



SAMSUNG ENGINEERING

Global Engineering Value Shaper

PERFORMANCE RECORD 2007



01 VISION

02 MAJOR PORTFOLIO

Hydrocarbon Plants
Industrial Plants
Environmental Facilities & Infrastructure

08 CEO'S VISION

10 STRENGTH of SAMSUNG ENGINEERING

Samsung's Unique Project Management System
Quality / Health / Safety / Environment
Human Resources
Research & Development

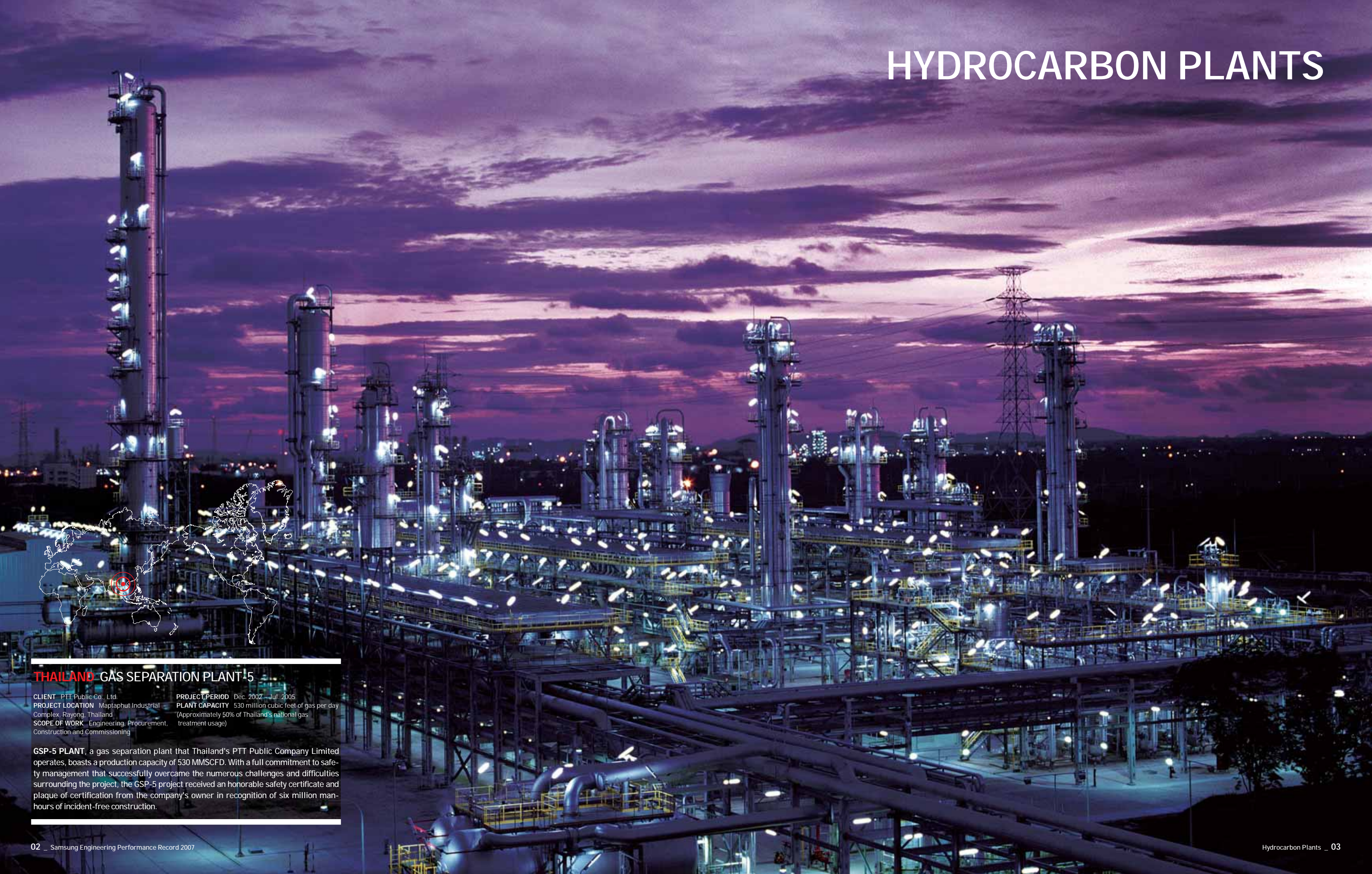
18 GLOBAL NETWORK

20 HISTORY HIGHLIGHTS

Samsung Engineering carries out projects in areas such as petrochemicals, refineries, gas, general industrial facilities and environmental infrastructures with the aim of enriching people's lives. We pursue this goal under the banner of "Global Engineering Value Shaper," creating a high future value in every area of the industry: feasibility studies, engineering, procurement, construction, pre-commissioning, facilities operations and maintenance.

With customer value creation as our prime mission, we plan to expand into stable, high-profit and high value-business areas in the future, such as high-tech facilities, environmental facilities, and biotechnology plants. By raising global engineering standards in every way possible, we expect to lead the world's EPC business by 2010.

HYDROCARBON PLANTS



THAILAND GAS SEPARATION PLANT-5

CLIENT PTT Public Co., Ltd.	PROJECT PERIOD Dec. 2002 – Jul. 2005
PROJECT LOCATION Maptaphut Industrial Complex, Rayong, Thailand	PLANT CAPACITY 530 million cubic feet of gas per day (Approximately 50% of Thailand's national gas treatment usage)
SCOPE OF WORK Engineering, Procurement, Construction and Commissioning	

GSP-5 PLANT, a gas separation plant that Thailand's PTT Public Company Limited operates, boasts a production capacity of 530 MMSCFD. With a full commitment to safety management that successfully overcame the numerous challenges and difficulties surrounding the project, the GSP-5 project received an honorable safety certificate and plaque of certification from the company's owner in recognition of six million man-hours of incident-free construction.



KOREA SAMSUNG SDI P4 LINE

CLIENT Samsung SDI Co., Ltd.
PROJECT LOCATION Ulsan, Korea
SCOPE OF WORK Engineering, Procurement, Construction and Commissioning

PROJECT PERIOD 2005-2007
(Construction completed : 2007, start of operations : 2007)
PLANT CAPACITY 180K/month (50" 6 cuts per sheet)

SAMSUNG SDI P4 LINE is Korea's first production line dedicated to manufacturing 50-inch screens, today's most popular model.

A new ultra-precision approach - 25,000 substrates are drilled on a single 50-inch screen to connect the upper and lower plates - was applied to this state-of-the-art intelligent building, designed to prevent even the smallest vibration.

ENVIRONMENTAL FACILITIES & INFRASTRUCTURE



KOREA SONGDO-MANSU SEWAGE TREATMENT BTO PROJECT

CLIENT City of Incheon
PROJECT LOCATION Incheon, Korea
SCOPE OF WORK Engineering, Procurement, Construction, Financing, Operation & Maintenance
PROJECT PERIOD 2002-2025
(Construction completed: 2005, O&M: 2006-2025)
PLANT CAPACITY Songdo 30,000 m³/day, Mansu 70,000 m³/day

SONGDO-MANSU SEWAGE TREATMENT PLANT was developed and implemented under the BTO (Build-Transfer-Operate) model, with a concession period of 20 years to build 30,000 m³/day, 70,000 m³/day at two plants, and 5.8 km of networks.

CEO'S VISION

Since being founded as Korea's first professional plant engineering company in 1970, Samsung Engineering has completed approximately 1,700 projects in Korea and around the world, venturing into overseas markets armed with creativity and a pioneering spirit. As a truly global EPC company, we lead the world in plant construction with our technological expertise, know-how and unrivaled human resources.

In the past, we have supplied our EPC services for the most optimal plant solutions - and at the most economic price - in the Middle East, Southeast Asia, and Latin America, with a focus on quality, safety and the environment. At the same time, we always strive to build a global management framework and customer-oriented total solution programs through the adoption of effective knowledge management and improvement of management efficiency.

Amidst fierce competition, there is room for only a few competitive market leaders in today's global plant design and construction market. In order for Samsung Engineering to remain among the most competitive companies in the field, our policy has been to constantly promote markets, customers and shareholders, all of which were instrumental in Samsung Engineering receiving an outstanding performance record in 2006. The company not only saw record profits that year, but it also successfully implemented its unique business cycle.

Furthermore, Samsung Engineering has grown more than two-fold over the last three years, with sales surpassing 3 trillion won. Maintaining and further accelerating this speed of growth, we hope to raise our gross sales to 6 trillion won by 2010 through the sustained build-up and consolidation of our resources and capabilities.

Currently, we are working on six hydrocarbon projects in Saudi Arabia alone, totaling US \$2.5 billion dollars. This remarkable achievement is a clear indication that our technology, cost management skills, thorough schedule & quality control capabilities, and safety management abilities are highly sought after and respected overseas.

Samsung Engineering is continually increasing the scope of its market and business portfolio. In fact, the company's market reach now encompasses the Middle East, Southeast Asia, Latin America and Central Europe, while our areas of business have become more diversified.

Our construction of hydrocarbon plants is limited not only to petrochemicals, refineries and gas processing, but also IT industrial businesses, food & beverage companies, and steel mill plants. As well, our business portfolio includes environment related plants for industrial wastewater treatment, sewage treatment and more. Furthermore, at Samsung Engineering we are continuously working to expand our business scope to LNG, desalination and new renewable energy resources.

At Samsung Engineering, we focus on people and technology, integral elements of the engineering business, as we make long-term investments in employees with integrated leadership skills to fulfill this goal. At the same time we are aggressively investing in the development of EPC technologies as well as new environment and energy technologies.

Increasing customer value and providing full customer satisfaction is our mission at Samsung Engineering. Every part of our company is designed to be customer-oriented, and we will pursue win-win relations and long-term partnerships with our customers based on this belief.

Your unwavering trust and commitment to Samsung Engineering is pivotal to the company's growth and development in the future. Thank you.

Yeon-Joo Jung
President & CEO
Samsung Engineering Co., Ltd.



With a promise from the CEO to become the most competitive company in its field, Samsung Engineering will continue delivering top value to its customers.

SAMSUNG'S UNIQUE PROJECT MANAGEMENT SYSTEM

PMS is a system of technology services and strategic alliances that empowers the engineering, procurement, construction and operations processes. This integrated EVMS-based system is a key component of Samsung Engineering's international success in the EPC business.

Samsung Engineering carries out total project management in all project phases, including design, procurement, construction, operations and maintenance. The project team is led by a project manager, and consists of expert engineers and staff from each discipline, all of whom are fully committed to the development of the basic plan, including schedule, cost, quality, and safety. A plant is a complicated integrated system consisting of different elements / components and functions that must take into account economic efficiency, reliability, safety, higher operability / maintainability and consideration to the environment. In order to satisfy such requirements, Samsung project teams, with their extensive experience and industry-leading abilities, procure equipment, materials, and multi-national manpower resources on a global scale to complete all construction work on schedule. With high-level engineering technologies and a unique project management system, Samsung Engineering builds plants that exceed every client's standards.

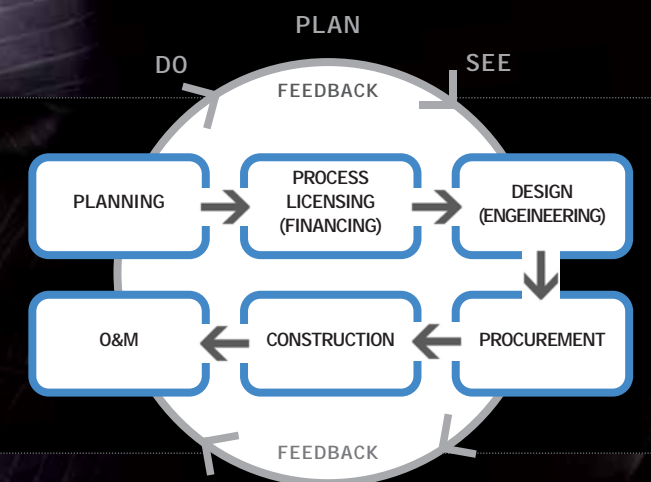


Project Management System (PMS)

PMS is a tool that, under a unified concept (WBS), manages the various resources (human resources, materials/equipment, financial resources, drawings and specifications) and schedules necessary during the implementation of the design, procurement, construction, and commissioning of a project. Samsung efficiently supports various implementations by using PMS to guide each project to a successful completion. PMS consists of various subsystems (communications, engineering, construction, collaboration, EDMS, QA/HSE) which are integrated within the company's main network.

"Samsung Engineering makes full use of PMS in carrying out systematic in-depth studies, project schedules and budget control, thus maximizing our project management capabilities. We also ensure perfect performance measurement and project execution."

● Executive Vice President _ Ki-Seok PARK



QUALITY · HEALTH SAFETY · ENVIRONMENT

Samsung Engineering aims to be a world-class Q-HSE company by attaining global quality competitiveness through the highest quality and safety standards, as well as environment and health activities that are based on a customer-oriented process.

With a top quality customer-oriented management system that is continually improving, Samsung Engineering offers the industry's most optimal products and services. Its world-class management abilities also help make lasting contributions to individuals and society alike. In order to realize our goal of a zero accident rate, we propose the following:

To minimize all risks related to safety and the environment that could occur in the work process, Samsung Engineering identifies safety and environment related risks that could arise at any stage and periodically conducts risk assessment and simulation programs.

As well, in accordance with industry rules and regulations related to safety and the environment, we conduct all work in a safe and environmentally friendly manner both at home and abroad.

All Samsung Engineering employees and relevant partners (pursuant to our quality, safety and environmental management policies), receive HSE education and training courses, while working diligently to ensure top quality, safety and environment management. Samsung Engineering only does business with partners that demonstrate the highest quality, safety and environmental standards. Moreover, rigorous internal and external audits ensure that we constantly meet all relevant ISO 9001, OHSAS 18001 and ISO 14001 requirements.

Positive steps are consistently taken with our quality, safety and environmental management system, as well as any associated procedures, to make sure they are being used effectively. We also seek sustainable advancement in every component of quality, safety and environment management.

"Our highest priorities are quality, safety and the environment. We deliver the most optimal customer-oriented quality services, while providing a safe and pleasant work environment for employees, customers and the local community."

● Vice President _ Suck-Ju HONG



Quality

Customer-Oriented Service / Functional Competitiveness
Optimal Process / Skill, Knowledge and Experience
Sharing / Accident Prevention Activities

Safety

"A-less (Accident-less) Program"
Line Management / Education / Simulation / Systemization

ISO 9001:2000 / TÜV (Germany)
Quality Management System

OHSAS 18001:1999 / TÜV (Germany)
Occupational Health Safety Assessment Series

ISO 14001:2004 / TÜV (Germany)
Environmental Management System

Award

Outstanding Quality/Environmental Management System

Safety Performance

Saudi APPC PDH/PP Project
Saudi TASNEE Ethylene Project
Thailand TOC EO/EG Project
Thailand Songkhla GSP-1 Project
Vietnam Phumy Fertilizer Project
Malaysian Olefins Project

HUMAN RESOURCES

Through vision and value-sharing we are nurturing tomorrow's most creative leaders, each of whom will be equipped with expertise, leadership, and a global mindset.

CDP-based systematic education and training is given to all employees with the aim of fostering a sense of international business alongside job expertise.

In order to train business experts in touch with international markets and trends, we utilize regional specialist systems in all of our strategic markets. At the same we are dispatching more GBLs (Global Business Leaders) around the world than ever before to ensure a smooth transition into all overseas markets, with the goal of enhancing every employee's GBL skill set.

In addition to developing integrated management knowledge and practical skills, Samsung Engineering sponsors domestic and foreign MBA courses for employees as it focuses on developing world-class manpower that makes use of our new "Employee Early Professionalization" program and "Core Job Expert" course.

Furthermore, systematic education, training systems, and core-talent programs for new workers are being developed so that every employee is equipped with job expertise, leadership and global competitiveness.

Samsung Engineering has also hired experts in selected areas of core engineering that are required for high value-added new businesses.



Manpower

Annual Rate of Growth : 20%
[Dec, 2006 : 2,300]

Resource Mix

Biz Development _ 3%
Project management _ 27%
Engineering _ 31%
Procurement _ 4%
Construction _ 26%
Admin & Finance _ 9%

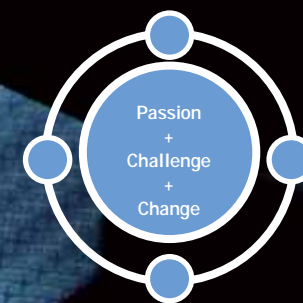


By nurturing lateral thinking and flexible ideas, Samsung Engineering is developing globally-minded individuals whose guiding principles are a frontier spirit, integrity, innovation and teamwork.

● Vice President _ Sung-Young KANG

INTERGRITY

Employees behaving in a just and ethical fashion



FRONTIER SPIRIT
The world's top leaders

INNOVATION
Integrated leaders with endless passion and an indomitable spirit

TEAMWORK

Talent-sharing values and a vision to help build a world-leading company

RESEARCH & DEVELOPMENT

Samsung Engineering will continue to pursue its leading R&D program, the foundation of any top globally competitive engineering company.

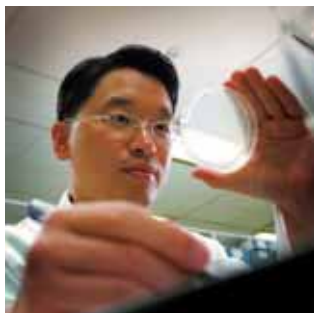
Samsung Engineering's R&D Center was founded in 1987. Since then it has tackled environmental and energy related research projects with unrelenting vision and determination. This approach has yielded several high profile successes, including a novel innovation in hydrogen storage, high-class systems related technology, and core technologies in the field of fuel-cells - an emerging next-generation clean energy resource.

To facilitate accumulation of technical expertise in semiconductor and LCD ultra-pure cleanroom businesses, Samsung Engineering has also equipped itself with cleanroom analysis laboratories and equipment, thus focusing its investment and research on high future-value return business areas. In addition, we have acquired several intellectual property rights (IPRs) that grant us the proprietary rights to patented and/or trademarked technologies.



"Our vision to be a 'value creator through leading technologies' is in line with our mission to create novel and cutting-edge technology that creates new businesses, develops technology to expand current businesses and improves the technical skills of line management."

● General Manager _ Yong-Ho YU



Petrochemicals / Energy Technology

Synthesis Gas Processing Technology
 Developed High-Efficiency, Low-Cost Hydrogen Catalyst
 Aromatics Complex Energy Optimization
 Technology of Fluidized Bed Incineration

Environmental Technology

PADDO Process SM Process
 MBR Process BIOFIL Process
 Restoration Technology of Polluted Soil
 Ultra-Pure Water Process / Analysis

Bio Technology

Highly developed portable bio-sensors measure the total amount of nitrogen

Structural Technology

Micro Vibration Control Technology

- **PADDO Process** : The PADDO process is a 5-stage biological nutrient removal process
- **SM Process** : SM (Samsung Media) process
- **MBR Process** : MBR (Membrane Bio-Reactor) process

IPR (Intellectual Property Rights)

[May, 2007]

Patent	Utility	Model	Program	Trademark/Service	Total
Application	148	4	40	44	236
Registered	88	4	40	39	171

HISTORY HIGHLIGHTS

Ever since its foundation in 1970 as the first engineering company in Korea, no other company has come close to matching Samsung Engineering's track record of safety and success. Its core technological know-how is also unrivaled in the industry.

■ Mission to Develop an Engineering Business

1970 _ Establishment of Korea Engineering Co., Ltd. (KECL)

■ Start of the Samsung Engineering Era

1978 _ KECL (presently Samsung Engineering Co. Ltd.) acquired by Samsung Group
1983 _ Designation of Engineering Center within Samsung Group
1987 _ Establishment of R&D Center

■ Developing into a Leading Engineering Corporation

1991 _ Company name changed to Samsung Engineering Co., Ltd.
1991 _ Opening of Korea's first environmental engineering center
1994 _ Ranked No.1 in environmental pollution preventive infrastructure construction for 1993
1995 _ Recipient of Presidential Award at 1st Environment Technology Ceremony hosted by Korea's Environment Ministry

■ Becoming the World's Leading Contractor

1996 _ Recipient of ISO 14001 Environment accreditation
1996 _ Designated No.1 zero accident construction firm
1996 _ Recipient of Korea Management Association's Top CEO Award
1996 _ First company in the industry to top the 1 trillion won mark in new business orders and sales
1996 _ First company in the industry to be publicly traded
1998 _ Awarded the 31st Silver Tower Industrial Medal in recognition of industrial accident prevention

■ Becoming a Total Solution Provider

2000 _ Awarded the Gold Tower Industrial Medal's Grand Prize at the Korean Construction-Development Promotion Convention
2002 _ Awarded the Grand Prize at the Seoul Architectural Awards for its building of Seoul's 2002 FIFA World Cup Stadium
2002 _ Opening of Samsung SEI Tower
2003 _ Mr. Yeon-Joo Jung inaugurated as President & CEO

■ Rewriting History as a Global Engineering Value Shaper

2004 _ Awarded the Steel Tower Industrial Medal for construction of KTX (Korea Train Express)
2004 _ First Korean firm to win TÜV Quality Award in non-manufacturing business category
2004 _ Awarded the Stone Tower Industrial medal for construction of DongHae-1 Gas Field
2005 _ 2.9 trillion won in new orders
2005 _ Granted credit rating of AA by KCFC (Korea Construction Financial Cooperative)
2005 _ Signed MOU with Mustang Engineering, L.P.
2005 _ Exchanged MOU with UNEP to jointly develop an Internet environmental education program
2005 _ Received OHSAS 18001 Safety and Health accreditation
2006 _ Opening of SEI (Samsung Engineering India)
2006 _ Surpassed 3 trillion won level in orders (overseas orders: US 2 billion dollars)

[www.samsungengineering.com]