

Chairman's Message

Chan-Koo Park
Chairman & CEO
Kumho Petrochemical



Dear Valued Stakeholder,

It gives me great pleasure to announce that KKPC achieved the best business performance in its 41-year history in 2011. While we had a remarkable year for sales, operating income, market share, and other benchmarks, the transformation in the mindset and attitudes of our employees to reflect our growing leadership made the year even more meaningful. Over the past few years, we have learned many things and changed just as much. When we faced the biggest crisis of our history in 2009, the strong solidarity and unwavering determination of our employees enabled us to overcome those challenges and push forward. As we were emerging as the world's largest synthetic rubbers producer, instead of conceit, there was a growing confidence that we could also become a global leader in other fields as well. Joined by the conviction that, rather than simply being "ordinary" like other companies, we should as a leader pursue excellence, these ideas began to take root in our corporate culture.

Becoming a leading company is more than just coming up with innovative products and services. It also comes with big social responsibilities. As the scope and number of our stakeholder groups grows, that responsibility gets even bigger. We're now past the time when we can succeed by just doing well ourselves. Without the trust and support of our customers, shareholders, partners, and local communities, we would have achieved nowhere near the success we have to date. Our stakeholders aren't someone that we need to "pass"; they are someone that we need to grow and collaborate with. It is win-win leadership focused on the success of all our stakeholders that will ensure our continued growth.

We are living in an age where volatility and uncertainty are greater than ever before. Today's successes may turn into tomorrow's failures, and companies that lead markets today may be out of business tomorrow. The only certain thing is that nothing is certain any more. But the principles of fair and ethical management that we have inherited from our founding chairman—the late In-Cheon Park—are an immense asset. As difficulties and uncertainty grow bigger and bigger, we know that the best way forward is to follow the right way, one step at a time.

Thank you once again for your interest in and support of KKPC. We invite you to join us as we continue to grow from a good and upright company into a global chemical leader.

Chan-Koo Park
Chairman & CEO, Kumho Petrochemical