Ulsan is Korea’s industrial capital and one of the 4 largest producing cities in Asia accounting for 15.2% of Korea’s mining and manufacturing industrial production (Nation’s 2nd, 2011), USD 101.5 billion in exports (Nation’s 1st, 2011) and GDP of USD 56,430 (Nation’s 1st, 2011).

Ulsan is striving to foster eco-friendly green industries such as secondary batteries and solar cells as future new growth engines and to advance its three major industries, which are automobile, shipbuilding & marine, and petrochemical industries to form Korea’s largest industrial cluster.

Ulsan is the ideal place to do business as it has access to vast markets, abundant industrial utilities, optimal logistics infrastructure, excellent human resources, state-of-the-art R&D centers and much more.

Ulsan is making every endeavor to be the best industrial cluster in Northeast Asia by providing various substantive incentives and administrative support for investors with its special competitive support system.

Our city is your loyal partner for a successful investment.

Thank you.
About Ulsan

Ulsan is an energetic city leading the economic growth of Northeast Asia in the 21st Century.

Northeast Asia’s strategic industrial stronghold

Ulsan, Northeast Asia’s strategic industrial stronghold, is situated in the Southeastern part of the Korean peninsula and maintains a warm temperature all year round. It is blessed with an ideal natural environment and is rarely affected by storms or floods. Ulsan covers an area of 1,060㎢, which is 1.7 times the size of Seoul with a population of 12 million. Ulsan is strategically located in a point that connects oceans and continents, offering easy access to other regions. In addition, the city is reachable within 2-hour flight from major cities in East Asia such as Beijing, Shanghai, Hong Kong, Tokyo and Osaka. Therefore, its geographical location gives Ulsan an outstanding strategic industrial stronghold.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2 million people</td>
<td>USD 56,430</td>
<td>1,060㎢</td>
<td>4 Gus, 1 Gun</td>
</tr>
</tbody>
</table>

**Climate of Ulsan**

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>January 14°C</td>
<td>January 171.8m</td>
</tr>
<tr>
<td>August 29.8°C</td>
<td>August 114.0m</td>
</tr>
</tbody>
</table>
Northeast Asia’s central city with vast markets

Northeast Asia including Korea, China, Japan and Taiwan, accounts for 25% of the world population and 22% of the world’s GDP, boasting the fastest economic growth in the world. Northeast Asia is expected to become the growth engine of the world economy in 2020, which will produce 30% of the world’s GDP. Ulsan is at the center of Northeast Asia leading the world’s economy with its dynamic and powerful growth engine.

The largest industrial cluster in Korea

Ulsan is home to the largest industrial cluster of petrochemical, shipbuilding & marine, and automobile industries. All industries are closely cooperating to create dynamic and innovative synergy with the connection of industries such as steel, machinery and port service in neighboring cities like Pohang, Changwon and Busan. Ulsan is the representative industrial cluster in Asia offering an attractive investment environment and various business opportunities for investors.
Ecopolis, Ulsan

* Beautiful natural environment
Ulsan is surrounded by the Yeongnam Alps including mountains above 1,000m high such as Gajiisan, Shinbulsan, and Ganwolsan. Every year, salmon return to the clean and clear Taehwagang River that flows across the city. Also, it is a beautiful city next to the blue East Sea with stunning beaches including Jujoh, Jeongja, and Jinha beaches.

* Pleasant city environment
Culture and sports facilities like Ulsan Culture and Arts Center, Ulsan Museum, Munsu World Cup Stadium, and Ulsan Grand Park, and other convenient facilities like department stores, mega stores, luxury hotels and general hospitals form a pleasant city along with a beautiful natural environment.
FDI Status

121 foreign enterprises are investing USD 3.8 billion in Ulsan.

Based on statistical analysis carried out at the end of 2012, 121 foreign enterprises are investing USD 3.8 billion in Ulsan. If you look at the investment size by country, foreign investors in Ulsan are from 25 various countries such as the US, Japan, the Netherlands, and Germany. Investment by European companies has been particularly active and among them, German companies have invested the most. Looking at the investment by industry, traditionally FDI inflow has been concentrated on the core industries of Ulsan namely automobile, shipbuilding & marine, and petrochemical industries. There has also been robust FDI inflow into electric & electronic, energy, metal & machinery and service industries, signaling the growing attractiveness of Ulsan in more diverse sectors.

Current status of FDI

(unit: USD million)

**FDI by country**


**FDI by industry**

Message from the investors

Chairman of Solvay group
Mr. Christian Jourquin  At the press conference during his visit to Onsan factory

We have built a R&D center to develop materials for lithium-ion battery in Onsan of Ulsan, Korea, which started operating in the beginning of this year. It is because Korea is equipped with a better industrial cooperation system than China and Japan, it is also safer place to receive protection of intellectual property rights.

Former President·CEO of Odfjell Terminals (Korea)
Mr. Rob Meijboom  From his speech at a groundbreaking ceremony for further expansion

We will develop the Onsan port (Ulsan) where Odfjell Terminals (Korea) are located to be a hub of liquid cargo in Northeast Asia as it is the most important location for distribution and transportation of liquid petrochemical and chemical products.

CEO of Air Products and Chemicals, Inc.
Mr. John E. McGlade

AP Ulsan plant has been successfully constructed based on the support received from Ulsan city. Therefore, we offer NF3 smoothly to semiconductor and display manufacturing companies all over the world. We are also pleased to contribute to creating employment and to expand the capacity of the company through additional investments to Ulsan city. We wish the continuous success of Ulsan City and Air Products Korea Ulsan plant.

Major foreign companies investing in Ulsan

- TONGSUGUH PETROCHEMICAL CORP., LTD.
Why Ulsan

Ulsan, the best business-friendly city in Korea, offers the most optimal investment environment.

Ulsan Port
- Nation’s highest liquid cargo handling volume
- Nation’s 3rd biggest port handling capacity
- Nation’s 2nd busiest port entry

Berthing capacity
- 107 ships

Handling capacity
- 66,250 RT / yr

Port cargo volume
- 196,970 RT / yr

Ulsan New Port, when completed by 2020
- Berthing capacity
  - 132 ships
- Handling capacity
  - 88,617 RT / yr
- Port cargo volume
  - 252,661 RT / yr

Hub port for international industrial logistics in the 21C

Ulsan is one of the four biggest liquid logistics ports in the world.
To date, the Ulsan Port has a berthing capacity of 107 ships, a handling capacity of 66 million tons of cargo while the port handling capacity reached an annual 197 million tons last year. Since the port is close to major industrial complexes, it acts as a gateway for businesses in the industrial complexes as they expand into domestic and foreign markets. When the Ulsan New Port that is under construction is completed in 2020, the Ulsan Port will have a berthing capacity of 132 ships, an annual handling capacity of 199 million tons of cargo, and an annual port handling capacity of 255 million tons. Thus, Ulsan will grow as one of the four oil hubs in the world following the Amsterdam-Rotterdam-Antwerp (ARA) region in Europe, Houston in USA, and Singapore in Asia.
Best industrial & logistics infrastructure

Ulsan, equipped with 4 expressways and 5 national roads, the bullet train (KTX), Ulsan Airport, and Gimhae International Airport, provides the best accessibility.

- **Road transportation**
  Road transportation throughout Ulsan is provided by 4 expressways and 5 National roads. They directly connect the industrial complexes with the big cities like Seoul and Busan as well as downtown Ulsan.

- **Railway transportation**
  With the help of the bullet train KTX, approximately 2 hours is all you need to reach Seoul. Also, railroads are built within the industrial complex so it is convenient to transport large amounts of products or raw materials.

- **Air transportation**
  Ulsan Airport is located near the city center with regular daily flights to Seoul. Gimhae International Airport is only an hour drive away providing access to a variety of international destinations for your convenience.
Superior manpower

Ulsan, due to its 50-year-long history as an industrial city, is known for its skilled manpower. The average age is 35, making Ulsan the youngest city in Korea. Also, around 3,000 engineers in automobile, shipbuilding & marine, chemical, and environment fields graduate every year from Ulsan University, UNIST and 60 other nearby universities.

<table>
<thead>
<tr>
<th>No. of universities and colleges near Ulsan</th>
<th>Annual graduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Universities 36</td>
<td>University / 1,200</td>
</tr>
<tr>
<td>Colleges 28</td>
<td>College / 1,000</td>
</tr>
<tr>
<td></td>
<td>University / 2,000</td>
</tr>
<tr>
<td></td>
<td>College / 1,000</td>
</tr>
<tr>
<td></td>
<td>University / 2,000</td>
</tr>
<tr>
<td></td>
<td>College / 300</td>
</tr>
</tbody>
</table>

Labor-management culture of cooperation and harmony

Ulsan, well-known for its business-friendly environment, has proactively promoted the ‘Business friendly Campaign’ since 2005. Both labor and management have endeavored to improve regional competitive power by establishing a harmonious labor management culture.

Abundant industrial utilities

Ulsan has two power plants including Yeongnam Thermal Power Plant and Ulsan Thermal Power Plant with a total power capacity of 3.4 million kW that supply stable power to Ulsan and its neighboring areas. The full capacity of industrial water is about 1.545 thousand m³/day and the actual demand of water is only 60% of it. The city is well-equipped with essential industrial facilities such as sewage disposal, waste incineration plants and landfills.

Electricity rates

<table>
<thead>
<tr>
<th>Classification</th>
<th>Demand charge (Won/kW)</th>
<th>Energy charge (Won/kW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-Tension</td>
<td>Jul-Aug</td>
<td>Mar-Jun, Sept-Oct, Nov-Feb</td>
</tr>
<tr>
<td></td>
<td>6,010-10,000</td>
<td>47.60-53.20</td>
</tr>
<tr>
<td>Medium-Tension</td>
<td>Jul-Aug</td>
<td>Mar-Jun, Sept-Oct, Nov-Feb</td>
</tr>
<tr>
<td></td>
<td>10,100-15,000</td>
<td>47.60-53.20</td>
</tr>
<tr>
<td>High-Tension</td>
<td>Jul-Aug</td>
<td>Mar-Jun, Sept-Oct, Nov-Feb</td>
</tr>
<tr>
<td></td>
<td>15,100-20,000</td>
<td>47.60-53.20</td>
</tr>
</tbody>
</table>

City gas rates

<table>
<thead>
<tr>
<th>Classification</th>
<th>Consumer rates (Won/㎥)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial heating</td>
<td>840</td>
</tr>
<tr>
<td>Transportation</td>
<td>740.39</td>
</tr>
<tr>
<td>Cooling</td>
<td>467.49</td>
</tr>
<tr>
<td>Industry</td>
<td>698.07</td>
</tr>
<tr>
<td>Cogeneration and district energy</td>
<td>467.31</td>
</tr>
</tbody>
</table>

Industrial water

<table>
<thead>
<tr>
<th>Classification</th>
<th>Won/㎥</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw water</td>
<td>213</td>
</tr>
<tr>
<td>Precipitated water</td>
<td>298</td>
</tr>
</tbody>
</table>
State-of-the-art research facilities and the best R&D environment

Ulsan continuously strives to strengthen innovation and R&D capability of the region by cooperating with public research centers and around 250 enterprise-affiliated R&D centers.

Automotive Parts Innovation Center is an overall supporting institution of auto parts industry, co-funded by the Ministry of Trade, Industry & Energy and Ulsan City Government. It is playing a pivotal role in implementing the Auto Valley Project, the core strategic project of Ulsan. The Center is also implementing other projects to maintain the competitiveness of the auto industry by developing new technologies through close consultation with auto parts companies in the southeastern region.

**Projects**

<table>
<thead>
<tr>
<th>Device sharing</th>
<th>Joint technology development</th>
<th>Industry support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and training</td>
<td>Networking</td>
<td>Business incubation</td>
</tr>
</tbody>
</table>

**Main equipment list**

- **Test evaluation**
  - Six Axis Road Simulator(Half Car)
  - Linear Hydraulic Pressure Durability Testing Machine
  - MAST(Axial Axial Simulation Table)
  - Two-axle engine Fatigue Testing Machine
  - Noise Analysis System
  - Vibration Analysis System
  - Multiaxial Durability Testing Machine
  - CT X-ray Testing Machine
  - Component Analysis Machine(SPMA)
  - Video Microscope

- **Safety test**
  - Towing device for crash test vehicles
  - Dummy
  - Digital high speed camera
  - EUpo Side Impact Test Cart
  - USA Side Impact Test Cart
  - Rear fuel leakage crashing of Hand Push Type Car
  - Pedestrian Protection Testing Equipment
  - Collision Test Fixed Wall

- **Research development**
  - Hyperworks
  - Cohort
  - Dytran
  - AVL
  - Abaqus
  - LS-Design
  - FEMAP
  - Pam-STAMP
  - Magmas
  - Large Nitriding equipment

- **Parts development**
  - Three dimensional probe
  - Laser Welding Machine
  - Laser Heat Treatment Equipment

- **Education and training**
  - Netw orking
  - Business incubation

- **Device sharing**
  - Joint technology development
  - Industry support

- **Joint technology development**
  - Industry support

- **Industry support**
  - Business incubation
Ulsan Fine Chemical Industry Center is a research support facility, co-funded by the Ministry of Trade, Industry & Energy and Ulsan City Government, to support R&D, product certification and evaluation for chemical companies in the city. The Center, well-equipped with advanced facilities, is playing a central role in developing the traditional petrochemical industry into a high value added and technology-intensive fine chemical industry. The Center also has the ability to develop market-oriented technologies and form close networks with industry and academia.

**Projects**

<table>
<thead>
<tr>
<th>R&amp;D business</th>
<th>Networking business</th>
<th>Incubation business</th>
<th>R&amp;D business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and training</td>
<td>Pilot production</td>
<td>Equipment use</td>
<td></td>
</tr>
</tbody>
</table>

**Equipment list (Analysis of material)**

- ICP
- FE-SEM
- ICP Mass
- Microwave Digestion system
- FT-IR
- GC
- GC Mass
- HPLC
- TGA
- UV-Vis
- XRD
- DSC
- PSA
- IC

**Equipment list (Pilot production)**

- Extruder
- Injecting machine
- Weatherometer
- Brinell
- COD
- Spectrophotometer
- Thin film evaporator
- Sublimator
Korea Testing and Research Institute provides testing, inspection, product certification and assessment. The Institute provides traditional testing and analysis service and also sophisticated testing, evaluation, quality assurance and certification service that conform to the standards of advanced countries.

KRICT researches and develops advanced chemical technologies such as new drugs, new materials and chemical technologies for sustainable development to improve quality of life and environment of our time as well as the next generation.

Projects

R&D for standardization

Support project

Consortium between industry, academia and research institutes for joint technology development / technology evaluation for patents / Support for Alternative Cleaning Technologies

Product certification

Quality quality guaranteed / KSR marks superior products / Quality / Smart certification mark accredited by KAS(Korea Accreditation Society)

Certification

K5 certification / JIS certification / Designated certification institute for SG(Japan) / RW TÜV Certification(Germany)

Projects

Green energy materials

Renewable energy
(hydrogen / solar energy)

Efficient petrochemical processes

P2P advanced integration network, new catalysts, new processes, neutralization of wastes

New fusion materials

High performance new material development for auto / shipbuilding industries

Advanced fine chemicals

Research for high value added products and commercialization of transferred technologies
# Major Industries

Ulsan, which focuses on automobile, petrochemical, fine chemical, and shipbuilding & marine industries, is Korea’s best and Asia’s the most representative industrial cluster.

## Major Industries

### Auto Industry

<table>
<thead>
<tr>
<th>Korea’s automobile output</th>
<th>Ulsan</th>
<th>Other regions combined</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>21%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>79%</td>
</tr>
</tbody>
</table>

#### Major auto companies in Ulsan
- [Hyundai](#)
- [Daewoo Bus](#)
- [MOBIS](#)

### Shipbuilding and Marine Industry

<table>
<thead>
<tr>
<th>Korea’s shipbuilding &amp; marine output</th>
<th>Ulsan</th>
<th>Other regions combined</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>36.4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>63.6%</td>
</tr>
</tbody>
</table>

#### Major shipbuilders in Ulsan
- [Hyundai](#)
- [Daewoo Shipbuilding & Marine Engineering](#)

### Petrochemical Industry

<table>
<thead>
<tr>
<th>Korea’s petrochemical output</th>
<th>Ulsan</th>
<th>Other regions combined</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>34.9%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>65.1%</td>
</tr>
</tbody>
</table>

#### Major petrochemical companies in Ulsan
- [SK Energy](#)
- [SOIL](#)
- [LG Chem](#)

### New Industry

#### Battery Industry
- Samsung SDI’s Secondary batteries for IT, Lithium-ion secondary batteries for automotive application / Plants for Hanwha chemical’s Cathode material for Lithium-ion secondary battery and solar cells / Solvay Flour Korea Co., Ltd.’s electrolyte additive plant / Solvay Asia R&D Center (Lithium-ion batteries and solar cells)

#### Energy Industry
- Northeast Asia Oil hub project; Korea National Oil Corporation, Korea Energy Management Corporation, and Korea Energy Economics Institute moving to Ulsan; establishment of Ulsan techno industrial complex, and an Ulsan branch of Korea Institute of Energy Research
Automobile industry

Ulsan is the 5th largest automobile producer in the world. Around 270 auto-related companies in Ulsan produced USD 32.3 billion worth of cars and exported USD 19.3 billion worth of cars in 2012. Hyundai Motor’s main production facility, the Ulsan Plant is the world’s largest automobile plant and it is still growing with 900 parts companies. Daewoo Bus Corp. and parts companies also add to the reputation of Ulsan as the major cluster of the auto industry.

Ulsan is strengthening technology development through establishing a research base for green electric motors and Green Car Auto-Valley to be well-prepared for the future of the auto industry. Ulsan is doing its utmost to grow the city into a center for the electric vehicle industry by developing eco-friendly vehicles such as electric, hybrid electric, and hydrogen fuel cell vehicles. As a matter of fact, Ulsan is the first in the world to introduce commercialized hydrogen fuel cell vehicles which began to be exported to Denmark and other European regions in 2013.

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Shipbuilding & marine industry

The shipbuilding & marine industry in Ulsan recorded USD 23.6 billion in export in 2012. The industry also accounts for 40% of Korea’s total production and 18% of the world’s, making Ulsan the largest shipbuilding & marine city in the world.

Hyundai Heavy Industry, the world’s largest shipbuilder, and Hyundai Mipo Dockyard, the world’s 5th largest shipbuilder, are located in Ulsan. HHI sits on a 6.04 million m² site with a production capacity of an annual 9,200 thousand GT. HMD can produce 1,191 thousand GT a year, allowing it to be the 5th largest in the world in terms of production volume.

Ulsan will strive to become the most powerful shipbuilding & marine country in the world by developing FPSO, LNG, and shale gas in the future.

<table>
<thead>
<tr>
<th>Current status of Ulsan automobile industry(2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production volume</td>
</tr>
<tr>
<td>Value added</td>
</tr>
<tr>
<td>No. of companies</td>
</tr>
<tr>
<td>No. of employees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current status of complete automobile production company</th>
</tr>
</thead>
<tbody>
<tr>
<td>HYUNDAI Ulsan Plant</td>
</tr>
<tr>
<td>Size: 5,000 thousand m²</td>
</tr>
<tr>
<td>No. of employees: 27,911</td>
</tr>
<tr>
<td>Production capacity: 5,400 units/day</td>
</tr>
<tr>
<td>Production: 1.53 million units/yr</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current status of complete automobile production company</th>
</tr>
</thead>
<tbody>
<tr>
<td>HYUNDAI Ulsan Plant</td>
</tr>
<tr>
<td>Size: 71,847 m²</td>
</tr>
<tr>
<td>Production capacity: 10,000 units/yr</td>
</tr>
<tr>
<td>No. of employees: 500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current status of Ulsan shipbuilding &amp; marine industry(2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production volume</td>
</tr>
<tr>
<td>Value added</td>
</tr>
<tr>
<td>No. of companies</td>
</tr>
<tr>
<td>No. of employees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shipbuilders in Ulsan(2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section</td>
</tr>
<tr>
<td>HYUNDAI Heavy industries</td>
</tr>
<tr>
<td>Established</td>
</tr>
<tr>
<td>Employees</td>
</tr>
<tr>
<td>Sales</td>
</tr>
<tr>
<td>Ordinal (1,000 GT)</td>
</tr>
<tr>
<td>Ships built (1,000 GT)</td>
</tr>
<tr>
<td>Export</td>
</tr>
<tr>
<td>HHI</td>
</tr>
<tr>
<td>72.12.28</td>
</tr>
<tr>
<td>24,919</td>
</tr>
<tr>
<td>250,196</td>
</tr>
<tr>
<td>52.1,492</td>
</tr>
<tr>
<td>75.12.35</td>
</tr>
<tr>
<td>181,106</td>
</tr>
<tr>
<td>HMD</td>
</tr>
<tr>
<td>75.4.28</td>
</tr>
<tr>
<td>3,649</td>
</tr>
<tr>
<td>41,727</td>
</tr>
<tr>
<td>60.1,160</td>
</tr>
<tr>
<td>41,727</td>
</tr>
</tbody>
</table>

[Reference] Official notice of Financial Supervisor in Business report Order and building statistics are from 2011 shipbuilding materials (Korean shipbuilding community)
Korea is the world’s 5th petrochemical production country. Ulsan accounts for around 35% of Korea’s total production, and 183 companies in Ulsan recorded USD 45.7 billion in export in 2012.

Ulsan is home to the Asia’s largest chemical industrial complex (2.4 billion ㎡) as well as some of the leading petrochemical companies in the world such as SK Energy, S-oil, Solvay, Eastman, Rhodia, Bp, Mobil and Dupont.

In addition, Ulsan will realize its vision to become Asia’s top advanced chemical industry city by 2030 through building national research centers and R&D facilities including Ulsan Fine Chemical Industry Center, Ulsan New Chemical Commercialization Center of Korea Chemical Research Center, and Biochemical Commercialization Center, and developing new industries in biochemistry, fine chemistry, and nanotechnology.

**Current status of Ulsan petrochemical industry(2011)**

<table>
<thead>
<tr>
<th>Production volume</th>
<th>Other regions combined</th>
<th>USD 130 billion</th>
<th>Ulsan</th>
<th>34.9%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value added</td>
<td>Other regions combined</td>
<td>USD 223.3 billion</td>
<td>Ulsan</td>
<td>26.5%</td>
</tr>
<tr>
<td>No. of companies</td>
<td>Other regions combined</td>
<td>8,333</td>
<td>Ulsan</td>
<td>2.4%</td>
</tr>
<tr>
<td>No. of employees</td>
<td>Other regions combined</td>
<td>21,611</td>
<td>Ulsan</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

**Major petrochemicals produced by companies in Ulsan (As of June, 2013)**

- **Basic Petro:**
  - Basic Petrochemical (BIC) KCC
  - Basic Petrochemical (BIC) SK

- **Synthetic Resins:**
  - ExxonMobil (Exxon) KCC
  - ExxonMobil (Exxon) SK

- **Synthetic Raw Materials:**
  - ExxonMobil (Exxon) KCC
  - ExxonMobil (Exxon) SK

- **Synthetic Rubbers:**
  - ExxonMobil (Exxon) KCC
  - ExxonMobil (Exxon) SK

- **Intermediate:**
  - ExxonMobil (Exxon) KCC
  - ExxonMobil (Exxon) SK

- **Other:**
  - ExxonMobil (Exxon) KCC
  - ExxonMobil (Exxon) SK
Battery industry

Ulsan is fostering the battery industry as a new growth engine. Ulsan will grow to be a base of battery industry when Samsung SDI produces secondary batteries for vehicles and IT; Hyundai Motor builds mass production system for hydrogen fuel cell vehicles; the world famous Solvay establishes manufacturing plant of lithium-ion battery electrolyte additive; and Samsung Fine Chemicals and Hanwha Chemicals produce materials for secondary batteries and solar cells.

Energy industry

The energy industry of Ulsan will make a new leap forward as Donghae-1 gas field in Ulsan offshore produces 1,000 tons of LNG a day; the Northeast Asia Oil Hub project that worths 3 billion barrels of oil gets under way; Korea Institute of Energy Research builds an Ulsan branch; a hybrid energy R&D complex is established; and energy related public institutions including Korea National Oil Corporation, Korea Energy Management Corporation, and Korea Energy Economics Institute move to Ulsan.
Investment Opportunities

We guarantee the best investment environment and great results from your investment.
The Ulsan FTZ, the core of foreign-invested and export-oriented companies, strives to become the cluster for advanced new industries by promoting existing major industries and attracting new growth industries. Furthermore, the Ulsan FTZ will act as an outpost of the East-sea Rim Economic Zone that amplifies the synergy between sectors.

The Ulsan FTZ is located closely to the existing large scale industrial complexes including automobile, shipbuilding & marine, and petrochemical industries while the Ulsan New Port sits just behind the FTZ. It is also the most apt for international logistics as the location and the well-equipped industrial infrastructure such as roads, railways, and ports will bring synergy along with excellent output.

### New industrial complex

The New Industrial Complex will be a multi-complex to nurture new industries that advance the structure of major industries and to transfer existing industries into knowledge-based high value ones of the 21c.

The Complex possesses the most favorable conditions for logistics as it is located within 14km from the Ulsan New Port, industrial and national roads are directly connected to the Complex while railroads run through it.

### Basic information

<table>
<thead>
<tr>
<th>Location</th>
<th>Ulju-gun, Omsan-eup, Ulju-gun Cheongnyang-myeon Yongam-ri</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>837,502㎡</td>
</tr>
<tr>
<td>Project period</td>
<td>2009 ~ 2014</td>
</tr>
<tr>
<td>Eligible industries</td>
<td>Manufacturing industry, electric &amp; electronic, automobile, biotechnology, mechatronics etc.</td>
</tr>
<tr>
<td>Minimum investment volume &amp; ratio</td>
<td>more than KRW 100 million of foreign investment, more than 10% of the total issued stocks or the total subscribed capital</td>
</tr>
<tr>
<td>Rent period</td>
<td>Rent for land or factories available within 50 years (period renewal is possible if necessary.)</td>
</tr>
</tbody>
</table>

### Project outline

- **General Manufacturing Industry**
  - Primary Metal
  - Fabricated Metal
  - Electric & Electronic
  - Other Machinery & Equipments
  - Automobile & Trailers
  - Other Transportation Equipments
- **Advanced Knowledge-based Manufacturing Industry**
  - Mechatronics
  - Biotechnology
Ulsan High Tech Valley

Centered around the secondary battery factory of Samsung SDI, a leading green energy company, Ulsan High Tech Valley will become the advanced industry complex of electric & electronic, advanced materials, and metal & machine. Thanks to the excellent accessibility to major cities as Gyeongbu (Seoul-Busan) Highway and KTX station are nearby, the Ulsan High Tech Valley will act as a base for the battery industry that is developing as a new growth industry.

**Basic information**

<table>
<thead>
<tr>
<th>Location</th>
<th>Ulju-gun Samnam-myeon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>2,073,150㎡</td>
</tr>
<tr>
<td>Project period</td>
<td>2006~2017</td>
</tr>
<tr>
<td>Eligible industries</td>
<td>Electric &amp; electronic, Advanced materials, Metal &amp; machine</td>
</tr>
</tbody>
</table>

Bonggye Industrial Complex provides customized plant sites for different industries. Eligible industries include auto-related, machinery and equipment manufacturers. It forms an industrial belt that connects Dudong and Duseo agricultural industrial complexes with nearby Gyeongbu Expressway and National roads. It is expected that the Complex will become a future strategic industrial location when the Gyeongbu Expressway expands and circulation roads are built.

**Basic information**

<table>
<thead>
<tr>
<th>Location</th>
<th>Ulju-gun Dudong-myeon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>258,136㎡</td>
</tr>
<tr>
<td>Project period</td>
<td>2008~2013</td>
</tr>
<tr>
<td>Eligible industries</td>
<td>Automobile &amp; Trailer manufacturing, Other manufacturing</td>
</tr>
</tbody>
</table>

Bonggye Industrial Complex
Northeast Asia, which accounts for 19% of the world’s petroleum consumption, consumes more petroleum, transports more petroleum products, and searches for new oil hubs following the changes in petroleum logistics. Ulsan, home to excellent petrochemical infrastructure and ports, is planning to develop the Northeast Asia Oil Hub as one of the four petroleum logistics hubs in the world by building large scale storage and port facilities, reforming systems and regulations to vitalize petroleum logistics, and expand financial infrastructure.

**Basic information**

<table>
<thead>
<tr>
<th>Location</th>
<th>Ulsan New Port</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>899 thousand m² (1st phase: 295 thousand m² / 2nd phase: 604 thousand m²)</td>
</tr>
<tr>
<td>Scale</td>
<td>28.4 million barrels (1st phase: 9.6 million barrels / 2nd phase: 18.8 million barrels)</td>
</tr>
<tr>
<td>Total Cost</td>
<td>KRW 1.3627 billion (1st phase: KRW 644.1 billion - private fund / 2nd phase: KRW 994.9 billion)</td>
</tr>
</tbody>
</table>

Ulsan Station Complex Transfer Center is a project to integrate the development of the transfer function of transportation including KTX, new transportation, buses and taxis, with transfer support facilities such as commerce, residence, business, and leisure. The center will act as the leading facility of the Southern part of Ulsan while helping to develop the KTX Ulsan station-influenced area.

The target area (land area of 37,904 m²), bordered to the KTX Ulsan Station, is the transportation hub of the Southeast region thanks to the KTX, 2 Expressways, and 2 National roads. The area provides the best investment environment as it is armed with abundant historic, cultural, and tourist resources, an excellent location and a population of 2 million people while it hosts an exhibition convention center, an industrial complex, different types of residential land, various city development projects, and direct facilities due to the surrounding regions’ large scale demand.

**Basic information**

<table>
<thead>
<tr>
<th>Location</th>
<th>Samnum-myeon, Ulsan-gun</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>37,904 m²</td>
</tr>
<tr>
<td>Project outline</td>
<td>transfer facility (KTX, new transportation, buses, taxis etc.)</td>
</tr>
<tr>
<td>Project period</td>
<td>2010~2016</td>
</tr>
</tbody>
</table>

**Northeast Asia Oil Hub Ulsan Project**

**Ulsan Station Complex Transfer Center**
Gangdong Area Development Project

Gangdong Area Development Project is to create a global marine and tourism resort city that combines a garden city and tourism leisure facilities. As an urban marine and tourism resort, it will provide a place for settlement, urban commerce, tourism & entertainment as well as business. At the same time, it will be a family-centered resort where families can enjoy leisure sports, and luxury accommodation. Gangdong area development project will be divided into 5 zones: Gangdong Sanha Urban Development Area, Gangdong Tourism Complex, Gangdong Spa Area, Marine Tourism Complex, and Mountain Tourism Complex. The Gangdong Sanha Urban Development Area with around 16,000 residents and the Gangdong Tourism Complex that will have 8 themes will be the core projects. Thus, they will be developed at the same time to form a basic outline of the marine and tourism resort city. The development of the Gangdong Spa Area, and the Marine & Mountain Tourism Complexes will be carried out in phases, which will be completed in 2016.

**Basic information**

<table>
<thead>
<tr>
<th>Location</th>
<th>Gangdong-dong, Buk-gu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>3,156,000 m² (excluding marine &amp; mountain tourism complexes)</td>
</tr>
<tr>
<td>Project outline</td>
<td>Gangdong Sanha Urban Development Area, Gangdong Tourism Complex, Gangdong Spa Area, Marine Tourism Complex, and Mountain Tourism Complex</td>
</tr>
<tr>
<td>Project period</td>
<td>2005 ~ 2016</td>
</tr>
</tbody>
</table>

Your Best Investment Partner ULSAN
## Incentives

Come and enjoy the benefits that Ulsan city proudly offers.

### Tax incentives

**Eligibility**
- Businesses with high technology, industry support services, Stand-alone type businesses in Foreign Investment Zone

**Support**
- Corporate & income taxes: 100% exemption for 3 years and 50% for the following 2 years
- Acquisition taxes: 100% exemption for 15 years
- Property tax: 100% exemption for 7 years and 50% for the following 2 years
- Property tax (Nam Dong-gu, buk-gu): 100% exemption for 15 years
- Tariff, individual consumption tax, value added tax: 100% exemption for 3 years and 50% for the following 2 years
- Tariff, individual consumption tax, value added tax (Nam·Dong·Buk-gu): 100% exemption for 7 years and 50% for the following 3 years
- Tariff, individual consumption tax, value added tax (Jung-gu·Ulju-gun): 100% exemption for 15 years
- Tariff, individual consumption tax, value added tax (exemption for FDI of over USD 10 million): No tariff, exemption of value added tax, permit of offshore work

### Ulsan Free Trade Zone

**Eligibility**
- Foreign investors in Ulsan FTZ

**Support**
- Corporate & income taxes: 100% exemption for 3 years and 50% for the following 2 years
- Acquisition and property taxes: 100% exemption for 15 years
- Monthly private factory rent cost: 145 won/㎡ (exemption for FDI of over USD 10 million)
- Other support: No tariff, exemption of value added tax, permit of offshore work

### Special support for large-scale investments

**Eligibility**
- More than USD 50 million of foreign investment or more than 300 regular workers

**Support**
- Financial support within 20% of total investment for land purchase and factory construction
- Full or partial financial support for building of infrastructure such as roads, ports, water, sewage and waste water treatment facilities, power, communication or gas facilities
Subsidies

Subsidies for employment

Eligibility
When employing more than 20 Ulsan residents that have lived in Ulsan city for more than 6 months within 5 years after registration as a foreign-invested company

Support
USD 500 per extra employee every month for up to 6 months

Subsidies for employee training

Eligibility
When training more than 20 new workers within 5 years after registration as a foreign invested company

Support
USD 500 per employee every month for up to 6 months limited to USD 0.2 million per company

Subsidies for facility construction and expansion

Eligibility
When businesses involving high technology and industry support service invest more than USD 3 million in facility construction or expansion

Support
Up to 2% of the amount spent over USD 3 million with a maximum limit of USD 0.2 million per company (subject to approval)

Cash grants

Eligibility
To become eligible for a cash grant, the foreign investment ratio shall be over 30% and meet one of the following requirements

- Construction or addition of factory facility in order to operate industry support service industry, high technology accompanying business, component and material business
- Construction or addition of factory facility which could create the number of jobs that exceeds the number of required regular workers decreed by the president
- Has more than 5 researchers who possess a master’s degree in the field of an industry-supporting service, high technology or bachelor’s degree in related industry while having research experience for more than 3 years to construct or increase research facility for research and development activities for the business
- In the case when Foreign Investment Committee recognizes it deserves the support due to its highly influential nature on the local economy from huge investment
  - As a foreign company which operates business in more than 3 countries, establish local headquarters in Korea which has jurisdiction over 2 countries
  - When running regional strategic industry or regional leading industry, it should be able to contribute to regional economic development

Support
The cash grant ratio shall be determined through negotiation and deliberation with the Foreign Investment Committee

Usage
- Land purchase or rent for plants or R&D facilities
- Construction cost for plant facilities or research facilities
- Capital goods / research equipment purchasing costs for plant facilities or research facilities
- Foundation facilities installation cost (electricity, communication etc) for plant facilities or research facilities
- Funds to support employment and training
**Designation & support for Foreign Investment Zone (Stand-alone type)**

**Designation for Foreign Investment Zone (Stand-alone type)**

- More than US$30 million worth of investment
  - Manufacturing or industry support service business, business that involve high technique
- More than US$20 million worth of investment
  - Resort condominium business, tourist hotel business, coastal tourist hotel business and Korean traditional hotel business
  - Professional resort business, total resort business and universal amusement facility business, international conference facility, youth training facility
- More than US$10 million worth of investment
  - Complex distribution terminal business, a business that builds and operates a joint terminal facility center
  - Business that operates harbor facilities and distribution industry managed by harbor rear complex
  - Business that operates the airport facilities and distribution industry managed within the airport district
  - Business that builds society based facilities for the implementation of social overhead capital
- More than US$2 million worth of investment
  - To implement research development activity for industry support service business and high technique involved business setup and establish new research facilities
  - Employment of research exclusive manpower with more than 3 years of research experience and above master degree in the related area should be more than 10 staff members

**Designation procedure**

- Establishment of development plan
- Request for FIZ deliberation and designation (City or provincial government → Minister of Trade, Industry & Energy)
- Deliberation by the Foreign Investment Committee (Ministry of Trade, Industry & Energy)
- Designation and notification of FIZ (City or provincial government)

**Support**

- Corporate & income taxes: 100% exemption for 5 years and 50% for the following 2 years
- Acquisition tax: 100% exemption for 15 years
- Property tax: Nam · Dong-Buk-gu 100% exemption for 7 years and 50% for the following 2 years
  - Jung-gu · Ulsu-gun 100% exemption for 15 years
- Tariff, individual consumption tax, value-added tax: 100% exemption. Exemption only apply to capital goods that are directly used in tax-free projects, and that have completed the import notification 5 years after the date of the foreign investment notification. Under unavoidable circumstances, one year extension will be granted.

**Administrative support**

**One-Stop service**

- We have established strategic alliance among related organizations to provide a one-stop service for foreign investors.
- Project managers are assigned to each investor to offer the best help possible
- We offer necessary information related to land purchase, current status of Ulsan businesses, etc. Comprehensive services are also provided including investment counseling, permission process, and resolution of problems after business start-up
Your Best Investment Partner ULSAN

Night view of Ulsan Industrial Complex, the pride of Korea’s industrial capital

Ulsan Sports Park – a city park with a representative World Cup Stadium

Seonbawi rock and bamboo forest of Taehwagang river, bringing green into the city

Gangdong & Jujeon pebble beaches - irresistibly alluring waves in the blue sea

Naewonam Valley of Mt. Daeponsan - stunning views as cascades flow into the deep valley

Jakgwae stream, a heavenly resting place in the heart of the forest