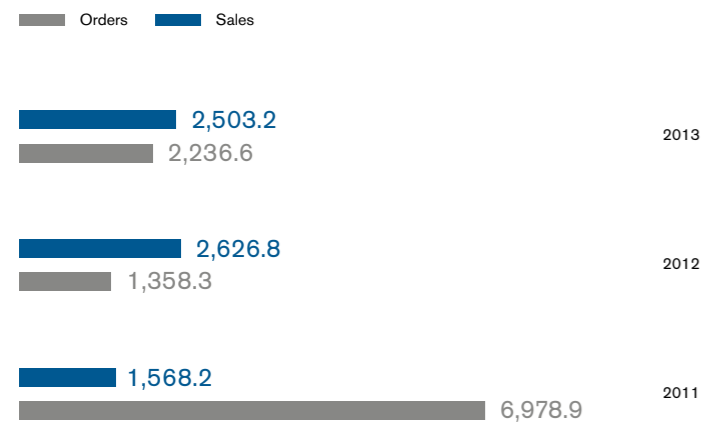


STEEL PLANTS

The steel industry plays an essential industrial role, forming the basis for many other industries. Given its economic importance, POSCO E&C has enhanced the competitiveness of the Korean steel industry through its excellent technological capabilities. POSCO E&C has shown outstanding results in business projects not only in Korea, but also all over the world, thanks to its advanced technologies, including the plant engineering expertise accumulated by the construction of POSCO's Pohang and Gwangyang integrated steelworks, as well as the FINEX process, an innovative technology of the steel industry. As the only total solution provider in the world to have the competence to perform steel plant EPC (engineering, procurement & construction), POSCO E&C is enhancing its global status by performing mega projects overseas, such as Brazil CSP steelworks, the biggest overseas steel plant order ever won by a Korean construction company and, integrated steelworks in Indonesia.

ORDERS & SALES



Basic exchange rate: average exchange rate in 2012 / 1\$ = 1,071.10 won (Unit: US dollars in millions)



Pohang Works, Korea

BUSINESS AREAS

FINEX	Iron Making	Steel Making
Continuous Casting	Hot Rolling	Cold Rolling

LIST OF PROJECTS

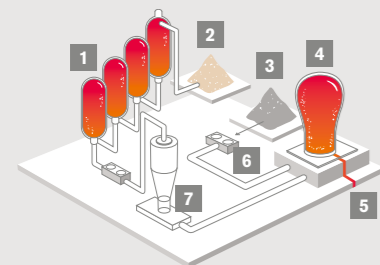
PROJECT NAME: PROJECT PERIOD, PRODUCTION CAPACITY

- Brazil CSP Steel plant: Jan 2012–Feb 2016, 3,000,000 tons/year
- Indonesia Integrated Steel Mill Project: July 2011–Dec 2013, 3,000,000 tons/year
- No.3 FINEX, Pohang Works: June 2011–Nov 2013, 2,000,000 tons/year
- No.2 FINEX, Pohang Works: Jan 2004–Apr 2007, 1,500,000 tons/year
- Gwangyang coke plant No. 5: Dec 2008–Dec 2011, 2,800,000 tons/year
- No.5 Sintering Plant Establishment, Gwangyang Works: Nov 2008–Jan 2011, 8,650,000 tons/year
- 2nd Revamping of No.1 Blast Furnace, Gwangyang Works: May 2011–June 2013, 5,500,000 tons/year
- India IISCO Blast Furnace: Oct 2007–Dec 2010, 1,400,000 tons/year
- New Steel-making Plant, Pohang Works, Korea: July 2008–Sept 2010, 4,600,000 tons/year
- New steel making plant at Changwon works of POSCO Special steel: Nov 2011–Mar 2012, 430,000 tons/year
- Asia Special Steel, Japan: Dec 2007–May 2009, 120,000 tons/year
- New Steel-making Continuous Casting Plant: Sept 2007–Feb 2010, 3,700,000 tons/year
- No.4 Hot Rolling Mill Establishment, Gwangyang Works: Dec 2010–Jan 2014, 3,300,000 tons/year
- POSCO Mexico NO.2 CGL: July 2011–June 2013, 500,000 tons/year
- POSCO Maharashtra CGL: Jan 2010–May 2012, 450,000 tons/year
- POSCO Vietnam CAL: Aug 2007–Sept 2009, 700,000 tons/year
- POSCO Mexico CGL: Oct 2007–June 2009, 400,000 tons/year
- Prosperity PGL, Taiwan: June 2007–June 2010, 500,000 tons/year
- ZPSS STS, China: Dec 2004–July 2006, 600,000 tons/year
- Plate mill project of Gwangyang works: Apr 2008–July 2010, 2,000,000 tons/year

TECHNOLOGY

FINEX

The FINEX process is an environmentally friendly iron-making technology that ensures efficiency, cost reductions, and prevention of emissions of pollutants. POSCO E&C developed this landmark technological process with POSCO to supplement the problems of old processes, such as high costs and the emission of pollutants like sulfur oxides and nitrogen oxides. Through the development of innovative technologies, POSCO E&C has contributed to the future of the steel industry.



- 1 Fluidizing Bed Reactor
- 2 Fine Ore
- 3 Non-coking Coal
- 4 Melting Furnace
- 5 Molten Iron
- 6 Coal Briquette
- 7 HCl



Brazil CSP Steel plant



Asia Special Steel, Japan



India IISCO Blast Furnace



No. 3 Sintering Plant Revamping, Pohang Works, Korea



New Steel-making Plant, Pohang Works, Korea



Indonesia Integrated Steel Mill Project

PROCESS

Steel-making plant master engineering technological process

Project planning: Check validity of project and location

Facility planning: Basic plan, detailed plan

Engineering: Basic plan, detailed plan

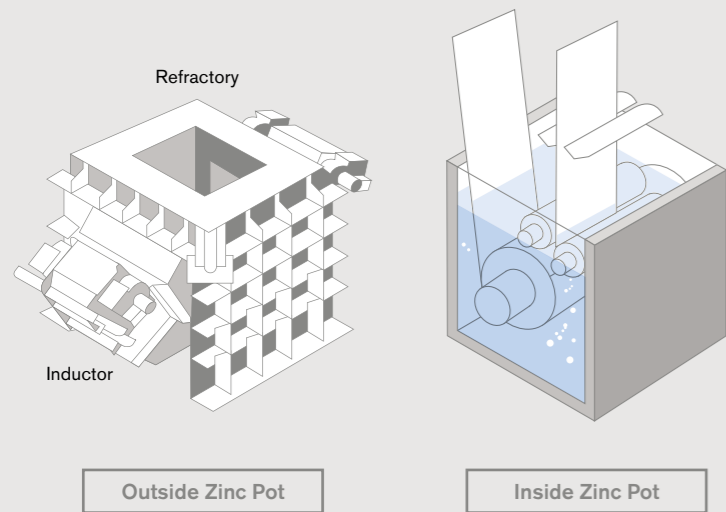
Construction work:
Order placement & construction management, inspection of construction, examination of equipment and materials, trial operation

Operation:
Training and guidance of operation staff, maintenance technologies

TECHNOLOGY

Zinc Pot, a surface treatment technology

Zinc pot is a core method for melting zinc and maintaining the temperatures of melted zinc consistently to manufacture galvanized sheet irons at the continuous galvanizing line (CGL). Advanced engineering companies have often relied on foreign specialized companies for this technology. However, POSCO E&C developed the specialized Zinc Pot through performance tests by establishing independent design standards and overcoming problems of the old method.



POSCO Vietnam CAL



POSCO Mexico CGL



Prosperity PGL, Taiwan



ZPSS STS, China



Revamping of No. 3 machine for No. 2 Continuous Casting Plant, Gwangyang Works, Korea



Iran TAVAZON (top) / No.3 FINEX, Pohang Works (bottom)