

Chemical Affiliates

Kumho P&B Chemicals, Inc.

Kumho P&B Chemicals is a joint venture with Nippon Steel & Sumikin Chemical Korea that produces a broad range of basic petrochemical products used in the electric, electronics, pharmaceutical, and paint industries including BPA (bisphenol A), phenol, acetone, epoxy resin, and MIBK (methyl isobutyl ketone). Starting out in the phenol and acetone businesses, the company has continued to innovate and grow by providing customers both in Korea and abroad with high-quality products.

Continuous expansion over the years has made the company the world's No. 4 producer of BPA and No. 1 producer of MIBK, driving its rapid growth. With an investment focus on continuous high-tech development, the environmental and safety fields, and capacity expansion to achieve economies of scale, the company aims to be a global leader in the phenol derivatives field, delivering greater customer value with the industry's highest quality.

www.kpb.co.kr

2014 Sales: KRW 1,108 bn
KKPC Ownership: 78.2%

Kumho Polychem Co., Ltd.

Kumho Polychem is Korea's No. 1 producer of EPDM (ethylene propylene diene monomer), a synthetic rubber widely used in auto parts and industrial goods. In 2007, the company completed a plant expansion that adopted a proprietary ultra-low temperature polymerization process, an industry first. The company became the industry's No. 3 EPDM producer in 2013 when it commissioned its second plant, raising production capacity to 160,000 mtpy. The company is now on schedule to complete a 60,000-mtpy expansion of its second plant in 2015 as it takes a step closer to being the world's No. 1 EPDM maker.

www.kumhopolychem.co.kr

2014 Sales: KRW 415 bn
KKPC Ownership: 50.0%

Kumho Mitsui Chemicals, Inc.

Kumho Mitsui Chemicals is a leading manufacturer of MDI (methylene diphenyl diisocyanate), the main feedstock used to produce polyurethane. MDI is an advanced chemical product in growing demand in a diverse and growing array of applications ranging from car seats and dashboards, refrigerator insulation, construction panels, and synthetic wood to synthetic leather, spandex, and sneaker soles. The company completed a 140,000-mtpy expansion project 2009 and 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 and become a global MDI maker.

www.kmci.co.kr

2014 Sales: KRW 632 bn
KKPC Ownership: 50.0%

Kumho Terminal & Logistics Co., Ltd.

Kumho T&L operates a logistics terminal in the Yeosu National Industrial Complex focused on reducing logistics costs and ensuring a stable supply of bituminous coal and other fuel sources to serve the needs of KKPC's Yeosu Energy cogeneration plants as well as Korea South-East Power and Korea East-West Power. The company operates a sealed system to handle and store bituminous coal to reduce costs and protect the environment. In addition to port logistics and storage, the company provides coastal and inland transportation services. The company aspires to become a total logistics provider, providing reliable, cost-effective, one-stop solutions to meet any logistics need.

www.ktnl.co.kr

2014 Sales: KRW 8 bn
KKPC Ownership: 87.1%

Korea Energy Power Co., Ltd.

Korea Energy Power built and commissioned a 5.32 MWh solar PV plant in Sacheon, Korea in July 2013. The plant is capable of generating approximately 7,000 MWh of power annually, enough to meet the needs of roughly 1,600 homes. In addition to solar power, KKPC plans to expand into wind, solar thermal, biofuels, biomass, and other renewable energy businesses in the coming years.

2014 Sales: KRW 3 bn
KKPC Ownership: 80.8%