

KOCH FACTS

What is now Koch Industries, Inc. began as Wood River Oil and Refining Co. in 1940. Based in Wichita, Kan., Koch Industries is one of the largest private companies in America according to *Forbes* magazine with annual revenues of about \$100 billion. Contributing to the company's continued financial strength is the shareholders' long-time policy of reinvesting 90 percent of earnings. Since 2003, Koch companies have invested more than \$43 billion in acquisitions and other capital expenditures.

With a presence in nearly 60 countries and about 67,000 employees, Koch companies constantly seek to create the greatest value. They accomplish this by:

- Applying Market-Based Management[®], Koch companies' unique business philosophy that brings the power of the free market inside the businesses to maximize value creation and succeed long term.
- Fostering Principled Entrepreneurship[™] and a culture that empowers employees to produce results and create real value.
- Operating efficiently and safely, with a steadfast 100 percent compliance commitment.

Koch companies are involved in these diverse industries:

Refining and Chemicals

Flint Hills Resources, LLC, through its subsidiaries, is a leading refining and chemicals company. Its subsidiaries market products such as gasoline, diesel, jet fuel, olefins, polymers and intermediate chemicals, as well as base oils and asphalt. Other subsidiaries operate refineries in Alaska (North Pole), Minnesota (Rosemount) and Texas (Corpus Christi), with a combined crude oil processing capacity of more than 800,000 barrels per day. The petrochemical business includes production facilities in Illinois, Michigan and Texas. These plants produce aromatics, olefins, polymers and intermediate chemicals. Various other subsidiaries operate ethanol plants in Iowa, produce and market asphalt in the Midwest and Alaska, own an interest in a lubricants base oil facility in Louisiana, and have made equity investments in bioenergy companies.

A **Koch Supply & Trading** company operates an 80,000 barrel-per-day refinery in Rotterdam, the Netherlands.

Koch Pipeline Company, L.P. owns or operates about 4,000 miles of pipelines that transport crude oil, refined petroleum products, natural gas liquids and chemicals. **Koch Alaska Pipeline Company, LLC** owns a 3 percent interest in the Trans Alaska Pipeline System. Another Koch company has a 28 percent interest in **Colonial Pipeline Company**, owner and operator of the world's largest-volume refined products pipeline.

Process and Pollution Control Equipment and Technologies

Koch Chemical Technology Group, LLC and its subsidiaries design, manufacture, sell, install and service process and pollution control equipment, and provide engineering services for industries and municipalities worldwide. Subsidiaries include:

Koch-Glitsch, LP is a global leader in the design, manufacture and installation of mass transfer and mist elimination equipment. The company's products are found in virtually every refinery and chemical plant in the world.

Koch Membrane Systems, Inc. develops and manufactures membrane separation systems for a variety of applications worldwide, including membranes for microfiltration, ultrafiltration, nanofiltration and reverse osmosis. The company also provides submerged membranes used in industrial and municipal wastewater treatment.

Koch Heat Transfer Company, LP designs and fabricates proprietary and custom heat exchangers for a global customer base.

John Zink Company, LLC is a global leader in ultra-low emission process burners, boiler burners, duct burners, flares and thermal oxidizers. The company is also a global supplier of flare gas/vapor recovery and vapor combustor systems.

Optimized Process Designs, Inc. provides consulting, engineering, design, procurement, fabrication and construction services for the natural gas and gas processing industries worldwide. OPD has been the general contractor on some of the largest natural gas plants built in the U.S.

Koch Knight, LLC is a leader in acid proof solutions. The company offers construction, engineering and services through a global network of manufacturing and outsourcing facilities. Its products, made from state-of-the-art ceramics and plastic materials, are available worldwide.

Minerals

Koch Minerals, LLC and its subsidiaries are among the world's largest dry-bulk commodity handlers, marketing and trading more than 40 million tons of product annually. Subsidiaries include:

Koch Carbon, LLC globally trades and transports petroleum coke, coal, cement, pulp and paper, sulfur and other related commodities through a network of bulk import/export terminals in the United States and Europe.

The C. Reiss Coal Company is a leading supplier of coal and related products typically used in industrial applications or to generate electricity.

Koch Exploration Company, LLC acquires, develops and trades petroleum and natural gas properties in the United States and Canada.

Fertilizers

Koch Fertilizer, LLC and its subsidiaries own or have interests in nitrogen fertilizer plants in the United States, Canada, and Trinidad and Tobago. The companies cover global demand through state-of-the-art terminals in the U.S., Brazil, Canada, Mexico, Australia, France and the United Kingdom. Koch Fertilizer companies, including Koch Nitrogen Company, LLC and Koch Fertilizer Canada, ULC, have the capability to manufacture, market and distribute more than 13 million metric tons of fertilizer products annually.

Commodity Trading and Services

Koch companies have traders or originators in Wichita, Houston, New York, Canada, Cayman Islands, France, India, the Netherlands, Singapore, Switzerland and the United Kingdom.

Koch Supply & Trading companies around the world trade and provide risk management services in crude oil; refined petroleum products; natural gas and gas liquids; gas, power and emissions; industrial metals; and other commodities.

Polymers and Fibers

INVISTA B.V. and its subsidiaries are among the world's largest producers of polymers and fibers, primarily nylon, spandex and polyester. With a business presence in more than 20 countries, INVISTA materials go into items that enrich people's lives every day including clothing, carpet, luggage, automobile interiors, airbags and many other products. INVISTA businesses include Apparel, Intermediates, Performance Surfaces & Materials, Polymer & Resins, and Performance Technologies. INVISTA delivers exceptional value for its customers through technology innovations, market insights and a powerful portfolio of global trademarked products including LYCRA® fiber, STAINMASTER® carpet, ANTRON® carpet fiber, and COOLMAX® fabric.

Forest and Consumer Products

Georgia-Pacific LLC, based in Atlanta, and its subsidiaries have approximately 300 manufacturing facilities across North America, South America and Europe, ranging from large pulp, paper and tissue operations to gypsum plants, box plants and building products operations. North American consumer brands include Quilted Northern®, Angel Soft®, Brawny®, Sparkle®, Soft 'n Gentle®, Mardi Gras®, Vanity Fair® and the Dixie® brand of tabletop products. The company's leading European brands include Lotus®, Colhogar®, Delica®, Tenderly® and the Demak'Up® brand of facial cleansing products. It also markets paper towel, napkin and soap dispensing systems used in commercial settings. The packaging business is one of the United States' largest suppliers of corrugated containers to manufacturers, and the building products businesses have long been among the nation's leading suppliers to lumber and building materials dealers and do-it-yourself warehouse retailers.

Ranching

The Matador Cattle Company, a division of Koch Agriculture Company, owns and operates three ranches: Beaverhead in Montana, Matador in Texas and Spring Creek in Kansas. Originally acquired between 1941 and 1952 by Fred C. Koch, co-founder of what is now Koch Industries, the ranches today total about 425,000 managed acres, including about 240,000 deeded acres. The ranches wean about 10,000 calves annually and support more than 15,000-plus head of cattle in the production herds. The ranches have introduced Akaushi cattle from Japan to supply niche markets. Akaushi beef is prized for its marbling and taste. In Texas, Matador Ranch offers whitetail, mule deer, turkey, quail and predator hunts on the main ranch and within permitted managed hunting areas and preserves. Matador Ranch is also engaged in breeding superior deer to supply this growing industry.