



Korea Power Engineering Company, Inc.



February 2010

I. Company Overview



KOPEC – Korea's Leader in Power Plant Engineering Company



“To become a world-class power plant engineering specialist”

Market dominance now and beyond

- Korea's leading provider of design and engineering for nuclear, thermal and hydro-electric plants
- 35 years of experience with 20 nuclear power plants under its belt
- Current 100% market share in nuclear power plant design
- State-of-the-art technology for thermal and nuclear power plants
- Strong position to capture the growing market in Korea and overseas

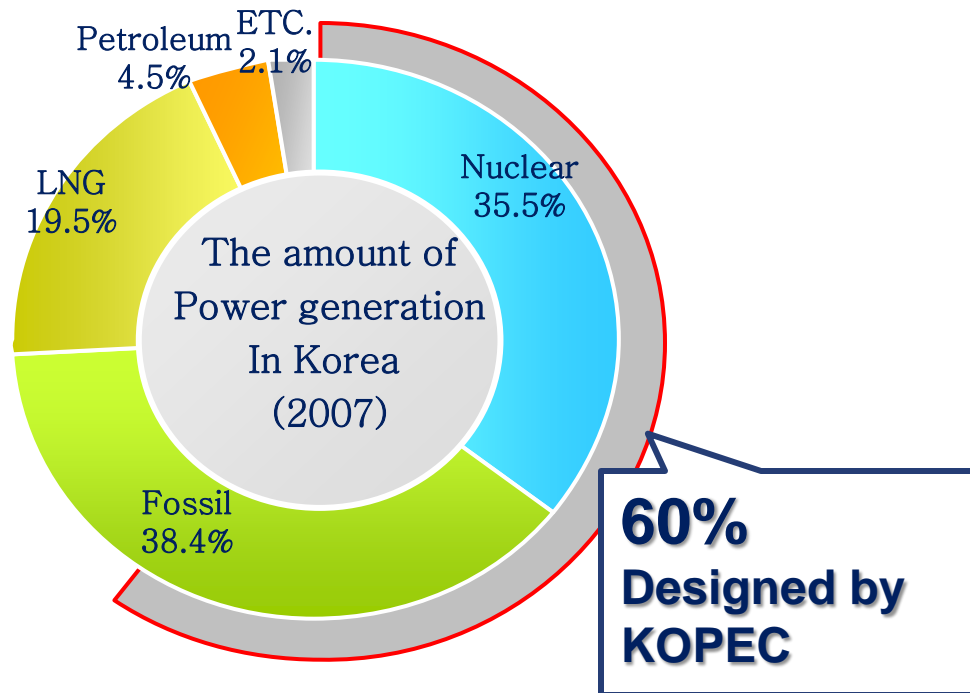
Business Overview

Nuclear Power Plant Engineering	<ul style="list-style-type: none">▪ Architectural Engineering of Nuclear Power Plant▪ Nuclear Steam Supply System (“NSSS”)
Thermal Power Plant Engineering	<ul style="list-style-type: none">▪ Standard Coal Fired Plant▪ Large scale Coal Fired Power Plant▪ Combined Cycle Power Plant▪ CFBC
Others	<ul style="list-style-type: none">▪ Project Management(PM)▪ Construction Management(CM)

Business overview

Design & Engineering

**60% of electric power generation in Korea
produced in the power plants designed by KOPEC**



Business overview

O&M (Operations & Maintenance)

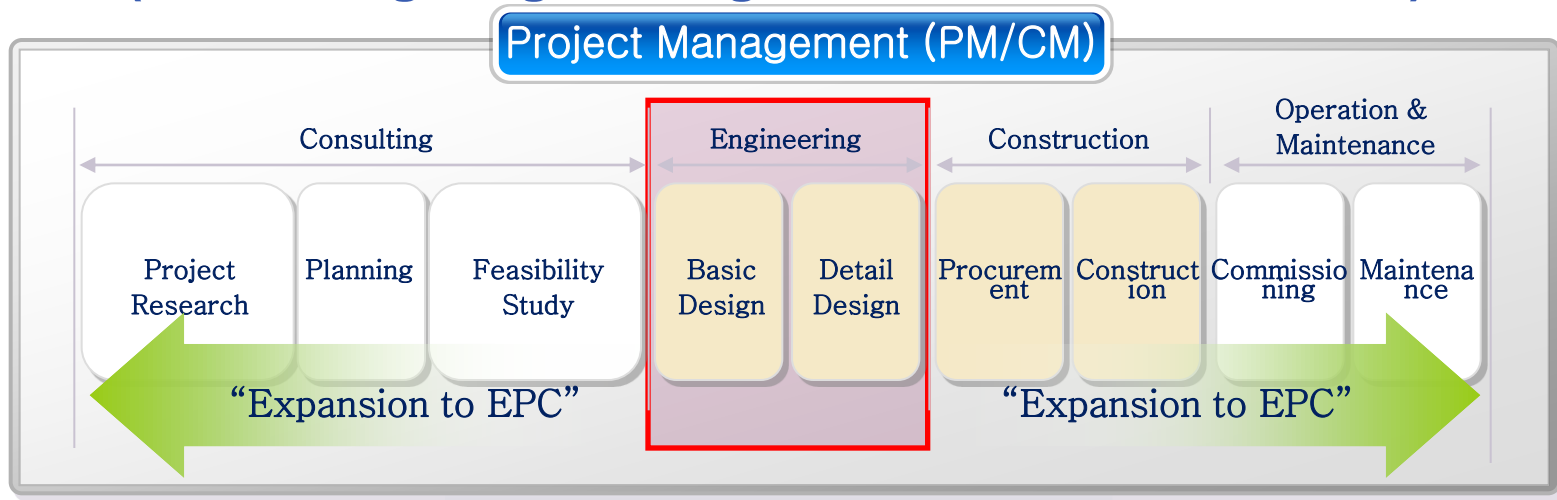
Contribution to the improvement of the existing plants' operability, efficiency, and safety



Business overview

PM/CM

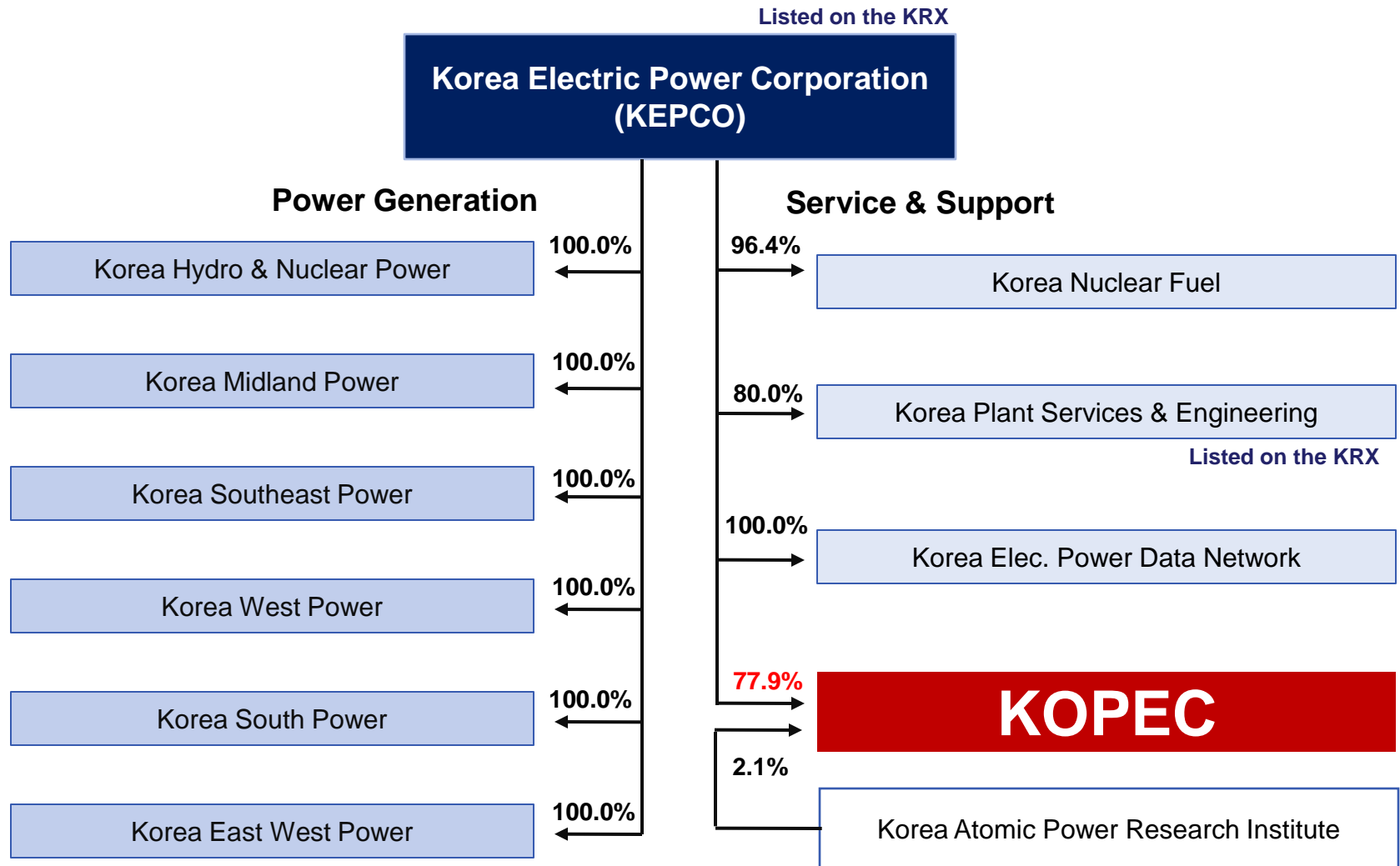
Management of entire or some parts of a construction project
(Consulting, Engineering, Construction, O&M , etc)



Involved Projects

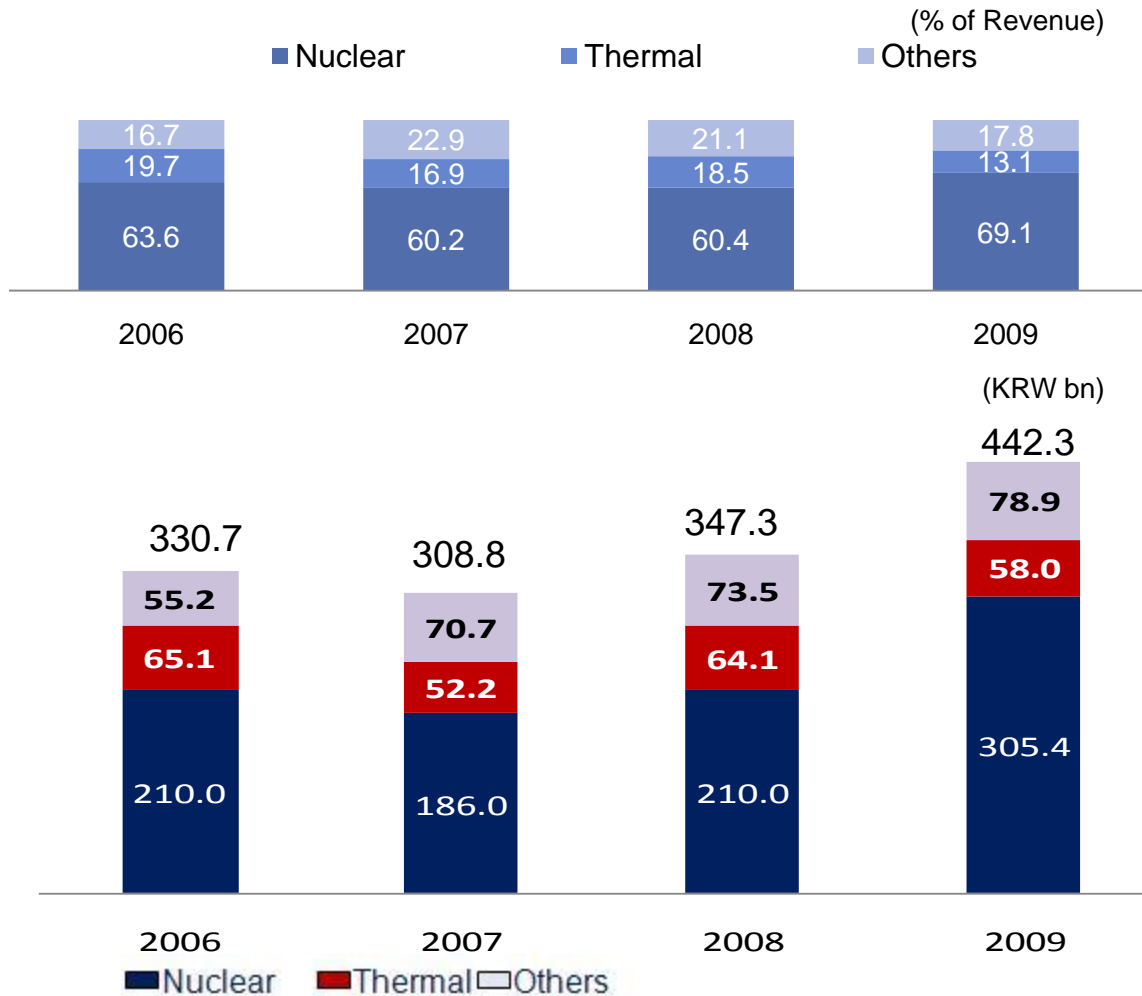


Ownership – KEPCO & Affiliated Companies



Revenue

Revenue Breakdown



II. Investment Highlights



Investment Highlights

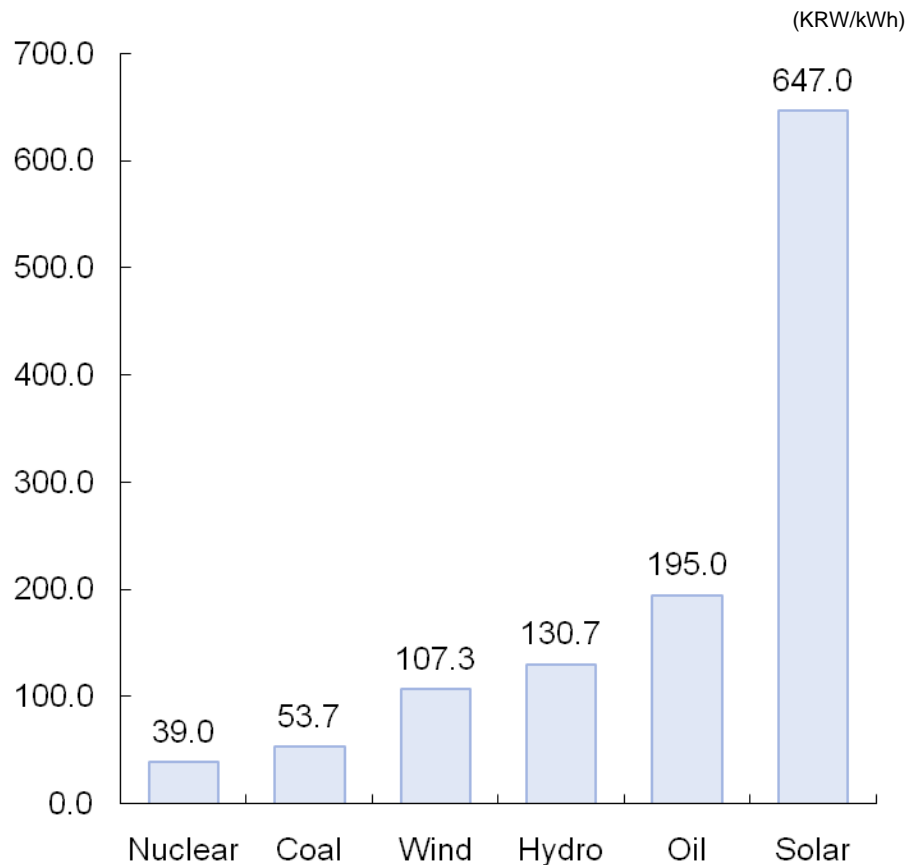
- 1 Attractive market opportunities in Korea and overseas
- 2 Proven track record and technology
- 3 Experienced and capable manpower
- 4 Solid financial position

Attractive Market Opportunities – Rediscovery of Nuclear Power



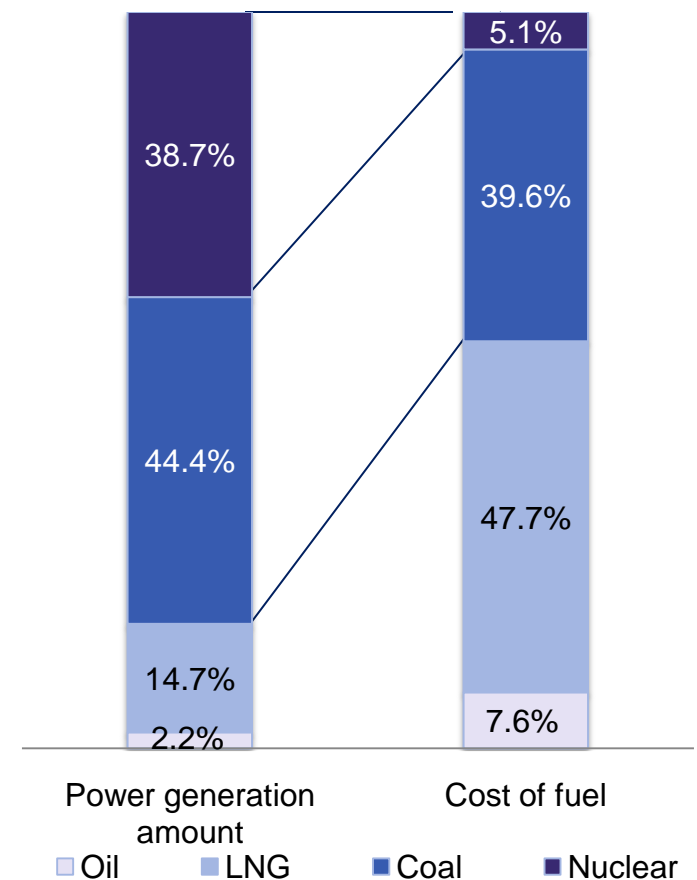
Cost-effective & efficient source of energy

Selling cost by generation source



Source: KEPCO as of the end of 2008

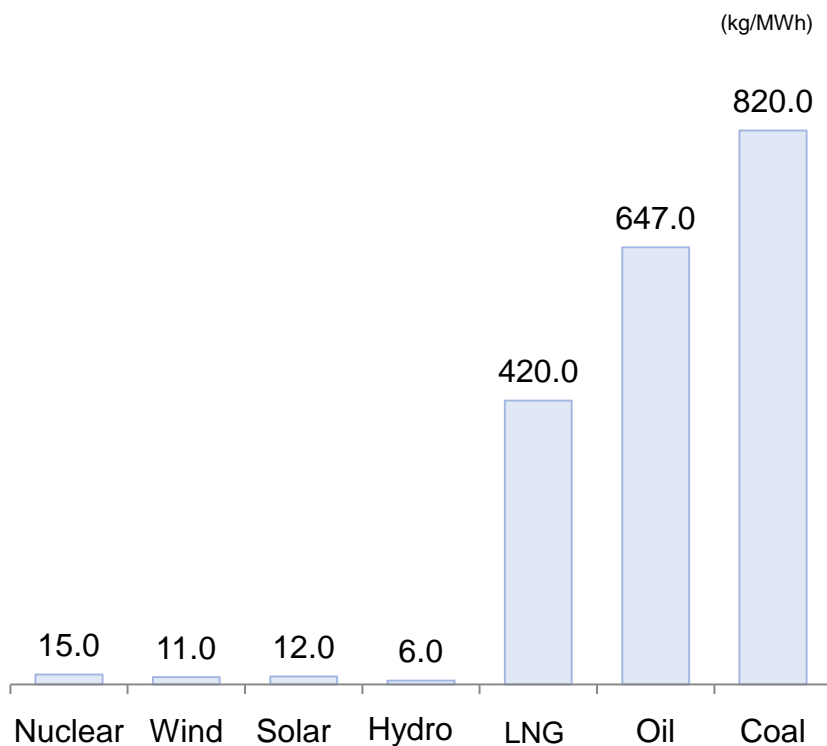
Power generation volume vs. cost



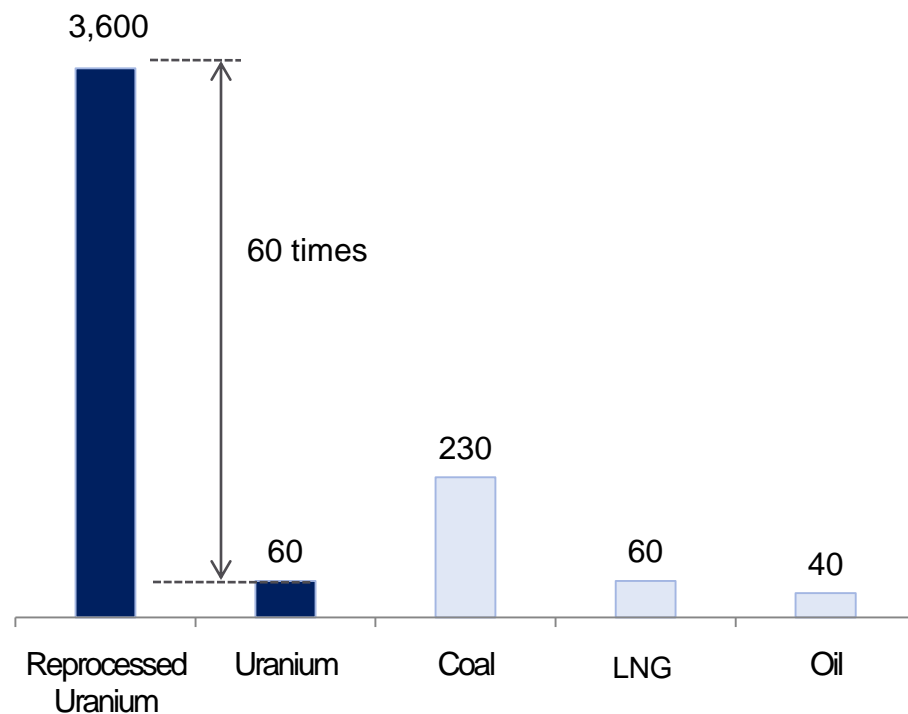
Attractive Market Opportunities – Rediscovery of Nuclear Power (Cont'd)

Clean and environmentally-friendly source of energy.

Carbon dioxide emission by fuel type



Usage life span by fuel type

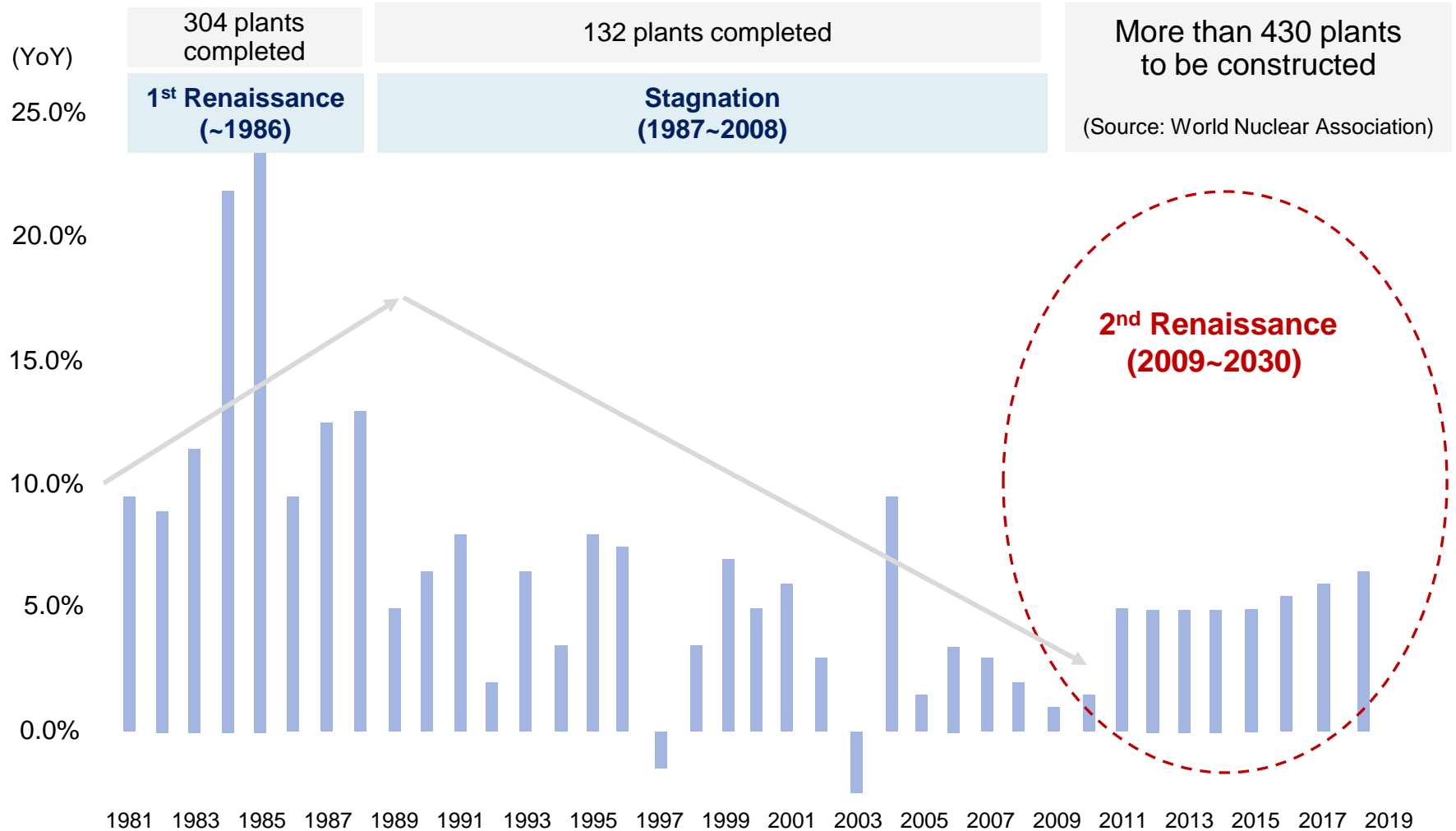


Source: European Commission, KHNP

Attractive Market Opportunities – Global Market Growth



Beginning of a 2nd Renaissance in the nuclear industry



Attractive Market Opportunities – Korea's Focus on Nuclear Energy (Cont'd)

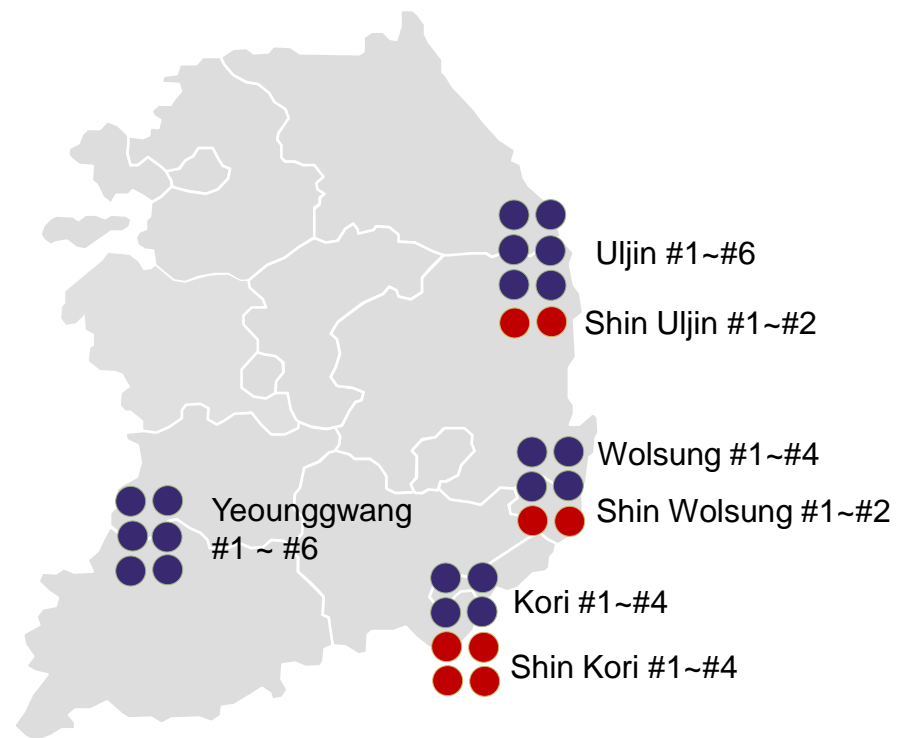
KOPEC's Proven Track Record in Korea

- Korea's sole provider of power plant engineering, with 35 years of specialization
- Participated in engineering for all 20 of Korea's nuclear power plants.

1975 - 1986	9 projects as sub-contractor
1987 - 2009	11 projects as prime contractor
Current	100% market share

Nuclear power plants contracted since 1987

- Nuclear power plants constructed
- Nuclear power plants currently under construction



Source : KHNP, KEPCO

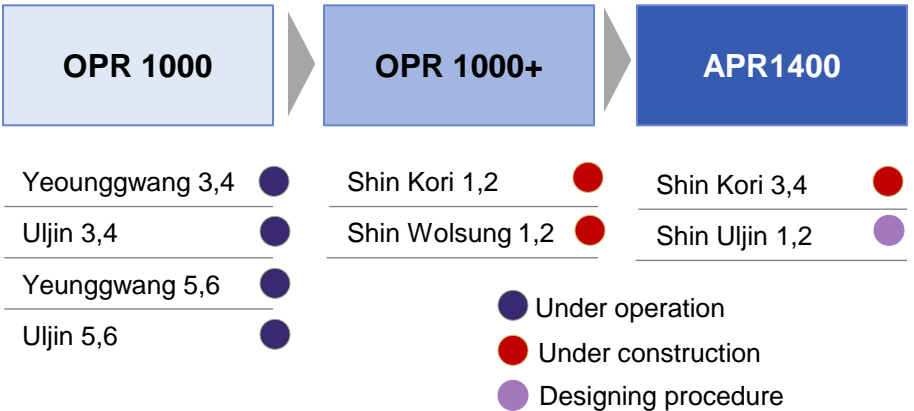
Market Leadership – Technology



Differentiated technology focus

	A/E (Architectural Engineering)	NSSS (Nuclear Steam Supply System)
Design/ engineering	KOPEC	KOPEC
Construct/ manufacture	Hyundai, Daewoo, SK, Samsung, etc	Doosan Heavy Industry

Models for nuclear power plants



Expanding areas of expertise

Environment

- Denitrification system
- Desulfurization system
- Carbon capture storage (CCS)

Renewable energy

- Wind power energy
- Tidal power energy
- Solar power energy

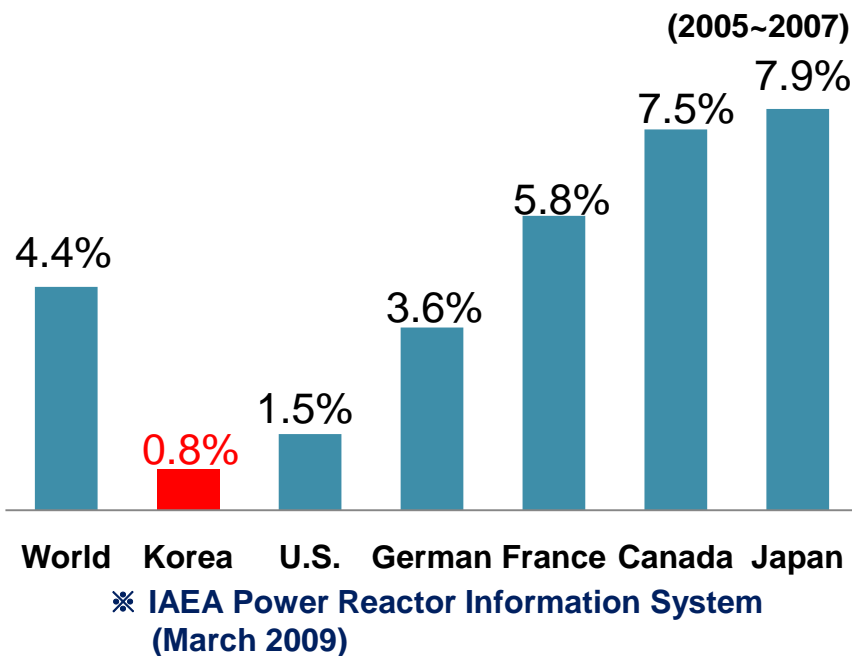
Operations & maintenance

- Managing power plant life span
- Analyzing power plant
- Safety
- Performance upgrade

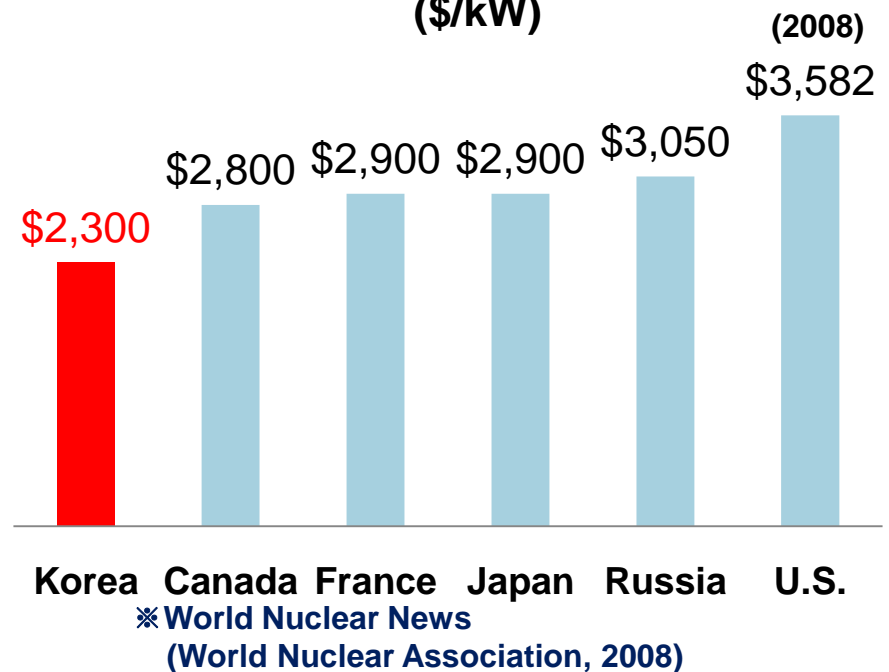
The Strength of Korea Nuclear Power Plant

The best stability, safety and price competitiveness in the world.

Unplanned Capability Loss Factor



Cost of Building Nu. Power Plant (\$/kW)



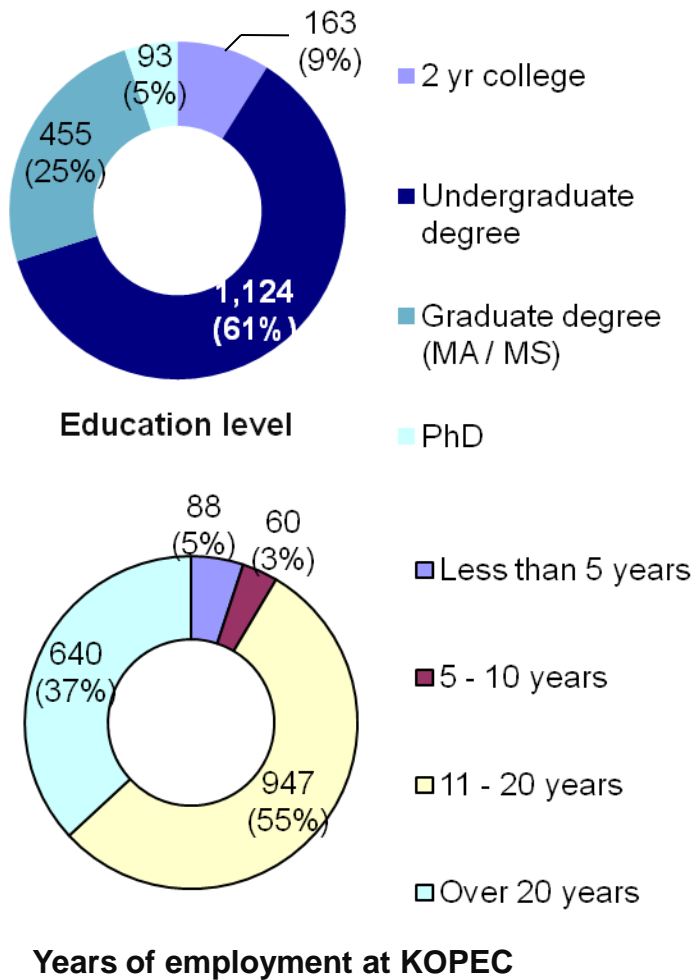
Market Leadership – Manpower



Top management with 30+ years of industry and related experience

An, Seung Kyoo	CEO & President Former Vice Chairman, Hyundai Engineering
Kim, Joo Wan	Auditor Former Managing Director, Joongdo Ilbo
Lee, Bae Soo	Senior Vice President & Head of Planning & Marketing Division Former General Manager, Management Planning Department
Kang, Sun Goo	Senior Vice President & Head of Nuclear Project & Engineering Division Former Vice President, Power Engineering Institute
Park, Chi Sun	Senior Vice President & Head of Plant Engineering & Construction Division Former General Manager, Civil & Architectural Engineering Department

Capable and experienced industry professionals

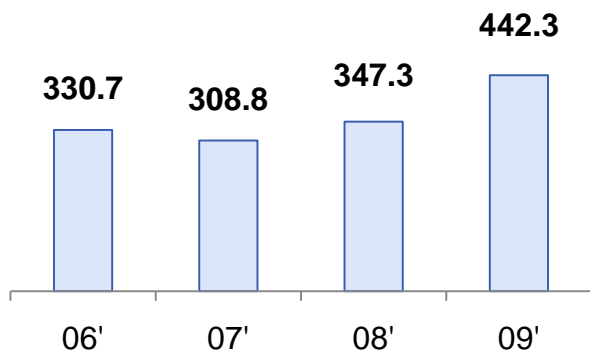


Solid Financial Position



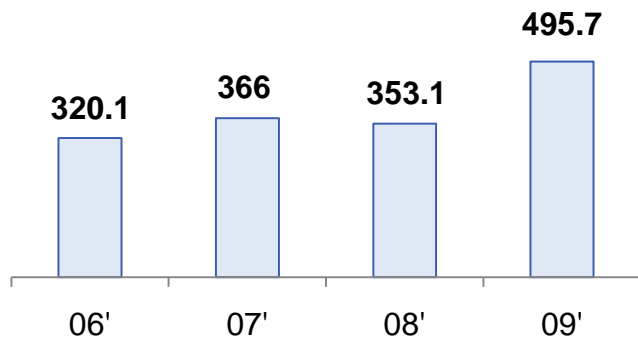
Revenue

(KRW bn)



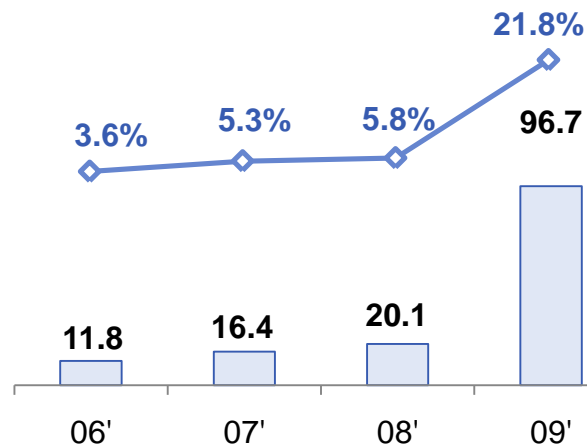
Assets

(KRW bn)



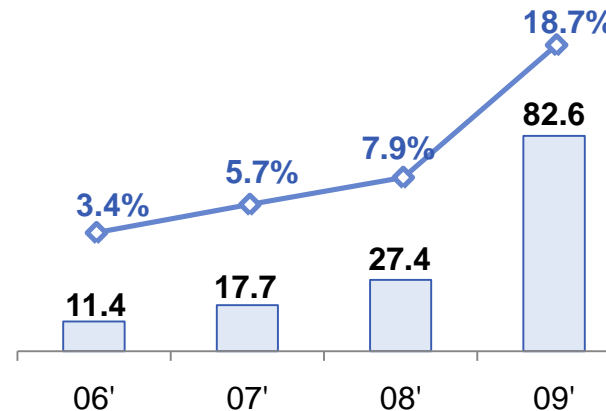
Operating income / margin

(KRW bn)



Net income / margin

(KRW bn)



Key Investment Highlights

