With successful projects accomplishments around the world, POSCO E&C has emerged as one of the top EPC Contractors. Recently, POSCO E&C has ranked 3rd in construction capability by Ministry of Land, Infrastructure and Transport of Korea.

GLOBAL EPC VALUE INNOVATOR

Started the Commercial Production of Gwangyang No.4 Hot Strip Mill Plant

Focus on Indian Steel Market – MMMM 2014

New Business Model for Long Products Plant

Expand Your Horizon With PEPCOM Solution – EPC
Started the Commercial Production of Gwangyang No.4 Hot Strip Mill Plant

To meet the demand of AHSS, API and automotive steel product, POSCO decided to expand the capacity of Gwangyang hot strip mill plant with a capacity of 3.3 million tons per annum and the project started in 2011 under the name of “Gwangyang No.4 Hot Strip Mill Plant Project”.

This is an innovative investment project through the cooperation among POSCO group with its own engineering capability from steelmaking to hot rolling. Currently, the hot strip mill plant has started the commercial production since July 11th, 2014 and the steelmaking and continuous casting plants are under the hot-run test stage, scheduled to be completed at the end of October with early accomplishment of the equipment stabilization. For the long term, this is designed to expand its capacity to produce 5.0 million tons per annum.

No.4 Hot Strip Mill Plant has quality competitiveness of automotive steel for the following reasons: the length of reheating furnace is extended to increase its productivity and improve the quality by sufficiently securing the residence time when the slab passes through the reheating furnace. Also, it adopts SSP (Slab Sizing Press) to increase the productivity of its slab. For the rolling mill parts, POSCO E&C provided entire design with its own technology enhancing the operability through the accumulated operation and maintenance records from POSCO. Besides, an applied pallet type conveyor significantly reduces the defects of the product during the transportation. It can prevent the surface flaw of its coil during the coil handling and provide extra space to add more lines when the production gets increased.

Overall, the No.4 Hot Strip Mill Plant minimizes its errors during the installation by applying improvement of previous plants’ problems such as its design and layout with its own technology as well as the perfect assembling test.

The insider of POSCO said, “Since this is the first hot strip mill plant with our own technologies, it is definitely meaningful and it will bring many positive effects. POSCO E&C achieved its facilities to reach the normal capacity within the shortest time successfully and also proved the superb quality. We will have to work on hard till its successful completion scheduled in October.”

FACTS & FIGURES

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<thead>
<tr>
<th>PROJECT</th>
<th>POSCO-No.4 HRM</th>
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<tbody>
<tr>
<td>CAPACITY</td>
<td>3,300,000 T/Y</td>
</tr>
<tr>
<td>PRODUCT</td>
<td>THICKNESS 1.2 mm - 22 mm</td>
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<tr>
<td></td>
<td>WIDTH 700 mm - 1950 mm</td>
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<tr>
<td></td>
<td>WEIGHT MAX. 35.0 t</td>
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<tr>
<td>LOCATION</td>
<td>GWANGYANG, KOREA</td>
</tr>
<tr>
<td>PERIOD</td>
<td>DEC. 2010 - JUL. 2014</td>
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<td>WORK SCOPE</td>
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Process Layout
POSCO E&C ranked 3rd in the construction capability evaluation from the recent publish of the Ministry of Land, Infrastructure and Transport of Korea, moved up two places from last year assessed amount with 9.22 trillion won (equivalent to USD 8.8 billion) despite of recent market downturn of construction industry. Construction capability evaluation is based on the company’s performance, financial status, technical capability, credibility to the national construction market.

This breakthrough is the result of the steady development of the majority of domestic and international construction business.

Making a significant contribution from the construction of POSCO Steel Works since the foundation of POSCO in 1968 to the construction of CSP Integrated steelworks, Brazil in 2012, POSCO E&C has grown rapidly to become top-ranked EPC contractor. Branching off from core competence of steel plant, POSCO E&C diversified successfully in the sector of Power plant, Architecture & Urban Development, Civil & Environmental plant since 1994.

As a result, POSCO E&C has become the lead company in both Korea and worldwide with the orders amount of 11.8 billion dollars and the revenue of 7.8 billion dollars which ranked 3rd contractor in Korea in terms of construction capability.

New Business Model for Long Products Plant

POSCO E&C and Daehan Steel, Korea’s top tier manufacturer of long products including square billet, deformed bar, processed rebar and bar in coil, have signed a memorandum of understanding for jointly promoting overseas mini-mill plant business.

This strategic cooperation certainly will expand business activities of each company on mutually beneficial basis in the sphere of long products plant projects.

Especially, it is expected to enhance POSCO E&C’s competence in performing ‘planning’ and ‘O&M phase’. Daehan steel will support ‘Planning stage’ by generating plan for reducing investment cost based on their 60 years of experience and ‘O&M stage’ by providing operational efficiency and quality control improvement which will lead early stabilization of the plant while POSCO E&C focus on providing optimized EPC contract.

POSCO E&C and Daehan Steel are currently developing specific overseas long products plant projects which will be designed under the new business model.
Expand Your Horizon With PEPCOM Solution

As top ranked EPC contractor, POSCO E&C have participated in numerous EPC projects worldwide. In this edition, the source of its EPC competence will be broadly covered. This brief introduction for of each phase of Engineering, Procurement, and Construction might help you have better understanding of POSCO E&C.

Engineering
Qualified and highly skilled team of engineers, with more than 20 years of experience assures a high quality of engineering services that means long operability for client’s plant. From conceptual design and basic design to detail design, POSCO E&C experts fully utilize the data from technical feasibility study stage and operation and maintenance data from all of POSCO’s steel plants to meet the clients’ requirements and minimize any kind of engineering errors. In addition, POSCO E&C can significantly reduce the project cost through the value engineering.

Procurement
With its own IPO (International Purchasing Organization), purchasing specialists operate a fully integrated supply chain. Direct accounts with major manufacturers, distributors and LCCs (Low Cost Country) enable POSCO E&C to offer the most competitive prices. For example, Brazil CSP integrated steelworks project sourced resources such as construction materials and equipment from 200 local companies. In addition, logistics and inspection team is dispatched to deliver the products without any delay and flaw.

Construction
Through POSCO E&C’s fast track project delivery, all construction tasks begin before design and construction documents are completed, which leads to significant time and cost save. This is why there has not been a single construction delay or cost overrun in POSCO E&C’s previous projects. Furthermore, POSCO E&C is able to conduct various worldwide projects through the localization. By forming the partnership with local companies, execution of all projects is improved in terms of its stability and cost.

Project Management
Project management consolidate all activities in a project. A project may be well conceived but if all of its aspects are not expertly integrated and managed, it may overrun the budget, fail to meet the schedule, or fall short in technical quality. POSCO E&C, with decades of experience in serving EPC contracts, knows how to manage all aspects to solve conflicts and identify risks before they become actualized.

Focus on Indian Steel Market – MMMM 2014

From 4th to 7th September 2014, POSCO E&C participated in the Minerals Metals Metallurgy & Materials International Exhibition and Conference (MMMM 2014) in New Delhi, India, which is India’s event of the steel industry providing opportunity to experience latest innovations, advancements and technological development in the field of mineral, metals, mining and allied industries.

POSCO E&C presented its broad portfolio of products and services, fostered customer relationships in personal discussions, and held several presentations focusing on technical advance of FINEX and large block ring method for blast furnace construction and modernization during the conference session. A large number of guests and customers discussed technical issues and potential projects with POSCO E&C. Impressive exhibits, such as FINEX and complete PEPCOM capabilities were presented via the on-site presentation and displayed materials. Visitors showed high interest and gained a better understanding of POSCO E&C and our core technologies through their visit.

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