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Press Release

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RESULTS OF THE 9TH PUBLIC FUNDS OVERSIGHT COMMITTEE MEETING

The Public Funds Oversight Committee, co-chaired by Mr. Sang Ki Min and the FSC Chairman Dong-Soo Chin, held the 9th meeting on January 27, 2010. Reported by the Korea Depository Insurance Corporation (KDIC) and the Korea Asset Management Corporation (KAMCO), the committee has decided on the criteria to select advisory firms and the method of sale of minority stakes in Woori Finance Holdings Company.

Key Outcomes

1. The committee decided to sell minority shares of Woori Finance Holdings in a block sale. The committee also approved the criteria to select advisory firms which will arrange the sale. Two domestic companies and two foreign companies will be selected in order to attract both foreign and domestic investors and further develop the securities sector in Korea.

*The block sale can be actually made after February 24 when the three-month ban on a block sale of shares imposed on November 24, 2009 expires.

Details such as the size or the timing of sales will be determined by the committee after further deliberations.

2. As decided at the meeting, the KAMCO and other creditors, who own a 68.2% stake in Daewoo International Corp., will sell 50% plus one share through open bids. Twenty-four percent of Kyobo Life Insurance shares, owned by Daewoo International, will be also put for sale.

3. The committee also approved a plan for partially securitizing the project financing loans bought from financial companies through the Corporate Restructuring Funds (CRF) on September 2009. Specific plans are to initiate a transfer of project financing loans of KRW 59.4 billion to a special purpose company within February. The SPC will be co-funded by the CRF itself within KAMCO and other financial companies. The SPC will issue senior bonds of KRW 9.3 billion of which the CRF will take over. The rest will be issued as subordinated bonds of which financial companies will purchase.



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For further inquiries:

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

Tel: +82-2-2156-9582

Fax: +82-2-2156-9589

E-mail: happyhero@korea.kr