

## A Message from the Chairman



### Dear Valued Stakeholder,

Since our establishment in the 1970s, we have overcome countless challenges—from the oil shocks of the 1970s and the Asian financial crisis of the late 1990s, to the global financial crisis of the late 2000s—to become what we've become today. Although the road we've traveled hasn't been easy, the most difficult moment we faced was in 2009 when we made the hard but unavoidable decision to sign an MOU with 14 creditor banks relating to a company normalization plan after we recorded the largest net loss in our history due to major valuation losses on our equity-method investments in Kumho Asiana Group affiliates.

Faced with this desperately serious situation, we came together as one. Every member of our organization worked tirelessly in unison to normalize management and build a better KKPC. These phenomenal efforts enabled us to graduate from our MOU with creditor banks on schedule at the end of 2012. It's said that crisis is a rendezvous with opportunity. Over the past three years, we have separated ourselves from the Kumho Asiana Group, cultivated the ability to stand alone, and improved our structure, transforming our company into a strong and healthy organization capable of weathering any challenge that may lie ahead.

All of the above accomplishments have only been possible because of you, our valued stakeholders. If you're a shareholder, thank you for unfailingly supporting and encouraging us through good times and bad. If you're a customer, thank you for believing and buying our products. If you're a partner, thank you for working with us to achieve our goals. If you're a member of our local communities, thank you for our unwavering trust and support. And if you're an employee, thank you for your tireless dedication and sacrifice behind the scenes.

Now that we have graduated from the MOU with our creditor banks, we expect to step up our decision-making speed and achieve higher managerial efficiencies in 2013 as we move full-speed ahead toward our vision of becoming a global leading chemical group by 2020. We are now better prepared than ever for the future. I say that because we have the right people, resources, and market competitiveness to take us to the next level. However, the sluggish global economic recovery and volatile exchange rates and raw materials prices are creating unprecedented volatility and uncertainty. In these increasingly challenging times, it's imperative that we move forward in pursuit of mutual growth with you, our valued stakeholders. We ask for your continued support and encouragement as we take the next step toward becoming one of the world's top petrochemical companies.

**Chan-Koo Park**

Chairman & CEO, Kumho Petrochemical