

Strategic Partnership Agreement

concerning cooperation between the Government of Hungary and HANKOOK TIRE
Ltd.

Entered into by and between

The Government of Hungary

(hereafter referred to as the: "*Hungarian Government*")

represented by: Prime Minister *Viktor Orbán*

and

HANKOOK TIRE Hungary Limited

(HANKOOK TIRE Magyarország Gyártó és Kereskedelmi Korlátolt Felelősségű
Társaság, 2459 Rácalmás, Hankook tér 1, Cg.07-09-012055, hereafter referred to as
"*HANKOOK*")

represented by: Managing Director *Lee Sang Il*

hereafter referred to as the Hungarian Government and HANKOOK, and collectively
referred to as the "*Parties*"

as follows:

The Hungarian Government and HANKOOK express their joy and satisfaction
regarding the fact that they shall continue to mutually contribute to the development
of economic relations and cooperation between Hungary and Korea in the future.

Taking into account the Hungarian Growth Plan, aimed at boosting the Hungarian
economy, and furthermore the important role played by HANKOOK in the Hungarian
economy, the Hungarian Government and HANKOOK have come to the decision that

they shall conclude this Strategic Partnership Agreement (hereafter referred to as the: "Agreement").

The general objectives of this Agreement are as follows:

- the assurance of a continuous dialogue between the Parties in the spirit of mutual trust and predictability in the interests of facilitating the long-term presence of HANKOOK in Hungary;
- the provision of support for the expansion of HANKOOK's production activities in Hungary;
- the strengthening of the active role undertaken by HANKOOK in the realisation of government economic policy aimed at increasing the performance and international competitiveness of the Hungarian economy.

The Hungarian Government hereby expresses its appreciation and satisfaction regarding the fact that it may rely on HANKOOK as a dependable partner in the long term.

The Parties have agreed on the following Clauses:

1. Production Development

HANKOOK hereby expresses its willingness to – taking into account its operating profits and changes in market conditions – endeavour to expand its production activities in Hungary during the coming years, if possible in such a manner that such an expansion should occur with regard to higher added value activities.

2. Innovation/Research and Development

HANKOOK hereby expresses its willingness to perform research & development and innovation activities with the involvement of Hungarian educational institutions and research centres. The Hungarian Government is prepared to support this objective with the instruments at its disposal.

The Parties hereby determine that in accordance with the stipulations of Law XC of 2003 on the Research and Technological Innovation Fund, the costs and expenses of R&D activities may not be taken into account during the calculation of the innovation contribution payable by economic operators from 1 January 2012.

With reference to this, the Hungarian Government hereby draws attention to the tender opportunities concerning R&D&I umbrella projects provided within the framework of the Economic Development Operational Programme.

The participation of HANKOOK in these programmes is in the mutual interest of the Parties.

3. The development of cooperation in training, support for training

3.1 The renewal of the regulatory background that forms the basis for cooperation in training

The Hungarian Government hereby expresses its intent to make the system for the payment of training funding more transparent, efficient and free of bureaucracy. As part of the reform process, the Hungarian Government shall elaborate a law on the provision of training support on the basis of special decisions.

3.2 Cooperation to facilitate the development of the vocational training system

One of the results of the process aimed at reforming the vocational training system to date is the law on vocational training contributions and training development funding that came into force on 1 January 2012 makes it possible for HANKOOK to decrease the sum of its vocational training contribution by the costs and expenses of the practical training of those vocational school students whom it employs.

To compensate for the opportunity for applying vocational training contributions for the training of an enterprise's own employees that was discontinued on 1 January 2012, the Hungarian Government has created an opportunity for the support of such activities in a tender that has been launched within the framework of the Social Renewal Operational Programme.

4. Cooperation within the field of supply

The Parties do hereby express their willingness to develop continued cooperation with regard to the field of supply. HANKOOK shall endeavour to include Hungarian suppliers within its chain of supply, to which the National Investment and Trade Agency (HITA) shall provide active and intensive support, in addition to taking on the role of mediator in this process.

The Parties are ready to evaluate the development of cooperation of supply and development and to determine actual tasks on a regular basis – if possible at least every six months.

Opportunities for HANKOOK to increase its ratio of Hungarian suppliers are also provided by the loan programmes that are supported by Eximbank.

5. Cooperation to increase Hungary's competitiveness

HANKOOK hereby expresses its willingness to actively participate in consulting on draft legislation that influences Hungary's competitiveness, and in the activities of the Workgroup set up by the Hungarian Government to strengthen the country's competitiveness.

6. HANKOOK's participation in the public life of Rácalmás

The Hungarian Government welcomes the fact that HANKOOK is prepared to participate actively in the public life of the municipality of Rácalmás and its environs, and that it is ready to support its various forms. This activity shall include the fields of education, cultural and sports life, social affairs and healthcare.

7. Cooperation to strengthen the national image

As one of Hungary's most important investors, HANKOOK hereby expresses its willingness to introduce and popularise Hungary at an international level as an economic partner and investment destination.

Furthermore, HANKOOK is prepared to organise professional conferences and advanced training courses in Hungary, and accordingly to enable its employees and business partners to become acquainted with Hungary.

8. The Evaluation of Cooperation between the Hungarian Government and HANKOOK

It is the intention of the Parties to analyse and determine their actual, upcoming goals on a regular basis, meaning if possible at least once every six months. The cooperation will be coordinated on behalf of the Hungarian Government by the Ministry of National Economy. To this effect, a joint workgroup shall be established that shall be made up of representatives from the Ministry, the State Secretariat for Foreign Affairs and External Economic Relations of the Prime Minister's Office, HITA and HANKOOK. The times and dates of the workgroup's sessions shall be determined by the group's Chairman, who shall be elected at the workgroup's first meeting.

9. Miscellaneous Provisions

9.1. This Agreement shall come into force on the day that all Parties have undersigned it.

9.2. If it shall become necessary to make this Agreement public, then the Parties shall inform each other and coordinate in this regard prior to the document being made public.

9.3. This Agreement has been prepared in both Hungarian and English. The Hungarian language version shall be authoritative.

The Parties do hereby sign this agreement in approval on the date hereof as one being in full compliance with their respective wills. The Parties shall endeavour to settle any disputes and possible future differences of opinion with regard to this Agreement amicably and through negotiations.

Date: 27 November 2012, Budapest.

Viktor Orbán

Lee Sang Il

Prime Minister

Managing Director

representing the Government of Hungary

representing HANKOOK TIRE
Hungary Limited