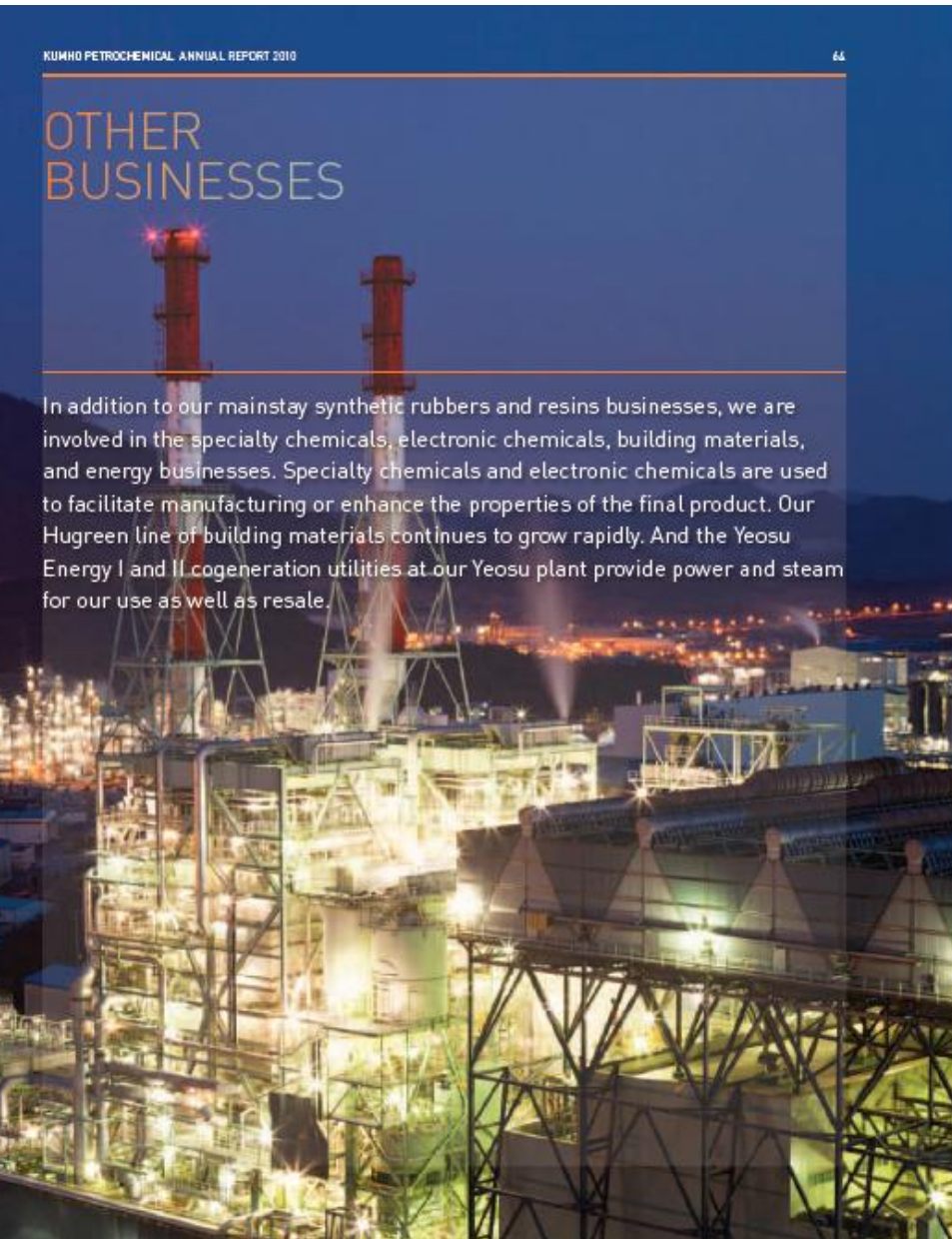


# OTHER BUSINESSES

In addition to our mainstay synthetic rubbers and resins businesses, we are involved in the specialty chemicals, electronic chemicals, building materials, and energy businesses. Specialty chemicals and electronic chemicals are used to facilitate manufacturing or enhance the properties of the final product. Our Hugreen line of building materials continues to grow rapidly. And the Yeosu Energy I and II cogeneration utilities at our Yeosu plant provide power and steam for our use as well as resale.



## Sales Revenue

# KRW 431.9 bn

## 11.1 % of total sales

31.9% Export Sales  
68.1% Domestic Sales



### Specialty Chemicals

**MAJOR PRODUCTS** Vulcanization Accelerators, Antioxidants  
**KEY APPLICATIONS** Tires, Belts, Hoses, Electric Wire, Shoes, Paint for Ships

### Electronic Chemicals

**MAJOR PRODUCTS** Photoresist, BARC, PAG, PSPI, Sealant  
**KEY APPLICATIONS** Displays, Semiconductors

### Building Materials

**MAJOR PRODUCTS** Window Systems, Interior Materials

### Energy

**MAJOR PRODUCTS** Steam and Electricity

### 2010 Review

Approximately 89% of overall 2010 sales came from our synthetic rubbers and resins businesses. The rest came from our other businesses—specialty chemicals, energy, electronic chemicals, and building materials—which grew 38.1% in 2010 to reach KRW 431.9 billion. With the exception of building materials, all businesses enjoyed strong growth during the year, led by our energy business.

Our specialty chemicals business prevailed in a patent suit filed by Flexsys involving  $\delta$ PPD, one of our primary products. This final legal victory paved the way for us to sell  $\delta$ PPD to North American markets as well as a chance to win the business of major tiremakers worldwide.

Our energy business achieved strong growth in both sales and operating profit through efficient operation of its two combined heat and power plants.

Our electronic chemicals business diversified its ArF photoresist sales channels and accelerated the commercialization of new products.

Our building materials business experienced a slight downturn due to a prolonged industry slump, but still successfully raised its brand recognition with aggressive marketing.

Overall, we pushed ahead with investment focused on putting in place engines for growth by completing facilities to produce window profile and carbon nanotubes.



### 2011 Outlook

Our specialty chemicals business plans to diversify raw materials purchasing channels to ensure a stable supply as we aggressively target exports to North America and major tiremakers worldwide to drive sales and profitability. We plan to commission an insoluble sulfur plant in Chongqing, China as we tap into the marketing synergy potential of our product portfolio.

Our energy business will continue to reduce costs through operational improvements, operating both Yeosu Energy plants at the optimum level to maximize profitability.

Our electronic materials business will continue to diversify our product portfolio beyond current mainstays such as ArF photoresist and BARC materials to bring new products such as photosensitive polyimide (PSPI) and sealant to market as soon as possible.

Our building materials business will continue to aggressively market our Hugreen lineup of environmentally-friendly products. We will advertise on TV and radio to build brand awareness and support active prosumer groups. As we continue to develop customer-centric products, we will also step up direct marketing to core consumer groups.