

## ARTICLES OF INCORPORATION

### PREAMBLE

The Company shall preserve long-term profit of its shareholders by securing the survival of business, at a minimum, and continuing to evolve and progress in such a drastically changing business environment. To this end, the Company will establish the Management Perspective as follows and implement it as the basis of management activities.

#### [ Mission ]

The Company shall achieve its ultimate goal of sustained progress by maintaining stability and growth. Furthermore, it shall create value for its customers, people and shareholders, thereby contributing to social and economic development and human well-being.

#### [ Value ]

The Company aims to:

- gain trust from its customers by ensuring consistent customer satisfaction, and ultimately transform itself into a corporate entity whose progress goes hand in hand with theirs.
- create and establish a favorable environment where its people can work voluntarily and willingly, and ensure that all members contribute to the sustained progress during their tenure at the Company.
- upgrade its corporate value so as to create shareholder value, while enhancing the level of both transparency and management efficiency toward this end.
- make every effort to contribute to the welfare of the community by engaging in social/cultural activities in addition to facilitating economic prosperity, and to observe social norms and ethical standards.
- continuously create sufficient profit to enhance the value of stakeholders and finance the Company's future growth.

## CHAPTER I. GENERAL PROVISIONS

### Article 1. Company Name

The name of the company in Korean shall be SK hynix JusikHoesa and in English, SK hynix Inc. ("SK hynix") < Amended March 23, 2012 >

### Article 2. Purpose

The purpose of the Company is to engage in the following business activities:

1. To manufacture and sell semiconductor IC;
2. To manufacture, assemble and sell machinery, device and components and materials thereof using

- semiconductor IC and other similar components and applying nature of electronic movement;
3. To develop and lease computer;
  4. To manufacture, sell and lease electronic or electric or communication equipment, device and component thereof, and to provide the related service;
  5. To manufacture part of machinery and tooling;
  6. To conduct technical research and to provide the service;
  7. To lease electronic or electric equipment;
  8. To manufacture, sell, lease and service equipment related to special communication (satellite communication, etc.);
  9. Deleted < February 25, 2003>
  10. To provide information service;
  11. Publishing business;
  12. Trading business;
  13. Deleted < February 25, 2003>;
  14. To sell and lease real estate;
  15. Deleted < February 25, 2003>;
  16. Deleted < February 25, 2003>;
  17. Deleted < February 25, 2003>;
  18. Deleted < February 25, 2003>;
  19. To generate electricity;
  20. Construction business;
  21. Deleted < February 25, 2003>
  22. Deleted < February 25, 2003>;
  23. To manufacture electronic tubes;
  24. Deleted < February 25, 2003>;
  25. Deleted < February 25, 2003>;
  26. Deleted < February 25, 2003>;
  27. Warehousing business;
  28. Parking lot business; <Newly Inserted, March 26, 1999>
  29. Deleted < February 25, 2003>;
  30. Deleted < February 25, 2003>;
  31. Satellite communication business; <Newly Inserted, March 24, 2000>
  32. To lease telecommunication line facility; <Newly Inserted, March 24, 2000>
  33. E-business and internet-related business. <Newly Inserted, March 24, 2000> and
  34. Investment and business related to items mentioned above <Newly Inserted, February 25, 2003>

### Article 3. Location of the Head Office and Branches

- (1) The head office of the Company shall be located in Icheon, Gyeonggi-do, Republic of Korea (“Korea”).
- (2) Branches, offices and subsidiaries may be established elsewhere by resolution of the Board of directors of the Company (the “Board”).

#### Article 4. Notices

Public notices by the Company shall be given, when necessary, by inserting them in the internet homepage (www.skhyunix.com) of the Company. If such internet homepage is not available due to a network problem or an unavoidable obstacle, etc., such notices may be given in the Hankuk Kyongje Shinmun, daily newspapers published in Seoul. <Amended March 23, 2012>

## CHAPTER II. SHARES

#### Article 5. Total Number of Authorized Shares

The total number of shares which the Company is authorized to issue (“Authorized Shares”) is 9,000,000,000.

#### Article 6. Face Value

The shares to be issued by the Company shall have a face value of 5,000 Won per share.

#### Article 7. Shares to be Issued at the time of Incorporation

The Company shall issue 50,000 shares at the time of incorporation.

#### Article 8. Types of Shares

(1) The types of shares to be issued by the Company shall be registered common shares and registered different classes of shares. <Amended March 23, 2012>

(2) The types of different classes of shares to be issued by the Company shall be preferred shares having preferential rights as to the dividend of profit without voting rights (herein after as to “Non-voting preferred shares”), convertible shares, redeemable shares, and other shares with the mixture the whole or a part of such shares. <Newly inserted March 23, 2012>

#### Article 8-2. Number and Contents of Preferred Shares

(1) The Company may issue Non-voting preferred shares; provided, however, that the number of the Non-voting preferred shares shall not exceed 25 per cent of total number of shares issued.<Amended March 26, 1999, March 29, 2001, February 25, 2003, March 26, 2004, March 23, 2012>

(2) The dividends on Non-voting preferred shares shall be paid by cash in preference according to the

preferred rate determined by the Board. In such case the Board shall determine such rate in light of dividend rates of recent 3 years, necessity of fund raising, market conditions and all other circumstances relating to the issue of different classes of shares. <Amended March 23, 2012>

(3) In case the dividend rate on common shares is higher than that on Non-voting preferred shares, whether the amount of such excess should be distributed on a pro rata basis amongst the holders of the common shares and those of preferred shares or should not be distributed at the time of the resolution of the Board. <Amended March 23, 2012>

(4) In case the prescribed dividends have not been distributed to the holders of the Non-voting preferred shares during a certain fiscal year, whether the cumulative dividends that have been unpaid up to that point should be distributed preferentially at the time of dividend distribution for the following fiscal year or should not be distributed at the time of dividend distribution for the following fiscal year at the time of the resolution of the Board. <Amended March 23, 2012>

(5) In case where a resolution not to pay the prescribed dividends on Non-voting preferred shares is adopted, Non-voting preferred shares will be deemed to have voting rights, from the date of the general meeting of shareholders immediately following the general meeting of shareholders at which such resolution was adopted until the last day of the general meeting of shareholders at which a resolution to pay preferred dividends is adopted; provided, however, that the Board may determine that the Non-voting preferred shares will not be deemed to have voting rights. <Amended March 29, 2001, March 26, 2004, March 23, 2012>

(6) Deleted. <March 23, 2001>

(7) In case of issuance of new shares, the Company shall allocate the common shares to the holders of Non-voting preferred shares, but in case of bonus issues, the Company shall allocate shares of the same class to the holders of Non-voting preferred shares. <Amended March 23, 2012>

(8) The Board shall determine the duration of the Non-voting preferred shares at the time of issuance, within the scope not exceeding 10 years therefrom. The Non-voting preferred shares shall be converted into the common shares upon the expiry of such duration. However, if the dividends have not been paid on the Non-voting preferred shares, such duration shall be extended to the full payment thereof. In case of redeemable shares issued pursuant to Article 8-4, if the shares are not redeemed within the above period, such duration shall be extended to the full redemption thereof. The provisions of Article 10-3 shall apply mutatis mutandis to the distribution of dividends for the shares to be issued upon conversion pursuant to this paragraph. <Amended March 23, 2012>

Article 8-3. Convertible Shares <Newly Inserted March 29, 2001>

(1) The Company may, by the resolution of the Board, issue shares (the "Convertible Shares") which can be convertible into common shares or different class of shares upon the choice of the Company or the shareholders, provided, however, that total number of shares issued shall not exceed 25 per cent of total number of shares issued. <Amended March 23, 2012>

(2) The total issuance price of the shares to be issued upon the conversion shall be equal to that of the underlying shares outstanding immediately before the conversion. The number of shares to be issued upon the conversion shall be that of the common shares or the preferred shares, as the case may be, before the conversion. <Amended February 25, 2003>

(3) The conversion period to be exercised by the Company or the shareholders shall be determined at the time of issuance by the Board within the range of one month to ten years from the issuance date. <Amended March 23, 2012>

#### Article 8-4. Redeemable Shares <Newly Inserted March 29, 2001>

(1) The Company may, by the resolution of the Board at the issuance thereof within 25 per cent of total number of shares issued, issue shares (the “redeemable shares”) which can be cancelled with profits upon the choice of the Company or the shareholders. <Amended February 25, 2003>

(2) The redemption period to be exercised by the Company or the shareholders shall be determined at the time of issuance by the Board within the range of one month to ten years from the issuance date. Provided, however, the Company may redeem all or any part of redeemable shares before the end of redemption period. If the Company redeems only a part of the redeemable shares then outstanding, it shall redeem in proportion to the numbers of the redeemable shares held by the respective shareholders. A fraction of shares shall not be redeemed. <Amended February 25, 2003, March 23, 2012>

(3) The redemption price of the redeemable shares shall be resolved by the board of directors, considering one or more of their par value, their market price at the redemption, their issuance price or their issuance price plus fair interests considering market interests.

(4) The Company shall redeem the redeemable shares at the redemption date by cash.

(5) Deleted <March 23, 2012>

#### Article 9. Types Share Certificates

Share certificates shall be issued by the Company in eight 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) shares.

#### Article 10. Pre-emptive Rights

(1) The shareholders of the Company shall have the right to subscribe for such newly issued shares in proportion to the number of shares held by each of them.

(2) Notwithstanding paragraph 1, new shares may be allocated to persons other than the existing shareholders by a resolution of the Board in the following cases:

1. If the Company issues new shares by a public offering or has underwriters underwrite new shares by a public offering in accordance with the provisions of the Capital Market and Financial Investment Business Act; <Amended March 26, 2009>

2. If the Company allocates new shares to the members of the Company's Employee Stock Ownership Association in accordance with the provisions of the Capital Market and Financial Investment Business Act; <Amended March 26, 2009>
3. If the Company issues new shares for the issuance of depositary receipts in accordance with the provisions of the Capital Market and Financial Investment Business Act; <Amended March 26, 2009>
4. If the Company issues new shares through offering to the public investors by the resolutions of the Board in accordance with the Capital Market and Financial Investment Business Act; <Amended March 26, 2009>
5. If the Company issues new shares by the exercise of the stock option in accordance with the provisions of the Capital Market and Financial Investment Business Act; <Amended March 26, 2009>
6. If the Company issues new shares to domestic or foreign financial institutions(In this subparagraph financial institutions shall mean a professional investor set forth in the provisions of Article 9, paragraph 5 of the Capital Market and Financial Investment Business Act, except for a Stock-listed corporation set forth in the provision of subparagraph 4 of paragraph 5 of Article 9 of the said Act and corporation, organization or private individual set forth in the provision of subparagraph 16 and 17 of paragraph 3 of the Enforcement Decree of the said Act), cooperating companies, strategic investors or foreign investors for the management purpose such as fund raising or technology transfer; <Amended March 26, 2009, March 26, 2010>
7. If the Company issues new shares for in kind capital contribution;
8. If the Company issues new shares to the person set forth in (a) through (c), subparagraph 2 of paragraph 1 of Article 11 of the Enforcement Decree of the Capital Market and Financial Investment Business Act for its management necessity; <Newly Inserted March 26, 1999, Amended March 26, 2009> and
9. If the Company issues new shares to the financial institutions in order to convert the debt into capital.
10. If the Company issues new shares by the exercise of the employee stock option (the "ESO") in accordance with the provisions of the Framework Act on Workers' Welfare. <Newly Inserted March 28, 2006>

(3) Any shares unsubscribed after the exercise of pre-emptive rights by shareholders who are entitled to them or any fractional shares remaining after the allocation of new shares may be disposed of by a resolution of the Board

#### Article 10-2. Stock Option

(1) The Company may grant its officers and employees stock options pursuant to the provisions of Article

542-3 of the Commercial Law by a special resolution of the General Meeting of Shareholders, within the scope not exceeding 15/100 of the total number of issued and outstanding shares; provided that the board of directors may resolve to grant stock options within the scope not exceeding 10/100 of the total number of issued and outstanding shares and to the extent permitted by applicable laws. In this case the Company should obtain the approval of the first general meeting of Shareholders to be held thereafter. <Amended March 26, 2009>

(2) The persons who are entitled to receive such stock options shall be officers, directors or employees of the Company who have contributed, or is capable of contributing, to the establishment, management, overseas marketing or the innovation of technology of the Company or any affiliate company, except for such officers or employees in any of the following categories:

1. Deleted <March 26, 2009>
2. Deleted <March 26, 2009>
3. Deleted <March 26, 2009>

(3) The shares to be issued upon the exercise of stock option (in case the Company pays the difference between the exercise price of stock option and the market price of such shares in cash or treasury shares, the shares which shall be the basis of the calculation of such differences) shall be common shares or different classes of shares in registered form, which shall be determined in the resolution pursuant to paragraph 1. <Amended March 23, 2012>

(4) The number of officers and employees, to whom the stock option is granted by the Company, shall not exceed 30/100 of the total number of officers and employees of the Company, and the total number of shares subject to the stock option to be given to one (1) officer or employee, shall not exceed 1/100 of the total number of shares issued and outstanding.

(5) The exercise price per share for stock option shall exceed the following prices. This shall also apply to the case of adjustment of such price after the granting of stock option.

1. In case of delivery of new shares, the greater price between the following prices:
  - a) Market price pursuant to Article 176-7, paragraph 2, subparagraph 1 of the Enforcement Decree of the Capital Market and Financial Investment Business Act as of the date of granting of stock option; or <Amended March 26, 2009>
  - b) Face amount of the concerned share.
2. In any other cases, the market price appraised pursuant to the above subparagraph (a).

(6) Stock options may be exercisable within five (5) years from the expiry of the period, not less than two (2) years from the resolution set forth in paragraph 1, which is determined in the resolution set forth in paragraph 1. <Amended September 7, 1999, March 24, 2000, March 29, 2001, March 26, 2004>

(7) The provision of Article 10-3 shall apply mutatis mutandis to the distribution of dividends on new shares to be issued by the exercise of the stock option.

(8) In the following instances, the Company may, by a resolution of the Board, cancel the stock options:

1. If the directors, officers or employees voluntarily resign or are removed from the Company after having been granted the stock options;
2. If the directors, officers or employee inflict on the Company material damages or losses, whether intentionally or by mistake; or
3. If any other events of cancellation of stock options occur as prescribed in the agreements of granting such stock options.

Article 10-3. Date from which Dividends Accrue on the New Shares

In case the Company issues new shares through rights issues, bonus issues and stock dividends, the new shares shall be deemed to have been issued at the end of the fiscal year immediately prior to the fiscal year during which the new shares are issued, for purposes of distribution of dividends for such new shares.

Article 10-4. Capital Increase by Public Offering, etc. <Newly Inserted March 26, 1999>

(1) The Company may issue new shares to the person set forth in subparagraphs 4, 6 to 9 of paragraph 2 of Article 10, to the extent not exceeding the total number of issued and outstanding shares of the Company, by a resolution of the Board.

(2) In case of the issuance of new shares pursuant to Paragraph (1) above, the type and number of shares to be issued and the issue price thereof shall be determined by a resolution of the Board in accordance with the relevant laws.

Article 10-5. Employee Stock Option <Newly Inserted March 28, 2006>

(1) The Company may grant its members of employee stock ownership association ESO by a resolution of the General Meeting of Shareholders pursuant to the provisions of Article 368-1 of the Commercial Code, within the scope not exceeding 20/100 of the total number of issued and outstanding shares in accordance with the Framework Act on Workers' Welfare and applicable laws.; provided that the board of directors may resolve to grant ESO within the scope not exceeding 10/100 of the total number of issued and outstanding shares.

(2) The shares to be issued upon the exercise of employee stock option shall be common shares in registered form.

(3) In case of the occurrence of one of following instances, the Company may, by a resolution of the Board, cancel the stock options:

1. If the member of its employee stock ownership association who has been granted ESO inflicts on the Company material damages or losses, whether intentionally or by mistake;
2. If the Company cannot comply with the exercise of the ESO due to its bankruptcy or dissolution and so forth; or
3. If any other events of cancellation occur as prescribed in the agreements of granting such

employee stock options.

(4) The provisions of Article 10-3 shall apply mutatis mutandis to the distribution of dividends for the shares to be issued upon the exercise of ESO.

#### Article 11. Transfer Agent

(1) The Company shall appoint a transfer agent for its shares.

(2) The transfer agent, the location of its services and scope of its operation shall be determined by the Board of the Company and be previously announced in public.

(3) The Company shall keep the shareholders' register or a duplicate thereof at the office of the transfer agent and shall entrust the transfer agent to deal with any entry in the shareholders' register, registration or de-registration of pledges, indication or cancellation of trust assets, issuance of share certificates, receipt of notices and other matters related to the shares.

(4) The procedures for the activities referred to in paragraph 3 above shall be subject to the relevant regulation on the Transfer Agent. <Amended March 23, 2012>

#### Article 12. Report of Name, Address, Seal or Signature of Shareholders , etc.

(1) Shareholders and registered pledgees shall report their names, addresses, and seals or signatures to the transfer agent of Article 11.

(2) Shareholders and registered pledgees who reside in a foreign country shall appoint and report the place where, and an agent to whom, notices will be given in Korea.

(3) The same shall apply in case of any changes in matters referred to in paragraphs 1 and 2.

#### Article 13. Closing of Shareholders' Register and Record Date

(1) The Company shall suspend entries of alterations in the register of shareholders for a period from the 1st day to the last day of January of each year.

(2) The Company shall allow the shareholders who are recorded as shareholder in the shareholders' register as of December 31 of each year to exercise their rights pertaining to the shares at the ordinary general meeting of shareholders for such fiscal year.

(3) In case an extraordinary general meeting of shareholders is convened or if otherwise necessary, the Company may suspend entries of alterations in the shareholders' register for a certain period not exceeding three (3) months by resolution of the Board, or deem the shareholders whose names appear in the shareholders' register as of the record date set by the resolution of the Board to be the shareholders entitled to exercise their rights pertaining to the shares, provided that if the Board deems it necessary, the Company may suspend any entry in the shareholders' register of any alteration of a shareholder's name and set the record date at the same time. The Company shall give at least two (2) weeks prior public notice thereof.

## CHAPTER III. BONDS

## Article 14. Issuance of Bonds &lt;Newly Inserted March 23, 2012&gt;

- (1) The Company may issue bonds by the resolution of the Board.
- (2) The Board may authorize Representative Director to issue bonds within 1 year subject to the classes of bonds, the amount determined by the Board.

## Article 14-2. Issuance of Convertible Bonds

- (1) The Company may issue convertible bonds in the aggregate face amount not exceeding six trillion (6,000,000,000,000) Won to persons other than the shareholders by a resolution of the Board.
- (2) Convertible bonds mentioned in Paragraph (1) may, by resolution of the Board, be issued with their conversion rights limited to a certain portion of their face amount.
- (3) Upon conversion from the aggregate face amount of convertible bonds, different classes of shares may be issued up to the amount determined by resolution of the Board at the time of issuance of the convertible bonds, which shall not be less than the par value of the shares; provided, however, if the Company issues convertible bonds of which the conversion price is less than par value, it shall obtain the approval of shareholders with respect to such conversion price at the general meeting of shareholders in accordance with the provision of Article 434 of the Commercial Code. <Amended March 23, 2012>
- (4) The conversion period shall be the period commencing from the date following the issuance of the convertible bonds and ending on the date immediately preceding the date of redemption of the convertible bonds. The conversion period may be adjusted by a resolution of the Board; provided, that the conversion period shall in any event fall within the period mentioned above.
- (5) The provisions of Article 10-3 shall apply mutatis mutandis to the payment of dividends on the shares issued upon conversion and the payment of interest on the convertible bonds.

## Article 15. Issuance of Bonds with Warrants

- (1) The Company may issue bonds with warrants in the aggregate face amount not exceeding two trillion (2,000,000,000,000) Won to persons other than the shareholders.
- (2) The amount with respect to which the pre-emptive rights may be exercised shall be determined by resolution of the Board; provided, that such amount shall not in any event exceed the aggregate face amount of the bonds with warrants.
- (3) Upon exercise of the warrants, from the aggregate face amount of bonds with warrants, different classes of shares may be issued up to the amount determined by resolution of the Board at the time of issuance of the bonds with warrants, which shall not be less than the face value of the shares. <Amended March 23, 2012>

(4) The period during which the pre-emptive rights may be exercised shall be the period commencing from the date following the issuance of the bonds with warrants and ending on the date immediately preceding the date of redemption of the bonds with warrants. The period during which the pre-emptive rights may be exercised may be adjusted by resolution of the Board; provided, that such period shall in any event fall within the period mentioned above.

(5) The provisions of Article 10-3 shall apply, mutatis mutandis, to the payment of dividends on the new shares issued upon exercise of the pre-emptive rights.

Article 16. Provisions applicable mutatis mutandis to the Issuance of the Bonds

Articles 11 and 12 of these Articles of Incorporation shall apply mutatis mutandis to the issuance of the bonds.

#### CHAPTER IV. GENERAL MEETING OF SHAREHOLDERS

Article 17. Convening of General Meetings.

(1) An Ordinary General Meeting of Shareholders shall be held within three (3) months after the end of each fiscal year, and an Extraordinary General Meetings of Shareholders may be convened at any time in compliance with a resolution of the Board and applicable laws or regulations.

(2) Shareholders may act only with respect to matters set forth in a written notice at a General Meeting of Shareholders unless otherwise approved by all of the shareholders.

(3) The General Meeting of Shareholders shall be held in Seoul or at the place where the Company's head office is located.

(4) A General Meeting of Shareholders shall be convened by the Representative Director of the Company or by the director acting under the authorization of the Representative Director.

Article 18. Notices and Publication

(1) Written notice or an electronic document of each General Meeting of Shareholders of the Company shall state the date, time, place of the Meeting, the purposes for which the Meeting has been called, and other matters set forth in the relevant laws. The written notice or the electronic document shall be dispatched to all the shareholders at least two weeks prior to the date set for such Meeting. <Amended February 13, 2012>

(2) The written notice or the electronic document of a General Meeting of Shareholders to be given to shareholders holding one-hundredth or less of the total number of voting shares in issue may be substituted by two or more notices made respectively in the newspaper set forth in Article 4 or Maeil Kyongje Shinmun or published in the Data Analysis, Retrieval and Transfer System operated by the Financial Supervisory Service or Korea Exchange; provided, however, that at least two notices are made in said publications two

weeks prior to the date set for such Meeting. <Amended March 26, 2009, February 13, 2012>

(3) Such notices and publication pursuant to Paragraphs 1 and 2 shall include the management reference information set forth in Article 542-4, Paragraph 2 and Paragraph 3 of the Commercial Law. However, it shall not apply in case where such information of Article 542-4, Paragraph 3 is kept at the Internet Website of the Company and at the head office and branches of the Company, Transfer Agency, Financial Services Commission and Korea Exchange. <Amended March 26, 1999, February 25, 2003, March 26, 2009>

#### Article 19. Presiding Officer

The presiding officer of a general meeting of shareholders shall be the Representative Director. In the event that the Representative Director is unable to perform his/her duties, the director nominated by the Representative Director shall act as the presiding officer. If no director is nominated by the Representative Director, a director shall act as the presiding officer.

#### Article 20. Vote by Proxy

(1) Any shareholder entitled to vote at a General Meeting of Shareholders shall have the right to vote by proxy.

(2) Any shareholder may exercise his vote by proxy. However, the proxy shall submit a document evidencing the power of representation before the opening of the General Meeting.

#### Article 21. Quorum and Requisite for Resolutions

(1) Except as otherwise provided in these Articles of Incorporation or those mandatory provisions of the applicable laws or regulations, all actions and resolutions of a General Meeting of Shareholders shall be adopted by the affirmative vote of a majority of the voting shares of the shareholders present, which shall represent at least one-fourth of the voting shares of the Company then issued and outstanding.

#### Article 22. Maintenance of Order

(1) The presiding officer of a general meeting of shareholders may order a person, who purposely speaks or acts in a manner to prevent or disrupt deliberations of the meeting or who disturbs the public order of the meeting, to stop or retract his/her remarks or to leave the place of the meeting.

(2) The presiding officer of a general meeting of shareholders may limit the time and number of shareholders' speeches when it is necessary for the smooth deliberations of the meeting.

#### Article 23. Voting Right of Shareholders

Each shareholder shall have one vote for each share.

#### Article 24. Restrictions on Voting Rights

If the Company individually or jointly with its subsidiary, or its subsidiary holds the shares in the other company in excess of 1/10 of the total number of issued and outstanding shares, such excess shares shall not have the voting rights.

#### Article 25. Split Voting

(1) When a shareholder having two or more voting rights intends to split the votes, he/she must give the Company written notices stating the intent and reason therefor three days prior to the date of the meeting.

(2) The Company may refuse the splitting of voting rights of the shareholders. However, the Company cannot refuse where such voting shareholder is holding shares in trust or is otherwise holding the shares for the benefit of other persons.

#### Article 26. Minutes of General Meeting

The substance of the course of the proceedings of a General Meeting of Shareholders; and the results thereof shall be recorded in the minutes which shall bear the names and seals or signatures thereon of the presiding officer and of the Directors present at the Meeting, and shall be preserved in the archives of the Company.

### CHAPTER V. DIRECTOR AND BOARD

#### Article 27. Election of the Directors

(1) The Directors shall be elected at the General Meeting of Shareholders. A candidate for outside Director shall be recommended by the Outside Director Nomination Committee as prescribed in Article 28. The outside director to serve as Audit Committee and member of Audit Committee who is not outside director elected by Article 48 shall be separately appointed. <Amended March 24, 2000, February 25, 2003, March 26, 2010, February 13, 2012>

(2) The directors shall be elected by the affirmative vote of majority shares present at the general meeting of shareholders, provided that such affirmative votes shall be not less than one-fourth (1/4) of the total issued and outstanding shares. In electing or dismissing a director, who is a member of Audit Committee but not an outside director pursuant to Article 191-11 of the Securities Exchange Act, a shareholder who holds voting shares in excess of three-one hundredths of the total voting shares of the Company may not exercise his/her voting rights with respect to such excess shares. The number of shares held by such shareholder shall be the sum of shares held by the largest shareholder, a specially related person thereof, a person holding shares at the account of the largest shareholder or a specially related person thereof, and a person delegating the voting right to the largest shareholder or a specially related person thereof. In electing or dismissing an outside director who is a member of Audit Committee, the shareholder who holds his/her voting shares in excess of three-one hundredths of the total voting shares of the Company may not exercise his/her voting rights with

respect to such excess shares. <March 24, 2000, February 25, 2003>

(3) If two or more directors are appointed, a shareholder may exercise one voting right for each share held by him/her, and in such case, Article 382-2 of the Commercial Code shall not apply.

#### Article 28. Number of Directors

The Company shall have 6 or more directors. The number of outside directors shall be not less than 3 and the half of the total number of directors. If the outside directors become less than the half of the total number of directors, such vacancy shall be filled at the first general meeting of shareholders to be held thereafter. <Amended March 24, 2000, March 26, 2004>

#### Article 29. Term of Office of Director

The term of office of a director shall expire upon the time of the closing of the third ordinary general meeting of shareholders to be convened after his/her inauguration. <Amended February 25, 2003, March 26, 2010, February 13, 2012 >

#### Article 30. Dismissal of Director and Vacancy of Office of Director

(1) The dismissal of director shall be made in accordance with the Commercial Act. <Amended February 13, 2012 >

(2) The director shall lose his/her office in any of the following events:

1. If the director submits his/her letter of resignation;
2. If the director is adjudged bankrupt;
3. If the director is adjudged incompetent or quasi- incompetent; or
4. If the director dies.

#### Article 31. By-election of Director

(1) In the event of any vacancy in the office of a director, a substitute director shall be elected at a general meeting of shareholders. However, in the case the number of remaining directors satisfies the requirement of Article 28 hereof and such vacancy does not cause any difficulties in the operation of the business, the appointment may be postponed.

(2) Deleted <February 13, 2012>

#### Article 32. Duties of Directors

(1) The directors shall participate in the decision-making procedures of business of the Company as a member of the Board. The directors shall also supervise the business performance by the management of the Company through the Board.

(2) If a director finds any matter that may inflict any material loss to the Company, he/she shall immediately

report it to the Audit Committee.

(3) The directors shall faithfully perform their respective duties in accordance with the laws and these Articles of Incorporation.

Article 33. <deleted March 24, 2000>

Article 34. Remuneration for Directors

(1) The remuneration for the directors shall be determined by the resolution of the general meeting of shareholders. <Amended February 13, 2012>

(2) Severance payments for the directors shall be made in accordance with the Regulation for Severance Allowance for Officers approved at the general meeting of shareholders.

Article 34-2. <deleted March 24, 2000>

Article 35. Responsibilities of Directors

(1) A director shall indemnify the Company and the third party for the damages arising out of his/her negligence of duties, as prescribed by the laws, such as the Commercial Code, etc.

(2) The Company shall indemnify a director or previous director for any and all litigation expenses, losses, damages and liability suffered by him/her in connection with his/her performance of duties. Provided that, this shall not apply to the expenses, losses, damages and liability are caused by the wrongful act or material mistake of the director and the other indemnity not permitted by the laws. <Amended March 24, 2000, February 25, 2003>

Article 36. Qualification of Outside Directors

An outside director must have sufficient and professional knowledge or experience in the areas of management, economy, law, relevant technology, etc. or social reputation and also must be qualified under the relevant laws, such as the Commercial Law. If an outside director becomes disqualified under such laws, the outside director shall lose his/her office. <Amended March 26, 2009>

Article 37. <Deleted March 24, 2000>

Article 38. Composition and Powers of Board

(1) The Board shall consist of directors, resolve the matters set forth in the laws and these Articles of Incorporation and other important matters relating to the affairs of the Company and supervise the business performance by the directors and the management of the Company.

(2) The Company may have the separate Board Regulations to set forth the provisions regarding the

delegation of powers and other matters necessary for the operation of the Board.

#### Article 39. Convening and Resolution Method of Board Meeting

(1) The meeting of the Board shall be convened by the notice of the Representative Director or such director as separately determined by the Board to each director in writing or verbally one (1) day prior to the scheduled date of the meeting; provided, however, that such notice may be omitted with the consent of all directors.

(2) The majority of directors shall constitute a quorum for a meeting of the Board, and all actions and resolutions taken at a meeting of the Board shall be adopted by the affirmative vote of a majority of the directors present. However, the resolution pursuant to Articles 397-2, 398 of Commercial Act shall be adopted by the affirmative votes be no less than 2/3 of the directors present. <Amended March 23, 2012>

(3) <Deleted March 26, 1999>

(4) The Board meetings may be held by means of a teleconference or other similar arrangement whereby all or part of the directors may participate in the meeting and vote on matters at the same time. In such case, a director participating in the meeting by such arrangement shall be considered present at the meeting. <Amended March 23, 2012>

(5) A director who has special interest related to the resolution of the Board of Directors may not vote for such agenda. In this case, the director shall be regarded as absent at the meeting. <Added February 25, 2003>

#### Article 40. Representative Director

The Board shall elect 1 or more Representative Directors. The Representative Director(s) shall represent the Company. In the event that the Representative Director cannot act, an inside director designated by the Representative Director shall replace. <Amended March 24, 2000, February 25, 2003, March 26, 2010>

#### Article 41. Chairman

(1) The Chairman of the Board shall be elected by the resolution of the Board of Directors. <Amended March 23, 2012>

(2) The Chairman shall previously determine the order of directors who shall act as the Chairman, in case the Chairman is unable to attend the Board meeting without nominating the acting Chairman. <Amended February 25, 2003>

(3) If there is not such designation in accordance with the above paragraph 2, the director elected by attending directors shall act as the Chairman. <Amended February 25, 2003>

#### Article 42. Agenda

The Chairman shall propose the agenda of the Board meeting. If a director desires to propose agenda, the

director shall submit the summary thereof to the Chairman.

#### Article 43. Minutes of the Board Meeting

The proceedings, resolutions, objecting director (if any) and his/her reasons for objection of a meeting of the Board shall be recorded in the minutes on which the names and seals of the Chairman and all the directors present shall be affixed.

#### Article 44. <deleted>

#### Article 45. Special Committees <Newly Inserted March 24, 2000>

(1) The Company shall have Outside Director Nomination Committee and Audit Committee under the control of the Board, and may have the committee to deliberate or resolve on business strategic issues and certain matters which are delegated by the Board. <Amended February 25, March 26, 2010, February 13, 2012>

(2) A Committee shall consist of two or more Directors. Matters regarding composition and duties of the Committee shall be determined by a resolution of the Board.

(3) The Board cannot delegate its power to the committee for the following matters:

1. Proposal of matters requiring the approval of general meeting of shareholders;
2. Appointment and dismissal of Representative Director;
3. Establishment of committee, and appointment and dismissal of members thereof; and
4. Any other matters determined by the Board.

(4) The committee shall notify the Board of its resolutions. In such case, the director who receives such notice may request the convening of the Board meeting. The Board may resolve again the matters resolved by the committee except for the resolution of Audit Committee. <Amended February 13, 2012>

#### Article 45-2. Outside Director Nomination Committee <Newly Inserted March 24, 2000>

1/2 or more of the Outside Director Nomination Committee shall consist of the outside directors. The Outside Director Nomination Committee shall recommend the candidates for the outside director at the general meeting of shareholders. <Amended March 26, 2010, February 13, 2012 >

#### Article 46. Management

(1) The Company may have the management to execute the matters determined by the Board.

(2) The matters regarding the management shall be determined in accordance with the separate Board Regulations.

(3) Deleted <March 26, 1999>

(4) Deleted <March 26, 1999>

(5) Deleted <March 26, 1999>

(6) Deleted <March 26, 1999>

(7) Deleted <March 26, 1999>

Article 47. Consultant and Part-time Officer

(1) Deleted <February 13, 2012>

(2) Deleted <February 13, 2012>

## CHAPTER VI. AUDIT COMMITTEE

Article 48. Composition of Audit Committee <Newly Inserted March 24, 2000>

(1) The Company shall have the Audit Committee instead of the auditor, pursuant to Article 45.

(2) Notwithstanding the provisions of Article 45, paragraph (2), the Audit Committee of the Company shall consist of three (3) or more directors. In the event that the number of outside directors of the Audit Committee does not satisfy the requirement of composition of the Audit Committee, the members shall be elected to fill the vacancy at the general meeting of shareholders to be held first after such cause so as for the number of members to satisfy such requirement.

(3) 2/3 or more of the members of the Audit Committee shall be the outside directors. The member(s) who is not the outside director(s) must satisfy the requirements referred to in Article 54-6 (3) of the Security Exchange Act.

(4) The representative of the Audit Committee shall be elected by a resolution of the Audit Committee among members who are outside director. In such case, a number of members may jointly represent the Audit Committee. <Amended March 26, 2004>

Article 48-2. Duties of Audit Committee <Newly Inserted March 24, 2000>

(1) The Audit Committee shall examine the accounting and business of the Company.

(2) If it deems necessary, the Audit Committee may request directors who are eligible to convene the Board meeting to convene the Board meeting by submitting a written request stating the agenda of a meeting and the reason for a meeting. <Newly Inserted March 23, 2012>

(3) Such director does not immediately convene a Board Meeting, the Audit Committee may convene a Board meeting. <Newly Inserted March 23, 2012>

(4) The Audit Committee may request to convene an extraordinary general meeting of shareholders by submitting a written request specifying the agenda of the meeting and the reason for the meeting.

(5) If it is required for carrying out business, the Audit Committee may demand a subsidiary to make a report

on the business. If the subsidiary fails to make an immediate report, or it is required to confirm the contents of such report, the Audit committee may investigate the business and conditions of assets of the subsidiary.

(6) The Audit Committee will approve the result of election of external auditor. <Amended February 25, 2003>

(7) The Audit Committee shall carry out the matters delegated from the Board, other than those referred to in paragraphs 1 through 6.

(8) The Audit Committee may seek assistance from appropriate experts at the expense of the Company. <Newly Inserted March 23, 2012>

Article 48-3. Audit Report of Audit Committee <Newly Inserted March 24, 2000>

The Audit Committee shall record the substance of the course of the proceedings of their audit and the results thereof in the audit report, on which the name and seal of the members carrying out such audit shall be affixed or signed.

## CHAPTER VII. ACCOUNTING

Article 49. Fiscal Year

The fiscal year of the Company shall be from January 1 to December 31 of each year.

Article 50. Preparation and Keeping of Financial Statements

(1) The Representative Director of the Company shall prepare the documents listed below, the supplementary documents thereto and the business report and have such documents audited by the Audit committee at least six (6) weeks before the date of the ordinary general meeting of shareholders.

1. Balance sheets;
2. Statements of profit and loss; and
3. Any other documents indicating the financial status and management results of the Company as defined in the Enforcement Decree of the Commercial Act. <Newly Inserted March 23, 2012>

(2) Consolidated financial statements shall be included in the documents set forth in paragraph (1) above if the Company is consolidated financial statements under the Enforcement Decree of the Commercial Act. <Newly Inserted March 23, 2012>

(3) Audit Committee shall submit the audit report to the Representative Director one(1) week prior to the ordinary general meeting of shareholders.

(4) The Representative Director shall keep the documents set forth in this Article and make a public notice of of such documents pursuant to the relevant regulations. <Amended March 23, 2012>

## Article 50-2. Election of External Auditor &lt;Newly Inserted March 24, 2000&gt;

The Company shall elect an external auditor in accordance with the Act on External Audit of Stock Companies with approval of Audit Committee, which shall be reported to the General Shareholders Meeting convened during the fiscal year in which such auditor was appointed, or shall be notified to the shareholders as of the latest record date in writing or by an electronic mail or by inserting it in the internet homepage of the Company. <Amended March 23, 2012>

## Article 51. Disposition of Profits

The retained earnings for each fiscal year of the Company (including the earning carried from the preceding year) shall be appropriated as follows.

1. Earnings reserves;
2. Profit reserves;
3. Other statutory reserves;
4. Dividends;
5. Voluntary reserves;
6. Other appropriation; and
7. Earning to be carried forward

## Article 52. Dividends

- (1) Dividends may be paid in cash, shares, or any other property. <Amended March 23, 2012>
- (2) The payment of dividends shall be made to either the record owner or the registered pledge of shares as of the end of each fiscal year.
- (3) In the case of stock dividends, it shall be based on the face amount of shares, and the Company may issue different classes of shares to the shareholders. <Amended March 23, 2012>

## Article 52-2. Deleted &lt;March 23, 2012&gt;

## Article 53. Expiration of Right to Payment of Dividends

- (1) The claim to dividends shall expire if such claim is not exercised for five (5) years.
- (2) The dividends to which claim has expired shall be accounted to the Company.

## Article 54. Interim Dividend

- (1) The Company may pay interim dividends under the Commercial Act to its shareholders whose names appear in the list of shareholders at AM 00:00, July 1 (hereinafter referred to as the "record date"). Interim dividend shall be paid in cash, shares, or any other property. <Amended March 23, 2012>
- (2) Interim dividend referred to in subsection 1 above shall be paid by a resolution of the Board of Directors;

provided, however, that the specific method or limitation of such Interim dividend shall be made in accordance with the Commercial Act or other acts related to such Interim dividend.

(3) If any new shares have been issued prior to the record date specified in subsection 1 above following the commencement date of the current fiscal year (including as a result of capitalization of reserves, stock dividends, requests for conversion of convertible bonds to the capital stock and the exercise of warrant with respect to bonds with warrant), such new shares shall be deemed to have been issued at the end of the immediately preceding fiscal year with respect to interim dividends hereunder.

(4) With respect to interim dividends, the same dividend rate as applicable to common shares shall also apply to different classes of shares under Article 8-2 hereof. <Amended March 23, 2012>

(5) The provision of Article 53 shall be apply *mutatis mutandis* to the case of the Interim Dividend.

#### Addenda (Effective on November 12, 2001)

##### Article 1. Effective Date

These Articles become effective on November 12, 2001.

#### Addenda (Effective on February 25, 2003)

##### Article 1. Effective Date

These Articles become effective on February 25, 2003.

##### Article 2. Term of Office of Outside Directors Currently In Office

Notwithstanding Article 29-1 of this articles of incorporation, the term of office of outside directors who is currently in office prior to the effective date of this amended articles of incorporation shall be decided by the relevant resolution which elected her/him as outside director.

#### Addenda (Effective on March 26, 2004)

##### Article 1. Effective Date

These Articles become effective on March 26, 2004.

##### Article 2. Exercisable Period of Stock Option

The provision set forth in Paragraph 6 of Article 10-2 of this articles of incorporation shall be retroactively applicable for the stock option which already was granted as of the effective date of this amended articles of

incorporation.

Addenda (Effective on March 28 2006)

Article 1. Effective Date

These Articles become effective on March 28, 2006.

Addenda (Effective on March 26, 2009)

Article 1. Effective Date

These Articles become effective on March 26, 2009.

Addenda (Effective on March 26, 2010)

Article 1. Effective Date

These Articles become effective on March 26, 2010.

Addenda (Effective on February 13, 2012)

Article 1. Effective Date

These Articles shall be entered into force on February 13, 2012.

Article 2. Term of Office of a Director elected at an extraordinary general shareholders' meeting on February 13, 2012

Notwithstanding Article 29 of this articles of incorporation, the term of office of a director elected at an extraordinary general shareholders' meeting on February 13, 2012 shall expire upon the time of the closing of the ordinary general meeting on 2015.

Addenda (Effective on March 23, 2012)

**Article 1. Effective Date**

These Articles shall come into effect on March 23, 2012, provided, however, that provisions of Article 8, 8-2, 8-3, 8-4, 10-2, 14, 14-2, 15, 39, 48-2, 50, 52, 52-2, 54 hereof shall come into effect on April 15, 2012

**Article 2. Term of Office of the Chairman**

With regard to Article 41 of this Articles, the term of office of the chairman elected at the Board meeting on February 14, 2012 shall hold the term of office until the expiration of the term of office of the director.