

ARTICLES OF INCORPORATION



HYUNDAI CORPORATION

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CHAPTER I GENERAL PROVISIONS

ARTICLE 1. (Name Of Company)

The name of this company shall be HYUNDAI JONGHAP-SANGSA JUSICK-HOESA and marked as HYUNDAI CORPORATION in English.

ARTICLE 2. (Objectives & Activities)

- 1) Import and Export, its agency businesses
- 2) Ship planning, building, selling, repairing and its agency businesses
- 3) Ship parts, steel structures manufacture, sales and its agency businesses
- 4) Various kinds of machines and their parts manufacture, sales and its

- agency businesses
- 5) Materials for industrial products and finished goods and its agency businesses
 - 6) Architectural materials, chemical products, and ceramic products manufacture, sales and its agency businesses
 - 7) Manufacture and sales of transporting vehicles and their component parts and its agency businesses
 - 8) Sales of medical supplies and its agency businesses
 - 9) Manufacture and sales of textiles, knits, sewn goods, leather goods, their raw materials and goods and its agency businesses
 - 10) Marine transport, loading and unloading, warehouse and its agency businesses
 - 11) Development, sales, lease and real estate trusts(REITs) of domestic and overseas real estate
 - 12) Manufacture and sales of electric and electronic products and its agency businesses
 - 13) Export, import, manufacture, sales of agricultural, marine and livestock products and processed foodstuffs and its agency businesses
 - 14) Military purveyance and local import and export businesses
 - 15) Manufacture and sales of musical instruments and its agency businesses
 - 16) Manufacture and sales of wood and its processed products and its agency businesses
 - 17) Mining, sales of mineral products and its agency businesses
 - 18) Industry produces on overseas construction orders
 - 19) Manufacture and sales of yachts, sports equipment, and sundry goods and its agency businesses
 - 20) Offer sheets Issuing businesses
 - 21) Manufacture, sales, lease, processing of iron and steel products and its agency businesses
 - 22) Manufacture and sales of tires and its agency businesses
 - 23) Sales of industrial facilities and its agency businesses
 - 24) Exploitation and sales of domestic and overseas resources
 - 25) Sale of crude oil, petroleum products and petrochemical products and its agency businesses
 - 26) Manufacture and sales of offshore facilities and structures and its agency businesses
 - 27) Receiving overseas order and supply business of coins, paper money and its equivalents of printed materials, and its agency businesses
 - 28) Sponge and other fishing industry, cultivating industry, and treatment and processing of marine products
 - 29) Sales of optical products, and its agency businesses
 - 30) Development and sales of industrial complex and its agency businesses
 - 31) Manufacture, import and sales of pulp, paper industry products and its agency businesses
 - 32) Sales of fertilizers and cement products and its agency businesses
 - 33) Manufacture and sales of synthetic resin products and its agency

businesses

- 34) Refining industry and sales of nonferrous metals
- 35) Sales and supply business of domestic and overseas real estates
- 36) Films, broadcasts and the other performance related industry
- 37) Other recreation and entertainment related industry
- 38) Various kinds of advertisements including outdoor advertisements and its agency businesses
- 39) Business of restaurants
- 40) Added communication business and its agency businesses
- 41) Information process and computer operation related businesses
- 42) Ultramodern recreation facility operation businesses
- 43) Sales of merchandising rights of trademarks, badges, emblems using rights and its agency businesses
- 44) Sports facility operation business and its agency businesses
- 45) Business and administration consulting, corporate merger and acquisition agency, and corporate restructuring business
- 46) Business of travel agent and transport related service
- 47) General and synthetic professional retail sales
- 48) Sanitation and its related service business
- 49) Sales business of shopping center in lots
- 50) Construction and sale of housing
- 51) Movie screening, import, production and distribution, and its agency businesses
- 52) Sports, culture and art business and its agency businesses
- 53) Electronic commerce
- 54) Internet business
- 55) Manufacture and sales of various contents by using mobile communication networks, and its agency businesses
- 56) Development and sale of hardware and software necessary for mobile communication networks and its agency businesses
- 57) Mobile businesses (various kinds of service businesses by using Personal Digital Assistants and mobile communications terminals (mobile phone))
- 58) Wireless Internet business by using mobile communication terminals and wireless communication networks
- 59) Development and database operation business by using code system and wire-or-wireless communication networks
- 60) Bluetooth business
- 61) Manufacture and sales of health foods and goods and its agency businesses
- 62) Manufacture and sales of cosmetics and its agency businesses
- 63) Franchise business
- 64) Brewing and sales of alcoholic liquor
- 65) Business of cosmetic, public bath and related service and its agency businesses
- 66) Reproduction business of recording media
- 67) Wholesale and retail business of computers and package software
- 68) Business of consulting, development, and supply of software
- 69) Manufacture and sales of Environmental Purification Product and its

- agency businesses and construction business
- 70) Maintenance, remodeling, mending and management of building and facility and interior related industry
 - 71) Business of engineering works, construction, industry/environment equipment, landscape architecture construction and its agency businesses
 - 72) Business of new and renewable energy
 - 73) Lease business of construction and logistics equipments
 - 74) Distribution business of motorcycles, sporting goods, various kinds of bicycles and related components
 - 75) Export and import of medical appliances
 - 76) Subsidiary businesses affiliated with the above items

ARTICLE 3. (Location)

The company shall have its head office at Seoul, Korea, and when necessary for business, may set factories, branch offices or liaison office at home and abroad by the resolution of the board of directors.

ARTICLE 4. (Method Of Public Notice)

Public notice of the company shall be carried in the "Hankook Kyungje Shinmun", a daily economic newspaper publishing in Seoul.
In case, however, that above stated newspaper is not available due to disaster or other causes, it may be done in the "Maeil Kyungje Shinmun", a daily economic newspaper publishing in Seoul.

CHAPTER II STOCKS

ARTICLE 5. (Total Number Of Stocks To Be Issued)

Total number of stocks which the company is authorized to issue shall be 1.5 billion (1,500,000,000).

ARTICLE 6. (Par Value Per Stock)

Par value per stock to be issued by the company shall be ₩5,000 (five thousand Korean Currency).

ARTICLE 7. (Total Number Of Stocks Authorized To Issue On Establishment)

Total number of stocks authorized to issue on establishment shall be fifty thousand (50,000).

ARTICLE 8. (Stocks & Stock Certification)

The stocks to be issued by the company shall be inscribed common

stocks and inscribed preferred stocks, and classified into eight(8) denominations, of one(1), five(5), ten(10), fifty(50), one hundred(100), five hundred(500), one thousand(1,000) and ten thousand (10,000).

ARTICLE 8-2 (The Number And Contents Of Preferred Stocks)

- 1) The number of preferred stocks without a voting right to be issued by the company shall be limited, subject to the provisions of the regulations.
- 2) For the preferred stocks without a voting right, the rate of dividends shall be decided by the board of directors which is paid one percent more per annum than that of ordinary stocks basing on the face value, when they are issued.
- 3) When the rate of dividend of the common stocks exceeds that of preferred stocks, the exceeding portion shall be declared to the preferred stocks at the same rate with common stock.
- 4) In case that preferred stocks are not paid dividends with profits during the said business year, the preferred stocks shall have a voting right from the next general meeting of stockholders since there is resolution that the preferred stocks shall not paid dividends to the final day of the general meeting of stockholders that there is resolution that dividends is paid to the preferred stocks.
- 5) In case that dividends is not paid in a business year, accumulative dividends unpaid shall be paid preferentially in the following business year.
- 6) When the company increases the capital, new stocks for the preferred stocks shall be allotted with common stocks in case of capital increase for value, and with same kind of stocks in case of capital increase for noting.
- 7) Existing period of the preferred stocks shall be decided by the resolution of the board of directors within the scope of from 3 years to 10 years starting from the issuing date and the preferred stocks shall be converted to the common stocks at the same time with expiration of the period.
If, however, dividends is not paid for the said term, the period shall be extended until the rated dividends is paid.
In this case, allotment of profits for the stocks which are issued owing to conversion shall apply Art. 9-3 understated.

ARTICLE 8-3 (Retirement Of Stocks)

- 1) The company may retire stocks of the company by the resolution of the board of directors within the range of profit which is possible to be paid dividends for stockholders according to the provisions of the related laws and regulations.(But, it must be less than the amount of stipulated provisions in related laws and regulations, within the range of dividends prescribed in the Art.462-1 of the Commercial Law.)

ARTICLE 9. (Pre-Emptive Rights)

- 1) Stockholders of the company shall have pre-emptive rights in proportion to the number of holding stocks.
However, the stocks not subscribed by the stockholders and odd stocks arising from allocation of new stocks shall be disposed of, according to the resolution of the board of directors.
- 2) Notwithstanding the provision of the preceeding paragraph, in case of the following articles which are necessary to achieve aim in management of the company such as introduction of new technology, improvement of financial status, and etc., or provided for in the law, the new stocks may be allocated to the person except stockholders. In this case, the kind, number, acceptor, price and etc. of the new stocks issued shall be resolved by the board of directors.
However, the lowest issuing price and etc, shall be conform to the regulations relevant to Stock Exchange Law.
 1. In case of collecting new stocks or allocating those to subscribers, upon the regulations relevant to Stock Exchange Law.
 2. In case that new stocks are preferentially allocated to the company staff of holding stocks according to the provisions of the laws and regulations relevant to Stock Exchange Law.
 3. In case of issuing new stocks with issuing Depositary Receipts(DR) according to the regulations of the Stock Exchange Law.
 4. In case of issuing new stocks with the way of capital increase through the public subscription according to the regulations of the Stock Exchange Law.
 5. In case of issuing new stocks through exercise of stock option according to the regulations of the Stock Exchange Law.
 6. In case of issuing new stocks for capital participation by foreign financial institute and foreigners stipulated in the Investment Encouraging Law for Foreigners.
 7. In case of issuing new stocks for spot investment
 8. In case of issuing new stocks in accordance that investments of banks or financial institutes are converted into capitals.

ARTICLE 9-2 (Stock Option)

- 1) The company may grant stock option to the officials or the staff (including those who officials and staff of affiliated companies by the article 189-4, clause 1, the Securities Transaction Law, the following is the same) within the range of being prescribed in the related laws and regulations and less than 20/100 of total number of stocks issued according to the special resolution of general meeting of stockholders.
However, the company may grant stock option within the range of being prescribed in the related regulations and laws and less than

10/100 of total number of stocks issued according to the resolution of board of directors.

In this case, the stock option approved by general meeting of shareholders or a board of directors may be results-linked type reflecting business management objective or market index.

- 2) The officials or the staff who are granted stock option shall be considered to the person who contribute to foundation, management, overseas business, technology improvement of the company or have the such capacity, but the followings person shall be excepted.
 1. The largest stockholders and the special interested persons (it means the special persons who are provided by the article 10-3-2 of the Enforcement Ordinance of Stock Exchange Law. The following is the same.)
But, the persons who become the special interested persons by getting official of pertinent corporation (including part-time officials) are excepted.
 2. Major stockholders (it means the persons who are prescribed in the Art.188 of Stock Exchange Law. The following is the same.) and the special interested persons. But, the persons who become the special interested person by getting officials of pertinent corporation (including part-time officials) are excepted.
 3. The person to be a major stockholder by exercising stock option.
- 3) Stocks to be delivered by exercising stock option (stocks mean what to be a criterion to calculation of the difference, in case that the difference amount between option price exercised and market price is paid on cash or holding stocks) shall be registered inscribed common stock or inscribed preferred stocks, which is decided by the resolution of the general meeting of stockholders of the board of directors prescribed in article 9-2-(1).
- 4) Stock option may not be granted to all of the officials or the staff at one time and stock option to be granted to one of the officials or the staff may not exceed ten(10) percent of total stocks issued.
- 5) Purchasing price per stock of exercising stock option must be more than the price of the following each clause. In case of adjusting the price of stock option will be the same too.
 1. In case that a stock will be newly issued and granted : higher price between the following items
 - A. Market price evaluated by article 84-9-2-1 of enforcement ordinance of Stock Exchange Law.
 - B. Par value of per stock
 2. In case of other conditions except the above clause 1 : the market price evaluated by the above clause 1-a
- 6) Stock option may be exercised within five years after two years from the date when there is a resolution of the general meeting of stockholders or the board of directors that stock option is granted. In this case, the person who is granted stock option is to hold office at least two years from the resolution date.(except the case which is provided by the related laws and regulations)
But, in case that the person who is granted stock option is dead,

retires by the age limit or retires by the personal reason before two years from the resolution date, stock option may be exercised during the period.

- 7) Stock option may be cancelled by the resolution of the board of directors in case of the following articles.
 1. In case that any of the officials or the staff granted stock option retires or leaves the company voluntarily
 2. In case that the officials or the staff granted stock option cause considerable damages to the company on purpose or by mistake.
 3. In case that it is impossible to exercise stock option because of the bankruptcy or the dissolution of the company.
 4. Others : in case of each reason for cancellation stipulated in stock option contract.
- 8) The profit sharing for the stocks issued by stock option is to apply the provision of article 9-3.

ARTICLE 9-3. (Record Date Of Allocating New Stocks)

In case that the company issues new stocks by the method of capital increase for value or without value increase and/or stock dividends, in the allotment of profits for the new stocks, new stocks shall be considered to be issued at the end of fiscal year prior to the fiscal year when the stocks are issued.

ARTICLE 10. (Proxy For Transfer Of Stocks)

- 1) The company shall employ the proxy for transfer of stocks.
- 2) The proxy for transfer of stocks, the place where the work is treated and the scope of agency shall be determined by the resolution of the board of directors, and these shall be publicized.
- 3) The list of stockholders of the company or the transcript shall be kept in the place where proxy's works for stock transfer are treated, and transfer of stocks, registration or cancellation of mortgage, indication or cancellation of trust estate, issuance of stock certificates, receipt of notification and the affairs for stocks shall be treated by proxy.
- 4) The procedure regarding the affairs mentioned in the preceding paragraph(3) shall apply the provisions of transfer agency business for marketable securities.

ARTICLE 11. (Notification Of Stockholder's Address, Name And Registered Seal Or Signature)

- 1) Stockholders and registered pledgees should notify their names, address and the seals or signatures to the proxy for stock-transfer mentioned in the article (10).
- 2) The stockholders and registered pledgees who reside in foreign country should designate and report the place where the notice can

be delivered in Korea and the proxy.

- 3) Stockholders and the registered pledgees shall notify the same in case any change occurs in the preceding paragraphs (1), (2) arise.

ARTICLE 12. (Closing Of The Stock Book And Fixed Date)

- 1) The company shall close the transfer of stocks, the registration or cancellation of the right of pledge and indication or cancellation of the trust estate, during the period from January 1 to January 31 of every year.
- 2) The company shall make the stockholders registered in the list of stockholders as of the final day of each accounting period the persons who shall exercise the right at the general stockholders meeting.
- 3) When there is a necessity for convocation of extraordinary stockholders' meeting or others, the company may suspend entry of change of stockholders' list for a certain period not exceeding 1 month or determine the persons registered in the stockholders' list at a particular date list who may exercise the right as a stockholder by the resolution of the board of directors, and when the board of directors considers necessary, the company may cease the transfer of stocks or determine the standard date. In this case, public notice shall be carried before two weeks of datum day.

CHAPTER III. GENERAL MEETING OF STOCKHOLDERS

ARTICLE 13. (Convocation, Notice And Public Notice)

- 1) Stockholders' meeting shall be made ordinary general meeting and extraordinary general meeting.
- 2) The ordinary general meeting of stockholders shall be convoked within three(3) months from the end of business year, and the extraordinary general meeting of stockholders shall be convoked at any time as the case may arise.
- 3) The general meeting of the stockholders shall not pass any resolutions regarding other matters not specified in the notice given to the stockholders in advance.
It is provided, however, that this provision shall not apply to the case where the entire stockholders consent thereto.
- 4) The general meeting of stockholders shall be convoked at the place where the head office of the company is or in Seoul.
- 5) The general meeting of stockholders shall be convoked by representative director or directors authorized by representative director.
- 6) When general meeting of stockholders is convoked, date and place and purpose for the meeting must be notified to each stockholder with written paper or electronic document two weeks before the day of general meeting. Notice to the stockholders, however, who

possess less than one hundredths of total stocks issued shall be substituted for written notice with announcing the fact that ordinary general meeting of stockholders is convoked and the purpose of the meeting in the Hankook Kyungje Shinmun, a daily economic newspaper, or a daily newspaper publishing in Seoul more than twice two weeks before the meeting day.

- 7) When the company gives a notice or public announcement for convocation of the stockholder's meeting pursuant to the preceeding para 6, in case that the matters of conference are related to election of the directors, the company shall give a notice or make public announcement the names, brief personal records, persons who recommend the candidates and the matters which stipulated in the other related laws and regulations in regard to the candidates.
- 8) When the company gives a notice or public announcement of the general meeting of stockholders, the followings shall be given a notice and public announcement. However, the notice and public announcement may be substituted by means of publishing at information network and keeping them in the place where the Ordinance of the Ministry of Finance Economy decides and open to the public.
 1. Matters for rewards and details of activities of outside directors and the other non-standing directors like the percentage of attendance, pros and cons of the agendas.
 2. Matters which stipulated in the other related laws and regulations among transactions with large shareholders.
 3. Matters for business situation like business outline and condition which stipulated in the other related laws and regulations.

ARTICLE 14. (Chairman)

The chairman of the general meeting of stockholders shall be the representative director. In case the representative director is unable to perform his duty, the director nominated by the representative director is authorized and if not nominated, the person nominated by the board of director.

ARTICLE 15. (Voting Right)

Stockholder's voting right shall be one per one stock.

ARTICLE 16. (Resolution)

- 1) Unless otherwise provided by laws, all resolutions of the general meeting of stockholders shall be adopted by a majority of votes of the stockholders present, who holds more than one fourth of the total number of issued stocks.
- 2) In the followings cases, it shall be adopted by vote of two thirds

of stock present which represents one third of total number of stocks issued.

1. Alteration of the articles of incorporation
 2. Transfer of all or important part of the business
 3. Take over of part of the business of another company to have serious effect of the company
 4. Lease or authorization of all of the business, partnership contract, and signing, amendment or cancellation of other contract related to those
 5. Merger · dissolution of the company
 6. Dismissal of director and/or auditor
 7. Onerous acquisition of treasury stocks, in order to transfer the treasury stocks by the article 9-2 or by acquisition the stocks of the staff which is a retirement from the person who has 10 percents stock of total number of stock.
- 3) A stockholder may exercise his vote through the proxy. In this case, the proxy shall submit the written evidence of his power of attorney prior to the opening of the general meeting of stockholders.

ARTICLE 17. (Maintenance Of Order)

The chairman of the general meeting of stockholders may order persons who do speech and behavior to filibuster on purpose or disturb the order at the place of the meeting to stop speaking, retract their speeches or leave the place. If necessary for the smooth proceedings of the meeting, the chairman may also restrict the time and frequency of stockholders' speeches.

ARTICLE 18. (Minutes)

The point and result of the general meeting of stockholders shall be recorded in the minutes, which shall be signed and sealed by the chairman and the directors present and be kept at the company.

CHAPTER IV. DIRECTORS, BOARD OF DIRECTORS AND AUDITORS

ARTICLE 19. (Election Of Directors And Auditors)

- 1) Directors and auditors of the company shall be elected at the general meeting of stockholders.
- 2) Directors and auditors shall be elected by a majority of the votes of the stockholders present and more than one fourth of the total number of issued stocks. In case of the election of the auditors, the stockholder, whose number of stocks possessed by the largest stockholder and his specific interested person or the person holding stocks by calculation of the specific interested person or the person authorizing the specific interested person to vote are more than

three-hundredth of the total number of the issued stocks, shall not exercise his voting rights for the exceeding stocks as per the article 191-11 of the Stock Exchange Law.

- 3) In case of the election of two (2) or more directors, the stockholder shall exercise one vote for each stock and the article 382-2 of the Commercial Law may be not applied.

ARTICLE 19-2 (Number Of Directors And Auditors)

- 1) The number of directors of the company shall be three (3) to ten (10). However, more than one fourth of directors shall be consisted of outside directors. When the number of outside directors is less than quorum of the board of directors due to a vacancy, the vacancy shall be filled at the first general meeting of stockholders to be held after that the vacancy occurs.
- 2) The company shall have at least one(1) full-time auditor and can have at least one(1) part-time outside auditor.

ARTICLE 20. (Term Of Office)

- 1) The term of director's shall be three(3) year and the term of outside director's shall be one(1) year.
But in case that their term of office expires prior to the ordinary general meeting of stockholders for the last period of settlement of accounts, their term of office shall be extended to the closing of the ordinary meeting.
- 2) The term of auditor's shall be until the closing day of the ordinary general meeting of stockholders for the last period for accounts settlement term within three years after inauguration.

ARTICLE 21. (Dismissal And Vacancy)

- 1) Dismissal of the directors and the auditors shall be subject to the article 385 and 415 of the Commercial Law.
- 2) One of the following cases occurring to directors or auditors shall be properly regarded as a vacancy.
 1. Acceptance of resignation by the board of directors.
 2. Adjudication of bankruptcy by the court.
 3. Adjudication of incompetency or quasi-incompetency by the court.
 4. Death.

ARTICLE 22. (By-Election Of Directors And Auditors)

- 1) In case of any vacancy in the directors or auditors, substitute therefor shall be elected at the general meeting of stockholders. Provided, however, that such vacancy does not cause any shortage in the number of the offices stipulated in article 19-2 hereof and result in any inconvenience in the administration of the business, this

stipulation shall not be applied.

- 2) The substitute's tenure of office shall be the remaining term of the predecessor.

ARTICLE 23. (Duties Of Directors)

- 1) Directors as members of the board of directors shall participate in making decisions on the business execution of the company and have the power to supervise the management of the company through the board of directors.
- 2) Directors should immediately inform auditors when they find out signs that shall cause tremendous damages to the company.
- 3) Directors should faithfully perform their duties according to the statutes and the Articles of Incorporation of the company.

ARTICLE 23-2 (Constitution And Authority Of The Board Of Directors)

- 1) The board of directors is composed of directors and shall make decisions on matters stipulated in statutes and this Articles of Incorporation and indispensable items in performing business of the company and supervise management of directors and top managers.
- 2) The board of directors may set up extra provisions to decide indispensable matters for commitment of its authority and its operation.

ARTICLE 23-3 (The Method Of The Convocation And Resolution Of Board Of Directors)

- 1) The board of directors shall be convoked by representative director or director who is authorized in the board of directors. When the board of directors being convoked, an oral or written notice shall be given to each director and auditor at least one(1) day before the meeting. But, in case of unanimous consent of all directors and auditors, the board of directors may be held without the special convocation procedure.
- 2) The resolution of the board of directors shall be adopted by presence of majority of total directors and majority votes present. And, a person who has special interest in the resolution of a meeting of the board of directors may not exercise his voting rights thereupon.
- 3) Notwithstanding the article 23-3-②, in case that the approval of the board of directors is necessary for foreigner's direct invest as per the Laws for Investment Promotion of Foreigner, more than three fourth(3/4) of the registered directors shall attend and more than two third(2/3) of directors present shall approve it.

ARTICLE 23-4 (Representative Director)

The board of directors shall elect one or more representative director, who represent the company. When the representative director is absent, director who is nominated by him is to execute the office. If no nomination, president, senior executive vice president, executive vice president, senior vice president and vice president make a turn.

ARTICLE 23-5 (Chairman Of The Board Of Directors)

- 1) The board of directors shall elect the chairman of the board of directors whose term is one year at the first boards meeting to be held after the annual general meeting of stockholders.
- 2) To prepare for the chairman being absent at the board's meeting without appointing acting chairman, the board of directors shall set up the orders of the directors who shall execute the duties on behalf of the chairman.
- 3) In case that the chairman does not attend the board's meeting, he shall appoint the director who executes the duties on behalf of him, if there is not appointment, the duties of the chairman shall be performed according to the order determined in the above article 23-5-②.

ARTICLE 23-6 (Agenda Of The Board Of Directors)

The agenda to be discussed by the board of directors shall be proposed by the chairman. But, in case that the other directors propose it, he shall submit the major points to the chairman.

ARTICLE 23-7 (Write-Out Of Minutes Of The Board Of Directors)

The board of directors shall write out the minutes about the point and result of the board's meeting, record the progress and result, opponents and the reason, and the directors or the auditors present shall sign and seal them.

ARTICLE 23-8 (Committee In The Board Of Directors)

- 1) The board of directors may organize the committee for consideration and decision of the items which is authorized by the board of directors.
- 2) The number of the committee shall be at least 2 directors, its organization and operation shall be decided by the board of directors.
- 3) The board of directors may not authorize the committee about the following.
 1. The item to be approved by the general meeting of stockholders
 2. The appointment and dismissal of the representative director
 3. The organization of the committee, the appointment and dismissal of the number of the committee
 4. The item to be decided in the Article of Incorporation
 5. The item to be decided in the board of directors.

- 4) The committee shall notify the item which is resolved in each director. This case, the each director who is notified the item shall be able to demand the convocation of the board of directors and the board of directors may resolve the item which the committee resolves again

ARTICLE 23-9 (Designation And Rewards Of The Management)

- 1) The company shall organize the management to execute the items resolved by the board of directors.
- 2) The matters for the management shall be subject to the extra provisions of the board of directors.

ARTICLE 23-10 (Advisors, Etc.)

- 1) If necessary for execution of the business, this company may have a few advisors and consultants in accordance with recommendation of C.E.O.
- 2) C.E.O. may pay rewards or necessary expenditures for execution of business corresponding to the management.

ARTICLE 24. (Duties Of Auditors)

- 1) Auditors shall audit the duties of directors.
- 2) Auditors shall audit accounts and overall affairs of the company and inform the general meeting of stockholders of auditing report on closing financial statements.
- 3) Auditors may read or copy records and papers regarding the accounts of the company and request directors to report the status of business or examine the overall affairs and properties of the company.
- 4) Auditors may attend the board of directors and express their opinions.
- 5) Auditors shall report to the board of directors when they judge that any director is acting or will have ant possibility to act on the contrary to the statutes or the Article of Incorporation.
- 6) Auditors shall express their opinions at the general meeting of stockholders whether there is unfair thing or breach of the statutes and the Article of Incorporation after investigation into items and papers to be submitted by any director to the general meeting of stockholders.
- 7) Auditors shall request subsidiaries to submit business report if necessary for his duties. In case that subsidiaries do not report immediately or there is any need to check the reports, auditors may investigate business and financial status of subsidiaries.

ARTICLE 25. (Qualification Of Outside Directors)

Outside directors shall be appointed persons who have qualification for relating regulations like the Stock Exchange Law among persons who

have an expert knowledges or an experience about management, economy, laws and related technologies, etc., or have a good reputation socially, and in case that they are disqualified after they become outside directors, they are deprived their duties.

ARTICLE 26. (Remuneration For Directors)

- 1) Regarding the remuneration for directors or expenditure needed for their duties, the board of directors shall determine whether to pay or not and the amount within the ceiling amount approved by the general meeting of stockholders.
- 2) The retirement allowance for directors shall be decided the provisions of officials retirement allowance separately adopted.

ARTICLE 27. (Remuneration For Auditors)

The provision of the article 26 shall be applied correspondingly for the remuneration and the retirement allowance for auditors.

CHAPTER V . ACCOUNTING

ARTICLE 28. (Business Year)

The fiscal year of the company shall be from January 1 to December 31 of every year.

ARTICLE 29. (Write-Out And Of Equipment Statements)

- 1) The representative director of the company shall prepare and submit to the auditors the following documents, their detailed statements and business reports for audit six(6) weeks before the opening of the ordinary general meeting of stockholders, and shall submit the following documents and business reports to the ordinary general meeting of stockholders :
 1. Balance sheet
 2. Statement of profit and loss
 3. Statement of appropriation of retained earnings or Statement of disposition of accumulated deficit.
- 2) The representative director shall keep all the documents of the above paragraph ① with business reports and audit reports for five (5) years at the head office from one week before the opening of the ordinary general meeting of stockholders, and shall also keep the duplicate of them for three (3) years at the branch office.
- 3) The representative director shall immediately give out a public notice of the balance sheet after obtaining approval for such documents mentioned in the paragraph ① from the general meeting of stockholders.

ARTICLE 30. (Appropriations Of Profits)

The company shall dispose of the profit of each fiscal year(including transferred retained profit) as follows.

1. Profit reserve : more than 1/10 of cash dividends
2. The other legal reserves
3. Dividends
4. Voluntary reserve
5. The other disposal amount of profit surplus funds
6. Transferred retained profit of the next term

ARTICLE 31. (Profit Dividends)

- 1) Profit dividends shall be paid to the stockholders or the pledgees registered in the list of stockholders as of the end of each settlement term.
- 2) Dividends may be paid cash and stocks.
But, in case that dividends is paid by stocks, the company shall pay it basing on the face value of stocks, and when several kinds of stocks are issued, dividends may be paid with same kind of stocks.
- 3) If the right of demanding dividends is not exercised for five(5) years, the extinctive prescription is completed.
- 4) Dividends caused by expiration of extinctive prescription in the above paragraph ③ shall revert to the company.
- 5) Profit dividends shall bear no interest.

CHAPTER VI. BOND

ARTICLE 32. (Issue Of Convertible Bond)

- 1) The company may issue convertible bond to the persons except stockholders, when it is necessary to achieve aim in management of the company such as introduction of new technology or improvement of financial structure, within the range in which total amount of par value of bonds does not exceed eight hundred billion (800,000,000,000) won.
- 2) The board of directors may issue the convertible bond described in the above paragraph①, under conditions of partial conversion.
- 3) Stocks to be issued by the conversion shall be common stocks, and the board of directors shall determine at issuing date the conversion price, which is equal to or higher price than par value.
However, the case which the conversion price is determined lower price than par value, it is necessary special resolution of general shareholders meeting.
- 4) The bond may be converted into stocks from the next day of the issuing date of the bond to the day immediately before the date of

repayment expiration. However, that terms for the conversion may be modified by the resolution of the board of directors within such period.

- 5) With regard to the profit dividends for stocks issued by the conversion and payment of the interest for the convertible bond, the company shall apply article 9-3.

ARTICLE 33. (Issue Of The Bonds With Warrants)

- 1) The company may issue the bond with warrants to the persons except stockholders, when it is necessary to achieve aim in management of the company such as introduction of new technology or improvement of financial structure, within the range in which total amount of par value of bonds does not exceed eight hundred billion (800,000,000,000) won.
- 2) The price at which preemptive for new stocks is to be demanded shall be determined by the board of directors within the range of the total par value of the bond
- 3) Stocks to be issued by the exercise of preemptive rights shall be common stocks, and the board of directors shall determine at issuing date the issuing price, which is equal to or higher price than par value.
- 4) The preemptive rights may be exercised from the next day of the issuing date of the bond to the day immediately before the date of repayment expiration. However, that terms for the exercise of the preemptive rights may be modified by the resolution of the board of directors within such period.
- 5) With regard to the profit dividends for stocks issued by the exercise of the preemptive rights, the company shall apply article 9-3.

SUPPLEMENTARY PROVISIONS (DECEMBER 8, 1978)

1. (Amendment Of The Articles Of Incorporation)
Amendment of the Articles of Incorporation of the company shall be made by the resolution of the general meeting of stockholders.
2. (Detailed Rules And Bylaws)
The detailed rules and bylaws required for carrying out the business and management of the company shall be made and carried into effect by the board of directors.
3. (Particulars Except Provisions)
The particulars that do not stipulated in this Articles of Incorporation shall be carried out in accordance with resolution of the general meeting of stockholders, the Commercial Laws and other related laws and regulations.
4. (Promoters)

The address and name of the establishment promoters of the company is the same contents that recorded at the end of the Articles of Incorporation as follows.

In order to establish Hyundai Corporation, all members of the promoters make this Articles of Incorporation and affix their names and signatures therein.

(Promoters) The promoters' address and name is as follows ;

Chung, Ju Yung	#55-13, Chungwoon-Dong, Jongro-Ku, Seoul
Chung, Hee Yung	#47-32, Okin-Dong, Jongro-Ku, Seoul
Chung, Ju Yung	#1, Chunha-Dong. Ulsan-city, Kyungnam Representative Director Of Hyundai Shipping & Heavy Industries Co., Ltd.
Cho, Sung Kun	#178, Sejongro, Jongro-Ku, Seoul Representative Director Of Hyundai Engineering & Construction Co., Ltd.
Chung, Soon Young	#178, Sejongro, Jongro-Ku, Seoul Hyundai Cement Co., Ltd.
Chung, Se Young	#178, Sejongro, Jongro-Ku, Seoul Representative Director Of Hyundai Motor Co.,Ltd.
Chung, Sung Goo	#296-3, Shadon-Dong, Suwon-Si, Kyungkido Representative Director Of Keum Kang CO., Ltd.
Chung, Sang Young	#414, Yumpo-Dong, Ulsan-Si, Kyungnam Representative Director Of Korea Chemical Co., Ltd.
Chung, Mong Pil	#255, Daejari, Byukje-Myun, Koyang-Kun, Kyungkido Representative Director Of Dong Seo Ind.Co.,Ltd
Chung, Mong Goo	#113-25, Wonhyoro 4Ka, Yongsan-Ku, Seoul Representative Director Of Hyundai Motor Service Co., Ltd.

SUPPLEMENTARY PROVISIONS (MARCH 2, 1996)

This Articles of Incorporation will valid from march 2, 1996.

Provided that the amended provisions of the article 11, 16, 19-2, 23-7, 24, 25, 31, 32 and 33 shall valid from october 1, 1996, the amended provisions of the article 9-2, from the first opening fiscal year after the amendment date of this

Articles of Incorporation.

SUPPLEMENTARY PROVISIONS (MARCH 21, 1998)

1. The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 22nd fiscal year.
2. (Corresponding Provisions)
The items that do not stipulated in the Articles of Incorporation hereof shall be applied as per the Commercial Laws or other related laws and regulation.
3. (Directors' Tenure System By Time Lag)
 - ① The directors elected at the 22nd ordinary general meeting of stockholders shall be divided into group 1 and group 2, and the number of each group shall be fixed up.
 - ② In spite of the article 20-1, directors of group 1 among directors elected at the 22nd ordinary general meeting of stockholders shall have the status until next 2nd ordinary general meeting of stockholders and directors of group 2 shall have the status until next 3rd ordinary general meeting of stockholders.

SUPPLEMENTARY PROVISIONS (MARCH 27, 1999)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 23rd fiscal year.

SUPPLEMENTARY PROVISIONS (MARCH 25, 2000)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 24th fiscal year.

SUPPLEMENTARY PROVISIONS (MARCH 28, 2001)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 25th fiscal year. However, in case that the enforcement day which follows in revision of related laws and regulations is stipulated separately, it follows same regulations and laws.

SUPPLEMENTARY PROVISIONS (MARCH 23, 2002)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 26th fiscal year.

SUPPLEMENTARY PROVISIONS (MARCH 22, 2003)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 27th fiscal year.

SUPPLEMENTARY PROVISIONS (JULY 23, 2003)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 27th fiscal year.

SUPPLEMENTARY PROVISIONS (MARCH 27, 2004)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 28th fiscal year.

SUPPLEMENTARY PROVISIONS (MARCH 25, 2005)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 29th fiscal year.

SUPPLEMENTARY PROVISIONS (MARCH 17, 2006)

The amendment of the Articles of Incorporation of the company will valid from the date resolved at the general meeting of stockholders for the 30th fiscal year.