

Press Release

May 4, 2009

NOTICE OF AMENDMENTS TO THE KOREA ASSET MANAGEMENT CORPORATION (KAMCO) ACT'S ENFORCEMENT DECREE

On April 29, 2009, the National Assembly has approved amendments to be applied to the KAMCO Act's enforcement decree. Accordingly, from May 4 to May 11, the government will make official announcements of these amendments.

The main purpose is to activate the KAMCO's role of purchasing troubled assets from distressed financial institutions and companies that will undergo restructuring through establishing a pre-announced Restructuring Fund.

Therefore the amendments will be made in the following areas:

- ♦ Improvement in Payment Method for Acquiring Troubled Assets;
 - Allow payments to be made with bonds from the Restructuring Fund.
- ♦ Executive Rights Given to the KAMCO;
 - Allow the KAMCO to exercise executive actions to manage the buyer/seller companies' assets.
- ♦ Settlement of Residual Assets for the Restructuring Fund;
 - The process of returning the Fund's residual assets back to the government must be clear and straight-forward. The return may be made in kind, if in agreement with the Ministry of Strategy and Finance. When residual assets are to be placed with the national treasury, a full list of assets and a balance sheet of the Restructuring Fund must be completed prior to the event. After the return of residual assets, a statement of accounts must be created.

The amendments will be reviewed by the Ministry of Government Legislation and presented to the Cabinet Council meeting, which then will be officially promulgated and take effect within May 2009.

Ernst J. Lee
Foreign Press Spokesperson
Foreign Press & Relations Office
Financial Services Commission

Tel: +82-2-2156-9582
Fax: +82-2-2156-9589
E-mail: leejernst@fsc.go.kr