

## **Memorandum of Understanding**

On 5<sup>th</sup> March 2004, the Slovak Republic represented by the Ministry of Economy of the Slovak Republic solemnly concluded Investment agreements with companies KIA Motors Corporation and Hyundai Mobis (hereinafter referred to respectively as "KIA" and "Mobis") (Slovak Republic, KIA Motors Corporation and Hyundai Mobis hereinafter referred to collectively as "Parties"), in order to mutually set forth their legal obligations and commitments, on the basis of which, KIA and Mobis will construct in the Slovak Republic an automotive manufacturing plant and at the same time, the automotive parts and module manufacturing plant for KIA (hereinafter referred to as "Facilities") and on the other hand, the Slovak Republic will provide KIA and Mobis with necessary assistance and support in accordance with terms and conditions set forth in the Investment Agreements.

By entering into the Investment Agreements, the Parties manifested the fact that they are fully aware of the importance of the success of the aforementioned investments that will bear on economic growth of the Slovak Republic and at the same time, they are capable of assisting KIA to emerge as a global manufacturer of automobiles.

Now, therefore, today, on 18<sup>th</sup> March 2004, the Slovak Republic and Hyundai KIA Automotive Group solemnly conclude this Memorandum of Understanding, in order to demonstrate by its conclusion the following:

1. With respect to the investment pledges made by KIA and Mobis, the Slovak Republic will make adequate efforts for issuance of all required domestic and at the same time European Union Commission authorisations within the agreed upon time frame, while providing all necessary support to ensure the timely fulfilment of all its obligations relating to construction of Facilities as set forth in Investment Agreements.
2. The Slovak Republic will make adequate efforts in order to ensure the generally favourable development of business environment with the positive impact without exemption on the whole area of production of automobiles and automotive parts, aiming to assist KIA and Mobis in achieving their global competitiveness.



3. By construction of Facilities, both KIA and Mobis shall aim to produce highly competitive, quality automobiles and automotive parts and in the process contribute to the development of the automotive industry in the Slovak Republic and to the employment policies in the Slovak Republic.

4. Relying upon foundation of trust, the Parties shall fully co-operate in all matters related to the investments in the Slovak Republic and endeavour to become a model case for a successful partnership.

In Bratislava on 18<sup>th</sup> March 2004

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**For the Slovak Republic**

**For Hyundai KIA Automotive Group**

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**Mikuláš Dzurinda**

**Prime Minister**

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**Mong Koo Chung**

**Chairman & CEO**