

Compensation Committee Regulations

(Amended as of April 30, 2007)

1. Purpose

The purpose of the Compensation Committee ("Committee") is to establish transparent and effective compensation plans for the executives and employees of the Company. As a first stage, the Committee shall establish the compensation plans for the executives and, later, establish the plans for non-labor-union employees and unionized employees.

2. Constitution

- (1) The Committee shall consist of 4 members elected by the Board of Directors from among those members of the Board of Directors who are not involved in the day-to-day management of the Company.
- (2) The CEO may attend meetings of the Committee to answer the questions of the Committee, without the power to vote.
- (3) The Committee may appoint a secretary for the operation of the Committee with an appropriate person in the Company.
- (4) The Committee will be supported by the Human Resources Policy Team.
- (5) The Committee may acquire advice or recommendations from external consultant.

3. Responsibilities:

- (1) The Committee shall review and establish compensation plans for the executives as a first stage.

- Set-up of compensation policies;
 - Establishment of compensation structure including salary, severance payment, and incentive awards; and
 - Establishment of welfare and fringe benefit plans.
- (2) The Committee shall gradually extend its scope of responsibility to establish overall compensation plans for non-labor-union employees and unionized employees.

4. Operations:

- (1) Meetings of the Committee shall be convened from time to time when necessary. The Board, the Representative Director or any member of the Committee may request the convening of the Committee by presenting the proposed agenda and the reason for convening such meeting to the Chairman of the Committee.
- (2) The secretary shall do the following in order for the Committee to function efficiently:
- notify the members of the convening of Committee meetings;
 - attend Committee meetings and prepare the meeting minutes; and
 - perform such other acts as may be requested by the Committee.
- (3) The Working Team shall conduct the following activities to support the Committee:
- prepare reports for the Committee meeting;
 - notify the Committee outcomes to the related departments of the Company;
 - implement and monitor the follow-up; and
 - conduct other required activities by the request of the Committee.

5. Delegation of Power and Report:

- (1) The BOD delegates to the Committee the power and authority required to perform the responsibilities specified above.
- (2) The Committee shall maintain direct communication with the BOD and the Human Resources Policy Team of the Company.
- (3) The Committee shall report to the BOD on a current, regular basis, and whenever directed by the BOD, concerning the Issues discussed at and resolved by the Committee.

6. Resolutions:

- (1) A majority of the members of the Committee shall constitute a quorum for the Committee's meetings and the vote of at least 3 of the members then serving shall be required for action by the Committee. In case the vote is equally divided between positive and negative side, the matters shall be deemed to fail to pass.
- (2) The resolutions may be adopted at a physical meeting or, if necessary, by mutually audible and visible communication system.

Addendum

This amended Regulations shall be effective from April 30, 2007.