

Expansion of MDI Production at Kumho Mitsui Chemicals

Mitsui Chemicals, Inc. (Toshikazu Tanaka, President & CEO) and Korea Kumho Petrochemicals Co., Ltd. (Chan Koo Park, Chairman & CEO), a subsidiary of Kumho Asiana Group, announced a 45,000 ton production augmentation of MDI (Diphenylmethane diisocyanate) at Kumho Mitsui Chemicals, Inc. (Wan Jae Kim, President), a joint venture of the two companies, to meet growing demands for the material.

Outline of Expansion

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| 1. Product | MDI (diphenylmethane diisocyanate) |
| 2. Location | Yeosu-City, Jeollanamdo-Province, Korea |
| 3. Increase | 45,000 tons/year (155,000 tons → 200,000 tons/year) |
| 4. Commercial operation | January 2013 (tentative) |

Demand for MDI, which has wide applications including automobile interior components, refrigerator insulation, construction material, and LNG tanker insulation in Korea, has continued to show steady growth. Kumho Mitsui Chemicals (KMCI) decided to augment production capacities to meet expanding local and growing export demands resulting from overseas expansion of Korean manufacturers.

This augmentation will strengthen KMCI's current position as Korea's top MDI manufacturer not only on the local market but also as a global provider. Mitsui Chemicals will continue to strategically intensify and expand its MDI operations in the sustainably growing Korean market.

Note on MDI (diphenylmethane diisocyanate)

MDI, alongside TDI (tolylene diisocyanate), is a major urethane material. MDI has wide applications including insulation for housing and refrigerators, construction waterproofing material for roofs, cushion material for automobiles and furniture, ingredients in adhesive materials, and others.

Overview of Kumho Mitsui Chemicals, Inc.

1. Businesses: Manufacturing and sales of MDI]
2. Establishment: May 1988
3. Capital: 35,000 million Korean won
4. Equity: Mitsui Chemicals, Inc.:Korea Kumho Petrochemical, Co., Ltd. 50:50
5. President: Chan Koo Park (Executive vice president: Hisao Kokeyuchi)