

The Depository Trust Company

IMPORTANT

B#: 1200

DATE: December 29, 2000

TO: All participants

CATEGORY: Dividends

FROM: Susan Mayham, Supervisor, Dividend Department

ATTENTION: Operations, Reorg, Dividend Managers, Partners, Cashiers

SUBJECT: TaxRelief - Country: KOREA
Hyundai Engineering and Construction CUSIP: 449185404
Record Date: 12/29/00 Payable Date: To be announced
Cut-off for EDS:1/26/01; Cut-off for certification: 2/2/01

DTC has been notified by **Citibank, N.A.**, the depository bank for the above issue, that Hyundai Engineering and Construction has declared a taxable dividend subject to multiple tax rates depending on country of residence of the beneficial owners of the Global Depository Shares (GDS). In order for holders to qualify for a reduced rate of withholding tax pursuant to an applicable tax treaty, the non-resident holder must provide to **Citibank**, evidence of tax residence of the beneficial owner of the GDSs as the Korean tax authorities require such information in order to establish entitlement to the benefits of the applicable tax treaty. In the absence of sufficient proof that the non-resident holder qualifies for the benefits of a tax treaty, withholding tax will be at a rate of **27.5%**.

Please note that Korean law does not permit a non-resident holder to recover withheld tax directly from the Korean Government even if the non-resident holder subsequently produces evidence that it was entitled to have tax withheld at a lower rate.

Participants can use the attached tax chart to determine their (client's) applicable withholding tax rate(s).

Participants are advised that the tax rates are not final and subject to change.

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Participants should use DTC's Elective Dividend System (EDS) under the **Foreign Securities** selection on the main menu, over the Participant Terminal System (PTS) to certify all or a portion of their position entitled to the applicable reduced withholding tax rate (s).

In addition, please complete and return the attached certification to Citibank following the directions listed below. A failure to certify through **EDS** and to return the attached certification (**with an original signature**) on a timely basis will cause the dividend to be paid less the maximum withholding rate.

If completed certifications are not provided to Citibank on or prior to February 2, 2001, to support an EDS election, the dividend on your holdings will be paid less the maximum withholding rate.

Note: The Deadline for Certifying Over EDS is January 26, 2001.
Original Certifications must arrive in Citibank, N.A./GTS offices by February 2, 2001.

The completed certification form should be faxed to Citibank, N.A./GTS at 1-800-633-4646, and the original delivered no later than February 2, 2001 to the following address:

**Citibank N.A./GTS
90 Broad Street
8th Floor
New York, NY 10004-2205**

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY (DIVA) FUNCTION, SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY AND PAYMENT INFORMATION.

Questions about eligibility or documentation requirements should be directed to Mr. Brett Lewis at Citibank, N.A./GTS at (800) 628-4646.

Questions about the EDS procedure should be directed to Mr. Steve McDonough or myself of DTC's Dividend Department at (212) 855-4524 or 4540 respectively.

As a reminder please note that Korean law does not entitle a non-resident holder to recover withheld tax directly from the Korean Government even if the non-resident holder subsequently produces evidence that it was entitled to have tax withheld at a lower rate.