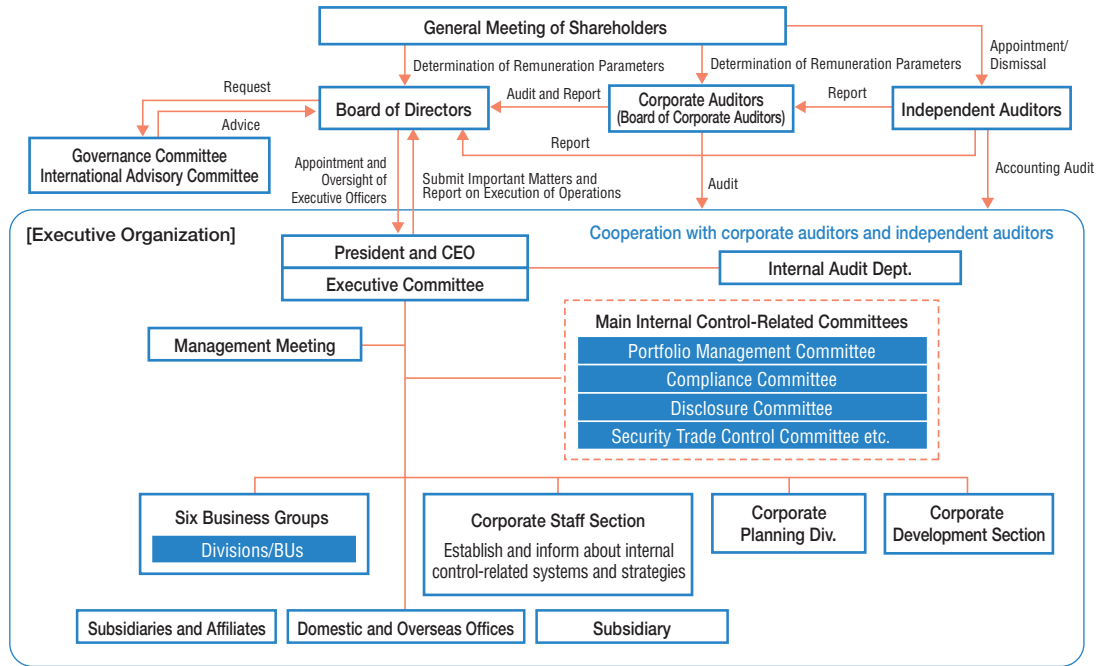


Corporate Governance and Internal Control System

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, MC is strengthening its 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, MC's 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 corporate auditors.



Compliance

Based on its Three Corporate Principles, MC has established internal rules on compliance, such as the Corporate Standards of Conduct and Code of Conduct. All MC employees are obligated to conduct their business activities with the strictest consideration and adherence to these rules. MC has also introduced a Compliance Officer System to ensure it remains fully aware of this vital issue in its day-to-day operations. In 2008, MC carried out compliance risk analyses for each Business Group's organizations at Head Office and assessed the level of compliance awareness

among its staff. Through these activities, MC checked which business areas need more attention, confirmed that compliance-related activities are a fundamental part of its daily business activities, and gathered proposals on strengthening its compliance systems. As an important strategy for raising corporate value on a consolidated basis, MC will continue to upgrade and reinforce compliance initiatives in order to instill awareness of these issues in its people, including employees of MC's subsidiaries and affiliated companies.

