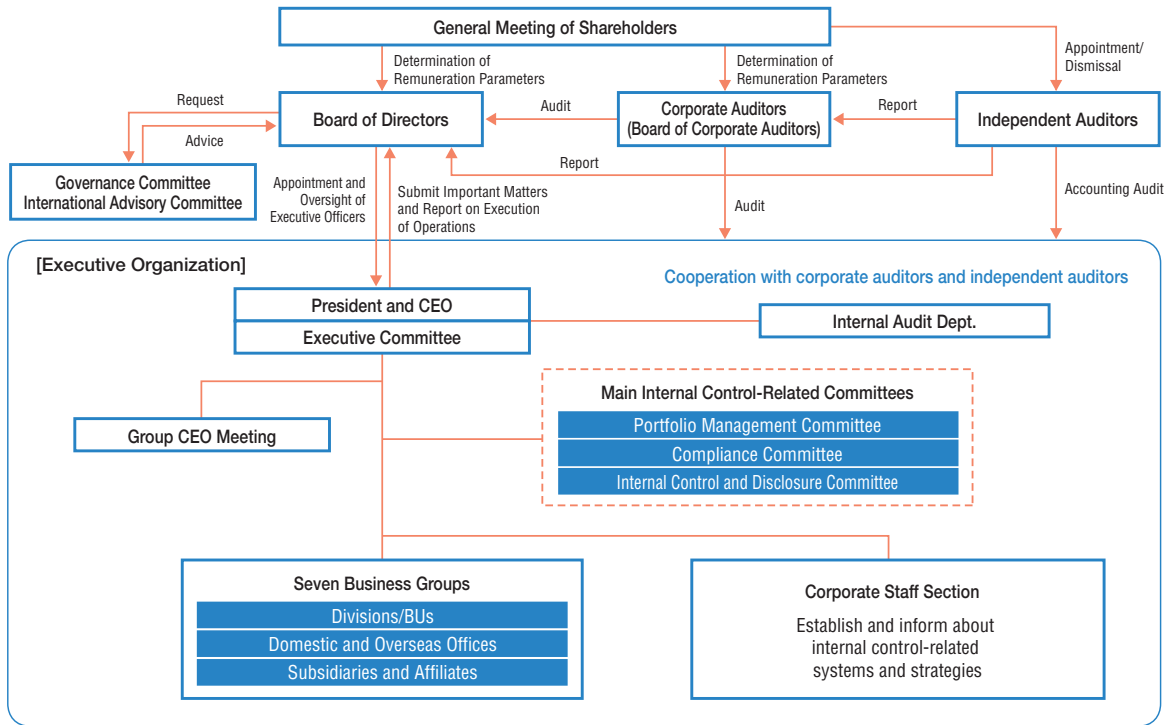


Corporate Governance and Internal Control System

MC's corporate philosophy is enshrined in the Three Corporate Principles—corporate responsibility to society, integrity and fairness, and international understanding through trade. Guided by this philosophy, we are strengthening our management system with the aim of achieving sustained growth. In addition to mandatory organizations and governance systems, MC is improving and strengthening its corporate governance system in various other ways. Actions include appointing outside directors, introducing the executive officer system and

setting up advisory committees to the Board of Directors.

So as to ensure that business activities are conducted properly and in conformity with laws and the Articles of Incorporation, our efforts are ongoing to reform and improve an internal control system covering; efficient business execution; compliance; risk management; financial reporting; management and storage of information; ensuring proper operation in group management; internal auditing and monitoring; and our corporate auditors.



Compliance Framework

In September 2000, MC formulated its Code of Conduct and established the post of Compliance Officer. In March 2006, the Code of Conduct was revised, and all officers and employees of MC, the parent company, are now required to sign a written commitment of adherence to this Code every year. This is part of ongoing actions to upgrade and reinforce the compliance system.

In April 2008, the Compliance Department was newly established in order to consolidate all compliance-related affairs. We are strengthening our MC-wide compliance framework to ensure that all employees of MC and its affiliates possess a thorough understanding of compliance requirements. This continues to be a key initiative to realize increased corporate value.

