

Date : April 18, 2007

KEL Terminates Retirement Benefit Program for Directors

KEL Corporation has terminated its retirement benefit program for directors based on a resolution approved by its board of directors on April 18, 2007. The company plans to make the final payments under this program in accordance with a resolution that will be submitted for approval to shareholders at the 45th annual meeting scheduled for late June 2007.

1. Termination of retirement benefits for directors

The retirement benefit program for directors is to be terminated at the end of the annual shareholders meeting scheduled for late June 2007.

2. Reason for termination of retirement benefits for directors

KEL Corporation has established a term of one year for its directors to clarify accountability regarding the company's performance. In addition, the company has decided to more closely link directors' remuneration to the company's performance. For this purpose, the company plans to abolish the current system of retirement payments, which is partially based on the number of years of service and represents to a large extent a payment for duties performed in prior years. Instead, the company plans to adopt a remuneration system that reflects the company's performance, thus linking remuneration to an individual's performance and capabilities.

In conjunction with this change, an amount not to exceed an amount equivalent to a retirement payment will be added to monthly remuneration, and a fixed percentage of that additional amount will be paid in company stock. This will further motivate directors to improve earnings and increase the share price.

3. Closing payment under current program

Due to the end of the current retirement benefit program for directors, the directors will receive a closing retirement benefit payment to cover their period of service up to the program's termination date. This payment will be made when each eligible director retires.

4. Acquisition of company stock

Following the end of the current retirement program, all directors will receive an amount not to exceed an amount equivalent to a retirement payment in addition to their monthly remuneration. Furthermore, a fixed percentage of that additional amount will be paid in company stock. This stock will be held by the directors' stockholder ownership plan until the individual is no longer a director of the company.