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2002 HIGHLIGHTS

Qatar Oil Refinery Expansion Completed | In July 1998, LG E&C won an order to expand the capacity of Qatar's QP Refinery (formerly known as the National Oil Distribution Co.) from 57,500 bpd to 137,000 bpd. The US\$700 million project involved the construction of two condensate splitters at a refinery located at Mesaeed, 45 kilometers south of the Doha, the capital of Qatar.

Construction was completed on January 12, 2002.



• **New Apartment Brand Launched** |



자이 "Xi" (for "eXtra Intelligent") was formally launched September to replace "LG Village" as the appellation for apartments built by LG E&C.



The new brand name suggests state-of-the-art luxury apartments

preferred by society's most sophisticated people. • **Privately Funded Highway Opened** |



LG E&C acted as the lead company of an 11-company consortium that constructed an 81km highway stretch between Chonan and Nonsan, Korea. The project was begun in 1997 and the highway was officially opened to traffic on December 23, 2002. This is the shortest route linking the capital with the Central Region and Southwest.

• **New President Appointed** | The Board of

Directors appointed Executive Vice President Kab-ryul Kim as President & CEO on March 20, 2002 as part of the annual personnel reshuffle. President Kim graduated from Korea University in Business Administration and initially worked at LG Chemical.



He first came to LG E&C as Managing Director and served as the Finance Team Chief of the LG

Restructuring Headquarters before becoming Executive Vice President & CFO for LG E&C. He was formally inaugurated as the company's tenth CEO in a ceremony held on March 21.

• **Outstanding Model of Corporate Governance** |



2002 Good Corporate Governance Award was presented to LG E&C by the Korean Stock Exchange in recognition of its contribution to the protection of investors and the development of the securities market by practicing high corporate governance standards.

• **Surge in Housing Projects** | LG E&C was selected as the contractor for apartment reconstruction projects totaling ₩1.34 trillion in 2002. Projects include the ₩331 billion Korea National Housing Corp. (KNHC) Complex 2 in Seoul's Godeok District

awarded in March followed by the ₩104 billion KNHC AID Apartments in Busan's Haeundae District in April. In July, LG E&C won the ₩369 billion Po-il KNHC Complex 1 & 2 in Euiwang City as well as the ₩363 billion Eunma Apartments in Seoul's Daechi District. At year's end,



the company was named the contractor a KNHC apartment reconstruction project in Incheon. • **Kuwait Oil Refinery Order** | On October 28, LG E&C received a US\$140 million order from Kuwait National

Petroleum Co. (KNPC) to expand the ARDS units in an existing refinery.



The turnkey project, which

will include engineering, procurement and construction, began in November and is scheduled for completion in September 2004.



• **Beijing Twin Towers Kicked Off** | A groundbreaking ceremony was held on July 26 to kick off the

construction of the LG Beijing Twin Towers, which will serve as the China Headquarters for LG affiliates

when completed in early 2005. The two buildings will be constructed on a 13,163m² site and be 30 stories (135 meters) tall with

four basement levels. The project will cost an estimated US\$400 million. • **LG Gangchon Resort** | The condominiums at the LG

Gangchon Resort, a year-around getaway for the entire family, were available to the public from July 5, and the ten ski and snowboard slopes were officially opened on December 7.

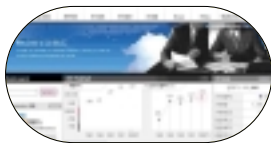


The 15-story condominiums have

222 units and banquet rooms. The resort complex includes a variety of support facilities as well. • **IR Homepage** | The

dedicated LG E&C investor relations homepage (www.lgencir.com), a first in the domestic construction industry, was opened on

October 1.



The move into cyber space expands accessibility and provides an interactive communication

channel. Previously, IR activities were mainly focused on institutional investors and analysts, but now individual investors also

have free access to the latest IR information. • **TFT-LCD Plant** |



LG E&C specializes in the construction

of TFT-LCD plants. LG E&C completed LG Philips LCD's P4 plant project in Gumi, and started the construction of LG Philips LCD's P6

plant project in Gumi, Korea and a TFT-LCD assembly plant project in Nanjing, China.