

Press Release

September 27, 2007

Company Chugoku Marine Paints Ltd.
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Our efforts Establishing the Internal Control System

Chugoku Marine Paints Ltd. is making efforts for establishing the internal control system according to the Rules and Basic Policy for Establishing Internal Control System resolved at the Board of Directors' Meeting on May 10, 2007, and we made the following resolutions at the Board of Directors' Meeting on September 27, 2007 to improve the risk management system for controlling overall the Company and our group companies:

1. Establishing the "Risk Management Committee" with the President as a chairman, for improving and strengthening the risk management system of the Company and each group company.
2. Establishing the "Compliance Committee" as a subcommittee in the "Risk Management Committee", in order to improve the compliance system of the Company and each group company and to decide preventive, corrective and recurrence preventive measures, dispositions and other countermeasures to be taken with respect to compliance issues.
3. Appointing the "Chief Compliance Officer (CCO)" to take charge of issues regarding compliance management and other professional matters.
4. Establishing the "Compliance Office" to control overall the planning, operating and manage the compliance system.
5. Appointing the "Chief Information Officer (CIO)" to take charge of planning, developing, maintaining, operating and promoting the computer processing work (information processing work) of the Company and each group company.
6. Establishing the "System Planning and Operating Committee" to plan, develop, maintain, operate and promote the information processing work effectively and consistently and to establish a system to control the aforementioned work at the management level.

Due to the above, the following changes are made in directors' duty and personnel and organization reform.

1. Change of Director's duty (As of October 1, 2007)

New position	Name	Current position
Division CEO of Administration Division Chief General Manager of Administration Control Division, Administration Division C.C.O. & C.I.O	Hisao Kido	Division CEO of Administration Division Chief General Manager of Administration Control Division, Administration Division

2. Organization Change – Establishing the “Compliance Office” (As of October 1, 2007)

Establishing the Compliance Office in the Administration Control Division of the Administration Division to control the compliance system.

3. Change in Personnel (As of October 1, 2007)

New position	Name	Current position
General Manager of Legal Dept., General Manager of Communication Dept., Compliance Officer, Administration Division	Nobuyuki Eguchi	General Manager of Legal Dept., General Manager of Communication Dept., Administration Division

Reference: Organizational chart of risk management system

