

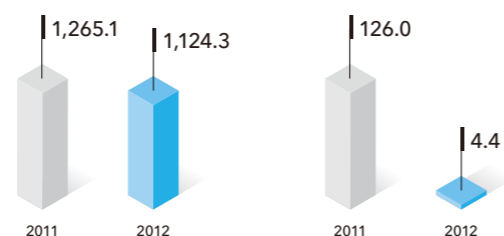
# Chemical Affiliates

## Kumho P&B Chemicals

Founded in 1976, Kumho P&B Chemicals was Korea's first local producer of phenol and acetone. In the years since, the company has assembled a vertically integrated line of petrochemical products, including bisphenol A (BPA), methyl isobutyl ketone (MIBK), and epoxy resin. In addition to the expansion of the BPA plant in 2003 and 2008 and the phenol plant 2005, the company expects to complete a major expansion of its BPA plant featuring cutting-edge technology in 2013, taking yet another step toward becoming a globally competitive petrochemicals company.

KKPC Ownership 78.2% [www.kpb.co.kr](http://www.kpb.co.kr)

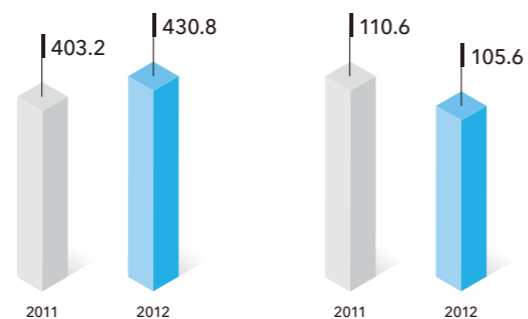
Sales In KRW Billions Net Income In KRW Billions



## Kumho Polychem

Found in 1985, Kumho Polychem is a major Korean manufacturer of ethylene propylene diene monomer (EPDM), a synthetic rubber commonly used in automotive parts and industrial goods. Kumho Polychem has played a crucial role in both stabilizing the supply and demand of EP rubbers in Korea and in the growth of the domestic automotive industry. A successful plant expansion in July 2007 gave the company a proprietary ultra-low temperature polymerization technology, the very first in the world. On the strength of this plant expansion, Kumho Polychem has become the fourth largest EPDM producer with a 100,000-mtpy annual production capacity. The company is currently on schedule to complete a second plant in 2013 as it takes the next step toward being the world's largest EPDM maker.

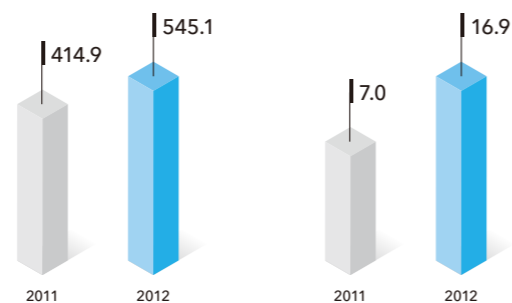
KKPC Ownership 50.0% [www.kumhopolychem.com](http://www.kumhopolychem.com)



## Kumho Mitsui Chemicals

Since its founding in 1989, Kumho Mitsui Chemicals has grown into a leading manufacturer of methylene diphenyl diisocyanate (MDI), the main feedstock used to produce polyurethane. MDI is a cutting-edge chemical product in growing demand with a wide-range of applications in a diverse array of product types, including car seats and dashboards, refrigerator insulating material, construction panels, synthetic wood, synthetic leather, spandex, and sneaker soles. Following the completion of 140,000-mtpy expansion in 2009, the company completed an additional 50,000-mtpy expansion in 2012. Today with a 200,000-mtpy MDI production system in place, the company is focusing on quality and environmental safety as it continues to actively expand into new overseas markets as part of its strategy to become a global MDI maker.

KKPC Ownership 50.0% [www.kmci.co.kr](http://www.kmci.co.kr)



# Global Partnerships

## Shanghai Kumho Sunny Plastics Co., Ltd.

**Purpose**

- Secure local production/sales/distribution base in China
- Increase sales of colors and specialized products that meet the changing demands of the ABS market
- Increase sales of base resin

**Key Products** Heat-resistant automotive ABS, heat-resistant ABS for electrical and electronic products

**Location** Shanghai, China

**Establishment** October 26, 2000

**2012 Sales** RMB 911,407,000

**KKPC Ownership** 50%

## Kumho Petrochemical Chongqing Co., Ltd.

**Purpose** Maximize synergy effect by linking the sales of antioxidants and vulcanization accelerators

**Key Products** Insoluble Sulfur

**Location** Chongqing, China

**Establishment** January 24, 2008

**2012 Sales** RMB 72,323,571

**KKPC Ownership** 77%

## Nanjing Kumho GPRO Chemical Co., Ltd.

**Purpose** Early entry for market dominance in the Chinese polyurethane market

**Key Products** PO (Propylene Oxide), PPG (Polypropylene Glycol), CS (Caustic Soda)

**Location** Nanjing, China

**Establishment** September 28, 2006

**2012 Sales** RMB 1,559,241,000

**KKPC Ownership** 50%

## Kumho Petrochemical Shenyang Co., Ltd.

**Purpose** Early entry for market dominance in the Chinese building insulation materials market

**Key Products** XPS (Extruded Polystyrene Foam) and other building materials

**Location** Shenyang, China

**Establishment** October 9, 2008

**2012 Sales** RMB 15,457,000

**KKPC Ownership** 80%

## Rizhao Kumho Jinma Chemical Co., Ltd.

**Purpose** Early entry for market dominance in the Chinese paper latex market

**Key Products** SB Latex

**Location** Rizhao, Shandong, China

**Establishment** June 8, 2007

**2012 Sales** RMB 383,910,000

**KKPC Ownership** 50%

## Kumho Petrochemical Shanghai Co., Ltd.

**Purpose** Maximize sales and profitability by expanding KKPC product distribution in the Chinese market

**Key Products** Synthetic rubbers, synthetic resins, overseas affiliate chemical products, Chinese affiliate products

**Location** Shanghai, China

**Establishment** June 1, 2008

**2012 Sales** RMB 23,584,189 (commission base)

**KKPC Ownership** 100%