

Decision on Merger

1. Merger Method				Hanwha Basis Co., Ltd. ("Hanwha Basis") merged into Hanwha Chemical Co., Ltd ("Hanwha Chemical") (small scale merger)			
2. Purpose of Merger				Hanwha Chemical intends to enhance the efficiency of its management by eliminating operations which overlap with its parent company and the costs and efforts to maintain a business entity through a merger with Hanwha Basis			
3. Merger Ratio				1.0000000:0.0000000			
4. Calculation Basis for Merger Ratio				Hanwha Chemical owns a 100% equity interest in Hanwha Basis. Hanwha Chemical and Hanwha Basis agreed to merge on the basis of a merger ratio of 1:0 capital increase without consideration			
5. Class and Number of New Shares to Be Distributed following the merger			Common Shares		-		
			Different Classes of Shares		-		
6. The Other Party to the Merger	Name of Company			Hanwha Basis			
	Main Business			Lease of real estate			
	Relationship to Company			Affiliate			
	Financial Information for the Latest Fiscal Year (Mil. KRW)	Total Assets		190,489	Equity Capital	43,550	
		Total Liabilities		97,104	Sales Revenues	93,039	
		Total Shareholders' Equity		93,385	Net Income	27,554	
7. Newly established Company after merger	Name of Company			-			
	Condensed B/S (Mil.KRW)	Total Assets		-	Total Liabilities	-	
		Total Shareholders' Equity		-	Capital Stock	-	
				-	Date of Reporting		
	Sales Amount for the Latest Fiscal Year (Mil. KRW)			-			
	Main Business			-			
	If Re-listing is planned			Not applicable			
8. Merger Schedule	Scheduled Date of Shareholders' Meeting			-			
	Period for Tendering Existing Shares	From		-			
		To		-			
	Scheduled Period of Trading Suspension	From		-			
		To		-			
	Period for filing objection by the Creditors	From		2014-11-22			
		To		2014-12-22			
	Date Set for Merger			2014-12-29			
Scheduled Merger Registration Date			2014-12-29				

		Scheduled Delivery Date of New Share Certificates	-
		Scheduled Listing Date for New Shares	-
9. If coming under the Criteria for backdoor listing		Not applicable	
10. If the other company meets the backdoor listing criteria		Not applicable	
11. Details of Dissenting Shareholders Rights to Tender their Shares		Since the merger proceeded as a small scale merger in accordance with Article 527-3 of the Korean Commercial Code, dissenting shareholders will not have the right to compel Hanwha Chemical to repurchase their shares.	
12. Date of Board Resolution (Decision Date)		2014-10-15	
- Attendance of Outside Directors	Present (No.)	6	
	Absent (No.)	0	
- Attendance of Auditors(members of Audit Committee)		-	
13. Other references useful for making investment decisions			
1. Since this merger is to proceed by way of a small scale merger in accordance with Article 527-3 of the Korean Commercial Code, dissenting shareholders will not have the right to compel Hanwha Chemical to repurchase their shares and the merger approval may be substituted with resolutions of the board of directors.			
2. Although this merger is to proceed by way of a small scale merger, if shareholders owning 20% or more of the total issued and outstanding shares in the surviving entity after the merger submits written notice of dissent to the merger within two (2) weeks from the date the public announcement of the merger is made, this merger may not proceed by way of a small scale merger.			
3. The financial information for the latest fiscal year of "The Other Party to the Merger" in Section 6 above is based on the FY 2013 financial statements of Dream Pharma Co., Ltd. prior to Hanwha Basis' spin-off from Dream Pharma Co., Ltd..			
4. The "Merger Schedule" in Section 8 above is an estimated schedule as of the date of disclosure and is subject to change during the process of discussing with, and obtaining approval from, the relevant authorities.			
※ Title and date of other disclosure related to this one		-	
※ Relevant Disclosure Regulation	Financial Investment Services and Capital Markets Act		