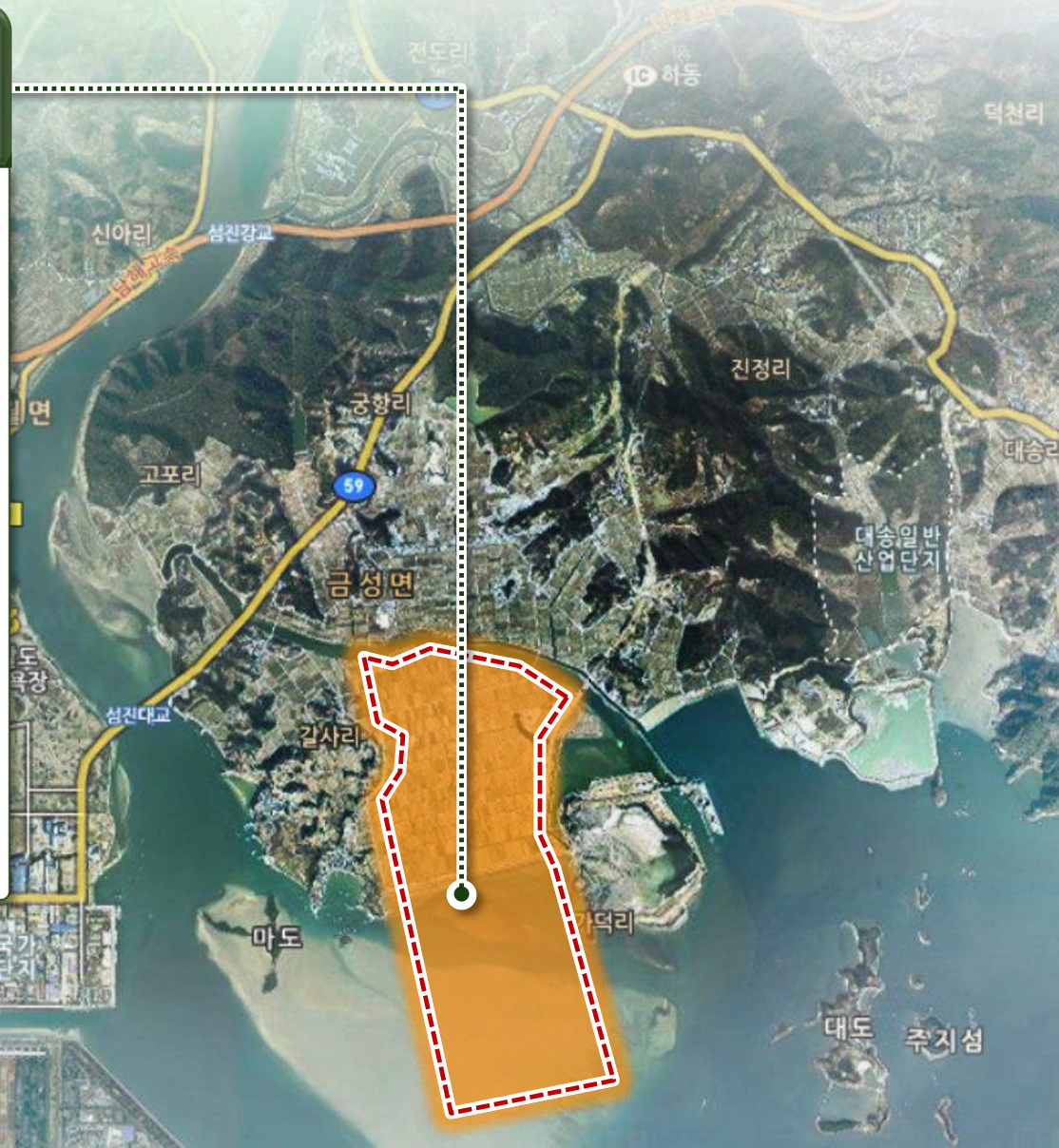
Daesong Industrial Complex

Hadong District

Galsaman Shipbuilding Industrial Complex (5.61km²)



- Project Period : 2008~2015
- Target Business : Shipbuilding, Marine Plant, R&D Facilities
 - * Daewoo Marine Shipbuilding Co., Ltd
 - * Comprehensive Testing Lab for Offshore Plant

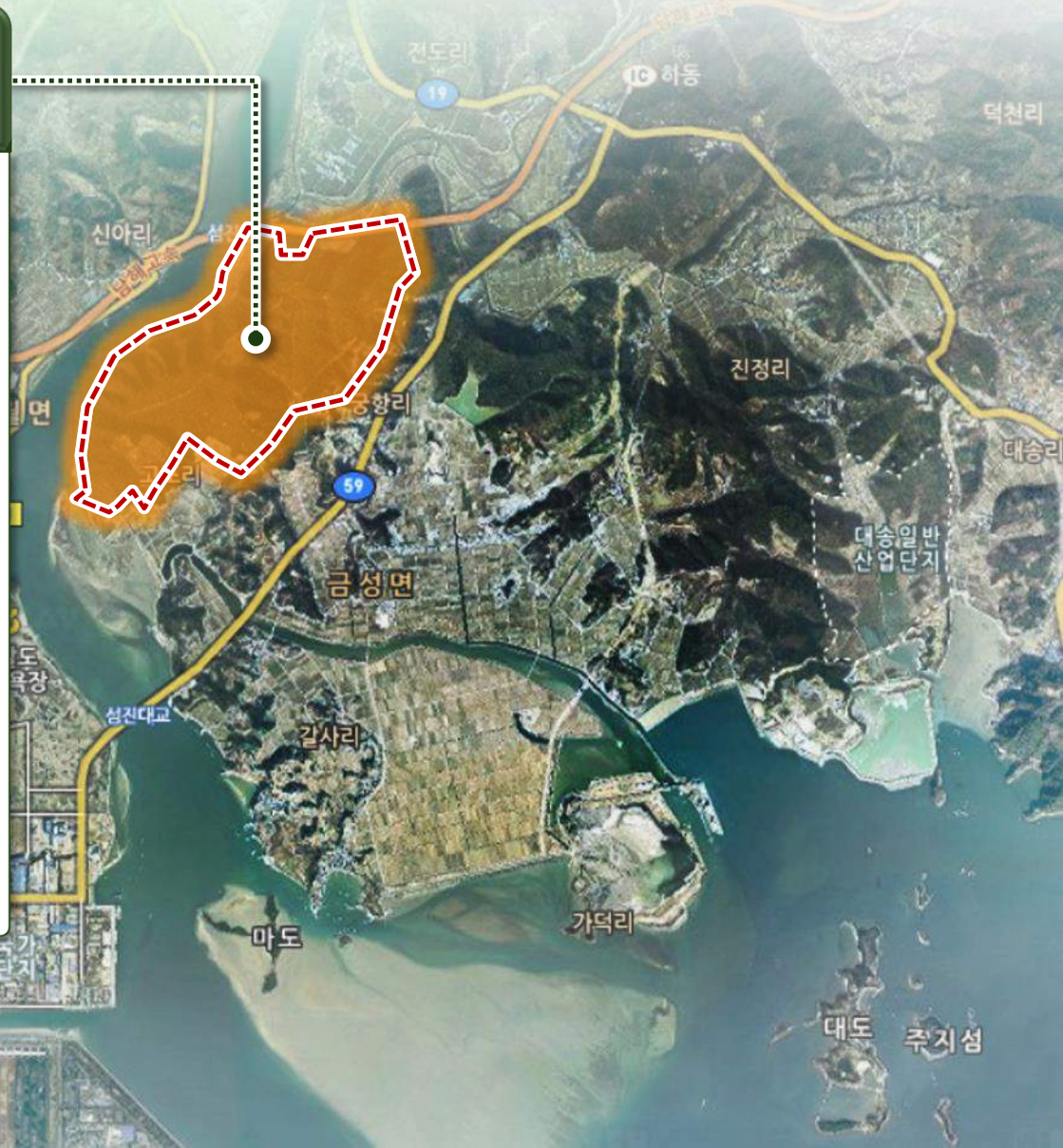


Hadong District

Duu Complex (2.65km²)



- **Investment Advantage :**
Construction site has been secured (Hadong County Office)
 - River-side leisure resort facility at the mouth of the Seomjin River
- **Target Business :** Tourism, Leisure Recreation, etc.

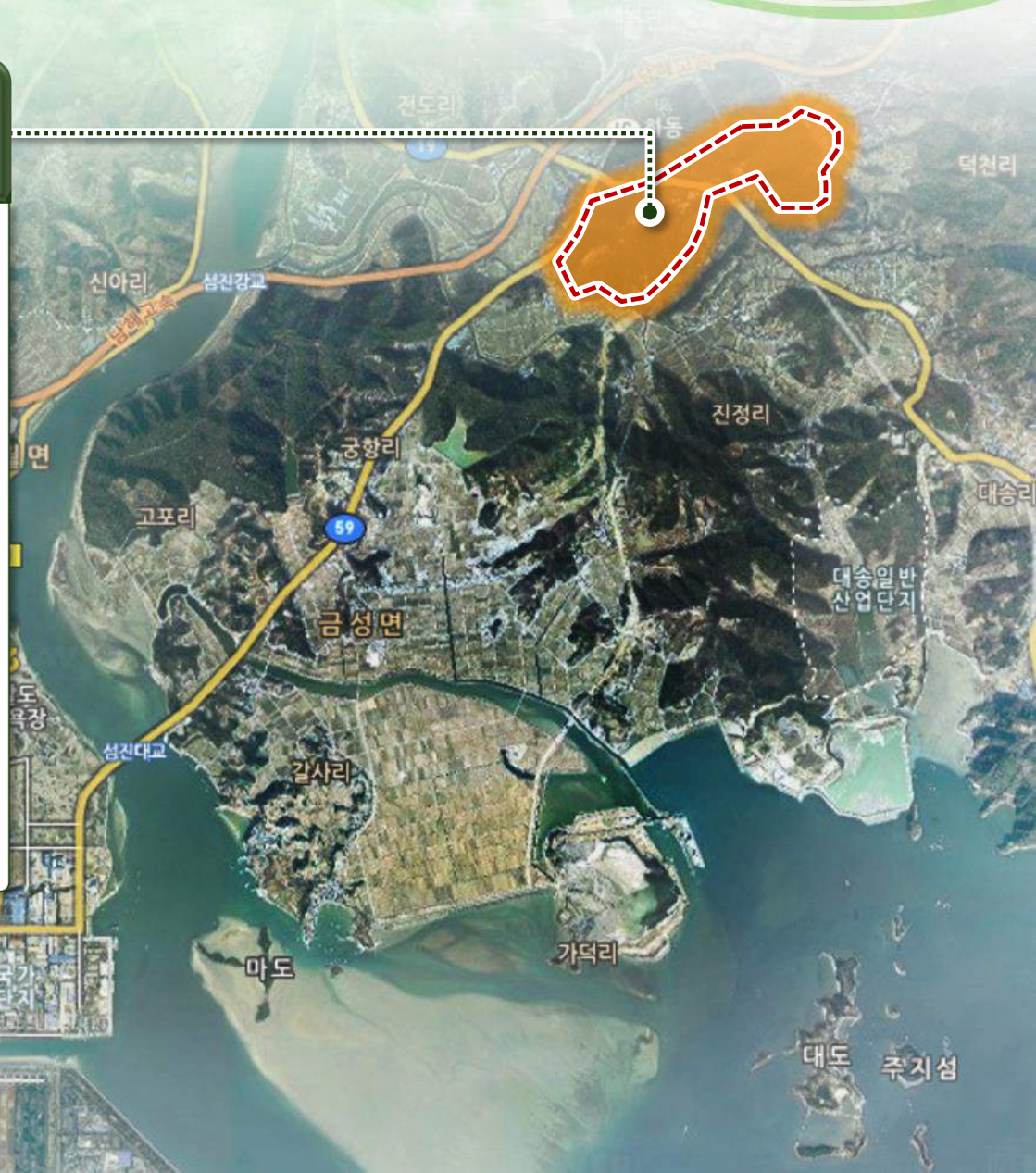


Hadong District

Deokcheon Eco City (2.54km²)



- Project Period : 2016~2020
- Target Business : International Business, Commercial and Residential Areas, Educational and R&D Facilities

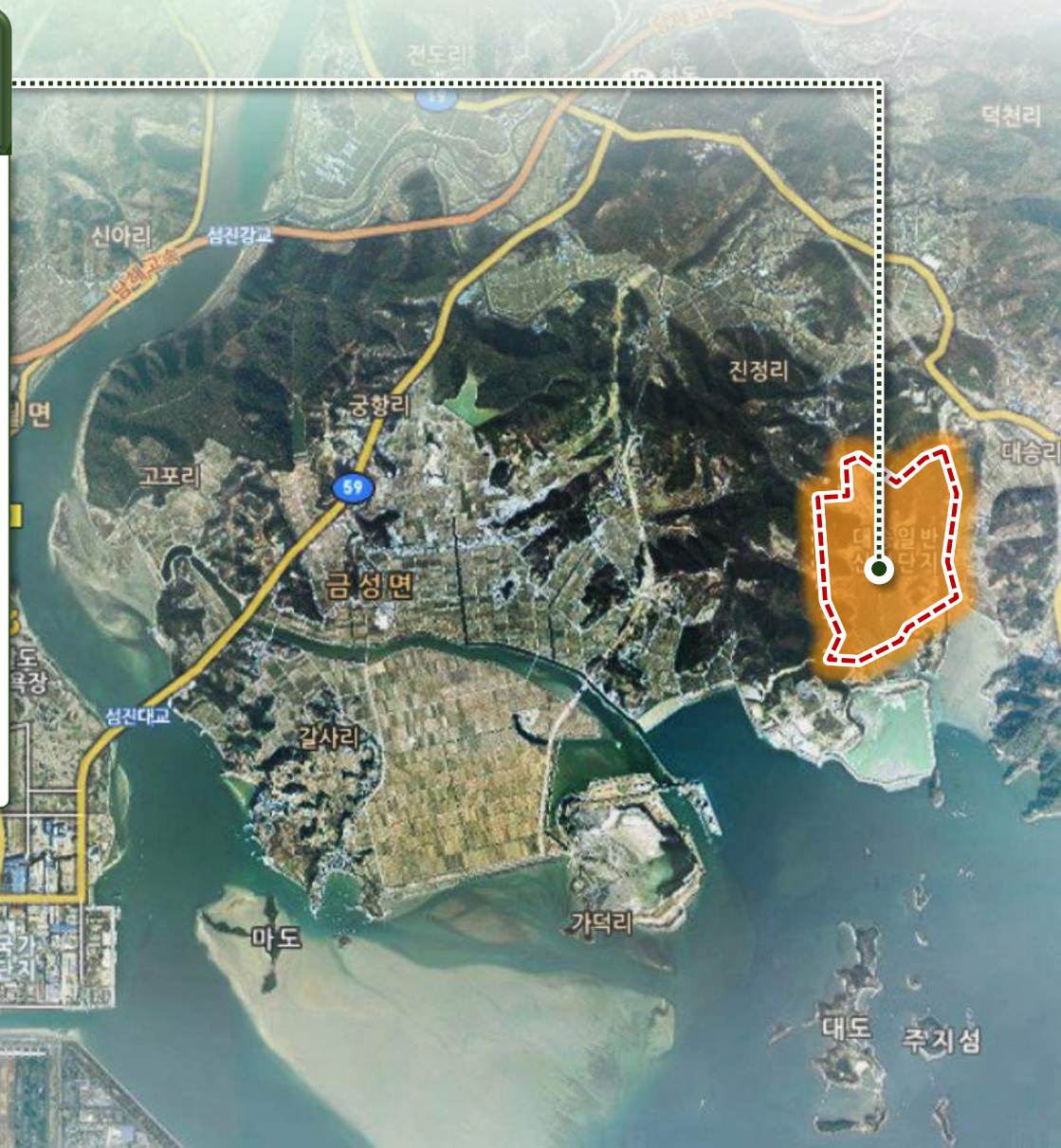


Hadong District

Daesong Industrial Complex (1.37km²)



- Project Period : 2009~2016
- Target Business : Metal Processing, Transportation Equipment Manufacturing



Hadong District

Duu Complex

Deokcheon Eco City

Galsaman Shipbuilding Industrial Complex

Daesong Industrial Complex





Achievements & Visions



Achievements & Vision



Investment Status

Domestic & Foreign Investment

Item	Total	Domestic	Foreign
Companies	169	122(72.2%)	47(27.8%)
Net Sum (million USD)	13,319	8,866(66.3%)	4,453(33.7%)

Origins

Items	Total	Korea	China	Japan	Netherland	Hong Kong	US	Others
Companies	169	122	11	8	3	5	7	13

Industries

Items	Total	Metal / Steel	Logistics	New Renewable Energy	Ship Building & Equipment	Industrial Complex Development	Tourism & Leisure	Schools	Others
Companies	169	71	25	8	8	8	1	5	43

Achievements & Vision

● GFEZ Vision & Strategies



2020 Vision

The Mecca of Global Economy

[4 Strategies]

Serve as a production base for future new industries

Build a Northeast Asian Composite logistics and business center

Build a city to settle down in that meets all international standards

Optimize investment conditions by Establishing a corporate-friendly culture

The Best Place to Do Business
Gwangyang Bay Area
Free Economic Zone

Thank You

