Chemical Affiliates

KKPC Ownership

78.2%

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 come to possess 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 and phenol plants in 2003 and 2005, respectively, Kumho P&B completed a massive, cuttingedge BPA plant in 2008, taking yet another step toward becoming a globally competitive petrochemicals company.

Sales

1,099.2

2010

Sales

In KRW Billions

309.8

2010

1,265.1

2011

403.2

2011

www.kpb.co.kr

KKPC Ownership

50.0%

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 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 has equipped the Kumho Polychem production facility with a proprietary ultralow polymerization technology, the very first in the world. On the strength of this plant expansion, Kumho Polychem has become the eighth largest EPDM producer with an 85,000-mtpy annual production capacity. Kumho Polychem maintains its growth momentum through persistent investment in qualitative growth and continued efforts to raise the efficiency of its production system.

www.kumhopolychem.com

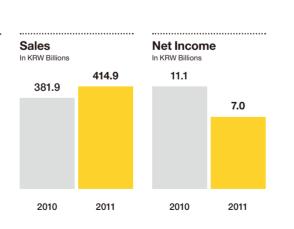
KKPC Ownership

50.0%

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 with wide-ranging 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. The demand for MDI has been increasing steadily. In April 2009, Kumho Mitsui Chemicals completed the expansion of its production facility, raising its production capacity by 140,000 mtpy. a two-fold increase. It has actively expanded to overseas markets and continues its growth toward becoming a global MDI producer.





Net Income

135.2

2010

Net Income

54.4

2010

126.0

2011

110.6

2011

Global Partnerships



Shanghai Kumho Sunny Plastics Co., Ltd.

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 2011 Sales RMB 885,998,000

KKPC Ownership 50%

Kumho Petrochemical Chongging Co., Ltd.

Maximize synergy effect by linking the

sales of antioxidants and vulcanization accelerators

Key Products Insoluble Sulfur Location Chongging, China Establishment January 24, 2008 2011 Sales RMB 12,199,000

KKPC Ownership

Nanjing Kumho GPRO Chemical Co., Ltd.

Early entry for market dominance in the Purpose

Chinese polyurethane market PO (Propylene Oxide), Key Products

PPG (Polypropylene Glycol), CS (Caustic Soda) Naniing, China

Location Establishment September 28, 2006 RMB 1.757.080.000 2011 Sales

KKPC Ownership 50%

SB Latex

Location Rizhao, Shandong, China

Establishment June 8, 2007 2011 Sales RMB 378,357,000

Kumho Petrochemical Shenyang Co., Ltd.

Early entry for market dominance in the Purpose

Chinese building insulation materials

XPS (Extruded Polystyrene Foam) and

Key Products other building materials

Location Shenyang, China

Establishment October 9, 2008 2011 Sales RMB 21,801,000

KKPC Ownership

Key Products

Rizhao Kumho Jinma Chemical Co., Ltd.

Purpose Early entry for market dominance in the

Chinese paper latex market

KKPC Ownership 50%

Kev Products

Kumho Petrochemical Shanghai Co., Ltd.

Purpose Maximize sales and profitability by expanding KKPC product distribution

in the Chinese market

Synthetic rubbers, synthetic resins,

overseas affiliate chemical products,

Chinese affiliate products

Location Shanghai, China

Establishment June 1, 2008

2011 Sales RMB 20,985,313 (commission base)

KKPC Ownership

Kumho Petrochemical

Annual Report 2011