

WOORI FINANCE HOLDINGS CO LTD
Form CB
September 25, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form CB

TENDER OFFER/RIGHTS OFFERING NOTIFICATION FORM

Please place an X in the box(es) to designate the appropriate rule provision(s) relied upon to file this Form:

Securities Act Rule 801 (Rights Offering)	..
Securities Act Rule 802 (Exchange Offer)	X
Exchange Act Rule 13e-4(h)(8) (Issuer Tender Offer)	..
Exchange Act Rule 14d-1(c) (Third Party Tender Offer)	..
Exchange Act Rule 14e-2(d) (Subject Company Response)	..
Filed or submitted in paper if permitted by Regulation S-T Rule 101(b)(8)	..

Woori Finance Holdings Co., Ltd.

(Name of Subject Company)

Not Applicable

(Translation of Subject Company's Name into English (if applicable))

The Republic of Korea

(Jurisdiction of Subject Company's Incorporation or Organization)

Woori Bank

(Name of Person(s) Furnishing Form)

Common Stock of Woori Finance Holdings Co., Ltd.

(Title of Class of Subject Securities)

Not Applicable

(CUSIP Number of Class of Securities (if applicable))

Kwansic Lee

Woori Finance Holdings Co., Ltd.

51, Sogong-ro, Jung-gu, Seoul 100-792, Korea

(Tel) +82-2-2125-2136

with a copy to:

Yong G. Lee, Esq.

Cleary, Gottlieb, Steen & Hamilton LLP

Foreign Legal Consultant Office

19F, Ferrum Tower

19, Eulji-ro 5-gil, Jung-gu

Seoul 100-210, Korea

(Name, Address (including zip code) and Telephone Number (including area code))

of Person(s) Authorized to Receive Notices and Communications on Behalf of Subject Company)

Not Applicable

(Date Tender Offer/Rights Offering Commenced)

PART I INFORMATION SENT TO SECURITY HOLDERS

Item 1. Home Jurisdiction Documents

- (a) Securities Registration Statement (Merger), dated September 25, 2014, attached hereto as Exhibit 1.
- (b) Not applicable

Item 2. Informational Legends

A legend in compliance with Rule 802(b) under the Securities Act of 1933, as amended, has been included in Exhibit 1.

PART II INFORMATION NOT REQUIRED TO BE SENT TO SECURITY HOLDERS

- (1) (a) Amended Articles of Incorporation of Woori Bank (Proposed), attached hereto as Annex 1.
- (b) Woori Finance Holdings Co., Ltd. and Subsidiaries Consolidated Financial Statements as of June 30, 2014 and December 31, 2013 and for the Three Months and Six Months Ended June 30, 2014 and 2013 and Independent Accountants Review Report, attached hereto as Appendix A.
- (c) Woori Finance Holdings Co., Ltd. and Subsidiaries Consolidated Financial Statements as of March 31, 2014 and December 31, 2013 and for the Three Months Ended March 31, 2014 and 2013 and Independent Accountants Review Report, attached hereto as Appendix B.
- (d) Woori Finance Holdings Co., Ltd. and Subsidiaries Consolidated Financial Statements for the Years Ended December 31, 2013 and 2012 and Independent Auditors Report, attached hereto as Appendix C.
- (e) Woori Finance Holdings Co., Ltd. and Subsidiaries Consolidated Financial Statements for the Years Ended December 31, 2012 and 2011 and Independent Auditors Report, attached hereto as Appendix D.
- (f) Woori Finance Holdings Co., Ltd. and Subsidiaries Consolidated Financial Statements for the Years Ended December 31, 2011 and 2010 and Independent Auditors Report, attached hereto as Appendix E.
- (g) Woori Finance Holdings Co., Ltd. and Subsidiaries Separate Financial Statements as of June 30, 2014 and December 31, 2013 and for the Three Months and Six Months Ended June 30, 2014 and 2013 and Independent Accountants Review Report, attached hereto as Appendix F.
- (h) Woori Finance Holdings Co., Ltd. and Subsidiaries Separate Financial Statements as of May 1, 2014 and for the Four Months Ended May 1, 2014 and Independent Accountants Review Report, attached hereto as Appendix G.

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- (i) Woori Finance Holdings Co., Ltd. and Subsidiaries Separate Financial Statements as of March 31, 2014 and December 31, 2013 and for the Three Months Ended March 31, 2014 and 2013 and Independent Accountants Review Report, attached hereto as Appendix H.
- (j) Woori Finance Holdings Co., Ltd. and Subsidiaries Separate Financial Statements for the Years Ended December 31, 2013 and 2012 and Independent Auditors Report, attached hereto as Appendix I.
- (k) Woori Finance Holdings Co., Ltd. and Subsidiaries Separate Financial Statements for the Years Ended December 31, 2012 and 2011 and Independent Auditors Report, attached hereto as Appendix J.
- (l) Woori Finance Holdings Co., Ltd. and Subsidiaries Separate Financial Statements for the Years Ended December 31, 2011 and 2010 and Independent Auditor s Report, attached hereto as Appendix K.

- (m) Woori Bank and Subsidiaries Consolidated Financial Statements for the Three and Six Months Ended June 30, 2014 and June 30, 2013 and Independent Accountants Review Report, attached hereto as Appendix L.
- (n) Woori Bank and Subsidiaries Consolidated Financial Statements as of December 31, 2013 and 2012, and January 1, 2012 and for the Years Ended December 2013 and 2012 and Independent Auditors Report, attached hereto as Appendix M.
- (o) Woori Bank and Subsidiaries Consolidated Financial Statements for the Years Ended December 2012 and 2011 and Independent Auditors Report, attached hereto as Appendix N.
- (p) Woori Bank and Subsidiaries Consolidated Financial Statements for the Years Ended December 2011 and 2010 and Independent Auditors Report, attached hereto as Appendix O.
- (q) Woori Bank and Subsidiaries Separate Financial Statements for the Three and Six Months Ended June 30, 2014 and June 30, 2013 and Independent Accountants Review Report, attached hereto as Appendix P.
- (r) Woori Bank and Subsidiaries Separate Financial Statements as of December 31, 2013 and 2012, and January 1, 2012 and for the Years Ended December 2013 and 2012 and Independent Auditors Report, attached hereto as Appendix Q.
- (s) Woori Bank and Subsidiaries Separate Financial Statements for the Years Ended December 2012 and 2011 and Independent Auditors Report, attached hereto as Appendix R.
- (t) Woori Bank and Subsidiaries Separate Financial Statements for the Years Ended December 2011 and 2010 and Independent Auditors Report, attached hereto as Appendix S.

(2) Not applicable

(3) Not applicable

PART III CONSENT TO SERVICE OF PROCESS

(1) Woori Bank is filing with the Securities and Exchange Commission a written irrevocable consent and power of attorney on Form F-X concurrently with the furnishing of this Form CB.

(2) Not Applicable

PART IV SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

/s/ Ki Myung Nam
(Signature)

Ki-Myung Nam / Executive Vice President
(Name and Title)

Woori Bank

September 25, 2014
(Date)

Important information

This business combination involves the securities of a foreign company. The business combination is subject to disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the document have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the issuer is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

You should be aware that the issuer may purchase securities otherwise than in the business combination, such as in open market or privately negotiated purchases.

SECURITIES REGISTRATION STATEMENT (MERGER)

To the Attention of the Financial Services Commission

September 25, 2014

Name of the Company: Woori Bank
Representative Director: Soon-Woo Lee
Address of the Head Office: 51, Sogong-ro, Jung-gu, Seoul 100-792, Korea
(Telephone) 822-2002-3000
(Website) <http://www.wooribank.com>
Contact Person: Sung-Wook Lee, General Manager
(Telephone) 822-2002-3200
Type and Number of Securities Offered: 676,278,371 Registered Common Shares of Woori Bank
Total Offering Amount: KRW 11,548,129,463,196
Locations to Inspect the Securities Registration Statement (Merger) and the Prospectus:

A. Securities Registration Statement (Merger)

Electronic Document: Financial Services Commission (Financial Supervisory Service) e-Disclosure System: <http://dart.fss.or.kr>

B. Prospectus

Electronic Document: Financial Services Commission (Financial Supervisory Service) e-Disclosure System: <http://dart.fss.or.kr>

Physical Document: 51, Sogong-ro, Jung-gu, Seoul 100-792, Korea

SUMMARY INFORMATION

Note: Capitalized terms used in this Summary Information section without definitions have the meanings ascribed to them in the main body of this document.

I. INVESTMENT RISK FACTORS

Business Risks **Surviving Entity: Woori Bank (the Bank)**

(1) The banking industry is a core industry and a major regulated industry in Korea. Its profitability is greatly influenced by factors in the legal and policy environment, such as changes in the regulatory environment of the government or financial supervisory authorities. Regulations of the government and financial supervisory authorities may adversely impact the profitability of banks due to factors such as **the implementation of Basel III and its regulation of liquidity ratios, the need to structure assets and funding to comply with restrictions on the loan to deposit ratio, potential limited growth in household loans in the banking sector caused by comprehensive measures for the soft landing of household debt and the increased supply of low interest mortgages, and the risk of poor profit margins from competition in mixed interest rate (fixed interest rate + variable interest rate) mortgage loans that are aimed at achieving the target portfolio share of fixed interest rate mortgage loans.** Therefore, investors should carefully consider the regulations of the government and financial supervisory authorities.

(2) After 2009, a number of factors including the adoption of conservative asset management strategies by customers and regulation of the loan to deposit ratio by the financial supervisory authorities led to changes in the share of deposits and marketable funds that constitute the funding sources of domestic commercial banks. **The share of deposits increased from 47.37% to 63.68%, and the share of marketable funds decreased from 30.05% to 15.91%, from the end of 2009 to the first quarter of 2014.** Dissatisfaction with the low interest rates of time deposits due to the continuing low interest rate environment and the lack of alternative investment opportunities have resulted in the concentration of funds into short term financial products, leading to short term concentration. **If the preference for risky assets increases due to the future recovery of the equity and real estate markets, the exit rate from such concentrated short term funds may increase.** In such case, it would be necessary to increase mid to long term capital procurement to address higher liquidity risks. Investors should be fully aware of the changing funding strategies of banks based on such changes in the economy, as well as the resulting risk in the fluctuation of funding costs.

(3) The rate of increase of corporate and household loans has declined due to the recession in the real estate market which is a factor in the instability of the profitability and fund management plans of banks. **Credit risk relating to the housing construction industry and the risk of decrease in the collateral value of mortgages are potential risks that threaten the asset quality of banks.** Accordingly investors should be aware of changes in loan volume caused by the market conditions of the construction and real estate industries as well as asset quality depending on such loans.

(4) **The net interest margin (NIM) of commercial banks improved slightly after the global financial crisis of 2008 from 2.15% in 2009 to 2.42% in 2011.** However, **influenced by the decrease in the base rate and other factors, the NIM decreased again to as low as 1.86% in the first quarter of 2014.** The momentum for profit growth through the interest rate spread between deposits and loans is expected to slow and banks must search for new methods to generate profits through diversification of their business in an environment where low growth and low interest rate trends persist. If such business diversification efforts are not successful, banks may find it difficult to improve their profitability.

(5) The banking industry is sensitive to macroeconomic trends such as private consumption and corporate business trends and is susceptible to changes in the domestic and foreign economies. **The current business environment for domestic banks is not favorable due to weakened demand for funds and continuation of low interest rates. Delay in improvement of economic conditions overseas and deterioration of domestic macroeconomic conditions have generally led to weakened growth and asset quality.** Since the second half of last year, the real economy of major countries such as the U.S. and China showed some signs of improvement and there are indications that the strong preference for low risk assets in the financial markets may weaken. As market interest rates may change according to domestic and foreign economic conditions the profitability of banks may decrease unless such changes are appropriately managed.

(6) Due to structural issues in the domestic banking industry, competition among banks and with other financial industries may increase. Investors should note the **possibility of industry wide changes and increased competition for expansion in size through privatization and M&A.**

Non-surviving Entity: Woori Finance Holdings Co., Ltd. (the Company)

(1) After consummation of the Merger, the Company, the non-surviving entity, will cease to exist and will no longer operate as a financial holding company within the meaning of the Financial Holding Companies Act. As such, this Securities Registration Statement does not discuss risks specifically relating to the business of the Company. Following the consummation of the Merger, however, **the dissolution of the financial holding company which existed for the management of its subsidiaries, may adversely affect managerial efficiency and expertise with respect to the subsidiaries.**

(2) The results of operations of a financial holding company are directly impacted by the results of operations of its subsidiaries. As such it is essential that **investors understand the businesses of the Company s subsidiaries in order to understand the competitive landscape and results of operations of the Company itself.** Today s financial industry is driven by intense competition and pressure for restructuring to achieve economies of scale and any deterioration in competitiveness at the subsidiary level may adversely affect the competitiveness and results of operations of the holding company. Accordingly investors are encouraged to consider the business of each subsidiary of the Company that will become a consolidated subsidiary of the Bank upon consummation of the Merger.

(3) Domestic credit card issuers recorded a **total net income of KRW 1.7 trillion in 2013, an increase of KRW 0.4 trillion, or 30.02%, compared to 2012,** due primarily to a decrease in bad debt expenses in respect of credit card balances and decrease in funding costs as a result of low interest rates. It is expected, however, that the profitability of credit card issuers will be adversely affected by increased usage of debit cards, regulatory pressures to lower merchant fees and increases in bad debt expenses. In particular, **profitability will likely decrease throughout 2014 due to incidents of security breaches that caused inappropriate disclosure of sensitive customer information as well as the business suspension of certain credit card issuers.** Investors should be aware of such risks.

(4) Over the past several years, **credit card assets have increased by KRW 30.7 trillion, or 87.01%, from KRW 35.3 trillion as of December 31, 2010 to KRW 66.0 trillion as of March 31, 2014, due primarily to a continued increase in card loans.** To increase sources of income, credit card issuers have actively engaged in extending card loans, thereby taking increased credit risks. Since the end of 2010, domestic credit card issuers have maintained **delinquency ratios** as set by the Financial Supervisory Service (the FSS) (i.e., overdue by one month or more) within the **range of 1.5~1.7% and NPL Ratios within the range of 1.2~1.4%,** according to the FSS. **However, an interest rate hike in the future may**

adversely affect the asset quality of credit card issuers that have extended a large amount of credit to debt ridden households and high risk borrowers. In addition, an economic slowdown in the future may cause an increase in delinquency ratios and bad debt expenses, resulting in further deterioration in the asset quality of credit card issuers. Investors should be aware of such issues.

(5) The **merchant banking business has been slow** since the 1997 foreign exchange crisis, and operating results have not recovered since. The current administration's policy seems to favor the integration of merchant banking into the securities business instead of actively supporting merchant banking as a standalone business, and therefore, **significant increase in merchant banking activities seems unlikely**. Investors should be aware of such issues.

(6) Merchant banks have experienced **decreases in deposits and loans** due to intense competition with other financial institutions such as commercial banks and securities firms. For example, **deposits relating to bills issued decreased by KRW 206 billion, from KRW 603 billion to KRW 397 billion as of March 31, 2013 and 2014, respectively. During the same period, deposits relating to cash management accounts also decreased by KRW 7 billion to KRW 338 billion. Similarly, bills discounted decreased from KRW 409 billion to KRW 65 billion between March 31, 2010 and March 31, 2014.** As the only financial institution in Korea that is exclusively engaged in merchant banking, Woori Investment Bank has experienced **deterioration in its business environment as its accumulated deficit since 2010 has resulted in an impairment of capital, which has in turn reduced its shareholders' equity and restricted its operating boundaries**. In order to overcome such difficulties, Woori Investment Bank increased its capital by KRW 69.8 billion through the issuance of new shares in June 2014 and is seeking to generate income from new businesses such as investing in non-performing loans and lease financing.

(7) Advances in information technology have led to an emphasis on data privacy. Amid growing concerns for the protection of personal data, several recent incidents of security breaches at certain financial institutions that caused inappropriate exposure of sensitive customer information have prompted financial institutions to strengthen data security measures based on internal control procedures. The Company and its subsidiaries, including the Bank, have stepped up their internal control processes with respect to access to customer records as well as security measures for data protection, all in an effort to protect customer data. **In the event personal data is compromised, however, the Company and its subsidiaries may be exposed to class action suits that may result in significant liability, increased operational expenses and/or reputational risk, as well as regulatory action or other sanctions, all of which may have a material adverse effect on their businesses, results of operations and financial condition.**

Company Risks

Surviving Entity: Woori Bank

(1) After 2011, NIM declined due to the decrease in the base rate and intense competition in interest rates within the household loan sector. This **downward trend continued throughout the first half of 2014 (2011 2.46% g first half (1H) 2014 1.60%)**. Due to slow economic growth and continuing low interest rates, the momentum for profit growth through the interest rate spread between deposits and loans is expected to slow, and NIM is not expected to significantly improve. Investors should be aware of such risks.

(2) **The Bank's funding is highly dependent on deposits (70.15% of total funding amount as of 1H 2014)**, and funding costs are decreasing due to continuation of low interest rates. The Bank's funding structure continues to be dominated by deposits. The Bank's proportion of deposits to total funding (68.37% in 2013) exceeded the average for commercial banks (62.95% in 2013). **Stability in funding may weaken if preference for risky assets increases due to recovery of the global economy, lowered thresholds of taxation on financial income (KRW 40 million/KRW 20 million) and recovery in the securities market.** Investors must be aware of such risks relating to the stability of the Bank's funding.

(3) The Bank's proportion of corporate loans (48.1% for 1H 2014) is higher than that of household loans (31.0% for 1H 2014). The proportion of corporate loans is decreasing (from 52.0% in 2010 to 48.1% for 1H 2014), however, due to corporate distress and decline in credit ratings. **The Bank's asset quality is heavily dependent on the real estate market as 40.7% of all loans are real estate mortgage loans, 91.3% of all security is real estate, and 26% of corporate**

loans are in the real estate, rental and construction industries. Although the real estate market has shown signs of recovery since early 2014, recovery is not certain, and investors should continue to be cautious of a potential decline in the Bank's asset quality due to fluctuations in the real estate market. **The Bank's NPL Ratio increased rapidly to 2.99% in 2013 due to the increase in non-performing loans to large corporations, which were mainly concentrated in the construction and shipbuilding industries.** Although **the ratio improved slightly to 2.70% during the first quarter of 2014 and 2.51% for the first half of 2014**, it is still higher than the average for commercial banks (1.69%). Accordingly, **the ratio of provisions for credit losses as of the first quarter of 2014 was 84.05% (88.26% for 1H 2014), lower than the average for commercial banks (113.43%).** Despite actively managing its asset quality by preemptively establishing reserves and selling off non-performing loans, **the Bank's asset quality must continue to be monitored** in light of the depressed domestic economy and real estate market, excessive household loans relative to household income and the weak financial conditions of SMEs. Investors should be aware of such issues.

(4) The Bank complies with the capital adequacy standards set forth by the financial supervisory authorities (minimum 4.5% Tier 1 common equity ratio, 6% Tier 1 capital ratio and 8% total capital ratio). The Bank has increased capital surplus and preemptively issued subordinated bonds and hybrid bonds in response to such standards despite the global financial crisis and economic recession, and the Bank's capital adequacy has improved with the **BIS capital adequacy ratio and Tier 1 capital ratio increasing to 15.5% and 12.7% respectively as of the end of 2013** when Basel III was implemented, compared to 14.7% and 11.4% respectively as of the end of 2012. **In addition, as of the end of March 2014, the Bank's BIS capital adequacy ratio of 15.4% and Tier 1 capital ratio of 12.8%** were consistent with the averages for commercial banks (BIS capital adequacy ratio of 15.2% and Tier 1 capital ratio of 12.8%). However, investors should be aware that **the Bank's capital adequacy may decline in the future due to its lower asset quality relative to other banks.**

(5) The KDIC is proceeding with the privatization of the Company and its subsidiaries to facilitate the Korean government's objective of privatizing government invested financial institutions. The Financial Services Commission (the FSC) announced the Privatization Plan on June 26, 2013 through a press release, and the sales of the regional banking subsidiaries and Woori Investment & Securities and other subsidiaries is complete. Currently, **the Merger between the Bank and the Company is being conducted in accordance with the Privatization Plan for the Bank announced on June 23, 2014.** Please be aware that the Bank's corporate governance structure may change pursuant to the outcome of the sale of the Bank.

(6) As of the date of submission of this Securities Registration Statement, other than proceedings to extend the statute of limitations relating to loans (479 claims with an aggregate claimed amount of KRW 68.9 billion), there are **314 lawsuits outstanding (aggregate claimed amount: KRW 564.3 billion) of which the Bank is the plaintiff in 66 (aggregate claimed amount: KRW 262.7 billion) and the Bank is the defendant in 248 (aggregate claimed amount: KRW 301.6 billion).** The Bank has established relevant provisions of approximately KRW 18.4 billion by estimating the probability of win/loss of each case as well as reasonable costs related thereto. **The outcome of the currently pending legal proceedings cannot be predicted and may adversely impact the Bank's business performance and financial statements.** Investors should be aware of this issue.

(7) Major consolidated subsidiaries of the Bank, other than money trusts and structured entities, include banks in the U.S., Indonesia, Hong Kong, China, Russia, Brazil, etc., Korea BTL Infrastructure Fund, Woori Credit Information Co., Ltd. (Woori Credit Information), etc. Currently, the consolidated subsidiaries account for 4.5% of the Bank's consolidated assets, and **foreign banks, Korea BTL Infrastructure Fund and Woori Credit Information account for 2.7%. The impact of major consolidated subsidiaries on the Bank's consolidated financial condition and profits will increase if the proportion of the assets of major consolidated subsidiaries increases with their increased business activity.** Consequently, investors should continuously monitor each consolidated subsidiary's business activities.

Non-surviving Entity: Woori Finance Holdings Co., Ltd.

(1) The failure of a holding company to effectively manage the businesses of its subsidiaries in an integrated manner and create synergies may have an adverse effect on the business operations and competitiveness of its subsidiaries which may in turn cause deterioration in the overall business environment of such holding company.

(2) Because credit card issuers do not take deposits, their funding structure is relatively unstable compared to that of commercial banks, insurance companies or other financial institutions that maintain deposit accounts. Although Woori Card has managed to finance its operations based on the credit rating of and potential support from the Group, **privatization of the Bank and resulting changes in the governance structure of the Group may result in a downgrade in Woori Card's credit rating and a deterioration in its liquidity position.** Investors should note such issues.

(3) Following its spin-off from the Bank in 2013, Woori Card has maintained the level of profitability it had prior to the spin off and has increased its market share from 6.8% in 2012 to 7.5% in 2013 and 8.2% as of June 30, 2014. **Depending on the outcome of the privatization of the Bank, however, the business and results of operations of Woori Card may be adversely affected.** Investors should be aware of such issues.

(4) **Woori Investment Bank's independent auditors have expressed doubts about the company's ability to continue as a going concern.** To address such concerns and to normalize its business operations Woori Investment Bank issued additional stock of KRW 69.8 billion in June 2014 with a view to increase its capital as well as its operating limits. Continuation of the incurrence of net loss and deterioration of its financial condition, however, may raise greater doubts about the company's ability to continue as a going concern. In addition Woori Investment Bank recorded a **capital impairment ratio of 42.70%** on a consolidated basis as of June 30, 2014 and accordingly was not subject to designation as an issuer subject to monitoring under the KRX KOSPI Market Listing Regulations. **In the event its business performance does not improve, however, its capital impairment ratio may increase to 50% or above, in which case the company may be designated as an issuer subject to monitoring.** Investors should note such issues.

(5) Woori Investment Bank recorded a net decrease in cash flows between April 1, 2012 and March 31, 2014. The company recorded a decrease in cash provided by operating activities and a continued inflow of cash provided by investing activities. **Despite the KRW 140 billion increase in capital as a result of the issuance of additional stock in June 2013, the company recorded a net decrease in cash flows of KRW 23,515 million as of March 31, 2014** due primarily to **cash used in operating activities of KRW 138,199 million. On a net basis, the company recorded cash inflow of KRW 4,864 million as of June 30, 2014, but without the effect of the KRW 69.8 billion capital increase, it would have incurred cash outflows from operating investing and financing activities.** It is not highly likely that cash flows from operating activities will improve in the near future, and **if the company fails to achieve targeted results in improving its operations, it may experience a deterioration in operating cash flows in the long term.** It is recommended that investors monitor not only the fluctuations in net cash positions but also the cash flows due to operating investing and financing activities and the factors driving such changes in cash flows.

Other Risks

(1) After consummation of the Merger, **the Bank will remain as the surviving entity and the Company will cease to exist,** and the Korea Deposit Insurance Corporation (the "KDIC"), the largest shareholder of the Company, will retain its status as the largest shareholder of the Bank. However, **the KDIC is expected to sell all of its interest in the Bank in accordance with the Privatization Plan after the Merger.** After the Merger, new directors and audit committee members will be appointed in accordance with the Merger Agreement, which is expected to be approved at the extraordinary general meeting of shareholders scheduled to be held on October 10, 2014. However, there may be changes in management depending on the results of the privatization, and investors should be aware that the stability of operations may be temporarily affected.

(2) The Company's shareholders should be aware that **trading of the Company's common shares is expected to be suspended from the business day prior to the end of the period for submission of the Company's old share certificates (i.e., from October 30, 2014) to the day before the listing of the new shares and the succession to listing (i.e., expected to be November 18, 2014).** Upon consummation of the Merger, **565,690,380 shares of the Bank will be cancelled and 676,278,371 newly issued shares of the Bank will be issued.** Accordingly, shareholders of the Company recorded in its shareholder register as of the date of the Merger will receive one share of the Bank for each share of the Company they hold.

(3) The Merger Agreement **may be terminated in accordance with the termination provisions of the Merger Agreement**. The termination provisions relating to appraisal rights of dissenting shareholders or the approval of the relevant authorities are as follows:

- If, due to the exercise of appraisal rights by shareholders of Woori Finance Holdings dissenting to the Merger, **Woori Finance Holdings is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of issued and outstanding shares of Woori Finance Holdings;**

- If the **preliminary examination approval for listing on the Korea Exchange after the Merger has not been obtained** by the Merger Date; or

- **If it is evident that the Merger Approval would not be obtained within six (6) months after the date of this Agreement, including where a Merger Approval has not been obtained prior to the Merger Date** despite such Merger Approval having been applied for.

(4) The **schedule of the Merger** set forth in this Securities Registration Statement is not final and is **subject to change if grounds for amendment occur during the FSS's public disclosure evaluation process**.

(5) **New shares issued by the Bank are expected to be allotted and delivered in the Merger with respect to treasury shares owned by the Company**. The decision to allot and deliver new shares with respect to treasury shares owned by the Company as of the date of the Merger (including any shares acquired by the Company prior to the Merger as a result of the exercise of appraisal rights by dissenting shareholders with respect to the Merger) in accordance with the Merger Ratio was based on the views in favor of the allotment of new shares with respect to the treasury shares owned by the non-surviving entity and the instances where new shares were allotted with respect to the treasury shares owned by the non-surviving entity. However, investors should note that there is no guarantee that a court will not reach a different conclusion in the future with respect to this issue.

(6) Since August 2014, **the Fair Trade Commission has been conducting an investigation into the collusion of loan and deposit interest rates among four major banks, Woori Bank, Kookmin Bank, Shinhan Bank and Hana Bank**. The investigation is being conducted on the bank's overall interest rate system and interest rates on loans and deposits. The results cannot be predicted, and any **results of the investigation to be announced may affect the Bank's operations and financial condition**. Accordingly, investors should continue to observe the investigation results to be announced in the future.

(7) Since 2010 until the date of submission of this Securities Registration Statement, there have been **two institutional sanctions against the Bank (an additional one is expected), three sanctions against its executive officers (an additional one is expected), three institutional sanctions against Woori Investment Bank and five sanctions against its executive officers**, in terms of institutional and executive officer sanctions imposed with respect to the parties to the Merger and their main consolidated subsidiaries.

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(8) There are no agreements for put options, call options, put back options, etc. between the merging parties or with a third party in relation to the Merger.

(9) The Bank plans to succeed to or hire the executive officers and employees employed by the Company as of the date of the Merger, and there are no risks relating to the reorganization of personnel.

(10) **The effectiveness of this Securities Registration Statement pursuant to Article 120(3) of the FISCMA is not an acknowledgement of the truthfulness or accuracy of the matters contained herein nor the government's guarantee or approval of the value of the securities.**

Merger and
Investment Risks

1. Risk Factors That May Impede the Consummation of the Merger

A. Termination Provisions of the Merger Agreement

Article 14 (Termination)

- (1) The parties **may terminate this Agreement by written agreement** at any time before the Merger Date.

- (2) Upon the occurrence of any of the following events before the Merger Date, a party may immediately terminate this Agreement by written notice to the other party:
 - 1) **If, during the period from the date of this Agreement to the Merger Date, a material adverse change or unforeseeable material defect in the assets, liabilities or management condition of Woori Bank or Woori Finance Holdings as a result of an act of God or other cause has occurred;**

 - 2) **If the other party has defaulted on or breached this Agreement and has failed to cure such default or breach within fifteen (15) days after receipt of the non-defaulting party's notice requesting such default or breach to be cured;**

 - 3) **If, due to the exercise of appraisal rights by shareholders of Woori Finance Holdings dissenting to the Merger, Woori Finance Holdings is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of issued and outstanding shares of Woori Finance Holdings;**

 - 4) **If the preliminary examination approval for listing on the Korea Exchange after the Merger has not been obtained by the Merger Date;**

 - 5) **If it is evident that the Merger Approval would not be obtained within six (6) months after the date of this Agreement, including where a Merger Approval has not been obtained prior to the Merger Date despite such Merger Approval having been applied for; or**

 - 6) **If it becomes impossible to accomplish the Merger due to a change in the relevant laws, etc.**

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(3) In the event of termination of this Agreement pursuant to Paragraph (2) above, neither party may request the other party to indemnify it for any damages, except for termination due to the cause set forth in Paragraph (2)2) above.

1. With respect to the termination event set forth in Clause 5) of Paragraph (2) above (If it is evident that the Merger Approval would not be obtained within six (6) months after the date of this Agreement, including where a Merger Approval has not been obtained prior to the Merger Date despite such Merger Approval having been applied for), the reference to Merger Approval is to the FSC's approval for merger of a financial institution under Article 4(1) of the Act on the Structural Improvement of the Financial Industry.

B. Possibility of Termination of the Merger at the General Shareholders Meeting

The Merger may not be consummated if **the approval of two-thirds of the voting rights of the participating shareholders and one-third of the issued shares is not obtained at the extraordinary general meeting of shareholders.**

C. Risk of Cancellation of Merger Agreement Due to Permits or Approvals Pursuant to Applicable Laws

The Merger Agreement became effective upon the execution of both parties but may be terminated upon the conclusive rejection of a governmental approval, permit, report or acceptance required in connection with the Merger that has a material effect on the operations of the merging parties.

Specifically, in order to **proceed with the Merger under the Act on the Structural Improvement of the Financial Industry, prior approval from the FSC must be obtained as set forth in Article 4(1) of such Act, and the Merger Agreement may be terminated if it is evident that such Merger Approval would not be obtained within six months after the date of the Merger Agreement.** The Bank and the Company plan to apply for the Merger Approval from the FSC.

In addition, **as the major shareholder of each of Woori Card and Woori Investment Bank will change to the Bank, approval for** such change in major shareholder will be applied for (pursuant to Article 6(3) of the Credit Finance Business Act and Article 6 3(5) of its Enforcement Decree, for Woori Card, and Article 350 and Article 23(1) of the Financial Investment Services and Capital Markets Act (the FISCMA) and Article 26(1), Table 4 of its Enforcement Decree, for Woori Investment Bank).

The Merger is eligible for the special application of simplified merger procedures pursuant to the Act on Structural Improvement of the Financial Industry, and certain procedures have been accelerated compared to the general merger procedures pursuant to the Korean Commercial Code, as specified below.

Item	Act on the Structural Improvement of the Financial Industry	
	Korean Commercial Code	Industry
Procedures for Protection of Creditors	Within a period of no less than one month	Within a period of not less than ten days
Notice and Period of Public Announcement of Convening Shareholders Meeting	At least two weeks prior to the general meeting of shareholders	At least seven days prior to the general meeting of shareholders
Closure of Shareholder Register and Record Date	Public notice two weeks prior to the closing date or the record date	Public notice in two or more daily newspapers seven days prior to the closing date or the record date
Period for Submission of Old Share Certificates in Case of Share Consolidation for Merger	Within a period of no less than one month	Within a period of not less than five days
Appraisal Rights of Shareholders Dissenting from Merger	Within twenty days after the general meeting adopts such resolution	Within ten days after the public notice of such resolution in daily newspapers

For further details, please refer to VI. Investment Risk Factors 1. Risk Factors That May Impede the Consummation of the Merger.

D. Possibility of Legal Action by Minority Shareholders of the Merging Parties

Minority shareholders of the Company may take legal action to nullify the Merger by claiming procedural defects or unfairness of the Merger Ratio, and **the Merger may be subject to nullification if a court rules in favor of the plaintiffs in such action.**

2. Potential Listing or Delisting of the New Shares Allotted in the Merger

A. Expected Listing Date of the New Shares

The expected date of delivery of the new shares is November 18, 2014, and the expected date of new listing of the new shares is November 19, 2014. Such dates are tentative, and the actual listing date may change based on the approval procedures required for the Merger.

B. Potential Delisting

The Company, the non-surviving entity of the Merger and a listed corporation, will merge with and into the Bank, the surviving entity of the Merger and an unlisted corporation, and **the Company will be delisted after the Merger as it will cease to exist. The surviving entity of the Merger, the Bank,** is currently an unlisted corporation and as of the date of submission of this Securities Registration Statement **plans to become newly listed after the Merger.**

II. FORM OF THE MERGER

Form Merger of parent company with and into its wholly-owned subsidiary

III. SCHEDULE OF MAJOR EVENTS

<The Bank>

Resolution of the board of directors		July 28, 2014
Date of the Merger Agreement		July 28, 2014
Record date for the shareholders meeting		-
Shareholders meeting for approval		October 10, 2014
Appraisal right exercise period and price	Start date	-
	End date	-
	Share purchase price proposed	-
Resolution of the board of directors (relating to convening of extraordinary shareholders meeting for Merger resolution)		August 25, 2014
Public announcement of convening the shareholders meeting		September 29, 2014
Dispatch of notice of convening the shareholders meeting		September 30, 2014
Date for creditor objection and submission of old share certificates		October 11, 2014
Creditor objection period	Start date	October 11, 2014
	End date	October 21, 2014
Period for submission of old share certificates	Start date	October 11, 2014
	End date	October 31, 2014
Date of the Merger		November 1, 2014
Resolution of the board of directors for report on completion of the Merger in lieu of a shareholders meeting		November 3, 2014
Public announcement of completion of the Merger		November 3, 2014
Registration of Merger (tentative)		November 3, 2014
Delivery of share certificates (tentative)		November 18, 2014
Date of new listing of shares (tentative)		November 19, 2014

1. The board of directors resolved on the Merger and the new listing on July 28, 2014.
2. The schedule above is the expected schedule as of the date of submission of this Securities Registration Statement and is subject to adjustment based on consultation with or approval of relevant governmental authorities.
3. The shareholders meeting for the report on completion of the Merger in accordance with Article 526 of the Korean Commercial Code and the related report on matters regarding the Merger will be replaced with a meeting of the board of directors and public notice on the internet website.

<The Company>

Resolution of the board of directors		July 28, 2014
Date of the Merger Agreement		July 28, 2014
Record date for the shareholders meeting		September 15, 2014
Shareholders meeting for approval		October 10, 2014
Appraisal right exercise period and price	Start date	October 11, 2014
	End date	October 21, 2014
	Share purchase price proposed	KRW 12,422
Resolution of the board of directors (relating to convening of extraordinary shareholders meeting for Merger resolution)		August 25, 2014
Public announcement of convening the shareholders meeting		September 29, 2014
Dispatch of notice of convening the shareholders meeting		September 30, 2014
Merger dissent filing period	Start date	September 29, 2014
	End date	October 9, 2014

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Date for creditor objection and submission of old share certificates		October 11, 2014
Creditor objection period	Start date	October 11, 2014
	End date	October 21, 2014
Period for submission of old share certificates	Start date	October 11, 2014
	End date	October 31, 2014
Date of the Merger		November 1, 2014
Registration of dissolution (tentative)		November 3, 2014

1. The board of directors resolved on the Merger on July 28, 2014.
 2. The schedule above is the expected schedule as of the date of submission of this Securities Registration Statement and is subject to adjustment based on consultation with or approval of relevant governmental authorities.
- * The schedule above is the merger schedule in accordance with the Act on the Structural Improvement of the Financial Industry, and certain dates are accelerated compared to the general merger schedule in accordance with the Korean Commercial Code. The table below shows the key differences between the Act on the Structural Improvement of the Financial Industry and the Korean Commercial Code as applied to the merger schedule.

Item	Act on the Structural Improvement of the	
	Korean Commercial Code	Financial Industry
Procedures for Protection of Creditors	<p>[Article 527-5(1)]</p> <p>Within two weeks of the adoption of a resolution for approval at a general meeting of shareholders, a company shall give its creditors public notice that objection, if any, against the merger should be raised within a period of no less than <u>one month</u> and shall give peremptory notice to respective creditors known to the company.</p>	<p>[Article 5(3)]</p> <p>A financial institution may publish its request to creditors to raise an objection to such merger resolution, setting a period of not less than <u>ten days</u> in two or more daily newspapers, and in such cases peremptory notices to individual creditors may be omitted.</p>
Notice and Period of Public Announcement of Convening Shareholders Meeting	<p>[Article 363(1)]</p> <p>When a company convenes a general meeting of shareholders, it shall give written notice, or notice in electronic form to each shareholder after obtaining the consent of each shareholder, at least <u>two weeks prior</u> to the date set for such general meeting.</p>	<p>[Article 5(4)]</p> <p>When a financial institution convenes a general meeting of shareholders for a resolution of merger, it may send a notice in writing to each shareholder <u>seven days prior</u> to the date of such general meeting of shareholders. In such cases, it shall give public of its intent to convene a general meeting of shareholders and the objectives of the meeting in two or more daily newspapers prior to the date of sending a written notice.</p>
Closure of Shareholder Register and Record Date	<p>[Article 354(4)]</p> <p>If a company has determined the period for closure of the register of shareholders or the record date, it shall give public notice <u>two weeks prior</u> to such period or date.</p>	<p>[Article 5(6)]</p> <p>If a financial institution closes its shareholder register or sets the record date for a resolution of merger, it may give public notice <u>seven days prior</u> to the closing date or the record date. In such cases, it shall give public notice in two or more daily newspapers.</p>
Period for Submission of Old Share Certificates in Case of Share Consolidation for Merger	<p>[Article 530(3) and Article 440]</p> <p>If shares are to be consolidated, a company shall determine a period of <u>not less than one month</u> and shall give public notice that share certificates must be submitted to the company within such period and shall separately give notice to each shareholder and the pledgees recorded in the register of shareholders.</p>	<p>[Article 5(7) and Article 12(6)]</p> <p>A dissolving financial institution in a merger shall determine a period of <u>not less than five days</u> and announce that stock certificates should be submitted during such period. In such cases, individual notices to shareholders may be replaced by public notice in two or more daily newspapers.</p>
Appraisal Rights of Shareholders Dissenting from Merger	<p>[Article 522-3(1)]</p> <p>A shareholder dissenting from a merger resolution adopted by a general meeting of shareholders may demand in writing the purchase of shares, with the class and number of such shares specified, within <u>twenty days</u> after the general meeting adopts such resolution.</p>	<p>[Article 5(8) and Article 12(7)]</p> <p>A shareholder dissenting from a merger resolution adopted by a general meeting of shareholders may demand in writing the purchase of shares, with the class and number of such shares specified, within <u>ten days</u> after the public notice of such resolution in daily newspapers.</p>

IV. APPRAISAL AND ALLOTMENT OF NEW SHARES

(Unit: KRW, Shares)

Merger Ratio 1: 1.0000000
 External Samil PricewaterhouseCoopers

Appraisal

Organization

Face Offering

Shares to be Issued	Type	Number	Value	Price	Total Offering Amount
	Registered common shares	676,278,371	5,000	17,076	11,548,129,463,196
Payment of Consideration	Other than the delivery of new shares in accordance with the Merger Ratio to the shareholders of the Company, the non-surviving entity, in connection with the Company's merger with and into the Bank, there will be no additional consideration paid as a result of the Merger. (As the Merger Ratio is 1:1, no fractional shares will result from the allotment of new shares in the Merger.)				

V. SUMMARY OF THE MERGING PARTIES

(Unit: KRW, Shares)

Company Name	Woori Bank	Woori Finance Holdings Co., Ltd.
Classification	Surviving entity	Non-surviving entity
Number of Issued Shares	596,690,380	676,278,371
	Common Shares	
	Preferred shares	
Total Assets	245,005,194	15,949,744
Capital	2,983,452	3,381,392

1. The number of issued shares is as of the date of submission of this Securities Registration Statement, and total assets and capital are based on each entity's separate financial statements as of June 30, 2014.

VI. OTHER MATTERS

[Report of Material Event]

[Amended] Report of Material Event (Merger) September 11, 2014

[Other]

Please refer to the Report of Material Event of Woori Bank that was publicly disclosed electronically on July 28, 2014 (initial submission), August 14, 2014 (first amendment), August 28, 2014 (second amendment) and September 11, 2014 (third amendment).

SECTION 1. SUMMARY OF THE MERGER**I. BASIC MATTERS RELATING TO THE MERGER****1. Purpose of the Merger****A. Merger Parties and Background****(1) Merging Parties**

Surviving Entity after Merger	Company Name	Woori Bank 51, Sogong-ro, Jung-gu
	Location	Seoul 100-792, Korea
	Representative Director Entity Type	Soon-Woo Lee Unlisted Corporation
Non-Surviving Entity after Merger	Company Name	Woori Finance Holdings Co., Ltd. 20F, Woori Bank Head Office
	Location	51, Sogong-ro, Jung-gu
	Representative Director Entity Type	Seoul 100-792, Korea Soon-Woo Lee Listed Corporation

(2) Background of the Merger

In accordance with the plan to privatize Woori Finance Holdings Co., Ltd. (the Company) announced by the Public Funds Oversight Committee in June 2013 (the Privatization Plan), the Company has completed the spin-off of Kyongnam Bank and Kwangju Bank (Step 1) and the sale of six other subsidiaries including Woori Investment & Securities Co., Ltd. (Step 2). The third and final step, the privatization of Woori Bank (the Bank), currently remains and will be pursued through an effective and expeditious process to maximize the return of public funds and successfully complete the Privatization Plan.

Three previous attempts to sell the Company, from 2010 to 2012, focused on a one-time disposal of the over 30% controlling stake. The current Privatization Plan, however, seeks to cover other forms of investment demand, such as financial investors seeking financial profit, in addition to the desire to acquire a controlling interest.

Furthermore, the merger of the Company and the Bank as a part of the Privatization Plan will allow the sale of a bank instead of a financial holding company. This creates fewer restrictions on ownership and increases the scope of potential investors, thus improving the prospects of success of the Privatization Plan. Accordingly, the Company and the Bank intend to engage in a merger in which the Bank will be the surviving entity (the Merger), in order to (i) enhance the value of the merged entity as a going-concern, (ii) avoid damaging the interests of interested parties such as investors, creditors and clients and (iii) comply with the three principles of the Privatization Plan—maximizing the return of public funds, expediting the privatization and advancing the financial industry.

The Merger is expected to contribute to the successful completion of the Privatization Plan by building on the momentum of the previously completed privatization steps, including the spin-off of Kyongnam Bank and Kwangju Bank (Step 1) and the sale of six other subsidiaries including Woori Investment & Securities Co., Ltd. (Step 2). In addition, it is anticipated that the Merger will allow the merged entity to adapt more quickly and flexibly to the evolving financial environment by enabling the Bank to continue its underlying business as the surviving entity, while also improving management efficiency on an enterprise-wide level, including in terms of personnel and organizational management and the decision-making process. Ultimately, the merged entity is expected to transform into an organization centered on profitability improvement

and operations, thus enhancing its corporate value and maximizing the benefit to shareholders.

(3) Applicability of Back Door Listing
Not applicable

B. Main Impact and Effect on the Company's Management, Finances and Business

(1) Impact and Effect on the Company's Management

As of the date of submission of this Securities Registration Statement, the largest shareholder of the Bank, the surviving entity after the Merger, is the Company, which owns 100% of the Bank's equity, and the largest shareholder of the Company, the non-surviving entity after the Merger, is the Korea Deposit Insurance Corporation (the "KDIC"), which owns 56.97% of the Company's equity.

After consummation of the Merger, the Bank will remain as the surviving entity, and the Company will cease to exist.

In the Merger, which is structured as a merger in which the parent company will be merged with and into its wholly-owned subsidiary, new shares of the Bank, the surviving entity, will be allotted and delivered to the Company's shareholders based on a 1:1.0000000 ratio (the "Merger Ratio") (for a detailed explanation of the Merger Ratio, please see II. Calculation of the Merger Consideration).

Therefore, the KDIC, the largest shareholder of the Company, will retain its status as the largest shareholder of the Bank, the surviving entity, and is expected to sell all of its interest in the Bank in accordance with Step 3 of the Privatization Plan after the Merger.

(2) Impact and Effect on the Company's Finances and Business

As the Merger is between the parent company and its wholly-owned subsidiary, there will be no change in the merged entity on a consolidated basis, and accordingly the Merger is not expected to have an impact on the Company's finances.

In addition, because the Bank, whose assets and operating income represent 94.72% and 99.68% (according to the Bank's separate financial statements and the Company's consolidated financial statements, each as of the end of June 2014) of the Company's assets and operating income, respectively, will be the surviving entity, there is minimal risk of an adverse effect on business operations. Also, overhead expenses that were necessary due to the existence of a financial holding company are expected to be reduced.

(3) Future Plans for Reorganization of Corporate Structure

Pursuant to the Merger, the Bank will conduct its operations in the banking business and manage non-banking business portfolios through five additional subsidiaries, Woori Card Co., Ltd. ("Woori Card"), Woori Investment Bank, Ltd. ("Woori Investment Bank"), Woori FIS Co., Ltd. ("Woori FIS"), Woori Private Equity Co., Ltd. ("Woori Private Equity") and Woori Finance Research Institute Co., Ltd. ("Woori Finance Research Institute"). There are no other plans for a corporate reorganization and any future plans for a corporate reorganization will be publicly disclosed once they are finalized.

2. Summary of the Merger Counterparty

A. Overview of the Entity

(1) Legal and Business Name of the Entity
Woori Finance Holdings Co., Ltd.

(2) Date of Establishment: April 2, 2001

(3) Regulatory Framework for the Operation of the Entity's Business
The Financial Holding Companies Act

(4) Main Business Operations

The Company is engaged in the business management of its subsidiaries by providing business goals and approving business plans, pursuant to which it bases its evaluation of business performance, decision-making on compensation and corporate governance and inspection of duties and financial condition. In addition, the Company conducts funding activities to support its subsidiaries through various channels.

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(5) Executive Officers and Employees

(A) Executive Officers

(As of the date of submission of this Securities Registration Statement)

(Unit: Shares)

Name	Gender	Date of		Registered		Division	Education & Work Experience	Number of Shares Owned		Term of Office	Expiration of Term
		Birth	Title	Officer	Standing			Common	Preferred		
Soon-Woo Lee	Male	12.1950	President	Yes	Yes	Administration	Sungkyunkwan University, Dept. of Law	11,998		6.14.2013	12.30.2014
							Woori Bank, Executive Vice President			-Present	
							Woori Bank, Deputy President				
							Woori Bank, President				
Dong-Gun Lee	Male	1.1958	Executive Vice President	No	Yes	Business Administration	Yeungnam University, Economics Dept. Operation & Support Business Unit, Executive Vice President			6.3.2014	12.30.2014
							Credit Support Unit, Executive Vice President			-Present	
							Woori Bank, Deputy President				
Seung-Gyu Kim	Male	10.1956	Executive Vice President	No	Yes	Strategic Planning	Sungkyunkwan University, Economics Dept.			6.14.2013	12.30.2014
							Woori Finance Holdings, Managing Director			-Present	
Seung-Rok Kim	Male	10.1958	Managing Director	No	Yes	Compliance	Sogang University, Economics Dept.			6.14.2013	12.30.2014
							Woori Bank Seo-cho, Branch Manager				
							Woori Bank City Hall of Seoul, the Sales Director of the Head Office			-Present	
							Woori Bank Seo-cho, Sales Director of the Head Office				

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Nam-Hee Lee	Female	2.1957	Managing Director	No	Yes		Seoul National University, Clothing Department.		
						Risk Management	Woori Bank, Fund Management Department, Head of Department.	9.3.2013	
						IT Planning	Woori Bank Jongno, Sales Director of the Head Office	-Present	12.30.2014
						Management Monitoring	Woori Finance Holdings Risk Management, Head of Department		
Young-Soo Park	Male	2.1952	Outside Director	Yes	No		Seoul National University, Liberal Arts Studies.		
							Supreme Prosecutor s Office Central Investigation Department, Head of Department.	3.22.2013	3.21.2015
							Seoul High Prosecutor s Office, Director of the Prosecutor s Office	-Present	
							Current) Representative Attorney of Law Firm Gangnam LLP		

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Name	Gender	Date of		Registered		Division	Education & Work Experience	Number of Shares Owned		Term of Office	Expiration of Term
		Birth	Title	Officer	Standing			Common	Preferred		
Sang-Keun Oh*	Male	4.1956	Outside Director	Yes	No		Sungkyunkwan University, Economics Dept.			3.21.2014	3.20.2015
							The University of Wisconsin-Madison, Economics Ph.D.				
							The Korean Economic Review, Director				
							Current) Donga University, Economics Dept., Professor				
Hee-Yul Chai	Male	1.1960	Outside Director	Yes	No		Seoul National University, Economics Dept.			3.22.2013	3.21.2015
							Université Paris 10, Economics Ph.D.				
							Financial Services Commission, Non-standing Commissioner				
							Current) Kyungki University, Economics Dept., Professor				
Kang-Shik Choi*	Male	8.1960	Outside Director	Yes	No		Yonsei University, Economics Dept.			3.21.2014	3.20.2015
							Yale University, Economics Ph.D.				
							Korea Institute for Industrial Economics and Trade, Senior Research Engineer				
							Current) Yonsei University, Dean of Undergraduate Studies and Economics Dept., Professor				
Seong-Yeol Lim	Male	5.1963	Outside Director	Yes	No		Seoul National University, Dept. of Economics			3.21.2014	3.20.2015
							Seoul National University, Public Administration Dept., Masters				
							Korea Deposit Insurance Corporation, Risk Management, General Manager				
							Current) Korea Deposit Insurance Corporation, Policy Coordination Division, General Manager				

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Min Chang	Male	1.1965	Outside Director	Yes	No	Seoul National University, Economics Dept. Michigan State University, Economics Ph.D.		
						Bank of Korea, Policy Planning Bureau, Policy Coordination Division, Deputy Head	3.21.2013	3.20.2015
						Current) Korea Institute of Finance, Research and Coordination, Director	-Present	

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(As of June 30, 2014)

(Unit: KRW millions)

Business	Gender	Number of Employees			Average Years of Continuous Service	Total Amount of Annual Salary	Average Annual Wage per Person	Remarks
		Full-time Contract	Others	Total				
Administration, Planning	Male	67		67	3 years, 10 months	3,827	57	
Administration, Planning	Female	12		12	3 years, 7 months	519	43	
Total		79		79	3 years, 10 months	4,346	55	

1. Total Amount of Annual Salary: Earned income according to statement of earned income payment (including performance-related payments, holiday bonuses, meal allowances, transportation fees and overtime payment, etc.)
2. Total Number of Employees: excludes three quasi-executive officer (*jun-im-won* in Korean)

(6) Largest Shareholder and Its Specially Related Persons

(As of the date of submission of this Securities Registration Statement)

(Unit: Shares, %)

Name	Relation	Type of Stock	Number of Shares	Percentage of Shareholding	Remarks
KDIC	Largest Shareholder	Common Stock	385,285,578	56.97	

(7) Distribution of Shares

(A) Shareholders Holding 5% or More

(As of May 1, 2014)

(Unit: Shares, %)

Classification	Shareholder Name	Number of Shares	Percentage of Shareholding	Remarks
5%+ Shareholders	KDIC	385,285,578	56.97	
	National Pension Service	55,532,990	8.21	

* May 1, 2014: Date of spin-off of Kyongnam Bank and Kwangju Bank

(B) Minority Shareholders

(As of December 31, 2013)

(Unit: Shares, %)

Classification	Shareholders	Shareholding	Remarks
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	Number of Shares	Percentage	Number of Shares	Percentage
Minority Shareholders	51,339	99.98	298,886,286	37.07

* The status above was prepared based on the share distribution status chart provided by the Korea Securities Depository (the KSD), the transfer agent of the Company, as of December 31, 2013, the most recent closure of the shareholder register, and minority shareholders refer to shareholders holding less than 1/100 of the total number of shares issued.

B. Summary Financial Data for the Past Three Years and External Audits of the Company

(1) Summary Financial Data for the Past Three Years

(A) Summary Consolidated Financial Data

1) Summary Consolidated Statements of Financial Position

(Unit: KRW millions)

Classification	1H 2014	2013	2012	2011
ASSETS				
Cash and cash equivalents	5,099,006	5,477,649	5,778,390	6,417,964
Financial assets at fair value through profit or loss	5,346,956	4,806,197	27,352,216	26,844,973
Available-for-sale financial assets	16,853,833	17,085,448	18,888,923	19,698,348
Held-to-maturity financial assets	13,302,549	12,038,820	18,684,801	20,036,128
Loans and receivables	213,846,076	211,912,373	250,275,551	235,317,520
Investments in joint ventures and associates	664,309	617,570	1,037,930	928,233
Investment properties	367,626	340,620	491,685	498,999
Premises and equipment	2,463,789	2,536,441	3,185,543	3,134,472
Intangible assets and goodwill	187,089	268,926	433,407	447,891
Assets held for sale	1,104	587	83,347	56,243
Current tax assets	4,200	143,101	38,667	57,512
Deferred tax assets	204,820	155,256	155,439	79,505
Derivative assets	151,163	131,410	281,069	326,840
Other assets	168,196	178,886	414,846	377,062
Disposal group held for sale		34,684,805		
Disposal group held for distribution to owners		50,312,293		
Total assets	258,660,716	340,690,382	327,101,814	314,221,690
LIABILITIES				
Financial liabilities at fair value through profit or loss	2,686,802	2,507,248	10,985,765	9,621,546
Deposits due to customers	179,751,900	175,323,644	204,209,580	197,378,565
Borrowings	16,121,563	18,231,511	33,479,716	34,667,740
Debentures	23,583,169	21,677,674	27,959,969	29,265,833
Provisions	502,691	684,799	863,658	892,308
Net defined benefit liability	89,359	71,602	166,296	119,704
Current tax liabilities	198,599	9,980	178,791	274,257
Deferred tax liabilities	3,609	49,105	134,481	270,033
Derivative liabilities		1,785	38,000	33,493
Other financial liabilities	17,521,552	19,914,947	25,544,410	19,023,665
Other liabilities	395,255	411,278	508,072	570,038
Liabilities directly associated with disposal group held for sale		32,047,626		
Liabilities directly associated with disposal group held for distribution to owners		46,882,414		
Total liabilities	240,854,499	317,813,613	304,068,738	292,117,182
EQUITY				
Owners equity:	15,867,661	17,847,633	18,695,919	17,555,085
Capital stock	3,381,392	4,030,077	4,030,077	4,030,077
Hybrid securities	498,407	498,407	498,407	309,010
Capital surplus	91,262	176,502	174,044	175,768
Other equity	(2,286,225)	(35,367)	112,013	563,074

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Classification	1H 2014	2013	2012	2011
Retained earnings	14,182,825	13,112,690	13,881,378	12,477,156
Equity directly associated with disposal group held for sale		29,820		
Equity directly associated with disposal group held for distribution to owners		35,504		
Non-controlling interests	1,938,556	5,029,136	4,337,157	4,549,423
Total equity	17,806,217	22,876,769	23,033,076	22,104,508
Total liabilities and equity	258,660,716	340,690,382	327,101,814	314,221,690
Number of Consolidated Companies*	82	173	166	143

* Figures do not include the Company

2) Summary Consolidated Statements of Comprehensive Income

(Unit: KRW millions)

Classification	1H 2014	1H 2013	2013	2012	2011
OPERATING INCOME:	684,330	281,580	239,567	1,549,507	3,085,708
Net interest income	2,210,164	2,225,105	4,492,022	4,847,900	6,551,741
Interest income	4,607,677	4,792,543	9,493,383	10,891,241	14,332,192
Interest expense	(2,397,513)	(2,567,438)	(5,001,361)	(6,043,341)	(7,780,451)
Net fees and commissions income	460,737	447,657	926,501	1,189,350	1,908,146
Fees and commissions income	800,430	779,745	1,565,224	1,686,885	2,487,088
Fees and commissions expense	(339,693)	(332,088)	(638,723)	(497,535)	(578,942)
Dividend income	76,690	50,665	87,641	101,063	203,005
Net gain (loss) on financial instruments at fair value through profit or loss	13,322	106,663	123,900	(364,894)	119,403
Net gain (loss) on available-for-sale financial assets	(36,264)	10,547	(85,242)	533,148	1,072,877
Net gain (loss) on held-to-maturity financial assets					82
Impairment losses due to credit loss	(315,151)	(976,115)	(2,277,260)	(1,799,029)	(2,268,927)
Other net operating expenses	(1,725,168)	(1,582,942)	(3,027,995)	(2,958,031)	(4,500,619)
Non-operating income	(34,874)	22,078	48,100	88,413	91,665
Share of profits (losses) of joint ventures and associates	(42,033)	(4,077)	(1,277)	44,515	16,700
Other net non-operating income	7,159	26,155	49,377	43,898	74,965
Net income before income tax expense	649,456	303,658	287,667	1,637,920	3,177,373
Income tax expense	(163,817)	(35,726)	(35,096)	(356,840)	(744,093)
Net income from continuing operations	485,639	267,932	252,571	1,281,080	2,433,280
Net income (loss) from discontinued operations	661,768	176,457	(966,006)	566,599	
Net income (loss)	1,147,407	444,389	(713,435)	1,847,679	2,433,280
Other comprehensive loss, net of tax	(215,786)	20,322	(110,347)	(438,341)	(385,374)
Items that will not be reclassified to profit or loss	(21,026)	9,569	9,217	(51,297)	
Remeasurement of the net defined benefit liability	(21,026)	9,569	9,217	(51,297)	
Items that may be reclassified to profit or loss	(194,760)	10,753	(119,564)	(387,044)	(385,374)
Loss on available-for-sale financial assets	(171,843)	(43,740)	(50,953)	(349,481)	(374,877)
Share of other comprehensive income (loss) of joint ventures and associates	(2,766)	(9,039)	(6,375)	56,855	(37,602)
Loss on foreign currency translation of foreign operations	7,000	76,651	(59,824)	(107,509)	24,591

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Classification	1H 2014	1H 2013	2013	2012	2011
Gain (loss) on valuation of cash flow hedge	(27,151)	(13,119)	(2,412)	13,091	2,514
Total comprehensive income (loss)	931,621	464,711	(823,782)	1,409,338	2,047,906
Net income attributable to:	1,147,407	444,389	(713,435)	1,847,679	2,433,280
Net income (loss) attributable to owners	1,195,958	358,346	(537,688)	1,633,341	2,136,828
Income from continuing operations	417,267	223,672	162,011	1,164,431	2,136,828
Income (loss) from discontinued operations	778,691	134,674	(699,699)	468,910	
Net income (loss) attributable to non-controlling interests	(48,551)	86,043	(175,747)	214,338	296,452
Income from continuing operations	68,371	44,260	90,560	116,649	296,452
Income (loss) from discontinued operations	(116,922)	41,783	(266,307)	97,689	
Total comprehensive income attributable to:	931,621	464,711	(823,782)	1,409,338	2,047,906
Comprehensive income (loss) attributable to owners	1,065,784	378,071	(623,695)	1,176,805	1,729,658
Comprehensive income (loss) attributable to non-controlling interests	(134,163)	86,640	(200,087)	232,533	318,248
EARNINGS PER SHARE:					
Basic and diluted earnings (losses) from continuing and discontinued operations per share (KRW)	1,550	426	(704)	1,993	2,649
Basic and diluted earnings from continuing operations per share (KRW)	528	259	165	1,411	2,649

(B) Summary Separate Financial Data

1) Summary Separate Statements of Financial Position

(Unit: KRW millions)

Classification	1H 2014	2013	2012	2011
Cash and cash equivalents	1,890,347	45,524	236,400	33,538
Loans and receivables	217,510	34,454	209,199	239,215
Available-for-sale financial assets	4			
Investments in joint ventures and associates	13,831,963	13,763,730	17,976,325	17,825,203
Premises and equipment	225	288	389	515
Intangible assets	49	44	33	29
Current tax assets		138,005	20,844	
Deferred tax assets	8,199		2,444	2,158
Other assets	1,447	2,207	970	2,347
Disposal group held for sale		1,555,852		
Disposal group held for distribution to owners		2,441,808		
Total assets	15,949,744	17,981,912	18,446,604	18,103,005
Debentures	3,545,001	3,505,025	3,654,276	3,653,968
Net defined benefit liability	769		137	
Current tax liabilities	193,372		165,588	201,361
Deferred tax liabilities		375,026		
Other financial liabilities	31,468	175,813	53,448	31,796
Other liabilities	1,084	889	1,479	1,659
Liabilities directly associated with disposal group held for distribution to owners		180,553		
Total liabilities	3,771,694	4,237,306	3,874,928	3,888,784
Capital stock	3,381,392	4,030,077	4,030,077	4,030,077

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Classification	1H 2014	2013	2012	2011
Hybrid securities	498,407	498,407	498,407	309,010
Capital surplus	91,475	109,026	109,026	109,026
Other equity	(1,485,670)	(1,272)	(1,467)	(1,029)
Retained earnings	9,692,446	9,108,368	9,935,633	9,767,137
Total equity	12,178,050	13,744,606	14,571,676	14,214,221
Total liabilities and equity	15,949,744	17,981,912	18,446,604	18,103,005

2) Summary Separate Statements of Comprehensive Income

(Unit: KRW millions)

Classification	1H 2014	1H 2013	2013	2012	2011
Net interest income	(72,662)	(80,951)	(162,832)	(172,379)	(214,308)
Interest income	6,136	3,988	6,508	11,758	8,029
Interest expense	(78,798)	(84,939)	(169,340)	(184,137)	(222,337)
Net fees and commissions income	19,143	24,613	45,924	59,440	57,851
Fees and commissions income	26,719	32,580	60,140	62,582	65,698
Fees and commissions expense	(7,576)	(7,967)	(14,216)	(3,142)	(7,847)
Dividend income	194,527	254,081	254,081	562,272	516,008
Impairment losses due to credit loss	4,626	2	(4,621)	(1)	1
General administrative expenses	(16,787)	(23,648)	(42,080)	(50,774)	(49,792)
Operating income	128,847	174,097	90,472	398,558	309,760
Other net non-operating income	197,129	(1,081)	(309,428)	(1,368)	(6,310)
Net income before income tax expense	325,976	173,016	(218,956)	397,190	303,450
Income tax benefit (expense)	383,161	(28,279)	(377,407)	146	1,030
Net income (loss)	709,137	144,737	(596,363)	397,336	304,480
Other comprehensive loss, net of tax	(204)	(52)	195	(438)	
Items that will not be reclassified to profit or loss	(205)	(52)	195	(438)	
Items that may be reclassified to profit or loss	1				
Total comprehensive income (loss)	708,933	144,685	(596,168)	396,898	304,480
EARNINGS PER SHARE:					
Basic and diluted earnings from continuing operations per share (KRW)	911	161	(776)	459	375

(2) External Audits of the Financial Statements

(A) Auditor's Opinion on Consolidated Financial Statements

Term	Auditor	Audit Opinion	Summary of Issues
1H 2014	Deloitte Anjin LLC	*	Not applicable
2013	Deloitte Anjin LLC	Unqualified	Not applicable
2012	Deloitte Anjin LLC	Unqualified	Not applicable
2011	Deloitte Anjin LLC	Unqualified	Not applicable

* No matters were discovered which were not fairly presented from the point of view of materiality pursuant to International Financial Reporting Standards as adopted by Korea (K-IFRS) 1034 *Interim Financial Reporting*.

(B) Auditor's Opinion on Separate Financial Statements

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Term	Auditor	Audit Opinion	Summary of Issues
1H 2014	Deloitte Anjin LLC	*	Not applicable
2013	Deloitte Anjin LLC	Unqualified	Not applicable
2012	Deloitte Anjin LLC	Unqualified	Not applicable
2011	Deloitte Anjin LLC	Unqualified	Not applicable

* No matters were discovered which were not fairly presented from the point of view of materiality pursuant to K-IFRS *Interim Financial Reporting*.

3. Form of the Merger

A. Method of the Merger

The Company will be merged with and into the Bank, and the Bank will be the surviving entity, while the Company will cease to exist.

B. Applicability of Simplified Merger or Small-Scale Merger

The Merger does not fall under the definition of a simplified merger or a small-scale merger as set forth in Article 527-2 and Article 527-3 of the Korean Commercial Code (the KCC).

KOREAN COMMERCIAL CODE

Article 527-2 (Simplified Merger)

(1) Where one of the constituent companies of a merger survives, if there is consent of the total shareholders of the disappearing company in consequence of the merger or 90 percent or more of the total issued and outstanding shares in such company are held by the surviving company, approval from the general shareholders meeting of the disappearing company may be replaced by approval from the board of directors of such company.

(2) In cases falling under paragraph (1), a disappearing company in consequence of a merger shall give public notice or make notification to shareholders that the company shall be merged without approval from a general meeting of shareholders within two weeks of the preparation of a written agreement for such merger: Provided, That the same shall not apply where consent from all the shareholders has been obtained.

Article 527-3 (Small-Scale Merger)

(1) Where the total number of new shares issued by the surviving company of a merger does not exceed 10 percent of the total issued and outstanding shares of the company, approval from the general shareholders meeting of the company may be replaced by approval from the board of directors of such company: Provided, That where an amount payable to the shareholders of the disappearing company in consequence of the merger has been determined, if the amount exceeds five percent of the value of net assets existing on the final balance sheets of the surviving company, this shall not apply.

(2) In cases falling under paragraph (1), a written agreement for the merger of a surviving company shall provide that the merger shall be effected without approval from a general meeting of shareholders.

(3) In cases falling under paragraph (1), a surviving company shall give public notice or notification to shareholders on the trade name and seat of the principal office of the disappearing company, the date of the merger, and that the merger shall be effected without approval from a general meeting of shareholders within two weeks of the preparation of a written agreement for the merger.

(4) Where shareholders who own no less than 20 percent of the total issued and outstanding shares of a company which continues to exist after a merger give written notice to the company of their intent to dissent from the merger under paragraph (1) within two weeks of the receipt of the public notice or notification mentioned in paragraph (3), the merger shall not be effected under the main body of paragraph (1).

(5) The provisions of Article 522-3 shall not apply in cases falling under the main body of paragraph (1).

C. Listing Plans of the Surviving Entity After the Merger

The surviving entity of the Merger, the Bank, is an unlisted corporation as of the date of submission of this Securities Registration Statement and plans to become newly listed after the Merger. In connection with such listing, the Bank submitted an application for preliminary examination approval on July 28, 2014 and received preliminary examination approval for listing from the Korea Exchange on August 26, 2014.

D. Noteworthy Matters Relating to the Method of the Merger

- (1) For the Company to merge with the Bank, it must prepare a merger agreement (the Merger Agreement) and have it approved at a meeting of shareholders. Notice of a meeting of the shareholders is expected to be sent to each shareholder in written form or, with the consent of each shareholder, as an electronic document, seven days prior to the date of the meeting of the shareholders in accordance with Article 5(4) of the Act on the Structural Improvement of the Financial Industry. Prior to the dispatch of such notice, the intention to convene a meeting of the shareholders and the agenda items (i.e., approval of the Merger) are expected to be published in two or more daily newspapers. In addition, immediately after the shareholders' meeting to approve the Merger, the resolved matters, the method of exercising appraisal rights, the means by which creditors may file objections, the submission of old share certificates, etc. are also expected to be published in two or more daily newspapers in accordance with Article 5 and Article 12 of the Act on the Structural Improvement of the Financial Industry.

- (2) As a result of the Merger, the Bank will acquire 596,690,380 registered common shares issued by the Bank which are currently owned by the Company. Such shares will be cancelled in accordance with capital reduction procedures, concurrently with the consummation of the Merger. In addition, the Bank will issue 676,278,371 registered common shares, par value KRW 5,000 per share, and will allot to each registered common shareholder recorded in the Company's shareholder register as of the date of the Merger one share of the Bank for each share of the Company owned by such shareholder.

4. Progress and Schedule

A. Progress

- July 1, 2014 ~ July 28, 2014: Appraisal by the external appraisal organization (Samil PricewaterhouseCoopers).

- July 28, 2014: Resolution of the boards of directors regarding the Merger.

- July 28, 2014: Execution of the Merger Agreement.

- July 28, 2014: Public disclosure of Report of Material Event (Merger).

- July 28, 2014: Submission of application for preliminary examination approval for listing of the Bank (listing agent Woori Investment & Securities Co., Ltd.).

- July 28, 2014: Business combination report to the Fair Trade Commission.

- July 28, 2014: Submission of documents for back door listing evaluation (submission of back door listing confirmation letter to the Korea Exchange in accordance with the Merger resolution).

- August 1, 2014: Receipt of results of business combination report from the Fair Trade Commission (no restrictions on competition pursuant to the Monopoly Regulation and Fair Trade Act).

- August 25, 2014: Resolution of the board of directors for the convening of the extraordinary shareholders' meeting and the record date.

- August 26, 2014: Preliminary examination approval of the listing of the Bank by the Korea Exchange.

B. Schedule

Event	Bank (Surviving Entity)	Company (Non-Surviving Entity)
Resolution of the boards of directors for decision on the Merger and new listing	July 28, 2014	July 28, 2014
Date of the Merger Agreement	July 28, 2014	July 28, 2014
Resolution of the boards of directors (relating to convening of extraordinary shareholders meeting to approve the Merger)	August 25, 2014	August 25, 2014
Public announcement of record date and closure of the shareholder register		September 5, 2014
Record date		September 15, 2014
Closure of the shareholder register	Start date	September 16, 2014
	End date	September 18, 2014
Public announcement of convening the shareholders meeting	September 29, 2014	September 29, 2014
Dispatch of notice of convening the shareholders meeting	September 30, 2014	September 30, 2014
Merger dissent filing period	Start date	September 29, 2014
	End date	October 9, 2014
Shareholders meeting to approve the Merger Agreement	October 10, 2014	October 10, 2014
Appraisal right exercise period	Start date	October 11, 2014
	End date	October 21, 2014

Event	Bank (Surviving Entity)		Company (Non-Surviving Entity)
	Period for submission of old share certificates	Start date	October 11, 2014
	End date	October 31, 2014	October 31, 2014
Creditor objection period	Start date	October 11, 2014	October 11, 2014
	End date	October 21, 2014	October 21, 2014
Date of the Merger		November 1, 2014	November 1, 2014
Resolution of the board of directors for report on completion of the Merger in lieu of a shareholders meeting		November 3, 2014	
Public announcement of completion of the Merger		November 3, 2014	
Registration of Merger (registration of dissolution) (tentative)		November 3, 2014	November 3, 2014
Delivery of share certificates (tentative)		November 18, 2014	
Date of new listing of shares (tentative)		November 19, 2014	

1. The schedule above is the expected schedule as of the date of submission of this Securities Registration Statement and is subject to adjustment based on consultation with or approval of relevant governmental authorities.
2. The shareholders meeting for the report on completion of the Merger in accordance with Article 526 of the KCC and the related report on matters regarding the Merger will be replaced with a meeting of the board of directors and public notice on the internet website.
3. The schedule above is the merger schedule in accordance with the Act on the Structural Improvement of the Financial Industry, and certain dates are accelerated compared to the general merger schedule in accordance with the KCC. The table below shows the key differences between the Act on the Structural Improvement of the Financial Industry and the KCC as applied to the merger schedule.

Item	KCC	Act on the Structural Improvement of the Financial Industry
Procedures for protection of creditors	[Article 527-5(1)] Within two weeks of the adoption of a resolution for approval at a general meeting of shareholders, a company shall give its creditors public notice that objection, if any, against the merger should be raised within a period of no less than <u>one month</u> and shall give peremptory notice to respective creditors known to the company.	[Article 5(3)] A financial institution may publish its request to creditors to raise an objection to such merger resolution, setting a period of not less than <u>ten days</u> in two or more daily newspapers, and in such cases peremptory notices to individual creditors may be omitted.
Notice and period of public announcement of convening shareholders meeting	[Article 363(1)] When a company convenes a general meeting of shareholders, it shall give written notice, or notice in electronic form to each shareholder after obtaining the consent of each shareholder, at least <u>two weeks prior</u> to the date set for such general meeting.	[Article 5(4)] When a financial institution convenes a general meeting of shareholders for a resolution of merger, it may send a notice in writing to each shareholder <u>seven days prior</u> to the date of such general meeting of shareholders. In such cases, it shall give public of its intent to convene a general meeting of shareholders and the objectives of the meeting in two or more daily newspapers prior to the date of sending a written notice.
Closure of shareholder register and record date	[Article 354(4)] If a company has determined the period for closure of the register of shareholders or the record date, it shall give public notice <u>two weeks prior</u> to such period or date.	[Article 5(6)] If a financial institution closes its shareholder register or sets the record date for a resolution of merger, it may give public notice <u>seven days prior</u> to the closing date or the record date. In such cases, it shall give public notice in two or more daily newspapers.
Period for submission of old Share certificates in case of share consolidation	[Article 530(3) and Article 440] If shares are to be consolidated, a company shall determine a period of <u>not less than one month</u> and shall give public notice that share certificates must be submitted to the company within such period and shall separately give notice to each	[Article 5(7) and Article 12(6)] A dissolving financial institution in a merger shall determine a period of <u>not less than five days</u> and announce that stock certificates should be submitted during such period. In such cases, individual notices to shareholders

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for merger

shareholder and the pledgees recorded in the register of shareholders.

may be replaced by public notice in two or more daily newspapers.

Item	KCC	Act on the Structural Improvement of the Financial Industry
Appraisal rights of shareholders dissenting from merger	[Article 522-3(1)]	[Article 5(8) and Article 12(7)]
	A shareholder dissenting from a merger resolution adopted by a general meeting of shareholders may demand in writing the purchase of shares, with the class and number of such shares specified, within <u>twenty days</u> after the general meeting adopts such resolution.	A shareholder dissenting from a merger resolution adopted by a general meeting of shareholders may demand in writing the purchase of shares, with the class and number of such shares specified, within <u>ten days</u> after the public notice of such resolution in daily newspapers.

5. Conditions to the Merger

A. Termination Provisions of the Merger Agreement

The conditions for termination of the Merger Agreement are as follows:

- (1) The parties may terminate the Merger Agreement by written agreement at any time before the date of the Merger.
- (2) Upon the occurrence of any of the following events before the date of the Merger, a party may immediately terminate the Merger Agreement by written notice to the other party:

If, during the period from the date of the Merger Agreement to the date of the Merger, a material adverse change or unforeseeable material defect in the assets, liabilities or management condition of the Bank or the Company as a result of an act of God or other cause has occurred;

If the other party has defaulted on or breached the Merger Agreement and has failed to cure such default or breach within 15 days after receipt of the non-defaulting party's notice requesting such default or breach to be cured;

If, due to the exercise of appraisal rights by shareholders of the Company dissenting to the Merger, the Company is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of issued and outstanding shares of the Company;

If the preliminary examination approval for listing on the Korea Exchange after the Merger has not been obtained by the date of the Merger;

If it is evident that the merger approval of the Financial Services Commission under the Act on the Structural Improvement of the Financial Industry (the Merger Approval) would not be obtained within six months after the date of the Merger Agreement, including where a Merger Approval has not been obtained prior to the date of the Merger despite such Merger Approval having been applied for; or

If it becomes impossible to accomplish the Merger due to a change in the relevant laws, etc.

B. Effectiveness of the Merger Agreement

The Merger Agreement became effective when executed by both the Bank and the Company but shall cease to be effective if approval of the Merger is not obtained at the general meeting of shareholders of the Bank or the Company by the day immediately before the date of the Merger

(or, if the date of the Merger is changed, the day immediately before such changed date).

C. Possibility of Termination of the Merger at the General Shareholders Meeting

The Merger may not be consummated if the approval of two-thirds of the voting rights of the participating shareholders and one-third of the issued shares is not obtained at the Company's extraordinary general meeting of shareholders.

6. Relevant Laws and Special Provisions

The Merger Agreement became effective upon the execution of both parties but may be terminated upon the conclusive rejection of a governmental approval, permit, report or acceptance required in connection with the Merger that has a material effect on the operations of the merging parties.

Specifically, in order to proceed with the Merger under the Act on the Structural Improvement of the Financial Industry, prior approval from the Financial Services Commission (the FSC) must be obtained as set forth in Article 4(1) of such Act, and the Merger Agreement may be terminated if it is evident that such Merger Approval would not be obtained within six months after the date of the Merger Agreement. The Bank and the Company plan to apply for the Merger Approval from the FSC.

In addition, as the major shareholder of each of Woori Card and Woori Investment Bank will change to the Bank, approval for such change in major shareholder will be applied for (pursuant to Article 6(3) of the Credit Finance Business Act and Article 6-3(5) of its Enforcement Decree, for Woori Card, and Article 350 and Article 23(1) of the Financial Investment Services and Capital Markets Act (the FISCMA) and Article 26(1), Table 4 of its Enforcement Decree, for Woori Investment Bank).

The Merger is eligible for the special application of simplified merger procedures pursuant to the Act on Structural Improvement of the Financial Industry, and certain procedures have been accelerated compared to the general merger procedures pursuant to the KCC, as specified below.

Item	KCC	Act on the Structural Improvement of the Financial Industry
Procedures for protection of creditors	[Article 527-5(1)] Within two weeks of the adoption of a resolution for approval at a general meeting of shareholders, a company shall give its creditors public notice that objection, if any, against the merger should be raised within a period of no less than <u>one month</u> and shall give peremptory notice to respective creditors known to the company.	[Article 5(3)] A financial institution may publish its request to creditors to raise an objection to such merger resolution, setting a period of not less than <u>ten days</u> in two or more daily newspapers, and in such cases peremptory notices to individual creditors may be omitted.
Notice and period of public announcement of convening shareholders meeting	[Article 363(1)] When a company convenes a general meeting of shareholders, it shall give written notice, or notice in electronic form to each shareholder after obtaining the consent of each shareholder, at least <u>two weeks prior</u> to the date set for such general meeting.	[Article 5(4)] When a financial institution convenes a general meeting of shareholders for a resolution of merger, it may send a notice in writing to each shareholder <u>seven days prior</u> to the date of such general meeting of shareholders. In such cases, it shall give public of its intent to convene a general meeting of shareholders and the objectives of the meeting in two or more daily newspapers prior to the date of sending a written notice.
Closure of shareholder register and record date	[Article 354(4)] If a company has determined the period for closure of the register of shareholders or the record date, it shall give public notice <u>two weeks prior</u> to such period or date.	[Article 5(6)] If a financial institution closes its shareholder register or sets the record date for a resolution of merger, it may give public notice <u>seven days prior</u> to the closing date or the record date. In such cases, it shall give public notice in two or more daily newspapers.
Period for submission of old share	[Article 530(3) and Article 440]	[Article 5(7) and Article 12(6)]

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certificates in case of share consolidation for merger

If shares are to be consolidated, a company shall determine a period of not less than one month and shall give public notice that share certificates must be submitted to the company within such period and shall separately give notice to each shareholder and the pledgees recorded in the register of shareholders.

A dissolving financial institution in a merger shall determine a period of not less than five days and announce that stock certificates should be submitted during such period. In such cases, individual notices to shareholders may be replaced by public notice in two or more daily newspapers.

Item	KCC	Act on the Structural Improvement of the Financial Industry
Appraisal rights of shareholders dissenting from merger	[Article 522-3(1)]	[Article 5(8) and Article 12(7)]
	A shareholder dissenting from a merger resolution adopted by a general meeting of shareholders may demand in writing the purchase of shares, with the class and number of such shares specified, within <u>twenty days</u> after the general meeting adopts such resolution.	A shareholder dissenting from a merger resolution adopted by a general meeting of shareholders may demand in writing the purchase of shares, with the class and number of such shares specified, within <u>ten days</u> after the public notice of such resolution in daily newspapers.

In addition, certain parts of the Securities Registration Statement may be revised during the public disclosure evaluation process, and if any material content closely related to the investment decision-making process is revised, the schedule may also be revised.

The non-surviving entity, the Company, has registered common shares listed on the KOSPI Market of the Korea Exchange (the KRX KOSPI Market) and American Depositary Shares (securities with the right to be exchanged into a number of common shares) listed on the New York Stock Exchange (the NYSE). After the Merger, the surviving entity, the Bank, is expected to be newly listed on the KRX KOSPI Market, and the procedures for the Bank to succeed to the Company s listing on the NYSE are expected to be conducted in accordance with the local merger procedures and schedule. The English translation of the Report of Material Event relating to the Merger was publicly disclosed through the U.S. Securities and Exchange Commission (the SEC) on July 28, 2014, and the English translation of the prospectus is expected to be publicly disclosed through the SEC and distributed to U.S. shareholders upon effectiveness of this Securities Registration Statement. As of the date of submission of this Securities Registration Statement, there are no known approvals or permits required by the SEC or the NYSE in connection with the Merger.

II. CALCULATION OF THE MERGER CONSIDERATION**1. Merger Consideration and Merger Ratio**

(Unit: KRW)

Item	Bank	Company
Reference share price		12,656
Discount or markup ratio		
Average of the asset and profit values	17,076	
- Asset value	23,924	17,076
- Profit value	12,511	
Merger consideration / share	17,076	17,076
Merger Ratio	1	1.0000000
- Relative value		

- The reference share price of the Company, as a listed corporation, was calculated in accordance with Article 176-5 of the Enforcement Decree of the FISCMA.
- The average of the asset and profit values was calculated using the weighted average of the asset value and the profit value weighted by a factor of 1 and 1.5 respectively, in accordance with Articles 4 to 6 of the Enforcement Rules of the Regulation on Securities Issuance and Disclosure.
- In calculating the Merger Ratio, the reference share price is generally used as the merger consideration with respect to a listed corporation, except that the asset value may be used in cases where the reference share price is lower than the asset value. As the Company's reference share price is lower than its asset value, and considering the current market conditions of financial holding companies where share prices are relatively low compared to net asset values, the asset value was used as the merger consideration with respect to the Company. In addition, as the Bank is an unlisted corporation, the reference share price of the Bank was not calculated.

2. Overview of the External Appraisal Organization

Name of External Appraisal Organization:	Samil PricewaterhouseCoopers
Representative Director:	Kyung-Tae Ahn
Main Office Address:	92, Hangang-daero, Yongsan-gu, Seoul
Responsible Appraiser:	(Title) Executive Director (Name) Dae-Jun Park
Appraisal Team Members:	Responsible appraiser and 12 other certified public accountants

3. Summary of Appraisal**A. Date of Appraisal Agreement: July 1, 2014****B. Appraisal Period: July 1, 2014 ~ July 28, 2014**

C. Independence of the Appraisal Organization

- Samil PricewaterhouseCoopers does not have a special relationship with the Bank or the Company as defined in Article 165-4 of the FISCMA, Article 176-5(8) of the Enforcement Decree of the FISCMA or Article 5-14 of the Regulation on Securities Issuance and Disclosure. It is also not subject to any restrictions on performing appraisals or other functions under Article 21 or Article 33 of the Certified Public Accountant Act.

4. Appraisal Opinion of External Appraisal Organization

To: Woori Bank and Woori Finance Holdings Co., Ltd.

Re: Opinion regarding the reasonableness of the Merger Ratio with respect to the Merger between Woori Bank and Woori Finance Holdings Co., Ltd.

We have performed the review on the merger ratio (the Merger Ratio) agreed upon by the merging parties as of the date of this Opinion with respect to the merger (the Merger) between the unlisted corporation Woori Bank (the Surviving Party) and the KRX KOSPI Market-listed corporation Woori Finance Holdings Co., Ltd. (the Non-Surviving Party). This Opinion has been prepared as an exhibit to the registration statement relating to the Merger to be submitted by the Surviving Party in accordance with the Financial Investment Services and Capital Markets Act applicable in Korea (the FISCMA). Therefore, the results of our review relating to the reasonableness of the Merger Ratio may not be used other than for purposes expressly set forth in this Report. In conducting our services, we reviewed the reasonableness of the Merger Ratio based on the relevant laws and regulations described below.

We reviewed whether the Merger Ratio proposed by the Surviving Party was calculated in accordance with the method of calculation of merger consideration set forth in Article 176-5 of the Enforcement Decree of the FISCMA and Article 5-13 of the Regulation on Securities Issuance and Disclosure and Articles 4 to 8 of its Enforcement Rules. For such purposes, we reviewed the Surviving Party 's audited stand-alone financial statements as of December 31, 2013 in accordance with the Korean International Financial Reporting Standards, the Surviving Party 's projected stand-alone financial statements as of December 31, 2014 and 2015, the share prices of companies of the same subclass as the Surviving Party according to the Korea Exchange 's industry classification system, the Non-Surviving Party 's reviewed stand-alone financial statements as of May 1, 2014 (due to the spin-off of Kyongnam Bank and Kwangju Bank from the Non-Surviving Party on May 1, 2014, the Non-Surviving Party 's reviewed stand-alone financial statements in accordance with the review standards of financial statements established by the Korean Institute of Certified Public Accountants were used in lieu of the statement of financial position of the fiscal year immediately prior to the year of the date of submission of the Report of Material Event), information regarding the Non-Surviving Party 's share price, etc.

In addition, in conducting our review, we have complied with the Guidelines for External Appraisal Procedures (June 2009) of the Financial Supervisory Service and the Performance Standards for Valuation Services (August 2008) of the Korean Institute of Certified Public Accountants.

The value per share of each of the Surviving Party and the Non-Surviving Party, on which the Merger Ratio is based, is estimated to be KRW 17,076 (par value KRW 5,000), and we conclude the Merger Ratio of 1 : 1 agreed to by the merging parties falls within reasonable range. By nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and we normally express our valuation opinions as falling within expected ranges and others might wish to argue for a different value.

We did not find any reason to believe that such Merger Ratio was not calculated in accordance with the method of calculation of merger consideration set forth in Article 176-5 of the Enforcement Decree of the FISCMA and Article 5-13 of the Regulation on Securities Issuance and Disclosure and Articles 4 to 8 of its Enforcement Rules in any material respect.

The scope of our duties and limit of our review are as follows.

We do not state an audit opinion with respect to the contents of this Opinion, as the procedures set forth in this Opinion are not audit procedures in accordance with general accounting and audit standards, and we do not provide any form of guarantee relating to the financial condition and/or management results of the merging parties. If additional audit procedures in accordance with accounting and audit standards had been performed, additional issues or changes or other exceptions may have been discovered.

Our review was based on the value of the Surviving Party 's net assets as set forth in its audited stand-alone financial statements as of December 31, 2013 in accordance with the Korean International Financial Reporting Standards and the value of the Non-Surviving Party 's net assets as set forth in its reviewed stand-alone financial statements as of May 1, 2014 in accordance with the standards for review of financial statements established by the Korean Institute of Certified Public Accountants. In addition, we used the projected stand-alone financial statements as of December 31, 2014 and 2015 which were provided to us by the Surviving Party for the review under the income approach of the Surviving Party as of the date of this Opinion. However, such projected financial statements were solely prepared by the Surviving Party based on its business plans which reflect operational environment and related assumptions. Accordingly, there will usually be differences between predicted and actual results, and those differences may be material. Thus, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided to us, except where otherwise stated herein, and no assurance is given.

Estimates for projected periods may be materially affected by changes in various factors, such as management strategies of the Surviving Party's management or changes to the business plan, and we do not guarantee or confirm that the estimates in this Opinion will be identical or similar to the actual future results and thus, we take no responsibility for the achievement of predicted results. Therefore, the users of this Report must make their own decisions for the achievement and sustainability of the projected results which were provided to us by the Surviving Party. Under the method of calculation of merger consideration set forth in Article 176-5 of the Enforcement Decree of the FISCMA and Article 5-13 of the Regulation on Securities Issuance and Disclosure and Articles 4 to 8 of its Enforcement Rules may differ from typical income approach valuation. In addition, the results of the review of the Merger Ratio may materially differ from this Opinion if a different method of valuation or assumptions are used.

Discrepancies between totals and sums of amounts due to rounding of various ratios in the calculation of annual estimates and capitalization rates should be disregarded.

This Opinion is effective as of its date of submission (i.e., July 28, 2014). Therefore, certain subsequent events or circumstances that may have a material effect on the valuation review results may have occurred between the date of this Opinion and the time this Opinion is read, and in such case, results different from the content of this Opinion may occur. We have no obligation to revise this Opinion with information known to us after the submission of this Opinion.

Readers of this Opinion must take into account the scope and limits of our duties as stated herein as well as the assumptions made in our review and the possibility of variation due to change in the circumstances of such assumptions. This Report has been prepared for internal review purpose for the merging parties and we are solely responsible to the merging parties only. We accept no duty of care to any third party in connection with the provision of this Report and/or any related information or explanation. Thus, unless the readers of the Report agree to these terms, the users of the Report cannot claim any responsibility to us. We accept no liability of any kind to any third party and disclaim all responsibility for the consequences of any third party acting or refraining to act in reliance on the Report.

Independence of the Appraisal Organization: Samil PricewaterhouseCoopers does not have a special relationship with Woori Bank or Woori Finance Holdings Co., Ltd. as defined in Article 165-4 of the FISCMA, Article 176-5 of the Enforcement Decree of the FISCMA or Article 5-14 of the Regulation on Securities Issuance and Disclosure. It is also not subject to any restrictions on performing valuations or other functions under Article 21 or Article 33 of the Certified Public Accountant Act.

Date of Valuation Agreement: July 1, 2014

Valuation Period: July 1, 2014 ~ July 28, 2014

Name of External Appraisal Organization: Samil PricewaterhouseCoopers

Representative Director: Kyung-Tae Ahn

Main Office Address: 92, Hangang-daero, Yongsan-gu, Seoul

Responsible Valuation Partner: (Title) Executive Director (Name) Dae-Joon Park (Phone Number) 02-709-8938

III. PROCEDURES RELATING TO THE MERGER

1. Allotment of New Shares

A. Allotment of New Shares

The Merger Ratio will be 1:1.0000000 (for a detailed explanation of the Merger Ratio, please see II. Calculation of the Merger Consideration), where the shareholders of the non-surviving entity, the Company, will be allotted one share of the Bank for each share of the Company they hold.

- Persons entitled to receive allotment: Shareholders of the Company registered in its shareholder register as of the date of the Merger.
- Allotment date: November 1, 2014 (i.e., the date of the Merger).
- Commencement date for calculation of dividends for new shares: January 1, 2014.

B. Disposal of Fractional Shares

As the Merger Ratio is 1:1, there is no possibility that fractional shares will result from the allotment of new shares in the Merger.

C. Issues Relating to the Listing of New Shares

The surviving entity of the Merger, the Bank, is an unlisted corporation as of the date of submission of this Securities Registration Statement and plans to become newly listed after the Merger. In connection with such listing, the Bank submitted an application for preliminary examination approval on July 28, 2014 and received preliminary examination approval for listing from the Korea Exchange on August 26, 2014.

- Expected listing date of new shares: November 19, 2014.

2. Payment of Additional Consideration

There will be no additional consideration paid as a result of the Merger.

3. Compensation for Specific Shareholders

There will be no compensation for specific shareholders relating to the Merger.

4. Costs Relating to the Merger

Taxes relating to the Merger will be borne by the party on which such taxes are levied, and legal and accounting costs, costs relating to the dissolution of the Company and all other costs relating to the Merger will be borne as agreed upon between the Company and the Bank. However, in the event that the Merger Agreement is terminated or ceases to be effective, each party will be responsible for its own expenses actually incurred with respect to the Merger (including external advisors' fees) absent a separate agreement between the parties.

(Unit: KRW 100 millions)

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Classification	Amount	Basis of Calculation
Advisory fees	18	Maximum legal and accounting, financial advisory fees, etc. (comprehensively calculated by including all current and future Merger procedures)
Listing fees	0.41598	- KRW 11,548,129,463,196 (total offering amount)
		In excess of the standard new listing total of KRW 5,000,000,000,000 (Table 10, Enforcement Rules of the KRX KOSPI Market Listing Regulations):
		- KRW 28,500,000 + (KRW 2,000 for every KRW 1,000,000,000 over KRW 5,000,000,000,000)
Other costs	3	Announcement fees, prospectus production and delivery fees, registration fee and all taxes, delivery fees for the dispatch of the notice of the allotment to the shareholders, etc.
Total	21.41598	

* Costs relating to the Merger above are subject to change during the negotiation process.

5. Current Ownership Status and Disposal Plan of Treasury Shares

As of the date of submission of the Report of Material Event (Merger), the non-surviving entity, the Company, owned 29,157 common shares as treasury shares, and new shares issued by the surviving entity will be allotted and delivered with respect to treasury shares owned by the Company as of the date of the Merger (including any shares acquired by the Company prior to the Merger as a result of the exercise of appraisal rights by dissenting shareholders with respect to the Merger) in accordance with the Merger Ratio.

6. Transfer of Employment Agreements

The surviving entity, the Bank, will succeed to all employment and legal relationships (including employment rules, employment agreements and severance pay obligations) relating to the employees employed by the non-surviving entity, the Company, as of the date of the Merger.

7. Losses of Holders of Class Shares

Not applicable

8. Procedures for Creditor Protection

- a. Pursuant to Article 5(3) of the Act on the Structural Improvement of the Financial Industry and Article 232(2) and Article 527-5 of the KCC, a creditor who fails to file an objection within the objection period will be deemed to have approved of the merger, and the surviving entity will succeed to all the rights and legal obligations of the non-surviving entity with respect to such creditor.
- b. Any creditor filing an objection pursuant to Article 232(3) of the KCC must be repaid or provided with an equivalent amount of security or a trust company must be entrusted with assets of an equivalent value for the purpose of repaying such creditor.
- c. Any objection filed by a bondholder pursuant to Article 439(3) and Article 530(2) of the KCC must be subject to a resolution passed at a meeting of the bondholders, and in such case, a court may extend the period to file objections for such bondholders upon the request of any interested party.
- d. Public notice of creditor objection filing right: October 11, 2014.
- e. Credit objection period: October 11, 2014 ~ October 21, 2014.
- f. Method of public notice: Pursuant to Article 5 and Article 12 of the Act on the Structural Improvement of the Financial Industry, public notice is expected to be published in two or more daily newspapers, along with the agenda items of the general meeting of the shareholders, the method of exercising appraisal rights and submission of old share certificates, etc.
- g. Location for filing objections:
 - Bank: 51, Sogong-ro, Jung-gu, Seoul
 - Company: 20F, Woori Bank Head Office, 51, Sogong-ro, Jung-gu, Seoul

9. Other Conditions to the Merger

A. Termination Provisions of the Merger Agreement

- (1) The parties may terminate the Merger Agreement by written agreement at any time before the date of the Merger.
- (2) Upon the occurrence of any of the following events before the date of the Merger, a party may immediately terminate the Merger Agreement by written notice to the other party:

If, during the period from the date of the Merger Agreement to the date of the Merger, a material adverse change or unforeseeable material defect in the assets, liabilities or management condition of the Bank or the Company as a result of an act of God or other cause has occurred;

If the other party has defaulted on or breached the Merger Agreement and has failed to cure such default or breach within 15 days after receipt of the non-defaulting party's notice requesting such default or breach to be cured;

If, due to the exercise of appraisal rights by shareholders of the Company dissenting to the Merger, the Company is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of issued and outstanding shares of the Company;

If the preliminary examination approval for listing on the Korea Exchange after the Merger has not been obtained by the date of the Merger;

If it is evident that the merger approval of the Financial Services Commission under the Act on the Structural Improvement of the Financial Industry (the Merger Approval) would not be obtained within six months after the date of the Merger Agreement, including where a Merger Approval has not been obtained prior to the date of the Merger despite such Merger Approval having been applied for; or

If it becomes impossible to accomplish the Merger due to a change in the relevant laws, etc.

B. Term of Directors and Audit Committee Members

On the effective date of the Merger, the directors and audit committee members of the Company will resign from their positions, and the Company must complete its payment of their salaries and severance pay in accordance with its internal regulations before the date of the Merger. The Bank will not assume any liability for such compensation for the resigning directors and audit committee members of the Company.

The persons below will become the Bank's directors and audit committee members simultaneously with the effectiveness of the Merger, and their terms of office will be as stated below. In addition to such persons below, the Bank and the Company may add or change such persons to become directors and or audit committee members as a result of the Merger prior to the public announcement and dispatch of notice for the general meeting of shareholders for approval of the Merger.

[Directors]

Name	Classification	Resident Registration Number	Term of Office
Young-Soo Park	Outside Director	520215-*****	Date of the March 2015 annual meeting of shareholders
Hee-Yul Chai	Outside Director	600123-*****	Date of the March 2015 annual meeting of shareholders
Seong-Yeol Lim	Non-standing Director	630717-*****	Date of the March 2015 annual meeting of shareholders

[Audit Committee Member]

Name	Classification	Resident Registration Number	Term of Office
Young-Soo Park	Outside Director	520215-*****	Date of the March 2015 annual meeting of shareholders

C. Effectiveness of the Merger Agreement

The Merger Agreement became effective when executed by both the Bank and the Company but shall cease to be effective if approval of the Merger is not obtained at the general meeting of shareholders of the Bank or the Company by the day immediately before the date of the Merger (or, if the date of the Merger is changed, the day immediately before such changed date).

D. Transfer of Property and Rights and Obligations

The Company will transfer to the Bank, and the Bank will acquire, the Company's assets, liabilities and rights and obligations in whole based on its balance sheet, income statement and supplementary statements and other supplementary documents. If the date of the Merger changes, the date of such transfer will change accordingly.

E. Amendment of the Surviving Entity's Articles of Incorporation

The Bank expects to amend its articles of incorporation at the general meeting of shareholders to be held on October 10, 2014 for the approval of the Merger. Please refer to the attached Amended Articles of Incorporation of Woori Bank (Proposed) for the proposed amendments as of the date of submission of this Securities Registration Statement. Please note that such amendments are subject to change by agreement between the parties if necessary by the day before the dispatch of the notice of convening the shareholders meeting (i.e., by September 29, 2014).

[Comparison of Articles of Incorporation Before and After Amendment]

Current	Amended	Remarks
<p>Article 5 (Total Number and Class of Authorized Shares)</p>	<p>Article 5 (Total Number and Classes of Shares to be Issued)</p>	<p>- To secure a sufficient number of shares for listing and issuing new shares</p>
<p>1. The total number of shares which the Bank is authorized to issue shall be three billion (3,000,000,000) shares, with a par value per share of five thousand (5,000) won.</p>	<p>1. The total number of shares to be issued by the Bank shall be 5,000,000,000 shares, and the par value per share shall be five thousand Korean won (KRW 5,000).</p>	
<p>Article 7 (Preemptive Right)</p>	<p>Article 7 (Rights to Subscribe for New Shares)</p>	<p>- Reflected amendments to the FISCMA (Article 165-6) and the standard Articles of Incorporation of listed companies (Standard Articles of Incorporation)</p>
<p>1. All Shareholders of the Bank shall have the preemptive right to subscribe for any new shares to be issued by the Bank in proportion to their respective shareholdings. The disposition of such shares as resulted from the waiver or forfeit of the preemptive right by any shareholder and any odd-lot shares incurred out of the subscription of new shares shall be determined by the resolution of the board of directors.</p>	<p>1. The method of issuance of new shares by the Bank by a resolution of the board of directors shall be as follows:</p>	<p>- Reflected substantial modifications to the FISCMA (Article 165-6) and the Standard Articles of Incorporation with respect to matters relating to rights to subscribe for new shares</p>
	<p>(1) By granting existing shareholders an opportunity to subscribe for new shares in proportion to their respective shareholdings;</p>	<p>- Changed format to reflect that of the Standard Articles of Incorporation to prevent unnecessary issues from arising during the listing examination process</p>
	<p>(2) By granting certain persons (including shareholders of the Bank), such as foreign investors, domestic and foreign financial institutions, institutional investors, allied companies, investment companies, private equity funds and investment-purpose companies, an opportunity to subscribe for new shares, in a manner other than as set forth in subparagraph 1 above, as deemed necessary to achieve the Bank's management objectives (including, but not limited to, the introduction of new technology, improvement of the financial structure of the Bank or its subsidiaries, etc., funding and strategic business alliance), to the extent not exceeding 50% of the total issued and outstanding shares of the Bank; or</p>	

(3) By granting a large number of unspecified persons the opportunity to subscribe for new shares, in a manner other than as set forth in subparagraph 1 above, to the extent not exceeding 50% of the total issued and outstanding shares of the Bank, and allocating new shares to the persons who so subscribe.

Current	Amended	Remarks
<p>2. Notwithstanding paragraph 1 above, new shares may be additionally issued to persons other than the shareholders of the Bank by the resolution of the board of directors in any of the following cases:</p>		
(1) (Deleted on April 11, 2000);		
(2) (Deleted on March 26, 2003);	<p>2. New shares allocated under subparagraph 3 of paragraph 1 above shall be allocated in accordance with any of the following methods by a resolution of the board of directors:</p>	
(3) (Deleted on March 26, 2003);		
(4) (Deleted on March 20, 2002);	<p>(1) Allocating new shares to a large number of unspecified subscribers without categorizing the persons granted the opportunity to subscribe for such new shares;</p>	
<p>(5) In case the Bank issues new shares pursuant to an issuance of depositary receipts (DR) for its managerial necessities;</p>	<p>(2) Allocating new shares to members of the Employee Stock Ownership Association pursuant to applicable laws and granting a large number of unspecified persons the opportunity to subscribe for new shares, including those remaining unsubscribed;</p>	
<p>(6) In case the government or KDIC contributes in the Bank;</p>		
<p>(7) In case the Bank issues new shares to foreign investors as described in the Foreign Investment Promotion Act for the purposes of managerial requirements or urgent financing of the Bank; or</p>	<p>(3) Granting existing shareholders the opportunity to preferentially subscribe for new shares and then granting a large number of unspecified persons the opportunity to be allocated the new shares that remain unsubscribed; or</p>	
<p>(8) In case the Bank preferentially issues new shares to those who may contribute to the management of the Bank by providing the Bank with funds, credit or new technology.</p>	<p>(4) Granting certain types of persons the opportunity to subscribe for new shares in accordance with reasonable standards set forth in applicable laws, such as demand forecasts prepared by an investment trader or investment broker as an underwriter or arranger.</p>	
<p>3. In case of paragraph 2, the Bank shall give a notice or make a public notice of any of the following subparagraphs to the shareholders at least two (2) weeks prior to the due payment date: (Amended on March 29, 2012)</p>	<p>3. In allocating new shares under subparagraph 2 or 3 of paragraph 1 above, the Bank shall send or publish notice to the shareholders of the following matters at least two (2) weeks prior to the payment date for the new shares; provided, however, that a</p>	

(1) ~ (5) (Omitted)

report of material event may be publicly disclosed through the FSC and the Korea Exchange in lieu of such notice.

(1)~(5) (Same as left column)

Current	Amended	Remarks
<p>4. The total number of shares to be allocated by the Bank as described in paragraph 2 (7) and (8) shall not exceed 50/100 of the total number of outstanding shares of the Bank and the class, number and the issue price of the shares shall be determined by the resolution of the board of directors.</p>	<p>4. In the event of an issuance of new shares by any of methods set forth in paragraph 1 above, the class and number of shares to be issued and the issue price shall be determined by a resolution of the board of directors.</p>	
	<p>5. In the event that the Bank allocates new shares and the allocated new shares are not subscribed for, or the subscription price therefor is not paid, by the specified due date, such unsubscribed or unpaid shares shall be disposed of by a resolution of the board of directors, in accordance with the relevant laws, including taking into account the appropriateness of the issue price.</p>	
	<p>6. Fractional shares, if any, resulting from the allocation of new shares shall be disposed of by a resolution of the board of directors.</p>	
	<p>7. In the event of allocation of new shares in accordance with subparagraph 1 of paragraph 1 above, the Bank shall issue certificates of warrants to the shareholders.</p>	
<p>Article 7-2 <New></p>	<p>Article 7-2 (Stock Options)</p>	<p>- Prepared basis for granting stock options by reflecting the Standard Articles of Incorporation</p>
	<p>1. The Bank may, by a special resolution of the general meeting of shareholders, grant to its officers and employees (including the officers and employees of its related companies under Article 30 of the Enforcement Decree of the Commercial Code; the same to apply hereinafter in this Article 7-2) stock options pursuant to the KCC and other applicable laws, to the extent not exceeding 15% of the total number of issued and outstanding shares of the Bank; provided, however, that such stock options may be granted to persons other than directors of the Bank, by a resolution of the board of directors, to the extent not exceeding 1% of the total number of issued and outstanding shares of the Bank, subject to approval by the first general meeting of shareholders held after the date of the grant of such stock options.</p>	<p>- The current articles of incorporation of the Bank contain no provisions relating to stock options; such provisions are in the Company's articles of incorporation</p>

Current	Amended	Remarks
	<p>2. The persons who are entitled to receive stock options shall be officers and employees under paragraph 1 above who have contributed, or are capable of contributing, to the establishment, management, technological innovation, etc. of the Bank, except for persons who are ineligible for stock options under the relevant provisions of the KCC.</p>	
	<p>3. The exercise price per share for the stock options shall be as set forth in the KCC and other applicable laws, including in the case of adjustment of the exercise price after the grant of the stock options.</p>	
	<p>4. The shares (if the difference between the exercise price and the market price for the shares is to be paid in cash or the Bank's treasury shares, the shares shall mean the shares on which the calculation of such difference is based) to be issued upon the exercise of the stock options shall be registered common shares.</p>	
	<p>5. Stock options may be exercised within seven (7) years from the third (3rd) anniversary of the date of the resolution under paragraph 1 above.</p>	
	<p>6. The grantee of stock options may exercise the stock options only after being employed by the Bank for two (2) years or longer after date of the resolution under paragraph 1 above; provided, however, that such stock options may be exercised during the exercise period thereof in the event of such grantee's death or resignation for reasons not attributable to the grantee within two (2) years following the date of the resolution under paragraph 1 above.</p>	
	<p>7. The Bank may, by a resolution of the board of directors, cancel stock options granted in any of the following cases:</p>	

(1) When the relevant grantee voluntarily resigns from his or her position at the Bank after being granted the stock options;

Current	Amended	Remarks
	(2) When the relevant grantee inflicts material damage or loss on the Bank intentionally or negligently;	
	(3) When the Bank is unable to accept the exercise of stock options due to its bankruptcy, dissolution, etc.; or	
	(4) When any other cause arises for cancellation of the stock options pursuant to the stock option agreement.	
	8. The Bank may grant stock options conditioned upon the achievement of performance-based results, and any exercise of such stock options may be cancelled or put on hold if the relevant conditions are not achieved.	
	9. Article 9 hereof shall apply <i>mutatis mutandis</i> with respect to the distribution of dividends on new shares issued upon the exercise of stock options.	
Article 10 (Alteration of Entries)	Article 10 (Entries of Alteration in the Registry of Shareholders)	- Appointed a transfer agent based on the listing regulations of the Korea Exchange
A shareholder desiring an alteration of entry in the shareholders registry with respect to the shares of the Bank shall submit an application to the Bank in the prescribed form, together with the following documents:	1. The Bank shall have a transfer agent for its shares.	- Deleted the current provision that presumes the Bank's direct involvement in share transfers
(1) In case of acquisition by assignment, the applicable share certificate(s); and	2. The transfer agent, its office and the scope of its duties shall be determined by a resolution of the board of directors, and a public notice shall be made in respect thereof.	
(2) In case of acquisition by inheritance, bequest, execution of judgment, a merger, or by any means other than assignment, a document evidencing the basis for such acquisition and the applicable share certificate(s).	3. The Bank's registry of shareholders or a copy thereof shall be kept at the office of the transfer agent. The Bank shall cause the transfer agent to handle entries of alteration in the registry of shareholders, registration of the creation and cancellation of pledges over shares, indication and cancellation of trust	

assets, issuance of share certificates, receipt of reports and other matters related to shares.

4. The relevant procedures for the activities referred to in paragraph 3 above shall be carried out in accordance with the Regulation on the Securities Transfer Agency Business and other regulations applicable to transfer agents.

Current	Amended	Remarks
Article 11 (Registration of Pledge)	Article 11 <Deleted>	

1. Application for the registration of the creation or transfer of a pledge or indication of trust assets with respect to the shares of the Bank shall be made in the prescribed form, together with the applicable share certificate(s).

2. The procedure outlined in paragraph 1 above shall also apply in case of an application for cancellation of the registration of the pledge or the indication of trust assets.

Article 12 (Entry into Shareholders Registry)	Article 12 <Deleted>	
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If the Bank receives an application referred to in Article 10 or Article 11, it shall examine the relevant documents, etc. and upon finding that no irregularities exist therein, it shall make the appropriate entry in the shareholders registry, endorse the back of the share certificate(s), and re-deliver the share certificate(s) to the relevant shareholder.

Article 13 (Fees)	Article 13 <Deleted>	
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In case of an alteration of entry, registration of the creation or transfer of pledge and cancellation thereof, indication or cancellation of trust assets and re-issuance of share certificates, the fees prescribed by the Bank may be collected.

Article 14 (Reissuance of Share Certificates)	Article 14 <Deleted>	
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A shareholder desiring reissuance of a share certificate shall submit an application in the form prescribed by the Bank, together with the following documents:

(1) In case a share certificate is lost, the original or certified copy of the judgment of nullification with respect to the share certificate lost; and

(2) In case a share certificate is soiled or damaged, the applicable share certificate. However, if the damage or soiling is so extreme that the share certificate is not legible, the provisions of paragraph 1 above shall apply.

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Current	Amended	Remarks
Article 15 (Report of Address, Name and Seal Impression or Signature of Shareholders, etc.	Article 15 (Report of Addresses, Names and Seals or Signatures of Shareholders and Others)	- Changed due to appointment of a transfer agent
1. Shareholders, registered pledgees or their legal representatives shall report to the Bank their names, addresses and seal impressions or signatures.	1. Shareholders and registered pledgees shall report their names, addresses and seals or signatures to the transfer agent.	- Reflects Standard Articles of Incorporation
2. If those who are described in paragraph 1 above reside in a foreign country, they shall designate an agent in Korea and report to the Bank thereon together with an address in Korea where notices are to be given.	2. The persons set forth in paragraph 1 above who reside in a foreign country shall report appointed agents and the addresses in Korea to which notices are to be sent.	
3. (Omitted)	3. (Omitted)	
4. The Bank shall not be liable for any damage caused by negligence in making the report referred to in paragraphs 1 through 3 above.	<Deleted>	
5. If the Bank requires any explanation regarding the authority of a legal representative, the legal representative shall follow the relevant procedure.	<Deleted>	
Article 16 (Suspension of Altering Entries in the Shareholders Registry and Record Date)	Article 16 (Closing of Shareholders Registry and Record Date)	- Shortened period of closure of share register for ordinary general meeting of shareholders
1. The Bank shall entitle the shareholders whose names appear in the shareholders registry as of December 31 of each year to exercise respective rights at the ordinary general shareholders meeting for the relevant fiscal period and the Bank shall suspend making alteration of entries in the shareholders registry with respect to the rights of shareholders from January 1 of each year to January 31 of the same year.	1. The shareholders registered in the shareholders registry as of December 31 of each fiscal year shall be entitled to exercise rights as shareholders at the ordinary general meeting of shareholders convened with respect to such fiscal year, and the Bank shall suspend entries of alteration with respect to shareholders rights in the shareholders registry from January 1 to January 15 of each year.	- Increased shareholders convenience
2. The Bank may suspend alterations of the shareholders registry or set the record date with respect to the rights of shareholders through a board of directors resolution, for a specified period of time not exceeding three (3) months, when calling an extraordinary general shareholders meeting or otherwise necessary. The Bank shall make a public notice thereof two (2) weeks in advance.		

Current	Amended	Remarks
Article 18 (Issuance of Convertible Bonds)	Article 18 (Issuance of Convertible Bonds)	- Applied amended regulations of the FISCMA (Article 165-10) regarding the issuance of new shares
<p>1. The Bank may issue convertible bonds to persons other than Shareholders through the board of directors resolution in the following cases, provided that the aggregate face value of the convertible bonds so issued shall not exceed one trillion (1,000,000,000,000) Korean won:</p>	<p>1. The Bank may, in any of the following cases, issue convertible bonds to persons other than existing shareholders of the Bank, by a resolution of the board of directors, to the extent that the total face value of the convertible bonds does not exceed Korean won 1 trillion:</p>	- Reflected Standard Articles of Incorporation
<p>(1) Issuance of convertible bonds to foreign investors under the Foreign Investment Promotion Act due to managerial necessities;</p>	<p>(1) When the Bank issues convertible bonds by granting certain persons (including shareholders of the Bank), such as foreign investors, domestic and foreign financial institutions, institutional investors, allied companies, investment companies, private equity funds and investment-purpose companies, an opportunity to subscribe for such convertible bonds, as deemed necessary to achieve the Bank's management objectives (including, but not limited to, the introduction of new technology, improvement of the financial structure of the Bank or its subsidiaries, etc., funding and strategic business alliance); or</p>	
<p>(2) Issuance of convertible bonds to domestic or foreign financial institutions for an urgent procurement of funds; and</p>	<p>(2) When the Bank issues convertible bonds by granting a large number of unspecified persons (including shareholders of the Bank) the opportunity to subscribe for such convertible bonds and allocating the convertible bonds to such subscribers.</p>	
<p>(3) Issuance of convertible bonds overseas for its managerial necessities.</p>	<p>2. Bonds allocated under subparagraph 2 of paragraph 1 above shall be allocated in accordance with any of the following methods by a resolution of the board of directors:</p>	
<p>2. The board of directors may determine that the convertible bonds referred to in paragraph 1 above may be issued on the condition that conversion rights will be attached to only a portion of the convertible bonds.</p>	<p>(1) Allocating convertible bonds to a large number of unspecified subscribers without categorizing the persons granted the opportunity to subscribe for such convertible bonds;</p>	

Current	Amended	Remarks
	<p>(2) Granting the existing shareholders the opportunity to preferentially subscribe for convertible bonds and then granting a large number of unspecified persons the opportunity to be allocated the convertible bonds remaining unsubscribed; or</p> <p>(3) Granting certain types of persons the opportunity to subscribe for convertible bonds in accordance with reasonable standards set forth in applicable laws, such as demand forecasts prepared by an investment trader or investment broker as underwriter or arranger.</p>	<p>- Although based on the Regulation on Public Disclosure of Issuance (Article 5-21), conversion rights should be issued so that the conversion may only occur after one year from the issue date, it is possible to issue such rights permitting conversion after one month if through a public offering</p>
<p>3. The shares to be issued upon conversion shall be common share or preferred share and the conversion price shall be determined by the board of directors at the time of the issuance of the convertible bonds, but in any event, not less than the face value of the shares.</p>	<p>3. The board of directors may cause the convertible bonds referred to in paragraph 1 above to be issued on the condition that conversion rights will be attached to only a portion of such convertible bonds.</p>	
<p>4. The period in which the conversion right may be exercised shall commence on the date when one (1) month have elapsed from the date of the issuance of the convertible bonds or when restricted by applicable laws and regulations, on the date when such restriction is lifted and end on the date immediately preceding the maturity date thereof; provided, however, that the exercise period for such convertible bonds may be adjusted by the resolution of the board of directors at the issuance of the convertible bonds within the above period.</p>	<p>4. The shares to be issued upon conversion shall be common shares or class shares, and the conversion price, which shall be equal to or greater than the face value of the shares, shall be determined by the board of directors at the time of issuance of the convertible bonds.</p>	
<p>5. The provisions of Article 9 hereof shall apply <i>mutatis mutandis</i> as to the payment of dividends on shares issued upon conversion of the convertible bonds and the interests thereof.</p>	<p>5. The conversion period shall commence on (i) the date that is one (1) month after the issuance date of the convertible bonds or (ii) the date on which the restrictions under applicable laws, etc., if any, are removed, and end on the day immediately preceding the redemption date thereof. However, the conversion period may be adjusted within the above period by a resolution of the board of directors at the time of issuance of the convertible bonds.</p>	

Current	Amended	Remarks
Article 18-2 (Issuance of Bonds with Warrants)	6. Article 9 hereof shall apply <i>mutatis mutandis</i> with respect to the distribution of dividends on new shares issued upon conversion and any payment of accrued interest on the convertible bonds.	- Reflected amendments to the FISCMA (Article 165-10)
1. The Bank may issue bonds with warrants to persons other than Shareholders in the following cases, through a board of directors' resolution, provided that the aggregate face value of the bonds with warrants so issued shall not exceed one trillion (1,000,000,000,000) Korean won.	1. The Bank may, in any of the following cases, issue bonds with warrants to persons other than existing shareholders of the Bank), by a resolution of the board of directors, to the extent that the total face value of the bonds with warrants does not exceed 1 trillion Korean won;	
(1) Issuance of convertible bonds to foreign investors under the Foreign Investment Promotion Act due to managerial necessities;	(1) When the Bank issues bonds with warrants by granting certain persons (including shareholders of the Bank, such as foreign investors, domestic and foreign financial institutions, institutional investors, allied companies, investment companies, private equity funds and investment-purpose companies, an opportunity to subscribe for such bonds with warrants, as deemed necessary to achieve the Bank's management objectives (including, but not limited to, the introduction of new technology, improvement of the financial structure of the Bank or its subsidiaries, etc., funding and strategic business alliance); or	
(2) Issuance of convertible bonds to domestic or foreign financial institutions for an urgent procurement of funds; and	(2) When the Bank issues bonds with warrants by granting a large number of unspecified persons (including shareholders of the Bank) the opportunity to subscribe for such bonds with warrants and allocating the bonds with warrants to such subscribers.	
(3) Issuance of convertible bonds overseas for its managerial necessities.		
2. The issue price of new shares which may be subscribed by holders of the bonds with warrants shall be determined by the board of directors; provided, however, that the aggregate amount of such issue price shall not exceed the aggregate face value of the bonds with warrants.	2. Bonds allocated under subparagraph 2 of paragraph 1 above shall be allocated in accordance with any of the following methods by a resolution of the board of directors:	
	(1) Allocating bonds with warrants to a large number of unspecified subscribers without categorizing the persons granted the opportunity to subscribe for such bonds with warrants;	

Current	Amended	Remarks
	<p>(2) Granting the existing shareholders an opportunity to preferentially subscribe for bonds with warrants and then granting a large number of unspecified persons the opportunity to be allocated such bonds with warrants remaining unsubscribed; or</p>	
	<p>(3) Granting certain types of persons an opportunity to subscribe for bonds with warrants in accordance with reasonable standards set forth in applicable laws, such as demand forecasts prepared by an investment trader or investment broker as underwriter or arranger.</p>	
<p>3. The shares to be issued upon exercise of warrants shall be common share or class share and the issue price shall be determined by the board of directors at the time of the issuance of the relevant bonds with warrants, but in any event, not less than the face value of the shares.</p>	<p>3. The issue price of the new shares which may be subscribed by holders of the bonds with warrants shall be determined by the board of directors; provided, however, that the aggregate amount of such issue price shall not exceed the aggregate face value of the bonds with warrants.</p>	
<p>4. The period in which the warrant may be exercised shall commence on the date when one (1) month have elapsed from the date of the issuance of the bonds with warrants or when restricted by applicable laws and regulations, on the date when such restriction is lifted and end on the date immediately preceding the maturity date thereof; provided, however, that the exercise period for such bonds with warrants may be adjusted by the resolution of the board of directors within the above period.</p>	<p>4. The shares to be issued upon exercise of warrants shall be common shares or class shares, and the issue price, which shall be equal to or greater than the face value of the shares, shall be determined by the board of directors at the time of issuance of the bonds with warrants.</p>	

Current	Amended	Remarks
<p>5. The provisions of Article 9 hereof shall apply <i>mutatis mutandis</i> as to the payment of dividends on shares issued upon exercise of warrants and the interest thereof.</p>	<p>5. The period during which the warrants may be exercised shall commence on (i) the date that is one (1) month after the issuance date of the bonds with warrants or (ii) the date on which the restrictions under applicable laws, etc., if any, are removed, and end on the day immediately preceding the redemption date thereof. However, the exercise period may be adjusted within the above period by a resolution of the board of directors at the time of issuance of the bonds with warrants.</p>	
	<p>6. Article 9 hereof shall apply <i>mutatis mutandis</i> with respect to the distribution of dividends on the shares issued upon exercise of the warrants and any payment of accrued interest on the bonds with warrants.</p>	
<p>Article 18-3 (Issuance of Capital Securities with principal write-down)</p>	<p>Article 18-3 (Issuance of Amortization-Type Contingent Capital Securities)</p>	<p>- Reflected Standard Articles of Incorporation</p>
<p>1. The Bank may issue capital securities with principal write-down upon the occurrence of a trigger event, through a board of directors resolution.</p>	<p>1. The Bank may, by a resolution of the board of directors, issue securities with the condition that the Bank shall be alleviated or exempted from the obligation to redeem such securities and pay interest thereon upon the occurrence of certain events predetermined by a resolution of the board of directors according to objective and reasonable standards at the time of issuance of such securities (such securities, amortization-type contingent capital securities).</p>	<p>- Added that alleviation is available as well as exemption</p>
<p>2. (Omitted)</p>	<p>2. (Omitted)</p>	
<p>3. The principal and interest payments are exempt upon the occurrence of the following trigger event.</p>	<p>3. The Bank shall be alleviated or exempted from the obligation to redeem the amortization-type contingent capital securities issued by it and pay interest thereon (such alleviation or exemption, Debt Adjustment), in any of the following cases. The board of directors may determine the conditions to be changed by such Debt Adjustment at the time of issuance of the amortization-type contingent capital securities:</p>	
<p>(1) (Omitted)</p>		
<p>(2) (Omitted)</p>	<p>(1) (Omitted)</p>	
	<p>(2) (Omitted)</p>	

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Current	Amended	Remarks
Article 19 (Application of Provisions)	Article 19 (Applicable Provisions for the Issuance of Bonds)	
Articles 10 through 15 hereof shall apply <i>mutatis mutandis</i> to the issuance of bonds.	Articles 10 and 15 hereof shall apply <i>mutatis mutandis</i> with respect to the issuance of bonds.	
Article 21 (Notice of Convening a Meeting and Public Notice)	Article 21 (Notice of Convening a Meeting and Public Notice)	- Reflected special provisions for listed companies regarding the convocation of the general meeting of shareholders (KCC Article 542-4) and the Company's articles of incorporation
When a general shareholders' meeting is to be called, a written notice or electronic mail notice stating the date, place of the meeting, and the purpose for which the meeting has been called shall be sent to each of the shareholders two (2) weeks prior to the date of the meeting.	<p>1. In convening any general meeting of shareholders, a written or electronic notice stating the date, place and purpose of the meeting and the management reference matters as set forth in Article 542-4(3) of the KCC shall be dispatched to the shareholders at least two (2) weeks prior to the date set for such meeting.</p> <p>2. A convening notice of the general meeting of shareholders to shareholders holding shares one-hundredth (1/100) or less of the total number of voting shares of the Bank may be deemed to be made under paragraph (1) above by (i) publishing two (2) or more public notices in each of two (2) or more daily newspapers set forth in the proviso of Article 4(1) above, or (ii) posting a public notice on the Data Analysis, Retrieval and Transfer System operated by the FSS or the Korea Exchange.</p> <p>3. The management reference matters under paragraph 1 above may be posted and kept in the manner set forth in the KCC in lieu of such notice or public notice.</p>	
Article 25 (Proxy Voting)	Article 25 (Voting by Proxy)	- Deleted limitation on agent's qualifications
1. Any Shareholder or legal representative may exercise such shareholder's voting right by proxy.	1. A shareholder may exercise such shareholder's voting rights through a proxy.	- Reflected Standard Articles of Incorporation
2. The proxy referred to in paragraph 1 above shall submit a document evidencing the authority	2. A proxy holder under paragraph 1 above shall file with the Bank documents (power of	

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to act as a proxy (power of attorney) no later than the beginning of each General Shareholders Meeting. attorney) evidencing the authority to act as a proxy prior to the commencement of the general meeting of shareholders.

Current	Amended	Remarks
Article 25-3 <New>	Article 25-3 (Split Voting)	- Added provision on split voting
	<p>1. Any shareholder holding two (2) or more votes who wishes to split such shareholder's votes shall notify the Bank, in writing or by electronic document, of such intent and the reasons therefor no later than three (3) days prior to the date set for the general meeting of shareholders.</p>	- Reflected Standard Articles of Incorporation
	<p>2. The Bank may refuse to allow a shareholder to split such shareholder's votes, unless the shareholder acquired the shares in trust or otherwise holds the shares for and on behalf of another person.</p>	
Article 26 (Method of Resolution of the General Shareholders Meeting)	Article 26 (Method of Resolution)	- Added paragraph 2, which reflects Article 27-2 of the Company's articles of incorporation
<p>Except as otherwise provided by any applicable laws and regulations, all resolutions of the general shareholders meeting shall be adopted by an affirmative vote of a majority of the voting rights of the Shareholders present at the general shareholders meeting and, at the same time, one-fourth (1/4) or more of the total number of all issued and outstanding shares of the Bank.</p>	<p>1. Except as otherwise provided in the applicable laws and regulations, all resolutions of the general meeting of shareholders shall be adopted by the affirmative vote of a majority of the shareholders present, provided that such votes represent not less than one-fourth (1/4) of the total number of issued and outstanding shares of the Bank.</p>	
	<p>2. The number of voting rights exercised under Article 25-2 hereof shall be included in the number of voting rights of the shareholders present at the general meeting of shareholders.</p>	
Article 30 (Recommendation)	Article 30 (Recommendation of Candidates for Director)	- Reflected requirements on recommendation of outside directors and audit committee members under the Banking Act (Article 22) and special provisions for listed companies under the KCC (Article 542-8)
<p>Matters relating to recommendation of candidates for the position of outside director shall be determined by the board of directors. However, if relevant laws and regulations, including the Banking Act, provide otherwise, the procedures of such relevant laws or regulations regarding the candidacy of outside directors shall be followed instead.</p>	<p>1. Matters regarding the recommendation of candidates for standing directors shall be determined by the board of directors.</p>	

2. Candidates for outside directors shall be recommended by the committee for recommending outside directors candidates provided for under the Banking Act.

3. Candidates for audit committee members shall be recommended by committee for recommending audit committee member candidates consisting of all of the outside directors. In such case, resolutions of the committee for recommending audit committee member candidates shall be adopted by the affirmative vote of 2/3 or more of the outside directors in office.

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Current	Amended	Remarks
Article 34 (Appointment of the President & Chief Executive Officer of the Bank, etc.)	Article 34 (Appointment of the President, Etc.)	- Deleted overlap with Article 30-2
1. (Omitted)	1. (Omitted)	
2. (Omitted)	2. (Omitted)	
3. The chairmen and the members of the committees specified in Article 39 paragraph 1 hereof shall be elected by the board of directors. Provided, however, that the members of the audit committee who are outside directors shall be elected at the general shareholders meeting upon recommendation of the committee for recommending audit committee member candidates, and the chairman of the audit committee shall be elected by a resolution of the audit committee. (Amended on March 24, 2011)	3. The chairmen and members of the committees set forth in Article 39(1) hereof shall be appointed by the board of directors; provided that the chairman of the audit committee shall be appointed by a resolution of the audit committee.	
Article 36 (Adoption of Resolution and Minutes of Meeting of the Board of Directors)	Article 36 (Method of Resolution and Minutes of Meetings of the Board of Directors)	- Amended error
1~3 (Omitted)	1~3 (Same as left column)	
4. The minutes of the board of directors meeting shall record the agenda, procedures and results of the meeting, and the names of persons opposed to the resolution and the reasons for their opposition, and shall bear the seal impressions or signatures of the directors present at the meeting.	4. The agenda, proceedings and results of a board of directors meeting and the dissenting directors, if any, and such shareholder s reasons for dissenting shall be recorded in the minutes, which shall be affixed with the names and seal impressions or signatures of the directors present thereat.	
Article 39 (Committees)	Article 39 (Committees of the Board of Directors)	- Added specific committees required by the law
1. The Bank may establish the audit committee, and any of the following Committees within the board of directors: (Amended on March 25, 2010)	1. The Bank shall have an audit committee within the board of directors and may have the following committees within the board of directors:	
(1)~(3) (Omitted)	(1)~(3) (Same as left column)	
(4) Other special committees set up by the board of directors	(4) Committee for recommending outside directors candidates;	

(5) Committee for recommending audit committee member candidates; and

(6) Other special committees as determined by the board of directors.

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Current	Amended	Remarks
Article 41-2 <New>	Article 41-2 (Limitation of Liability of Directors)	- Added to reflect Article 400-2 of the KCC and Article 43-2 of the Company's articles of incorporation
	<p>1. The Bank may, by a resolution of the general shareholders' meeting, exempt the liabilities of a Director under Article 399 of the KCC with respect to the portion of such liabilities that exceeds six times (or three times in case of an outside director) the amount of his or her salary (including his or her bonus or profits from the exercise of stock options) received by such director for the one-year period immediately preceding the date of the applicable act by such director.</p>	
	<p>2. paragraph (1) above shall not apply with respect to a director who causes losses through willful misconduct or gross negligence or falls under Article 397, 397-2 or 398 of the KCC.</p>	
Article 42 (Organization of Audit Committee)	Article 42 (Composition of Audit Committee)	- Distinguished restrictions on voting rights of audit committee members who are outside directors and who are not outside directors in accordance with Articles 542-12(3) and 542-12(4) of the KCC
1~4 (Omitted)	1~4 (Same as left column)	
<p>5. The members of the audit committee who are outside directors shall be elected at the general shareholders' meeting and in the election of such members, shareholders who hold stock excess 3/100 of the total number of voting stock may not exercise their voting rights on stock in excess of the limit. (Enacted on March 24, 2011)</p>	<p>5. The members of the audit committee shall be elected by a resolution of the general shareholders' meeting. In electing Audit Committee members who are outside directors, any shareholder who holds voting shares exceeding three-one hundredth (3/100) of the total voting shares of the Bank may not exercise such shareholder's voting rights with respect to such excess shares. In electing audit committee members who are not outside directors, the same shall apply, except that, for purposes of the calculation of the number of held shares, the shares with voting rights held by the largest shareholder exercising such voting rights and such shareholder's specially related persons, the shares held by a person on account of such largest shareholder and such shareholder's specially related persons, and the shares with voting rights that have been delegated to such largest shareholder or such shareholder's specially related persons shall be deemed to be held by such largest shareholder.</p>	

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Current	Amended	Remarks
Article 42-2 (Qualification of Members of audit committee)	Article 42-2 (Qualifications of Audit Committee Members)	- Reflected Banking Act (Article 23-2(4))
Members of the audit committee shall be a person who falls under any of the following subparagraphs, and at least one person of the members shall be a person who is professional in accounting and financing as set forth in the relevant laws and regulations such as the Banking Act. (Amended on March 24, 2011; March 29, 2012)	1. An Audit Committee member shall be a person who has any of the following qualifications, and one of the members shall be an accounting or financial expert as set forth the Banking Act and other relevant laws:	
	(1)~(5) (Same as left column)	
(1)~(5) (Omitted)		
	2. In cases where the composition of audit committee fails to meet the requirements set forth in the foregoing paragraph and Article 42(2) hereof due to any cause such as the resignation or death of any member, the Bank shall ensure that the requirements are met at the first ordinary general shareholders meeting convened after the occurrence of such cause.	
Article 45 (Duties of Audit Committee)	Article 45 (Duties of the Audit Committee)	- Specified right of audit committee to receive expert's assistance
1~8 (Omitted)	1~8 (Same as left column)	
	9. The audit committee may, at the expense of the Bank, seek the assistance of experts.	
Article 48-2 (Appointment of External Auditor)	Article 48-2 (Appointment of External Auditors)	- Reflected Act on External Audit of Stock Companies (Article 4-3)
An external auditor of the Bank shall be appointed by approval of the audit committee pursuant to the Act on External Audit of Stock Companies, and the appointment of the external auditor shall be reported to the first general shareholders meeting that follows the occurrence of such cause or posted on the Bank's internet homepage. (Amended on March 29, 2012)	The external auditors of the Bank shall be appointed with the approval of the audit committee pursuant to the Act on External Audit of Stock Companies, and such appointment shall be reported to the first ordinary general shareholders meeting held after such appointment or shall be notified to the shareholders as of the date of the most recent closing of the registry of shareholders in writing or by electronic document or be publicly disclosed on the website of the Bank.	
Article 51 (Payment of Dividends)	Article 51 (Dividends to Shareholders)	

Dividends shall be paid to the Shareholders or registered pledgees who have been entered into the Shareholders registry as of the end of each fiscal year.

1. Dividends may be distributed in cash or stock or other property.

2. Dividends to shareholders shall be paid to the shareholders or pledgees registered in the Bank's shareholders registry as of the last day of each fiscal year.

- Added basis for distribution of dividends in cash or in-kind

- Reflected the Company's articles of incorporation

Current	Amended	Remarks
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3. If the Bank distributes dividends in other property under paragraph 1 above, the shareholders may request to be paid in cash rather than in such property, and the Bank may pay cash instead of such property to shareholders holding less than a certain number of shares of the Bank.

Addenda <17: October 17, 2014>

Article 1 (Effective Date)

These articles of incorporation shall become effective from the date of registration of the merger of Woori Bank and Woori Finance Holdings Co., Ltd.; provided, however, that the provisions hereof that are only applicable with respect to listed companies shall apply from the date on which the Bank is listed on the KRX KOSPI Market.

IV. OPERATIONS AND ASSETS

Not applicable

V. MATTERS RELATING TO MAJOR RIGHTS OF THE NEW SHARES

1. Major Rights of the New Shares Issued for the Merger

A. Legal Name of the New Shares

- Name: Woori Bank Registered Common Shares
- Face Value: KRW 5,000
- Number of Shares Issued: 676,278,371

B. Rights of the New Shares

(1) Rights of the New Shares

The newly issued shares will be registered common shares of the Bank and will not be in violation of the rights of the common shareholders, including those in accordance with the relevant laws and the Bank's articles of incorporation.

As of the date of submission of this Securities Registration Statement, the rights of the registered common shares pursuant to the Bank's articles of incorporation are as follows:

Article 5 (Total Number and Class of Authorized Shares)

The total number of shares which the Bank is authorized to issue shall be three billion (3,000,000,000) shares, with a par value per share of five thousand (5,000) Korean won.

The class of shares to be issued by the Bank shall be common shares and class shares. (Amended on March 29, 2012)

The class shares to be issued by the Bank shall be shares with preferred dividend, non-voting shares, convertible shares, redeemable shares and shares with a combination of all or any of the foregoing characteristics. (Enacted on March 29, 2012)

The type of share certificate to be issued by the Bank shall be in registered form and be in eight (8) denominations such as denominations of one (1), five (5), ten (10), fifty (50), one hundred (100), five hundred (500), one thousand (1,000), and ten thousand (10,000); provided, however, that share certificates may be split or consolidated at the request of a Shareholder.

Article 7 (Preemptive Right)

All Shareholders of the Bank shall have the preemptive right to subscribe for any new shares to be issued by the Bank in proportion to their respective shareholdings. The disposition of such shares as resulted from the waiver or forfeit of the preemptive right by any shareholder and any odd-lot shares incurred out of the subscription of new shares shall be determined by the resolution of the board of directors.

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Notwithstanding paragraph 1 above, new shares may be additionally issued to persons other than the Shareholders of the Bank by the resolution of the board of directors in any of the following cases:

1. (Deleted on April 11, 2000);
2. (Deleted on March 26, 2003);
3. (Deleted on March 26, 2003);
4. (Deleted on March 20, 2002);
5. In case the Bank issues new shares pursuant to an issuance of depositary receipts (DR) for its managerial necessities;
6. In case the government or Korea Deposit Insurance Corporation contributes in the Bank;
7. In case the Bank issues new shares to foreign investors as described in the Foreign Investment Promotion Act for the purposes of managerial requirements or urgent financing of the Bank; or
8. In case the Bank preferentially issues new shares to those who may contribute to the management of the Bank by providing the Bank with funds, credit or new technology.

In case of paragraph 2, the Bank shall give a notice or make a public notice of any of the following Subparagraphs to the Shareholders at least two (2) weeks prior to the due payment date: (Amended on March 29, 2012)

1. Class and number of new shares;
2. Issue price of new shares and due payment date;
3. Method of subscription of new shares;
4. Name of a person who makes an in-kind contribution, class, number and value of the property subject to in-kind contribution and class and number of shares to be granted; and
5. Other matters set forth by laws and regulations.

The total number of shares to be allocated by the Bank as described in paragraph 2 (7) and (8) shall not exceed 50/100 of the total number of outstanding shares of the Bank and the class, number and the issue price of the shares shall be determined by the resolution of the board of directors. (Enacted on March 29, 2012)

Article 9 (Record Date for Calculating the Dividend for New Shares)

When the Bank issues new shares for the capital increase with or without consideration or as dividend, it shall be deemed that the new shares have been issued at the end of the fiscal year immediately preceding the fiscal year in which such new shares are issued for the payment of dividends for the new shares.

Article 24 (Voting Right)

Each Shareholder shall have one (1) vote for each share of stock he/she owns.

Article 25 (Proxy Voting)

Any Shareholder or legal representative may exercise such shareholder's voting right by proxy.

The proxy referred to in paragraph 1 above shall submit a document evidencing the authority to act as a proxy (power of attorney) no later than the beginning of each general shareholders' meeting.

Any shareholder who intends to exercise such shareholder's voting rights in writing without being present at a general shareholders' meeting shall indicate the necessary information in the relevant written forms under paragraph (2) above and submit the completed written forms to the Bank at least one (1) day prior to the date of the general shareholders' meeting.

Article 25-2 (Exercise of Voting Rights in Writing)

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The Shareholders may exercise their voting rights without participating in the general shareholders meeting pursuant to the resolution of the board of directors.

In case of paragraph 1 above, the Bank shall attach the documents and references necessary for exercise of voting rights to the convening notice.

Any shareholder who intends to exercise such shareholder's voting rights in writing without being present at a general shareholders meeting shall indicate the necessary information in the relevant written forms under paragraph 2 above and submit the completed written forms to the Bank at least one (1) day prior to the date of the general shareholders meeting.

Article 51 (Payment of Dividends)

Dividends shall be paid to the Shareholders or registered pledgees who have been entered into the shareholders registry as of the end of each fiscal year.

Article 51-2 (Interim Dividends)

The Bank may pay interim dividends pursuant to the relevant laws such as the KCC, to the shareholders as of a certain date determined by the resolution of the board of directors one time per every fiscal year. (Amended on March 29, 2012)

Interim dividends shall be limited to the amount obtained by subtracting the following amounts from the net asset amount under the balance sheet for the immediately preceding fiscal year: (Amended on March 29, 2012)

1. Amount of capital for the immediately preceding fiscal year;
2. Total amount of capital reserves and legal reserves reserved up to the immediately preceding fiscal year;
3. Unrealized profits set forth in the enforcement decree of the KCC;
4. The amount of dividends resolved to be distributed or paid at the general shareholders meeting for the immediately preceding fiscal year; and
5. Legal reserve to be reserved for the relevant fiscal year pursuant to the interim dividends.

In the event where new shares are issued after the commencement date of the fiscal year and on or before the record date under paragraph 1 (including capitalization of reserve, stock dividends, claim for conversion of convertible bonds, exercise of warrant under bonds with warrants, and exercise of stock option), the relevant new shares shall be deemed to have been issued at the end of the immediately preceding fiscal year for the purpose of interim dividends.

In making an interim dividend payment, the same dividend ratio as common shares shall apply with respect to the preferred shares prescribed in Article 6 hereof.

No interim dividends shall be paid in case where a profit is not expected at the end of the relevant fiscal year.

ø Rights of Other Securities

Please see the attached Articles of Incorporation for the rights of other securities.

The rights of the registered common shares pursuant to the Bank's articles of incorporation as expected to be amended after the Merger (by resolution at the general shareholders meeting expected to take place on October 10, 2014) are as follows:

Article 5 (Total Number and Classes of Shares to be Issued)

The total number of shares to be issued by the Bank shall be 5,000,000,000 shares, and the par value per share shall be five thousand Korean Won (KRW 5,000).

The shares to be issued by the Bank shall be common shares and class shares.

The class shares to be issued by the Bank shall be preferred shares, non-voting shares, convertible shares, redeemable shares or a combination thereof.

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The share certificates of the Bank shall be issued in registered form in the following eight (8) denominations: one (1), five (5), ten (10), fifty (50), one hundred (100), five hundred (500), one thousand (1,000) and ten thousand (10,000) shares, which may be split or consolidated upon a shareholder's request.

Article 7 (Rights to Subscribe for New Shares)

The method of issuance of new shares by the Bank by a resolution of the board of directors shall be as follows:

1. By granting existing shareholders an opportunity to subscribe for new shares in proportion to their respective shareholdings;
2. By granting certain persons (including shareholders of the Bank), such as foreign investors, domestic and foreign financial institutions, institutional investors, allied companies, investment companies, private equity funds and investment-purpose companies, an opportunity to subscribe for new shares, in a manner other than as set forth in subparagraph 1 above, as deemed necessary to achieve the Bank's management objectives (including, but not limited to, the introduction of new technology, improvement of the financial structure of the Bank or its subsidiaries, etc., funding and strategic business alliance), to the extent not exceeding 50% of the total issued and outstanding shares of the Bank; or
3. By granting a large number of unspecified persons the opportunity to subscribe for new shares, in a manner other than as set forth in subparagraph 1 above, to the extent not exceeding 50% of the total issued and outstanding shares of the Bank, and allocating new shares to the persons who so subscribe.

New shares allocated under subparagraph 3 of paragraph (1) above shall be allocated in accordance with any of the following methods by a resolution of the board of directors:

1. Allocating new shares to a large number of unspecified subscribers without categorizing the persons granted the opportunity to subscribe for such new shares;
2. Allocating new shares to members of the Employee Stock Ownership Association pursuant to applicable laws and granting a large number of unspecified persons the opportunity to subscribe for new shares, including those remaining unsubscribed;
3. Granting existing shareholders the opportunity to preferentially subscribe for new shares and then granting a large number of unspecified persons the opportunity to be allocated the new shares that remain unsubscribed; or
4. Granting certain types of persons the opportunity to subscribe for new shares in accordance with reasonable standards set forth in applicable laws, such as demand forecasts prepared by an investment trader or investment broker as an underwriter or arranger.

In allocating new shares under subparagraph 2 or 3 of paragraph 1 above, the Bank shall send or publish notice to the shareholders of the following matters at least two (2) weeks prior to the payment date for the new shares; provided, however, that a report of material event may be publicly disclosed through the Financial Services Commission and the Korea Exchange in lieu of such notice.

1. Type and number of new shares;
2. Issue price of and payment date for new shares;
3. Method of subscription for new shares;
4. Name of person to make a contribution in kind, type, quantity and value of property to be contributed in kind, and type and number of shares to be issued for such contribution in kind; and
5. Other matters set forth by law.

In the event of an issuance of new shares by any of methods set forth in paragraph 1 above, the class and number of shares to be issued and the issue price shall be determined by a resolution of the board of directors.

In the event that the Bank allocates new shares and the allocated new shares are not subscribed for, or the subscription price therefor is not paid, by the specified due date, such unsubscribed or unpaid shares shall be disposed of by a resolution of the board of directors, in accordance with the relevant laws, including taking into account the appropriateness of the issue price.

Fractional shares, if any, resulting from the allocation of new shares shall be disposed of by a resolution of the board of directors.

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In the event of allocation of new shares in accordance with subparagraph 1 of paragraph 1 above, the Bank shall issue certificates of warrants to the shareholders.

Article 9 (Issuance Date of New Shares for the Purpose of Dividends)

In the event that the Bank issues new shares by way of a capital increase for consideration, capital increase without consideration or stock dividend, the new shares shall, for purposes of the distribution of dividends with respect to such new shares, be deemed to have been issued at the end of the fiscal year immediately prior to the fiscal year during which the new shares were issued.

Article 24 (Voting Rights)

Each shareholder shall have one (1) vote for each share such shareholder owns.

Article 25 (Voting by Proxy)

A shareholder may exercise such shareholder's voting rights through a proxy.

A proxy holder under paragraph 1 above shall file with the Bank documents (power of attorney) evidencing the authority to act as a proxy prior to the commencement of the general shareholders' meeting.

Article 25-2 (Exercise of Voting Rights in Writing)

Any shareholder may, pursuant to a resolution of the board of directors, exercise shareholders' meeting voting rights in writing without being present at a general shareholders' meeting.

In the case of paragraph 1 above, the Bank shall attach, to the convening notice of the general shareholders meeting, written forms and reference materials necessary for the exercise of voting rights in writing.

Any shareholder who intends to exercise such shareholder's voting rights in writing without being present at a general shareholders meeting shall indicate the necessary information in the relevant written forms under paragraph 2 above and submit the completed written forms to the Bank at least one (1) day prior to the date of the general shareholders meeting.

Article 25-3 (Split Voting)

Any shareholder holding two (2) or more votes who wishes to split such shareholder's votes shall notify the Bank, in writing or by electronic document, of such intent and the reasons therefor no later than three (3) days prior to the date set for the general shareholders meeting.

The Bank may refuse to allow a shareholder to split such shareholder's votes, unless the shareholder acquired the shares in trust or otherwise holds the shares for and on behalf of another person.

Article 51 (Dividends to Shareholders)

Dividends may be distributed in cash or stock or other property.

Dividends to shareholders shall be paid to the shareholders or pledgees registered in the Bank's shareholders registry as of the last day of each fiscal year.

If the Bank distributes dividends in other property under paragraph 1 above, the shareholders may request to be paid in cash rather than in such property, and the Bank may pay cash instead of such property to shareholders holding less than a certain number of shares of the Bank.

Article 51-2 (Distribution of Interim Dividends)

The Bank may, only once during a fiscal year, pay interim dividends under the Commercial Code and other applicable laws, to the shareholders registered in the Bank's registry of shareholders as of the record date set by the board of directors.

The interim dividends shall be paid within the limit of the amount remaining after deducting each of the following amounts from the net asset amount in the balance sheet for the immediately preceding fiscal year (Immediately Preceding Period):

1. The amount of capital in the Immediately Preceding Period;
2. The total amount of capital surplus reserve and earned surplus reserve accumulated until the Immediately Preceding Period;
3. The unrealized gain as set forth in the Enforcement Decree of the Commercial Code;

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4. The amount determined to be distributed as dividends at the ordinary general shareholders meeting convened for the Immediately Preceding Period; and
5. The earned surplus reserve to be accumulated in the current period with respect to the interim dividends.

If new shares are issued after the commencement of a fiscal year but before the record date under paragraph 1 above (including pursuant to the transfer of reserves to capital, stock dividends, requests for conversion of convertible bonds, exercise of warrants under bonds with warrants and exercise of stock options), such new shares shall, for purposes of distribution of interim dividends on such new shares, be deemed to have been issued at the end of the fiscal year immediately prior to the fiscal year in which such new shares were issued.

For interim dividends, the same dividend rate shall apply to preferred shares under Article 6 hereof as for common shares.

No interim dividends shall be paid if profit is not expected for the relevant fiscal year.

(2) Commencement Date for Calculation of Dividends

The commencement date for the calculation of dividends for the new shares will be January 1, 2014.

(3) Issues Relating to the Listing of the New Shares

The surviving entity of the Merger, the Bank, is an unlisted corporation as of the date of submission of this Securities Registration Statement and plans to become newly listed after the Merger. In connection with such listing, the Bank submitted an application for preliminary examination approval on July 28, 2014 and received preliminary examination approval for listing from the Korea Exchange on August 26, 2014.

- Expected date for listing of the new shares: November 19, 2014.

C. Terms of Delivery of the New Shares

(1) Recipients of Delivery

The Company's common shareholders recorded on its shareholder register as of the date of the Merger (i.e., November 1, 2014).

(2) Delivery Ratio

One registered common share of the Bank will be delivered for each registered common share of the Company.

(3) Expected Date of Delivery: November 18, 2014

(4) Disposal of Fractional Shares

As the Merger Ratio is 1:1, there is no possibility that fractional shares will result from the allotment of new shares in the Merger.

(5) Payment of Consideration

Other than the delivery of new shares in accordance with the Merger Ratio to the shareholders of the Company, the non-surviving entity, in connection with the Company's merger with and into the Bank, there will be no additional consideration paid as a result of the Merger.

VI. RISK FACTORS

1. Risk Factors That May Impede the Consummation of the Merger

A. Termination Provisions of the Merger Agreement

Article 14 (Termination)

- (1) The parties may terminate this Agreement by written agreement at any time before the Merger Date.
 - (2) Upon the occurrence of any of the following events before the Merger Date, a party may immediately terminate this Agreement by written notice to the other party:
 - 1) If, during the period from the date of this Agreement to the Merger Date, a material adverse change or unforeseeable material defect in the assets, liabilities or management condition of Woori Bank or Woori Finance Holdings as a result of an act of God or other cause has occurred;
 - 2) If the other party has defaulted on or breached this Agreement and has failed to cure such default or breach within fifteen (15) days after receipt of the non-defaulting party's notice requesting such default or breach to be cured;
 - 3) If, due to the exercise of appraisal rights by shareholders of Woori Finance Holdings dissenting to the Merger, Woori Finance Holdings is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of issued and outstanding shares of Woori Finance Holdings;
 - 4) If the preliminary examination approval for listing on the Korea Exchange after the Merger has not been obtained by the Merger Date;
 - 5) If it is evident that the Merger Approval would not be obtained within six (6) months after the date of this Agreement, including where a Merger Approval has not been obtained prior to the Merger Date despite such Merger Approval having been applied for; or
 - 6) If it becomes impossible to accomplish the Merger due to a change in the relevant laws, etc.
 - (3) In the event of termination of this Agreement pursuant to paragraph (2) above, neither party may request the other party to indemnify it for any damages, except for termination due to the cause set forth in paragraph (2)2) above.
1. With respect to the termination event set forth in Clause 5) of paragraph (2) above (If it is evident that the Merger Approval would not be obtained within six (6) months after the date of this Agreement, including where a Merger Approval has not been obtained prior to the Merger Date despite such Merger Approval having been applied for), the reference to Merger Approval is to the FSC's approval for merger of a financial institution under Article 4(1) of the Act on the Structural Improvement of the Financial Industry.
- As of the date of submission of this Securities Registration Statement, the expected purchase price for the shares of the Company upon exercise of appraisal rights is KRW 12,422 per share, which is lower than their current market price. However, the number of shareholders exercising appraisal rights may be influenced significantly by changes in the market price of such shares during the appraisal right exercise period. If, due

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to the exercise of appraisal rights by shareholders of the Company dissenting to the Merger, the Company is required to pay a share purchase price for a number of shares that is greater than 101,441,755 shares, or 15% of the total number of issued and outstanding shares of the Company, the Merger Agreement may be terminated.

An analysis of other mergers involving at least one KRX KOSPI Market-listed corporation where a securities registration statement (merger) was submitted during the past three years from the date of this Securities Registration Statement and where the relevant merger agreement included a termination provision relating to the exercise of appraisal rights revealed that the required threshold for termination due to the exercise of appraisal rights was 11.03% on average, ranging from 2.03% to 52.50%.

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[Amount/Proportion of Appraisal Right Exercise for Termination in Merger Agreements]

Classification	Company Name	Merger Date	Condition Under Termination Provisions	% of Total Number of Issued Shares
Surviving	Samsung SDI Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 750 billion	19.52%
Non-Surviving	Cheil Industries Inc.	7.1.2014	Total amount to be paid for exercise of appraisal right exceeds KRW 700 billion	19.85%
Surviving	Hanjin Shipping Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 35 billion	4.17%
Non-Surviving	Hanjin Shipping Holdings Co., Ltd.	6.1.2014	Total amount to be paid for exercise of appraisal right exceeds KRW 5 billion	2.77%
Surviving	iTEST Inc.		Total amount to be paid for exercise of appraisal right exceeds KRW 500 million	2.03%
Non-Surviving	Semiteq Co., Ltd.	2.24.2014	Total amount to be paid for exercise of appraisal right exceeds KRW 500 million	8.00%
Surviving	Hyundai Steel Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 500 billion	7.09%
Non-Surviving	Hyundai Hysco Co., Ltd.	12.31.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 200 billion	5.82%
Surviving	Young Heung Iron & Steel Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 7,100 million	5.24%
Non-Surviving	Sehwa Express Co., Ltd.	11.18.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 2,900 million	5.54%
Surviving	Sungjin Geotec Co. Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 20 billion	3.60%
Non-Surviving	Posco Plantec Co., Ltd.	7.1.2013		
Surviving	Samyang Holdings Corp.		Total amount to be paid for exercise of appraisal right exceeds KRW 5,900 million	1.16%
Non-Surviving	Samyang Genex Corp.	3.1.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 4,100 million	2.29%
Surviving	Lotte Samkang Co., Ltd.			
Non-Surviving	Lotte Ham Co., Ltd.	1.1.2013	Total amount to be paid for exercising of appraisal right exceeds KRW 10 billion	14.34%
Surviving	Dongwon Systems Corp.		Total amount to be paid for exercise of appraisal right exceeds KRW 20 billion	6.47%
Non-Surviving	Daihan Eunpakgy Co., Ltd.	1.1.2013		8.58%
Surviving	STX Metal Co., Ltd.		Percentage of shares exercising appraisal right exceeds 10.00% of issued shares	10.00%
Non-Surviving	STX Heavy Industries Co., Ltd.	1.1.2013	Percentage of shares exercising appraisal right exceeds 10.00% of issued shares	10.00%
Surviving	Lotte Shopping Co., Ltd.			
Non-Surviving	Lotte Midopa Co., Ltd.	1.1.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 100 billion	12.16%
Surviving	Asia Paper Manufacturing Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 6 billion	8.10%
Non-Surviving	Asia Papertec Inc.	1.1.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 4 billion	52.50%
Surviving	Honam Petrochemical Corp.			
Non-Surviving	KP Chemical Corp.	12.27. 2012	Total amount to be paid for exercise of appraisal right exceeds KRW 200 billion	15.84%
Surviving	Lotte Samkang Co., Ltd.			
Non-Surviving	Lotte Fresh Delica Co., Ltd.	10.1 2012	Total amount to be paid for exercise of appraisal right exceeds KRW 10 billion	39.83%
Surviving	InCube Technologies Inc.		Total amount to be paid for exercise of appraisal right exceeds KRW 2,500 million	14.00%
Non-Surviving	Daou Xilicon Technology Co., Ltd.	8.27.2012	Total amount to be paid for exercise of appraisal right exceeds KRW 2,500 million	16.05%
Surviving	Intergis Co., Ltd.			
		7.1.2012		4.93%

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			Total amount to be paid for exercise of appraisal right exceeds KRW 6 billion	
Non-Surviving	DK S& Co., Ltd.			
Surviving	Kolon Global Corporation Co., Ltd.	12.28. 2011	Total amount to be paid for exercise of appraisal right exceeds KRW 50 billion	27.83%
Non-Surviving	Kolon I Net Co., Ltd.			12.32%

1. Excludes small-scale mergers and special purpose acquisition corporations.
2. Excludes companies that did not specify an amount or proportion of appraisal right exercise as a termination provision in the relevant merger agreement.
3. % of Total Number of Shares: Calculated using the proposed purchase price per share and number of issued shares where the condition for termination was based on the total amount to be paid for exercise of appraisal rights.
4. Where the threshold total amount to be paid for exercise of appraised rights covered such of both the surviving entity and the non-surviving entity, the relevant threshold was allocated based on the respective total equity of the surviving entity and the non-surviving entity.

In addition, the Bank submitted an application for preliminary examination approval for listing on July 28, 2014 and received such approval from the Korea Exchange on August 26, 2014. According to the official notice received by the Bank from the Korea Exchange, all conditions for listing have been met. However, if any of the following events occur and it is acknowledged that such event may have a material effect on the results of the preliminary examination, the Korea Exchange may not acknowledge the validity of the preliminary examination approval for listing, and the Bank may have to resubmit an application for preliminary examination approval for listing for an additional examination. In such event, the listing of the Bank's shares may be postponed or cancelled.

1. Results of the Preliminary Examination for Listing

After examining the share certificates for which the applicant for new listing (the Applicant) has requested the preliminary examination approval for listing, all conditions for the new listing examination pursuant to Articles 29 and 30 of the Listing Regulations of the KRX KOSPI Market (the Listing Regulations), other than the number of listing shares and distribution requirements which may only be examined after the offering, have been determined to be satisfied.

2. Invalidation of the Results of the Preliminary Examination for Listing

If the Applicant becomes subject to any of the following events and it is determined that such event may have a material effect on the results of the preliminary examination, the Korea Exchange may not acknowledge the validity of the results of the preliminary examination for listing, and in such case, the Applicant must resubmit its application for preliminary examination approval for listing in accordance with Article 26 of the Listing Regulations and become subject to another examination.

- 1) Cases where an event having a major impact on business operations has occurred (e.g., dishonoring of checks or bills issued, suspension of business operations, occurrence of natural disaster or significant loss, sales of substantial amount of fixed assets, lodging of lawsuits, change of officers or the largest shareholder, mergers, spin-offs or mergers after spin-off, transfers and acquisitions of business, leasing of major property, resolutions on management delegation and other matters the Korea Exchange acknowledges to be a matter having major impact on business operations);
- 2) Cases of falsifying or omitting a record or mention of material facts in the application for listing eligibility review have been found;
- 3) Cases where the Applicant has been accused or referred to the prosecutor's office or imposed such disciplinary measures as a restriction on securities issuance or penalties by the Securities & Futures Commission relating to its separate or consolidated financial statements for the most recent three fiscal years or the auditor's audit report with respect thereto;
- 4) Cases where the details of a prospectus (including the preliminary prospectus and summary prospectus) have been corrected or amended;
or
- 5) Cases where an application for initial listing has not been submitted within six (6) months of having been notified of the result of listing eligibility review;
 - However, if the Korea Exchange approves the extension that the Applicant requests due to an unavoidable event such as sudden change in market conditions, the period for submission of an application may be extended up to six (6) months;

6)

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Cases of issuing new shares by way of third party allotment during the period from the application date of the preliminary examination for listing to the day before the listing date; or

- 7) Other cases the Korea Exchange deems necessary for the protection of the public interest and investors.

3. Other Matters Necessary for the New Listing of Shares

In the event any of the following occurs prior to the new listing date, the Applicant must submit documents relating thereto.

- 1) Where the general meeting of shareholders or the board of directors has voted on matters relating to the relevant securities, a copy of the minutes of the relevant meeting;
- 2) Where events that are material to the company's operations have occurred (in the case of a holding company, including where such events have occurred with respect to its subsidiaries), the reports on such matters;
- 3) Where the report on public offering or distribution has been filed, the prospectus (including the preliminary and simplified prospectus); in this case, any correction made to the details recorded shall be included;
- 4) Where forty-five (45) days have elapsed since the end of the semiannual period of the current fiscal year, the semiannual financial statements and the auditor's review report thereon; or

- 5) Where the general shareholders' meeting or board meeting was held for the approval of the closing financial statements of the latest fiscal year, the financial statements for the latest fiscal year and the auditor's report on the financial statements.

If the Bank does not satisfy any condition for the KRX KOSPI Market listing or an event that may have an effect on the results of the listing eligibility examination occurs, the listing schedule for the Bank's shares may be postponed or the preliminary approval may be cancelled, and the Merger Agreement may be terminated.

B. Possibility of Cancellation of the Merger at the General Shareholders' Meeting

The Merger may not be consummated if the approval of two-thirds of the voting rights of the participating shareholders and one-third of the issued shares is not obtained at the extraordinary general shareholders' meeting to approve the Merger Agreement.

C. Risk of Cancellation of Merger Agreement Due to Permits or Approvals Pursuant to Applicable Laws

The Merger Agreement became effective upon the execution of both parties but may be terminated upon the conclusive rejection of a governmental approval, permit, report or acceptance required in connection with the Merger that has a material effect on the operations of the merging parties.

Specifically, in order to proceed with the Merger under the Act on the Structural Improvement of the Financial Industry, prior approval from the FSC must be obtained as set forth in Article 4(1) of the Act, and the Merger Agreement may be terminated if it is evident that such Merger Approval would not be obtained within six months after the date of the Merger Agreement. The Bank and the Company plan to apply for the Merger Approval from the FSC.

In addition, as the major shareholder of each of Woori Card and Woori Investment Bank will change to the Bank, approval for such change in major shareholder will be applied for (pursuant to Article 6(3) of the Credit Finance Business Act and Article 6-3(5) of its Enforcement Decree, for Woori Card, and Article 350 and Article 23(1) of the FISCMA and Article 26(1), Table 4 of its Enforcement Decree, for Woori Investment Bank).

The Merger is eligible for the special application of simplified merger procedures pursuant to the Act on Structural Improvement of the Financial Industry, and certain procedures have been accelerated compared to the general merger procedures pursuant to the KCC, as specified below.

In addition, certain parts of the Securities Registration Statement for the Merger may be revised during the public disclosure evaluation process, and if any material content closely related to the investment decision-making process is revised, the schedule for the merger may be affected.

The non-surviving entity, the Company, has registered common shares listed on the KRX KOSPI Market and American Depositary Shares (securities with the right to be exchanged into a number of common shares) listed on the NYSE. After the Merger, the surviving entity, the Bank, is expected to be newly listed on the KRX KOSPI Market, and the procedures for the Bank to succeed to the Company's listing on the NYSE are expected to be conducted in accordance with the local merger procedures and schedule. The English translation of the Report of Material Event relating to the Merger was publicly disclosed through the SEC on July 28, 2014, and the English translation of the prospectus is expected to be publicly disclosed through the SEC and distributed to U.S. shareholders upon effectiveness of this Securities Registration Statement. As of the date of submission of this Securities Registration Statement, there are no known approvals or permits required by the SEC or the NYSE in connection with the Merger.

D. Possibility of Legal Action by Minority Shareholders of the Merging Parties

Minority shareholders of the Company may take legal action to nullify the Merger by claiming procedural defects or unfairness of the Merger Ratio, and the Merger may be subject to nullification if a court rules in favor of the plaintiffs in such action.

With respect to the nullification of a merger due to an unfair merger ratio, the Supreme Court of Korea has previously ruled that when all or some of the merging entities in a merger are listed corporations, so long as the calculation of the merger consideration and subsequently derived merger ratio was based on the conditions, methods and procedures set forth in the Securities and Exchange Act, unless based on false information or unreasonable estimates, the merger ratio cannot be deemed clearly unfair so as to nullify the merger agreement (Supreme Court

Decision 2007Da64136, January 10, 2008).

The Merger Ratio was calculated in accordance with the FISCMA and the relevant laws, and the Merger has followed the procedures set forth in the relevant laws, including the KCC and the Act on the Structural Improvement of the Financial Industry. Therefore, it is highly unlikely that the Merger will be nullified, but please note that it is difficult to rule out entirely the possibility of lawsuits in relation to the Merger Ratio.

E. Other Information

The contents of this Securities Registration Statement are current as of the date of hereof, and other than the information provided herein, there are no matters that may result in a material change in or significant impact on the assets, liabilities, cash flows and profits and losses that may have an effect on the Merger.

The Merger schedule, however, is subject to adjustment based on consultation with or approval of relevant governmental authorities, and the general meeting of the shareholders to approve the Merger Agreement and the exercise of appraisal rights may also affect the consummation of the Merger. In addition, please note that the listing of the Bank's shares on the KRX KOSPI Market may increase volatility in the share price.

Shareholders and investors should refer to the recent disclosed and reported matters of the Bank and the Company available on the Financial Supervisory Service e-Disclosure System (<http://dart.fss.or.kr>) when making an investment decision.

2. Potential Listing or Delisting of the New Shares Allotted in the Merger

A. Expected Listing Date of the New Shares

The expected date of delivery of the new shares is November 18, 2014, and the expected date of new listing of the new shares is November 19, 2014. Such dates are tentative, and the actual listing date may change based on the approval procedures required for the Merger.

B. Potential Delisting

The Company, the non-surviving entity of the Merger and a listed corporation, will merge with and into the Bank, the surviving entity of the Merger and an unlisted corporation, and the Company will be delisted after the Merger as it will cease to exist. The surviving entity of the Merger, the Bank, is an unlisted corporation as of the date of submission of this Securities Registration Statement and plans to become newly listed after the Merger.

3. Risk Factors to Consider for an Investment in the Event the Merger is Consummated

A. Business Risks

Surviving Entity: The Bank

(1) The banking industry is a core industry and a major regulated industry in Korea. Its profitability is greatly influenced by factors in the legal and policy environment, such as changes in the regulatory environment of the government or financial supervisory authorities. Regulations of the government and financial supervisory authorities may adversely impact the profitability of banks due to factors such as the implementation of Basel III and its regulation of liquidity ratios, the need to structure assets and funding to comply with restrictions on the loan to deposit ratio, potential limited growth in household loans in the banking sector caused by comprehensive measures for the soft landing of household debt and the increased supply of low interest mortgages, and the risk of poor profit margins from competition in mixed interest rate (fixed interest rate + variable interest rate) mortgage loans that are aimed at achieving the target portfolio share of fixed interest rate mortgage loans. Therefore, investors should carefully consider the regulations of the government and financial supervisory authorities.

As the intermediary between entities that demand funds and entities that supply funds, banks increase the efficiency of resource allocation through services such as deposits, loans, payment settlements and asset management and create added value by providing diverse financial services relating to financial demand generated by the increased production activity of other industries. In particular, the Korean commercial banking industry is traditionally a domestic industry with more than 95% of the total profits concentrated in the domestic market, and the collapse of the banking industry would directly lead to a Korean economic crisis. The banking industry is a national core industry that has been financially supported by the government during past crises in order to ensure the stability of the financial system.

Due to the importance of the industry, the banking industry is more regulated and protected than other industries and new entry requires approval of the FSC in accordance with the Banking Act. Accordingly, unlike other companies, public policy as well as profitability is emphasized, and banks are regulated by the Foreign Exchange Transactions Act, the Act on the Structural Improvement of the Financial Industry, the Depositor Protection Act and the FISCMA, as well as the KCC and the Banking Act. Therefore, profitability and growth are greatly influenced by the legal and policy environment.

Banks all over the world are facing strengthened regulations such as Basel III, and the regulation of Korean banks has accordingly increased through stricter regulations relating to assets and liquidity and the introduction of restrictions on the leverage ratio and loan-to-deposit ratio to limit excessive leverage. Furthermore, various new regulations, such as the introduction of the levy for foreign exchange stability (i.e., a levy on non-deposit foreign currency liabilities of financial institutions differentiated by maturity date to alleviate the volatility of capital flow), increased monitoring of household loans of banks and protection of financial consumers, are increasing banks' compliance costs.

The major regulations and their effects are as follows:

[Change in the Regulatory Environment after the Financial Crisis]

Regulation	Content
Comprehensive measures for household debt	<ul style="list-style-type: none"> - Increased monitoring of banks' household loans, promotion of amortizing fixed rate installment payment loans - Increased protection for financial consumers
Loan-to-deposit ratio	Maintain loan-to-deposit ratio (based on monthly average balance) no greater than 100% Basel III adopted in stages starting from 2013
Basel III	<ul style="list-style-type: none"> - Capital regulation: minimum ratio of Tier 1 common equity capital to risk-weighted assets (4.5%), Tier 1 capital to risk-weighted assets (6%) and Tier 1 and Tier 2 capital to risk-weighted assets (8%) - Introduction of capital conservation buffer - Introduction of leverage ratio regulation (2018) : Leverage ratio > 3% - Introduction of liquidity regulation criteria: Liquidity coverage ratio ≥ 100% (2015) Net stable funding ratio ≥ 100% (2018) - Capital regulation of systemically important banks (SIBs): Request to apply the Global-SIB Framework (additional capital of 1.0~3.5% (common equity) of risk-weighted assets of banks identified based on cross-jurisdictional activity, size, interconnectedness, substitutability/financial institution infrastructure and complexity) to domestic systemically important banks (D-SIBs)
Foreign exchange stability levy	Levy for foreign exchange stability differentiated by maturity date of non-deposit foreign currency liabilities

* Source: FSC

To satisfy the liquidity ratio requirements (i.e., liquidity coverage ratio and net stable funding ratio) pursuant to the implementation of Basel III, the Bank must increase its investment in government bonds and corporate bonds of blue chip companies which have relatively

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low profit margins and stabilize funding by increasing household deposits and long-term funding, and as a result, short-term profitability is expected to decrease.

[Basel III Capital Adequacy Ratio Requirements]

(Unit: %)

Classification	Common Equity	Tier 1 Capital	BIS	Scheduled Implementation
Minimum requirement	4.50	6.00	8.00	2015
Capital conservation buffer	2.50	2.50	2.50	
Total	7.00	8.50	10.50	2019

* Source: Basel Committee on Banking Supervision

The maximum loan-to-deposit ratio is expected to be maintained at or below 100% in accordance with the government's regulation of such ratio pursuant to the Banking Supervision Regulations. To comply, banks must establish an efficient asset composition and funding structure.

[Status of Domestic Bank Household Loans]

(Unit: KRW billions, %)

Classification	1Q 2014	2013	2012	2011	2010	2009
Household loans	381,478	381,008	370,843	363,637	343,791	329,007
Growth rate	0.12	2.74	1.98	5.77	4.49	4.35

* Source: FSS Financial Statistics Information System

After the announcement of the comprehensive measures for soft landing of household debt in June 2011, the growth rate of household debt has slowed. To manage household debt, the government amended the Enforcement Detailed Rules on the Supervision of Banking Business (on February 14, 2012) to adjust the BIS risk-weighting for mortgages with bullet payment or installment payments from 35% to 50%, which may limit the growth of loans, as the adjustment may negatively affect the calculation of capital adequacy ratios. Accordingly, these changes may slow down the growth rate of loans and reduce bank profitability.

The financial supervisory authorities have decided to decrease the debt-to-income ratio by 5% by the end of 2017 and partially limit the increase of household debt, while increasing the supply of low interest mortgage loans (e.g., *Bogeumjari* Loans and *Didimdol* Loans) and conforming loans to absorb the demand for private sector mortgage loans.

The target proportion of fixed rate mortgage loans to all mortgage loans has been set at 20%, 25%, 30% and 40% by the end of 2014, 2015, 2016 and 2017, respectively, in accordance with the Household Debt Restructuring Promotion Plan announced on February 27, 2014 (the Household Debt Restructuring Promotion Plan: follow-up measures to the Three-Year Economic Innovation Plan). As fixed rate loans lack interest rate competitiveness over adjustable rate loans, demand for fixed rate mortgage loans is low, and as a result, offering purely fixed rate loans to increase the proportion of fixed rate loans may not be successful.

As noted above, there is a risk of decreased profitability due to, among other things, the implementation of Basel III and its regulation of liquidity ratios, the need to structure assets and funding to comply with restrictions on the loan-to-deposit ratio, potential limited growth in household loans in the banking sector caused by comprehensive measures for the soft landing of household debt and the increased supply of low interest mortgages, and the risk of poor profit margins from competition in mixed interest rate (fixed interest rate + variable interest rate) mortgage loans that are aimed at achieving the target share of fixed interest rate mortgage loans. Therefore, investors should carefully consider the regulations of the government and financial supervisory authorities.

(2) After 2009, a number of factors including the adoption of conservative asset management strategies by customers and regulation of the loan to deposit ratio by the financial supervisory authorities led to changes in the share of deposits and marketable funds that constitute the funding sources of domestic commercial banks. The share of deposits increased from 47.37% to 63.68%, and the share of marketable funds decreased from 30.05% to 15.91%, from the end of 2009 to the first quarter of 2014. Dissatisfaction with the low interest rates of time deposits due to the continuing low interest rate environment and the lack of alternative investment opportunities have resulted in the concentration of funds into short term financial products, leading to short term concentration. If the preference for risky assets increases due to the future recovery of the equity and real estate markets, the exit rate from such concentrated short-term funds may increase. In such case, it would be necessary to increase mid to long term capital procurement to address higher liquidity risks. Investors should be fully aware of the changing funding strategies of banks based on such changes in the economy, as well as the resulting risk in the fluctuation of funding costs.

In 2007, commercial banks financed the shortage of funding caused by consumer deposits switching over to transaction accounts at securities companies, such as CMAs and beneficiary certificates, with marketable funds such as CDs and financial bonds and the sale of high interest rate special deposits. As loans rapidly increased due to banks competing among themselves to expand in size prior to the financial crisis, it became

difficult to fund loans solely through deposits, leading to an increase in funding through marketable funds, such as CDs and financial bonds. As dependence on funding from outside sources increased while economic conditions remained favorable, the cost of funding increased as well.

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After 2009, the adoption of conservative asset management strategies by customers and regulation of the loan-to-deposit ratio (i.e., ratio of balance of loans to balance of deposits) by financial supervisory authorities led to decreased demand for marketable funds. Funding from deposits, however, consistently increased due to the preference for safe assets as a result of continued domestic and global uncertainty and the efforts by banks to secure new deposits. Consequently, the share of deposits among funding sources of domestic commercial banks increased from 47.37% at the end of 2009 to 63.68% in the first quarter of 2014, while the share of marketable funds among funding sources of domestic commercial banks decreased from 30.05% at the end of 2009 to 15.91% in the first quarter of 2014, in each case on an average balance basis.

[Major Funding Sources of Commercial Banks]

(Unit: KRW billions, %)

Item	1Q 2014		2013		2012		2011		2010		2009	
	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage
Cost funding	993,763	79.58	977,675	79.07	982,380	79.17	946,880	78.64	931,703	78.98	928,947	77.42
Deposits	795,139	63.68	778,393	62.95	767,396	61.83	715,778	59.45	652,097	55.28	568,327	47.37
Deposits in local currency	748,703	59.96	733,727	59.34	722,180	58.19	681,600	56.61	617,819	52.37	528,031	44.01
Deposits in foreign currencies	46,436	3.72	44,666	3.61	45,216	3.64	34,178	2.84	34,278	2.91	40,296	3.36
Marketable funds	198,624	15.91	199,282	16.12	214,984	17.34	231,102	19.19	279,606	23.70	360,620	30.05
Certificates of deposit	12,481	1.00	11,610	0.94	13,632	1.10	23,499	1.95	52,876	4.48	91,867	7.66
Borrowings in local currency	39,729	3.18	38,297	3.10	35,517	2.86	32,521	2.70	32,806	2.78	32,960	2.75
Debentures in local currency	67,122	5.38	67,043	5.42	72,918	5.88	77,941	6.47	100,499	8.52	119,038	9.92
Other funding in local currency	19,503	1.56	19,355	1.57	18,353	1.48	21,273	1.77	18,270	1.55	29,562	2.46
Borrowings in foreign currencies	38,044	3.05	41,653	3.37	53,451	4.31	56,023	4.65	52,421	4.44	65,010	5.42
Debentures in foreign currencies	19,867	1.59	19,446	1.57	19,184	1.55	18,185	1.51	21,140	1.79	20,933	1.74
Other funding in foreign currencies	1,878	0.15	1,878	0.15	1,929	0.16	1,660	0.14	1,594	0.14	1,250	0.10

* Source: FSS Financial Statistics Information System

Interest rates of time deposits have reached historical lows due to the continuing trend of low interest rates, and dissatisfaction with the low interest rates of time deposits and the lack of alternative investment opportunities have resulted in the concentration of funds in short-term financial products, leading to short-term concentration. Consequently, market funds have become concentrated in short-term financial products, such as demand deposit accounts and money trusts with less than two year maturities.

[Status of M2 Money Supply]

(Unit: KRW billions, %)

Item	1H 2014	2013	2012	2011
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	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage
M2 money supply	1,756,597.40	100.00	1,835,556.70	100.00	1,932,026.40	100.00	1,999,376.30	100.00
Cash currency	38,673.40	2.20	43,657.40	2.38	52,717.90	2.73	56,888.50	2.85
Demand deposits	101,329.30	6.45	105,034.90	5.72	119,728.60	6.20	128,606.80	6.43
Savings-type demand deposit accounts	292,599.50	18.64	309,086.50	16.84	337,171.40	17.45	346,545.90	17.33
Money Market Funds	43,426.10	2.77	49,120.30	2.68	47,367.60	2.45	50,242.80	2.51
Time & savings deposits with maturities of less than 2 years	855,210.80	54.47	880,368.80	47.96	872,483.10	45.16	880,302.20	44.03

Item	1H 2014		2013		2012		2011	
	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage
Certificates of deposit	28,317.40	1.80	20,912.80	1.14	21,997.70	1.14	20,267.00	1.01
Bills sold	1,545.70	0.10	1,595.20	0.09	1,373.60	0.07	1,318.70	0.07
Cash management accounts	34,440.00	2.19	36,619.80	2.00	38,058.10	1.97	38,996.80	1.95
Beneficiary certificates	150,176.10	9.57	151,003.30	8.23	151,575.30	7.85	151,902.90	7.60
Money trusts with maturities of less than 2 years	94,835.90	6.04	123,616.60	6.73	151,292.00	7.83	169,239.20	8.46
Bills issued	6,771.60	0.43	6,571.70	0.36	5,077.50	0.26	5,550.90	0.28
Trust type securities savings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign currency deposits with maturities of less than 2 years	34,830.10	2.22	40,063.00	2.18	51,149.10	2.65	58,874.60	2.94
Financial bonds with maturities of less than 2 years	60,958.50	3.88	60,173.70	3.28	71,525.30	3.70	80,995.00	4.05
Bonds sold under repurchase agreements	13,483.10	0.86	7,732.60	0.42	10,509.20	0.54	9,644.90	0.48

* Source: Bank of Korea Economic Statistics System

Due to the increasingly short-term nature of the bank funding structure, if the preference for risky assets increases due to the future recovery of the equity and real estate markets, exits from bank funds may increase. In such case, it would be necessary to increase mid- to long-term capital procurement to address higher liquidity risks. Investors should be fully aware of the changing funding strategies of banks based on such changes in the economy, as well as the resulting risk in the fluctuation of funding costs.

[Interest Rates for New Time Deposits]

* Source: Bank of Korea Economic Statistics System

(3) The rate of increase of corporate and household loans has declined due to the recession in the real estate market which is a factor in the instability of the profitability and fund management plans of banks. Credit risk relating to the housing construction industry and the risk of decrease in the collateral value of mortgages are potential risks that threaten the asset quality of banks. Accordingly investors should be aware of changes in loan volume caused by the market conditions of the construction and real estate industries as well as asset quality depending on such loans.

The recession in the housing construction industry is partially due to increased regulations but is also affected by the delayed recovery of the domestic economy and the recession in the real estate market. Also, a factor contributing to such recession was the exceptional business expansion of construction companies with relatively low credit as financing became increasingly accessible through real estate project financing loans. As a result, credit risk in the housing construction industry is expected to continue. While commercial banks possess considerable capacity for loss absorption according to their BIS capital adequacy ratio of 14.96% as of the end of March 2014, their asset quality may deteriorate if the recession in the real estate market continues.

[BIS Capital Adequacy Ratios of Commercial Banks]

(Unit: %)

Item	1Q 2014	2013	2012	2011	2010	2009
BIS capital adequacy ratio	14.96	15.24	14.81	14.27	14.63	14.56
BIS Tier 1 capital adequacy ratio	12.36	12.40	11.28	10.98	11.58	10.98

* Source: FSS Financial Statistics Information System

The growth rate of household loans has continued to be in the 4~6% range, mainly due to mortgage loans, but because of the continuing recession in the real estate market and the government's comprehensive measures for the soft landing of household debt (June 29, 2011) aimed to increase the proportion of amortizing fixed rate installment payment loans, has slowed down after 2012.

After the financial crisis, the growth rate of income (the growth rate of disposable income in 2013 was 2.94%) has slowed, and the growth rate of household debt (the growth rate of household credit in 2013 was 5.97%) has been higher than the growth rate of income. Mortgage loans comprise the largest part of total household lending of banks, maintaining a range of 40~44% of the balance of such lending. As household debt continues to increase, the high proportion of mortgage loans poses potential risk to the loan asset quality of banks following the recession in the real estate market. In addition, the decrease in real estate prices since 2007 caused by the government's various regulations on the real estate market and the recession in the housing market has increased the burden of the household lending sector, and further price decreases may increase the risk of insufficiency of collateral.

[Disposable Income and Household Debt]

(Unit: KRW billions, %)

Item	1Q 2014		2013		2012		2011		2010		2009	
	Average Balance	Change	Average Balance	Change	Average Balance	Change	Average Balance	Change	Average Balance	Change	Average Balance	Change
Disposable Income	Not reported		1,150,875	2.94	1,118,055	3.24	1,082,939	5.31	1,028,321	11.20	924,761	2.68
Household debt	1,024,772	0.33	1,021,358	5.97	963,794	5.20	916,162	8.65	843,190	8.66	775,985	7.25
Household loans	967,554	0.48	962,897	6.29	905,944	5.17	861,388	8.52	793,779	8.10	734,292	7.42
Mortgage loans	422,146	0.96	418,121	3.45	404,183	3.11	392,005	8.05	362,816	7.19	338,475	8.78

* Source: Bank of Korea Economic Statistics System

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In 2009, the ratio of credits that were classified as substandard or below (the NPL Ratio) was 1.17% due to aggressive efforts of banks to reduce non-performing loans. However, in the second half of 2010, due to the sharp increase in the delinquency of real estate project financing loans and loans in the construction, real estate and leasing industries, the NPL Ratio increased to 1.85% by the end of 2010. By the end of 2012, the NPL Ratio decreased to 1.28%, but by the end of 2013 increased back to 1.70% due to the delayed recovery in the real estate market and corporate restructuring in the shipbuilding industry and was 1.69% as of the end of the first quarter of 2014. As such, the delinquency performance of loans in the construction, real estate and leasing industries may cause a risk of deterioration in asset quality. Due to the concerns over the delinquency of corporate loans, profitability may decrease as a result of additional allocation of provisions for credit losses.

[Asset Classification of Commercial Banks]

(Unit: KRW billions, %)

Item	1Q 2014	2013	2012	2011	2010	2009
Total loans	938,279	920,943	899,017	900,066	858,767	842,576
Asset classification						
Substandard	9,099	8,782	6,847	7,159	10,192	6,647
Doubtful	3,570	3,710	2,488	2,547	4,202	1,875
Estimated loss	3,190	3,196	2,145	1,813	1,514	1,309
Substandard and below	15,859	15,688	11,480	11,519	15,907	9,831
Non-performing loans as a percentage of total loans	1.69	1.70	1.28	1.28	1.85	1.17
Provisions for credit losses	17,988	18,004	18,168	17,877	16,512	13,752
Provisions for credit losses as a percentage of total loans	1.92	1.95	2.02	1.99	1.98	1.69
Provisions for credit losses as a percentage of non-performing loans	113.43	114.76	158.26	155.19	107.11	144.55

* Source: FSS Financial Statistics Information System

The domestic real estate market continues to be in recession, while domestic demand continues to be weak due to decreased exports and diminishing consumer confidence. The resulting declines in the growth rates of corporate and household loans pose risks to profitability and fund management plans of banks. In addition, credit risk relating to the housing construction industry is expected to persist, while the collateral value securing housing mortgage loans may decrease due to the recession in the real estate market. Accordingly, investors should be aware of changes in loan volume caused by the market conditions of the construction and real estate industries as well as asset quality depending on such loans.

(4) The net interest margin (NIM) of commercial banks improved slightly after the global financial crisis of 2008 from 2.15% in 2009 to 2.42% in 2011. However, influenced by the decrease in the base rate and other factors, the NIM decreased again to as low as 1.86% in the first quarter of 2014. The momentum for profit growth through the interest rate spread between deposits and loans is expected to slow and banks must search for new methods to generate profits through diversification of their business in an environment where low growth and low interest rate trends persist. If such business diversification efforts are not successful, banks may find it difficult to improve their profitability.

The NIM of commercial banks improved slightly after the global financial crisis of 2008, from 2.15% in 2009 to 2.42% in 2011, due to the rebound in the base rate, preference for low risk assets and increase in the proportion of low-cost deposits such as demand deposits and savings deposits.

[NIM of Commercial Banks]

(Unit: %)

Item	1Q 2014	2013	2012	2011	2010	2009
NIM	1.86	1.94	2.21	2.42	2.43	2.15

* Source: FSS Financial Statistics Information System

However, the NIM began decreasing again due to the decline in the base rate and the intense interest rate competition in the household loan market, and was 1.86% for the first quarter of 2014. Improvement in the NIM is not expected in the near future, considering the continuation of the low interest rate environment and the implementation of the government's Plan to Improve Household Debt Structure.

The momentum for profit growth through the interest rate spread between deposits and loans is expected to slow, and low growth and low interest rate trends currently persist. Banks must not only prepare for such risks but also pursue new profit-making opportunities such as

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expanding Smart financial services and entering the global market. Also, efforts must be made to establish a new model of banking business to adapt to changes in the business environment, such as strengthening of regulations and public policy, in addition to changes in the real economy. Investors should be aware that if such business diversification efforts are not successful, banks may find it difficult to improve their profitability, and should pay attention to such business diversification plans and their results.

(5) The banking industry is sensitive to macroeconomic trends such as private consumption and corporate business trends and is susceptible to changes in the domestic and foreign economies. The current business environment for domestic banks is not favorable due to weakened demand for funds and continuation of low interest rates. Delay in improvement of economic conditions overseas and deterioration of domestic macroeconomic conditions have generally led to weakened growth and asset quality. Since the second half of last year, the real economy of major countries such as the U.S. and China showed some signs of improvement and there are indications that the strong preference for low risk assets in the financial markets may weaken. As market interest rates may change according to domestic and foreign economic conditions, the profitability of banks may decrease unless such changes are appropriately managed.

The banking industry is sensitive to macroeconomic trends, such as private consumption and corporate business trends, and is susceptible to changes in the domestic and foreign economies. The current business environment for domestic banks is not favorable due to weakened demand for funds and continuation of low interest rates. Delay in improvement of economic conditions overseas and deterioration of domestic macroeconomic conditions have generally led to weakened growth and asset quality. In addition, interest income has rapidly decreased from the second half of 2013 due to the decline in interest margins caused by interest rate decreases and the increased supervision of the asset quality of household loans.

[Profitability of Commercial Banks]

(Unit: KRW billions, %)

Item	1Q 2014	2013	2012	2011	2010	2009
Total assets (average balance)		1,239,063	1,246,921	1,212,045	1,193,604	1,214,218
Capital (average balance)		92,577	90,466	89,584	81,936	76,081
Net income after taxes		4,550	6,672	8,371	6,303	4,985
Return on assets (ROA)		0.37	0.54	0.69	0.53	0.41
Return on equity (ROE)		4.91	7.38	9.34	7.69	6.55
Local currency loan-to-deposit interest rate spread	2.22	2.31	2.63	2.91	2.99	2.65
Average interest rate of local currency loans	4.50	4.82	5.71	5.98	6.01	6.18
Local currency loans (average balance)	820,246	800,532	786,063	758,276	732,351	718,985
Interest income	9,108	38,615	44,900	45,354	44,015	44,413
Average interest rate of local currency deposits	2.28	2.51	3.08	3.07	3.02	3.53
Local currency deposits (average balance)	808,294	789,075	775,260	742,937	708,017	654,044
Interest expense	4,538	19,787	23,869	22,792	21,386	23,092

* Source: FSS Financial Statistics Information System

Asset quality indicators which have remained stable through the banks' expansion of assets after the financial crisis may deteriorate if the global economic recession, increase in domestic household debt and increase in default rates of small- and medium-sized enterprises (SMEs) continue to persist. In such case, additional allocation to provisions for credit losses may directly affect profitability.

Rapid changes in the competitive environment due to technological advances and, increasing social pressure on banks to strengthen their social responsibility and contribution to the public interest, may cause fundamental changes to the operating conditions of banks, thereby acting as factors that contribute to slow growth and low profits becoming long-term trends.

Restructuring of distressed industries and large corporations and delayed recovery of the real economy may adversely affect the profitability and asset quality of banks.

Since the first half of 2014, the real economy of major countries, such as the U.S. and China, have shown some signs of improvement, and there are indications that the strong preference for low risk assets in the financial markets may weaken. As a result, the possibility that market interest rates may change according to changes in domestic and foreign economic conditions, independent of the mid- to long-term trend of low interest rates, cannot be excluded, and banks must preemptively anticipate and respond to such changes. Failure to actively and preemptively respond to such changes may weaken profitability. Therefore, investors should note that swift responses to changes in the domestic and international business cycles and economic conditions are necessary in the banking industry.

(6) Due to structural issues in the domestic banking industry, competition among banks and with other financial industries may increase. Investors should note the possibility of industry-wide changes and increased competition for expansion in size through privatization and M&A.

The banking industry requires economies of scale to achieve a certain level of profit due to high fixed costs to maintain branches, requirements for capital adequacy and restrictions on excessively risky assets.

After the 1997 foreign exchange crisis, the domestic banking industry experienced growth through M&A. Banks have grown in size, first with the establishment of the Company in April 2001, then the establishment of Shinhan Financial Group Co., Ltd. in September 2001, the establishment of a new bank resulting from the merger of Kookmin Bank and Housing & Commercial Bank in November 2001, the merger of Peace Bank of Korea and Hanvit Bank in December 2001, the acquisition of Seoul Bank by Hana Bank in November 2002, the acquisition of Chohung Bank as a subsidiary by Shinhan Financial Group Co., Ltd. in July 2003, the acquisition of Hanmi Bank by Citigroup in May 2004 and the acquisition of Korea First Bank by Standard Chartered in April 2005.

Recently, the merger of Korea Development Bank and Korea Finance Corporation has commenced along with the privatization of the Company, Hana Financial Group Inc. has acquired Korea Exchange Bank, and NongHyup Financial Group Inc. was established in March 2012. With the expected increase in M&A between banks in the future, competition with other banks and financial institutions may increase. Investors should note the possibility of industry-wide changes and increased competition for expansion in size through such privatization and M&A transactions.

Non-Surviving Entity: The Company

(1) After consummation of the Merger, the Company, the non-surviving entity, will cease to exist and will no longer operate as a financial holding company within the meaning of the Financial Holding Companies Act. As such, this Securities Registration Statement does not discuss risks specifically relating to the business of the Company. Following the consummation of the Merger, however, the dissolution of the financial holding company which existed for the management of its subsidiaries, may adversely affect managerial efficiency and expertise with respect to the subsidiaries.

Upon consummation of the Merger, the Company, the non-surviving entity, will cease to exist and will no longer operate as a financial holding company within the meaning of the Financial Holding Companies Act. Accordingly, this Securities Registration Statement does not discuss risks specifically relating to the business of the Company. Because a financial holding company that manages the operations of its subsidiaries will no longer exist, however, managerial efficiency and expertise with respect to the subsidiaries may be adversely affected.

After the Merger, the task of managing the operations of the subsidiaries will be transferred from the Company to the Bank. Once such subsidiaries become consolidated subsidiaries of the Bank, the results of operations and competitiveness of the subsidiaries will directly impact the profits and competitiveness of the Bank. As such, any deterioration in the profitability of such subsidiaries may adversely affect the profitability of the Bank.

(2) The results of operations of a financial holding company are directly impacted by the results of operations of its subsidiaries. As such, it is essential that investors understand the businesses of the Company's subsidiaries in order to understand the competitive landscape and results of operations of the Company itself. Today's financial industry is driven by intense competition and pressure for restructuring to achieve economies of scale, and any deterioration in competitiveness at the subsidiary level may adversely affect the competitiveness and results of operations of the holding company. Accordingly, investors are encouraged to consider the business of each subsidiary of the Company that will become a consolidated subsidiary of the Bank upon consummation of the Merger.

The financial status of the Company's subsidiaries is as follows:

[Summary Financial Status of the Company's Subsidiaries]

(Unit: KRW millions, %)

Subsidiary	Assets	Percentage ¹	Liabilities	Equity	Net Income
Woori Bank	252,139,787	97.5	234,051,757	18,088,030	526,730
Woori FIS	258,072	0.1	220,072	38,000	537
Woori Private Equity	90,466	0.0	47,525	42,941	2,214
Woori Finance Research Institute	4,157	0.0	753	3,404	225

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Woori Card	5,307,094	2.1	4,171,316	1,135,778	34,563
Woori Investment Bank	987,350	0.4	850,427	136,923	2,588

* Source: Consolidated financial statements as of June 30, 2014, before elimination of intercompany transactions.

1. Percentage of the Company's total assets (KRW 258,660,716 million) based on the Company's consolidated financial statements.

Commercial Banking (Woori Bank)

Please refer to the risk factors of the Bank discussed above.

Credit Card Business (Woori Card)

(3) Domestic credit card issuers recorded a total net income of KRW 1.7 trillion in 2013, an increase of KRW 0.4 trillion, or 30.02%, compared to 2012, due primarily to a decrease in bad debt expenses in respect of credit card balances and decrease in funding costs as a result of low interest rates. It is expected, however, that the profitability of credit card issuers will be adversely affected by increased usage of debit cards, regulatory pressures to lower merchant fees and increases in bad debt expenses. In particular, profitability will likely decrease throughout 2014 due to incidents of security breaches that caused inappropriate disclosure of sensitive customer information as well as the business suspension of certain credit card issuers. Investors should be aware of such risks.

For the past few years, the credit card industry in Korea has experienced an overall decrease in growth and profitability due mainly to regulatory pressures to reduce merchant fees, heightened requirements for provisioning for credit loss, economic slowdown coupled with the inability of Korean consumers to manage increased household debt resulting in increased bad debt expenses, and increase in marketing expenses caused by intense market competition. In 2013, however, domestic credit card issuers recorded a total net income of KRW 1.7 trillion, an increase of KRW 0.4 trillion, or 30.02%, compared to 2012, primarily as a result of a sharp decrease in provisions for credit losses compared to 2012 and a decrease in funding costs due to sustained low interest rates. In 2012, credit card issuers recognized a significant amount of provisions for credit losses due to heightened requirements for provisioning in respect of revolving cards that allow outstanding balances to be rolled over from month to month for a fee so long as a required minimum percentage is repaid. Net income increased in 2013 as such additional bad debt expenses did not occur and funding costs decreased as a result of sustained low interest rates. In 2014, however, it is expected that the profitability of domestic credit card issuers will generally decline due mainly to recent incidents of security breaches that caused inappropriate disclosure of confidential customer information and the business suspension of certain credit card issuers.

[Profitability of Credit Card Issuers]

(Unit: KRW billions, %)

Item	1Q 2014	2013	2012	2011	2010	2009
Total assets (average balance)	83,386	81,589	78,266	75,908	49,977	43,287
Capital (average balance)	20,793	20,537	18,459	17,730	13,730	11,828
Net income before taxes	18,842	19,558	19,514	18,083	14,307	12,646
Net expenses before taxes	16,582	17,342	17,251	16,231	11,396	10,340
Total expenses	2,724	2,694	2,530	2,482	2,047	1,750
Net Income	1,805	1,702	1,309	1,532	2,722	1,861
Return on assets (ROA)	2.16	2.09	1.67	2.02	5.45	4.30
Return on equity (ROE)	8.68	8.29	7.09	8.64	19.83	15.73
Ratio of total expenses to total assets	3.2	3.30	3.23	3.27	4.10	4.04
Ratio of net income to total expenses	88.01	88.67	88.40	89.76	79.66	81.76

* Source: FSS Financial Statistics Information System

It is expected that increased usage of debit cards, regulatory pressure to reduce merchant fees and increases in bad debt expenses will adversely affect the future profitability of the domestic credit card industry. In addition, credit card issuers will need to effectively manage delinquency ratios given the deterioration in economic indicators resulting from adverse conditions in the global economy and the inability of Korean consumers to manage increased household debt as a result of the continued downturn in the real estate sector. In particular, recent incidents of security breaches at KB Kookmin Card, Lotte Card and NH Nonghyup Card led to inappropriate disclosure of sensitive customer information and have prompted government investigations and demand for enhanced security measures. The profitability of credit card issuers may be adversely impacted as credit card issuers increase their investments in strengthening data security management while credit card usage by

consumers is expected to decline.

(4) Over the past several years, credit card assets have increased by KRW 30.7 trillion, or 87.01%, from KRW 35.3 trillion as of December 31, 2010 to KRW 66.0 trillion as of March 31, 2014, due primarily to a continued increase in card loans. To increase sources of income, credit card issuers have actively engaged in extending card loans, thereby taking increased credit risks. Since the end of 2010, domestic credit card issuers have maintained delinquency ratios as set by the FSS (i.e., overdue by one month or more) within the range of 1.5~1.7% and NPL Ratios within the range of 1.2~1.4%, according to the FSS. However, an interest rate hike in the future may adversely affect the asset quality of credit card issuers that have extended a large amount of credit to debt-ridden households and high-risk borrowers. In addition, an economic slowdown in the future may cause an increase in delinquency ratios and bad debt expenses, resulting in further deterioration in the asset quality of credit card issuers. Investors should be aware of such issues.

[Credit Card Assets of Credit Card Issuers]

(Unit: KRW billions, %)

Item	1Q 2014	2013	2012	2011	2010	2009
Credit card assets	66,009	67,173	62,415	60,455	35,297	27,360
(Provisions for credit losses)	2,118	2,041	1,953	2,007	1,154	1,264
Lump sum credit card sales	17,193	17,462	15,267	14,677	8,433	7,509
Installment credit card sales	17,250	17,826	18,323	17,419	9,416	7,409
Cash advance balance	5,760	5,842	6,017	6,562	3,675	3,294
Card loans	16,313	16,402	13,584	13,299	10,009	6,716
Others	11,630	11,701	11,196	10,535	4,919	3,696

* Source: FSS Financial Statistics Information System

Due to a continued increase in card loans, credit card assets increased by KRW 4.8 trillion, or 7.62%, from KRW 62.4 trillion as of December 31, 2012 to KRW 67.2 trillion as of December 31, 2013. From December 31, 2013 to March 31, 2014, however, credit card assets decreased by KRW 1.2 trillion. By segment, credit card purchases decreased KRW 0.8 trillion, from KRW 35.3 trillion to KRW 34.4 trillion, and card loans decreased by KRW 0.1 trillion, from KRW 16.4 trillion to KRW 16.3 trillion. Cash advance balances have continuously declined from KRW 13.3 trillion as of December 31, 2011 to KRW 5.8 trillion as of March 31, 2014. Although card loans decreased by KRW 0.1 trillion during the first quarter of 2014, credit card issuers are actively providing card loans despite greater credit risk in order to increase sources of income. As such, an interest rate hike in the future may adversely affect the asset quality of credit card issuers that have extended a large amount of credit to debt-ridden households and high-risk borrowers.

[Asset Classification of Credit Card Issuers]

(Unit: KRW billions, %)

Item	1Q 2014	2013	2012	2011	2010	2009
Total loans	77,401	78,640	75,299	73,075	41,584	33,131
Asset classification						
Substandard	34	19	15	12	9	10
Doubtful	601	582	469	440	212	187
Estimated loss	426	384	473	424	328	467
Substandard and below	1,060	985	956	876	549	664
Required provisions for credit losses	5,396	5,377	4,907	4,003	2,412	2,296
Recorded provisions for credit losses	5,305	5,313	5,044	4,379	2,521	2,460
Non-performing loans as a percentage of total loans	1.37	1.25	1.27	1.20	1.32	2.00
Provisions for credit losses as a percentage of required provisions for credit losses	98.31	98.81	102.78	109.40	104.51	107.14
Provisions for credit losses as a percentage of total loans	6.85	6.76	6.70	5.99	6.06	7.43
Provisions for credit losses as a percentage of non-performing loans	500	539	527	500	459	371
Total loans for calculation of delinquency ratio	77,401	78,869	75,299	72,937	52,184	43,856
Balance overdue for under 1 month	317	328	353	367	227	219
Balance overdue for 1~3 months	573	555	546	584	336	293

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Balance overdue for 3~6 months	554	518	387	390	209	206
Balance overdue for over 6 months	172	132	273	175	154	282
Net balance overdue for 1 month or over	1,300	1,205	1,206	1,149	698	781
Delinquency ratio for balances overdue by 30 days or more	1.68	1.53	1.60	1.57	1.34	1.78

* Source: FSS Financial Statistics Information System

The asset quality of domestic credit card issuers has remained relatively stable since 2010. According to the FSS, the delinquency ratio for outstanding balances overdue by 30 days or more declined to 1.34% by the end of 2010 and has since remained within the range of 1.5~1.7%, and the NPL Ratio has remained within the range of 1.2~1.4% since 2010. Asset quality has remained stable due to the continued efforts by credit card issuers to enhance their asset quality through reduction in loan refinancing, increased charge-offs and active credit monitoring of cardholders. In the event of an economic slowdown in the future, however, the asset quality of credit card issuers may deteriorate due to increases in delinquency ratios and bad debt expenses. Investors should be aware of such issues.

Merchant Banking (Woori Investment Bank)

(5) The merchant banking business has been slow since the 1997 foreign exchange crisis, and operating results have not recovered since. The current administration's policy seems to favor the integration of merchant banking into the securities business instead of actively supporting merchant banking as a standalone business, and therefore, significant increase in merchant banking activities seems unlikely. Investors should be aware of such issues.

Merchant banks were established pursuant to the 1975 Merchant Banks Act of Korea to finance Korea's economic development in the 1970s and further develop the domestic financial industry through the introduction of advanced financing techniques. Prior to the 1997 foreign exchange crisis, merchant banks had achieved strong growth and high profitability with strengths in foreign currency leasing and cross-border financing.

Merchant banks struggled in the aftermath of the 1997 foreign exchange crisis that led Korea to receive IMF-led rescue loans, and their results of operations continued to deteriorate due to slow business across all merchant banking segments and business strategies designed to minimize risk. As a result, many merchant banks closed down or were sold. Today, while there are three other financial institutions (Shinhan Bank, Korea Exchange Bank and Meritz Securities Co., Ltd.) that engage in merchant banking on a non-exclusive basis, Woori Investment Bank (previously Kumho Merchant Bank; the name change was approved at the shareholders' meeting held on October 2, 2013) is the only financial institution in Korea that is exclusively dedicated to the merchant banking business. As such, its merchant banking license has no expiry date, but in the event it is merged with another financial institution and expands its business to other areas, its merchant banking license term will be limited to 10 years, after which it will no longer be permitted to engage in merchant banking. As of the date of submission of this Securities Registration Statement, there is no plan for such a merger.

Since the enactment of the FISCMA, which allows financial institutions to engage in multiple financial investment businesses, domestic financial institutions have expanded their business areas to include comprehensive asset management and investment banking services. This trend presents new opportunities for merchant banks as their business encompasses diverse business areas. However, sustained growth of merchant banks may be limited by a number of factors such as the limit on the number of branch offices, lower barriers to entry for non-merchant bank financial institutions and intense market competition. Investors should be aware of such risks.

(6) Merchant banks have experienced decreases in deposits and loans due to intense competition with other financial institutions such as commercial banks and securities firms. For example, deposits relating to bills issued decreased by KRW 206 billion, from KRW 603 billion to KRW 397 billion as of March 31, 2013 and 2014, respectively. During the same period, deposits relating to cash management accounts also decreased by KRW 7 billion to KRW 338 billion. Similarly, bills discounted decreased from KRW 409 billion to KRW 65 billion between March 31, 2010 and March 31, 2014. As the only financial institution in Korea that is exclusively engaged in merchant banking, Woori Investment Bank has experienced deterioration in its business environment as its accumulated deficit since 2010 has resulted in an impairment of capital, which has in turn reduced its shareholders' equity and restricted its operating boundaries. In order to overcome such difficulties, Woori Investment Bank increased its capital by KRW 69.8 billion through the issuance of new shares in June 2014 and is seeking to generate income from new businesses such as investing in non-performing loans and lease financing. Investors should be cautious of the general slump in the business.

Merchant banks have experienced decreases in deposits and loans due to intense competition with other financial institutions such as commercial banks and securities firms. For example, deposits relating to bills issued decreased by KRW 206 billion, from KRW 603 billion to KRW 397 billion as of March 31, 2013 and 2014, respectively. During the same period, deposits relating to cash management accounts also decreased by KRW 7 billion to KRW 338 billion. Similarly, bills discounted decreased from KRW 409 billion to KRW 65 billion between March 31, 2010 and March 31, 2014.

As the only financial institution in Korea that is exclusively engaged in merchant banking, Woori Investment Bank has recorded net losses due to a downturn in the domestic construction industry that resulted in a growing number of defaults on real estate project finance loans since 2010. Accumulated deficits resulted in an impairment of capital, which in turn led to a reduction in operating boundaries and further deterioration in its business environment. While real estate project finance loans and mid- to long-term loans deliver relatively high returns and were traditionally the two primary sources of income, Woori Investment Bank did not pursue such loans due to their high level of risk exposure and the potential adverse impact on its asset quality and exposure limits. In order to overcome such difficulties, Woori Investment Bank increased its capital by KRW 69.8 billion through the issuance of new shares in June 2014 and is seeking to generate income from new businesses such as investing in non-performing loans and lease financing. Rather than focusing solely on the interest rate spread between deposits and loans to increase profits, Woori Investment Bank will need to actively target niche markets and continue to cultivate new sources of income in order to enhance its profitability.

[Major Funding Sources of Merchant Banks]

(Unit: KRW billions, %)

Item	March 2014	March 2013	March 2012	March 2011	March 2010
Short-term financial instruments	735	949	993	1,280	2,410
Bills issued	397	603	637	916	1,813
Cash management account deposits	338	345	356	364	597
Short-term borrowings		14	77	89	182
Borrowings in local currency		14	65	48	76
Borrowings in foreign currencies			12	40	105
Medium-term financing	46	61	59	95	421
Debentures and certificates of deposit	46	61	59	45	337
Medium-term borrowings in local currency				32	40
Medium-term borrowings in foreign currencies				18	45
Capital and reserves	82	39	76	181	382
Others	132	257	175	158	174
Total funding	995	1,320	1,380	1,803	3,569
Cash and deposits	87	200	154	313	691
Short-term loans	65	82	71	84	414

Item	March 2014	March 2013	March 2012	March 2011	March 2010
Corporate bills discounted	65	82	71	84	409
Short-term loans in local currency	5	12	11	14	29
Operating assets of cash management accounts	332	337	342	352	575
Bills discounted	299	284	283	274	471
Securities	33	53	59	78	71
Medium-term loans	169	245	344	412	1,002
Leased assets				2	175
Medium-term loans in local currency	167	244	337	409	826
Medium-term loans in foreign currency	1	1	7	1	
Securities	208	203	342	474	732
Securities in local currency	207	203	342	441	631
Securities in foreign currencies	1	1	1	68	200
Loans overdue and advances		8	2	2	5
Premises and equipment	3	3	4	18	19
Provisions for credit losses	(48)	(73)	(93)	(32)	(32)
Others	174	303	203	166	134
Total managed funds	995	1,320	1,380	1,803	3,569

* Source: FSS Financial Statistics Information System

Financial institutions have been seeking to achieve economies of scale by expanding their business areas through mergers and acquisitions. To keep up with this trend, merchant banks require changes in various aspects to compensate for their limited size and operating network.

Furthermore, the current administration's policy seems to favor integration of merchant banking into the securities business instead of actively supporting merchant banking as a standalone business. In addition, as the merchant banking business is highly susceptible to local economic conditions, conditions in the Korean economy may adversely affect the profitability and growth outlook of Woori Investment Bank. Investors should be aware of such characteristics of the industry.

Common: Financial Industry

(7) Advances in information technology have led to an emphasis on data privacy. Amid growing concerns for the protection of personal data, several recent incidents of security breaches at certain financial institutions that caused inappropriate exposure of sensitive customer information have prompted financial institutions to strengthen data security measures based on internal control procedures. The Company and its subsidiaries, including the Bank, have stepped up their internal control processes with respect to access to customer records as well as security measures for data protection, all in an effort to protect customer data. In the event personal data is compromised, however, the Company and its subsidiaries may be exposed to class action suits that may result in significant liability, increased operational expenses and/or reputational risk, as well as regulatory action or other sanctions, all of which may have a material adverse effect on their businesses, results of operations and financial condition.

Following recent incidents of inappropriate exposure of customer data by certain financial institutions, data privacy has become a material business consideration in the management of financial institutions. According to the financial regulatory authorities, a significant amount of customer information maintained at certain commercial banks was inappropriately released to loan sales agents, and between December 2012 and December 2013, approximately 104 million units of personal data was leaked from three credit card issuers through third-party service providers.

The compromise of customer records and other security breaches may have a material adverse effect on the business, results of operation and financial condition of a financial institution, as such incidents may expose such financial institution to class action suits that may result in significant liability, increased operational expenses relating to customer service and other follow-up measures, potential liability resulting from fraudulent transactions, punitive fines by regulatory authorities, regulatory sanctions against such financial institution and its management, and loss of customer confidence as well as reputational damage. The Company and its subsidiaries, including the Bank, have endeavored to safeguard customer data by stepping up their internal control processes with respect to access to customer records as well as security measures for data protection.

Despite such efforts, however, financial institutions will continue to be subject to potential security breaches that may be caused by employees or third parties or result from hacking or other illegal activities. Any future data breaches may have a material adverse effect on the business, results of operations and financial condition of the relevant financial institutions.

B. Company Risks

Surviving Entity: The Bank

(1) After 2011, NIM declined due to the decrease in the base rate and intense competition in interest rates within the household loan sector. This downward trend continued throughout the first half of 2014 (2011 2.46% to 1H 2014 1.60%). Due to slow economic growth and continuing low interest rates, the momentum for profit growth through the interest rate spread between deposits and loans is expected to slow, and NIM is not expected to significantly improve. Investors should be aware of such risks.

Decline in the demand for funding and the low interest rate environment due to a stagnant economy have both a direct and indirect impact on the profitability of the Bank. In addition, rapid changes in the competitive environment caused by technological advancement and social pressure regarding the social responsibility of banks have changed the basic environment of the banking industry. Such changes may contribute to prolonging low profitability.

The Bank's NIM improved to 2.46 % in 2011 due in large part to the rise of the base rate that had declined after the global financial crisis in 2008, the increase in the proportion of low cost deposits, such as demand deposits and savings deposits, and the preference for low risk assets. However, NIM declined again due to the lower base rate and intense interest rate competition within the household loan market, and such decline persisted in the first half of 2014. Although the government's current policies, such as support for SME and plans to normalize the real estate market, may have a positive impact on the growth and profitability of the Bank, significant improvement in NIM is highly unlikely given the continuing low interest rate environment and the government's policies and regulations such as the Plan to Improve Household Debt Structure.

[Major Profitability Index]

(Unit: %)

Item	1H 2014	2013	2012	2011
NIM	1.60	1.82	2.35	2.46

* Based on K-IFRS separate financial statements

The Bank also faces the risk that the trend of low interest rates and slow growth will persist under the expectation that the momentum for profit growth through the interest rate spread between deposits and loans will weaken. Accordingly, the Bank plans to take strategic action in light of such environment, by strengthening competitiveness through expanding Smart financial services such as mobile digital savings accounts, which should allow the Bank to discover new profit-making opportunities and prepare for the risks caused by changes in the financial environment, and by entering the global market. In addition, the Bank continues to work to improve management efficiency by increasing operational efficiency, expanding the rate of growth by enlarging its client base and securing quality assets, while also aiming to build a base to gain a competitive edge amid intense competition by exemplifying social responsibility through the provision of microfinance support. Investors should be aware that future profitability may change based on the Bank's responsive measures to low profitability.

(2) The Bank's funding is highly dependent on deposits (70.15% of total funding amount as of 1H 2014), and funding costs are decreasing due to continuation of low interest rates. The Bank's funding structure continues to be dominated by deposits. The Bank's proportion of deposits to total funding (68.37% in 2013) exceeded the average for commercial banks (62.95% in 2013). Stability in funding may weaken if preference for risky assets increases due to recovery of the global economy, lowered thresholds of taxation on financial income (KRW 40 million to KRW 20 million) and recovery in the securities market. Investors must be aware of such risks relating to the stability of the Bank's funding.

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The Bank's funding is highly dependent on deposits (70.15% of the total funding amount as of 1H 2014), while funding through financial liabilities, such as borrowings and debentures, has decreased in proportion (8.16%). Despite the low interest rate environment after 2009, the Bank's inflow of deposits has steadily grown due to the increased demand for low-risk products in the banking industry. Funding has been relatively stable with funding through marketable funds, such as the issuance of bank debentures, occurring on a limited basis. In addition, funding costs continue to decrease due to the continuation of low interest rates. Interest costs are expected to decrease further as previously issued bonds with high interest rates are repaid. The Bank's funding structure continues to be dominated by deposits, with the proportion of deposits in 2013 (68.37%) exceeding the average for commercial banks for the same period (62.95%).

[Banking Account Funding Sources]

(Unit: KRW millions, %)

Classification	Funding Source	1H 2014			2013			2012		
		Average Balance	Interest Rate	Proportion	Average Balance	Interest Rate	Proportion	Average Balance	Interest Rate	Proportion
Local currency funds	Deposits received in local currency	154,710,217	2.29	66.85	146,162,283	2.51	65.13	144,457,252	3.05	63.37
	Certificates of deposit	2,968,646	2.77	1.28	2,316,413	2.80	1.03	694,349	3.50	0.31
	Borrowings in local currency	5,410,564	2.36	2.34	4,696,737	2.28	2.09	4,519,907	2.34	1.98
	Call money in local currency	935,959	2.44	0.40	1,207,035	2.56	0.54	1,800,978	3.03	0.79
	Others	15,250,862	3.94	6.59	15,394,073	4.20	6.86	16,872,368	4.80	7.40
	Subtotal	179,276,248	2.44	77.46	169,776,541	2.66	75.65	168,344,854	3.21	73.85
Foreign currency funds	Deposits received in foreign currencies	7,632,590	0.44	3.30	7,280,806	0.49	3.24	7,576,437	0.60	3.32
	Borrowings in foreign currencies	5,834,795	0.61	2.52	7,477,963	0.66	3.33	9,129,113	1.02	4.00
	Call money in foreign currencies	1,175,367	0.60	0.51	449,726	0.77	0.20	428,592	0.66	0.19
	Debentures in foreign currencies	5,522,152	3.66	2.39	5,252,757	4.01	2.34	5,504,170	4.06	2.41
	Others	1,005,251	1.00	0.43	1,231,130	1.47	0.55	1,568,250	1.59	0.69
	Subtotal	21,170,155	1.36	9.15	21,692,382	1.46	9.66	24,206,562	1.61	10.61
Other	Total capital	18,252,746		7.88	18,391,558		8.20	18,617,443		8.17
	Provisions	642,318		0.28	654,036		0.29	732,391		0.32
	Others	12,097,735		5.23	13,908,781		6.20	16,070,315		7.05
	Subtotal	30,992,799		13.39	32,954,375		14.69	35,420,149		15.54
Total		231,439,202	2.01	100.00	224,423,298	2.15	100.00	227,971,565	2.54	100.00

1. Deposits received = deposits received in local currency - checks for deposit - deposit reserves - call loans

* Checks for deposit = total checks - checks for loan repayment - call money

* Interest for the calculation of the interest rate is the sum of the deposit and installment interest and deposit insurance fee

2. Deposits received in foreign currencies = deposits received in foreign currencies + overseas deposits received in foreign currencies

3. Borrowings in foreign currencies = borrowings in foreign currencies + trust funds in foreign currencies + overseas borrowings in foreign currencies

4. Debentures in foreign currencies = debentures in foreign currencies + overseas debentures in foreign currencies

5. Based on K-IFRS separate financial statements

6. Excluding merchant banking accounts

7. Excluding trust accounts

[Major Funding Sources of Commercial Banks]

(Unit: KRW billions, %)

Item	1Q 2014		2013		2012		2011		2010		2009	
	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage	Average Balance	Percentage
Cost funding	993,763	79.58	977,675	79.07	982,380	79.17	946,880	78.64	931,703	78.98	928,947	77.42
Deposits	795,139	63.68	778,393	62.95	767,396	61.83	715,778	59.45	652,097	55.28	568,327	47.37
Deposits in local currency	748,703	59.96	733,727	59.34	722,180	58.19	681,600	56.61	617,819	52.37	528,031	44.01
Deposits in foreign currencies	46,436	3.72	44,666	3.61	45,216	3.64	34,178	2.84	34,278	2.91	40,296	3.36
Marketable funds	198,624	15.91	199,282	16.12	214,984	17.34	231,102	19.19	279,606	23.70	360,620	30.05
Certificates of deposit	12,481	1.00	11,610	0.94	13,632	1.10	23,499	1.95	52,876	4.48	91,867	7.66
Borrowings in local currency	39,729	3.18	38,297	3.10	35,517	2.86	32,521	2.70	32,806	2.78	32,960	2.75
Debentures in local currency	67,122	5.38	67,043	5.42	72,918	5.88	77,941	6.47	100,499	8.52	119,038	9.92
Other funding in local currency	19,503	1.56	19,355	1.57	18,353	1.48	21,273	1.77	18,270	1.55	29,562	2.46
Borrowings in foreign currencies	38,044	3.05	41,653	3.37	53,451	4.31	56,023	4.65	52,421	4.44	65,010	5.42
Debentures in foreign currencies	19,867	1.59	19,446	1.57	19,184	1.55	18,185	1.51	21,140	1.79	20,933	1.74
Other funding in foreign currencies	1,878	0.15	1,878	0.15	1,929	0.16	1,660	0.14	1,594	0.14	1,250	0.10

* Source: FSS Financial Statistics Information System

The demand for low-risk assets, which grew as a result of the financial crisis, may decrease due to expectations that the global economy will recover and lowered thresholds of taxation on financial income (KRW 40 million→KRW 20 million). In addition, if securities markets recover while interest rates remain low, the preference for risky assets may increase, resulting in a shift in funding to non-banking funds and wrap accounts. In such case, there is risk of the Bank's stability of funding and profitability declining in the mid-to-long term. Investors should be cautious about such risks in the stability of funding caused by cyclical changes and changes in investment tendencies.

(3) The Bank's proportion of corporate loans (48.1% for 1H 2014) is higher than that of household loans (31.0% for 1H 2014). The proportion of corporate loans is decreasing (from 52.0% in 2010 to 48.1% for 1H 2014), however, due to corporate distress and decline in credit ratings. The Bank's asset quality is heavily dependent on the real estate market as 40.7% of all loans are real estate mortgage loans, 91.3% of all security is real estate, and 26% of corporate loans are in the real estate, rental and construction industries. Although the real estate market has shown signs of recovery since early 2014, recovery is not certain, and investors should continue to be cautious of a potential decline in the Bank's asset quality due to fluctuations in the real estate market. The Bank's NPL Ratio increased rapidly to 2.99% in 2013 due to the increase in non-performing loans to large corporations, which were mainly concentrated in the construction and shipbuilding industries. Although the ratio improved slightly to 2.70% during the first quarter of 2014 and 2.51% for the first half of 2014, it is still higher than the average for commercial banks (1.69%). Accordingly, the ratio of provisions for credit losses as of the first quarter of 2014 was 84.05% (88.26% for 1H 2014), lower than the average for commercial banks (113.43%). Despite actively managing its asset quality by preemptively establishing reserves and selling off non-performing loans, the Bank's asset quality must continue to be monitored in light of the depressed domestic economy and real estate market, excessive household loans relative to

household income and the weak financial conditions of SMEs. Investors should be aware of such issues.

The Bank's proportion of loans to total assets as of the end of June 2014 (based on separate financial statements) was 75.48%, and other assets consisted of liquid securities (largely government bonds), cash and deposits. As the Bank's strengths lie in corporate finance, the proportion of corporate loans (48.1% for 1H 2014) is higher than that of household loans (31.0% for 1H 2014), yet the proportion of corporate loans decreased from 52.0% in 2010 to 48.1% in the first half of 2014.

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[Classification of Loans by Use of Funds]

(Unit: KRW billions, %)

Classification		1H 2014		2013		2012		2011		2010	
		Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Corporate loans	Working capital loans	50,582	31.6	50,482	32.4	50,360	34.8	50,573	35.1	53,213	37.6
	Equipment loans	26,525	16.5	25,299	16.2	22,165	15.3	22,165	15.4	20,286	14.3
	Household loans	49,713	31.0	50,802	32.6	52,793	36.5	52,793	36.6	53,270	37.7
Public	Working capital and other loans	3,891	2.4	3,897	2.5	1,294	0.9	1,272	0.9	2,208	1.6
	Equipment loans	1,940	1.2	1,810	1.2	1,712	1.2	1,211	0.8	1,019	0.7
Mortgage loans		26,420	16.5	22,341	14.3	14,864	10.3	14,864	10.3	10,571	7.5
Loans to banks		1,166	0.7	1,228	0.8	1,362	0.9	1,362	0.9	883	0.6
Others loans		57	0.0	59	0.0	66	0.0	0	0.0	0	0.0
Total		160,294	100.0	155,918	100.0	144,616	100.0	144,240	100.0	141,400	100.0

* Source: FSS Financial Statistics Information System

1. Balance of loans in local currency based on K-IFRS consolidated financial statements.
2. Amounts before reflecting present value discount.
3. Mortgage loans include mortgage loans of corporate/household/public and other loans, and corporate/household/public and other loans exclude mortgage loans.

Such trend is due to the increase in the proportion of household loans caused by the increase in residential mortgage loans, which have lower loss rates, as well as the decrease in corporate loans caused by a decline in large businesses and low credit ratings of SMEs. As of the end of 2013, both corporate and household loans had decreased, while public loans and other loans significantly increased. During the first half of 2014, household loans decreased, while corporate loans slightly increased.

[Local Currency Loans by Security Type]

(Unit: KRW billions, %)

Classification	1H 2014		2013		2012		2011		2010	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Collateral	70,438	44.6	69,941	45.0	65,496	45.5	63,909	45.5	58,506	43.5
Real estate	64,279	40.7	63,678	41.0	58,924	41.0	57,110	40.7	52,855	39.3
Movable assets	29	0.0	28	0.0	15	0.0	0	0.0	0	0.0

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Securities	279	0.2	295	0.2	605	0.4	813	0.6	900	0.7
Deposits	1,956	1.2	2,107	1.4	2,219	1.5	2,519	1.8	2,258	1.7
Others	3,895	2.5	3,833	2.5	3,732	2.6	3,467	2.5	2,493	1.9
Guarantee	17,368	11.0	16,210	10.4	12,320	8.6	10,779	7.7	9,750	7.3
Credit	70,068	44.4	69,263	44.6	65,985	45.9	65,789	46.8	66,168	49.2
Total	157,874	100.0	155,413	100.0	143,800	100.0	140,477	100.0	134,424	100.0

* Source: FSS Financial Statistics Information System

1. Balance of loans in local currency based on K-IFRS separate financial statements.

As 40.7% of all loans of the Bank are real estate mortgage loans, 91.3% of all security of the Bank is real estate, and 26% of corporate loans of the Bank are in the real estate, rental and construction industries, the real estate market has a significant impact on the Bank's asset quality. While the real estate market began showing signs of recovery early 2014, which is a positive factor towards strengthening the Bank's asset quality, recovery is not certain, and investors should continue to be cautious about the possibility of a decline in the Bank's asset quality due to the recession in the real estate market.

[Composition of Corporate Loans by Industry]

Classification	Manufacturing	Real estate and rental	Wholesale/retail	Construction	Food/lodging	Others
Percentages	35%	19%	14%	7%	4%	21%

* Source: FSS Financial Statistics Information System

1. Numbers are the weighted averages of corporate loans pursuant to the loan ratio for each industry for the past three years.

At the end of 2010, the Bank's NPL Ratio reached a high of 3.34% because of the economic slowdown after the global financial crisis and the resulting increase in non-performing loans. In 2012, through the active restructuring of distressed debt, the Bank's asset quality improved and its NPL Ratio reached 1.66%. However, in 2013, the NPL Ratio increased again to 2.99% due to the rapid increase in non-performing loans made to conglomerates concentrated in the construction and shipbuilding industries. Although the ratio slightly improved to 2.70% during the first quarter of 2014 (2.51% for 1H 2014), it is still higher than the average for commercial banks (1.69%).

Despite increasing provisions, due to the rapid increase in non-performing loans, the ratio of provisions for credit losses (i.e., reserves/non-performing loans), which reflects the capacity to absorb losses, sharply decreased from 146.92% as of the end of 2012 to 82.27% as of the end of 2013. The ratio improved slightly to 84.05% as of the first quarter of 2014 but is still lower than the average for commercial banks (113.43%). As a result, the Bank bears the burden of establishing additional provisions if corporations that are distressed borrowers fail to recover.

[NPL Ratios and Provisions for Credit Losses]

(Unit: %)

Classification	1H 2014	1Q 2014	Bank			
			2013	2012	2011	2010
Non-performing loans as a percentage of total loans	2.51	2.70	2.99	1.66	1.65	3.34
Non-performing loans as a percentage of corporate loans	3.75	4.04	4.53	2.37	2.28	4.97
Non-performing loans as a percentage of household loans	0.65	0.64	0.64	0.57	0.54	0.47
Provisions for credit losses as a percentage of non-performing loans	88.26	84.05	82.27	146.92	143.68	70.07

* Source: Business reports, quarterly reports and half-year reports of the Bank

The Bank's ratio of delinquent loans (i.e., loans in respect of which either principal or interest payments are overdue by one month or more) is at a reasonable level, and household loans and loans to SMEs are relatively well-managed in particular. While the ratio of delinquent corporate loans was maintained at a very low level up until 2011, such ratio increased considerably in 2012 due to refinancing caused by workouts and court receiverships (concentrated in loans to the construction and shipbuilding sectors). Recently, such ratio has decreased slightly but has failed to return to its previous level.

[Delinquency Rates by Type of Loan]

Classification	1H 2014	2013	2012	2011	2010
Total loans	1.13%	1.14%	1.20%	0.82%	0.99%
Corporate loans	1.62%	1.50%	1.72%	1.02%	1.10%
Household loans	0.73%	0.90%	0.70%	0.65%	0.47%
Card loans			1.97%	2.18%	1.72%

1. Credit card business was transferred to Woori Card pursuant to the spin-off of the credit card business segment (spin-off date: April 1, 2013).

2. Based on local currency banking account loans and trust accounts.

Despite actively managing asset quality indexes by preemptively establishing reserves and selling off non-performing loans, the Bank must continue to monitor its asset quality given the weak domestic economy and real estate market, excessive household loans relative to household income and weak financial conditions of SMEs. Investors should be aware of such issues.

(4) The Bank complies with the capital adequacy standards set forth by the financial supervisory authorities (minimum 4.5% Tier 1 common equity ratio, 6% Tier 1 capital ratio and 8% total capital ratio). The Bank has increased capital surplus and preemptively issued subordinated bonds and hybrid bonds in response to such standards despite the global financial crisis and economic recession, and the Bank's capital adequacy has improved with the BIS capital adequacy ratio and Tier 1 capital ratio increasing to 15.5% and 12.7% respectively as of the end of 2013 when Basel III was implemented, compared to 14.7% and 11.4% respectively as of the end of 2012. In addition, as of the end of March 2014, the Bank's BIS capital adequacy ratio of 15.4% and Tier 1 capital ratio of 12.8% were consistent with the averages for commercial banks (BIS capital adequacy ratio of 15.2% and Tier 1 capital ratio of 12.8%). However, investors should be aware that the Bank's capital adequacy may decline in the future due to its lower asset quality relative to other banks.

The Bank complies with the capital adequacy standards set forth by financial supervisory authorities. The current capital adequacy standards, which were adopted in Korea in 2013, are based on Basel III, which was announced in 2010 by the Basel Committee on Banking Supervision of the Bank for International Settlements. Pursuant to such standards, domestic banks must maintain a minimum ratio of Tier 1 common equity capital to risk-weighted assets of 6.0%, Tier 1 capital to risk-weighted assets of 4.5% and Tier 1 and Tier 2 capital to risk-weighted assets of 8.0%.

The Bank's capital based on the Enforcement Detailed Rules on the Supervision of the Banking Business is classified into the following three categories.

- Tier 1 common equity capital: paid-in capital, capital surplus and retained earnings related to owner's common equity and accumulated other comprehensive gains and losses.
- Additional Tier 1 capital: paid-in capital and capital surplus related to hybrid Tier 1 capital instruments that, among other things, qualify as contingent capital and are subordinated to subordinated debt.
- Tier 2 capital: paid-in capital and capital surplus related to Tier 2 capital instruments, allowances for loan losses set aside for loans classified as normal or precautionary (up to certain limits) and certain other subordinated debt.

Risk-weighted assets refer to assets that are weighed based on such risks as market volatility, credit risk of the transaction party and operational risks such as errors and external factors that may occur during internal process management. Banks calculate risk-weighted assets and BIS capital adequacy ratios using the sum of capital in accordance with the Enforcement Detailed Rules on the Supervision of the Banking Business, the minimum regulatory framework of the financial supervisory authorities.

The Bank prepares for potential losses on risk-exposed assets by establishing capital reserves. In addition to the BIS ratio, which is the minimum regulatory standard, the Bank assesses and utilizes capital adequacy under its own internal standards. Capital adequacy assessment compares available capital to economic capital and applies analyses of risky situations and items of additional use of capital. The assessment not only compares unexpected loss and available capital with respect to complying with the regulations of the financial supervisory authorities as well as the internal standards, but also includes analyses of risky scenarios. If the available capital is determined to be insufficient under the internal assessment, the Bank takes appropriate measures to rectify such situation, such as increasing its capital and strengthening its risk management.

The Bank maintains its risk management capacity through its stable profits and preemptive increases of capital. Despite the global economic crisis and economic recession, the Bank has maintained a stable level of capital adequacy by increasing capital surplus and preemptively issuing subordinated bonds and hybrid bonds.

[Debt Securities Recognized as Capital]

(Unit: KRW millions)

Issue Date	5.2.2007	6.20.2008	3.31.2009	4.25.2013	11.13.2013
Issue amount	930,900	255,000	1,000,000	500,000	200,000
Issue purpose	Enhance BIS capital adequacy ratio by increasing Tier 1 capital	Enhance BIS capital adequacy ratio by increasing Tier 1 capital	Enhance BIS capital adequacy ratio by increasing Tier 1 capital	Enhance BIS capital adequacy ratio by increasing Tier 1 capital	Enhance BIS capital adequacy ratio by increasing Tier 1 capital
Issue method	Public offering in Europe/private placement in U.S.	Public offering (underwriting)	Public offering (underwriting)	Public offering (underwriting)	Public offering (underwriting)
Listing status	Registered on Singapore Exchange	Listed	Listed	Listed	Listed
Outstanding balance (face value)	930,900	255,000	499,998	500,000	200,000
Basis for accounting	Recognized as capital with introduction of IFRS, since the Bank may redeem principal	Recognized as capital with introduction of IFRS, since the Bank may redeem principal	Recognized as capital with introduction of IFRS, since the Bank may redeem principal	Recognized as capital with introduction of IFRS, since the Bank may redeem principal	Recognized as capital with introduction of IFRS, since the Bank may

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Issue Date	5.2.2007	6.20.2008	3.31.2009	4.25.2013	11.13.2013
Accumulated unpaid interest	None	None	None	None	None
Maturity and early repayment date	Maturity date: 5.2.2037 * May exercise call option on interest payment dates from 5.2.2017	Maturity date: 6.20.2038 * May exercise call option every 6.20 starting from 2018	Maturity date: 3.31.2039 * May exercise call option from 3.31.2014	Maturity date: 4.25.2043 * May exercise call option on interest payment dates from 4.25.2023	Maturity date: 11.13.2043 * May exercise call option after 11.13.2023
Interest rate	6.208	7.73	6.66	4.40	5.68
Seniority	Subordinate to Tier 2	Subordinate to Tier 2	Subordinate to Tier 2	Subordinate to Tier 2	Subordinate to Tier 2
Other conditions noteworthy to investors	Step-up clause (interest rate changes from 5.2.2017 to three month Libor + 2.044%)	Step-up clause (interest rate changes to government bond 10 years + 2.90% before the call exercise date)	No step-up clause	No step-up clause	No step-up clause
Repayment			Repayment complete		
(as of					
6.30.2014)					

* Source: Business reports of the Bank

As of December 31, 2013 when Basel III was implemented, the Bank's BIS capital adequacy ratio and Tier 1 capital ratio were 15.5% and 12.7%, respectively, which improved from 14.7% and 11.4%, respectively, as of December 31, 2012 due to the decrease in risk-weighted assets and increase in mortgage loans. In addition, as of March 31, 2014, the Bank's BIS capital adequacy ratio of 15.4% and Tier 1 capital ratio of 12.8% were consistent with the averages for commercial banks (BIS capital adequacy ratio of 15.2% and Tier 1 capital ratio of 12.8%). However, investors should be aware that the Bank's capital adequacy may decline in the future due to its lower asset quality relative to other banks.

[BIS Capital Adequacy Ratio Trends]

(Unit: %)

Classification	The Bank					Average of Commercial Banks			
	1H 2014	1Q 2014	2013	2012	2011	1Q 2014	2013	2012	2011
BIS capital adequacy ratio	16.2	15.4	15.5	14.7	13.8	15.2	15.4	14.9	14.3
Tier 1 capital ratio	12.8	12.8	12.7	11.4	10.7	12.8	12.7	11.5	11.1
Tier 1 common equity capital ratio	11.3	11.3	11.1			12.2	12.0		

* Source: FSS Financial Statistics Information System and half-year reports of the Bank

1. BIS capital adequacy ratio = (Capital / risk-weighted assets) x 100
2. Tier 1 capital: Consists of Tier 1 common equity capital and additional Tier 1 capital
3. Tier 1 common equity capital: consists of paid-in capital, capital surplus and retained earnings related to owner's common equity and accumulated other comprehensive gains and losses, etc.
4. Based on K-IFRS consolidated financial statements.

(5) The KDIC is proceeding with the privatization of the Company and its subsidiaries to facilitate the Korean government's objective of privatizing government invested financial institutions. The FSC announced the Privatization Plan on June 26, 2013 through a press release, and the sales of the regional banking subsidiaries and Woori Investment & Securities and other subsidiaries is complete. Currently, the Merger between the Bank and the Company is being conducted in accordance with the Privatization Plan for the Bank announced on June 23, 2014. Please be aware that the Bank's corporate governance structure may change pursuant to the outcome of the sale of the Bank.

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The FSC announced the Privatization Plan on June 26, 2013 through a press release to conduct the privatization of the Company and its subsidiaries, Woori Finance Group (the Group), and facilitate the Korean government's objective of privatizing government-invested financial institutions. The basic plan involves dividing the Group into different structures for separate sales based on market demand (e.g., demand of potential investors by subsidiary), and the Company grouped its fourteen subsidiaries into three groups for the KDIC or the Company to sell off. The spin-off of regional banks (Step 1) and the sale of the brokerage unit subsidiaries (Step 2) have been completed as of date of this Securities Registration Statement.

Classification	Regional Banks	Brokerage Unit	Woori Bank
Subsidiary companies within the Group	Kyongnam Bank	Woori Investment & Securities, Woori Asset Management, Woori Aviva Life Insurance, Woori FG Savings Bank, Woori F&I, Woori Financial	Woori Bank, Woori Card, Woori Private Equity, Woori Investment Bank, Woori FIS, Woori Finance Research Institute
	Kwangju Bank		

<Spin-off of Regional Banks>

The KDIC, the largest shareholder of the Company, announced the sale of its equity interest in Kyongnam Bank and Kwangju Bank on July 15, 2013, and the Company approved the spin-off of the two subsidiaries at the extraordinary general meeting of shareholders on January 28, 2014. Following the spin-off on May 1, 2014, Kyongnam Bank and Kwangju Bank were excluded from the Company's subsidiaries.

<Sale of Brokerage Unit Subsidiaries>

The Company entered into share purchase agreements for the sale of its ownership interest in Woori Financial and Woori Asset Management to KB Financial Group Inc. and Kiwoom Securities Co., Ltd., respectively, on February 24, 2014, and completed the sale of Woori Financial on March 20, 2014.

The Company entered into a share purchase agreement with Daishin Securities Co., Ltd. for the sale of its ownership interest in Woori F&I on April 7, 2014. The Company entered into a share purchase agreement with Nonghyup Financial Group Inc. for the sale of its ownership interest in Woori Investment & Securities, Woori Aviva Life Insurance and Woori FG Savings Bank on April 14, 2014.

The sales of Woori Asset Management was completed on May 2, 2014, Woori F&I on May 7, 2014 and Woori Investment & Securities, Woori Aviva Life Insurance and Woori FG Savings Bank on June 27, 2014.

Disposed Subsidiary	Transaction Party	Transaction Completion Date
Woori Financial	KB Financial Group Inc.	3.20.2014
Woori Asset Management	Kiwoom Securities Co., Ltd	5.2.2014
Woori F&I	Daishin Securities Co., Ltd	5.7.2014
Woori Investment & Securities		
Woori Aviva Life Insurance	Nonghyup Financial Group Inc.	6.27.2014

Woori FG Savings Bank

<Sale of the Bank >

The FSC announced the Privatization Plan for the Bank on June 23, 2014 through a press release. The basic plan is to merge the Bank and the Company and sell all the shares of the Bank owned by the KDIC (56.97%), which will be divided into a portion with management control (30%) and a minority interest portion (26.97%) to be separately bid for simultaneously. The bidding is expected to be conducted as an open bid for the management control portion and as a competitive bid of incomplete quantity for the minority interest portion (i.e., bidders are allocated the number of shares they bid for starting with the highest bid prices). Final bidder selection for the management control portion and final bidder selection and completion of the sale of the minority interest portion are targeted to be completed by 2014, and the sale of the management control portion is targeted to be completed by 2015. The specific schedule is subject to change.

On July 28, 2014, the boards of directors of the Bank and the Company resolved that the Company would merge with and into the Bank based on a merger ratio of 1:1 (date of the Merger: November 1, 2014). The schedule of the Merger is subject to adjustment based on consultation with or approval from relevant governmental authorities, and further details may be found in the Report of Material Event (Merger).

Currently, the Company's subsidiaries, such as Woori Card, Woori Investment Bank, Woori FIS, Woori Private Equity and Woori Finance Research Institute, are expected to become the Bank's subsidiaries upon the Merger and to be sold along with the Bank. Please be aware that the Bank's corporate governance structure may change pursuant to the outcome of the sale of the Bank.

(6) As of the date of submission of this Securities Registration Statement, other than proceedings to extend the statute of limitations relating to loans (479 claims with an aggregate claimed amount of KRW 68.9 billion), there are 314 lawsuits outstanding (aggregate claimed amount: KRW 564.3 billion) of which the Bank is the plaintiff in 66 (aggregate claimed amount: KRW 262.7 billion) and the Bank is the defendant in 248 (aggregate claimed amount: KRW 301.6 billion). The Bank has established relevant provisions of approximately KRW 18.4 billion by estimating the probability of win/loss of each case as well as reasonable costs related thereto. The outcome of the currently pending legal proceedings cannot be predicted and may adversely impact the Bank's business performance and financial statements. Investors should be aware of this issue.

As of the date of submission of this Securities Registration Statement, other than proceedings to extend the statute of limitations relating to loans (479 claims, KRW 68.9 billion), there are 314 lawsuits outstanding (aggregate claimed amount: KRW 564.3 billion), of which the Bank is the plaintiff in 66 (aggregate claimed amount: KRW 262.7 billion) and the defendant in 248 (aggregate claimed amount: KRW 301.6 billion). The Bank has established relevant provisions of approximately KRW 18.4 billion by estimating the probability of win/loss of each case as well as the reasonable costs related thereto. The outcome of the currently pending legal proceedings cannot be predicted and may adversely impact the Bank's business performance and financial statements. Investors should be aware of this issue.

Major legal proceedings are as follows:

(1) Ongoing as of the First Day of the Current Business Year

(A) Lawsuits for Return of the Unjust Profits regarding KIKO Products

1) Case and Progress

Case Number	Date of Filing	Claimed Amount	Plaintiff	Defendant	Progress
2013Da16633 Supreme Court	1.11.2011	KRW 7.4 billion	Dorco	The Bank	In progress at Supreme Court (trial and appellate courts decided for the Bank)

2) Lawsuit Details

Plaintiffs suffering losses under foreign currency derivative products known as KIKO due to the significant depreciation of the Won against the U.S. dollar claimed they should be repaid and that the contracts should be nullified.

3) Impact on Business and Finances

If the court rules against the Bank, the Bank may be required to reimburse a large portion of the amounts claimed by the plaintiffs (losses undetermined in certain cases).

(B) Lawsuit for Return of KW-8 Fund Investments

1) Case and Progress

Case Number	Date of Filing	Claimed Amount	Plaintiff	Defendant	Progress
2011Gahap104227 Seoul Central District Court	10.6.2011	KRW 700 million	Kwangmyong Electric Co., Ltd. and 23 others	The Bank	The other party appealed (trial court decided for the Bank)
2014Gadan538 Chuncheon District Court	2.11.2014	KRW 100 million	Chan-Guk Lee	The Bank	First trial in progress

2) Lawsuit Details

The asset manager of Woori 2 Star KW-8 fund changed the counterparty of the derivatives instruments to Lehman Brothers from BNP Paribas but did not notify such fact to the investors, and the investors suffered significant losses as a result due to the bankruptcy of Lehman Brothers. Investors in the fund claimed damages from the asset manager, trust company and selling company alleging that change in the counterparty is a matter that requires the investors' consent (claim of the Bank's violation of the duty to inform and explain to the investors of the change of transaction party as the selling company).

3) Impact on Business and Finances

If the court rules against the Bank, the Bank may be required to reimburse a large portion of the amounts claimed by the plaintiffs (losses undetermined in certain cases).

(C) Lawsuit for Reimbursement Regarding CIDO Shipping Co., Ltd.

1) Case and Progress

Case Number	Date of Filing	Claimed Amount	Plaintiff	Defendant	Progress
2013Da205198 Seoul High Court	7.7.2011	KRW 45 billion	Republic of Korea	The Bank	In progress at Supreme Court (trial and appellate courts decided for the Bank)

2) Lawsuit Details

The Seocho Tax Office filed a lawsuit against the Bank's domestic head office for the reimbursement of deposits repaid by the Bank's Hong Kong branch to CIDO Shipping Co., Ltd. pursuant to Hong Kong Law, which had been seized by the National Tax Service.

3) Impact on Business and Finances

Losses equivalent to the amount of the reimbursement may be incurred if the court rules against the Bank.

(D) Lawsuit Claiming the Deposit Payment Regarding R&S Network Co., Ltd.

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1) Case and Progress

Case Number	Date of Filing	Claimed Amount	Plaintiff	Defendant	Progress
2013Da95513 Supreme Court	12.15.2010	KRW 7.78 billion	R&S Network Co., Ltd.	The Bank	In progress at Supreme Court (Trial court decided for the Bank, appellate court decided for plaintiff)

2) Lawsuit Details

Payment received for shares was paid out after receiving the company's request for payment, but R&S Network Co., Ltd. filed a lawsuit claiming return of deposit alleging that the payment received for shares was withdrawn without consent.

3) Impact on Business and Finances

Losses equivalent to the amount claimed by the plaintiff may be incurred if the court rules against the Bank.

(E) Lawsuit for Return of Mortgage Registration Expenses

1) Case and Progress

Classification	Number of Lawsuits	Number of Customers	Claimed Amount	Remarks
As of 8.27.2014	29	5,327	KRW 5.4 billion	

* 116 closed (all in favor of the Bank)

2) Lawsuit Details

On January 30, 2008, the Korea Fair Trade Commission instituted certain amendments to standard loan policy conditions for mortgage loan agreements to require banks to be responsible for the payment of mortgage registration expenses when issuing mortgage loans. Subsequently, the Korea Federation of Banks and 16 banks (including the Bank) filed a lawsuit against the Korea Fair Trade Commission to prevent the implementation of such amendments.

In the administrative proceeding, the Supreme Court and the appellate court determined that the previous optional standard loan policy was unfair under a broad interpretation of Article 19(3) of Act on the Regulation of Terms and Conditions and thus institution of amendments to such standard loan policy is lawful and that the previous policy was null and void as an unfair policy in accordance with Article 6 of Act on the Regulation of Terms and Conditions. The plaintiffs claim that (i) the previous policy is unfair and that (ii) the Bank should return the mortgage registration expenses paid by such plaintiffs as the policy is in violation of the Bank's duty of good faith and thus null and void.

3) Impact on Business and Finances

The Bank may be required to return part of the amounts claimed by the plaintiffs as unfair profits if the court decides against the Bank.

(7) Major consolidated subsidiaries of the Bank, other than money trusts and structured entities, include banks in the U.S., Indonesia, Hong Kong, China, Russia, Brazil, etc., Korea BTL Infrastructure Fund, Woori Credit Information Co., Ltd. (Woori Credit Information), etc. Currently, the consolidated subsidiaries account for 4.5% of the Bank's consolidated assets, and foreign banks, Korea BTL Infrastructure Fund and Woori Credit Information account for 2.7%. The impact of major consolidated subsidiaries on the Bank's consolidated financial condition and profits will increase if the proportion of the assets of major consolidated subsidiaries increases with their increased business activity. Consequently, investors should continuously monitor each consolidated subsidiary's business activities.

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- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 100%

- Date of establishment: January 27, 1984

After its establishment as a local entity in January 1984, Woori America Bank has grown to become a community bank with 16 branches in six states (asset volume: approximately USD 1,222 million) through its efforts to expand its business network. Its main customers are local individuals and corporations to whom it provides commercial banking services (e.g., lending, borrowing, foreign exchange). Growth has slowed after the U.S subprime crisis, but recovery, concentrated on quality assets, is progressing in tandem with the strengthening of risk management. Due to operations and services linked to the Bank (e.g., wire transfer, foreign exchange, account establishment), its customer base is steadily increasing.

(Unit: KRW millions, %)

Item	1H 2014	2013	2012	2011
Assets	1,239,947	1,228,163	1,078,995	1,102,653
Asset growth rate	0.96	13.82	(2.15)	(7.87)
Liabilities	1,087,443	1,073,273	948,637	965,740
Capital	152,504	154,890	130,358	136,913
Operating revenues	24,769	48,707	47,805	
Net income (loss)	3,463	27,939	3,253	1,953
Net income growth rate	(38.71)	758.87	66.56	102.78

1. Based on K-IFRS

PT. Bank Woori Indonesia

- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 95.2%

- Date of establishment: June 18, 1992

Indonesia, a market with high growth potential, has a high NIM and potential for long-term growth. An active localization strategy allowed PT. Bank Woori Indonesia to achieve stable growth, and it was selected by Info Bank as the top foreign-owned bank for 18 years in a row from 1996 to 2013. In particular, PT. Bank Woori Indonesia received approval in January 2014 to acquire a 33% share of Saudara Bank, an Indonesian local bank, and plans to complete the merger between it and Saudara Bank by December 2014.

(Unit: KRW millions, %)

Item	1H 2014	2013	2012	2011
Assets	756,571	666,804	662,720	643,915
Asset growth rate	13.46	0.62	2.92	32.07
Liabilities	609,654	526,192	503,895	479,248
Capital	146,917	140,612	158,825	164,667
Operating revenues	54,861	350,165	82,658	
Net income (loss)	9,759	20,896	16,133	17,149
Net income growth rate	(14.12)	29.52	(5.92)	0.81

1. Based on K-IFRS

Woori Global Market Asia Limited

- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 100%

- Date of establishment: October 3, 2006

Woori Global Market Asia Limited is a local corporation established in October 2006 for the operation of investment and financial services. As the wholly-owned subsidiary of the Bank, Woori Global Market Asia Limited has a paid-in capital of USD 100 million as of the end of June 2014, and the number of its total shares issued is 78,000,000, all of which are common shares. The businesses, products and services of Woori

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Global Market Asia Limited include fixed deposits (maturity over three months, over HKD 100,000) and investment and financial operations (e.g., financial business of primary markets, trading of foreign currency denominated securities, project financing, M&A financing, etc.). Woori Global Market Asia Limited holds a license to underwrite bonds abroad and thus has a broad base of experience in underwriting issuances of bonds of domestic and foreign corporations. Woori Global Market Asia Limited should be able to strengthen its role as an investment banking-specialized overseas sales office.

(Unit: KRW millions, %)

Item	1H 2014	2013	2012	2011
Assets	288,016	184,475	181,104	189,541
Asset growth rate	56.13	1.86	(4.45)	3.73
Liabilities	186,894	79,933	130,798	136,536
Capital	101,122	104,542	50,306	53,005
Operating revenues	3,080	7,276	8,100	
Net income (loss)	354	2,291	1,082	(8,776)
Net income growth rate	(83.04)	111.74	112.33	(361.11)

1. Based on K-IFRS

Woori Bank China Ltd.

- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 100%

- Date of establishment: November 12, 2007

In November 2007, Woori Bank China Ltd. became the first Chinese subsidiary to be established by a Korean bank and now has 16 branches. Woori Bank China Ltd. provides not only deposit and loan products, but also online banking, debit cards and international processing of Renminbi, and is becoming active in derivative instrument transactions after acquiring its license to deal in derivative products in April 2010.

(Unit: KRW millions, %)

Item	1H 2014	2013	2012	2011
Assets	3,399,301	3,414,199	3,036,392	2,995,451
Asset growth rate	(0.44)	12.44	1.37	33.87
Liabilities	2,991,067	2,994,515	2,620,385	2,562,582
Capital	408,234	419,684	416,007	432,869
Operating revenues	120,210	247,721	207,135	
Net income (loss)	4,539	10,258	14,838	22,884
Net income growth rate	2.28	(30.87)	(35.16)	60.53

1. Based on K-IFRS

ZAO Woori Bank

- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 100%

- Date of establishment: January 9, 2008

ZAO Woori Bank is a local corporation established in January 2008. From its establishment, it has strived to increase profit with a three-step localization strategy (step one: operate by mainly targeting local offices of Korean companies g step two: secure retail sales base by establishing branches g step three: establish additional branches, expand network in CIS region). ZAO Woori Bank acquired a license for retail sales in May 2011 and secured a basis for active localization with the establishment of a foundation for retail sales through the opening of the Sankt Peterburg branch on August 1, 2011. The deposit business for individual customers started in June 2012. Investment of Korean corporations in the Russian financial market is increasing as the real GDP increased by four percent in 2010 after the 2008 global financial crisis. Such trend is expected to present an opportunity for the growth of ZAO Woori Bank.

(Unit: KRW millions, %)

Item	1H 2014	2013	2012	2011
Assets	211,026	201,035	214,258	350,235
Asset growth rate	4.97	(6.17)	(38.82)	105.99
Liabilities	157,982	146,248	190,941	329,099
Capital	53,044	54,787	23,317	21,136
Operating revenues	6,209	11,722	10,960	

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Net income (loss)	2,003	3,037	2,631	1,590
Net income growth rate	87.02	15.43	65.47	66.32

1. Based on K-IFRS

Woori Brazil Bank

- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 100%

- Date of establishment: September 25, 2012

Korean corporations entering Brazil and their investments in the country are continuously increasing. Woori Brazil Bank started its operations by targeting the expatriate business community and then expanded its client base to local companies. It is also making an effort to increase profits by localization through establishing branches and initiating retail sales to the Korean-Brazilian community. In addition, as a mid-to-long term strategy, Woori Brazil Bank is pursuing localization to raise awareness of the company by establishing branches in areas in which Korean corporations and expatriates are concentrated as well as in areas that offer a solid foundation for sales, and by pursuing various promotion activities such as online advertising. Woori Brazil Bank currently targets corporate clients to engage in comprehensive finance management, from planning to execution of financing as well as borrowing, lending and transacting foreign exchange.

(Unit: KRW millions, %)

Item	1H 2014	2013	2012
Assets	184,349	143,993	22,336
Asset growth rate	28.03	544.67	
Liabilities	148,418	109,940	1,810
Capital	35,931	34,053	20,526
Operating revenues	8,320	7,689	1,321
Net income (loss)	767	(127)	(424)
Net income growth rate	703.94	70.05	

1. Based on K-IFRS

Korea BTL Infrastructure Fund

- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 100%

- Date of establishment: May 19, 2006

Korea BTL Infrastructure Fund manages assets through loans to and equity investment in social infrastructure business entities and distributes to investors every quarter approximately 93% of the management profit excluding management fees (i.e., compensation for fund management).

(Unit: KRW millions, %)

Item	1H 2014	2013	2012	2011
Assets	657,990	651,973	584,144	473,983
Asset growth rate	0.92	11.61	23.44	39.21
Liabilities	260	255	226	187
Capital	657,730	651,718	583,918	473,796
Operating revenues	17,738	33,747	30,756	
Net income (loss)	16,101	30,687	28,122	24,637
Net income growth rate	6.72	9.12	14.15	16.95

1. Based on K-IFRS

Woori Credit Information

- The Bank's equity ownership as of the date of the submission of this Securities Registration Statement: 100%

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- Date of establishment: March 15, 1991

Woori Credit Information, a wholly-owned consolidated subsidiary of the Bank, had capital of KRW 5 billion as of the end of the first half of 2014. The market size of the credit information industry is greatly affected by the volume of insolvencies of financial institutions, and competition within the industry is high. Credit information business operators may increase their competitiveness through retaining outstanding collectors, but if fees paid to collectors increase due to excessive competition within the industry, profits may decrease.

(Unit: KRW millions, %)

Item	1H 2014	2013	2012	2011
Assets	30,820	31,414	30,917	30,148
Asset growth rate	(1.89)	1.61	2.55	2.43
Liabilities	4,804	5,037	4,137	3,811
Capital	26,016	26,377	26,780	26,337
Operating revenues	15,780	35,154	36,624	
Net income (loss)	691	1,912	2,963	3,340
Net income growth rate	(53.72)	(35.47)	(11.29)	(2.48)

1. Based on K-IFRS

Non-Surviving Entity: The Company

(1) The failure of a holding company to effectively manage the businesses of its subsidiaries in an integrated manner and create synergies may have an adverse effect on the business operations and competitiveness of its subsidiaries which may in turn cause deterioration in the overall business environment of such holding company.

As a holding company, the Company may contribute to income generation at the subsidiary level by effectively managing the businesses of its subsidiaries and creating synergies, which may, in turn, generate profit at the holding company level. Accordingly, if the Company fails to effectively coordinate the businesses of its subsidiaries, it may fail to realize the anticipated benefits of the holding company structure. In order to take advantage of the financial holding company structure, the Company has restructured the group management system to enhance managerial transparency. Furthermore, the Company has established various intra-group consultative bodies designed to strengthen cooperation and support within the Group, in order to maximize the structural capabilities and synergies among the Group companies and to establish an effective risk management system.

The failure of the Company to successfully manage its subsidiaries' businesses in an integrated manner and create anticipated synergies may have an adverse effect on the business operations and competitiveness of its subsidiaries, which may, in turn, cause a deterioration in the overall business environment of the Company itself.

Commercial Banking (Woori Bank)

ø Please refer to the risk factors relating to the Bank discussed above.

Credit Card Business (Woori Card)

The following tables set forth certain financial data relating to Woori Card.

(Unit: KRW millions, %)

Classification	1H 2014	2013 ¹
Assets	5,307,094	4,679,202
Asset growth rate	13.4	
Debt	4,171,316	3,575,328
Capital	1,135,778	1,103,874
Operating income	44,097	58,193
Net income (loss)	34,563	47,998

1. From April 1, 2013 to December 31, 2013 pursuant to the spin-off.

2. Growth rate was not specified, as 2013 results are over nine months, and a fair comparison cannot be made between the two period.

[Major Financial Ratios]

(Unit: KRW millions, %)

Classification			1H 2014	2013
Capital adequacy	Adjusted BIS capital ratio	Adjusted owner's equity	1,086,506	1,073,466
		Adjusted total assets	4,630,082	4,233,720

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		Adjusted capital ratio	23.47	25.36
Asset quality	Non-performing loan ratio	Total non-performing loans	67,306	55,380
		Total loans	4,980,216	4,514,284
		Non-performing loan ratio	1.30	1.23
	Delinquent loan ratio	Total delinquent loans	82,960	76,170
		Total loans	4,980,216	4,514,284
		Delinquent loan ratio	1.67	1.69
	Loss-risk weighted non-performing loan ratio	Risk-weighted non-performing loans	39,515	35,019
		Total loans	4,980,216	4,514,284
		Loss-risk-weighted non-performing loan ratio	0.79	0.78
Profitability	Return on assets	Adjusted net income	42,451	40,507
		Adjusted average balance of total assets	4,668,965	3,444,288
		Return on assets	0.91	1.18
Return on equity		Adjusted net income	42,451	40,507
		Owner's equity	571,400	569,399
		Return on equity	7.43	7.11
Liquidity	Liquidity ratio	Liquid assets in local currency	3,965,810	3,679,478
		Liquid liabilities in local currency	1,381,244	1,021,351
		Liquidity ratio	287.12	360.25

1. Based on the business reporting standards of the FSS.
2. Non-performing loans are the sum of substandard, doubtful and estimated loss loans.
3. Delinquent loans are the sum of loans which are overdue by one month or more.
4. Loss-risk-weighted non-performing loans = Sum of 20% of substandard loans, 75% of doubtful loans (60% credit card assets) and 100% of estimated loss loans.
5. Adjusted net income = Net income - Amount transferred to reserves for credit losses - Assessed gain(loss) on loans + Increased depreciation cost from reevaluation of premises and equipment held for rental purposes
6. Adjusted average balance of total assets = Average balance of total assets - Balance of reserves for credit losses - Accumulated unrealized evaluated gain(loss) on loans - Revaluation surplus of premises and equipment held for rental purposes
7. Annualized for return on asset and return on equity.

Woori Card became a wholly-owned subsidiary of the Company on April 1, 2013 as a result of the spin-off of the credit card business of the Bank.

(2) Because credit card issuers do not take deposits, their funding structure is relatively unstable compared to that of commercial banks, insurance companies or other financial institutions that maintain deposit accounts. Although Woori Card has managed to finance its operations based on the credit rating of and potential support from the Group, privatization of the Bank and resulting changes in the governance structure of the Group may result in a downgrade in Woori Card's credit rating and a deterioration in its liquidity position. Investors should note such issues.

Because credit card issuers do not take deposits, their funding structure is relatively unstable compared to that of commercial banks, insurance companies or other financial institutions that maintain deposit accounts. Woori Card has consistently managed to finance its operations based on the credit rating of and potential support from the Group.

While Woori Card has successfully secured funding in its capacity as a subsidiary of the Company, depending on the outcome of the privatization of the Bank, Woori Card may experience a downgrade in its credit rating and a deterioration in its liquidity position.

Woori Card seeks to maintain a stable funding structure by focusing on long-term financing, diversifying funding sources and establishing credit lines to financial institutions. Conditions in the domestic and overseas economies and capital markets, regulatory changes and fluctuations in the credit ratings of Woori Card may adversely affect actual funding, and a potential increase in market interest rates may lead to a sharp increase in funding costs and adversely affect its liquidity position.

[Funding Status]

(Unit: KRW millions)

Classification			1H 2014		Interest Rate	2013		Interest Rate		
			Average Balance Amount	Proportion		Average Balance Amount	Proportion			
Funding sources	Local currency	Call money	13,093	0.25	2.56	11,100	0.2	2.04		
		Borrowings	980,304	18.87	2.86	982,918	20.1	2.14		
		Debentures	2,451,398	47.18	3.35	2,232,971	45.7	3.19		
		Others	537,314	10.34		583,881	12.0			
		Subtotal	3,982,109	76.65	2.77	3,810,870	78.0	2.43		
	Foreign currencies	Loans in foreign currencies	Total capital	1,213,277	23.35		1,076,048	22.0		
			Others							
			Funding total	5,195,386	100.00	2.13	4,886,918	100.0	1.89	
			Local currency	Cash & deposits	24,957	0.48	0.51	192,545	3.9	0.11
				Call loans				1,055	0.0	2.50
Use of funds	Local currency	Securities	359,807	6.93	2.53	266,189	5.5	3.83		
		Loans	4,558,068	87.73	19.41	4,186,819	85.7	21.78		
		Subtotal	4,942,832	95.14	18.09	4,646,608	95.1	21.11		
		Others	Premises and equipment and intangible assets	16,359	0.31		12,219	0.2		
			Other assets	236,195	4.55		228,091	4.7		
		Subtotal	252,554	4.86		240,310	4.9			
	Use of Funds total		5,195,386	100.00	17.21	4,886,918	100.0	18.87		

* Source: Woori Card 2014 half year report

(3) Following its spin-off from the Bank in 2013, Woori Card has maintained the level of profitability it had prior to the spin off and has increased its market share from 6.8% in 2012 to 7.5% in 2013 and 8.2% as of June 30, 2014. Depending on the outcome of the privatization of the Bank, however, the business and results of operations of Woori Card may be adversely affected. Investors should be aware of such issues.

Woori Card derives operating income from its credit card assets. Woori Card's operating income increased from KRW 468.5 billion for the first nine months of 2012 (as the former credit card business of the Bank) to KRW 841.7 billion for the first nine months of 2013. On the other hand, increased expenses arising from the spin-off, such as those incurred by the operation of a separate information technology infrastructure and personnel and increased marketing expenses will likely have an adverse effect on its profitability. Such adverse effect may be limited, however, if Woori Card can successfully minimize costs on new investments by utilizing the credit card business it inherited from the Bank and building on the relatively higher profitability it had compared to other credit card issuers prior to the spin-off.

[Operating Income]

(Unit: KRW millions)

Item	1H 2014	2013
Credit purchase income	392,812	596,890
Cash advance income	51,379	82,624
Card loan income	55,866	56,364
Revolving card-related income	19,188	30,522
Annual fee income	13,572	12,363

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Other credit card income	17,941	50,094
Other income	15,658	12,895
Total	566,417	841,752

1. Due to Woori Card's spin-off, operating income for 2013 reflects the results for the nine months from April 1, 2013 to December 31, 2013. In terms of market share as measured by credit card and debit card use, Woori Card trails behind the market leaders, such as Shinhan Card and Samsung Card, by a considerable margin, but Woori Card's market share has progressively increased since 2012 and has reached 8.2% as of June 30, 2014. Depending on the outcome of the privatization of the Bank, however, the business prospects and market share of Woori Card may be adversely affected.

[Market Share]

(Unit: KRW 100 millions, %)

Company	1Q 2014		2013		2012		2011	
	Total Volume	Market Share	Total Volume	Market Share	Total Volume	Market Share	Total Volume	Market Share
Woori Card	127,611	8.2	472,742	7.5	452,236	6.8	408,469	6.7
Shinhan Card Co., Ltd.	323,852	20.7	1,299,691	20.6	1,325,241	20.1	1,337,446	21.8
Samsung Card Co., Ltd.	190,319	12.2	768,460	12.2	847,619	12.8	734,139	12.0
Hyundai Card Co., Ltd.	171,184	10.9	706,120	11.2	771,018	11.7	713,581	11.6
KB Kookmin Card Co., Ltd.	218,810	14.0	919,679	14.6	913,685	13.8	731,713	11.9
Lotte Card Co., Ltd.	100,217	6.4	435,496	6.9	513,870	7.8	477,866	7.8
Others	433,287	27.7	1,708,012	27.1	1,781,695	27.0	1,734,773	28.3
Total	1,565,280	100.0	6,310,200	100.0	6,605,364	100.0	6,137,987	100.0

* Source: Woori Card's 2014 half year report

1. Based on the FSS Financial Statistics Information System's credit card transaction volume (including purchasing card transactions and refinanced loans) and check card transaction volumes. Credit card transaction volumes after 2013 do not include purchasing card transactions.
2. Reflects transactions after the spin-off of KB Kookmin Card on March 2, 2011 (industry total includes transactions prior to the spin-off).

Merchant Banking (Woori Investment Bank)

The following table sets forth certain financial data of Woori Investment Bank.

(Unit: KRW millions, %)

Item	1H 2014	1Q 2014	1Q 2013	1Q 2012
Assets	987,350	862,744	1,158,365	1,434,025
Change	14.4	(25.5)	(19.2)	(12.9)
Liabilities	850,427	791,640	1,134,759	1,375,569
Equity	136,923	71,104	23,606	58,456
Capital stock	237,102	167,258	89,951	89,951
Operating income	25,928	112,869	207,985	299,540
Net income	443	(86,409)	(33,553)	(74,249)
Change	(101.6)	(157.5)	54.8	(877.3)

* Source: K-IFRS consolidated financial statements

Woori Investment Bank became a subsidiary of the Company on June 21, 2013 (initial acquisition cost of KRW 69,648 million and equity ownership of 41.6%). Following an additional issuance of stock by Woori Investment Bank in June 2014, the Company owns 58.15% of Woori Investment Bank as of the date of submission of this Securities Registration Statement.

[BIS Capital Adequacy Ratio]

(Unit: KRW millions, %)

Item	1H 2014	2013	2012
Capital (A)	124,924	57,052	26,510

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Risk-weighted assets (B)	588,882	450,994	457,753
BIS capital adequacy ratio (A/B)	21.21	12.65	5.79

* Source: K-IFRS consolidated financial statements

Following an increase of capital through additional issuances of stock in June 2013 and June 2014, Woori Investment Bank recorded a BIS capital adequacy ratio of 12.65% and 21.21% as of December 31, 2013 and June 30, 2014, respectively.

(4) Woori Investment Bank's independent auditors have expressed doubts about the company's ability to continue as a going concern. To address such concerns and to normalize its business operations Woori Investment Bank issued additional stock of KRW 69.8 billion in June 2014 with a view to increase its capital as well as its operating limits. Continuation of the incurrence of net loss and deterioration of its financial condition, however, may raise greater doubts about the company's ability to continue as a going concern. In addition Woori Investment Bank recorded a capital impairment ratio of 42.70% on a consolidated basis as of June 30, 2014 and accordingly was not subject to designation as an issuer subject to monitoring under the KRX KOSPI Market Listing Regulations. In the event its business performance does not improve, however, its capital impairment ratio may increase to 50% or above, in which case the company may be designated as an issuer subject to monitoring. Investors should note such issues.

Woori Investment Bank was established in 1974 as Kwangju Investment Finance Co., Ltd. and was engaged primarily in short-term financing until its conversion into a merchant bank in 1994, when it expanded its area of business to international financing services, leasing services, securities services, etc. Korea's merchant banking sector started with six merchant banks, and by 1996, the sector became a key player in the non-banking financial sector as the number of merchant banks increased to 30, including investment financing companies that had undergone business conversions to merchant banking. In the aftermath of the 1997 financial crisis, however, the merchant banking sector underwent severe restructuring as many of the merchant banks were forced to close or merge with other financial institutions. Today, Woori Investment Bank is the sole remaining financial institution that is exclusively dedicated to merchant banking, and three other financial institutions (Shinhan Bank, Korea Exchange Bank and Meritz Securities Co., Ltd.) also engage in the merchant banking business on a non-exclusive basis.

Woori Investment Bank's profitability began to decline as a recession in the domestic construction industry caused real estate project finance borrowers to default on their loans, and the company started incurring net losses in 2010. As its capital became impaired, its investment limits were reduced which made it difficult to continue normal business operations, resulting in an accumulated deficit and a continued decrease in its capital.

[Capital Impairment of Woori Investment Bank (on a Consolidated Basis)]

(Unit: KRW millions, %)

Item	March 2011	March 2012	March 2013	March 2014	June 2014
Equity ownership of controlled entity (A)	108,959	49,917	14,199	66,764	135,855
Capital stock (B)	89,951	89,951	89,951	167,258	237,102
Impaired capital ratio (1-A/B)	N/A	44.44	84.21	60.08	42.70

1. Financial information for March 2011 is based on K-GAAP financial statements, and financial information for subsequent periods is based on K-IFRS consolidated financial statements.
2. Impaired capital ratio was greater than 50% at 84.21% in March 2013, but Woori Investment Bank was not designated as an issuer subject to monitoring due to its reduction of capital at the ratio of 3.3:1 in April 2013.

Woori Investment Bank became a subsidiary of the Company as a result of a stock issuance in June 2013. At the time of the stock issuance, it was expected that Woori Investment Bank would turn around its business operations and financial condition with the increased capital. Due to the heightened risk management standards of the Company, however, Woori Investment Bank as a subsidiary of the Company was only allowed to invest in companies with higher credit ratings, which offered lower investment returns. Investment returns accounted for 51.0% of the total income of Woori Investment Bank (on a separate basis as of June 30, 2014), and as such, a decrease in such amounts had a material adverse effect on the company's results of operations. To achieve better returns would require an increase in aggregate investment size, but investment limits were reduced due to net loss resulting from decreases in investment returns and other income. Furthermore, as weak conditions in the local property market caused issues relating to project finance loans, including decline in the value of the collateral securing such loans, Woori Investment Bank incurred a large amount of bad debt expenses in 2013. As a result, the company's accumulated deficit increased and the company recognized an impaired capital ratio of 60.08% on a consolidated basis as of March 31, 2014. Such ratio decreased to 42.70% as of June 30, 2014 after Woori Investment Bank increased its capital in June 2014 in order to curb its impaired capital ratio and raise its investment limits.

The independent auditors of Woori Investment Bank expressed doubts about the company's ability to continue as a going concern in an explanatory paragraph in their audit opinion for the financial statements of the company as of and for the year ended March 31, 2013. Since then, the auditors have expressed the same doubts regarding the going concern ability in every quarterly review report as well as the audit report for the financial statements as of and for the year ended March 31, 2014, because they have determined that, given that the company has been suffering net losses and an impairment of capital as a result of the amount of total equity falling short of capital stock, there is substantial doubt

regarding Woori Investment Bank's ability to survive as a going concern.

(Unit: KRW millions)

Item	June 2014	March 2014	December 2013	September 2013	June 2013
Net income	443	(86,409)	(88,428)	(62,977)	(27,322)
Total equity	136,923	71,104	68,619	91,392	137,085
Capital stock	237,102	167,258	167,258	167,258	167,258

1. Based on consolidated financial statements

(Audit Report on Consolidated Financial Statements as of March 31, 2014)

[Independent Auditor's Audit Report]

We have audited the accompanying consolidated financial statements of Woori Investment Bank (f/k/a Kumho Investment Bank) and its subsidiaries. The financial statements consist of the consolidated statements of financial position as of March 31, 2014 and March 31, 2013, respectively, and the related consolidated statements of comprehensive income, changes in equity and cash flows. Our responsibility is to express an opinion on these consolidated financial statements based on our audits of such consolidated financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the Republic of Korea. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Woori Investment Bank (f/k/a Kumho Investment Bank) and its subsidiaries as of March 31, 2014 and March 31, 2013, respectively, and the results of its operations and its cash flows for the years ended March 31, 2014 and 2013, respectively, in conformity with Korean International Financial Reporting Standards (K-IFRS).

The following have no effect on our audit opinion but may assist the readers in their reasonable decision-making process.

(1) Changes in accounting policies

As set forth in Note 2, the enactment of K-IFRS 1019 *Employee Benefits* was applied retrospectively, and the comparative consolidated financial statements were restated.

(2) Uncertainty relating to going concern assumption

As set forth in Note 44, the Group's net loss was KRW 33,693 million as of the year ended as of March 31, 2013 and KRW 86,409 million as of the year ended as of March 31, 2013, total equity was KRW 71,104 million as of March 31, 2014, falling short of the amount of capital stock of KRW 167,258 million. This indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

44. Going concern assumption

The consolidated financial statements have been prepared on the going concern basis and assume that the Group will continue to realize assets and discharge liabilities in the normal course of business. However, the Group's net loss was KRW 33,693 million as of the reporting period ended as of March 31, 2013 and KRW 86,409 million as of the reporting period ended as of March 31, 2013, total capital stock was KRW 71,104 million as of March 31, 2014, falling short of the amount of capital stock of KRW 167,258 million. Accordingly, there exists a material

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uncertainty which may cast significant doubt on the Group's ability to continue as a going concern as the Group's ability to continue as a going concern is dependent on the success of a financial and management improvement plan to achieve stable operating profits. The Group is currently considering various plans to achieve stable operating profits.

(1) Normalization Plan

The Group is currently working on an expansion of capital planned for June 2014 as set forth in Note 45(1) and plans to achieve stable operating profits through the improvement of operations after the expansion of capital. In addition, risk management will be strengthened in general to decrease non-performing loans.

45. Activities after reporting period

(1) Capital increase

Through a resolution of the board of directors on April 7, 2014, the Group decided to conduct a capital increase by public offering with preferential allotment to existing shareholders for the purpose of the expansion of capital for business normalization, the details of which are as follows:

Classification	Content
Maximum number of new shares to be issued	200,000,000
Issue price per share	KRW 500
Tentative maximum offering	KRW 100,000,000,000
Record date for new share allotment	May 13, 2014
Delivery date of new shares	June 25, 2014

The subscription for the capital increase by public offering with preferential allotment to existing shareholders was concluded on June 13, 2014, and the results of the subscription were as follows:

Classification	Content
Number of offered shares	139,687,391
Number of shares subscribed by employee stock ownership association	40,000
Number of shares subscribed by existing shareholders	84,489,391
Total of shares subscribed by employee stock ownership association and existing shareholders	84,529,391 (42.26% of total subscribed shares)
Number of shares subject to public offering	115,470,609
Number of subscribed shares in public offering	55,158,000 (public offering subscription rate 47.77%)

(2) Impairment of capital in excess of 50/100

On May 14, 2014, the Group publicly announced that 60.1% of its capital stock was impaired as of March 31, 2014 in accordance with the public announcement for the occurrence of impairment of capital stock of 50% or more or sales of less than KRW 5 billion, and in the event it fails to submit evidence of resolution of the impairment of capital stock of 50% or more by the date of submission of the 2014 business report, it may be designated an issuer subject to monitoring pursuant to Article 47 of the KRX KOSPI Market Listing Regulations.

* Impairment of less than 50% of capital stock was confirmed pursuant to Article 47 of the KRX KOSPI Market Listing Regulations, and the company was not designated an issuer subject to monitoring.

Pursuant to the FISCMA, the Enforcement Decree of the FISCMA and the Regulations on Financial Investment Business, merchant banks are subject to investment limits and monthly and quarterly monitoring and supervision. Woori Investment Bank is subject to certain investment limits that are linked to its net losses and reduced capital. The company issued additional stock in June 2014 to increase its capital and investment limits to facilitate its business operations. If the company fails to achieve the anticipated results of the capital increase and continues to incur net losses, its financial condition may further deteriorate which may raise greater doubts about the company's ability to continue as a going concern. Such deterioration may also reduce its investment limits further, which may have an adverse effect on its results of operations. If its capital impairment ratio rises to 50% or more, Woori Investment Bank may be designated as an issuer subject to monitoring under the KRX KOSPI Market Listing Regulations. It is recommended that investors continuously monitor the company's capital impairment ratio according to its results of operations and be aware of the possibility of Woori Investment Bank's designation as an issuer subject to monitoring.

Major Laws and Regulations	Main Content
FISCMA	<ol style="list-style-type: none"> 1. Limit on bond issuance amount: up to 10 times the capital stock 2. Limit on credit offering to related persons: within 15% of the capital stock 3. Limit on large credit extensions: up to five times the capital stock
Enforcement Decree of the FISCMA, Regulations on Financial Investment Business	<ol style="list-style-type: none"> 4. Limit on investment in securities: within 100% of the capital stock 5. Limit on investment in real estate for business purposes: within 100% of the capital stock 6. Balance of reserved assets for payment: 5% of bills issued, CMA trust money, endorsement notes (average balance) 7. Limit of shares for major shareholders and specially related persons: within 5% of the capital stock 8. Required support for SMEs: over 25% of corporate promissory notes, factoring financing, promissory note guarantees and mid- to long term loans 9. Limit on credit offering to the same person: within 20% of the capital stock

(5) Woori Investment Bank recorded a net decrease in cash flows between April 1, 2012 and March 31, 2014. The company recorded a decrease in cash provided by operating activities and a continued inflow of cash provided by investing activities. Despite the KRW 140 billion increase in capital as a result of the issuance of additional stock in June 2013, the company recorded a net decrease in cash flows of KRW 23,515 million as of March 31, 2014 due primarily to cash used in operating activities of KRW 138,199 million. On a net basis, the company recorded cash inflow of KRW 4,864 million as of June 30, 2014, but without the effect of the KRW 69.8 billion capital increase, it would have incurred cash outflows from operating investing and financing activities. It is not highly likely that cash flows from operating activities will improve in the near future, and if the company fails to achieve targeted results in improving its operations, it may experience a deterioration in operating cash flows in the long term. It is recommended that investors monitor not only the fluctuations in net cash positions but also the cash flows due to operating investing and financing activities and the factors driving such changes in cash flows.

Woori Investment Bank recorded a net decrease in cash flows between April 1, 2012 and March 31, 2013 primarily due to a deterioration in its ability to generate cash flow from operating activities, which was partially offset by cash provided by investing and financing activities.

[Cash Flow Trends of Woori Investment Bank]

(Unit: KRW millions)

Item	June 2014	March 2014	March 2013	March 2012
Cash flows from operating activities	(74,310)	(138,199)	(61,129)	36,012
Cash flows from investing activities	9,768	3,592	62,355	63,911
Cash flows from financing activities	69,355	110,985	(72,200)	(62,908)
Effects of exchange rate variation	52	107	(65)	152
Variation of net cash flow	4,864	(23,515)	(71,039)	37,167

* Based on K-IFRS separate financial statements

Woori Investment Bank recorded a decrease in cash flow provided by operating activities and a continued inflow of cash from investing activities. The company recorded cash inflow from investing activities because the sales price of available-for-sale financial assets exceeded their acquisition cost, which indicates that the company's investing activities have decreased. The company recorded cash used in financing activities due to repayment of outstanding debt, which occurred not because of improvement in financial position but because the slowdown in its business activity reduced the need for additional financing. Excluding the effect of the issuances of capital stock in the amounts of KRW 140 billion and KRW 69.8 billion in June 2013 and June 2014, respectively, which resulted in cash inflow from financing activities, the company would have recorded net cash used in financing activities in 2013 and the first fiscal quarter of 2014. In sum, Woori Investment Bank has

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recorded net cash used in operating activities resulting from a business slowdown, net cash used in financing activities as a result of reduced funding need and repayment of debt, and net cash provided by investing activities as a result of a decrease in investing activities.

Despite the issuance of capital stock in the amount of KRW 140 billion in June 2013, the company recorded a net cash flow decrease primarily due to the amount of net cash outflows from operating activities. Such decrease in net cash flows was attributable to an increase in net current loss and also because a decrease in liabilities, such as deposits and other financial liabilities, resulted in cash outflows in excess of the cash inflows that resulted from a decrease in assets, such as receivables and other financial assets. Such decrease in liabilities attributable to operating activities was mainly because Woori Investment Bank reduced the size of its deposits and loans as a matter of policy considering its investment limits.

The company recorded net cash inflow as of June 30, 2014, but without the effect of the KRW 69.8 billion capital increase, it would have incurred cash outflows from operating, investing and financing activities. It is not highly likely that cash flows from operating activities will improve in the near future, and if the company fails to achieve targeted results in improving its operations, it may experience a deterioration in operating cash flows in the long term. It is recommended that investors monitor not only the fluctuations in net cash positions but also the cash flows due to operating, investing and financing activities and the factors driving any changes in cash flows.

€ Other Subsidiaries

The following summaries highlight the business areas and results of operations of other subsidiaries of the Company.

<Woori FIS>

- Business Overview

Woori FIS provides outsourced information technology (IT) services, such as IT outsourcing (ITO), consulting and business process outsourcing services to the banking, credit card, merchant banking and other companies of the Group. In addition, it engages in active marketing to provide services to financial institutions and government organizations outside of the Group and also provides services to the overseas arms of Group companies including those located in the United States, Indonesia, China and Russia.

Woori FIS offers high-quality service and customer satisfaction by continuously managing its service standards through an advanced contract structure and service level agreements. Building on such capabilities, Woori FIS endeavors to provide cutting-edge IT services and to secure international competitiveness in line with the Group's business strategy of providing comprehensive financial services.

- Business Areas

Woori FIS maintains a total IT outsourcing system for the financial sector that includes application outsourcing services and infrastructure-related outsourcing services, which gives Woori FIS an ITO service line capable of providing both total outsourcing and by-segment outsourcing services.

Practices	ITO Solutions & Services	Service Lines	Infra Solution
	Application Outsourcing Service (AMS)		Outsourcing Management Service
	Infrastructure Outsourcing Service		ITSM Consulting & Establishment Service
ITO	Network Outsourcing Service		BCP (Business Continuity Planning) / DR (Disaster Recovery)
	Host Service		Data Center Establishment Service
	Desktop/Printing Outsourcing Service		Consolidated Maintenance Service

- Results of Operations and Financial Condition

(Unit: KRW millions)

Item	1H 2014	2013	2012	2011
Assets	258,072	332,223	334,878	264,215

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Liabilities	220,072	294,588	293,612	238,393
Equity	38,000	37,635	41,266	25,822
Operating revenues	159,572	311,660	308,325	284,357
Net income (loss)	537	(2,054)	(4,458)	(3,480)

Woori FIS recorded total revenue of KRW 159.5 billion in the first half of 2014. By customer, its revenues from the Company, the Bank, Kyongnam Bank, Kwangju Bank, Woori Card, Woori Investment & Securities, Woori Aviva Life Insurance, Woori FG Savings Bank and others were KRW 1.8 billion, KRW 114.6 billion, KRW 15.2 billion, KRW 10.0 billion, KRW 11.6 billion, KRW 3.3 billion, KRW 1.0 billion, KRW 0.4 billion and KRW 1.6 billion, respectively. Once the sale of the Company's subsidiaries is complete, however, it is expected that revenues from Kyongnam Bank, Kwangju Bank, Woori Investment & Securities, Woori Aviva Life Insurance and Woori FG Savings Bank will decrease. Investors should be aware of such issues.

<Woori Private Equity>

- Business Overview

Woori Private Equity seeks to maximize financial returns to its investors by focusing on long-term investments based on its experience and know-how. Its assets under management as measured by the cumulative amount of committed capital was KRW 1,011.3 billion as of June 30, 2014.

- Results of Operations and Financial Condition

(Unit: KRW millions)

Item	1H 2014	2013	2012	2011
Assets	90,466	89,945	1,559,318	1,575,969
Liabilities	47,525	49,135	1,503,445	1,505,636
Equity	42,941	40,810	55,873	70,333
Operating revenue	2,395	5,008	213,360	346,972
Net income (loss)	2,214	1,776	2,879	651

During the first half of 2014, Woori Private Equity recorded net income of KRW 2.2 billion on a consolidated basis, or an increase of KRW 0.41 billion compared to the corresponding period in 2013. Such increase was attributable mainly to an increase in gain on valuation of equity-method investments as a result of improved performance of the invested companies.

Woori Private Equity manages the following private equity funds.

Woori Private Equity Fund

Woori Private Equity Fund was established in June 2006 with a total capital commitment of KRW 344 billion. With Woori Private Equity acting as managing member, Woori Private Equity Fund has invested KRW 284.7 billion in five companies since its establishment. Woori Private Equity Fund is currently in the process of liquidation as its term expired as of June 25, 2013. As of the date of submission of this Securities Registration Statement, Woori Private Equity's equity ownership in Woori Private Equity Fund is 2.94%.

(Unit: KRW millions)

Item	2013	2012	2011
Assets	45,129	67,385	114,488
Liabilities	4,603	3,261	56
Equity	40,526	64,124	114,432
Operating revenue	(10,220)	(1,905)	(72,048)
Operating expense	1,780	9,604	3,679
Operating profit	(12,001)	(11,509)	(75,727)
Net income (loss)	(12,001)	(11,509)	(75,727)

Due to a decrease in the value of investment assets in 2011, an impairment loss of KRW 76.8 billion was incurred, and the cause of the losses in 2012 was mainly due to the loss (KRW 7 billion) incurred from Phoenix Digital Tech, a company the fund invested in, conducting a debt-equity swap after a capital reduction in 2012, and management fee expenses of KRW 3.2 billion. In 2013, the fund recognized a loss of KRW 7.0 billion on the sale of a portion of its shares of Woori Investment Bank as well as impairment losses of KRW 4.4 billion due to the decline in the year-end market share price of Woori Investment Bank. The effect of such losses on Woori Private Equity are in line with its equity ownership of 2.94%.

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Woori Blackstone Korea Opportunity 1 Private Equity Fund

Woori Blackstone Korea Opportunity 1 Private Equity Fund was established in December 2009 with a capital commitment of KRW 606.1 billion and has invested KRW 412.2 billion in four companies since its establishment. Woori Private Equity and Blackstone Korea Advisors jointly act as managing members of the fund. As of the date of submission of this Securities Registration Statement, Woori Private Equity's equity ownership in Woori Blackstone Korea Opportunity 1 Private Equity Fund is 4.95%.

(Unit: KRW millions)

Item	2013	2012	2011
Assets	299,552	408,835	341,073
Liabilities	894	1,687	750
Equity	298,658	407,148	340,323
Operating revenue	32,604	14,288	97
Operating expense	5,420	6,272	5,363
Operating profit	27,184	8,016	(5,266)
Net income (loss)	27,184	8,016	(5,266)

Woori Columbus 1 Private Equity Fund

Woori Columbus 1 Private Equity Fund was established in October 2012 with a capital commitment of KRW 61.2 billion. With Woori Private Equity acting as managing member, Woori Columbus 1 Private Equity Fund has invested KRW 60 billion in one company since its establishment. As of the date of submission of this Securities Registration Statement, Woori Private Equity's equity ownership in Woori Columbus 1 Private Equity Fund is 1.96%.

(Unit: KRW millions)

Item	2013	2012
Assets	55,049	55,900
Liabilities	325	57
Equity	54,724	55,843
Operating revenue	482	0
Operating expense	924	257
Operating profit	(441)	(257)
Net income (loss)	(441)	(257)

<Woori Finance Research Institute>

- Business Overview

Woori Finance Research Institute is a subsidiary of the Company which was established on December 26, 2012 to provide research and business consulting, operate educational programs, manage finance-related intellectual property and organize academic conferences and seminars. As of June 30, 2014, Woori Finance Research Institute had 600,000 total issued and outstanding shares, par value KRW 5,000 per share, with a total equity capital of KRW 3,000 million. The Company owns 100% of Woori Finance Research Institute.

- Results of Operations and Financial Condition

(Unit: KRW millions)

Item	1H 2014	2013	2012
Assets	4,157	3,739	4,156
Liabilities	753	540	1,562
Equity	3,404	3,199	2,594
Operating revenues	3,638	6,656	0
Net income (loss)	225	611	(407)

During the first half of 2014, Woori Finance Research Institute recorded total revenue of KRW 3.6 billion and net income of KRW 0.2 billion.

C. Other Risks

(1) After consummation of the Merger, the Bank will remain as the surviving entity and the Company will cease to exist, and the KDIC, the largest shareholder of the Company, will retain its status as the largest shareholder of the Bank. However, the KDIC is expected to sell all of its interest in the Bank in accordance with the Privatization Plan after the Merger. After the Merger, new directors and audit committee members will be appointed in accordance with the Merger Agreement, which is expected to be approved at the extraordinary general meeting of shareholders scheduled to be held on October 10, 2014. However, there may be changes in management depending on the results of the privatization, and investors should be aware that the stability of operations may be temporarily affected.

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As of the date of submission of this Securities Registration Statement, the largest shareholder of the Bank, the surviving entity after the Merger, is the Company, which owns 100% of the Bank's equity, and the largest shareholder of the Company, the non-surviving entity after the Merger, is the KDIC, which owns 56.97% of the Company's equity.

After consummation of the Merger, the Bank will remain as the surviving entity, and the Company will cease to exist.

In the Merger, which is structured as a merger in which the parent company will be merged with and into its wholly-owned subsidiary, new shares of the Bank, the surviving entity, will be allotted and delivered to the Company's shareholders based on a 1:1.0000000 ratio (for a detailed explanation of the Merger Ratio, please see II. Calculation of the Merger Consideration).

Therefore, the KDIC, the largest shareholder of the Company, will retain its status as the largest shareholder of the Bank, the surviving entity, and is expected to sell all of its interest in the Bank in accordance with Step 3 of the Privatization Plan after the Merger.

The Bank is expected to appoint new directors and new audit committee members in accordance with the Merger Agreement as follows, which is expected to be approved at the extraordinary general meeting of shareholders scheduled to be held on October 10, 2014:

[Candidates for Appointment as Directors and Audit Committee Members]

Name	Date of Birth	Title	Registered Officer	Standing	Education & Work Experience
Young-Soo Park	2.1952	Outside Director / Audit Committee Member	Yes	No	(Education) Bachelor of Liberal Arts and Sciences, Seoul National University
					(Work Experience) Chief Prosecutor, Central Investigation Department, Supreme Prosecutors' Office Chief Prosecutor, Seoul High Prosecutors Office Current) Representative Attorney, Law Firm Gangnam LLP
Hee-Yul Chai	1.1960	Outside Director	Yes	No	(Education) Bachelor of Economics, Seoul National University Ph.D. in Economics, University of Paris X
					(Work Experience) Non-standing Director, Financial Services Commission Current) Professor of Economics Kyonggi University
Seong-Yeol Lim	5.1963	Non-standing Director	Yes	No	(Education) 1986. Bachelor of Arts, Economics, Seoul National University 1988. MPA, Seoul National University

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(Work Experience)

2008. Head, Fund Management Dept., Korea Deposit Insurance Corporation

2013. Director, Risk Management Dept., Korea Deposit Insurance Corporation

2013. Director, Planning & Coordination Dept., Korea

* The term of each director (including audit committee members) will be from the effective date of the Merger to the date of the March 2015 general meeting of shareholders

After the Merger, the Bank will conduct its business operations through the current representative director and directors and the newly appointed directors in accordance with the relevant laws and its articles of incorporation. However, there may be changes in management depending on the results of the privatization, and investors should be aware that the stability of operations may be temporarily affected.

(2) The Company's shareholders should be aware that trading of the Company's common shares is expected to be suspended from the business day prior to the end of the period for submission of the Company's old share certificates (i.e., from October 30, 2014) to the day before the listing of the new shares and the succession to listing (i.e., expected to be November 18, 2014). Upon consummation of the Merger, 565,690,380 shares of the Bank will be cancelled and 676,278,371 newly issued shares of the Bank will be issued. Accordingly, shareholders of the Company recorded in its shareholder register as of the date of the Merger will receive one share of the Bank for each share of the Company they hold.

The Company's shareholders should be aware that the period for submission of old share certificates of the Company's common shares is scheduled to end on October 31, 2014, and accordingly, trading of the Company's common shares is expected to be suspended from the business day prior to the end of the period for submission of old share certificates (i.e., from October 30, 2014) to the day before the listing of the new shares and the succession to listing (i.e., expected to be November 18, 2014).

ø Submission of old share certificates and expected listing date

Public announcement and dispatch of notice of submission of old share certificates: October 11, 2014.

End of period for submission of old share certificates: October 31, 2014.

New shares (registered common shares of the Bank).

- Expected delivery of new shares: November 18, 2014.

- Expected listing of new shares: November 19, 2014.

* The schedule above is subject to change based on consultation with the relevant authorities.

In addition, as a result of the Merger, the Bank will acquire 596,690,380 registered common shares issued by the Bank which are currently owned by the Company. Such shares will be cancelled in accordance with capital reduction procedures, concurrently with the consummation of the Merger. In addition, the Bank will issue 676,278,371 registered common shares, par value KRW 5,000 per share, and will allot to each registered common shareholder recorded in the Company's shareholder register as of the date of the Merger one share of the Bank for each share of the Company owned by such shareholder.

(3) The Merger Agreement may be terminated in accordance with the termination provisions of the Merger Agreement. The termination provisions relating to appraisal rights of dissenting shareholders or the approval of the relevant authorities are as follows:

- **If, due to the exercise of appraisal rights by shareholders of Woori Finance Holdings dissenting to the Merger, Woori Finance Holdings is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of issued and outstanding shares of Woori Finance Holdings;**

- **If the preliminary examination approval for listing on the Korea Exchange after the Merger has not been obtained by the Merger Date; or**

- **If it is evident that the Merger Approval would not be obtained within six (6) months after the date of this Agreement, including where a Merger Approval has not been obtained prior to the Merger Date despite such Merger Approval having been applied for.**

As of the date of submission of this Securities Registration Statement, the expected purchase price for the shares of the Company upon exercise of appraisal rights is KRW 12,422 per share, which is lower than their current market price. However, the number of shareholders exercising appraisal rights may be significantly influenced by changes in the market price of such shares during the appraisal right exercise period. If, due to the exercise of appraisal rights by shareholders of the Company dissenting to the Merger, the Company is required to pay a share purchase price for a number of shares that is greater than 101,441,755 shares, or 15% of the total number of issued and outstanding shares of the Company, the Merger Agreement may be terminated.

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An analysis of other mergers involving at least one KRX KOSPI Market-listed corporation where a securities registration statement (merger) was submitted during the past three years from the date of this Securities Registration Statement and where the relevant merger agreement included a termination provision relating to the exercise of appraisal rights revealed that the required threshold for termination due to the exercise of appraisal rights was 11.03% on average, ranging from 2.03% to 52.50%.

[Amount/Proportion of Appraisal Right Exercise for Termination in Merger Agreements]

Classification	Company Name	Merger Date	Condition Under Termination Provisions	% of Total Number of Issued Shares
Surviving	Samsung SDI Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 750 billion	19.52%
Non-Surviving	Cheil Industries Inc.	7.1.2014	Total amount to be paid for exercise of appraisal right exceeds KRW 700 billion	19.85%
Surviving	Hanjin Shipping Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 35 billion	4.17%
Non-Surviving	Hanjin Shipping Holdings Co., Ltd.	6.1.2014	Total amount to be paid for exercise of appraisal right exceeds KRW 5 billion	2.77%
Surviving	iTEST Inc.		Total amount to be paid for exercise of appraisal right exceeds KRW 500 million	2.03%
Non-Surviving	Semiteq Co., Ltd.	2.24.2014	Total amount to be paid for exercise of appraisal right exceeds KRW 500 million	8.00%
Surviving	Hyundai Steel Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 500 billion	7.09%
Non-Surviving	Hyundai Hysco Co., Ltd.	12.31.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 200 billion	5.82%
Surviving	Young Heung Iron & Steel Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 7,100 million	5.24%
Non-Surviving	Sehwa Express Co., Ltd.	11.18.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 2,900 million	5.54%
Surviving	Sungjin Geotec Co. Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 20 billion	3.60%
Non-Surviving	Posco Plantec Co., Ltd.			
Surviving	Samyang Holdings Corp.		Total amount to be paid for exercise of appraisal right exceeds KRW 5,900 million	1.16%
Non-Surviving	Samyang Genex Corp.	3.1.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 4,100 million	2.29%
Surviving	Lotte Samkang Co., Ltd.			
Non-Surviving	Lotte Ham Co., Ltd.	1.1.2013	Total amount to be paid for exercising of appraisal right exceeds KRW 10 billion	14.34%
Surviving	Dongwon Systems Corp.		Total amount to be paid for exercise of appraisal right exceeds KRW 20 billion	6.47%
Non-Surviving	Daihan Eunpakgy Co., Ltd.	1.1.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 20 billion	8.58%
Surviving	STX Metal Co., Ltd.		Percentage of shares exercising appraisal right exceeds 10.00% of issued shares	10.00%
Non-Surviving	STX Heavy Industries Co., Ltd.	1.1.2013	Percentage of shares exercising appraisal right exceeds 10.00% of issued shares	10.00%
Surviving	Lotte Shopping Co., Ltd.			
Non-Surviving	Lotte Midopa Co., Ltd.	1.1.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 100 billion	12.16%
Surviving	Asia Paper Manufacturing Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 6 billion	8.10%
Non-Surviving	Asia Papertec Inc.	1.1.2013	Total amount to be paid for exercise of appraisal right exceeds KRW 4 billion	52.50%
Surviving	Honam Petrochemical Corp.	12.27. 2012		
Non-Surviving	KP Chemical Corp.			15.84%

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			Total amount to be paid for exercise of appraisal right exceeds KRW 200 billion	
Surviving	Lotte Samkang Co., Ltd.			
Non-Surviving	Lotte Fresh Delica Co., Ltd.	10.1 2012	Total amount to be paid for exercise of appraisal right exceeds KRW 10 billion	39.83%
Surviving	InCube Technologies Inc.		Total amount to be paid for exercise of appraisal right exceeds KRW 2,500 million	14.00%
Non-Surviving	Daou Xilicon Technology Co., Ltd.	8.27.2012	Total amount to be paid for exercise of appraisal right exceeds KRW 2,500 million	16.05%
Surviving	Intergis Co., Ltd.		Total amount to be paid for exercise of appraisal right exceeds KRW 6 billion	4.93%
Non-Surviving	DK S& Co., Ltd.	7.1.2012		
Surviving	Kolon Global Corporation Co., Ltd.	12.28. 2011	Total amount to be paid for exercise of appraisal right exceeds KRW 50 billion	27.83%
Non-Surviving	Kolon I Net Co., Ltd.			12.32%

1. Excludes small-scale mergers and special purpose acquisition corporations.
2. Excludes companies that did not specify an amount or proportion of appraisal right exercise as a termination provision in the relevant merger agreement.
3. Percentage of total number of shares: calculated using the proposed purchase price per share and number of issued shares where the condition for termination was based on the total amount to be paid for exercise of appraised rights.
4. Where the threshold total amount to be paid for exercise of appraised rights covered such of both the surviving entity and the non-surviving entity, the relevant threshold was allocated based on the respective total equity of the surviving entity and the non-surviving entity.

In addition, the Bank submitted an application for preliminary examination approval for listing on July 28, 2014 and received such approval from the Korea Exchange on August 26, 2014. According to the official notice received by the Bank from the Korea Exchange, all conditions for listing have been met. However, if any of the following events occur and it is acknowledged that such event may have a material effect on the results of the preliminary examination, the Korea Exchange may not acknowledge the validity of the preliminary examination approval for listing, and the Bank may have to resubmit an application for preliminary examination approval for listing for an additional examination. In such event, the listing of the Bank's shares may be postponed or cancelled.

1. Results of the Preliminary Examination for Listing

After examining the share certificates for which the applicant for new listing (the Applicant) has requested the preliminary examination approval for listing, all conditions for the new listing examination pursuant to Articles 29 and 30 of the Listing Regulations of the KRX KOSPI Market (the Listing Regulations), other than the number of listing shares and distribution requirements which may only be examined after the offering, have been determined to be satisfied.

2. Invalidation of the Results of the Preliminary Examination for Listing

If the Applicant becomes subject to any of the following events and it is determined that such event may have a material effect on the results of the preliminary examination, the Korea Exchange may not acknowledge the validity of the results of the preliminary examination for listing, and in such case, the Applicant must resubmit its application for preliminary examination approval for listing in accordance with Article 26 of the Listing Regulations and become subject to another examination.

- 1) Cases where an event having a major impact on business operations has occurred (e.g., dishonoring of checks or bills issued, suspension of business operations, occurrence of natural disaster or significant loss, sales of substantial amount of fixed assets, lodging of lawsuits, change of officers or the largest shareholder, mergers, spin-offs or mergers after spin-off, transfers and acquisitions of business, leasing of major property, resolutions on management delegation and other matters the Korea Exchange acknowledges to be a matter having major impact on business operations);
- 2) Cases of falsifying or omitting a record or mention of material facts in the application for listing eligibility review have been found;
- 3) Cases where the Applicant has been accused or referred to the prosecutor's office or imposed such disciplinary measures as a restriction on securities issuance or penalties by the Securities & Futures Commission relating to its separate or consolidated financial statements for the most recent three fiscal years or the auditor's audit report with respect thereto;
- 4) Cases where the details of a prospectus (including the preliminary prospectus and summary prospectus) have been corrected or amended;
or
- 5) Cases where an application for initial listing has not been submitted within six (6) months of having been notified of the result of listing eligibility review;
 - However, if the Korea Exchange approves the extension that the Applicant requests due to an unavoidable event such as sudden change in market conditions, the period for submission of an application may be extended up to six (6) months;
- 6) Cases of issuing new shares by way of third party allotment during the period from the application date of the preliminary examination for listing to the day before the listing date; or

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7) Other cases the Korea Exchange deems necessary for the protection of the public interest and investors.

3. Other Matters Necessary for the New Listing of Shares

In the event any of the following occurs prior to the new listing date, the Applicant must submit documents relating thereto.

- 1) Where the general meeting of shareholders or the board of directors has voted on matters relating to the relevant securities, a copy of the minutes of the relevant meeting;
- 2) Where events that are material to the company's operations have occurred (in the case of a holding company, including where such events have occurred with respect to its subsidiaries), the reports on such matters;
- 3) Where the report on public offering or distribution has been filed, the prospectus (including the preliminary and simplified prospectus); in this case, any correction made to the details recorded shall be included;
- 4) Where forty-five (45) days have elapsed since the end of the semiannual period of the current fiscal year, the semiannual financial statements and the auditor's review report thereon; or
- 5) Where the general shareholders' meeting or board meeting was held for the approval of the closing financial statements of the latest fiscal year, the financial statements for the latest fiscal year and the auditor's report on the financial statements.

If the Bank does not satisfy any condition for the KRX KOSPI Market listing or an event that may have an effect on the results of the listing eligibility examination occurs, the listing schedule for the Bank's shares may be postponed or the preliminary approval may be cancelled, and the Merger Agreement may be terminated.

(4) The schedule of the Merger set forth in this Securities Registration Statement is not final and is subject to change if grounds for amendment occur during the FSS's public disclosure evaluation process.

This Securities Registration Statement may be amended during the public disclosure examination process, and changes in any key details closely relating to investment decision-making may affect the schedule set forth in this Securities Registration Statement. In addition, the schedule may change in the course of working with the relevant authorities. Investors should be aware of such issues when making an investment.

The effectiveness of this Securities Registration Statement pursuant to Article 120(3) of the FISCMA is not an acknowledgement of the truthfulness or accuracy of the matters contained herein nor the government's guarantee or approval of the value of the securities, and investors are solely responsible with respect to the investment decision regarding the securities.

The contents of this Securities Registration Statement are current as of the date hereof, and other than the information provided herein, there are no matters that may result in a material change in or significant impact on the assets, liabilities, cash flows and profits and losses.

The regular and non-regular public disclosure matters of the parties to the Merger, such as business reports (including quarterly and half-year reports) and audit reports, are publicly disclosed on the FSS e-Disclosure System (<http://dart.fss.or.kr>), and updates on the progress of the Merger will also be publicly disclosed. Please refer to such disclosures when making an investment decision.

(5) New shares issued by the Bank are expected to be allotted and delivered in the Merger with respect to treasury shares owned by the Company. The decision to allot and deliver new shares with respect to treasury shares owned by the Company as of the date of the Merger (including any shares acquired by the Company prior to the Merger as a result of the exercise of appraisal rights by dissenting shareholders with respect to the Merger) in accordance with the Merger Ratio was based on the views in favor of the allotment of new shares with respect to the treasury shares owned by the non-surviving entity and the instances where new shares were allotted with respect to the treasury shares owned by the non-surviving entity. However, investors should note that there is no guarantee that a court will not reach a different conclusion in the future with respect to this issue.

As of the date of submission of this Securities Registration Statement, the non-surviving entity, the Company, owns 29,157 common shares as treasury shares, and new shares issued by the surviving entity will be allotted and delivered with respect to treasury shares owned by the

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Company as of the date of the Merger (including any shares acquired by the Company prior to the Merger as a result of the exercise of appraisal rights by dissenting shareholders with respect to the Merger) in accordance with the Merger Ratio.

While there are no specific provisions under relevant laws and regulations or specific court decisions regarding whether new shares of the surviving merged entity can be allotted with respect to the treasury shares owned by the non-surviving entity (including any shares acquired by the non-surviving entity prior to the merger as a result of the exercise of appraisal rights by dissenting shareholders with respect to the merger) in the merger process, there are contending academic theories in favor of and against such practice.

On the one hand, those taking the position against the allotment of new shares with respect to the treasury shares owned by the non-surviving entity argue that such allotment is unnecessary, as such new shares would eventually become treasury shares of the surviving entity after the merger becomes effective, and the surviving entity would be required to dispose of such treasury shares within a certain timeframe, rendering the complicated procedures of such allotment meaningless, as there would be no effective difference between allotting and not allotting such new shares. In addition, such position is further supported by the fact that there will be no entity to which such new shares can be allotted to, as the non-surviving entity will cease to exist after the merger.

On the other hand, those taking the position in favor of the allotment of new shares with respect to the treasury shares owned by the non-surviving entity in a merger (i.e., the Company in the case of the Merger) argue that (i) there are no legal grounds to prohibit the allotment of such new shares due to the absence of specific regulations restricting such practice, (ii) it is difficult to conclude that the procedures of the allotment are meaningless, as the legal effect of disposing of treasury shares obtained after a merger is different from that of not being allotted any new shares to begin with, and (iii) as the new shares allotted with respect to the treasury shares owned by the non-surviving entity will become treasury shares of the surviving entity after the merger, cash flows may result from the process of disposing of such treasury shares after the merger (especially if the surviving entity is expected to newly list its shares as in the case of the Merger). There have also been several instances where, in accordance with this view, new shares were allotted with respect to the treasury shares owned by a non-surviving entity and/or treasury shares acquired as a result of the exercise of appraisal rights by shareholders dissenting from the merger.

Based on the views in favor of the allotment of new shares with respect to the treasury shares owned by the non-surviving entity and the instances where new shares were allotted with respect to the treasury shares owned by the non-surviving entity, new shares issued by the Bank will be allotted and delivered in accordance with the Merger Ratio with respect to treasury shares owned by the Company as of the date of the Merger (including any shares acquired by the Company prior to the Merger as a result of the exercise of appraisal rights by dissenting shareholders with respect to the Merger). Please note, however, that there is no guarantee that a court will not reach a different conclusion in the future with respect to this issue.

(6) Since August 2014, the Fair Trade Commission has been conducting an investigation into the collusion of loan and deposit interest rates among four major banks, Woori Bank, Kookmin Bank, Shinhan Bank and Hana Bank. The investigation is being conducted on the bank's overall interest rate system and interest rates on loans and deposits. The results cannot be predicted, and any results of the investigation to be announced may affect the Bank's operations and financial condition. Accordingly, investors should continue to observe the investigation results to be announced in the future.

Since August 2014, the Fair Trade Commission has been conducting an investigation into the collusion of loan and deposit interest rates among four major banks, Woori Bank, Kookmin Bank, Shinhan Bank and Hana Bank. The investigation is being conducted on the bank's overall interest rate system and interest rates on loans and deposits. (The Fair Trade Commission also conducted investigations into collusion of interest rates on certificates of deposit in July 2012.) The results cannot be predicted, and any results of the investigation to be announced may affect the Bank's operations and financial condition. Accordingly, investors should continue to observe the investigation results to be announced in the future.

(7) Since 2010 until the date of submission of this Securities Registration Statement, there have been two institutional sanctions against the Bank (an additional one is expected), three sanctions against its executive officers (an additional one is expected), three institutional sanctions against Woori Investment Bank and five sanctions against its executive officers, in terms of institutional and executive officer sanctions imposed with respect to the parties to the Merger and their main consolidated subsidiaries.

Since 2010 until the date of submission of this Securities Registration Statement, there have been two institutional sanctions against the Bank (an additional one is expected), three sanctions against its executive officers (an additional one is expected), three institutional sanctions against Woori Investment Bank and five sanctions against its executive officers, in terms of institutional and executive officer sanctions imposed with respect to the parties to the Merger and their main consolidated subsidiaries.

<The Bank>

(1) Institutional Sanctions

Date of Sanction	Sanctioned Party	Sanctioning Entity	Sanction	Reason for Sanction	Performance of Penalty or Measure	Company's Efforts to Avoid Repeat
6.4.2013	The Bank	FSS	Institutional warning	- Violation of the real name financial system, wrongful processing of deposits and withdrawals, negligence in prevention of accidents	Submission for board of directors consideration	Instruction of duties and increased supervision of management
6.4.2013	The Bank	FSS	Monetary fine (KRW 33,200,000)	- Incorrect handling of credit information management duties (KRW 4,500,000) - Violation of requirement of board of directors' resolution with respect to an extension of credit to a specially related person of largest shareholder (KRW 25,000,000) - Prohibited act during credit card holder solicitations (KRW 3,700,000)	Payment of fine	Instruction of duties and increased supervision of management

* In addition to the sanctions above, the Bank was reviewed by the sanction deliberation committee of the FSS on September 4, 2014 for violation of the real name financial system and wrongful proposal of trust transaction conditions, and although an institutional caution (a low punishment) is anticipated as a result of the deliberation, no official notice has been received yet.

(2) Sanctions Against Executive Officers and Employees

Date of Sanction	Sanctioning Entity	Sanctioned Party	Sanction	Reason for Sanction	Performance of Penalty or Measure	Company's Efforts to Avoid Repeat
4.29.2010	FSS	Five current and former executive officers	- One person three month pay reduction	Wrongful agreement regarding a bridge loan of a different financial institution in trust department large amount of losses incurred	Resolution of personnel committee	Instruction of duties and increased supervision of management
9.10.2010			- Four people reprimand and caution	Wrongful dealing of OTC derivative products (currency options) Negligent dealing of OTC derivative products (currency options)		
3.18.2011	FSS	Two current and	Reprimand	Large amount of losses incurred due to wrongful dealing of OTC derivative products (currency options)	Resolution of personnel committee	Instruction of duties and increased

former
executive
officers

supervision of
management

Date of Sanction	Sanctioning Entity	Sanctioned Party	Sanction	Reason for Sanction	Performance of Penalty or Measure of Resolution of personnel committee	Company's Efforts to Avoid Repeat Instruction of duties and increased supervision of management
6.4.2013	FSS	Two current executive officers	Caution	Wrongful abolishment of multiple prior electronic approval process for withdrawal of large amounts		

∅ Sanctioned party, sanction and reason for sanction are different by sanctioned party.
<Woori Investment Bank>

(1) Institutional Sanctions

Date of Sanction	Sanctioned Party	Sanction	Reason for Sanction
3.25.2010	Woori Investment Bank	Institutional caution	Negligent risk management relating to private real estate investment fund investment
8.29.2011	Woori Investment Bank	Fine and institutional caution	- Failure to apply for ex post investment approval for acquisition of stock of another company - Failure to fill in footnote regarding agreement for asset backed corporate bill
11.21.2012	Woori Investment Bank	- Monetary penalty: KRW 41,600,000 - Designation of auditor for two years	Underestimated budgeting for provisions for credit losses for loans
12.31.2012	Woori Investment Bank	Institutional warning	

(2) Sanctions Against Executive Officers and Employees

Date of Sanction	Sanctioned Party	Sanction	Reason for Sanction
3.25.2010	Former representative director	Caution	Negligent risk management relating to acquisition financing loan
8.29.2011	Former representative director	Cautionary warning	Failure to fill in footnote regarding agreement for asset backed corporate bill
	Two current executive officers	Reprimand	
11.21.2012	Former representative director	Prosecutor referral	Underestimated budgeting for provisions for credit losses for loans

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12.31.2012 Former representative Reprimand warning
director

12.31.2012 Two former executive Three month pay reduction
officers

Current representative Cautionary warning
director

Current standing audit
committee member

(8) There are no agreements for put options, call options, put back options, etc. between the merging parties or with a third party in relation to the Merger.

(9) The Bank plans to succeed to or hire the executive officers and employees employed by the Company as of the date of the Merger, and there are no risks relating to the reorganization of personnel.

(10) The effectiveness of this Securities Registration Statement pursuant to Article 120(3) of the FISCMA is not an acknowledgement of the truthfulness or accuracy of the matters contained herein nor the government's guarantee or approval of the value of the securities.

VII. MATTERS RELATING TO APPRAISAL RIGHTS

The Company, the non-surviving entity and sole shareholder of the Bank, has agreed that it will **not be granted any appraisal rights by the Bank.**

The **appraisal rights of the Company** are as follows:

1. Conditions for Exercising Appraisal Rights

In the case of shareholders of the Company, pursuant to Article 522-3 of the KCC and Article 5(8) and Article 12(7)2 of the Act on the Structural Improvement of the Financial Industry, the shareholders listed in the shareholder register as of the record date (i.e., September 15, 2014) may dissent from the resolution of the board of directors relating to the Merger. Any shareholder dissenting from such resolution must notify the Company in writing of its intent to dissent prior to the general meeting of shareholders. Only in the event that a shareholder has provided the Company with such written notice of its intent to dissent may such shareholder exercise its appraisal rights by providing the Company with a written statement specifying the class and the number of shares with respect to which appraisal rights are being exercised within 10 days after the date of public notice (i.e., October 11, 2014) of the resolutions adopted at the general meeting of shareholders and the exercise of appraisal rights of dissenting shareholders (i.e., by October 21, 2014). Appraisal rights may be exercised with respect to all or a portion of the shares owned by a shareholder.

Pursuant to Article 165-5(1) of the FISCMA and Article 176-7(2) of its Enforcement Decree, appraisal rights will only be granted if (a) a shareholder can prove that the applicable shares owned by such shareholder were acquired prior to the public notice of the resolution of the board of directors, or the shareholder, despite having acquired such shares after such public notice of the resolution of the board of directors, can prove that, by the business day after the date of such public notice (i.e., July 29, 2014), (i) a purchase agreement for such shares had been executed, (ii) a loan agreement for such shares had been terminated, or (iii) a legal act relating to the acquisition of such shares had been taken, and (b) such shareholder has maintained the ownership of such shares until the date of the exercise of such appraisal rights. Appraisal rights will be lost with respect to shares that were sold and then repurchased during such timeframe. The exercise of appraisal rights may not be revoked after their exercise.

In addition, shareholders that notify the Company in writing of their intent to dissent from the resolution of the board of directors relating to the Merger may not exercise appraisal rights if such shareholders vote in favor of the Merger at the general meeting of shareholders. The Company, as a listed company, under Article 5(8) and Article 12(8) of the Act on the Structural Improvement of the Financial Industry, must purchase the shares in respect of which appraisal rights have been exercised within two months after the date on which the written statement regarding exercise of appraisal rights was received.

2. Expected Share Purchase Price**A. Proposed Purchase Price**

Item	Description
Company's proposed purchase price for negotiation	KRW 12,422
Calculation criteria	Purchase price determined in accordance with the method prescribed by Article 165-5 of the FISCMA and Article 176-7 of its Enforcement Decree
If negotiation is not successful	In accordance with Article 165-5 of the FISCMA, the purchase price shall be determined based on the trading price of the applicable shares on a securities market, and if the corporation or the shareholder exercising the appraisal rights contests such purchase price, it may request determination of the purchase price by a court.
ø	Method of determination of expected share purchase price (calculation date: one day prior to the resolution of the board of directors (i.e., July 27, 2014))

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Item	Amount (KRW)	Calculation Period
(i) Weighted average of the share prices for the most recent two-month period	12,247	May 28, 2014 ~ July 27, 2014
(ii) Weighted average of the share prices for the most recent one-month period	12,305	June 28, 2014 ~ July 27, 2014
(iii) Weighted average of the share prices for the most recent one-week period	12,714	July 21, 2014 ~ July 27, 2014
Purchase price [(i) + (ii) + (iii)] / 3	12,422	

The table below shows the share prices and trading volumes for the two-month period leading up to the calculation date of July 27, 2014.

Date	Closing Price (KRW)	Trading Volume (Shares)	Closing Price × Trading Volume (KRW)
May 28, 2014	12,000	1,762,930	21,155,160,000
May 29, 2014	11,850	1,463,609	17,343,766,650
May 30, 2014	12,000	2,467,642	29,611,704,000
June 2, 2014	12,100	1,436,315	17,379,411,500
June 3, 2014	12,300	2,701,302	33,226,014,600
June 5, 2014	12,300	1,021,230	12,561,129,000
June 9, 2014	12,100	1,296,410	15,686,561,000
June 10, 2014	12,300	1,353,962	16,653,732,600
June 11, 2014	12,650	1,858,004	23,503,750,600
June 12, 2014	12,450	868,809	10,816,672,050
June 13, 2014	12,600	1,191,247	15,009,712,200
June 16, 2014	12,750	1,634,957	20,845,701,750
June 17, 2014	12,750	1,433,813	18,281,115,750
June 18, 2014	12,600	1,067,564	13,451,306,400
June 19, 2014	12,450	762,100	9,488,145,000
June 20, 2014	12,100	1,188,643	14,382,580,300
June 23, 2014	11,850	2,116,987	25,086,295,950
June 24, 2014	11,850	2,079,759	24,645,144,150
June 25, 2014	11,800	1,397,893	16,495,137,400
June 26, 2014	12,000	1,129,224	13,550,688,000
June 27, 2014	11,950	762,803	9,115,495,850
June 30, 2014	12,050	1,336,354	16,103,065,700
July 1, 2014	11,900	796,897	9,483,074,300
July 2, 2014	12,000	921,479	11,057,748,000
July 3, 2014	11,950	1,034,077	12,357,220,150
July 4, 2014	11,850	823,259	9,755,619,150
July 7, 2014	11,950	995,688	11,898,471,600
July 8, 2014	11,900	597,622	7,111,701,800
July 9, 2014	12,050	795,646	9,587,534,300
July 10, 2014	12,000	663,336	7,960,032,000
July 11, 2014	11,800	808,620	9,541,716,000
July 14, 2014	11,850	614,378	7,280,379,300
July 15, 2014	12,400	2,783,679	34,517,619,600
July 16, 2014	12,250	872,617	10,689,558,250
July 17, 2014	12,550	1,454,346	18,252,042,300
July 18, 2014	12,300	817,383	10,053,810,900
July 21, 2014	12,250	718,130	8,797,092,500
July 22, 2014	12,550	867,466	10,886,698,300
July 23, 2014	12,850	1,546,499	19,872,512,150
July 24, 2014	12,550	1,550,401	19,457,532,550
July 25, 2014	12,950	2,195,283	28,428,914,850

Item	Total Trading Volume	Closing Price x Trading Volume	Price (KRW)
Weighted average of the closing prices for the most recent two-month period (A)	53,188,363	651,381,568,450	12,247
Weighted average of the closing prices for the most recent one-month period (B)	22,193,160	273,092,343,700	12,305
Weighted average of the closing prices for the most recent one-week period (C)	6,877,779	87,442,750,350	12,714
Purchase price based on arithmetic mean (D)	[D = (A + B + C) / 3]		12,422

* Source: Korea Exchange (<http://www.krx.co.kr>)

3. Procedures, Method, Timeframe and Location for Exercise

A. Procedures for Expressing Intent to Dissent

Pursuant to Article 522-3 of the KCC and Article 165-5 of the FISCMA, shareholders opposing the Merger among those registered in the shareholder register as of the record date (i.e., September 15, 2014) must notify the Company in writing of their intent to dissent from the resolution of the board of directors relating to the Merger prior to the general meeting of shareholders (Article 165-5 of the FISCMA provides that appraisal rights will be granted if (a) a shareholder can prove that the applicable shares owned by such shareholder were acquired prior to the public notice of the resolution of the board of directors, or the shareholder, despite having acquired such shares after such public notice of the resolution of the board of directors, can prove that, by the business day following the date of such public notice (i.e., July 29, 2014), (i) a purchase agreement for such shares had been executed, (ii) a loan agreement for such shares had been terminated, or (iii) a legal act relating to the acquisition of such shares had been taken, and (b) such shareholder has maintained the ownership of such shares until the date of the exercise of such appraisal rights).

Beneficial owners that have entrusted their shares to a securities company (i.e., a financial investment business entity) must notify such securities company of their intent to dissent. In such case, the intent to dissent must be conveyed no later than three business days prior to the date of the general meeting of shareholders (i.e., October 6, 2014). A securities company must collect and convey such information to the Korea Securities Depository, (the KSD) two business days prior to the date of the general meeting of shareholders (i.e., October 7, 2014). The KSD must notify the Company of the beneficial owners' intent to dissent on behalf of such owners prior to the date of the general meeting of shareholders.

B. Method of Exercising Appraisal Rights

Pursuant to Article 5(8) and Article 12(7)2 of the Act on the Structural Improvement of the Financial Industry, a shareholder that has provided written notice of its intent to dissent may exercise its appraisal rights by requesting that the Company purchase the shares owned by such shareholder in a written statement specifying the class and the number of such shares within 10 days after the date of public notice (i.e., October 11, 2014) of the resolutions adopted at the general meeting of shareholders and the exercise of appraisal rights of the dissenting shareholders (i.e., by October 21, 2014).

However, beneficial owners that have entrusted their shares to a securities company (i.e., a financial investment business entity) may exercise their appraisal rights by filing with such securities company an application to exercise the appraisal rights with respect to such entrusted shares. If a beneficial owner files such an application before two business days prior to the end of the appraisal right exercise period (i.e., by October 17, 2014), such securities company will request the exercise of the appraisal rights with respect to such shares to the KSD by the business day prior to the end of the appraisal right exercise period (i.e., by October 20, 2014), and the KSD will collect such requests to exercise appraisal rights made by securities companies and notify the Company in writing of such exercise of appraisal rights on the final day of the appraisal right exercise period (i.e., October 21, 2014).

C. Filing Location

Company	Location	Remarks
Woori Finance Holdings Co., Ltd.	Financial Management Department 20F, Woori Bank Head Office 51, Sogong-ro, Jung-gu Seoul, 100-792, Korea	A beneficial owner that has entrusted its shares to a securities company must file with such securities company.

D. Exercise Period

In the event a shareholder has provided the Company with written notification of such shareholder's intent to dissent from the resolution of the board of directors relating to the Merger prior to the general meeting of shareholders, such shareholder may exercise its appraisal rights within 10 days after the date of public notice (i.e., October 11, 2014) of the resolutions adopted at the general meeting of shareholders and the exercise of appraisal rights of the dissenting shareholders (i.e., by October 21, 2014) pursuant to Article 5(8) of the Act on the Structural Improvement of the Financial Industry.

Event	Date
Resolution of the board of directors	July 28, 2014
Record date	September 15, 2014
Period for notification of intent to dissent	September 29 ~ October 9, 2014
General meeting of shareholders	October 10, 2014
Public notice of the resolutions adopted at the general shareholders meeting and the exercise of appraisal rights of the dissenting shareholders	October 11, 2014
Appraisal right exercise period	October 11 ~ 21, 2014

4. Impact of the Appraisal Rights on the Effectiveness of the Merger Agreement

The Merger Agreement may be terminated and the Merger may be cancelled if, due to the exercise of appraisal rights by shareholders of the Company dissenting to the Merger, the Company is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of issued and outstanding shares of the Company.

5. Funding, Schedule, Method, etc. of Payment of the Share Purchase Price**A. Funding of Share Purchase Price**

While funding is expected to come from available funds with any deficit to be made up through the issuance of commercial paper and short-term bonds and loans from financial institutions, no specific details have been determined as of the date of submission of this Securities Registration Statement.

B. Payment Method for Share Purchase Price

- Shareholders registered in shareholder register: by transfer of funds to the registered bank accounts of such shareholders.
- Beneficial owners that have entrusted their shares to a securities company: by transfer of funds to the registered trading accounts of the beneficial owners at the relevant securities companies.

C. Payment Schedule for Share Purchase Price

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Pursuant to Article 5(8) and Article 12(8) of the Act on the Structural Improvement of the Financial Industry, payment of the share purchase price is expected to be made within two months after the last day of the appraisal right exercise period.

D. Disposal of Treasury Shares Acquired as a Result of Exercise of Appraisal Rights

Treasury shares acquired as a result of the exercise of appraisal rights are expected to be disposed of within three years after the acquisition of such shares in accordance with Article 165-5(4) of the FISCMA and Article 176-7(4) of its Enforcement Decree.

E. Noteworthy Matters Relating to the Exercise of Appraisal Rights

- Please note that matters relating to the share purchase price and the exercise of appraisal rights are subject to change as a result of the negotiation process to be conducted with the shareholders, if needed.

- In the event appraisal rights are exercised, the resulting transaction, as an over-the-counter trade, may subject the exercising shareholders to corporate tax or income tax with respect to the net realized gain (i.e., the sale price less the acquisition cost and transaction costs). For domestic corporations, such net realized gain is subject to corporate tax as income in the applicable business year, and Korean residents are subject to capital gains tax at the rate of 22% (including local income tax) of the net realized gain. However, in the event a resident shareholder is a major shareholder pursuant to the Income Tax Act and has held its shares for less than one year, capital gains tax at the rate of 33% (including local income tax) will be applicable. For a foreign corporation or a non-resident shareholder, corporate or income tax equal to the lower of 11% (including local income tax) of the sale price or 22% (including local income tax) of the net realized gain will generally be applicable corporate or income tax. However, the actual tax payable is subject to change according to specific circumstances, such as the existence of a business establishment of such shareholder in Korea or tax treaties between Korea and the applicable country of residence of the foreign corporation or non-resident shareholder. In addition, in the event appraisal rights are exercised, a securities transaction tax of 0.5% of the sale price will be applicable. Shareholders should note that in the event the corporate tax or income tax and securities transaction tax, etc. applicable to the net realized gain (i.e., the sale price less the acquisition cost and transaction costs) as described above are not withheld by the securities company or the Company, the relevant shareholders may be directly responsible for reporting and payment of such taxes.

6. Grounds for Non-recognition of or Limitations on Appraisal Rights

Pursuant to Article 522-3 of the KCC and Article 5(8) and Article 12(7)2 of the Act on the Structural Improvement of the Financial Industry, a shareholder that has provided written notice of its intent to dissent may exercise its appraisal rights by requesting that the Company purchase the shares owned by such shareholder in a written statement specifying the class and the number of such shares within 10 days after the date of public notice of the resolutions adopted at the general meeting of shareholders and the exercise of appraisal rights of the dissenting shareholders (i.e., by October 21, 2014).

However, pursuant to Article 165-5(1) of the FISCMA and Article 176-7(2) of its Enforcement Decree, appraisal rights will only be granted if (a) a shareholder can prove that the applicable shares owned by such shareholder were acquired prior to the public notice of the resolution of the board of directors, or the shareholder, despite having acquired such shares after such public notice of the resolution of the board of directors, can prove that, by the business day following the date of such public notice (i.e., July 29, 2014), (i) a purchase agreement for such shares had been executed, (ii) a loan agreement for such shares had been terminated, or (iii) a legal act relating to the acquisition of such shares had been taken, and (b) such shareholder has maintained the ownership of such shares until the date of the exercise of such appraisal rights. Appraisal rights will be lost with respect to shares that were sold and then repurchased during such timeframe, and the exercise of appraisal rights may not be revoked after their exercise. In addition, shareholders that notify the Company in writing of their intent to dissent from the resolution of the board of directors relating to the Merger may not exercise appraisal rights if such shareholders vote in favor of the Merger at the general meeting of shareholders.

7. Other Matters Necessary for an Investor's Decision

- A. In accordance with applicable laws, appraisal rights will be extinguished if the Merger is not approved at the general meeting of shareholders, and the Merger Agreement will also cease to be effective.

- B.** In the event appraisal rights are exercised, the resulting transaction, as an over-the-counter trade, may subject the exercising shareholders to corporate tax or income tax with respect to the net realized gain (i.e., sale price less acquisition costs and transaction costs), and a securities transaction tax of 0.5% of the sales price may be applicable. In the event such amounts are not withheld by the relevant securities company or the Company, the relevant shareholders may be directly responsible for reporting and payment of such amounts.

- C. If, due to the exercise of appraisal rights by the Company's shareholders dissenting to the Merger, the Company is required to pay a share purchase price for an aggregate number of shares held by such shareholders that is greater than 15% of the total number of the Company's issued and outstanding shares, the Merger may be cancelled due to termination of the Merger Agreement.

VIII. RELATIONSHIP OF THE PARTIES

1. Relationship of the Parties

A. Affiliates and Subsidiaries

The Bank is a subsidiary of the Company. The Company owns 100% of the Bank's issued shares as of the date of submission of this Securities Registration Statement.

B. Directors and Executive Officers with Concurrent Offices

As of the date of submission of this Securities Registration Statement, the directors and executive officers who hold concurrent offices at the Company and the Bank are as below.

(As of the date of submission of this Securities Registration Statement)

Name	Company	Bank
Soon-Woo Lee	Chairman	President
Dong-Gun Lee	Executive Vice President*	Deputy President
Sang-Keun Oh	Outside Director	Outside Director
Kang-Shik Choi	Outside Director	Outside Director
Min Chang	Outside Director	Outside Director
Seong-Yeol Lim	Outside Director	Outside Director

* Non-registered executive officer

C. Major Shareholders and Specially Related Persons Among the Parties

The Company as the parent company owns 100% of the issued shares of the Bank, and therefore, major shareholders and specially related persons of the Company constitute specially related persons of the Bank.

D. Other Relationships including Competitive or Complementary Relationships

The Bank is a wholly-owned subsidiary of the Company, and the relationship of the parties is that of a subsidiary and its financial holding company.

2. Transactions between the Parties

A. Investments

During the period subject to public disclosure (the Public Disclosure Period), no investments were made between the parties; however, as stated above, the Bank is a wholly-owned subsidiary of the Company.

B. Guarantees of Debt

Not applicable

C. Provision of Security

Not applicable

D. Assets and Liabilities, Income and Expenses from Transactions

Income and expenses from transactions and assets and liabilities between the Bank and the Company are as follows:

(Unit: KRW millions)

Bank's Classification	Item	1H 2014	2013	2012	Counterparty
Assets	Loans			241	The Company
	Other assets		134,827	20,828	
	Total		134,827	21,069	
Liabilities	Deposits	1,895,156	72,670	206,137	
	Other liabilities	204,701	25,593	167,317	
	Total	2,099,857	98,263	373,454	

Bank's Classification	Item	1H 2014	2013	2012	Counterparty
Income	Interest income	14	25		
	Fee income	545	1,089	2,273	
	Total	559	1,114	2,273	
Expenses	Interest expenses	6,128	3,345	10,983	
	Fee expenses	18,856	25,156	48,913	
	Other expenses	367	80	183	
	Total	25,351	28,581	60,079	

3. Transactions with the Major Shareholder

The only shareholder that owns 10% or more of the Company's equity is its largest shareholder, the KDIC. The Company conducted no transactions with the KDIC during the Public Disclosure Period.

The Company owns 100% of the Bank's equity as its major shareholder. Please refer to 2. Transactions between the Parties above for the transactions conducted between the Bank and the Company. In addition, the transactions conducted between the Bank and the KDIC, the major shareholder of the Company, during the Public Disclosure Period are as follows:

A. Guarantees Provided to Major Shareholders

(Unit: KRW millions)

Related Party	Guarantee	1H 2014	2013	2012
KDIC	Loan commitment	1,500,000	2,000,000	2,000,000

B. Transfer of Assets with Major Shareholders

Not applicable

C. Business Transactions with Major Shareholders

[Assets and Liabilities]

(Unit: KRW millions)

Bank's Classification	Item	1H 2014	2013	2012	Counterparty
Assets	Other assets	740,783	790,701	610,872	
	Deposits	619,920	807,163	344,653	
Liabilities	Other liabilities	5,169	3,898	2,182	KDIC
	Total	625,089	811,061	346,835	

[Income and Expenses]

(Unit: KRW millions)

Bank's Classification	Item	1H 2014	1H 2013	2013	2012	Counterparty
Income	Interest income	14,035	12,041	26,000	30,544	KDIC
	Interest expenses	6,653	3,509	7,967	4,301	
Expenses		(58)		(65)	(281)	

Reversal of provision for credit loss				
Total	6,595	3,509	7,902	4,020

IX. OTHER MATTERS RELATING TO PROTECTION OF INVESTORS**1. Past Mergers**

Details on mergers involving the parties to the Merger during the past three years are as follows:

A. The Bank**(1) Spin-off of Woori Card**

To strengthen the business capacity of the credit card business of the Group and increase the competitiveness of its non-banking business operations, the Bank's board of directors resolved to conduct a spin-off of its credit card operations in September 2011, which was completed in April 2013, based on a 0.7790133 : 0.2209867 ratio between the surviving Bank and the newly-established company, Woori Card. Based on the Group's extensive banking network and client base, Woori Card has established optimized business strategies as a credit card subsidiary of a financial holding company and is actively pursuing new business areas for growth opportunities.

In addition, Woori Card, by prioritizing customer value in all areas of business, continues to develop products and services tailored to customer needs and plans to consistently differentiate itself through the development of new services by actively pursuing partnerships in the industry and expanding into new business areas.

B. The Company**(1) Spin-off of KJB Financial Group Co., Ltd. and KNB Financial Group Co., Ltd.**

The Company separated out the businesses of Kwangju Bank and Kyongnam Bank to sustain the growth of such businesses relating to the ownership and control of the operations of regional banks. After resolution of the Company's board of directors on August 27, 2013, the Company conducted a spin-off of the newly established KJB Financial Group Co., Ltd. and KNB Financial Group Co., Ltd. based on the following allotment ratio (the ratio of allotment of new shares of each company for one common share of the Company) on May 1, 2014.

Classification	Company	KJB Financial Group	KNB Financial Group
Book value of consolidated owners equity after spin-off	KRW 1,582,200,000,000	KRW 120,060,000,000	KRW 183,470,000,000
Book value of consolidated owners equity before spin-off		KRW 1,885,730,000,000	
Allotment ratio	0.8390	0.0637	0.0973

* The allotment ratio with respect to each spin-off company was calculated by dividing the book value of the consolidated net assets (total assets minus total liabilities) of the applicable spin-off business by the sum of the book value of consolidated net assets of the Company before the spin-off and the book value of its treasury shares before the spin-off, each based on the Company's consolidated statement of financial position as of June 30, 2013

After the spin-off, KJB Financial Group Co., Ltd. merged with Kwangju Bank and KNB Financial Group Co., Ltd. merged with Kyongnam Bank, to facilitate the Korean government's policy of recovering public funds invested in the private sector by disposing of the Company's businesses in stages and also maximize the competitiveness of the Korean financial industry through such privatization of the Company. KJB Financial Group Co., Ltd. and KNB Financial Group Co., Ltd. are currently expected to be acquired by JB Financial Group Co., Ltd. and BS Financial Group Inc., respectively. The two regional banks will be able to become more responsive to the changes in their respective regions economic environment after they are acquired and are expected to contribute to enhancing the fundamental competitiveness of the Korean financial industry.

(2) Acquisition of Kumho Investment Bank

Kumho Investment Bank was established in 1974 as Kwangju Investment & Finance and was engaged primarily in short-term financing until its conversion into a merchant bank in 1994, when it expanded its area of business to international financing services, leasing services, securities services, etc. In 2001, Asiana Airlines Inc. replaced Kumho Development as the company's largest shareholder through the merger of Kumho Investment Bank and Kumho Capital. In 2007, Woori Private Equity Fund acquired 7,100,000 shares (total purchase price of KRW 63,332,000,000 at KRW 8,920 per share, comprising 41.43% of the total shares) of Kumho Investment Bank through a designated third party allotment of new shares, and Woori Private Equity Fund replaced Asiana Airlines Inc. as the largest shareholder.

Kumho Investment Bank experienced a decline in its operations due to the reduction in various investment limits from the decrease in its capital caused by the deterioration of the financial markets in recent years but improved its financial structure through a KRW 140 billion paid-in capital increase in June 2013. On June 21, 2013, Kumho Investment Bank became a subsidiary of the Company through the Company's acquisition of new shares and plans to stabilize its operations by streamlining its organization and improving its asset quality. Kumho Investment Bank also plans to consistently develop new sources of revenue based on its synergies with the Group and explore growth strategies that utilize the various licenses it holds as the sole merchant bank in Korea.

At the extraordinary general meeting of its shareholders on October 2, 2013, Kumho Investment Bank changed its name to Woori Investment Bank.

(3) Addition of Woori Card as a Subsidiary (the Bank's Spin-off of Woori Card)

To strengthen the business capacity of the credit card business of the Group and increase the competitiveness of its non-banking business operations, the Bank's board of directors resolved to conduct a spin-off of its credit card operations in September 2011, which was completed in April 2013, based on a 0.7790133 : 0.2209867 ratio between the surviving Bank and the newly-established company, Woori Card. Based on the Group's extensive banking network and client base, Woori Card has established optimized business strategies as a credit card subsidiary of a financial holding company and is actively pursuing new business areas for growth opportunities.

In addition, Woori Card, by prioritizing customer value in all areas of business, continues to develop products and services tailored to customer needs and plans to consistently differentiate itself through the development of new services by actively pursuing partnerships in the industry and expanding into new business areas.

(4) Woori FG Savings Bank

In March 2011, in order to enter the expanding microfinance market and diversify the Company's business portfolio, the Company established a wholly-owned subsidiary, Woori Suhmin, to acquire certain assets and liabilities of Samhwa Mutual Savings Bank through a P&A transaction (i.e., purchase of assets and assumption of liabilities) and obtain the licenses necessary to operate under the Mutual Savings Bank Act. Subsequently, the subsidiary was renamed Woori FG Savings Bank and added as a consolidated subsidiary of the Company. The assets and liabilities acquired through the P&A were valued at KRW 778,569,000,000 (including KRW 50,000,000,000 of goodwill) and KRW 778,569,000,000, respectively.

Woori FG Savings Bank seeks to coordinate its operations with the Company's other subsidiaries for growth concentrated on high-quality assets and strives to reduce the non-performing assets acquired from Samhwa Mutual Savings Bank. In September 2012, Woori FG Savings Bank also acquired certain assets and liabilities from Solomon Mutual Savings Bank and expanded its branch network in the Seoul metropolitan area. The assets and liabilities so acquired were valued at KRW 2,759,000,000 (including KRW 21,000,000 of goodwill) and KRW 2,759,000,000 million, respectively.

On June 27, 2014, Woori FG Savings Bank was sold to NongHyup Financial Group Inc. along with Woori Investment & Securities and Woori Aviva Life Insurance.

2. Share Ownership of Major Shareholders

A. Changes in Share Ownership of the Largest Shareholders and Specially Related Persons After the Merger

(1) Changes in Share Ownership of the Bank's Largest Shareholder and Its Specially Related Persons

(As of the date of submission of this Securities Registration Statement)

(Unit: Shares, %)

Name	Relationship	Type of Stock	Shares Owned Before the Merger		Shares Owned After the Merger		Remarks
			Bank	Company	Bank	Company	
			Number of Shares	Percentage of Shareholding	Number of Shares	Percentage of Shareholding	
Company	Largest shareholder	Common stock	596,690,380	100.00	29,157	0.00	

(2) Changes in Share Ownership of the Company's Largest Shareholder and Its Specially Related Persons

(As of the date of submission of this Securities Registration Statement)

(Unit: Shares, %)

Name	Relationship	Type of Stock	Shares Owned Before the Merger		Shares Owned After the Merger		Remarks
			Bank	Company	Bank	Company	
			Number of Shares	Percentage of Shareholding	Number of Shares	Percentage of Shareholding	
KDIC	Largest shareholder	Common stock	385,285,578	56.97	385,285,578	56.97	

3. Changes in Capital After the Merger

(As of the date of submission of this Securities Registration Statement)

(Unit: Shares, KRW millions)

Item	Before the Merger		After the Merger
	Bank	Company	Bank
Number of shares authorized for issuance	3,000,000,000	2,400,000,000	5,000,000,000
Number of issued shares	596,690,380	676,278,371	676,278,371
Capital stock	2,983,452	3,381,392	3,381,392
Hybrid equity securities	1,880,798	498,407	2,379,205
Total reserves	13,097,418	8,298,251	11,531,046

- Shares authorized for issuance, issued shares and capital stock are as of the date of submission of this Securities Registration Statement.
- The Bank's total reserves before the Merger is the sum of capital surplus, other equity and retained earnings based on the Bank's separate statement of financial position as of June 30, 2014. The Company's total reserves before the Merger is the sum of capital surplus, other equity and retained earnings based on the Company's separate statement of financial position as of June 30, 2014.
- The Bank's board of directors resolved to include an amendment to the articles incorporation to increase the number of common shares authorized for issuance from 3,000,000,000 to 5,000,000,000 as an agenda item to be voted on at the extraordinary general meeting of

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- shareholders to approve the Merger on October 10, 2014. If such resolution is not approved at such extraordinary general meeting of shareholders, the number of the Bank's common shares authorized for issuance will remain unchanged at 3,000,000,000.
4. The changes in capital after the Merger stated above assume that there will be 676,278,371 newly issued shares in connection with the Merger, and the 596,690,380 registered common shares of the Bank currently owned by the Company will be acquired and simultaneously cancelled by the Bank at the time of the Merger.

4. Management Policies and Members of Management

The management of the Bank is as listed below, and the current members of management will hold their current offices after the Merger until the respective expiration dates of their terms.

(As of the date of submission of this Securities Registration Statement)

(Unit: Shares)

Name	Gender	Date of Birth	Title	Registered Officer	Standing	Division	Education & Work Experience (Education)	Number of Shares Owned		Term of Office	Expiration of Term
								Common	Preferred		
Soon-Woo Lee	Male	12.1950	President	Yes	Yes	Administration	1969. Daegu High School				
							1977. Sungkyunkwan University, Dept. of Law				
							(Work Experience)				
							2004. Business Support Business Unit, Head 2004. Consumer Banking Business Unit, Head			6.5.2013 -Present	12.30.2014
Dong-Gun Lee	Male	1.1958	Deputy President	Yes	Yes	Business Administration	2007. Consumer Banking I Business Unit, Head				
							2008. Consumer Banking Business Unit, Head				
							2008. Deputy President				
							2011. President			3.20.2014	12.30.2014
							(Education)				
							1976. Kyeongbuk High School				-Present
							1980. Yeungnam University, Economics Dept.				
							2010. Yonsei University, Financial Engineering, Masters				
							(Work Experience)				
							2007. International Trade Business Division, General Manager				
							2009. Garak Branch General Manager				

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2009.
Gangnamjungang
Corporate Banking
Center , Head

2011. Channel Support
Division, Managing
Director

2011. Operation &
Support Business Unit,
Executive Vice
President

2012. Credit Support
Unit, Executive Vice
President

(Education)

1975. Jeonju High
School

1980. Yonsei
University, Economics
Dept.

1997. Syracuse
University, Public
Administration Dept.,
Masters

(Work Experience)

2007. The Board of
Audit and Inspection of
Korea, Director of
Construction Logistics
Audits

3.24.2011

12.30.2014

-Present

2009. The Board of
Audit and Inspection of
Korea, Director of
Social Welfare Audits

2010. The Board of
Audit and Inspection of
Korea, Audit &
Research Institute,
Director

2011. The Board of
Audit and Inspection of
Korea, Deputy
Secretary-General

Yong-Woo Kim	Male	11.1956	Standing Member of Audit Committee	Yes	Yes	Audit
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Name	Gender	Date of Birth	Title	Registered Officer	Standing	Division	Education & Work	Number of Shares Owned	Preferred Term of Office	Expiration of Term
							Experience			
Sang-Keun Oh*	Male	4.1956	Outside Director	Yes	No	Outside Director	1975. Kyeongbuk High School	3.20.2014	-Present	
							1979. Sungkyunkwan University, Economics Dept.			
							1981. Seoul National University, Economics Dept., Masters			
							(Work Experience)			
							1985. Donga University, Economics Dept., Assistant Professor			
Kang-Shik Choi*	Male	8.1960	Outside Director	Yes	No	Outside Director	1993. Donga University, Economics Dept., Associate Professor	3.20.2014	-Present	
							1998. Donga University, Economics Dept., Professor (Current)			
							(Education)			
							1979. Cheonggu High School			
							1984. Yonsei University, Economics Dept.			
Seong-Yeol Lim	Male	5.1963	Outside Director	Yes	No	Outside Director	1986. Yonsei University, Economics Dept., Masters	6.5.2013	-Present	6.5.2015
							(Work Experience)			
							1994. Korea Institute for Industrial Economics and Trade, Senior Research Engineer			
							1995. Korea Labor Institute, Trend Analysis Dept., Head			
							2006. Yonsei University, College of Business and Economics, Economics Dept., Professor (Current)			
							1982. Osan High School			
							1986. Seoul National University, Dept. of Economics			
							1988. Seoul National University, Public Administration Dept., Masters			
							(Work Experience)			
							2008. Korea Deposit Insurance Corporation, Fund Management, Head			

2013. Korea Deposit Insurance
Corporation, Risk Management,
General Manager

2013. Korea Deposit Insurance
Corporation, Policy Coordination
Division, General Manager

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Name	Gender	Date of Birth	Title	Registered Officer	Standing	Division	Education & Work	Number of Shares Owned		Term of Office	Expiration of Term
							Experience (Education)	Common	Preferred		
Min Chang*	Male	1.1965	Outside Director	Yes	No	Outside Director	1983. Kyeongbuk High School				
							1988. Seoul National University, Economics Dept.				
							1997. Michigan State University, Economics Ph.D.				
							(Work Experience)			3.21.2013	
							2007. Bank of Korea, Policy Planning Bureau, Policy Coordination Division, Deputy Head			-Present	
Kwang-Goo Lee	Male	7.1957	Executive Vice President	No	Yes	Consumer Banking	2011. Financial Services Commission, Advisor to the Chairman				
							2013. Korea Institute of Finance, Research and Coordination, Director				
							(Education)				
							1976. Cheonan High School				
							1980. Sogang University, Economics Dept.				
Kwang-Goo Lee	Male	7.1957	Executive Vice President	No	Yes	Consumer Banking	(Work Experience)				
							2003. Hong Kong Branch General Manager				
							2004. Consumer Marketing Dept., General Manager			12.9.2011	
							2007. Card Strategy Dept., General Manager			-Present	
							2007. Hong Kong Woori Investment Bank, President				
Tae-Yong Park	Male	12.1958	Executive Vice President	No	Yes	Global Business	2008. Consumer Business Strategy Dept., General Manager				
							2009. Gwangjin-Seongdong Sales Center, Head				
							(Education)			12.10.2012	12.8.2014
							1977. Dongsung High School			-Present	
							1982. Sungkyunkwan University, Economics Dept.				

(Work Experience)

2004. HR Development Dept.
General Manager

2007. Seosomun Branch
General Manager

2009. Gangnam Kyobo Tower
Branch General Manager

2010. Seoul City Hall Sales
Center, Head

2011. International Trade
Business Division, Managing
Director

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Name	Gender	Date of Birth	Title	Registered Officer	Standing	Division	Education & Work	Number of Shares Owned		Term of Office	Expiration of Term
							Experience (Education)	Common	Preferred		
Ki-Hyung Kwon	Male	9.1958	Executive Vice President	No	Yes	Institutional Banking	1978. Keisung High School				
							1986. Yonsei University, Public Administration Dept.				
							(Work Experience)				
							2004. Bundang Branch General Manager				
							2006. Dogok Suite Branch General Manager			4.1.2013	
							2007. Sales Support Dept., General Manager			-Present	
							2009. Audit Dept., Senior Manager				
							2011. Head Office Corporate Banking Center, Head				
							2012. IB Division, Managing Director				
							2013. Financial Markets Business Unit, Head				
Yong-Kwon Lee	Male	8.1956	Executive Vice President	No	Yes	SME Corporate Banking	1975. Gwangju Commercial High School				
							(Work Experience)				
							2003. Honam Corporate Banking Center, General Manager			6.14.2013	
							2005. Sangmu Branch General Manager			-Present	
							2007. Hanam Industrial Complex Branch General Manager				
							2008. Honam Sales Center, Head				
							2011. Housing Finance Division, Managing Director				
							(Education)				
							1976. Daegu High School				
							(Work Experience)				
Ku-Hyun Yu	Male	12.1957	Executive Vice President	No	Yes	Real Estate Finance	1976. Daegu High School			6.14.2013	12.9.2014
							(Education)			-Present	

1980. KeiMyung University,
Economics Dept.

(Work Experience)

2004. Samsung Corporate
Banking Center, General
Manager

2007. Institutional Sales
Dept., General Manager

2007. Head Office Corporate
Banking Center, General
Manager

2009. Susongdong Branch
General Manager

2011. Daegu Kyungbuk
Sales Center, Head

2012. Marketing Support
Division, Managing Director

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Name	Gender	Date of Birth	Title	Registered		Division	Education & Work Experience (Education)	Number of Shares		Term of Office	Expiration of Term
				Officer	Standing			Owned	Preferred		
							1977. Yeoido High School				
							1982. Seoul National University, Economics Dept.				
							2002. University of Michigan MBA				
							(Work Experience)				
							2005. HR Strategy Dept., General Manager				
							2007. Investment Banking Dept., General Manager			6.14.2013	
Ki-Myoung Nam	Male	12.1958	Executive Vice President	No	Yes	Finance & Management Planning	2007. Yeoido Corporate Banking Center, General Manager			-Present	12.9.2014
							2008. Dispatch to Holding Company				
							2008. Apkujung Station Branch General Manager				
							2009. Sales Support Dept., General Manager				
							2010. Gangdong Sungnam Sales Center, Head				
							2012. International Trade Business Division, Managing Director				
Ki-Hwa Jung	Male	11.1959	Executive Vice President	No	Yes	HR	(Education)			9.4.2013	12.9.2014
							1978. Seonggwang High School			-Present	
							1986. Korea University, Public Administration Dept.				
							(Work Experience)				
							2004. Acrovista Branch General Manager				
							2007. Strategy & Control Tower Dept., General Manager				
							2008. HR Development Dept., General Manager				
							2009. Dispatch to Holding Company				

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2011. Gwanak-Donjak Sales Center, Head

2012. Operation & Support Division, Managing Director
(Education)

1977. Cheonan Commercial High School

(Work Experience)

2003. West Cheonan Branch General Manager

2006. Daejeon Branch General Manager

9.4.2013

6.13.2015

2008. Samsung-dong Branch General Manager

-Present

2010. Yeoksam Station Branch General Manager

2011. Chungcheong Sales Center, Head

2013. Marketing Support Division, Managing Director

Won-Jai Jeong	Male	8.1959	Executive Vice President	No	Yes	Corporate Banking
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Name	Gender	Date of Birth	Title	Registered		Division	Education & Work Experience (Education)	Number of Shares		Term of Office	Expiration of Term
				Officer	Standing			Owned	Preferred		
							1978. Hansung High School				
							1982. Chung Ang University, Agricultural Economy Dept.				
							(Work Experience)				
							2004. Channel Planning Dept., General Manager				
Ki-Seok Park	Male	10.1959	Executive Vice President	No	Yes	Risk Management	2007. Songpa Branch General Manager			3.20.2014	12.8.2015
							2009. Jongno 4-ga Branch General Manager			-Present	
							2011. Gyeonggi Bukbu Sales Center, Head				
							2013. Gangnam 1 Sales Center, Head				
							2013. Smart Banking Business Division, Managing Director				
							(Education)				
							1975. Namsung High School				
							1983. Sogang University, Economics Dept.				
							(Work Experience)				
							2006. Card R&D Dept., General Manager				
Woo Seok Chai	Male	1.1958	Executive Vice President	No	Yes	Credit Support	2008. Gongdeok-dong Branch General Manager			3.20.2014	9.3.2015
							2008. Investment Banking Dept., General Manager			-Present	
							2011. Investment Banking Dept., Senior General Manager				
							2012. Audit Dept., Senior General Manager				
							2013. Corporate Restructuring Division, Managing Director				

* End of Term: Date of the 2015 general meeting of shareholders

Pursuant to the Merger Agreement, the Bank will appoint new directors and new audit committee members and will submit such item for resolution at the extraordinary general meeting of shareholders to approve the Merger scheduled to be held on October 10, 2014.

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[Candidates for Appointment as Directors and Audit Committee Members]

Name	Date of Birth	Title	Registered Officer	Standing	Education & Work Experience
Young-Soo Park	2.1952	Outside Director / Audit Committee Member	Yes	No	(Education) Bachelor of Liberal Arts and Sciences, Seoul National University
					(Work Experience) Chief Prosecutor, Central Investigation Department, Supreme Prosecutors Office
					Chief Prosecutor, Seoul High Prosecutors Office (Current) Representative Attorney, Law Firm Gangnam LLP
Hee-Yul Chai	1.1960	Outside Director	Yes	No	(Education) Bachelor of Economics, Seoul National University
					(Work Experience) Ph.D. in Economics, University of Paris X
					Non-standing Commissioner, Financial Services Commission Current) Professor of Economics, Kyonggi University
Seong-Yeol Lim	5.1963	Non-standing Director	Yes	No	(Education) 1986. Bachelor of Arts, Economics, Seoul National University
					(Work Experience) 1988. MPA, Seoul National University
					2008. Director, Risk Management Dept., Korea Deposit Insurance Corporation 2013. Deposit Insurance Corporation 2013. Director, Planning & Coordination Dept., Korea

* The term of each director (including audit committee members) will be from the effective date of the Merger to the date of the March 2015 general meeting of shareholders

After the Merger, the Bank will conduct its business operations through the current representative director and directors and the newly appointed directors in accordance with the relevant laws and its articles of incorporation.

5. Business Plan

Pursuant to the Merger, the Bank will conduct its banking business and will manage its non-banking business portfolio through its five additional subsidiaries, Woori Card, Woori Investment Bank, Woori FIS, Woori Private Equity and Woori Finance Research Institute. There are no other plans for a corporate reorganization, and any future plans for a corporate reorganization will be publicly disclosed once they are finalized.

6. Pro Forma Statement of Financial Position After the Merger

(Unit: KRW millions)

Line Item	Before the Merger Company	Bank	Pro Forma after the Merger
ASSETS			
Cash and cash equivalents	1,890,348	4,310,099	4,310,099
Financial assets at fair value through profit or loss		3,446,905	3,446,905
Available-for-sale financial assets	4	15,843,744	15,843,748
Held-to-maturity financial assets		13,281,854	13,281,854
Loans and receivables	217,510	202,802,817	202,816,909
Investments in joint ventures and associates	13,831,963	2,171,086	3,154,974
Other assets	9,919	3,148,689	3,157,325
Total assets	15,949,744	245,005,194	246,011,814
LIABILITIES			
Financial liabilities at fair value through profit or loss		2,671,351	2,671,351
Deposits due to customers		175,666,909	173,771,753
Borrowings		14,296,309	14,296,309
Debentures	3,545,001	17,164,186	20,709,187
Other liabilities	226,693	17,244,771	17,271,571
Total liabilities	3,771,694	227,043,526	228,720,171
EQUITY			
Capital stock	3,381,392	2,983,452	3,381,392
Hybrid securities	498,407	1,880,798	2,379,205
Other equity	8,298,251	13,097,418	11,531,046
Total equity	12,178,050	17,961,668	17,291,643
Total liabilities and equity	15,949,744	245,005,194	246,011,814

1. The above pro forma separate statement of financial position of the Bank after the Merger is based on the separate statements of financial position of the Bank and the Company as of June 30, 2014 and may differ from the statement of financial position as of the actual date of the Merger.
2. The statement of financial position after the Merger is based on the book value according to the separate financial statements, and goodwill will not be generated as a result of the Merger, and any differences will be reflected in other equity. The standards used in preparing the statement of financial position after consummation of the Merger may change to standards that more appropriately reflect the financial condition of the surviving company. In addition, the above pro forma statement of financial position after the Merger has not been audited or reviewed by the Bank's external auditor and is subject to change based on such external auditor's audit or review.
3. Upon consummation of the Merger, the total number of shares issued (596,690,380) of the Bank will be cancelled in accordance with capital reduction procedures, and 676,278,371 shares will be newly issued in accordance with the Merger Ratio, so that the total number of shares issued after the Merger will be 676,278,371.
- 4.

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- The statement of financial position after consummation of the Merger will not reflect inter-party transactions, and among such inter-party transactions, KRW 4,088 million in retirement pension plan assets (deductible from other liabilities) was offset against the Bank's deposits.
5. The standards used in preparing the statement of financial position after consummation of the Merger may change to standards that more appropriately reflect the financial condition of the surviving company. In addition, the above pro forma statement of financial position after the Merger has not been audited or reviewed by the Bank's external auditor and is subject to change based on such external auditor's audit or review.

7. Other Matters Necessary for an Investment Decision

A. Public Disclosure of the Merger Agreement

Pursuant to Article 522-2(1) of the KCC and Article 5(5) of the Act on the Structural Improvement of the Financial Industry, the following documents will be available at the head office of the Company from one week prior to the general meeting of the shareholders to approve the Merger (i.e., October 2, 2014) until six months after the date of the Merger (i.e., May 3, 2015).

- (1) Merger Agreement
- (2) Written statement of grounds for the allotment of new shares to be issued to the shareholders of the non-surviving entity
- (3) Each party's latest balance sheet and income statement

B. Shareholder and Creditor Access to Documents

Any shareholder or creditor of the Company may, at any time during business hours, inspect the documents above and request duplication of such documents or an extract thereof, upon payment of fees as determined by the Company.

C. Public Disclosure and Distribution of the Prospectus

(1) Public Disclosure of the Prospectus

The Bank plans to prepare a prospectus and publicly disclose it on the Financial Supervisory Service e-Disclosure System (<http://dart.fss.or.kr>) after the FSC declares effective this Securities Registration Statement, in accordance with Article 123 of the FISCMA. In addition, the prospectus will be available for inspection by shareholders of the Bank and the Company at the head office of the Bank and the FSC.

(2) Distribution of the Prospectus

It is expected that shareholders of the Company who will receive registered common shares of the Bank as the surviving entity after the Merger (excluding professional investors set forth in Article 9(5) of the FISCMA and persons exempt from the prospectus delivery requirement pursuant to Article 132 of the Enforcement Decree of the FISCMA) will receive the prospectus prior to the date of the Company's extraordinary general meeting of shareholders to approve the Merger (i.e., October 10, 2014), pursuant to Article 124 of the FISCMA.

a. Recipients and Distribution Method of the Prospectus

- Persons Entitled to Receive the Prospectus: Shareholders of the Company registered in its shareholder register as of the record date (i.e., September 15, 2014) for the extraordinary general meeting of shareholders to approve the Merger.
- Delivery Method: by registered mail to the registered addresses in the shareholder register.

b. Miscellaneous Information

- If a shareholder of the Company who will receive registered common shares of the Bank as the surviving entity after the Merger is not able to receive the prospectus delivered by registered mail, such shareholder should receive the prospectus as an electronic document pursuant to Article 124 and Article 436 of the FISCMA or indicate in writing its intent to forego receipt of the prospectus.
- For further information about receiving the prospectus, please contact the Company or the Bank.
- The Bank will publicly disclose the prospectus on the Financial Supervisory Service e-Disclosure System (<http://dart.fss.or.kr>) as stated above for the benefit of shareholders not able to receive the prospectus due to delivery failure or other reasons, and will make the prospectus available at the head office of the Bank, the FSC and the Korea Exchange, so that investors may freely inspect the prospectus. In addition, the prospectus will be available and distributed at the Company's extraordinary general meeting of shareholders for approval of the Merger (expected to be held on October 10, 2014).

ø Relevant Laws and Regulations

FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT

Article 9 (Other Definitions)

(5) The term "professional investor" in this Act means an investor who has an ability to take risks accompanying the investment in light of the expertise that it possesses in connection with financial investment instruments, the scale of assets owned by it, etc., and who falls under any of the following subparagraphs: Provided, That a financial investment business entity shall give consent to a professional investor prescribed by Presidential Decree when the investor notifies the financial investment business entity in writing of its willingness to be treated as an ordinary investor, unless there is a justifiable ground otherwise, and such investor shall be treated as an ordinary investor when the financial investment business entity gives such consent:

1. State;
2. The Bank of Korea;
3. Financial institutions specified by Presidential Decree;
4. Stock-listed corporations: Provided, That trading over-the-counter derivatives with a financial investment business entity shall be limited to cases where an investor notifies the financial investment business entity in writing of its willingness to be treated as a professional investor; and
5. Other persons specified by Presidential Decree.

Article 123 (Preparation and Disclosure of Investment Prospectus)

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(1) When an issuer publicly offers or sells securities in accordance with Article 119, the issuer shall file an investment prospectus (hereinafter referred to as "investment prospectus"), prepared in accordance with the manner prescribed by Presidential Decree, with the Financial Services Commission on the day on which the relevant registration statement becomes effective (or the day on which the supplements to a universal shelf registration statement are filed, in cases where the supplements to the universal shelf registration statement shall be filed in accordance with Article 119 (2)) and keep it at a place specified by Ordinance of the Prime Minister to make it available to the public for inspection.

(2) No investment prospectus shall contain any description different from the one described in the relevant registration statement (including any supplements to a universal shelf registration statement under Article 119 (2); hereafter the same shall apply in this Chapter) or omit any description stated therein: Provided, That a description may be omitted, if it is necessary to omit the description in consideration of the balance between confidentiality in corporate management, etc. and protection of investors, etc., as prescribed further by Presidential Decree.

(3) An issuer of the collective investment securities specified by Presidential Decree shall file an additional investment prospectus separately from the one under paragraph (1) in accordance with the following subparagraphs, with the Financial Services Commission, and shall keep it at a place specified by Ordinance of the Prime Minister to make it available to the public for inspection: Provided, That such filing, keeping, and disclosure may be omitted, if offering or selling such collective investment securities is discontinued:

1. A revised investment prospectus shall be filed at least once after the investment prospectus under paragraph (1) is filed within an interval prescribed by Ordinance of the Prime Minister; and

2. In cases where an amendment to registration is filed in accordance with Article 182 (8), an investment prospectus in which such amendment is reflected shall be filed within five days after a notice of amended registration is delivered.

Article 124 (Fair Use of Investment Prospectus)

(1) No one shall allow any other person to acquire securities or sell securities to any other person, unless an investment prospectus prepared in conformity with Article 123 is delivered to the person (excluding professional investors and those specified by Presidential Decree) who intends to acquire the securities after the relevant registration statement becomes effective. In such cases, it shall be deemed that the investment prospectus is delivered at the time the following requirements are fully satisfied, if the investment prospectus is delivered by means of an electronic document under Article 436:

1. The person to whom the electronic document is addressed (hereinafter referred to as addressee of the electronic document) shall consent to the delivery of the investment prospectus by means of an electronic document;
2. The addressee of the electronic document shall designate the kind of an electronic transmission medium and place for receiving the electronic document;
3. The addressee of the electronic document shall confirm such shareholder's receipt of the electronic document; and
4. The contents of the electronic document shall be identical with those of the investment prospectus in writing.

Article 436 (Electronic Reporting)

(1) A statement, report, or other document or material may be submitted electronically, when it is submitted to the Financial Services Commission, the Securities and Futures Commission, the Governor of the Financial Supervisory Service, the Association, or the Depository in compliance with this Act.

(2) The method and procedure for electronic reporting, etc. under paragraph (1) and other necessary matters shall be prescribed by Presidential Decree.

ENFORCEMENT DECREE OF THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT

Article 132 (Persons Exempt from Issuing Investment Prospectus)

The term those specified by Presidential Decree in the former part of the main body of Article 124 (1) of the Act means persons falling under any of the following subparagraphs:

1. Persons falling under any provision of Article 11 (1) 1 (c) through (f) and items of Article 11 (1) 2;
2. Persons who expressed their intent to refuse to receive an investment prospectus in writing, by phone, cable, facsimile, e-mails or similar telecommunications, or other methods prescribed and publicly notified by the Financial Services Commission;

Article 385 (Reporting by Electronic Document)

(1) A person who files a registration statement, a report, or any other document or data (hereinafter referred to as the registration statement, etc.) with the Financial Services Commission, the Securities and Futures Commission, the Governor of the Financial Supervisory Service, the Exchange, the Association, or the Korea Securities Depository in accordance with the Act, this Decree, or any other Acts and subordinate statutes may file it by electronic document (referring to standardized data prepared in an electronic format with a device capable of processing information, such as a computer, and transmitted, received, or stored in the form of a document; hereinafter the same shall apply) through an information communications network under the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.

(2) The standard form, method, procedure, etc. necessary for submitting a registration statement, etc. by electronic document shall be prescribed and publicly notified by the Financial Services Commission. In such cases, the Financial Services Commission may, if a registration report, etc.

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is also submitted to the Exchange, the Association, or the Korea Securities Depository, hear opinions of the relevant institution when it establishes or amends the standard form, method, procedure, etc. for the registration report, etc.

(3) Matters concerning registration statements, etc. submitted in accordance with any regulations related to business affairs of the Exchange, the Association, or the Korea Securities Depository may be prescribed by the relevant institution, notwithstanding the former part of paragraph (2).

(4) Matters concerning electronic documents, such as the effectiveness and time of delivery, in cases where a person files a registration statement, etc. by electronic document, shall be governed by the provisions of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.

D. Special Tax Exemptions for Recovery of Public Funds

The Company is a financial holding company regulated under the Financial Holding Companies Act, and due to the KDIC's majority ownership, the Company is conducting the Merger with its subsidiary, the Bank, for the recovery of public funds in accordance with the Special Act on the Management of Public Funds. Therefore, the Merger is a qualified merger under Article 44(2) of the Corporate Tax Act pursuant to Article 121-24 of the Restriction of Special Taxation Act. Accordingly, the Bank may be deemed to have acquired the Company's assets at book value so that the relevant tax base is nil and the Company will bear no corporate tax liability in connection with the Merger. In addition, the ex post conditions that must be satisfied to maintain eligible merger status (Article 44-3(3)4 and Article 44-3(3)4 of the Corporate Tax Act) are not applicable to the Merger, and therefore, the Bank will bear no corporate tax liability relating to the Merger even in the event of the KDIC's sale of its equity interest in the Bank. Such special tax exemption was also applied to the spin-off of the regional banks completed by the Company on May 1, 2014.

ø Relevant Laws and Regulations

RESTRICTION OF SPECIAL TAXATION ACT

Article 121-24 (Special Cases for Tax Credit for Merger and Spin-off for Recovery of Public Funds)

(1) In the event a financial holding company under the Financial Holding Companies Act in which the Korea Deposit Insurance Corporation (the KDIC) invested more than 50% of the total issued shares conducts a spin-off by April 30, 2016 to recover public funds in accordance with the Special Act on the Management of Public Funds, such spin-off will be deemed to fulfill each condition set forth in Article 46-2 of the Corporate Tax Act, and the regulations relating to spin-offs under the above Act, the Corporate Tax Act, the Income Tax Act and the Value-Added Tax Act will be applied, and Article 46-3(3) and Article 46-3(4) of the Corporate Tax Act will not be applied.

(2) In the event a financial holding company (including a financial holding company established by a spin-off pursuant to Clause (1)) under the Financial Holding Companies Act in which the KDIC invested more than 50% of the total issued shares conducts a merger with a subsidiary company of such financial holding company (a subsidiary company in accordance with the Financial Holding Companies Act) by April 30, 2016 to recover public funds in accordance with the Special Act on the Management of Public Funds, such merger will be deemed to fulfill each condition set forth in Article 44-2 of the Corporate Tax Act, and the regulations relating to mergers under the above Act, the Corporate Tax Act, the Income Tax Act and the Value-Added Tax Act will be applied, and Article 46-3(3) and Article 46-3(4) Corporate Tax Act will not be applied.

(3) In the event a financial holding company (including a financial holding company established by a spin-off pursuant to Clause 1) under the Financial Holding Companies Act in which the KDIC invested more than 50% of the total issued shares conducts a merger with a subsidiary company of such financial holding company by April 30, 2016 to recover public funds in accordance with the Special Act on the Management of Public Funds, all tax adjustments relating to the stock of the subsidiary owned by the financial holding company (with respect to the stock succeeded to by the newly established spin-off company that is a financial holding company spun off from the existing company that is a financial holding company in the course of the spin-off in accordance with Clause 1, includes amounts succeeded to the newly established spin-off company that is a financial holding company due to the lack of inclusion or exclusion in calculating the amount of income and the tax base for each business year and asset adjustment accounts created in connection with the stock of the subsidiary at the time of spin-off pursuant to Clause 1) are extinguished.

CORPORATE TAX ACT

Article 44 (Taxation on Merged Corporation upon Merger)

(1) Where a merged corporation is dissolved in the course of a merger, the assets of the merged corporation shall be deemed transferred to a surviving corporation. In such cases, gains or losses accruing from the transfer (referring to the amount calculated by deducting the value referred to in subparagraph 2 from the value referred to in subparagraph 1; hereafter the same shall apply in this Article and Article 44-3) shall be included in gross income or deductible expenses when the merged corporation calculates the amount of income for the business year in which the registration date of the merger falls:

1. Transfer value the merged corporation has received from the surviving corporation;

2. Value calculated by deducting the total book value of liabilities from the total book value of assets (hereafter referred to as net book value of assets in this Article) as at the registration date of the merger of the merged corporation.

(2) In applying paragraph (1), for mergers which meet all of the following requirements, transfer gains or losses may be deemed nil, considering the value under paragraph (1) as the net book value of assets as at the registration date of the merger of the merged corporation: Provided, That where inevitable circumstances prescribed by Presidential Decree exist, transfer gains or losses may be deemed nil, as prescribed by Presidential Decree, although the requirements prescribed in subparagraph 2 or 3 are not met:

1. A merger should be between domestic corporations which have continued to operate their business for at least one year as at the registration date of the merger: Provided, That a corporation prescribed by Presidential Decree, the sole purpose of which is to merge with other corporations shall be excluded;

2. Where the value of the stock, etc. of a surviving corporation or the parent corporation of the surviving corporation is at least 80 percent of the total costs of the merger received by the stockholders, etc. of a merged corporation in return for such merger and such stock, etc. are allocated, as prescribed by Presidential Decree, and the stock, etc. shall be distributed, as prescribed by Presidential Decree and the stockholders, etc. of the merged corporation prescribed by Presidential Decree hold such stock, etc. until the end date of the business year in which the registration date of the merger falls;

3. Where a surviving corporation continues to operate the business succeeded to by the merged corporation until the end date of the business year in which the registration date of the merger falls.

(3) Where a domestic corporation merges with or is merged into another corporation which holds all outstanding stock or investments, transfer gains or losses may be deemed nil, notwithstanding paragraph (2).

(4) Matters necessary for calculating the transfer value and the net book value of assets, the total costs of a merger, and criteria for determining the continuance or discontinuance of the business succeeded under paragraphs 1 through 3 and other matters shall be prescribed by Presidential Decree.

Article 44-3 (Special Provisions concerning Taxation on Merged Corporation upon Qualified Merger)

(1) Where transfer gains or losses are deemed nil under Article 44(2) or (3), a surviving corporation shall be deemed to have succeeded to the assets of a merged corporation at the book value, notwithstanding Article 44-2. In such cases, the surviving corporation shall appropriate the difference between the book value and the market price referred to in Article 44-2(1) per asset, as prescribed by Presidential Decree.

(2) Where a surviving corporation succeeds to the assets of a merged corporation at the book value, as prescribed in paragraph (1), it shall succeed to the losses referred to in subparagraph 1 of Article 13 as at the registration date of the merger of the merged corporation and the amount included in or excluded from the gross income or deductible expenses when the merged corporation calculates the amount of income and the tax base for each business year, other assets, liabilities, reductions, tax credits, etc. referred to in Article 59, as prescribed by Presidential Decree.

(3) Where any of the following occurs during the period prescribed by Presidential Decree not exceeding three years, a surviving corporation that succeeds to the assets of a merged corporation at the book value under paragraph (1) shall include, as prescribed by Presidential Decree, in the gross income the difference between the book value of the succeeded assets and the market price referred to in Article 44-2 (1) (limited to only where the market price exceeds the book value; hereafter the same shall apply in paragraph (4)) and the amount deducted from the succeeded losses when calculating the amount of income for the business year which includes the date the grounds arise, and shall not apply reductions, tax credits, etc. starting from the relevant business year after paying the amount of reductions, or tax credits, etc. deducted upon succession from the merged corporation under paragraph (2) in addition to the corporate tax for the relevant business year, as prescribed by Presidential Decree: Provided, That the same shall not apply where inevitable circumstances prescribed by Presidential Decree exist:

1. Where a surviving corporation discontinues the business succeeded to from a merged corporation;

2. Where stockholders, etc. of a merged corporation prescribed by Presidential Decree dispose of the stock, etc. received from a surviving corporation.

(4) Where a surviving corporation includes in the gross income the difference, etc. between the book value of the succeeded assets and the market price referred to in Article 44-2(1) pursuant to paragraph (3), it shall include, as prescribed by Presidential Decree, in the gross income or deductible expenses the difference between the transfer value paid by the surviving corporation to the merged corporation and the net market price of assets as at the registration date of the merger of the merged corporation until the date five years pass after the registration date of the merger from the date any of the grounds referred to in paragraph (3) arises.

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(5) Where transfer gains or losses are deemed nil under Article 44(3), a surviving corporation shall be deemed to have succeeded to the assets of a merged corporation at the book value, and paragraphs (1) and (2) shall apply accordingly, although the surviving corporation fails to meet the requirements referred to in each subparagraph of Article 44(2). In such cases, paragraphs (3) and (4) shall not apply.

(6) A surviving corporation to which paragraph (1) applies shall file a detailed statement on the succeeded assets in the course of merger to the head of the tax office having jurisdiction over the place of tax payment, as prescribed by Presidential Decree.

(7) Matters necessary for criteria for determining the continuance or discontinuance of the succeeded business, for calculating the amounts included in gross income and deductible expenses, and the method for inclusion referred to in paragraphs (1) through (5) and other matters shall be prescribed by Presidential Decree.

E. Lock-Up of Shares of Largest Shareholder

The lock-up procedures for the largest shareholder's equity share in the Bank in connection with the Bank's privatization, including the Merger, as confirmed by the Korea Exchange as of the date of submission of this Securities Registration Statement, will be conducted as follows, subject to change based on consultation with the relevant authorities:

- While the Merger procedures are in progress, the shares of the Bank owned by the Company will be subject to lock-up in accordance with regulations currently in effect.

- After the Merger, the KDIC will replace the Company as the largest shareholder of the Bank, and the shares of the Bank owned by the KDIC will be subject to lock-up during the period from the new listing to the commencement of trading.

- After completion of the Merger, the management control portion (30%) of the Bank's shares sold by the KDIC will be subject to voluntary lock-up by the purchaser of such shares.

- After completion of the Merger, the minority interest portion (27.9%) of the Bank's shares sold by the KDIC will not be subject to any lock-up.

Please see the public notice of the sale to be announced in the future for further details.

SECTION 2. MATTERS RELATING TO THE PARTIES

I. OVERVIEW OF THE BANK

1. Overview

A. Legal and Business Name

- The name of the Bank is Woori Bank.

B. Date of Establishment and Term of Existence

- The Bank was established on January 30, 1899 as Daehan Cheonil Bank.

C. Address, Telephone Number, Website of Head Office

- Address: 51, Sogong-ro, Jung-gu, Seoul (203, 1-ga, Hoehyun-dong)
- Telephone Number: 822-2002-3000
- Website: www.wooribank.com

D. Regulatory Framework for the Operation of the Entity's Business

- The Banking Act and related regulations
- The Financial Holding Companies Act and related regulations
- The Foreign Exchange Transactions Act and related regulations
- The Depositor Protection Act and related regulations
- The Act on the Structural Improvement of the Financial Industry and related regulations
- The FISCMA and related regulations

E. Brief Overview of Main Business Operations and New Lines of Business Planned

(1) Main Business Operations

- The Bank is engaged in the business of banking and other ancillary businesses.
- For details on the main business operations of the Bank and its consolidated subsidiaries, please see II. Description of Business of the Bank in this Securities Registration Statement.

(2) New Lines of Business Planned

- Not applicable. For details on consolidated subsidiaries, please see II. Description of Business of the Bank below in this Securities Registration Statement.

F. Total Number, Names and Listing Status of Affiliated Companies as of the date of submission of this Securities Registration Statement

- The Bank is part of the Group, and as of June 30, 2014, the Group consists of 19 companies one holding company, six first-tier subsidiaries and 12 second-tier subsidiaries.

Classification	Company Name	Controlling Company	Remarks
Holding			
Company	Woori Finance Holdings Co., Ltd.	KDIC	1 company
First Tier	Woori Bank (equity ownership 100.0%) Woori Card (equity ownership 100.0%) Woori Investment Bank (equity ownership 58.15%) Woori FIS (equity ownership 100.0%)	The Company	6 companies
Subsidiaries	Woori Private Equity (equity ownership 100.0%) Woori Finance Research Institute (equity ownership 100.0%)		
Second Tier Subsidiaries	Woori Credit Information (equity ownership 100.0%) Woori America Bank (equity ownership 100.0%) PT. Bank Woori Indonesia (equity ownership 95.18%) Korea BTL Infrastructure Fund (equity ownership 100.0%) Woori Global Markets Asia Ltd. (equity ownership 100.0%) Woori Bank China Ltd. (equity ownership 100.0%) ZAO Woori Bank (equity ownership 100%) Woori Fund Service (equity ownership 100.0%) Woori Brazil Bank (equity ownership 100%) Woori Private Equity Fund (equity ownership 2.94%) Woori Blackstone Korea Opportunity No. 1 Private Equity Fund (equity ownership 4.95%) Woori Columbus No. 1 Private Equity Fund (equity ownership 1.95%)	The Bank Woori Private Equity	9 companies 3 companies

* The Company and Woori Investment Bank are listed on the KRX KOSPI Market.

G. Consolidated Subsidiaries

A summary of the consolidated subsidiaries as of the end of June 2014 is as follows:

Company Name	Date of Establishment	Address	Main Business	Total Assets as of End of Previous FY	Control Relationship	Major Consolidated Subsidiary
1. Woori Credit Information	3.15.1991	27-1 Soopyo-dong, Jung-gu, Seoul	Debt collection and credit rating	31,414	Holding majority of voting rights of a corporation (K-GAAP 1027, paragraph 13)	3 applicable
2. Woori America Bank	1.27.1984	1250 Broadway New York, NY 10001, USA	Banking	1,228,163	Same as above	2 applicable
3. PT. Bank Woori Indonesia	6.18.1992	16th Fl., Jakarta Stock Exchange Bldg., JL.J end Sudirman Kav.52-53, Jakarta 12190, Indonesia	Banking	666,804	Same as above	2 applicable
4. Korea BTL Infrastructure Fund	5.19.2006	23-8 Yeoido-dong, Yeongdeungpo-gu, Seoul	Other financial	651,973	Same as above	2 applicable
5. Woori Global Markets Asia Limited	10.3.2006	19/F., Gloucester Tower, The Land mark, 15 Queen's Road Central, Hong Kong	Banking (investment finance)	184,475	Same as above	2 applicable
6. Woori Bank China Ltd.	11.12.2007	26F, Tower A, Tianyuangang Centre, C2, North Road, East Third Ring Road, Chaoyang District, Beijing, 100027, China	Banking	3,414,199	Same as above	2 applicable
7. ZAO Woori Bank	1.9.2008	8th floor, Lotte Plaza, 8, Novinsky Boulevard, Moscow, 121099, Russia	Banking	201,035	Same as above	2 applicable
8. Woori Brazil Bank	9.25.2012	Avenida Nacoes Unidas, 14,171, Crystal Tower, Conj.803, Vila Gertrudes, 04794-000, Sao Paulo-SP, Brasil	Banking	143,993	Same as above	3 applicable
9. Woori Fund Service	4.6.2011	26-4 Yeoido-dong, Yeongdeungpo-gu, Seoul	Other financial	2,694	Same as above	Not applicable

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Company Name	Date of Establishment	Address	Main Business	Total Assets as of End of Previous FY	Control Relationship	Major Consolidated Subsidiary
10. Heoreum Short-Term 15th	1.4.2000		Securities investment	58	Same as above	Not applicable
11. (Unsold) G5 Pro Short-Term 13th	10.31.2001		Securities investment	489	Same as above	Not applicable
12. (Unsold) G6 First Class Mid-term E-203	10.31.2001		Securities investment	1	Same as above	Not applicable
13. (Unsold) G15 First Class Mid-term C-151	10.31.2001		Securities investment	4	Same as above	Not applicable
14. D First Class Mid-term C-151	10.18.1999		Securities investment	3	Same as above	Not applicable
15. Woori Milestone Private Real Estate Fund 1st	12.30.2005		Securities investment	302	Same as above	Not applicable
16. Consus Sakhalin Real Estate Investment Trust 1st	4.5.2007		Securities investment	59,391	Same as above	2 applicable
17. Woori Partner Plus Private Equity Securities 4th	12.31.2009		Securities investment	409,539	Same as above	Not applicable
18. Hyundai Platinum Private Equity Securities W-3	7.18.2013		Securities investment	50,636	Same as above	2 applicable
19. Phoenix Sky Private Equity Securities 15th	7.18.2013		Securities investment	20,253	Same as above	Not applicable
20. Samsung Plus Private Equity Securities 24th	7.18.2013		Securities investment	50,569	Same as above	2 applicable
21. HDC Private Equity Securities Investment Trust 10th	8.6.2013		Securities investment	50,579	Same as above	2 applicable
22. ING Lion Private Equity Securities 47th	8.6.2013		Securities investment	50,565	Same as above	2 applicable

Company Name	Date of Establishment	Address	Main Business	Total Assets as of End of Previous FY	Control Relationship	Major Consolidated Subsidiary
23. LS Leading Solution Private Equity Securities 126th	8.21.2013		Securities investment	50,602	Same as above	2 applicable
24. Shinhan BNPP Corporate Private Equity Securities 32nd	8.21.2013		Securities investment	50,526	Same as above	2 applicable
25. Hyundai Advantage Private Equity Securities 17th	8.22.2013		Securities investment	9,773	Same as above	Not applicable
26. Mirae Asset Triumph Private Equity Securities 21st	8.27.2013		Securities investment	50,464	Same as above	2 applicable
27. Meritz Prime Private Equity Securities 95th	8.6.2013		Securities investment	50,547	Same as above	2 applicable
28. Hi Good Choice Private Equity Securities 8th	9.5.2013		Securities investment	20,201	Same as above	Not applicable
29. HDC Private Equity Securities Investment Trust 11th	9.5.2013		Securities investment	20,199	Same as above	Not applicable
30. Woori Partner Plus Private Equity Securities 13th	9.30.2013		Securities investment	301,722	Same as above	2 applicable
31. Phoenix Sky Private Equity Securities 16th	11.21.2013		Securities investment	50,217	Same as above	2 applicable
32. Hanwha Private Equity Securities No. 65	11.21.2013		Securities investment	51,212	Same as above	2 applicable
33. Hanwha Private Equity Securities No. 67 (Bond)	12.23.2013		Securities investment	51,034	Same as above	2 applicable

Company Name	Date of Establishment	Address	Main Business	Total Assets as of End of Previous FY	Control Relationship	Major Consolidated Subsidiary
34. HDC New Star Private Equity Securities 24th	1.21.2014		Securities investment		Same as above	Not applicable
35. Hana UBS Private Equity Securities 8th	1.28.2014		Securities investment		Same as above	3 applicable
36. Eugene Pride Private Equity Securities 40th	1.28.2014		Securities investment		Same as above	3 applicable
37. LS Leading Solution Private Equity Securities 129th	1.28.2014		Securities investment		Same as above	3 applicable
38. KB Market Long Short Private Equity Securities 1st	2.24.2014		Securities investment		Same as above	Not applicable
39. Yuri WB Private Equity Securities 7th	3.4.2014		Securities investment		Same as above	3 applicable
40. IBK Panorama Private Equity Securities 54th	3.4.2014		Securities investment		Same as above	3 applicable
41. Heungkuk Multi Private Equity Securities H-8	3.7.2014		Securities investment		Same as above	3 applicable
42. Hyundai Platinum Private Equity Securities W-4	3.7.2014		Securities investment		Same as above	3 applicable
43. Hyundai Smart Dream Private Equity Securities 14th	3.21.2014		Securities investment		Same as above	Not applicable
44. Mirae Asset Triumph Private Equity Securities 26th	4.17.2014		Securities investment		Same as above	Not applicable

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Company Name	Date of Establishment	Address	Main Business	Total Assets as of End of Previous FY	Control Relationship	Major Consolidated Subsidiary
45. Hyundai Platinum Private Equity Securities W-5	4.17.2014		Securities investment		Same as above	Not applicable
46. LS Leading Solution Private Equity Securities 133rd	4.17.2014		Securities investment		Same as above	Not applicable
47. KDB Private Equity Securities Investment Trust WB-6	4.23.2014		Securities investment		Same as above	Not applicable
48. Shinhan BNPP Corporate Private Equity Securities 37th	4.23.2014		Securities investment		Same as above	Not applicable
49. NH-CA New Private Equity Securities Investment Trust 12-63	5.30.2014		Securities investment		Same as above	Not applicable
50. Eugene Pride Private Equity Securities 43rd	5.30.2014		Securities investment		Same as above	Not applicable
51. Yuri WB Private Equity Securities 8th	5.30.2014		Securities investment		Same as above	Not applicable
52. Mirae Asset Triumph Private Equity Securities 29th	6.3.2014		Securities investment		Same as above	Not applicable
53. Yuri WB Private Equity Securities 9th	6.3.2014		Securities investment		Same as above	Not applicable
54. Asset Plus Private Equity Securities Investment Trust 18th	6.16.2014		Securities investment		Same as above	Not applicable
55. Kumho Trust 1st Co., Ltd.	9.18.2007		Asset-backed securitization	69,430	Same as above	2 applicable
56. Woori IB Global Bond Co., Ltd.	8.23.2007		Asset-backed securitization	208,385	Same as above	2 applicable

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Company Name	Date of Establishment	Address	Main Business	Total Assets as of End of Previous FY	Control Relationship	Major Consolidated Subsidiary
57. Consus Eighth Co., Ltd.	9.13.2006		Asset-backed securitization	16	Same as above	Not applicable
58. Asiana Saigon Co., Ltd.	8.2.2006		Asset-backed securitization	45,151	Same as above	2 applicable
59. An-Dong Raja 1st Co., Ltd.	8.31.2007		Asset-backed securitization	12,222	Same as above	Not applicable
60. Wonju I-one Inc.	11.20.2006		Asset-backed securitization	9	Same as above	Not applicable
61. Jeonju Iwon Ltd.	10.11.2006		Asset-backed securitization	186	Same as above	Not applicable
62. Kamco Value Recreation 1st Securitization Specialty Co., Ltd	8.3.2009		Asset-backed securitization	61,240	Same as above	2 applicable
63. Deogi Dream Fourth Co., Ltd.	9.20.2007		Asset-backed securitization	348	Same as above	Not applicable
64. Heights Third Co., Ltd.	12.15.2005		Asset-backed securitization	607	Same as above	Not applicable
65. Hermes STX Co., Ltd.	11.29.2010		Asset-backed securitization	179	Same as above	Not applicable
66. BWL First Co., LLC	11.15.2010		Asset-backed securitization	79,784	Same as above	2 applicable
67. Woori Poongsan Co., Ltd	4.13.2011		Asset-backed securitization	41,880	Same as above	Not applicable
68. Pyeongtaek Ocean Sand Co., Ltd.	4.13.2011		Asset-backed securitization	44,822	Same as above	Not applicable
69. New Year Eighth Co., Ltd.	5.7.2014		Asset-backed securitization		Same as above	Not applicable
70. W Synergy 1st Co., Ltd.	12.20.2013		Asset-backed securitization	9,203	Same as above	Not applicable
71. Bank Principal Protected Trust and Principal Protected Trust			Trust	1,389,082	Same as above	2 applicable

H. Matters Relating to Credit Ratings(1) Ratings by Credit Agencies
(Local Currency Securities)

Date of Rating	Evaluated Securities	Credit Rating	Company (Ratings Range)	Evaluation Category
1.31.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
1.31.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
1.31.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
2.29.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
2.29.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
2.29.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
3.22.2012	Subordinated Notes	AA+	Korea Ratings (AAA~D)	
3.23.2012	Subordinated Notes	AA+	KIS Ratings (AAA~D)	
3.23.2012	Subordinated Notes	AA+	NICE Ratings (AAA~D)	
3.30.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
3.30.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
3.30.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
4.30.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
4.30.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
4.30.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
5.15.2012	Subordinated Notes	AA+	Korea Ratings (AAA~D)	
5.15.2012	Subordinated Notes	AA+	KIS Ratings (AAA~D)	
5.15.2012	Subordinated Notes	AA+	NICE Ratings (AAA~D)	
5.31.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
5.31.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
5.31.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
6.29.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
6.29.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
6.29.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
7.27.2012	Subordinated Notes	AA+	Korea Ratings (AAA~D)	
7.27.2012	Subordinated Notes	AA+	KIS Ratings (AAA~D)	
7.27.2012	Subordinated Notes	AA+	NICE Ratings (AAA~D)	
7.31.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
7.31.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
7.31.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
8.31.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
8.31.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
8.31.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
9.28.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
9.28.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
9.28.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
10.31.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
10.31.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
10.31.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
11.22.2012	Subordinated Notes	AA+	Korea Ratings (AAA~D)	
11.23.2012	Subordinated Notes	AA+	KIS Ratings (AAA~D)	
11.23.2012	Subordinated Notes	AA+	NICE Ratings (AAA~D)	
11.30.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
11.30.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
11.30.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
12.31.2012	Senior Notes	AAA	Korea Ratings (AAA~D)	
12.31.2012	Senior Notes	AAA	KIS Ratings (AAA~D)	
12.31.2012	Senior Notes	AAA	NICE Ratings (AAA~D)	
1.31.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
1.31.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	

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1.31.2013	Senior Notes	AAA	NICE Ratings (AAA~D)
2.28.2013	Senior Notes	AAA	Korea Ratings (AAA~D)
2.28.2013	Senior Notes	AAA	KIS Ratings (AAA~D)
2.28.2013	Senior Notes	AAA	NICE Ratings (AAA~D)
3.29.2013	Senior Notes	AAA	Korea Ratings (AAA~D)
2.29.2013	Senior Notes	AAA	KIS Ratings (AAA~D)
3.29.2013	Senior Notes	AAA	NICE Ratings (AAA~D)
4.25.2013	Hybrid Bonds	AA	Korea Ratings (AAA~D)

Date of Rating	Evaluated Securities	Credit Rating	Company (Ratings Range)	Evaluation Category
4.25.2013	Hybrid Bonds	AA	KIS Ratings (AAA~D)	
4.25.2013	Hybrid Bonds	AA	NICE Ratings (AAA~D)	
4.30.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
4.30.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
4.30.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
6.12.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
6.12.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
6.12.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
6.27.2013	Subordinated Notes	AA+	Korea Ratings (AAA~D)	
6.27.2013	Subordinated Notes	AA+	KIS Ratings (AAA~D)	
6.27.2013	Subordinated Notes	AA+	NICE Ratings (AAA~D)	
6.28.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
6.28.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
6.28.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
7.31.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
7.31.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
7.31.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
8.30.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
8.30.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
8.30.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
9.30.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
9.30.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
9.30.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
10.7.2013	Subordinated Notes	AA+	Korea Ratings (AAA~D)	
10.7.2013	Subordinated Notes	AA+	KIS Ratings (AAA~D)	
10.7.2013	Subordinated Notes	AA+	NICE Ratings (AAA~D)	
10.31.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
10.31.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
10.31.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
11.11.2013	Hybrid Bonds	AA	Korea Ratings (AAA~D)	
11.11.2013	Hybrid Bonds	AA	KIS Ratings (AAA~D)	
11.11.2013	Hybrid Bonds	AA	NICE Ratings (AAA~D)	
11.30.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
11.30.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
11.30.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
12.30.2013	Senior Notes	AAA	Korea Ratings (AAA~D)	
12.30.2013	Senior Notes	AAA	KIS Ratings (AAA~D)	
12.30.2013	Senior Notes	AAA	NICE Ratings (AAA~D)	
1.29.2014	Senior Notes	AAA	Korea Ratings (AAA~D)	
1.29.2014	Senior Notes	AAA	KIS Ratings (AAA~D)	
1.29.2014	Senior Notes	AAA	NICE Ratings (AAA~D)	
2.28.2014	Senior Notes	AAA	Korea Ratings (AAA~D)	
2.28.2014	Senior Notes	AAA	KIS Ratings (AAA~D)	
2.28.2014	Senior Notes	AAA	NICE Ratings (AAA~D)	
3.31.2014	Senior Notes	AAA	Korea Ratings (AAA~D)	
3.31.2014	Senior Notes	AAA	KIS Ratings (AAA~D)	
3.31.2014	Senior Notes	AAA	NICE Ratings (AAA~D)	
4.30.2014	Senior Notes	AAA	Korea Ratings (AAA~D)	
4.30.2014	Senior Notes	AAA	KIS Ratings (AAA~D)	
4.30.2014	Senior Notes	AAA	NICE Ratings (AAA~D)	
5.30.2014	Senior Notes	AAA	Korea Ratings (AAA~D)	
5.30.2014	Senior Notes	AAA	KIS Ratings (AAA~D)	
5.30.2014	Senior Notes	AAA	NICE Ratings (AAA~D)	
6.30.2014	Senior Notes	AAA	Korea Ratings (AAA~D)	
6.30.2014	Senior Notes	AAA	KIS Ratings (AAA~D)	
6.30.2014	Senior Notes	AAA	NICE Ratings (AAA~D)	

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Date of Rating	Evaluated Securities	Credit Rating	Company (Ratings Range)	Evaluation Category
7.31.2014	Senior Notes	AAA	Korea Ratings (AAA~D)	
7.31.2014	Senior Notes	AAA	KIS Ratings (AAA~D)	
7.31.2014	Senior Notes	AAA	NICE Ratings (AAA~D)	

(Foreign Currency Securities)

Date of Rating	Evaluated Securities	Credit Rating	Company (Ratings Range)	Evaluation Category
2.1.2011	JPY 20,900m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
2.1.2011	JPY 2,600m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
2.1.2011	JPY 26,500m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
4.13.2011	USD 500m, Subordinated Notes	A2 BBB+ BBB+	Moody s (Aaa~C) S&P (AAA~D) Fitch (AAA~D)	Ongoing Ongoing Ongoing
9.25.2013	USD 500m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
8.25.2011	USD 13m, Senior Notes	A1	Moody s (Aaa~C)	Ongoing
11.27.2011	USD 24m, Senior Notes	A1	Moody s (Aaa~C)	Ongoing
1.20.2012	HKD 162m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
1.20.2012	HKD 380m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
7.12.2012	JPY 2,000m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
1.30.2013	JPY 3,000m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
9.25.2013	USD 500m, Senior Notes	A1 A-	Moody s (Aaa~C) S&P (AAA~D)	Ongoing Ongoing
4.30.2014	USD 1,000m, Subordinated Notes	Baa3	Moody s (Aaa~C)	Ongoing

(2) Ratings by Foreign Credit Rating Agencies

Changes During Past 3 Years	Moody s		S&P		Fitch	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
4.14.2010	A1	P-1	A-	A-2	A-	F2

ø Summary of Credit Rating Systems

1. Domestic Credit Rating Agencies

1) KIS Ratings

Rating	Description
AAA	An AAA rating indicates the strongest capacity for timely repayment.
AA	An AA rating indicates very strong capacity for timely repayment. This capacity may, nevertheless, be slightly inferior than is the case for the highest rating category.
A	An A rating indicates strong capacity for timely repayment. This capacity may, nevertheless, be more vulnerable to adverse changes in circumstances or in economic conditions than is the case for higher rating categories.
BBB	A BBB rating indicates that capacity for timely repayment is adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
BB	A BB rating indicates that the capacity for timely repayment is currently adequate, but that there are some speculative characteristics that make the repayment uncertain over time.

Rating	Description
B	A B rating indicates lack of adequate capacity for repayment and speculative characteristics. Interest payment in time of unfavorable economic conditions is uncertain.
CCC	A CCC rating indicates lack of capacity for even current repayment and high risk of default.
CC	A CC rating indicates greater uncertainties than higher ratings.
C	A C rating indicates high credit risk and lack of capacity for timely repayment.
D	A D rating indicates insolvency.

* + or - modifier can be attached to ratings through AA to B to differentiate ratings within broader rating categories.

2) NICE Ratings

Rating	Description
AAA	Obligor's capacity to meet financial commitments is exceptionally strong and highly unlikely to be adversely affected by foreseeable changes in circumstances and economic conditions. Credit risk regarding the obligor is extremely low.
AA	Obligor's capacity to meet financial commitments is very strong but somewhat less than AAA, and is not significantly vulnerable to foreseeable changes in circumstances and economic conditions. Credit risk regarding the obligor is very low.
A	Obligor's capacity to meet financial commitments is strong, but more vulnerable to foreseeable changes in circumstances and economic conditions than obligors in the higher-rated categories.
BBB	Obligor's capacity to meet financial commitments is adequate but adverse economic conditions or changes circumstances are more likely to weaken the obligor's capacity to meet its financial commitments.
BB	Obligor's capacity to meet financial commitments may be moderate but has speculative characteristics. Adverse economic conditions or changing circumstances could lead to obligor's inadequate capacity to meet its financial commitments. Credit risk regarding the obligor is moderate.
B	Obligor's capacity to meet financial commitments is weak and has speculative characteristics. The obligor is contingent upon a sustained and favorable circumstances and economic conditions.
CCC	Obligor's capacity to meet financial commitments is currently vulnerable, and may contain possibility of default.
CC	Obligor's capacity to meet financial commitments is currently highly vulnerable and is more susceptible to adverse economic conditions or changing circumstances than higher ratings.
C	Obligor's capacity to meet financial commitments is currently highly vulnerable and the obligor is regarded to have little chance of recovery.
D	All financial obligations of an issuer are considered in default.

* The ratings from AA to CCC in long-term credit ratings may be modified by the addition of a plus (+) or minus (-) to show relative standing within the major rating categories.

3) Korea Ratings

Rating	Description
AAA	Capacity for timely payment is extremely strong.
AA	Capacity for timely payment is very strong, but somewhat less than AAA.
A	Capacity for timely payment is strong, but somewhat susceptible to external changes in the future.

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- BBB Capacity for timely payment is adequate, but more likely to be weakened by future market changes.
- BB Capacity for timely payment faces no immediate problems, but speculative in its future stability.
- B Capacity for timely payment is poor and speculative.
- CCC Contain the possibility of default.
- CC Contain more possibility of default.
- C Highly likely default.
- D In default at the present time.

2. Overseas Credit Rating Agencies

Type	Moody's	S&P	Fitch
Long-Term	Investment Grade Speculation Grade	Aaa ~ Baa3 (10 grades) Ba1 ~ C (11 grades)	AAA ~ BBB (10 grades) BB+ ~ SD & D (12 grades)
Short-Term	Investment Grade Speculation Grade	P-1 ~ P-3 (3 grades) NP (1 grade)	A-1+ ~ A-3 (4 grades) B ~ SD & D (6 grades)

- Long-Term Credit Ratings

Type	Moody's	S&P	Fitch	Description
Investment Grade	Aaa	AAA	AAA	Highest stability for timely payment (Best)
	Aa1	AA+	AA+	High grade but somewhat lower than Aaa (High Quality)
	Aa2	AA	AA	
	Aa3	AA-	AA-	
	A1	A+	A+	Current stability is adequate but may deteriorate in the future (Upper-Medium Grade)
	A2	A	A	
	A3	A-	A-	
	Baa1	BBB+	BBB+	Capacity for timely payment is possible but speculative in its future stability (Medium Grade)
	Baa2	BBB	BBB	
Baa3	BBB-	BBB-		
Speculation Grade	Ba1	BB+	BB+	Medium-level stability of timely payment and speculative in its future stability (Partially Speculative)
	Ba2	BB	BB	
	Ba3	BB-	BB-	
	B1	B+	B+	Low stability of timely payment (Speculative)
	B2	B	B	
	B3	B-	B-	
	Caa1	CCC+	CCC+	Possibility of default (Maybe in Default)
	Caa2	CCC	CCC-	
	Caa3	CCC-	CCC-	
	Ca	CC	CC	High possibility of default (Often in Default)
	C	C		Lowest grade (Extremely Poor)
			SD & D	DDD DD D

- Short-Term Credit Ratings

Type	Moody's	S&P	Fitch	Description
Investment Grade	P-1 (Prime-1)	A-1+ A-1	F1+ F1	Short-term repayment capacity is extremely strong
	P-2 (Prime-2)	A-2	F2	High grade but lower than Prime-1; highly susceptible to economic conditions and operating environment
	P-3 (Prime-3)	A-3	F3	Short-term capacity for timely payment is adequate, but highly likely to be weakened
Speculation Grade	NP (Not Prime)	B	B	Speculation grade with doubtful short-term capacity for timely payment
		B-1		
		B-2		
		B-3		
		C	C	Possibility of default

SD & D

D

Insolvency or possibility of insolvency

2. History of the Bank

A. Significant Changes in Management

3.2007 ~ 5.2008 President Hae-Choon Park
 6.2008 ~ 3.2011 President Jong-Hwee Lee
 3.2011 ~ present President Soon-Woo Lee

B. Name Changes of the Bank

1.30.1899 Established as Daehan Cheonil Bank (name changed to Commercial Bank of Korea on 4.24.1950).
 12.16.1932 Established as Choseon Trust Company (name changed to Hanil Bank on 1.1.1960)
 1.4.1999 Name changed to Hanvit Bank after the merger of Commercial Bank of Korea and Hanil Bank
 5.20.2002 Name changed to Woori Bank

C. Major Developments Relating to Business Activities

3.27.2001 Became a subsidiary of the Company
 12.31.2001 Merged with the spun off banking division of Peace Bank of Korea
 1.31.2002 Transferred the credit card business of Hanvit Bank to Woori Card
 5.22.2003 Awarded Republic of Korea Corporate Image Grand Prize Grand Prize for CI and First Prize for Knowledge Management
 7.31.2003 Merged with Woori Investment Bank
 3.31.2004 Merged with Woori Credit Card after its spin-off
 9.7.2004 Selected as 2004 Top Bank of Korea by British magazine The Bankers
 11.4.2005 Opened the first comprehensive financial office in the financial sector, Woori Finance Plaza
 5.19.2006 Established Korea BTL Infrastructure Fund
 12.01.2006 Officially launched Woori Global Markets Asia Limited
 11.12.2007 Established a local legal entity in China, Woori Bank China Ltd.
 1.9.2008 Established a local legal entity in Russia, ZAO Woori Bank
 12.16.2008 Issued 70,000,000 convertible preferred shares (par value KRW 5,000, issue price KRW 10,000)
 4.1.2009 Issued 60,000,000 common shares for increase in capital
 4.1.2009 Selected as Outstanding Company in Gender Equal Employment sponsored by the Ministry of Labor
 12.15.2009 Awarded Asian Financial Culture Grand Prize Top Prize in Community Activities
 3.21.2010 Woori Bank China Ltd. acquired qualification as a settlement bank for Renminbi currency in international trade
 4.18.2011 Woori Smile Microcredit executed an MOU to jointly support microcredit with the Ministry of Land, Transport and Maritime Affairs
 8.24.2011 Internet banking reached 10 million customers
 4.25.2012 Awarded 2012 Top Bank of Korea by the Asian Banker for two consecutive years
 8.30.2012 Awarded 2012 Asia PB Top Award by Asia Economic Daily
 9.25.2012 Woori Brazil Bank began business
 10.11.2012 Selected as Top Financial Institution for Anti-Money Laundering
 11.7.2012 Awarded Grand Prize for the First Awards for Protection of Financial Consumers in 2012 by the Korea Economic Daily
 11.29.2012 Awarded Presidential Award sponsored by the Financial Supervisory Commission for Anti-Money Laundering
 12.6.2012 Awarded 2012 Grand Prize for Small Loan Financing
 12.13.2012 Awarded Grand Prize for 2012 Aju Economy and Finance Award
 1.17.2013 Awarded Grand Prize for Top Customer Service
 3.27.2013 Awarded Grand Prize for Woori Bank Two Chairs PB services for four consecutive years
 4.1.2013 Spun off its credit card business
 6.14.2013 Inaugurated the 48th President of the Bank, concurrently holding the position of the 6th President of the Company
 6.27.2013 Number 1 in Korean Standard-Service Quality Index (KS-SQI) for three consecutive years
 10.4.2013 Selected by National Pension Fund as Top Foreign Exchange Bank
 12.19.2013 Awarded Grand Prize for Small Loan Finance sponsored by the FSS

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1.3.2014 Awarded final approval to acquire Indonesia's Saudara Bank 115th anniversary of the establishment of the Bank
1.9.2014 Awarded 2014 Grand Award for Customer Service
2.21.2014 Awarded Grand Prize for Republic of Korea Top Bank
3.26.2014 The Bank re-selected as the main bank for the City of Seoul
3.29.2014 Hansae Basketball team, the professional women's basketball team, won the overall championship for 2013-14
4.1.2014 Established business agreement with Ministry of Health and Welfare for promotion of philanthropic culture
4.17.2014 Woori Short Term National/Public Bond Fund reached KRW 100 billion in commitments
4.24.2014 Ministry of Justice as the exclusive bank for providing services to immigrants investing in public projects

Became the First domestic bank to issue Basel III subordinated debt in foreign currency (USD 1 billion)

5.8.2014 Selected by the Ministry of Land, Infrastructure and Transport and Korea Housing Guarantee Co., Ltd. as the exclusive financial institution handling standard PF loans

5.21.2014 Awarded Korea's Top Bank in Money Management by Asian Banker in 2014
5.29.2014 Executed business agreement with the Patent Office for promotion of IP finance
6.2.2014 Executed business agreement with Korea Housing Guarantee Co., Ltd. for dealing and managing Guaranteed Standard PF Loans
6.26.2014 The Bank selected by the Ministry of Trade, Industry and Energy as the exclusive bank for R&D Project Development
7.28.2014 The Company's board of directors approves the merger between the Company and the Bank.

D. History of Major Consolidated Subsidiaries

Major Subsidiary		Company History
Korea BTL Infrastructure Fund	5.19.2006	Establishment of the company
	6.5.2006	Registered as an investment and financing company for infrastructure facilities (FSS)
	5.28.2009	Changed registration for legal basis (FSC) (Indirect Investment Asset Management Business Act g FISCMA)
	12.8.2010	Changed registration for term of existence, compensation for asset management services, etc. (FSC)
Woori America Bank	3.28.2012	Changed registration for the total number of shares expected to be issued (FSC)
	1.27.1984	Establishment of the company
	12.1.2010	Capital increase of USD 70 million (14 million newly issued shares at par value of USD 5) Total paid in capital: USD130 million.
PT. Bank Woori Indonesia	6.18.1992	Establishment of the company
	7.2008	Opening of Tangerang sub-branch
	3.2009	Opening of Cikarang sub-branch
	6.2010	Opening of Cibubur sub-branch
	12.2011	Opening of Cilegon sub-branch
	12.2012	Opening of Bekasi sub-branch
	1.2013	Opening of Ruko Union sub-branch
2.2014	Opening of Sadang sub-branch	
Woori Bank China Ltd.	11.12.2007	Establishment of the company
	3.20.2008	Obtained approval to conduct Renminbi business with Chinese individual customers
	4.27.2010	Obtained approval to conduct derivatives business
	5.6.2010	Executed business agreement with China Export & Credit Insurance Corporation
	9.9.2010	Commenced forward exchange business
	11.16.2011	Commenced international substitute payment business
	5.29.2013	Opening of Weihai branch
3.17.2014	Commenced sales of VIP Visit Korea Card	
ZAO Woori Bank	10.18.2007	Registered ZAO Woori Bank
	11.22.2007	Payment of capital (paid-in capital 500,000 thousand rubles, equivalent to USD 20 million)
	12.6.2007	Obtained banking business license
	1.9.2008	Commenced banking business
	5.24.2011	Obtained retail sales license (on the condition of two years passing since establishment and second grade rating)
	8.1.2011	Opening of Saint Petersburg branch
	6.1.2012	Commenced deposit taking business for individual customers
10.2013	Capital increase (950 million rubles, equivalent to USD 30 million)	
Woori Global Markets Asia Limited	3.9.2009	Relocation of company: new address - 19/F., Gloucester Tower, The Landmark
Woori Bank Brazil	3.7.2012	Payment of capital
	3.30.2012	Registered CNPJ and articles of incorporation
	8.13.2012	Connected to Brazilian payment system of the Central Bank of Brazil
	9.25.2012	Commenced business
	10.23.2013	Capital increase of USD 17 million
Woori Credit Information	3.15.1991	Establishment of the company
	6.1.2002	Changed the name of the company to Woori Credit Information
	12.17.2008	Commenced international credit research business
	2.9.2009	Commenced credit collection business of credit recovery fund bonds

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6.1.2012 Commenced credit collection business of Kamco by newly establishing a public corporation bond division

3. Changes in Capital

(As of June 30, 2014)

(Unit: KRW, Shares)

Date of Share Issuance (Reduction)	Type of Issuance (Reduction)	Type of Shares	Quantity	Description of Shares Issued (Reduced)		Remarks
				Par Value Per Share	Issue (Reduced) Price Per Share	
12.16.2008	Capital increase for consideration (shareholder allocation)	Preferred	70,000,000	5,000	10,000	Convertible preferred shares
4.1.2009	Capital increase for consideration (shareholder allocation)	Common	60,000,000	5,000	5,000	
4.1.2013	Capital reduction with compensation	Common	153,797,130	5,000	5,000	Capital reduction due to spin-off of credit card business
4.1.2013	Capital reduction with compensation	Preferred	15,469,070	5,000	10,000	Capital reduction due to spin-off of credit card business
6.5.2013	Exercise of conversion rights	Common	54,530,930	5,000	10,000	Reduction of preferred shares due to exercise of rights to convert convertible preferred shares
6.5.2013	Exercise of conversion rights	Preferred	54,530,930	5,000	10,000	Increase in common shares due to exercise of rights to convert convertible preferred shares

4. Total Number of Shares, Etc.

(As of June 30, 2014)

(Unit: Shares)

Category	Type of Shares		Total	Remarks
	Common Shares	Preferred Shares		
I. Total number of authorized shares	3,000,000,000		3,000,000,000	
II. Total number of shares issued to date	1,624,989,862	70,000,000	1,694,989,862	
III. Total number of shares reduced to date	1,028,299,482	70,000,000	1,098,299,482	
1. Capital reduction	1,028,299,482	15,469,070	1,043,768,552	
2. Share retirement				
3. Redemption of redeemable shares				
4. Other				Exercise of
		54,530,930	54,530,930	conversion rights
IV. Total number of shares issued (II-III)	596,690,380		596,690,380	
V. Number of treasury shares				
VI. Number of outstanding shares (IV-V)	596,690,380		596,690,380	

5. Voting Rights

(As of June 30, 2014)

(Unit: Shares)

Category	Type of Shares	Number of Shares	Remarks
Total number of shares issued (A)	Common	596,690,380	
	Preferred		
Number of shares without voting rights (B)	Common		
	Preferred		
Number of shares which voting rights are excluded pursuant to the articles of incorporation (C)	Common		
	Preferred		
Number of other shares for which voting rights are limited by law (D)	Common		
	Preferred		
Number of shares for which voting rights have been restored (E)	Common		
	Preferred		
Number of shares for which voting rights may be exercised (F = A - B - C - D + E)	Common	596,690,380	
	Preferred		

6. Dividend Information**A. Dividend Information, Etc.**

(1) Shareholder Dividends

Profits shall be distributed to the shareholders or pledgees registered in the shareholder register as of the last day of each fiscal year.

(2) Interim Dividends

The Bank may, only once during a fiscal year, pay interim dividends under the KCC and other applicable laws, to the shareholders registered in the Bank's registry of shareholders as of the record date set by the board of directors.

The interim dividends shall be paid within the limit of the amount remaining after deducting each of the following amounts from the net asset amount in the balance sheet for the immediately preceding fiscal year (Immediately Preceding Period).

1. The amount of capital in the Immediately Preceding Period;
2. The total amount of capital surplus reserve and earned surplus reserve accumulated until the Immediately Preceding Period;
3. The unrealized gain as set forth in the Enforcement Decree of the KCC;
4. The earned surplus reserve to be accumulated in the current period with respect to the interim dividends.

If new shares are issued after the commencement of a fiscal year but before the record date under paragraph 1 above (including pursuant to the transfer of reserves to capital, stock dividends, requests for conversion of convertible bonds, exercise of warrants under bonds with warrants and exercise of stock options), such new shares shall, for purposes of distribution of interim dividends on such new shares, be deemed to have been issued at the end of the fiscal year immediately prior to the fiscal year in which such new shares were issued.

For interim dividends, the same dividend rate shall apply to preferred shares under Article 6 of the articles of incorporation as for common shares.

No interim dividends shall be paid if profit is not expected for the relevant fiscal year.

B. Dividend Information for the Past Three Years

Item	1H 2014	2013	2012
Par value per share (KRW)	5,000	5,000	5,000
Net profit (KRW millions)	502,403	394,333	1,342,948
Earnings per share (KRW)	730	423	1,675
Total cash dividends (KRW millions)		164,000	173,306
Total stock dividends (KRW millions)			
Cash dividend payout ratio (%)		41.59	12.90
Cash dividend yield (%)			
		Common Shares	
		Preferred Shares	
Stock dividend yield (%)			
		Common Shares	
		Preferred Shares	
Cash dividend per share (KRW)		275	169
		Common Shares	
		Preferred Shares	800
Stock dividend per share (KRW)			
		Common Shares	
		Preferred Shares	

1. Based on K-IFRS financial statements.
2. Earnings per share are calculated by dividing net profit per share by the weighted average number of outstanding common shares.
* Net profit per common share = net profit distributions on hybrid securities.
3. For cash dividends per each common share, amounts less than KRW 1 are rounded.
4. Dividend payout rate for 2013 is 32.93% with respect to adjusted earnings after the planned reserves provided. Dividend payout rate for common shares and preferred shares is 10.0% and 4.8%, respectively, with respect to adjusted earnings after the planned reserves provided.

C. Participating Bonds

Not applicable

II. DESCRIPTION OF BUSINESS OF THE BANK

1. Overview of Business

A. Current State of the Industry

(1) Characteristics, Growth Potential, Economic Fluctuations, Seasonality of the Industry

As the intermediary between entities that demand funds and entities that supply funds, banks increase the efficiency of resource allocation through services such as deposits, loans, payment settlements and asset management and create added value by providing diverse financial services relating to financial demands generated by the increased production activity of other industries.

Korean banks consist of commercial banks and special banks. Commercial banks are established and operated in accordance with the Banking Act, and special banks are established and operated in accordance with specialized banking laws. Commercial banks include national banks, regional banks and domestic branches of foreign banks, and as of the end of June 2014, a total of 57 banks (seven national banks, six regional banks, 39 domestic branches of foreign banks and five special banks) are in operation.

The operations of commercial banks consist of banking business, incidental business and miscellaneous business. Banking business consists of taking deposits and savings, issuing securities and debt certificates, extending loans, discounting bills and domestic/foreign exchange operations. Incidental business is not financial in nature but includes finance-related business that may be conducted using the human resources and facilities during the process of conducting banking business. The Banking Act, as amended on November 18, 2010, changed the existing positive system to a negative system with respect to incidental business, meaning that before the amendment, banks were required to adhere to a list of certain permitted businesses, while now they only need to make a prior report to conduct incidental business.

Miscellaneous business is not banking business, but business that may be conducted by banks in accordance with other laws. In the amended Banking Act, the scope of miscellaneous business of banks was reclassified into three categories, which is consistent with the FISCMA and the Insurance Business Act. The main miscellaneous business currently conducted by banks includes trust services, investment trading and brokerage of collective investment securities, investment trading of national, regional and special bonds, investment trading and brokerage of over-the-counter derivatives.

Growth and quality of the business environment of the domestic banks generally weakened in 2014 due to delayed improvement in external conditions and deterioration of internal macroeconomic conditions. In addition, interest income continues to show a trend of decline due to decreased interest margins caused by reduced interest rates and increased supervision of the quality of household loans.

However, the real economies of major countries such as the U.S. and European countries have been improving since the second half of last year, and even in the financial markets, the preference for low risk assets has been easing. As a result, the possibility that market interest rates may rebound to a certain extent due to changes in domestic and foreign economic conditions, independent of the mid- to long-term trend of low interest rates, cannot be excluded, and financial companies must preemptively anticipate and respond to such changes.

(2) Domestic and Foreign Market Conditions (Stability, Competition)

In 2014, due to weakened demand for funds and the low interest rate environment, the operating environment of domestic banks has had a direct adverse impact on the banking industry's operating conditions. In addition, rapid changes in the competitive environment caused by technological advancement and social pressure regarding the social responsibility of banks have changed the basic environment of the banking industry, thereby acting as factors that contribute to slow growth and low profits becoming long-term trends. However, the adoption of certain positive policies since the launch of the new administration, such as supporting SMEs and promoting domestic demand and normalization of the real estate market, may have a positive impact on the growth and soundness of banks.

The domestic banking industry is experiencing an environment where low growth and low interest rate trends persist. It is expected that the domestic banking industry will not only search for strategic responses and prepare for risks accompanying changes in financial conditions, but also actively seek opportunities to increase operations and strengthen competitiveness. It is expected that efforts will be made to establish a new banking business model that will enable adaption to changes in the real economic environment as well as changes in the operating environment such as increased regulations and emphasis on public interest.

- Market Share

§ Local Currency Loans

(Unit: KRW millions, %)

Bank Name	1H 2014		2013		2012		Remarks
	Balance	Share	Balance	Share	Balance	Share	
Woori	159,780,570	24.1	155,413,224	24.1	143,799,847	23.3	
Kookmin	189,701,541	28.6	186,760,609	29.0	183,405,751	29.7	
Shinhan	153,262,666	23.1	147,048,061	22.9	144,228,044	23.3	
Hana	108,272,424	16.3	105,122,842	16.3	99,612,630	16.1	
KEB	52,391,022	7.9	49,423,163	7.7	47,168,500	7.6	
Total	663,408,223	100.0	643,767,899	100.0	618,214,772	100.0	

1. Share refers to the market share among the five commercial banks.
2. Based on ending balances from the FSS Financial Statistics Information System (excluding merchant banking accounts).
3. In July 2013, the Bank's merchant banking license expired, and the local currency loans for merchant banking accounts for 2012 were deducted.

§ Local Currency Deposits

(Unit: KRW millions, %)

Bank Name	1H 2014		2013		2012		Remarks
	Balance	Share	Balance	Share	Balance	Share	
Woori	165,305,513	24.2	158,451,610	24.0	151,370,123	23.7	
Kookmin	195,322,187	28.7	192,685,726	29.2	189,100,246	29.6	
Shinhan	157,289,184	23.1	150,479,427	22.8	147,317,747	23.0	
Hana	109,574,608	16.1	106,696,381	16.2	101,804,465	15.9	
KEB	54,182,644	7.9	51,327,043	7.8	49,735,459	7.8	
Total	681,674,136	100.0	659,640,187	100.0	639,328,040	100.0	

1. Share refers to the market share among the five commercial banks.
2. Based on ending balances from the FSS Financial Statistics Information System.
3. Excludes CDs and reflects present value discount (2012, however, includes present value discount).

(3) Market Competition Factors and Strengths and Weaknesses of the Bank

Since the 1997 foreign exchange crisis, competition in the financial industry has increased with the introduction of financial holding companies, mergers among banks and acquisitions of domestic banks with foreign capital. Amid such conditions, the enactment of the FISCMA in 2009 has led to development of the capital markets and deregulation in the financial markets, and with the continued convergence of the financial industry, inter-bank competition has expanded in scope to competition with other financial industries.

In order to respond to such changes in the operating environment, banks are focusing on customer-oriented management and business efficiency, while strengthening risk management capability and differentiated marketing as well as capacity for internal innovation for business efficiency.

In 2014, competition with other financial sectors with respect to fees, customer solicitation, products and asset management services has continued to intensify, especially in foreign exchange, smart banking and the pension markets.

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In addition, due to the steady demand for SME loans and the underlying trend toward selective easing in lending standards, strong competition to attract high-performing SMEs is expected.

Meanwhile, as polarization among the different income classes has increased, interest in financial institutional asset management services has heightened, leading to higher competition in the PB sector. In particular, as the financial sector continues its efforts to provide comprehensive financial services to customers, rather than merely selling a financial product to customers, competition to provide services to upper income classes is expected to increase.

(4) Major Means for the Bank to Acquire Competitive Advantage

The Bank has adopted Trustworthy Bank as its management goal in 2014 and is pursuing continuous growth strategies. To establish the foundation necessary to succeed amidst strong competition following the restructuring of the financial industry, the Bank is focusing on increasing operational efficiency through the promotion of work efficiency and quality management, as well as the expansion of its customer base and acquisition of quality assets for growth momentum while providing financial assistance to lower income classes to fulfill its social responsibility.

B. Overview of Businesses of Consolidated Subsidiaries

Other than special purpose companies such as beneficiary certificates, the major consolidated subsidiaries of the Bank are Korea BTL Infrastructure Fund, a social infrastructure fund established pursuant to the Act on Private Investment in Social Infrastructure, six overseas local entities that conduct banking business (Woori Global Markets Asia Limited, Woori America Bank, PT. Bank Woori Indonesia, Woori Bank China Ltd., ZAO Woori Bank and Woori Brazil Bank), and Woori Credit Information established pursuant to the Act on Credit Investigation Business.

Korea BTL Infrastructure Fund

1) Business Overview

Korea BTL Infrastructure Fund is an investment company under the FISCMA as well as a social infrastructure investment fund that invests in entities that develop or operate social infrastructure projects and distributes the profits to shareholders as prescribed in Article 2 of the Act on Public-Private Partnerships in Infrastructure.

The private sector participates in social infrastructure projects through consortiums involving construction companies and financial companies in response to government notices or requests for proposal. A preferred bidder is selected and an execution agreement is signed to pursue the project. Thus, forming a consortium with highly competent members in terms of both construction and operation is key to increasing its competitiveness.

Since the initial announcement of a BTL project in 2005, Korea BTL Infrastructure Fund has invested in a total of 39 projects in diverse areas including, schools, military academy buildings and waterwork systems. Most of the existing investments (38) are in BTL projects, and future investments will be limited to BTL projects. Private capital projects are subject to high market volatility based upon SOC budget planning by the government and are affected by company size and performance.

2) New Business and Outlook

Every year, the government conducts leased housing projects through proposals by the Ministry of Strategy and Finance which are approved by the National Assembly, after which the private sector forms consortiums and participates in the bidding process by submitting business plans.

The government plans to pursue 14 leased housing projects in 2014 with a limit of approximately KRW 700 billion, and Korea BTL Infrastructure Fund is pursuing participation in these projects through consortiums.

- Woori Global Markets Asia Limited

1) Business Overview

Investment banking business involves a direct intermediary of funds between entities that demand funds and entities that supply funds, and its main operations are the provision of brokerage or arrangement services for corporate funding in exchange for commission. As a strategic industry, investment banking also provides a variety of other relevant financial services to create additional value.

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Investment banking focuses on traditional fund brokerage operations, and its scope of business includes the provision of financial risk management solutions, brokering and arranging financial investments, investing in equity capital, arranging listing services, providing M&A advisory services and managing customer assets.

The financial crises of 1997 and 2008 significantly increased instability due to weak domestic financial markets, and to prevent such recurrences in the future, financial institutions began increasing in size and adopting advanced financial systems to stabilize the markets.

The competitive difference among domestic financial institutions in investment banking services is not significant. Domestic financial institutions can be viewed as being competitive against foreign financial institutions in terms of human resources and systems in traditional investment banking service areas such as capital raising, project finance and acquisition financing. On the other hand, in terms of derivatives products and risk management, foreign financial institutions are much more competitive than domestic financial institutions.

Woori Global Markets Asia Limited holds a license to underwrite bonds abroad and thus has a broad base of experience in underwriting issuances of bonds of domestic and foreign corporations and based on such experience, Woori Global Markets Asia Limited should be able to strengthen its role as an investment banking-specialized overseas sales office.

2) New Business and Outlook

In order to enter in the business of asset management, Woori Global Markets Asia Limited plans to review business feasibility and commence the process of acquiring business permits.

- Woori America Bank

1) Business Overview

After its establishment as a local entity in January 1984, Woori America Bank has grown to become a community bank with 16 branches in six states (asset volume: approximately USD 1,222 million) through its efforts to expand its business network. Its main customers are local individuals and corporations to whom it provides commercial banking services (e.g., lending, borrowing, foreign exchange). Growth has slowed after the U.S subprime crisis, but recovery, concentrated on quality assets, is progressing in tandem with the strengthening of risk management. Due to operations and services linked to the Bank (e.g., wire transfer, foreign exchange, account establishment), its customer base is steadily increasing.

2) New Business and Outlook

With expanded credit card and foreign exchange services, Woori America Bank can find new sources of profit (Korean business is expected to increase due to the elimination of visa requirements and the Free Trade Agreement between Korea and the U.S.).

In the future, Woori America Bank plans to further expand its credit card services by targeting Korean students in the U.S., U.S. branches of Korean companies and Korean government entities.

- PT. Bank Woori Indonesia

1) Business Overview

Indonesia, a market with high growth potential, has a high NIM and potential for long-term growth. The top 10 Indonesian banks account for 67% of the market share. PT. Bank Woori Indonesia had strong results in total assets, operating revenue and net income as of the end of the previous year among Korean banks, and maintained favorable ratios in its deposits and loan-to-deposit ratio to be selected by Info Bank as the top foreign-owned bank for 18 years in a row from 1996 to 2013.

2) New Business and Outlook

Not applicable

- Woori Bank China Ltd.

1) Business Overview

In November 2007, Woori Bank China Ltd. became the first Chinese subsidiary to be established by a Korean bank and now has 16 branches. Woori Bank China Ltd. provides not only deposit and loan products, but also online banking, debit cards and international processing of Renminbi, and is becoming active in derivative instrument transactions after acquiring its license to deal in derivative products in April 2010. Woori Bank China Ltd. has continued to establish a strong customer base through the addition of new branches and also engages in localized marketing and provides differentiated products and services .

2) New Business and Outlook

Establishment of CNAPS Second Generation System

CNAPS, the fund settlement server for each branch, was upgraded to the second generation system which can be managed centrally and settled by the head office. The upgrade allows for a more stable and efficient fund management environment.

Launch of Korea Multiple-Entry Visa Cards

Multiple-entry visa card services where an individual customer is issued a five-year multiple-entry visa card upon his establishment of a CNY 300,000 time deposit account with Woori Bank China Ltd. were jointly pursued by the Ministry of Justice, the Ministry of Culture, Sports and Tourism of Korea and the Bank. Cardholders are also provided with various VIP privileges, and such business is expected to contribute to increasing deposits and acquiring VIP customers.

Establishment of a Debit Card Internet Payment System

The addition of internet payment capability to debit card services is expected to increase customer convenience and attract additional funds while reducing deposit withdrawals.

- ZAO Woori Bank

1) Business Overview

Korean companies are continuing to invest in Russia. After the financial crisis in 2008, economic recovery in Russia is in progress as the real GDP increased 4% in 2010. From its establishment, ZAO Woori Bank has strived to increase profit with a three-step localization strategy:

g Step 1: Operate by mainly targeting Russian branches of Korean companies.

g Step 2: Secure retail sales base by establishing branches.

g Step 3: Establish additional branches, expand network in the CIS region.

2) New Business and Outlook

ZAO Woori Bank acquired a license for retail sales in May 2011 and secured a basis for active localization with the establishment of a foundation for retail sales through the opening of the Sankt Peterburg branch on August 1, 2011. The deposit business for individual customers started in June 2012.

- Woori Brazil Bank

1) Business Overview

Korean corporations entering Brazil and their investments in the country are continuously increasing. Woori Brazil Bank started its operations by targeting the expatriate business community and then expanded its client base to local companies. It is also making an effort to increase profits by localization through establishing branches and initiating retail sales to the Korean-Brazilian community. In addition, as a mid-to-long

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term strategy, Woori Brazil Bank is pursuing localization to raise awareness of the company by establishing branches in areas in which Korean and expatriates are concentrated as well as in areas that offer a solid foundation for sales, and by pursuing various promotion activities such as online advertising.

2) New Business and Outlook

Woori Brazil Bank currently targets corporate clients to engage in comprehensive finance management from planning to execution as well as pursuing new corporate clients for borrowing, lending and foreign exchange business.

- Woori Credit Information

1) Business Overview

Legal Framework: Use and Protection of Credit Information Act

Permitted Businesses: Debt collection, credit investigation

The market size of the credit information industry is significantly affected by the volume of bad debt of financial institutions, and competition within the industry is high. Credit information business operators may increase their competitiveness through having high-performing debt collectors, but if fees paid to such collectors increase due to excessive competition within the industry, profits may decrease. To avoid such potential issues, Woori Credit Information is working to hire and train a large number of high-performing debt collectors.

2) New Business and Outlook

Woori Credit Information continues conducting business activities to acquire non-performing loans.

2. Business Operations

A. Overview of Business Operations

(1) Overview of Business Operations

The Bank was established in 1899 and conducts banking services pursuant to the Banking Act and trust services and foreign exchange services pursuant to the FISCMA.

The Company was established on March 27, 2001 pursuant to the Financial Holding Companies Act and holds 100% of the shares of the Bank as of June 30, 2014, as a result of a transfer from the KDIC.

As of June 30, 2014, the Bank's paid-in capital consists of capital stock of KRW 2,983,452 million, and the total number of issued shares is 597 million common shares.

The head office of the Bank is located at 51, Sogong-ro, Jung-Gu, Seoul (203, 1-ga, Hoehyun-Dong), and as of June 30, 2014, the Bank had 991 domestic branches and sub-branches and 21 overseas branches, sub-branches and representative offices.

(2) New Business and Outlook

As of the date of submission of this Securities Registration Statement, not applicable.

(3) Organizational Chart

B. Funding and Fund Management(1) Funding
[Bank Accounts]

(Unit: KRW millions, %)

Classification	Funding Source	1H 2014			2013			2012		
		Average Balance	Interest Rate	Proportion	Average Balance	Interest Rate	Proportion	Average Balance	Interest Rate	Proportion
Local currency funds	Deposits received in local currency	154,710,217	2.29	66.85	146,162,283	2.51	65.13	144,457,252	3.05	63.37
	Certificates of deposit	2,968,646	2.77	1.28	2,316,413	2.80	1.03	694,349	3.50	0.31
	Borrowings in local currency	5,410,564	2.36	2.34	4,696,737	2.28	2.09	4,519,907	2.34	1.98
	Call money in local currency	935,959	2.44	0.40	1,207,035	2.56	0.54	1,800,978	3.03	0.79
	Others	15,250,862	3.94	6.59	15,394,073	4.20	6.86	16,872,368	4.80	7.40
	Subtotal	179,276,248	2.44	77.46	169,776,541	2.66	75.65	168,344,854	3.21	73.85
Foreign currency funds	Deposits received in foreign currencies	7,632,590	0.44	3.30	7,280,806	0.49	3.24	7,576,437	0.60	3.32
	Borrowings in foreign currencies	5,834,795	0.61	2.52	7,477,963	0.66	3.33	9,129,113	1.02	4.00
	Call money in foreign currencies	1,175,367	0.60	0.51	449,726	0.77	0.20	428,592	0.66	0.19
	Debentures in foreign currencies	5,522,152	3.66	2.39	5,252,757	4.01	2.34	5,504,170	4.06	2.41
	Others	1,005,251	1.00	0.43	1,231,130	1.47	0.55	1,568,250	1.59	0.69
	Subtotal	21,170,155	1.36	9.15	21,692,382	1.46	9.66	24,206,562	1.61	10.61
Other	Total capital	18,252,746		7.88	18,391,558		8.20	18,617,443		8.17
	Provisions	642,318		0.28	654,036		0.29	732,391		0.32
	Others	12,097,735		5.23	13,908,781		6.20	16,070,315		7.05
	Subtotal	30,992,799		13.39	32,954,375		14.69	35,420,149		15.54
Total		231,439,202	2.01	100.00	224,423,298	2.15	100.00	227,971,565	2.54	100.00

1. Deposits received = deposits received in local currency checks for deposit deposit reserves call loans

* Checks for deposit = total checks checks for loan repayment call money

* Interest for the calculation of the interest rate is the sum of the deposit, installation interest and deposit insurance fee

2. Deposits received in foreign currencies = deposits received in foreign currencies + overseas deposits received in foreign currency

3. Borrowings in foreign currencies = borrowings in foreign currencies + trust funds in foreign currencies + overseas borrowings in foreign currencies

4. Debentures in foreign currencies = debentures in foreign currencies + overseas debentures in foreign currencies

5. Based on K-IFRS financial statements

6. Excludes merchant banking accounts
[Trust Accounts]

(Unit: KRW millions, %)

Type	Funding Source	1H 2014			2013			2012		
		Average Balance	Interest Rate	Share	Average Balance	Interest Rate	Share	Average Balance	Interest Rate	Share
Cost	Money trusts	18,816,567	2.60	64.44	17,155,494	2.83	63.35	14,212,593	3.39	58.73
	Borrowings									
	Subtotal	18,816,567	2.60	64.44	17,155,494	2.83	63.35	14,212,593	3.39	58.73
Non-cost	Property trusts	10,306,692		35.29	9,853,775		36.38	9,931,786		41.05
	Special reserves	37,193		0.13	37,167		0.14	37,126		0.15
	Other	40,824		0.14	35,487		0.13	17,167		0.07
	Subtotal	10,384,709		35.56	9,926,429		36.65	9,986,079		41.27
	Total	29,201,276		100.00	27,081,923		100.00	24,198,672		100.00

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(2) Fund Management Performance
[Bank Accounts]

(Unit: KRW millions, %)

Type	Managed Item	1H 2014			2013			2012		
		Average Balance	Interest Rate	Share	Average Balance	Interest Rate	Share	Average Balance	Interest Rate	Share
Funds in local currency	Deposits in local currency	2,520,220	2.51	1.09	2,913,038	2.59	1.30	1,754,971	3.07	0.77
	Marketable securities in local currency	31,567,577	3.74	13.64	30,285,861	3.17	13.50	32,275,846	4.29	14.16
	Loans in local currency	158,187,271	4.30	68.35	149,019,789	4.62	66.40	142,890,851	5.44	62.68
	Guarantee payments	74,814	4.00	0.03	140,958	3.06	0.06	130,469	1.75	0.05
	Call loans in local currency	1,847,784	2.53	0.80	2,037,985	2.62	0.91	1,578,584	3.16	0.69
	Private placed ponds	507,054	7.49	0.22	595,478	8.00	0.26	998,681	6.68	0.44
	Credit card receivables	12		0.00	1,024,468	21.67	0.46	4,308,273	22.67	1.89
	Other	3,877,490	3.69	1.68	3,992,330	3.86	1.78	5,135,070	4.04	2.25
	Bad debt expense in local currency (-)	(3,140,934)		(1.36)	(3,202,673)		(1.43)	(3,150,782)		(1.38)
	Subtotal	195,441,288	4.23	84.45	186,807,234	4.50	83.24	185,921,963	5.65	81.55
Funds in foreign currencies	Deposits in foreign currencies	1,951,046	0.53	0.84	1,452,047	0.33	0.65	1,657,779	0.47	0.73
	Marketable securities in foreign currencies	1,075,808	0.74	0.46	972,378	2.85	0.43	950,267	0.48	0.42
	Loans in foreign currencies	11,820,132	1.87	5.11	12,393,208	2.13	5.52	13,585,742	2.64	5.96
	Call loans in foreign currencies	1,624,820	0.97	0.70	1,688,820	0.76	0.75	1,731,720	0.36	0.76
	Bills bought	5,139,728	1.41	2.22	5,054,080	1.66	2.25	5,024,942	2.53	2.20
	Other	16,127	6.80	0.01	39,732	7.55	0.02	72,220	5.29	0.03
	Bad debt expense in foreign currencies (-)	(270,323)		(0.12)	(300,758)		(0.13)	(250,115)		(0.11)
Subtotal	21,357,338	1.54	9.22	21,299,507	1.86	9.49	22,772,555	2.23	9.99	
Other	Cash	1,079,853		0.47	993,256		0.44	859,927		0.38
	Property and equipment for business purposes	2,350,434		1.02	2,367,010		1.06	2,353,694		1.03
	Other	11,210,289		4.84	12,956,291		5.77	16,063,426		7.05
	Subtotal	14,640,576		6.33	16,316,557		7.27	19,277,047		8.46
Total		231,439,202		100.00	224,423,298	3.92	100.00	227,971,565	4.83	100.00

1. Deposits in local currency = deposits in local currency + deposit reserves

2. Marketable securities in local currency = marketable securities in local currency + loaned securities (local currency)
 - * Interest for calculation of interest rate = interest on marketable securities (including dividend income) + appraised gains (net) + gains on redemption of marketable securities (net) + gains on trades of marketable securities (net) excluding gains on trades of stock (net)

3. Loans in local currency = loans in local currency + checks for loan repayment
 - * Interest for calculation of interest rate = interest on loans in local currency + contribution to credit guarantee fund

4. Deposits in foreign currencies = deposits in foreign currencies + overseas deposits in foreign currencies

5. Marketable securities in foreign currencies = marketable securities in foreign currencies + loaned securities (foreign currencies)
 - * Interest for calculation of interest rate = interest on marketable securities (including dividend income) + appraised gains (net) + gains on redemption of marketable securities (net) + gains on trades of marketable securities (net) excluding gains on trades of stock (net)

6. Loans in foreign currencies = loans in foreign currencies + overseas loans in foreign currencies + inter-bank loans in foreign currencies + loans for overseas public borrowings + domestic usance

7. Cash = cash + total checks

8. Property and equipment for business purposes = property and equipment for business purposes + accumulated depreciation

9. Based on K-IFRS financial statements

10. Excluding merchant banking accounts
[Trust Accounts]

(Unit: KRW millions, %)

Type	Managed Item	1H 2014			2013			2012		
		Average Balance	Interest Rate	Share	Average Balance	Interest Rate	Share	Average Balance	Interest Rate	Share
Profit	Loans	27,031	4.42	0.09	43,964	6.77	0.16	51,404	6.64	0.21
	Securities	3,166,395	2.60	10.84	2,813,363	2.11	10.39	3,101,194	2.56	12.82
	Other	16,255,151	2.85	55.67	14,799,716	3.17	54.64	11,560,175	3.80	47.77
	Reserves for bond ratings (-)	(88)			(122)		(0.00)	(174)		(0.00)

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	Present value discount (-)	(734)		(959)		(0.00)	(1,298)		(0.01)	
	Subtotal	19,447,755	2.81	66.60	17,655,962	3.01	65.19	14,711,301	3.55	60.79
Non-profit	Subtotal	9,753,521		33.40	9,425,961		34.81	9,487,371		39.21
	Total	29,201,276		100.00	27,081,923		100.00	24,198,672		100.00

C. Business Operations of Consolidated Subsidiaries

(1) Korea BTL Infrastructure Fund

Korea BTL Infrastructure Fund manages assets through loans to and equity investment in social infrastructure business entities and distributes to investors every quarter approximately 93% of the management profit excluding management fees (i.e., compensation for fund management).

The composition of assets and investment yields of Korea BTL Infrastructure Fund are as follows:

Type	1H 2014	2013	2012
Loans	86%	86%	86%
Equity investments	11%	11%	11%
Cash equivalents and accrued interest	3%	3%	3%

<Investor Yield> (Based on IRR)

Type	1H 2014	2013	2012
IRR	6.1%	6.2%	6.5%

The overview of business, products and services of Korea BTL Infrastructure Fund is as follows:

Name of Product or Service	Description	Remarks
Finance/Securities Business	Equity investments, loans	

Korea BTL Infrastructure Fund settles its accounts on a quarterly basis, and its operating status is as follows.:

<Statement of Financial Position>

(Unit: KRW 100 millions)

Type	1H 2014	2013	2012
1. Total assets	6,583	6,524	5,844
Cash and cash equivalents	141	104	123
Equity securities	730	719	654
Loans	5,644	5,626	5,010
Accrued interest	68	75	57
2. Total liabilities	3	3	2
Unpaid compensation, etc.	3	3	2
3. Total capital	6,580	6,521	5,842
Capital stock	6,505	6,443	5,767
Retained earnings	75	78	75

1. Based on the Statement of Korean Accounting Standards (No. 5003 *Collective Investment Vehicle*).

<Income Statement>

(Unit: KRW 100 millions)

Type	1H 2014	2013	2012
1. Profit from management	171	329	301
2. Cost from management	11	21	19
3. Net income	160	308	282

2. Based on the Statement of Korean Accounting Standards (No. 5003 *Collective Investment Vehicle*).

(2) Woori Global Markets Asia Limited

Woori Global Markets Asia Limited is a local corporation established in October 2006 for the operation of investment and financial services. As the wholly-owned subsidiary of the Bank, Woori Global Markets Asia Limited had a paid-in capital of USD 100 million as of the end of June 2014, and the number of total shares issued is 78,000,000, all of which are common shares.

Woori Global Markets Asia Limited net income of USD 337,000 as of the end of June 2014, with total assets of USD 283.92 million, and shareholders' equity of USD 99.69 million. Customer deposits received was USD 0 while borrowings amounted to USD 178.8 million.

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The business performance of Woori Global Markets Asia Limited is as follows:

(Unit: USD thousands)

Type	1H 2014	2013	2012
Operating income	2,345	4,398	4,973
Net interest income	1,645	2,913	3,261
Fee income	700	1,485	1,712
Net income	337	2,093	961

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The funding and fund management performance of Woori Global Markets Asia Limited is as follows:

(Unit: USD thousands)

Type		1H 2014	2013	2012
Funding	Deposits received			1,610
	Borrowings	178,801	75,450	119,800
	Other	5,441	295	705
	Capital stock	99,686	99,064	46,967
	Subtotal	283,928	174,809	169,082
Management	Balance	106,113	17,561	647
	Securities	55,923	45,172	26,184
	Loans	121,297	111,617	135,372
	Other	595	459	6,879
	Subtotal	283,928	174,809	169,082

The businesses, products and services of Woori Global Markets Asia Limited include fixed deposits (maturity over three months, over HKD 100,000) and investment banking operations (e.g., financial business of primary markets, trade of foreign currency denominated securities, project financing, M&A financing, etc.).

(3) Woori America Bank

The funding and fund management performance of Woori America Bank is as follows:

(Unit: USD thousands, %)

Type		1H 2014		2013		2012	
		Average Balance	Share	Average Balance	Share	Average Balance	Share
Management	Funds (call loans)	133	0.01	1,023	0.09	2,529	0.26
	Securities	97,798	8.40	97,397	8.97	96,495	10.02
	Loans	869,777	74.70	828,823	76.30	691,524	71.80
	Other	196,722	16.89	158,982	14.64	172,625	17.92
Funding	Deposits received	1,005,339	86.34	944,481	86.95	825,449	85.70
	Borrowings		0.00	41	0.00		
	Capital stock	122,500	10.52	122,500	11.28	122,500	12.72
	Other	36,591	3.14	19,203	1.77	15,224	1.58
Total assets		1,164,430	100.00	1,086,225	100.00	963,173	100.00

An overview of the major businesses (products and services) of Woori America Bank is as follows:

Name of Product or Service	Description
Loans	Real estate, commercial, foreign exchange
Funds/Securities	Call loans, national/public bonds
Cards	Credit deposits, debit cards
Deposits	Demand deposits, savings/time deposits
Other	Wire transfer, currency exchange, others

The operating status of Woori America Bank is as follows:

(Unit: USD thousands)

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Type	1H 2014	2013	2012
Total assets	1,222,345	1,163,804	1,007,371
Total loans	917,645	876,092	738,182
Total deposits received	1,058,343	1,099,834	870,905
Net interest income	17,474	32,809	31,300
Non-interest income	3,608	7,519	7,394
Operating revenue	21,082	40,328	38,694
Sales and administrative costs	15,952	30,160	32,905
Bad debt expense (return)	(601)	960	1,462
Operating profit	5,731	9,208	4,327
Non-operating profit	(127)	16,312	(818)
Net income	3,300	25,520	2,887

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(4) PT. Bank Woori Indonesia

The funding and fund management performance of PT. Bank Woori Indonesia is as follows:

(Unit: USD thousands, %)

Type		1H 2014		2013		2012	
		Average Balance	Share	Average Balance	Share	Average Balance	Share
Management	Funds (call loans)	13,927	1.89	27,783	4.70	118,877	21.03
	Securities	21,569	2.92	15,226	2.57	36,369	6.44
	Loans	401,162	54.37	333,186	56.35	286,162	50.63
	Other	301,165	40.82	215,094	36.38	123,808	21.90
Funding	Deposits received	321,940	43.64	277,432	46.92	349,192	61.78
	Borrowings	11,585	1.57	9,490	1.61	5,675	1.00
	Capital stock	14,340	1.94	13,969	2.36	17,639	3.12
	Other	389,958	52.85	290,398	49.11	192,710	34.10
Total assets		737,823	100.00	591,289	100.00	565,216	100.00

An overview of the major businesses (products and services) of PT. Bank Woori Indonesia is as follows:

Name of Product or Service	Description
Deposits	Sale to locals and Korean immigrants
Loans	Focus on corporate loans
Imports/exports	Focus on corporate import/export transactions
Foreign exchange	Corporate/retail wire transfer transactions
Securities	Ownership of national/public bonds and central bank monetary stabilization bonds

The operating status of PT. Bank Woori Indonesia is as follows:

(Unit: USD thousands)

Type	1H 2014	2013	2012
Total assets	754,358	633,437	618,945
Total loans	388,691	404,400	345,485
Total deposits received	301,373	287,373	292,531
Net interest income	8,826	15,941	17,748
Non-interest income	7,383	13,296	8,471
Operating revenue	16,209	29,237	26,219
Sales and administrative costs	3,859	7,214	8,166
Bad debt expense (return)	408	686	(1,995)
Operating profit	11,942	21,337	20,048
Non-operating profit	130	(1)	(900)
Net income	9,208	16,259	13,904

(5) Woori Bank China Ltd.

The funding and fund management performance of Woori Bank China Ltd. is as follows:

(Unit: USD thousands, %)

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Type		1H 2014		2013		2012	
		Average Balance	Share	Average Balance	Share	Average Balance	Share
Management	Funds (call loans)	102,770	3.38	81,607	2.70	144,266	5.46
	Securities	31,440	1.03	23,298	0.77	28,033	1.06
	Loans	1,504,510	49.51	1,535,210	50.82	1,176,815	44.58
	Deposits received	1,238,843	40.77	1,195,002	39.55	995,454	37.71
	Other	161,239	5.31	186,116	6.16	295,284	11.19
Funding	Deposits received	2,308,905	75.98	2,303,108	76.23	1,814,767	68.75
	Borrowings	209,880	6.91	153,752	5.09	235,022	8.90
	Capital stock	308,814	10.16	308,814	10.22	308,814	11.70
	Other	211,203	6.95	255,559	8.46	281,249	10.65
Total assets		3,038,802	100.00	3,021,233	100.00	2,639,852	100.00

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An overview of the major businesses (products and services) of Woori Bank China Ltd. is as follows:

Name of Product or Service	Description
Credit	Credit services such as loans for general and facility funds, discount notes, foreign exchange bought, factoring, etc.
Deposits	Deposit products such as regular deposits, time deposits, installment deposits, deposits at notice, etc.
Securities	National bonds, financial bonds
Derivatives products	Currency forwards, interest rate swaps
International services	Products such as exports, imports, currency conversion, wire transfers, trade financing, letters of credit, international Renminbi services, etc.
Cards	Opening of secondary cards linked to main card, cash withdrawal and use of POS machine domestic/abroad, discount benefits for affiliates, mileage accumulation and other credit card type debit card services.
CMS	Services such as provision of financial transaction information, efficient management of funds, fund replacements, etc.
Other various services	Internet banking, call center operations, SMS text services, etc.

The operating status of Woori Bank China Ltd. is as follows:

(Unit: USD thousands)

Type	1H 2014	2013	2012
Total assets	3,351,045	3,235,321	2,834,835
Total loans	1,655,297	1,671,819	1,151,818
Total deposits received	255,771	2,511,963	2,125,978
Net interest income	34,449	54,447	54,847
Non-interest income	3,421	11,216	7,772
Operating revenue	37,870	65,663	62,619
Sales and administrative costs	22,670	45,669	42,234
Bad debt expense (return)	4,803	2,477	(4,805)
Operating profit	10,397	17,517	25,190
Non-operating profit	158	341	211
Net income	4,325	9,639	13,167

(6) ZAO Woori Bank

The funding and fund management performance of ZAO Woori Bank is as follows:

(Unit: USD thousands, %)

Type		1H 2014		2013		2012	
		Average Balance	Share	Average Balance	Share	Average Balance	Share
Management	Funds (call loans)	82,911	40.43	55,760	33.94	52,855	32.41
	Securities	6,878	3.35	6,145	3.74	10,645	6.53
	Loans	83,472	40.70	73,689	44.86	68,339	41.90
	Other	31,837	15.52	28,689	17.46	31,245	19.16
	Deposits received	80,250	39.13	81,348	49.52	92,038	56.44

Funding

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	Borrowings	72,849	35.52	56,288	34.26	50,030	30.68
	Capital stock	43,116	21.02	20,286	12.35	16,462	10.09
	Other	8,883	4.33	6,361	3.87	4,554	2.79
Total assets		205,098	100.00	164,283	100.00	163,084	100.00

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An overview of the major businesses (products and services) of ZAO Woori Bank is as follows:

Name of Product or Service	Description
Credit	Corporate, retail loans
Deposits	Corporate
Foreign exchange	Currency exchange, import/export, remittance, foreign exchange management

The operating status of ZAO Woori Bank is as follows:

(Unit: USD thousands)

Type	1H 2014	2013	2012
Total assets	208,812	190,520	200,009
Total loans	76,966	85,058	69,914
Total deposits received	86,699	66,107	124,920
Net interest income	3,783	4,968	4,665
Non-interest income	1,693	3,785	3,731
Operating revenue	5,476	8,753	8,396
Sales and administrative costs	2,932	5,493	5,459
Bad debt expense (return)	(21)	(233)	(127)
Operating profit	2,565	3,493	3,064
Non-operating profit	(1)	(3)	(3)
Net income	1,983	2,698	2,388

(7) Woori Brazil Bank

The funding and fund management performance of Woori Brazil Bank is as follows:

(Unit: USD thousands, %)

Type		1H 2014		2013		2012	
		Average Balance	Share	Average Balance	Share	Average Balance	Share
Management	Securities	33,956	21.50	17,504	22.72	15,787	97.04
	Loans	18,348	11.61	7,671	9.96	159	0.98
	Other	105,673	66.89	51,859	67.32	322	1.98
Funding	Deposits received	120,732	76.42	48,437	62.8	65	0.40
	Capital stock	35,145	22.25	20,761	26.95	15,984	98.26
	Other	2,100	1.33	7,836	10.17	219	1.34
Total assets		157,977	100.00	77,034	100.0	16,268	100.00

An overview of the major businesses (products and services) of Woori Brazil Bank is as follows:

Name of Product or Service	Description
Credit	Corporate
Deposits	Corporate, retail
Foreign exchange	Currency exchange, import/export wire transfers

The operating status of Woori Brazil Bank is as follows:

(Unit: USD thousands)

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Type	1H 2014	2013	2012
Total assets	181,735	136,447	20,853
Total loans	18,367	17,001	1,344
Total deposits received	145,273	103,197	1,181
Net interest income	2,419	2,065	1,208
Non-interest income	477	863	5
Operating revenue	2,896	2,928	1,213
Sales and administrative costs	1,749	2,967	1,572
Bad debt expense (return)	(26)	26	13
Operating profit	1,173	(65)	(372)
Non-operating profit		2	
Net income (loss)	765	(106)	(390)

(8) Woori Credit Information

Overview of businesses, products and services

Name of Product or Service	Description
Debt collection business	Debt collection
Credit investigation business	Lease investigations, etc.

Fee income

(Unit: KRW millions)

Type	1H 2014	2013	2012
Fee income in local currency (debt collection)	11,709	26,225	29,012
Fee income in local currency (credit investigation)	3,719	8,158	6,679
Total	15,428	34,383	35,691

3. Overview of Business by Type

A. Business Performance

(1) Profitability

(Unit: KRW millions)

Type	1H 2014	1H 2013	2013	2012
Gain before appropriation of reserves (A)	1,007,791	1,468,693	2,805,735	3,728,345
Appropriation of various reserves (B)	505,492	1,027,216	2,286,291	2,075,027
Bad debt expense	436,404	894,329	2,046,468	1,841,401
Guarantee reserve	3,549	60,274	95,399	51,870
Severance pay	54,772	55,272	111,774	155,116
Unused contract reserve	619	976	1,826	26,369
Other reserves	10,149	16,364	30,824	271
Reversal of various reserves (C)	185,919	32,075	37,271	121,967
Bad debt reserve	12,236	15,960	25,462	42,309
Guarantee payment reserve	168,510	1,248	1,998	77,086
Unused contract reserve	5,045	14,866	9,811	2,543
Other reserves	128			29
Corporate tax cost (D)	161,488	86,935	90,441	326,710
Net income (A-B+C-D)	526,730	386,616	466,274	1,448,575
Net income attributable to owners	526,258	386,068	465,266	1,447,904
Net income attributable to non-controlling interests	472	548	1,008	671
Planned reserves provided (reversed)	111,286	(121,644)	(133,862)	259,055
Adjusted net income after the planned reserves provided (reversed)	415,444	508,260	600,136	1,189,520
Net income attributable to owners	414,972	507,712	599,128	1,188,849
Net income attributable to non-controlling interests	472	548	1,008	671

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1. Based on K-IFRS consolidated financial statements.
2. Includes discontinued operations due to spin-off of credit card business.

p Major Profitability Indicators

(Unit: %)

Type	1H 2014	2013	2012
ROA	0.37%	0.22%	0.49%
ROE	5.20%	2.93%	6.89%
Interest rate spread between local currency deposits and loans (A-B)	2.03%	2.24%	2.85%
Average interest rate for local currency loans (A)	4.33%	4.77%	5.94%
Average interest rate of local currency deposits (B)	2.30%	2.53%	3.09%
NIM	1.60%	1.82%	2.35%

1. Based on K-IFRS consolidated financial statements.

 2. $ROE = \frac{\text{Profits adjusted after reflecting regulatory reserves for credit loss}}{\text{(average balance of shareholders' equity at the end of the quarter - average regulatory reserves for credit loss)}} \times 100$

(2) Profit/Loss by Sector

(Unit: KRW 100 millions)

Type		1H 2014	1H 2013	2013	2012	
Interest	Interest income	Interest on deposits	484	543	1,118	995
		Interest on securities	4,381	5,054	9,526	11,843
		Interest on loans	39,000	40,171	80,028	100,014
		Other interest income	224	389	632	1,513
		Interest on deposits	17,407	18,743	36,463	44,759
	Interest expense	Interest on borrowings	1,192	1,221	2,373	3,117
		Interest on corporate bonds	3,381	3,500	6,923	9,291
		Other interest expense	628	693	1,346	1,078
		Subtotal	21,481	22,000	44,199	56,120
	Fees	Fee income	4,732	4,597	9,388	9,950
Fee expense		749	798	1,594	5,401	
Subtotal		3,983	3,799	7,794	4,549	
Trusts	Commission received on trust business	192	175	357	457	
	Termination fees					
	Loss incurred on trust business	10	10	20	18	
	Subtotal	182	165	337	438	
Other business operating income	Other operating income	Gain on securities	1,298	1,039	1,481	7,508
		Gain on FX trading	10,322	10,524	25,367	23,944
		Reversal of provision for credit loss	122	160	254	423
		Gain on derivatives	20,687	35,787	49,366	54,385
		Gains on other business	4,180	4,134	6,400	4,829
	Other operating expenses	Loss on securities	1,679	1,444	2,658	1,616
		Loss on FX trading	9,198	11,646	24,002	19,969
		Contribution to miscellaneous funds	1,668	1,635	3,266	3,080
		Bad debt expense	4,364	8,766	20,238	18,414
		Appropriation of guarantee reserves	35	603	954	519
Other business operating expenses	Loss on derivatives	20,772	34,088	47,716	58,317	
	Other business costs	3,849	2,101	4,930	6,017	
	Subtotal	(4,956)	(8,639)	(20,896)	(16,841)	
Total sector gains		20,690	17,325	31,434	44,266	
Sales and administrative costs		13,487	13,229	26,790	27,276	

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Operating income	7,203	4,096	4,644	16,990
Non-operating income	1,003	808	1,698	1,861
Non-operating expenses	1,324	558	1,164	1,097
Ordinary profits	6,882	4,346	5,178	17,753
Income from continuing operations before income tax	6,882	4,346	5,178	17,753
Income tax expense from continuing operations	1,615	775	810	3,267
Income from discontinued operations		295	295	
Net income	5,267	3,866	4,663	14,486

* Based on K-IFRS consolidated financial statements.

B. Business Performance by Operation

(1) Deposit Services

(Unit: KRW millions)

Type		1H 2014	2013	2012
Deposits received in local currency	Demand deposits	10,737,119	11,713,480	10,690,028
	Money trusts	1,251,543	1,236,844	898
	Fixed deposits	154,493,340	146,666,672	140,593,204
	Mutual funds	49,366	53,189	64,959
	CDs	2,721,443	3,297,551	1,144,569
	Other deposits received			4,458,862
Deposits received in foreign currencies		11,790,756	12,283,882	11,065,036
Present value discount		(10,369)	(42,309)	(9,877)
Total		181,033,198	175,209,309	168,007,679

* Based on K-IFRS consolidated financial statements.

(2) Loan Services

Balances of Loans by Type

(Unit: KRW millions)

Type		1H 2014	2013	2012
Loans in local currency		160,293,761	155,917,926	144,616,559
Loans in foreign currencies		14,675,051	14,954,205	14,398,209
Guarantee payments		70,009	54,645	125,841
Total		175,038,821	170,926,776	159,140,609

1. Based on K-IFRS consolidated financial statements.

2. Loans in foreign currencies = loans in foreign currencies + domestic import usance.

Loans by Purpose of Funds

(Unit: KRW millions)

Type		1H 2014	2013	2012
Corporate loans	Working capital loans	50,582,142	50,482,488	50,360,152
	Facilities loans	26,524,956	25,298,881	22,165,385
Household loans		49,712,793	50,802,309	52,793,318
Public and other loans	Working capital loans	3,891,493	3,896,531	1,294,225
	Facilities loans	1,939,959	1,809,958	1,711,721
Mortgage loans		26,420,278	22,341,020	14,863,564

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Inter-bank loans	1,165,587	1,227,518	1,362,054
Other loans	56,553	59,221	66,140
Total	160,293,761	155,917,926	144,616,559

1. Balance of loans in local currency based on K-IFRS consolidated financial statements.
2. Amount before reflecting present value discount.
3. Mortgage loans include corporate/household/public and other mortgage loans. Corporate/household/public and other loans exclude mortgage loans.

Loan-to-deposit ratio

(Unit: KRW 100 millions, %)

Type	1H 2014	2013	2012
Loans in local currency	1,606,906	1,562,184	1,443,268
Deposits received in local currency (excluding CDs)	1,640,675	1,574,741	1,497,056
Ratio	97.94	99.20	96.41

- Loans in local currency and deposits received in local currency are average monthly balances based on K-IFRS financial statements.
- Loan-to-deposit ratio = Average monthly balance of loans in local currency / average monthly balance of deposits received in local currency (excluding CDs).

(3) Guarantees

(Unit: KRW millions)

Type	1H 2014	2013	2012
Confirmed guarantees	8,527,550	9,116,384	9,184,573
Unconfirmed guarantees	6,579,396	7,096,820	8,570,476
Commercial paper purchase commitments and others	2,437,198	1,924,176	1,956,447
Total	17,544,144	18,137,380	19,711,496

* Based on K-IFRS consolidated financial statements.

(4) Securities Investment

(Unit: KRW millions)

Type	1H 2014	2013	2012
Securities at fair value through profit or loss	2,385,078	2,211,476	5,269,978
Available-for-sale financial assets	16,696,957	16,897,731	14,484,530
Held-to-maturity financial assets	13,302,549	12,038,820	14,341,506
Investments in associates	613,998	546,188	550,332
Total	32,998,582	31,694,215	34,646,346

* Based on K-IFRS consolidated financial statements.

(5) Trust Business

Trust deposits received

(Unit: KRW millions)

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Type	1H 2014		2013		2012	
	Trust Funds	Trust Fees	Trust Funds	Trust Fees	Trust Funds	Trust Fees
Money trust	18,816,567	19,402	17,155,494	35,401	14,212,593	39,123
Property trust	10,306,692	346	9,853,775	790	9,931,786	1,091
Total	29,123,259	19,748	27,009,269	36,191	24,144,379	40,214

1. Trust funds indicate average balances.

2. Trust fees = trust fees amount for recovery of deficit

Trust account securities

(Unit: KRW millions)

Type	Original Acquisition Cost	Book Value at Term End	Unrealized Gain/Loss (B/S)	Realized Gain/Loss (I/S)
Trust accounts	3,164,825	3,204,422		41,129

Trust account loans

(Unit: KRW millions)

Type	1H 2014		2013		2012	
	Average Balance	End Balance	Average Balance	End Balance	Average Balance	End Balance
Trust account loans	27,031	22,384	43,964	41,270	51,404	47,203

(6) Other Businesses

Giro service

This safe and convenient method of settlement of payments of ordinary transactions is conducted through bank deposit accounts, and cash or checks need not be exchanged.

Regular wire transfers

Standard OCR payment transfers

Regional tax payment transfers

Sale of department store gift certificates (KRW 50,000, KRW 100,000) and book gift certificates (KRW 5,000, KRW 10,000).

Collection of money under the government's custody

Payment services for principal and interest of corporate bonds

When a company issues corporate bonds for funding purposes, to make payments of principal and interest easier for the issuer, a bank may act as payment agent through the execution of an agreement.

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Collection services for stock payment

When a stock company is established or a capital increase is implemented, a company may entrust the fund collection process to a bank. The funds that the bank receives is the payment for the stock, and the bank conducts such service on behalf of the court upon receiving a request by the stock company to engage in such services.

National treasury services

The business of dealing with and managing government deposits and calculating and managing national treasury funds is the responsibility of the Bank of Korea. The Bank has contracted with the Bank of Korea to act as agent for collecting funds for the national treasury.

Gold bar services

The Bank has contracted with the seller of gold bars and acts as an agent to sell and purchase gold bars and conduct relevant settlement procedures at each sales branch.

C. Major Products and Services

(1) Consumer Deposit Products

Demand deposit products

Lump savings deposit products

Investing your savings products

Housing subscription related products

Financial investment products derivative linked securities (gold accumulation accounts)

(2) Consumer Credit Products

Household loans

Real estate loans

(3) Corporate Products

Corporate loans

Corporate deposit products

Foreign exchange credit

(4) PB Services

(5) Bancassurance, Investment Trust Products

Life insurance

Pension insurance

Combination life and death insurance

Property insurance

Investment trust products

(6) Trust Products

(7) Investment Finance

(8) Foreign Exchange Services

(9) U-Banking Services

4. Derivatives Transactions**A. Business Overview**

The pricing of derivative financial products is determined based on changes in the underlying asset (e.g., interest rate, exchange rate, stock price, commodity price.)

Based on the underlying asset, derivative products are classified into plain vanilla derivatives, equity derivatives and commodity derivatives. Interest rate-related transactions include Korean treasury bond futures, interest rate swaps and interest rate options, exchange rate-related transactions include currency forwards, currency swaps and currency options, and equity-related transactions include options relating to stock price and stock price index. To hedge for future commodity prices, the Bank also transacts in commodity derivatives in which the underlying asset is commodities.

With respect to market risk and credit risk of the counterparty, a thorough analysis is conducted to ensure the stable management of transactions, and appropriate internal control procedures are conducted through the separation of the front, middle and back offices.

B. Type of Contracts and Derivative Products

(As of June 30, 2014)

(Unit: KRW 100 millions)

Type		Interest Rate	Currency	Equity	Other	Total
Purpose	Hedging	32,660		2,820		35,480
	Trading	1,126,216	468,489	11,082	2,104	1,607,891
Market	Exchange		4,284	1,901	15	6,199
	OTC	1,158,876	464,205	12,001	2,089	1,637,171
Type	Forward		254,992			254,992
	Future		4,284	315	15	4,614
	Swap	1,126,214	182,064		261	1,308,538
	Option	32,663	27,149	13,586	1,828	75,226

ø Data on business disclosure pursuant to the Unified Disclosure Standards for Financial Sector Businesses (as of June 30, 2014)

(1) Total Trading of Derivative Products (Bank Accounts)

(Unit: KRW 100 millions)

Classification	Balance	Derivative Assets	Derivative Liabilities
Hedge accounting applied transactions (A)	35,480	1,512	
Forwards			
Futures			
Swaps	32,660	1,428	
Listed options			
OTC options	2,820	84	
Matched transactions, arbitrage transactions (B)	138,326	1,887	1,872
Forwards	36,579	204	20
Swaps	89,115	1,635	1,624
OTC options	12,632	48	48
Transactions for trading (C)	1,469,565	20,771	20,374
Forwards	218,413	3,474	4,919
Futures	4,614		
Swaps	1,186,764	16,161	14,973
Listed options	1,585	7	50
OTC options	58,189	1,129	431
Total (A+B+C)	1,643,370	24,170	22,245

(2) Total Trading of Derivative Products (Trust Accounts)

(Unit: KRW 100 millions)

Classification	Balance	Derivative Assets	Derivative Liabilities
Hedge accounting applied transactions (A)			
Forwards			
Futures			
Swaps			
Listed options			
OTC options			
Match transactions, arbitrage transactions (B)			
Forwards			
Swaps			
OTC options			
Transactions for trading (C)	415		
Forwards			
Futures	415		
Swaps			
Listed options			
OTC options			
Total (A+B+C)	415		

(3) Interest Rate Derivatives (Bank Accounts)

(Unit: KRW 100 millions)

Classification	Balance	Derivative Assets	Derivative Liabilities
Hedge accounting applied transactions (A)	32,660	1,428	
Forwards			
Futures			
Swaps	32,660	1,428	
Listed options			
OTC options			
Match transactions, arbitrage transactions (B)	75,352	653	659
Forwards			
Swaps	72,040	640	646
OTC options	3,313	13	13
Transactions for trading (C)	1,050,864	8,219	8,556
Forwards			
Futures			
Swaps	1,021,514	8,153	8,515
Listed options			
OTC options	29,350	66	41
Total (A+B+C)	1,158,876	10,300	9,215

(4) Interest Rate Derivatives (Trust Accounts)

(Unit: KRW 100 millions)

Classification	Balance	Derivative Assets	Derivative Liabilities
Hedge accounting applied transactions (A)			
Forwards			
Futures			
Swaps			
Listed options			
OTC options			
Match transactions, arbitrage transactions (B)			
Forwards			
Swaps			
OTC options			
Transactions for trading (C)	415		
Forwards			
Futures	415		
Swaps			
Listed options			
OTC options			
Total (A+B+C)	415		

(5) Currency Derivatives (Bank Accounts)

(Unit: KRW 100 millions)

Classification	Balance	Derivative Assets	Derivative Liabilities
Hedge accounting applied transactions (A)			
Forwards			
Futures			
Swaps			
Listed options			
OTC options			
Match transactions, arbitrage transactions (B)	60,942	1,194	1,173
Forwards	36,579	204	200
Swaps	16,840	987	970
OTC options	7,523	3	3
Transactions for trading (C)	407,546	11,928	11,579
Forwards	218,413	3,474	4,919
Futures	4,284		
Swaps	165,223	8,008	6,459
Listed options			
OTC options	19,627	447	201
Total (A+B+C)	468,489	13,122	12,752

(6) Currency Derivatives (Trust Accounts)

Not applicable

(7) Equity Derivatives (Bank Accounts)

(Unit: KRW 100 millions)

Classification	Balance	Derivative Assets	Derivative Liabilities
Hedge accounting applied transactions (A)	2,820	84	
Forwards			
Futures			
Swaps			
Listed options			
OTC options	2,820	84	
Match transactions, arbitrage transactions (B)			
Forwards			
Swaps			
OTC options			
Transactions for trading (C)	11,082	624	238
Forwards			
Futures	315		
Swaps			
Listed options	1,585	7	50
OTC options	9,181	617	188
ELW (D)			
Listed options			
OTC options			
Total (A+B+C)	13,901	708	238

(8) Equity Derivatives (Trust Accounts)

Not applicable

(9) Precious Metals and Commodity Derivatives (Bank Accounts)

(Unit: KRW 100 millions)

Classification	Balance	Derivative Assets	Derivative Liabilities
Hedge accounting applied transactions (A)			
Forwards			
Futures			
Swaps			
Listed options			
OTC options			
Match transactions, arbitrage transactions (B)	2,031	40	40
Forwards			
Swaps	235	8	8
OTC options	1,796	32	32
Transactions for trading (C)	73		1

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Forwards			
Futures	15		
Swaps	26		
Listed options			
OTC options	31		1
Total (A+B+C)	2,104	40	41

(10) Precious Metals and Commodity Derivatives (Trust Accounts)

Not applicable

C. Credit Derivatives

(1) Transactions

Not applicable

(2) Details on New Credit Derivatives

Not applicable

5. Business Facilities, Etc.

A. Branches

(1) Domestic

Domestic branches of Woori Bank
(As of June 30, 2014)

Region	Branches	Sub-branches	Offices	Total
Seoul	428	42		470
Busan	52	3		55
Daegu	27	1		28
Incheon	36	6		42
Gwangju	13	1		14
Daejon	19	4		23
Ulsan	9	1		10
Sejong	2	2		4
Gyeonggi Province	189	30		219
Gangwon Province	8	3		11
Chungcheong-buk Province	10	6		16
Chungcheon-nam Province	17	6		23
Jeolla-buk Province	11	1		12
Jeolla-nam Province	9	2		11
Gyeongsang-buk Province	19	4		23
Gyeongsang-nam Province	22	5		27
Jeju Island	3			3
Total	874	117		991

1. Head office (sales division) is included as one branch.

(2) Overseas

Overseas branches of Woori Bank

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(As of June 30, 2014)

Region	Branches	Sub-branches	Representative Offices	Total
U.S.	2			2
U.K.	1			1
Japan	1			1
China (HK)	2			2
Singapore	1			1
Bahrain	1			1
Bangladesh	1	4		5
Vietnam	2			2
North Korea	1			1
India	1			1
Australia	1			1
Dubai	1			1
Malaysia			1	1
Myanmar			1	1
Total	15	4	2	21

Branches of Woori Global Markets Asia Ltd., a consolidated subsidiary

(As of June 30, 2014)

Region	Branches	Sub-branches	Offices	Total
Hong Kong	1			1
Total	1			1

Branches of Woori America Bank, a consolidated subsidiary

(As of June 30, 2014)

Region	Branches	Sub-branches	Offices	Total
U.S.	16			16
Total	16			16

Branches of ZAO Woori Bank, a consolidated subsidiary

(As of June 30, 2014)

Region	Branches	Sub-branches	Offices	Total
Moscow (head office)	1			1
Sankt Peterburg	1			1
Total	2			2

Branches of P.T. Bank Woori Indonesia, a consolidated subsidiary

(As of June 30, 2014)

Region	Branches	Sub-branches	Offices	Total
Indonesia Jakarta	1			1
Tangerang		1		1
Cikarang		1		1
Cibubur		1		1
Cilegon (Krakatau)		1		1
Bekasi		1		1
Ruko Union		1		1
Sadang		1		1

Total	1	7	8
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Branches of Woori Bank China Ltd., a consolidated subsidiary
(As of June 30, 2014)

Region	Branch	Sub-branches	Offices	Total
China Beijing	1	4		5
Shanghai		4		4
Shenzhen		2		2
Suzhou		2		2
Tianjin		2		2
Dalian		1		1
Chengdu		1		1
Weihei		1		1
Total	1	17		18

1. Separate head office is located in Beijing, China.

Branches of Woori Brazil Bank, a consolidated subsidiary
(As of June 30, 2014)

Region	Branches	Sub-branches	Offices	Total
Brazil	1			1
Total	1			1

Branches of Woori Credit Information, a consolidated subsidiary
(As of June 30, 2014)

Region	Branches	Sub-branches	Offices	Total
Seoul*	11			11
Busan	1		1	2
Daegu	1			1
Gwangju	1			1
Daejon	1		1	2
Incheon	1			1
Suwon	1			1
Sungnam	1			1
Anyang	1			1
Euijung-bu	1			1
Total	20		2	22

* Including head office.

B. Business Facilities

(Unit: KRW millions)

Type		Land	Building ¹	Total	Remarks
Owned	Head office	365,676	259,206	624,882	
	Branch office	1,128,208	523,589	1,651,797	
	Overseas, etc.	716	5,307	6,023	
Subtotal		1,494,600	788,102	2,282,702	
Leased	Branch office		992,107	992,107	

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	Overseas, etc.	8,686	8,686
Subtotal		1,000,793	1,000,793
Total	1,494,600	1,788,895	3,283,495

1. Amount is before reflecting accumulated amortization
2. Based on K-IFRS consolidated financial statements

C. ATMs

Type	1H 2014	2013	2012
CD	100	106	157
ATM	7,101	7,179	6,899
Pass book printer	89	95	98
Other			
Video terminals			5
Utility bill payment machines	1,058	1,054	1,042

D. Expansion Plans for New Branches and Significant Facilities

Type	1H 2014	2014 (Plan)
Branches (including sub-branches)	13	25

1. Prepared based on domestic branches.
2. Subject to change.

∅ Change in Production Facilities (as of June 30, 2014)

Classification	Name of Office (Date of Change)
Newly opened	Samsung Electronics Parts Research Center (sub-branch) (1.17.2014), Cheongju Airport (sub-branch) (1.17.2014), Cargo Terminal (sub-branch) (1.24.2014), International Terminal, Gimpo Airport (sub-branch) (2.7.2014), Yonsei Cancer Hospital (sub-branch) (3.14.2014), KCA Branch Office (M6) (3.21.2014), Garak Market (sub-branch) (3.28.2014), Doksan Intelligence Industrial Center Branch Office (4.11.2014), Sungnam High-tech Branch Office (4.18.2014), Samsung Components Research Complex (sub-branch) (4.18.2014), International St. Mary's Hospital (sub-branch) (4.25.2014), Incheon St. Mary's Hospital (sub-branch) (5.19.2014), Ulsan Woojung Town Branch Office (6.13.2014)
Transferred	Dangsan Station Branch Office (1.13.2014), Bisandong Branch Office (1.20.2014), Daelim 3-dong Branch Office (1.27.2014), Mokdong Center Branch Office (1.27.2014), Airport Finance Center (2.10.2014), Yonsei Wonju Campus (sub-branch) (2.17.2014)
Closed	Annex of Seoul City Hall (sub-branch) (3.10.2014), Shindorim Station Branch Office (3.10.2014), Gyunghee University International Campus (sub-branch) (3.10.2014), Samsung Advanced Institute of Technology (sub-branch) (4.4.2014), Bongcheon Branch Office (5.12.2014), Jangan 1-dong Branch Office (5.12.2014), Busan Education University Station Branch Office (5.12.2014), Seoul Immigration Office (sub-branch) (5.12.2014), Incheon Immigration Office (sub-branch) (5.12.2014), Suwon Immigration Office (sub-branch) (5.12.2014), Ansan Immigration Office (sub-branch) (5.12.2014)

6. Other Matters Necessary for an Investment Decision
A. BIS Capital Adequacy Ratios

(Unit: KRW 100 millions)

Type	1H 2014	2013	2012
Equity capital (A)	210,832	203,829	205,045
Risk weighted assets (B)	1,304,339	1,313,133	1,395,329
Capital adequacy ratio (A/B)	16.16%	15.52%	14.70%

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1. BIS (Bank for International Settlements) capital adequacy ratio = equity capital / risk weighted assets × 100.
2. Based on K-IFRS consolidated financial statements.
3. Capital adequacy ratios of 1H 2014 and 2013 are based on Basel III standards; capital adequacy ratio of 2012 is based on Basel II standards.

B. Liquidity Ratios

(Unit: %)

Type		1H 2014	2013	2012
Local currency liquidity ratio		128.57	120.75	126.71
Foreign currency liquidity ratio	Before application of weight of securitization	140.09	133.55	118.42
	After application of weight of securitization	131.66	125.86	109.25
Ratio of business purpose premises and equipment		14.26	14.73	14.44

1. Based on K-IFRS financial statements.

C. Non-accrual Loans, Etc.

Calculated based on the non-accrual loan calculation standards of Table 12 of the Enforcement Detailed Rules on the Supervision of the Banking Business.

(1) Non-accrual Loans

(Unit: KRW 100 millions, %)

1H 2014		2013		2012		Change ¹	
Balance of Non-accrual Loans	Ratio	Balance of Non-accrual Loans	Ratio	Balance of Non-accrual Loans	Ratio	Balance of Non-accrual Loans	Ratio
34,560	1.88	37,993	2.12	21,874	1.27	(3,433)	(0.24)

1. Change in 1H 2014 compared to 2013.
2. Based on K-IFRS financial statements.

(2) Provisions for Bad Debt

(Unit: KRW 100 millions)

Type		1H 2014	2013	2012	
Provisions for bad debt	Domestic	Regular	30,486	34,770	31,674
		Special			
		Subtotal	30,486	34,770	31,674
	Overseas	Regular	296	640	324
		Special			
		Subtotal	296	640	324
	Total	30,782	35,410	31,998	
Bad debt expenses		4,195	14,982	17,561	

1. Based on K-IFRS financial statements.

D. Asset Quality

(Unit: KRW 100 millions)

Type		1H 2014	2013	2012
Total loans ³	Total	1,834,493	1,791,750	1,726,941
	Corporate	1,102,061	1,083,582	1,025,603
	Household	732,432	708,168	660,207
	Credit card			41,131
Sub-standard and below loans	Total	46,065	53,592	28,645
		2.51%	2.99%	1.66%
	Corporate	41,286	49,054	24,264
		3.75%	4.53%	2.37%
Sub-standard and below loan ratio	Household	4,779	4,538	3,774
		0.65%	0.64%	0.57%
	Credit card			607
				1.48%
Non-accrual loans	Total	34,560	37,993	21,874
		1.88%	2.12%	1.27%
	Corporate	29,781	33,455	17,535
		2.70%	3.09%	1.71%
Non-accrual loan ratio	Household	4,779	4,538	3,732
		0.65%	0.64%	0.57%
	Credit card			607
				1.48%
Ratio of provision for credit losses (A/B)		88.26%	82.27%	146.92%
Total reserves and regulatory reserve for credit loss (for calculation of non-accrual loans) (A) ¹		40,659	44,088	42,086
Sub-standard and below loans (B)		46,065	53,592	28,645
Delinquency ratio	Based on total loans (after seasonal adjustment)	1.13%	1.14%	1.20%
		(1.33%)	(1.41%)	(1.55%)
	Based on corporate loans (after seasonal adjustment)	1.62%	1.50%	1.72%
		(1.94%)	(1.97%)	(2.36%)
	Based on household loans (after seasonal adjustment)	0.73%	0.90%	0.70%
	(0.75%)	(1.10%)	(0.83%)	
	Based on credit card receivables (after seasonal adjustment)			1.97%
				(2.27%)

- Credit card receivables were transferred to Woori Card due to the spin-off of the credit card business segment (spin-off date: April 1, 2013).
- Based on K-IFRS financial statements.
- Pursuant to the non-accrual loan calculation standards of Table 12 of the Enforcement Detailed Rules on the Supervision of the Banking Business, deposits, receivables and other loans were excluded from loans and receivables, and inter-bank loans, inter-bank loans in foreign currencies, call loans and bonds purchased under resale agreements were excluded from loans, and certain items including confirmed guarantees were added.
- Calculated based on calculation standards for measurement index of Table 7 of the Enforcement Detailed Rules on the Supervision of the Banking Business.

ø For data before fiscal year 2013 set forth in II. Description of Business of the Bank, the new accounting standards adopted in the first quarter of 2013 and the results effects from changes in accounting policies were not retroactively applied.

III. FINANCIAL MATTERS OF THE BANK**1. Summary Consolidated Financial Data****A. Summary Consolidated Statement of Financial Position**

(The Bank and its Consolidated Subsidiaries)

(Unit: KRW millions)

Classification	1H 2014	2013	2012	2011	2010
ASSETS					
Cash and cash equivalents	5,056,584	5,472,425	4,593,736	5,390,108	3,885,684
Financial assets at fair value through profit or loss	4,665,323	4,398,132	10,989,236	12,498,726	11,104,050
Available-for-sale financial assets	16,696,957	16,897,731	14,488,547	14,682,791	16,610,090
Held-to-maturity financial assets	13,302,549	12,038,820	14,341,506	15,400,425	15,920,317
Loans and receivables	208,570,865	207,360,680	200,208,325	192,048,328	177,630,875
Investments in joint ventures and associates	613,998	546,188	550,332	376,337	306,229
Investment properties	360,920	333,834	346,182	349,459	366,874
Premises and equipment	2,342,308	2,369,213	2,385,680	2,345,960	2,334,386
Intangible assets and goodwill	71,262	76,016	108,920	147,387	39,366
Other assets	157,311	161,258	178,592	225,532	207,467
Current tax assets	1,670	136,713	2,354	3,082	2,833
Deferred tax assets	147,773	61,764	82,580	8,927	8,283
Derivative assets	151,163	131,410	269,414	326,413	133,224
Disposal group held for sale	1,104	587	1,239	2,258	5,185
Total assets	252,139,787	249,984,771	248,546,643	243,805,733	228,554,863
LIABILITIES					
Financial liabilities at fair value through profit or loss	2,676,267	2,631,037	3,468,696	3,509,566	4,729,575
Deposits due to customers	181,033,198	175,209,309	169,216,255	165,453,124	157,314,309
Borrowings	15,326,563	17,264,362	17,446,930	19,175,674	18,982,971
Debentures	17,217,192	16,088,973	17,841,978	19,811,813	20,192,427
Provisions	460,352	618,225	579,441	585,384	496,713
Net defined benefit liability	57,510	39,370	65,937	22,227	23,116
Current tax liabilities	185,714	8,889	136,517	206,366	109,283
Other financial liabilities	16,799,499	19,401,628	20,771,744	16,281,271	8,799,937
Other liabilities	294,855	322,932	383,678	444,551	277,757
Deferred tax liabilities	607	45,274	16,699	135,441	107,425
Derivative liabilities		4,441	23,827	25,582	34,419
Total liabilities	234,051,757	231,634,440	229,951,702	225,650,999	211,067,932
EQUITY					
Owners' equity:	18,080,992	18,343,598	18,587,330	18,146,792	17,479,847
Capital stock	2,983,452	2,983,452	3,829,783	3,829,783	3,829,783
Hybrid securities	1,880,798	2,380,797	1,681,807	1,681,807	2,181,806
Capital surplus	734,671	734,671	812,016	812,016	811,421
Other equity	(52,797)	5,483	68,570	524,202	938,260
Retained earnings	12,534,868	12,239,195	12,195,154	11,298,984	9,718,577
Non-controlling interests	7,038	6,733	7,611	7,942	7,084
Total equity	18,088,030	18,350,331	18,594,941	18,154,734	17,486,931
Total liabilities and equity	252,139,787	249,984,771	248,546,643	243,805,733	228,554,863
Number of Consolidated Subsidiaries*	71	65	64	51	58

* Figures do not include the Company.

B. Summary Consolidated Statement of Comprehensive Income

(The Bank and its Consolidated Subsidiaries)

(Unit: KRW millions)

Classification	1H 2014	1H 2013	2013	2012	2011	2010
OPERATING INCOME:	720,285	409,681	464,432	1,451,452	2,593,188	1,551,321
Net interest income	2,148,011	2,200,013	4,419,877	4,774,419	5,728,211	5,029,773
Net fee and commission income	416,566	396,337	813,165	837,119	507,991	493,793
Dividend income	71,730	43,427	79,904	91,513	123,150	119,095
Gain on financial instruments at fair value through profit or loss	5,934	124,982	122,179	(360,939)	106,682	15,213
Gain on available-for-sale financial assets	(37,193)	8,709	(80,165)	548,674	1,016,746	978,546
Impairment losses for loans, other receivables, guarantees and unused commitments	(254,780)	(901,583)	(2,079,608)	(1,649,251)	(1,816,603)	(2,496,083)
General and administrative expenses	(1,348,668)	(1,322,893)	(2,679,026)	(2,590,787)	(2,549,360)	(1,997,040)
Net other operating income (expenses)	(281,315)	(139,311)	(131,894)	(199,296)	(523,629)	(591,976)
Non-operating income	(32,067)	24,982	53,396	53,122	65,983	(14,468)
Net income before income tax expense from continuing operations	688,218	434,663	517,828	1,504,574	2,659,171	1,536,853
Income tax expense from continuing operations	161,488	77,523	81,030	26,713	589,800	(274,749)
Profit from continuing operations	526,730	357,140	436,798	1,243,861	2,069,371	1,262,104
Profit from discontinued operations		29,476	29,476	253,056		
Net income	526,730	386,616	466,274	1,496,917	2,069,371	1,262,104
Net income attributable to owners	526,258	386,068	465,266	1,496,246	2,068,544	1,261,283
Profit from continuing operations	526,258	356,592	435,790	1,243,190		
Profit from discontinued operations		29,476	29,476	253,056		
Net income attributable to the non-controlling interests	472	548	1,008	671	827	821
Profit from continuing operations	472	548	1,008	671		
Profit from discontinued operations						
Other comprehensive income (loss), net of tax	(58,344)	25,630	(64,973)	(456,636)	(399,838)	(253,874)
Items that will not be reclassified to profit or loss	(27,676)	6,752	6,877	(48,826)		
Items that may be reclassified to profit or loss	(30,668)	18,878	(71,850)	(407,810)	(399,838)	(253,874)
Total comprehensive income	468,386	412,246	401,301	1,040,281	1,669,533	1,008,230
Comprehensive income attribute to the owner	468,082	411,332	402,180	1,040,613	1,668,675	1,007,276
Comprehensive income attribute to the non-controlling interests	304	914	(879)	(332)	858	954
NET INCOME PER SHARE:						
Continuing and discontinued operations						
Basic earnings per common share	770	512	539	1,895	2,687	1,508
Diluted earnings per common share	770	471	516	1,795	2,514	1,443
Continuing operations						
Basic earnings per common share	770	465	490	1,532		
Diluted earnings per common share	770	428	470	1,465		

C. Changes in Consolidated Subsidiaries

(1) Changes in Consolidated Subsidiaries

Term	Included in consolidation scope	Companies additionally	Companies excluded after
		included after previous term	previous term
1H 2014	Woori Credit Information and 70 others	HDC New Star Private Equity Securities 24th and 22 others	Hyundai Platinum Private Equity Securities W-2nd and 16 others
2013	Woori Credit Information and 64 others	KTB Safe Private Investment Trust 77th and 33 others	Samsung Plus Private Equity Securities 20th and 32 others
2012	Woori Credit Information and 63 others	Guam Emerald Ocean View Inc. and 36 others	Golden Bridge Sidus FNH Video and 23 others
2011	Woori Credit Information and 50 others	Woori Fund Service Co., Ltd. and 20 others	Swan SF Co., Ltd. and 27 others
2010	Woori Credit Information and 57 others		

* Figures do not include the Company

* For structured entities in accordance with K-IFRS 1110 and K-IFRS 1112, entities on which the Bank and its consolidated subsidiaries (the Bank Group) has control, when the Bank Group is exposed, or has rights, to variable returns for its involvement with the entities and has the ability to affect those returns through its power over the entities, are included in the consolidation scope.

(2) Causes for Change in Consolidated Subsidiary Status

Consolidated subsidiary	1H 2014	2013	Classification	Cause for change
Woori Credit Information	Consolidated	Consolidated	Equity securities	
Woori Fund Service	Consolidated	Consolidated	Equity securities	
Korea BTL Infrastructure Fund	Consolidated	Consolidated	Equity securities	
Woori America Bank	Consolidated	Consolidated	Equity securities	
Woori Brazil Bank	Consolidated	Consolidated	Equity securities	
PT. Bank Woori Indonesia	Consolidated	Consolidated	Equity securities	
Woori Global Market Asia Limited	Consolidated	Consolidated	Equity securities	
Woori Bank China Ltd.	Consolidated	Consolidated	Equity securities	
ZAO Woori Bank	Consolidated	Consolidated	Equity securities	
Woori Bank Principal Guaranteed Trust and Woori Bank Principal and Interest Guaranteed Trust	Consolidated	Consolidated	Trust	
G15 First Class Mid-term C-1st	Consolidated	Consolidated	Beneficiary certificates	
G5 Pro Short-term 13th	Consolidated	Consolidated	Beneficiary certificates	
G6 First Class Mid-term E-20th	Consolidated	Consolidated	Beneficiary certificates	
Woori Milestone Private Real Estate Fund 1st	Consolidated	Consolidated	Beneficiary certificates	

Consolidated subsidiary	1H 2014	2013	Classification	Cause for change
Woori Partner Plus Private Equity Securities 4th	Consolidated	Consolidated	Beneficiary certificates	
Consus Sakhalin Real Estate Investment Trust 1st	Consolidated	Consolidated	Beneficiary certificates	
Heoreum Short-Term 15th	Consolidated	Consolidated	Beneficiary certificates	
D First Class Mid-term C-151th	Consolidated	Consolidated	Beneficiary certificates	
Shinhan BNPP Corporate Private Equity Securities 27th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Woori Partner Plus Private Equity Securities 12th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Hyundai Platinum Private Equity Securities W-2nd		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
KDB Private Equity Securities Investment Trust WB-5th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Samsung Alpha Club Multi Long-Short Private 2nd		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Truston Equity Securities Investment Trust 13th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
KTB Safe Private Investment Trust 77th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Yuri WB Private Equity Securities 5th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Kyobo Axa Tomorrow Private Trust 25th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Mirae Asset Triumph Private Equity Securities 15th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Yuri WB Private Equity Securities 6th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Meritz Prime Private Equity Securities 93rd		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Kyobo Axa Tomorrow Private Trust 26th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Mirae Asset Triumph Private Equity Securities 17th		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Hanwha Private Equity Securities No. 57		Consolidated	Beneficiary certificates	Disposal and redemption of beneficiary certificates
Hanwha Private Equity Securities No. 65	Consolidated	Consolidated	Beneficiary certificates	
Hanwha Private Equity Securities No. 67 (Bond)	Consolidated	Consolidated	Beneficiary certificates	
Phoenix Sky Private Equity Securities 16th	Consolidated	Consolidated	Beneficiary certificates	

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Consolidated subsidiary	1H 2014	2013	Classification	Cause for change
Hyundai Platinum Private Equity Securities W-3	Consolidated	Consolidated	Beneficiary certificates	
Phoenix Sky Private Equity Securities 15th	Consolidated	Consolidated	Beneficiary certificates	
Samsung Plus Private Equity Securities 24th	Consolidated	Consolidated	Beneficiary certificates	
HDC Private Equity Securities Investment Trust 10th	Consolidated	Consolidated	Beneficiary certificates	
ING Lion Private Equity Securities 47th	Consolidated	Consolidated	Beneficiary certificates	
Meritz Prime Private Equity Securities 95th	Consolidated	Consolidated	Beneficiary certificates	
LS Leading Solution Private Equity Securities 126th	Consolidated	Consolidated	Beneficiary certificates	
Shinhan BNPP Corporate Private Equity Securities 32nd	Consolidated	Consolidated	Beneficiary certificates	
Hyundai Advantage Private Equity Securities 17th	Consolidated	Consolidated	Beneficiary certificates	
Mirae Asset Triumph Private Equity Securities 21st	Consolidated	Consolidated	Beneficiary certificates	
HDC Private Equity Securities Investment Trust 11th	Consolidated	Consolidated	Beneficiary certificates	
Woori Partner Plus Private Equity Securities 13th	Consolidated	Consolidated	Beneficiary certificates	
Hi Good Choice Private Equity Securities 8th	Consolidated	Consolidated	Beneficiary certificates	
HDC New Star Private Equity Securities 24th	Consolidated		Beneficiary certificates	Classified as SPE for investing in securities and other. The activities of entities, decision-making powers and benefits and risks are considered when those SPEs are consolidated.
Mirae Asset Dividend Premium Private Equity 2nd			Beneficiary certificates	
Hana UBS Private Equity Securities 8th	Consolidated		Beneficiary certificates	
Eugene Pride Private Equity Securities 40th	Consolidated		Beneficiary certificates	
LS Leading Solution Private Equity Securities 129th	Consolidated		Beneficiary certificates	
Kyobo Axa Active Long Short 30 Private Equity 1st			Beneficiary certificates	
KB Market Long Short Private Equity Securities 1st	Consolidated		Beneficiary certificates	
Hyundai Smart Dream Private Equity Securities 14th	Consolidated		Beneficiary certificates	
Yuri WB Private Equity Securities 7th	Consolidated		Beneficiary certificates	
IBK Panorama Private Equity Securities 54th	Consolidated		Beneficiary certificates	
Heungkuk Multi Private Equity Securities H-8th	Consolidated		Beneficiary certificates	
Hyundai Platinum Private Equity Securities W-4th	Consolidated		Beneficiary certificates	

Consolidated subsidiary	1H 2014	2013	Classification	Cause for change
Mirae Asset Triumph Private Equity Securities 26th	Consolidated		Beneficiary certificates	
Hyundai Platinum Private Equity Securities W-5th	Consolidated		Beneficiary certificates	
LS Leading Solution Private Equity Securities 133rd	Consolidated		Beneficiary certificates	
KDB Private Equity Securities Investment Trust WB-6th	Consolidated		Beneficiary certificates	
Shinhan BNPP Corporate Private Equity Securities 37th	Consolidated		Beneficiary certificates	
NH-CA New Private Equity Securities Investment Trust 12-63rd	Consolidated		Beneficiary certificates	
Eugene Pride Private Equity Securities 43rd	Consolidated		Beneficiary certificates	
Yuri WB Private Equity Securities 8th	Consolidated		Beneficiary certificates	
Mirae Asset Triumph Equity Private Securities 29th	Consolidated		Beneficiary certificates	
Yuri WB Private Equity Securities 9th	Consolidated		Beneficiary certificates	
Asset Plus Private Equity Securities Investment Trust 18th	Consolidated		Beneficiary certificates	
Guam Emerald Ocean View Inc.		Consolidated	SPC	Loss of control due to sale of loans for special purpose entity
Kumho Trust 1st Co., Ltd.	Consolidated	Consolidated	SPC	
Deogi Dream Fourth Co., Ltd	Consolidated	Consolidated	SPC	
BWL First Co., LLC	Consolidated	Consolidated	SPC	
Asiana Saigon Co., Ltd.	Consolidated	Consolidated	SPC	
An-Dong Raja 1st Co., Ltd.	Consolidated	Consolidated	SPC	
Hermes STX Co., Ltd.	Consolidated	Consolidated	SPC	
Woori IB Global Bond Co., Ltd.	Consolidated	Consolidated	SPC	
Woori Poongsan Co., Ltd.	Consolidated	Consolidated	SPC	
Wonju I-one Inc.	Consolidated	Consolidated	SPC	
Jeonju Iwon Ltd.	Consolidated	Consolidated	SPC	
Consus Eighth Co., Ltd.	Consolidated	Consolidated	SPC	
Kamco Value Recreation 1st Securitization Specialty Co., Ltd	Consolidated	Consolidated	SPC	
Pyeongtaek Ocean Sand Co., Ltd.	Consolidated	Consolidated	SPC	
Heights Third Co., Ltd.	Consolidated	Consolidated	SPC	
W Synergy 1st Co., Ltd.	Consolidated	Consolidated	SPC	
New Year Eighth Co., Ltd	Consolidated	-	SPC	Classified as a structured entity for the securitization of financial assets.
				The activities of entities, decision-making powers and benefits and risks are considered when those SPEs are consolidated.

2. Summary Separate Financial Information

A. Summary Statement of Financial Position

(The Bank)

(Unit: KRW millions)

Classification	1H 2014	2013	2012	2011	2010
ASSETS					
Cash and cash equivalents	4,310,099	4,694,201	4,135,353	5,339,419	3,629,594
Financial assets at fair value through profit or loss	3,446,905	3,353,936	9,920,630	11,369,904	11,190,524
Available-for-sale financial assets	15,843,744	16,499,175	14,003,535	14,166,153	15,997,072
Held-to-maturity financial assets	13,281,854	12,016,870	14,306,766	15,299,225	15,778,544
Loans and receivables	202,802,817	201,836,689	195,075,985	186,797,530	173,269,536
Investments in associates	2,171,086	2,109,453	1,938,813	1,686,365	1,529,656
Investment properties	360,780	333,693	340,825	344,325	347,748
Premises and equipment, net	2,328,522	2,353,831	2,368,086	2,326,923	2,314,609
Intangible assets, net	65,690	69,994	102,119	140,816	33,602
Other assets	151,042	151,636	163,388	192,207	191,410
Current tax assets		134,691			
Deferred tax assets	90,388		43,599		
Derivative assets	151,163	131,410	267,470	326,414	132,268
Assets held for sale	1,104	587	1,239	2,258	5,185
Total assets	245,005,194	243,686,166	242,667,808	237,991,539	224,419,748
LIABILITIES					
Financial liabilities at fair value through profit or loss	2,671,351	2,630,421	3,468,445	3,501,355	4,729,321
Deposits due to customers	175,666,909	169,870,194	164,468,304	160,539,081	154,502,870
Borrowings	14,296,309	16,711,669	16,807,711	18,502,414	17,887,630
Debentures	17,164,186	16,035,967	17,778,172	19,711,307	20,091,821
Provisions	482,235	641,459	605,152	606,484	500,891
Retirement benefit obligations	54,591	36,577	63,124	19,711	20,908
Current tax liabilities	183,482	8,552	135,953	205,807	108,573
Other financial liabilities	16,248,003	19,162,494	20,464,031	16,229,074	8,620,792
Other liabilities	276,460	297,895	367,370	420,914	263,011
Deferred tax liabilities		35,108		124,199	125,997
Derivative liabilities		1,785	15,498	12,885	23,725
Total liabilities	227,043,526	225,432,121	224,173,760	219,873,231	206,875,539
EQUITY					
Owner's equity:					
Capital stock	2,983,452	2,983,452	3,829,783	3,829,783	3,829,783
Hybrid securities	1,880,798	2,380,797	1,681,807	1,681,807	2,181,806
Capital surplus	732,538	732,538	809,883	811,551	811,598
Other equity	79,629	143,825	132,250	548,719	927,156
Retained earnings	12,285,251	12,013,433	12,040,325	11,246,448	9,793,866
(Planned regulatory reserve for credit loss)					
Total equity	17,961,668	18,254,045	18,494,048	18,118,308	17,544,209
Total liabilities and equity	245,005,194	243,686,166	242,667,808	237,991,539	224,419,748

B. Summary of Statement of Comprehensive Income

(The Bank)

(Unit: KRW millions)

Classification	1H 2014	1H 2013	2013	2012	2011	2010
OPERATING INCOME:	682,150	361,624	344,923	1,362,258	2,501,333	1,511,013
Net operating income	2,037,101	2,083,581	4,190,476	4,536,897	5,543,030	4,871,282
Net fee and commission income	404,263	386,286	789,881	831,120	485,163	465,444
Dividend income	118,047	56,848	83,202	144,868	112,218	84,837
Gain on financial instruments at fair value through profit or loss	(388)	136,520	148,476	(355,341)	108,102	23,595
Gain on available-for-sale financial assets	(38,095)	3,652	(61,525)	558,441	1,038,765	908,733
Impairment losses for loans, other receivables, guarantees and unused commitments	(266,320)	(892,082)	(2,084,365)	(1,677,031)	(1,800,251)	(2,340,997)
General and administrative expenses	(1,288,338)	(1,260,488)	(2,551,622)	(2,466,300)	(2,444,230)	(2,163,438)
Net other operating income (expenses)	(284,120)	(152,693)	(169,600)	(210,396)	(541,464)	(338,443)
Non-operating income	(29,833)	39,551	93,627	31,051	10,461	29,801
Net income before income tax expense	652,317	401,175	438,550	1,393,309	2,511,794	1,540,814
Income tax expense	149,914	71,338	73,693	254,591	542,359	280,951
Profit from continuing operations	502,403	329,837	364,857	1,138,718	1,969,435	1,259,863
Profit from discontinued operations		29,476	29,476	253,056		
Net income	502,403	359,313	394,333	1,391,774	1,969,435	1,259,863
Other comprehensive income (loss), net of tax	(64,196)	797	11,575	(416,469)	(365,016)	(221,845)
Items that are not reclassified as profit or loss	(27,632)	6,752	6,671	(28,826)		
Items that are reclassified as profit or loss	(36,564)	(5,955)	4,904	367,643	365,016	221,845
Total comprehensive income	438,207	360,110	405,908	975,305	1,604,419	1,038,018
NET INCOME PER SHARE:						
Continuing and discontinued operations						
Basic earnings per common share	730	470	423	1,745	2,544	1,506
Diluted earnings per common share	730	432	405	1,659	2,385	1,442
Continuing operations						
Basic earnings per common share	730	423	374	1,382		
Diluted earnings per common share	730	389	358	1,329		

3. Cautionary Points in Using Financial Data**A. Basis of Preparation and Accounting Policies****(1) Basis of Consolidated Financial Statement Presentation**

The Bank and its consolidated subsidiaries (the Bank Group) has adopted K-IFRS from the fiscal year beginning on January 1, 2011 and the accompanying consolidated financial statements are prepared on K-IFRS. In accordance with K-IFRS 1101 *First-time Adoption of International Financial Reporting Standards*, the transition date to K-IFRS is January 1, 2010.

The Bank Group maintains its official accounting records in Korean Won and prepares the consolidated financial statements in conformity with K-IFRS, in Korean language (Hangul). Accordingly, these consolidated financial statements are intended for use by those who are informed about K-IFRS and Korean practices. The consolidated financial statements have been condensed restructured, and translated into English with certain expanded descriptions from the financial statements in Korean language.

The Bank Group's consolidated financial statements have been prepared based on the historical cost method except for specific non-current assets and certain financial assets or liabilities reported at fair value. The historical cost is generally measured by fair value of acquired assets.

(2) Basis of Financial Statement Presentation

The Bank has adopted K-IFRS from the fiscal year beginning on January 1, 2011 and the accompanying financial statements are prepared on K-IFRS. In accordance with K-IFRS 1101 *First-time Adoption of International Financial Reporting Standards*, the transition date to K-IFRS is January 1, 2010.

The Bank maintains its official accounting records in Korean Won and prepares the financial statements in conformity with K-IFRS, in Korean language (Hangul). Accordingly, these financial statements are intended for use by those who are informed about K-IFRS and Korean practices. The consolidated financial statements have been condensed restructured, and translated into English with certain expanded descriptions from the financial statements in Korean language.

B. Revised Accounting Standards

Term	Changes
1H 2014	Newly adopted accounting standards and interpretation and changes in accounting policies

Amendments to K-IFRS 1032 *Financial Instruments: Presentation*

The amendments to K-IFRS 1032 clarify the requirement for the offset presentation of financial assets and financial liabilities. That is, the right to offset must not be conditional on the occurrence of future events and can be exercised anytime during the contract periods. The right to offset is executable even in the case of default or insolvency. The adoption of the amendments has no significant impact on the Bank Group's consolidated financial statements.

Amendments to K-IFRS 1110, 1112 and 1027 *Investment Entities*

Investment Entities introduced an exception to the principle in K-IFRS 1110 *Consolidated financial statement* that all subsidiaries shall be consolidated. The amendments define an investment entity and require a parent that is an investment entity to measure its investment in particular subsidiaries at fair value through profit or loss instead of consolidating those subsidiaries in its consolidated financial statements. Also, the new disclosure requirements for investment entities in accordance with the amendments of K-IFRS 1110 have been introduced by consequential amendments to K-IFRS 1112, *Disclosure of Interests in Other Entities*, and K-IFRS 1027, *Separate Financial Statements*. The adoption of the amendments has no significant impact on the Bank Group's consolidated financial statements.

Amendments to K-IFRS 1039 *Financial Instruments: Recognition and Measurement*

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The amendments allowed the Bank Group to use hedge accounting when, as a consequence of laws or regulations or the introduction of laws or regulations, the original counterparty to the hedging instrument is replaced by a central counterparty or an entity which is acting as counterparty in order to effect clearing by a central counterparty. The adoption of the amendments has no significant impact on the Bank Group's consolidated financial statements.

Enactment of K-IFRS 2121 *Levies*

The enactment defines that the obligating event giving rise to the recognition of a liability to pay a levy is the activity that triggers the payment of the levy in accordance with the related legislation. The enactment has no significant impact on the Bank Group's consolidated financial statements.

In addition to the new amendments and enactments listed above, K-IFRS 1036, Impairment of Assets, had been amended to add clarifications about the disclosure requirement in relation to estimated recoverable amount for non-financial assets. The adoption of these amendments has no significant impact on the Bank Group's consolidated financial statements.

New and revised K-IFRS that have been issued but are not yet effective

Term	Changes
	<p>Amendments to K-IFRS 1019 <i>Employee Benefits</i></p> <p>If the amount of the contributions not subject to service period, the Bank Group is permitted to recognize such contributions as a reduction in the service cost in the period in which the related service is rendered. The amendments are effective for the annual periods beginning on or after July 1, 2014.</p> <p>The Company anticipates that the amendment listed above may not have significant impact on the Bank Group's consolidated financial statements.</p> <p>Reclassification of profit or loss related to Financial asset or financial liability at FVTPL</p> <p>The Bank Group reclassified hybrid financial instruments related to stock from financial liabilities held for trading (derivative liability related to stock) to financial liability at FVTPL for the year ended December 31, 2013. As a result, loss on financial instrument at FVTPL related to hybrid financial instruments increased by KRW 27,374 million and loss on financial instruments held to trading (loss on derivatives related to stock) decreased by KRW 27,374 million for the six months ended June 30, 2013, disclosed for comparison purpose. It is reclassification of accounts within profits or losses on financial instruments at FVTPL and does not affect net profit or loss of the Bank Group reported for the six months ended June 30, 2013.</p>
2013	<p>Amendments to K-IFRS 1001 <i>Presentation of Financial Statements</i></p> <p>The amendments of K-IFRS 1001 relate to the separate presentation of other comprehensive income items that would not be reclassified as net income subsequently or would be reclassified as net income under specific circumstances. The amendments have effect on the presentation of consolidated financial statements and no effects on the financial position and financial performance. The Bank Group applied the amendments retrospectively and restated the comparative consolidated financial statements.</p> <p>Amendments to K-IFRS 1019 <i>Employee Benefits</i></p> <p>The amendments to K-IFRS 1019 relate to the elimination of the corridor approach permitted under the previous version of K-IFRS 1019. Accordingly, the actuarial gains or losses are recognized in other comprehensive income immediately. The amendments replace the expected return on plan assets with a net interest cost based on the net defined benefit asset or liability. The expected return on plan assets is included in the net interest on the net defined benefit liability (asset). The past service costs incurred under changes of plans are recognized at the earlier of the dates when the plan amendment or curtailment occurs and when the entity recognizes related restructuring costs or termination benefits. The Bank Group applied the amendments retrospectively and restated the comparative consolidated financial statements. As a result, other equity decreased by KRW 13,420 million and KRW 62,246 million and retained earnings increased by KRW 13,420 million and KRW 62,246 million in the consolidated statements of financial position as of January 1, 2012 and December 31, 2012, respectively. Net income increased by KRW 48,826 million and other comprehensive income decreased by KRW 48,826 million in the comparative consolidated statement of comprehensive income for the year ended December 31, 2012.</p>

Amendments to K-IFRS 1107 Financial Instruments: Disclosures

The amendments to K-IFRS 1107 are mainly focusing on presentation of the offset between financial assets and financial liabilities. Irrespective of whether they meet the offset requirement of financial assets and financial liabilities in accordance with K-IFRS 1032, the amendments to K-IFRS 1107 require disclosing offsetting agreements and related information which are legally enforced by master netting agreements or similar agreements. The Bank Group does not hold the offset financial instruments in accordance with K-IFRS 1032 and does not have a master netting arrangement or similar agreements, therefore the amendments have no significant effect on the consolidated financial statements.

Term

Changes

Enactment of K-IFRS 1110 *Consolidated Financial Statements*

K-IFRS 1110 replaces the requirements and guidance in K-IFRS 1027 and K-IFRS 2012 relating to the consolidated financial statements.

K-IFRS 1110 uses the concept of control as the determining factor in assessing whether an investee is a subsidiary. Under K-IFRS 10, an investor controls an investee when the investor is exposed, or has right, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Extensive application guidance is provided to assist in the determination as to whether an investor has power over an investee in complex scenarios.

In accordance with transitional provision of K-IFRS 1110, the financial statements for earlier comparative periods are restated, to ensure conformity with the conclusion of K-IFRS 1110, unless it is impracticable to do so. At the date of initial application, a reporting entity that has no change in consolidation is not required to make adjustments to the previous accounting policy.

After reviewing the changes in scope of consolidation resulted from the adoption of K-IFRS 1110, the Bank Group determined that Principle Guaranteed Trust and five structured entities, including Deogi Dream Fourth Co., Ltd., became included in the scope of consolidation. As the Bank Group is a trustee of Principal Guaranteed Trust, trustee holds power, and when entrusted property does not reach its principal, it is exposed to the significant variable returns to losses. Since it has the ability to influence such benefit, it satisfies the definition of in K-IFRS 1110, and the five structured entities are under the case in which the Bank Group directly provides credit due to the lack of securitization of non-performing assets. As a provider of credit-related activities, it holds power and is exposed to significant variable returns. Since it has influence over the benefits, it satisfies the definition of control in K-IFRS 1110. In addition, the Bank Group concluded that due to the adoption of K-IFRS 1110, Golden Bridge Sidus FNH Video and two other structured entities, which were originally consolidated through the original standard K-IFRS 2012 Consolidation: Special Purpose Entities have been excluded from the scope of consolidation. Since the Bank Group does not have power over the three structured entities including Golden Bride Sidus FNH Video, it does not meet the definition of control in K-IFRS 1110.

Enactment of K-IFRS 1111 *Joint Arrangement*

K-IFRS 1111 classifies joint arrangements of which two or more parties have joint control into two types, joint operations and joint ventures depending on the rights and obligations of the parties to the arrangements. A joint operation is a joint arrangement whereby the parties have rights to the joint assets, and obligations for the joint liabilities. A joint venture is a joint arrangement whereby the parties have rights to the net assets of the arrangement. In case of joint operation, joint operator accounts for its share of the joint assets, liabilities, revenues, and expenses. In case of joint venture, joint venture account for its investment using equity method. The adoption of the enactment has no effect on the Bank Group's consolidated financial statements.

Enactment of K-IFRS 1112 *Disclosure of Interest in Other Entities*

The enactment of K-IFRS 1112 establishes disclosures requirements for entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. The standard requires that the nature of, and risks associated with, its interests in other entities, the effects of those interests on its consolidated financial position, comprehensive income and cash flows. The adoption of the enactment has no significant effect on the Bank Group's consolidated financial statements.

Enactment of K-IFRS 1113 *Fair Value Measurement*

The enactment of K-IFRS 1113 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. K-IFRS 1113 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring fair value, an entity uses the assumptions that market participants would use when pricing the asset or liability under current market conditions. The standard explains that a fair value measurement requires an entity to determine the following the particular asset or liability being measured, the market in which an orderly transaction would take place for the asset or liability, the appropriate valuation technique(s) used when measuring fair value. The standard requires extensive disclosures related to fair value measurement. The adoption of the enactment has no significant effect on the Bank Group's consolidated financial statements.

Term

Changes

Others Change in presentation of employee benefits in general and administrative expenses

Certain fringe benefits, which were considered as short term employee benefits and previously included in other general and administrative expenses, are separately presented as an item of salaries in general and administrative expenses. The impact from the reclassification is incorporated in the comparative other general and administrative expenses. Such changes in presentation of employee benefits have no effect on the net assets and net income of the Bank Group.

The changes in presentation of consolidated financial statements for the year ended December 31, 2012, are as follows (Unit: KRW millions):

(Unit: KRW millions)

	Reported	Adjustment	Restated*
Employee benefits	1,247,956	259,185	1,507,141
Depreciation and amortization	131,970		131,970
Other general and administrative expenses	1,347,714	(259,185)	1,088,529
	2,727,640		2,727,640

* The effects of the application of K-IFRS 1019 *Employee Benefits* are not included but profit and loss from discontinued operations is included above.

2012

New and revised standards and interpretations in current year

Amendments to K-IFRS 1107 *Disclosures Transfers of Financial Assets*

According to the amendments, the Bank Group provided the required disclosure of the nature, the risk and rewards and the carrying amount associated with all transferred financial instruments that are not derecognized from the financial statements of the Bank Group. In addition, the Bank Group continues its involvement on the transferred assets although the transferred assets are derecognized in their entirety, the Bank Group discloses the carrying amounts of the transferred assets and the associated liabilities and information showing how the maximum exposure to loss. The disclosures due to the application of these amendments are disclosed in Note 12.

Amendments to K-IFRS 1001 *Presentation of Financial Statements*

The Bank Group presented operating income in accordance with the amendments to K-IFRS 1001. The amendments have been applied retrospectively for the comparative period.

As such, the Bank Group's operating income for the comparative period have decreased by KRW 55,792 million and KRW 33,484 million for the year ended December 31, 2012 and 2011, respectively. The amendments do not result in any impact on net income and earning per shares.

Amendments to K-IFRS 1012 *Income Taxes*

According to the amendments to K-IFRS 1012, investment properties that are measured using the fair value model in accordance with K-IFRS 1040, investment property or non-depreciable assets measured using the revaluation model in accordance with K-IFRS 1016 Property, Plant and Equipment, are presumed to be recovered entirely through sale for the purpose of measuring deferred taxes unless the presumption is rebutted in certain circumstances. The amendments do not have impact on the Bank Group's financial statements.

Term	Changes
	<p>Amendments to K-IFRS 2114 <i>The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interpretation</i></p>

The amendments to K-IFRS 2114 require the Bank Group to recognize the asset in excess of plan obligation resulting from the repayment of statutory or contractual minimum funding requirement. The amendments do not have impact on the Bank Group's financial statements.

2011	Reclassification of gains (losses) on beneficiary certificates
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For the six months ended June 30, 2011, the Bank had classified its dividends from beneficiary certificates and gains (losses) on disposal of beneficiary certificates as other interest income on beneficiary certificates. Subsequent to the period, the Bank Group changed its classification for the dividends to dividend income on beneficiary certificates and gains (losses) on disposal of beneficiary certificates to gains (losses) on disposal of AFS financial assets, respectively.

Reclassification of due from banks in foreign currencies

The Bank Group loaned to Woori Bank China Ltd. during January 2011 and recognized the loan as due from banks in foreign currencies as of March 31, 2011 and June 30, 2011, respectively. As of September 31, 2011, the Bank Group reclassifies the loans from due from banks in foreign currencies to inter-bank loans in foreign currencies.

Change in the recognition of gains (losses) on transactions of derivatives

As for the application of K-GAAP, the Bank Group recorded gains (losses) on transactions of derivatives that for the year ended December 31, 2010, the Bank Group recognized gains (losses) on transactions of derivatives such as interest swap, currency swap and commodity swap based on the gross amount of the assets (liabilities) and the settlement amount, respectively. The Bank Group changed its recognition of gains (losses) on such transactions based on the net of the assets (liabilities) and settlement amount.

C. Mergers, Spin-offs, Asset Transfers, Business Transfers

(1) Recent Developments

On July 28, 2014, the Bank's board of directors resolved to merge with its holding company, the Company, to maximize the return of public funds and possibility of successful privatization.

The major terms of the Merger are as follows:

Item	Details
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Method of Merger	Merger of parent company with and into wholly-owned subsidiary	
Merging entities	The Bank (surviving entity)	
	The Company (non-surviving entity)	
New shares issued in Merger	676,278,371 common shares	
Schedule of the Merger	Expected date of general shareholders meeting to approve the Merger Agreement	October 10, 2014
	Date of the Merger	November 1, 2014
	Expected date of registration of Merger	November 3, 2014

(2) Credit Card Division Spin-off

As of September 16, 2011, the board of directors of the Company and the Bank decided to spin-off the Bank's credit card division and established a new credit card issuer to be a subsidiary of the Company to enhance the competitiveness in credit card business. The Bank had acquired authorization about the spin-off and the operation of credit card business from FSC on February 22, 2013.

The shareholder of the Bank will receive 100% of the newly issued shares of the credit card issuer in proportion to its ownership in the Bank as of the spin-off date. The business segments of the Bank, other than credit card operation segment, will continue to exist after the spin-off. Both the Bank and the newly established credit card issuer are responsible for the liabilities that arose from the conditions existing before the spin-off date.

In addition, assets and liabilities that were directly or indirectly owned by the credit card issuer before the spin-off will be transferred to the new company as a separate entity. Particularly, the non-identifiable assets and liabilities subject to transfer will be decided based on the reasonable basis of the spin-off policy.

Details of such spin-off are summarized as follows:

Transaction Structure:	Equity Spin-off	
Spin-off company:	The Bank (the surviving company) Woori Card (the new company)	
Spin-off schedule:	Date of the general meeting of shareholder for approval of the spin-off	January 25, 2013
	Date of spin-off	March 31, 2013
	Date of registration for spin-off	April 1, 2013

Details of assets and liabilities transferred from the Bank to Woori Card are as follows:

(Unit: KRW millions)

	April 1, 2013	December 31, 2012
Assets		
Cash and cash equivalents	375,175	
AFS financial assets	62,177	62,203
Loans and receivables*	3,750,221	4,329,138
Investment in associates	521	521
Premises and equipment	5,142	5,245
Intangible assets	4,217	4,745
Deferred tax assets	24,340	22,571
Other assets	2,781	90
Total	4,224,574	4,424,513
Debt		
Debentures	2,699,537	2,699,369
Provisions	83,053	77,185
Current tax liabilities		80,201
Other financial liabilities	320,050	478,573
Other liabilities	71,934	68,850
Total	3,174,574	3,404,178
Accumulated other comprehensive income	14,578	14,157

* As of December 31, 2012, loans and receivables include KRW 287 million of net profit resulting from intra-group transactions.

For the years ended December 31, 2013 and 2012, the summarized financial information of the credit card operating segment is as follows:
(Unit: KRW millions)

	For the year ended December 31	
	2013	2012
OPERATING INCOME:	31,035	312,628
Net interest income	191,358	860,046
Interest income	222,010	976,926
Interest expenses	(30,652)	(116,880)
Net fee and commission income	(118,956)	(352,594)

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Fee and commission income	11,708	42,164
Fee and commission expenses	(130,664)	(394,758)
Dividend income	4,236	3,334
Gain on AFS financial assets	1,027	4,114
Impairment losses for loans, other receivables, guarantees and unused commitments	(26,815)	(149,045)
General and administrative expenses	(18,536)	(72,438)
Other operating income (expenses)	(1,279)	19,211
Net other non-operating income	7,852	21,219
NET INCOME BEFORE INCOME TAX EXPENSE	38,887	333,847
INCOME TAX EXPENSE	(9,411)	(80,791)
Profit from discontinued operations	29,476	253,056

Cash flows related to discontinued operations are as follows:

(Unit: KRW millions)

	For the year ended December 31, 2013	For the year ended December 31, 2012
Cash flows from operating activities	374,127	(843,146)
Cash flows from investing activities	1,048	3,146
Cash flows from financing activities		840,000

D. Asset Securitization and Contingent Liabilities

(1) Asset Securitization

Asset Transfer Agreements or Asset Trust Agreements

(Unit: KRW 100 millions)

Transferor or Trustor	Contracting Party Transferee or Trustee	Transfer or Trust Date	Amount of Transfer or Trust	Remarks
The Bank	I&T Inc.	2.4.2014	41	Bad debt
The Bank	KEB F&I Inc.	3.28.2014	711	
The Bank	SBI3 Savings Bank	3.28.2014	613	
The Bank	Coretech	5.7.2014	500	Bad debt
The Bank	Good Plus Asset Management Company	6.10.2014	766	
The Bank	USW SPC	6.30.2014	1,050	Debt subject to rehabilitation

Asset Management Agreements

Not applicable

(2) Contingent Liabilities

Details of guarantee which the Bank Group has provided for others are as follows:

(Unit: KRW millions)

	June 30, 2014	December 31, 2013	December 31, 2012
Confirmed guarantee:			
Guarantee for loans	107,500	144,967	89,725
Acceptances	829,473	837,129	572,353
Guarantee in acceptances of imported goods	104,879	151,327	110,171
Other confirmed guarantees	7,485,698	7,982,961	8,412,324
	8,527,550	9,116,384	9,184,573

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Unconfirmed guarantee:			
Local letter of credit	628,756	661,612	773,385
Letter of credit	4,468,309	4,655,998	5,428,310
Other unconfirmed guarantee	1,482,331	1,779,210	2,368,781
	6,579,396	7,096,820	8,570,476
Commercial paper purchase commitment and others	2,437,198	1,924,176	1,956,447
	17,544,144	18,137,380	19,711,496

Details of loan commitments and the other commitments which the Bank Group provided for others are as follows:

(Unit: KRW millions)

	June 30, 2014	December 31, 2013	December 31, 2012
Loan commitments in local currency	41,355,180	41,849,043	64,368,276
Loan commitments in foreign currencies	20,545,230	23,195,943	21,857,955
Securities purchase agreements	1,443,608	1,442,603	1,394,165
Non-recourse endorsement notes			4,812,500
Total	63,344,018	66,487,589	92,432,896

Details of guarantees and the related provisions for guarantees are as follows:

(Unit: KRW millions)

	June 30, 2014	December 31, 2013	December 31, 2012
Confirmed guarantees	8,527,550	9,116,384	9,184,573
Unconfirmed guarantees	6,579,396	7,096,820	8,570,476
Commercial paper purchase commitments and others	2,437,198	1,924,176	1,956,447
	17,544,144	18,137,380	19,711,496
Provisions for guarantees	340,092	501,662	405,729
Ratio of provisions to total guarantees	1.94%	2.77%	2.06%

The Bank Group jointly takes responsibility to reimburse the remaining portion of liabilities as of March 31, 2013 (the date of deconsolidation) of Woori Card, a newly-established company deconsolidated

Litigation case

The Bank Group has filed and faced lawsuits as follows:

(Unit: KRW millions)

	June 30, 2014	
	As plaintiff*	As defendant
Number of cases	81 case	272 case
Amount of litigation	955,387	360,292
Provisions for litigation		22,216

	December 31, 2013	
	As plaintiff*	As defendant
Number of cases	84 case	311 case
Amount of litigation	1,185,147	441,370
Provisions for litigation		20,498

	December 31, 2012	
	As plaintiff*	As defendant
Number of cases	397 case	335 case

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Amount of litigation	1,374,529	538,672
Provisions for litigation		10,203

* The minor lawsuits in relation to the collection or management of loans are excluded from the number of cases.

The domestic banks refused to refund the cost to put up collateral security to the customers which were determined and mediated by the Korean Consumer Agency. In this regard, the Bank Group was filed 53 lawsuits as of June 30, 2014 and further more lawsuits are expected. Any expected liability of the Bank Group is not likely to be high hence the Bank Group has not set up any provisions for litigation.

For the year ended December 31, 2013, the Supreme Court ruled on Ordinary Wages . The Bank Group reviewed the impact of the rule on the separate financial statement of the Bank Group as of June 30, 2014. The Bank Group believes that the rule has no impact on the consolidated financial statements of the Bank Group, therefore it has not set up any provision related to ordinary wage.

E. Reclassification of Profit or Loss Related to Financial Asset or Financial Liability at FVTPL

The Bank Group reclassified hybrid financial instruments related to stock from financial liabilities held for trading (derivative liability related to stock) to financial liability at FVTPL for the year ended December 31, 2013. As a result, loss on financial instrument at FVTPL related to hybrid financial instruments increased by KRW 27,374 million and loss on financial instruments held for trading (loss on derivatives related to stock) decreased by KRW 27,374 million for the six months ended June 30, 2013 (disclosed for comparison purposes). This is a reclassification of accounts within profits or losses on financial instruments at FVTPL and does not affect net profit or loss of the Bank Group reported for the six months ended June 30, 2013.

F. Accounting Policies Adopted by the Bank in Accordance with K-IFRS

Item	Accounting Policy
Standard trading transactions of financial assets	Date of transaction
Investments in consolidated subsidiaries, etc. in separate financial statements	At cost
Premises and equipment, intangible assets and investment properties	Cost model

G. Accounting Policies Not Applied by the Bank in Accordance with K-IFRS

Item	Accounting Policy
Business combination	K-IFRS 1103 <i>Business Combinations</i> is not retroactively applied to business combinations that occurred prior to the conversion date.
Book value of equity investment regarding consolidated subsidiaries in separate financial statements	Book value appraised in accordance with previous accounting standards prior to the conversion date is deemed as cost of equity investment of subsidiaries.
Acquisition cost of premises and equipment, intangible assets and investment properties	Fair value as of the conversion date for land and building is deemed to be the acquisition cost.
Accumulated difference in currency conversion	Accumulated difference in currency conversion as of the conversion date is not retroactively calculated and is deemed to be 0.
Derecognition of financial assets and liabilities	Regulations relating to derecognition of financial products are to be applied after the conversion date.
Compound financial instruments	Classification of liabilities and equity is not be retroactively applied if the compound financial instrument liabilities do not remain on the balance sheet as of the conversion date due to maturity or conversion.
Designation of financial instruments as profit or loss or available for sale	Items are designated as profit or loss by item as of the conversion date.
Provisions relating to cost of existing decommissioning and restoration included in cost of premises and equipment	Changes in provisions are estimated as of the conversion date.
Measurement of fair value of financial assets or liabilities at point of initial recognition	Difference in transaction price and fair value of financial assets and liabilities classified into level 3 fair values with respect to transactions executed after the conversion date are not immediately recognized as profit or loss at the time of acquisition.

H. Additional Information

For more information see the attached review report for the consolidated financial statements for the first six months ended June 30, 2014.

IV. AUDIT OPINION OF THE AUDITOR**1. Audit Opinion of the Auditor, Etc.****A. Name of Auditor**

Term	Auditor
H1 2014	Deloitte Anjin LLC
2013	Deloitte Anjin LLC
2012	Deloitte Anjin LLC

B. Audit Opinion of the Auditor

Term	Audit Opinion	Summary of Issues
H1 2014	No exceptions	Not applicable
2013	Unqualified	Not applicable
2012	Unqualified	Not applicable

C. Engagement for Audit Services

Term	Auditor	Description	Fee	Total Time
1H 2014	Deloitte Anjin LLC	Closing audit	KRW 1,280 million	
		Interim audit (including internal accounting management system)		
		3Q review		3,256 hours
		1H review		3,143 hours
2013	Deloitte Anjin LLC	Closing audit	KRW 1,280 million	6,446 hours
		Interim audit (including internal accounting management system)		4,087 hours
		3Q review		3,397 hours
		1H review		3,066 hours
2012	Deloitte Anjin LLC	Closing audit	KRW 1,300 million	3,066 hours
		Interim audit (including internal accounting management system)		2,984 hours
		3Q review		3,424 hours
		1H review		3,344 hours
		1Q review		3,096 hours

D. Engagement for Non-Audit Services with Auditor

Term	Date of Execution of Agreement	Description of Service	Service Term	Fees
1H 2014	4.30.2014	Tax adjustment	Each quarter and end of term	KRW 105 million
	4.17.2014	Issuance of GMTN-related comfort letter	4~5.2014	USD 110,000
2013	8.30.2013	GMTN update and issuance	9.2013	KRW 146 million
	8.30.2013	Samurai bond update	9.2013	KRW 28 million
	3.31.2013	Tax adjustment	Each quarter and end of term	KRW 110 million

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	1.30.2013	Samurai bond-related comfort letter	1.2013	KRW 128 million
	9.30.2012	Review of Japanese F/S for 1H 2012 related to Samurai bonds	3Q 2012	KRW 14 million
2012	5.30.2012	Issuance of Samurai bond-related comfort letter and review of financial documents	2Q 2012	KRW 153 million
	3.31.2012	Tax adjustment	Each quarter and end of term	KRW 105 million
	1.9.2012	Samurai bond-related comfort letter	1~2.2012	KRW 108 million

E. Consolidated Subsidiaries Receiving a Qualified Opinion

- Not applicable

2. Change in Auditor

A. Change in Auditor and Cause

- Not applicable

B. Change in Auditor or Appointment of New Auditor of Consolidated Subsidiary and Cause

Name of Subsidiary	Term	Cause for Change
Woori America Bank	2013	Termination of contract period
Woori Fund Service	2011	New establishment
Woori Brazil Bank	2013	Termination of contract period

V. MATTERS RELATING TO CORPORATE GOVERNANCE OF THE BANK

1. Matters Relating to the Board of Directors

A. Overview of the Composition of the Board of Directors

(1) Composition of the Board of Directors

The board of directors consists of standing directors, outside directors and non-standing directors.

The board of directors resolves on matters prescribed to be the authority of the board of directors pursuant to related laws and decrees, such as the KCC and Banking Act, and other material matters.

The board of directors performs the following responsibilities for the purpose of furthering the interests of shareholders:

- Establishment of management targets and strategies;
- Approval of business plans and budgets;
- Supervision of management, and evaluation of management performance;
- Appointment and dismissal of the chairman of the board of directors, the chairman of each committee set forth in Article 39(1) (except the chairman of the audit committee) and committee members (except members of the audit committee who are outside directors) (however, in the case of a dismissal, such officer may continue to hold the office of director);
- Appointment and dismissal of senior vice presidents and vice presidents (however, in the case of a dismissal, such person may continue to hold the office of Director);
- Communication with shareholders;
- Deliberation of remuneration payable to management;
- Supervision of major capital expenditures and corporate M&A;
- Supervision of accounting and financial reporting systems;
- Supervision of risk management and financial controls;

- Supervision of compliance with laws and ethics rules; and
- Supervision of effectiveness of corporate governance.

Notwithstanding the provisions of paragraph (2) above, the authority to appoint or dismiss managers (*jibaein* in Korean) and establish, move or close branches, which is reserved for the board of directors under Article 393(1) of the KCC, shall be delegated to the CEO of the Bank; provided that the foregoing shall not apply to the establishment or closure of foreign branches.

(2) Disclosure of Personal Information of Director Candidates and Shareholder Recommendation before the General Shareholders Meeting

- The Bank is unlisted corporation and does not provide separate disclosure on convening shareholders meetings in daily newspapers.
- For outside director candidates, the committee for recommending outside directors candidates makes a recommendation, and the details of the outside director candidate recommendation are disclosed before the date of dispatch of the notice of the general shareholders meeting.

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(3) Establishment and Composition of the Committee on Recommendation of Outside Director Candidates
(As of June 30, 2014)

Name	Outside Director	Remarks
Soon-Woo Lee ¹	X	* The management committee performs the role of the committee for recommending outside directors candidates
Sang-Keun Oh	O	
Kang-Shik Choi	O	* The number of outside directors of the Bank must consist of a majority of the total number of directors (at least three). The current board of directors adheres to such rule.
Seong-Yeol Lim	O	
Min Chang	O	

[Bank articles of incorporation, Article 28 (Number of Directors)]

1. Standing director

(4) Outside Directors

Name	Major Work Experience		Relationship with Largest Shareholder	Participation in Internal/External Training	Remarks
	Academic Background	Work Experience			
Sang-Keun Oh	1975. Kyeongbuk High School	1993. Donga University, Economics Dept., Assistant Professor	Not applicable		
	1979. Sungkyunkwan University, Economics Dept.	2000. Donga University, Economics Dept., Associate Professor			
	1981. Seoul National University, Economics Dept., Masters	2001. Korea Economics Society, Director			
	1991. University of Wisconsin at Madison, Economics Ph.D.	1998. Donga University, Economics Dept., Professor (Current)			
	1979. Cheonggu High School	1999. Myungji University, Knowledge and Information Dept. Head	Not applicable		
Kang-Shik Choi	1984. Yonsei University, Economics Dept.	2002. Yonsei University, Economics Associate Professor			
	1986. Yonsei University, Economics Dept., Masters	2011. Korea Economics Society, Director			
Seong-Yeol Lim	1993. Yale University, Economics Ph.D.	2006. Yonsei University, Economics Professor (current)			
	1982. Osan High School	2008. Korea Deposit Insurance Corporation, Fund Management, Head	Not applicable ³		
	1986. Seoul National University, Dept. of Economics				

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	1988. Seoul National University, Public Administration Dept., Masters	2013. Korea Deposit Insurance Corporation, Risk Management, General Manager	
		2013. Korea Deposit Insurance Corporation, Policy Coordination Division, General Manager	
	1983. Kyeongbuk High School	2007. Bank of Korea, Policy Planning Bureau, Policy Coordination Division, Deputy Head	Not applicable
	1988. Seoul National University, Economics Dept.		
Min Chang	1997. Michigan State University, Economics Ph.D.	2011. Financial Services Commission, Advisor to the Chairman	
		2012. Korea Institute of Finance, Research and Coordination, Director	

1. As of June 30, 2014.
2. On March 20, 2014, outside director Yong-Gun Lee retired.
On March 20, 2014, outside director Gwi-Nam Lee retired.
On March 20, 2014, outside director Gwan-Hee Yoo retired.
On March 20, 2014, outside director Jung-Shik Kim retired.
On March 20, 2014, outside director Sang-Keun Oh was newly appointed.
On March 20, 2014, outside director Kang-Shik Choi was newly appointed.
3. Director Seong-Yeol Lim is not related to the major shareholder of the Bank (i.e., the Company) but is an employee of the KDIC.

B. Major Resolutions

(1) Main Provisions of the Board of Directors Operating Regulations

- o Detailed guidelines regarding operations of the board of directors shall be separately established as Detailed Rules on the Operations of the Board of Directors.
 - o The purpose of the Detailed Rules on the Operations of the Board of Directors is to specify the matters delegated pursuant to the Board of Directors regulations and matters necessary for such implementation as well as matters necessary for the operation of the board of directors.
 - o The Secretariat of the board of directors shall support the board of directors and each committee by ensuring that meetings are conducted efficiently and conducting other matters as instructed.
 - Assess the appropriateness and effectiveness of the governance structure, present recommendations for improvement
 - Recommend schedule and agenda for meetings of the general shareholders, board of directors and each committee
 - Provide advice on the composition of the board of directors and prepare database on candidates for directors
 - Provide information on the governance structure to the chairman of the board of directors, President of the Bank and directors
 - Provide working level support for convening and proceeding meetings
 - Record meeting minutes for each board of directors and committee meeting
 - Process other matters instructed by the board of directors and each committee
- (2) Description of Major Activities of the Board of Directors

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Round	Date of Meeting	Agenda	Resolution	Unanimity	Type
1	1.23.2014	Payment of bonus to retired executives (proposed)	Passed	Unanimous	Resolution
		Third extension of Bond Market Stabilization Fund (proposed)	Passed	Unanimous	Resolution
		Report on acquisition of shares of Indonesia's Saudara Bank			Report
		2013 financial performance report			Report
		Approval of credit grant to Woori Investment & Securities	Passed	Unanimous	Resolution
		Approval of credit grant to Woori Card	Passed	Unanimous	Resolution
2	2.4.2014	Approval of credit grant to the KDIC	Passed	Unanimous	Resolution
		Summary report on status of change in NPLs			Report
		Comprehensive report on major loans			Report
		Report on progress of provision and usage of customer information among subsidiaries			Report
3	2.5.2014	Ex post report on contribution to Korea Social Investment			Report
		Report on activities of each committee			Report
		Approval of FY 2013 financial statements	Passed	Unanimous	Resolution
4	2.28.2014	Change in FY 2013 financial statements	Passed	Unanimous	Resolution
		Holding of general shareholders' meeting for FY 2013	Passed	Unanimous	Resolution
5	3.13.2014	Limit on compensation of directors (proposed)	Passed	Unanimous	Resolution
		Evaluation of performance of committees	Passed	Unanimous	Resolution
		Report on contributions to non-profit entities of outside directors			Report
		Extension of outsourcing contract for IT operations (proposed)	Passed	Unanimous	Resolution
		Capital increase for Woori Investment Services	Passed	Unanimous	Resolution
		Amendment to articles of incorporation (proposed)	Passed	Unanimous	Resolution
		Addition of agenda for general shareholders' meeting for FY 2013	Passed	Unanimous	Resolution
		Issuance of foreign currency contingent convertible bonds currency for capital expansion (proposed)	Passed	Unanimous	Resolution
		Report on results of internal control system assessment for 2013			Report
		Report on results of inspection of money laundering prevention efforts			Report
5	3.13.2014	Results on review of 2013 internal accounting management system and audit committee's evaluation report			Report
		Report on audit progress and performance for 2013			Report
		Report on results of evaluation of internal accounting management system for 2H 2013			Report
		Report on dismissal of head of marketing division			Report
		Report on results of review of 2013 MOU implementation (3Q)			Report
		Report on agreements made by labor management council for 1Q 2014			Report

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Round	Date of Meeting	Agenda	Resolution	Unanimity	Type
6	3.20.2014	Confirmation of director candidates Appointment of chairman of board of directors, etc. Appointment of chairman of board of directors Order of delegation of duties upon the absence of the chairman	Passed	Unanimous	Resolution
7	3.20.2014	Appointment of members and chairman of management committee Appointment of members and chairman of risk management committee Appointment of members and chairman of compensation committee Appointment of deputy president of Bank Appointment of non-outside director members of audit committee Expected hours of activity of outside directors in 2014 (proposed) Report on contributions to non-profit entities of outside directors Report on conduct of miscellaneous business loan mediation service between corporations and lenders	Passed	Unanimous	Resolution
8	4.11.2014	Report on incidental business acting as sales agent for selling of Korea Housing Guarantee s individual guarantee products Report on appointment of executive vice president of Bank Report on appointment of managing director and head of marketing division Report on change in debt sales contract regarding China s Huapu Building Woori Card s execution of contract to revise Agreement on Settlement of Card Payments Approval of miscellaneous business service to calculate K-IFRS employee salary liabilities Partial revision of customer information provision and usage guidelines Opening of Dubai Branch	Passed	Unanimous	Resolution
9	4.25.2014	Acquisition of Cambodian Company Microfinance Report on financial performance for 1Q 2014 Trends in and strategies for the restructuring of Basel global regulations Solicitation of City of Seoul fund and execution of contract Summary report of status of change in NPLs General report on major loans Report on provision and usage of customer information among subsidiaries Report on each committee s activities	Passed	Unanimous	Resolution

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Round	Date of Meeting	Agenda	Resolution	Unanimity	Type
		2014 criteria for performance evaluation and compensation of certain members of management	Passed	Unanimous	Resolution
10	5.23.2014	Plan for issuance of the Bank's bonds	Passed	Unanimous	Resolution
		Revision of board of directors regulations	Passed	Unanimous	Resolution
		Report on results of review of MOU implementation for 4Q 2013			Report
		Report on contribution to non-profit entities of outside directors			Report
		Performance evaluation and compensation of executive standing directors for 2013	Passed	Unanimous	Resolution
		Approval of credit grant to Woori Investment Bank	Passed	Unanimous	Resolution
11	6.26.2014	Approval of credit grant to the KDIC	Passed	Unanimous	Resolution
		Approval of subsidiary transactions relating to global standard system	Passed	Unanimous	Resolution
		Report on major issues regarding merger with Saudara Bank			Report
		Report on contribution to non-profit entities of outside directors			Report
		Lease of office of Woori Finance Research Institute	Passed	Unanimous	Resolution
		Comprehensive approval of transactions among subsidiaries relating to Woori Investment Bank	Passed	Unanimous	Resolution
12	7.17.2014	Increase in deposit transaction limit with holding company, etc. (proposed)	Passed	Unanimous	Resolution
		Report on change in debt sales contract regarding China's Huapu Building			Report
		Report on appointment of head of marketing division			Report
		Approval of merger contract between the Company and the Bank	Passed	Unanimous	Resolution
13	7.28.2014	Listing of Woori Bank on KRX KOSPI Market and NYSE	Passed	Unanimous	Resolution
		Report on financial performance of 1H 2014			Report
		Holding of first extraordinary general shareholders' meeting of 2014	Passed	Unanimous	Resolution
		Credit grant to Woori Finance Cambodia (proposed)	Passed	Unanimous	Resolution
		Report on summary of changes in NPLs			Report
		Comprehensive report on major loans			Report
14	8.25.2014	Report on progress in provision and usage of customer information among subsidiaries			Report
		Report on results of evaluation of operating internal accounting management system for 1H 2014			Report
		Report on activities of each committee			Report

(3) Major Activities of Outside Directors at Meetings of the Board of Directors

Round	Date	Standing Director	Attendance		Total	Remarks
			Outside Director			
2014-1	1.23.2014	3(3)	6(6)		9(9)	
2014-2	2.4.2014	3(3)	6(6)		9(9)	
2014-3	2.5.2014	3(3)	5(6)		8(9)	Director Seong-Yeol Lim not in attendance
2014-4	2.28.2014	3(3)	6(6)		9(9)	
2014-5	3.13.2014	3(3)	6(6)		9(9)	
2014-6	3.20.2014	3(3)	6(6)		9(9)	
2014-7	3.20.2014	3(3)	4(4)		7(7)	
2014-8	4.11.2014	3(3)	4(4)		7(7)	
2014-9	4.25.2014	3(3)	4(4)		7(7)	
2014-10	5.23.2014	3(3)	4(4)		7(7)	
2014-11	6.26.2014	3(3)	4(4)		7(7)	
2014-12	7.17.2014	3(3)	4(4)		7(7)	
2014-13	7.28.2014	3(3)	4(4)		7(7)	
2014-14	8.25.2014	3(3)	4(4)		7(7)	

C. Committees of the Board of Directors

(1) Name, Members, Basis of Formation and Purpose by Committee
(1.1.2014 ~ 3.19.2014)

Name of Committee	Composition	Names of Members	Purpose and Authority	Remarks
Board of director management committee	One standing director, six outside directors	Soon-Woo Lee (standing director)	o Purpose	
		Yong-Geun Lee (outside director)	- Actively support activities of the board of directors by generally analyzing and reviewing matters regarding the functions and operations of the board of directors.	
		Gui-Nam Lee (outside director)	- Establish and review plans of management succession and training.	
		Guan-Hee Yoo (outside director)	- Perform the role of the committee for recommending outside directors candidates as set forth in Article 22-3 of the Banking Act and be deemed a committee pursuant to the same Act.	
		Jung-Shik Kim (outside director)	o Authority	
		Seong-Yeol Lim (outside director)	- Establish annual plans with respect to meetings of the board of directors and committees and their operations and evaluate the performance of the board of directors.	
		Min Chang (outside director)	- Evaluate and recommend outside director candidates.	
			- Consent to the appointment and dismissal of the heads of supporting organizations (secretariat) of the board of directors.	

- Establish and reform the detailed management rules of the board of directors.

Name of Committee	Composition	Names of Members	Purpose and Authority	Remarks
Risk management committee	One standing director, three outside directors	Yang-Jin Kim (standing director)	<ul style="list-style-type: none"> o Purpose <ul style="list-style-type: none"> - Regulate matters regarding the composition and operation of the risk management committee as set forth in the articles of incorporation. - Decide on risk policies and risk strategies in response to changes in the financial environment, and comprehensively manage risks in banking management to maximize the value of the bank. 	
		Yong-Geun Lee (outside director)	<ul style="list-style-type: none"> o Resolution items <ul style="list-style-type: none"> - Establishment of risk management strategies and basic policies in compliance with such management strategies. - Determination of acceptable risk exposure levels. - Approve appropriate limits of investment loss. - Allocating risk capital to each business division. - Approve establishment of and significant changes in matters regarding credit evaluations, procedures for estimation and operational risk assumptions. - Reform regulations of the risk management council, credit council, and risk management (notwithstanding such matters approved by the board of directors and amendments to the regulations related to structural changes shall be authorized by the risk management council). 	
Compensation committee	One standing director, three outside directors	Yang-Jin Kim (standing director)	<ul style="list-style-type: none"> o Report matters <ul style="list-style-type: none"> - Status of risk management operations for each sector. - Resolutions of the risk management council. - Verification results of the appropriateness of credit evaluations and estimation procedures. 	
		Jung-Shik Kim (outside director)	<ul style="list-style-type: none"> o Purpose <ul style="list-style-type: none"> - Monitor the structure and operation of the performance-based compensation system. - Independently establish and manage compensation policies. o Authority <ul style="list-style-type: none"> - Determine employees, including management, entitled to compensation. 	
		Yong-Geun Lee (outside director)		
		Seong-Yeol Lim (outside director)		

- Evaluate the performance of executive officers and offer appropriate compensation.
- Apply the performance-based compensation system to persons other than executive officers.
- Review performance-based compensation and annual bonus.

Yong-Geun Lee
(outside director)

- o Purpose and Authority

Gui-Nam Lee
(outside director)

- Recommend candidates for members of the audit committee.

Committee for
recommending
audit committee
member
candidates

Six outside
directors

Guan-Hee Yoo
(outside director)

Jung-Shik Kim
(outside director)

Seong-Yeol Lim
(outside director)

Min Chang
(outside director)

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(3.20.2014 ~ Date of Submission of This Securities Registration Statement)

Name of Committee	Composition	Names of Members	Purpose and Authority	Remarks		
Board of directors management committee	One standing director, four outside directors	Soon-Woo Lee (standing director)	<ul style="list-style-type: none"> o Purpose - Actively support activities of the board of directors by generally analyzing and reviewing matters regarding the functions and operations of the board of directors. 			
		Sang-Keun Oh (outside director)	<ul style="list-style-type: none"> - Establish and review plans of management succession and training. 			
		Seong-Yeol Lim (outside director)	<ul style="list-style-type: none"> - Perform the role of the committee for recommending outside directors candidates as set forth in Article 22-3 of the Banking Act and be deemed a committee pursuant to the same Act. 			
		Kang-Shik Choi (outside director)	<ul style="list-style-type: none"> o Authority - Establish annual plans with respect to meetings of the board of directors and committees and their operations and evaluate the performance of the board of directors. 			
		Min Chang (outside director)	<ul style="list-style-type: none"> - Evaluate and recommend outside director candidates. 			
			<ul style="list-style-type: none"> - Consent to the appointment and dismissal of the heads of supporting organizations (secretariat) of the board of directors. 			
			<ul style="list-style-type: none"> - Establish and reform the detailed management rules of the board of directors. 			
		Risk management committee	One standing director, three outside directors	Dong-Gun Lee (standing director)	<ul style="list-style-type: none"> o Purpose 	
				Sang-Keun Oh (outside director)	<ul style="list-style-type: none"> - Regulate matters regarding the composition and operation of the risk management committee as set forth in the articles of incorporation. 	
				Kang-Shik Choi (outside director)	<ul style="list-style-type: none"> - Decide on risk policies and risk strategies in response to changes in the financial environment, and comprehensively manage risks in banking management to maximize the value of the bank. 	
Min Chang (outside director)	<ul style="list-style-type: none"> o Resolution items 					
	<ul style="list-style-type: none"> - Establishment of risk management strategies and basic policies in compliance with such management strategies. 					
	<ul style="list-style-type: none"> - Determination of acceptable risk exposure levels. 					
	<ul style="list-style-type: none"> - Approve appropriate limits of investment loss. 					
	<ul style="list-style-type: none"> - Allocating risk capital to each business division. 					

- Approve establishment of and significant changes in matters regarding credit evaluations, procedures for estimation and operational risk assumptions.

- Reform regulations of the risk management council, credit council, and risk management (notwithstanding such matters approved by the board of directors and amendments to the regulations related to structural changes shall be authorized by the risk management council).

- o Report matters
 - Status of risk management operations for each sector.

 - Resolutions of the risk management council.

 - Verification results of the appropriateness of credit evaluations and estimation procedures.

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Name of Committee	Composition	Names of Members	Purpose and Authority	Remarks
Compensation committee	Four outside directors	Sang-Keun Oh (outside director)	<ul style="list-style-type: none"> o Purpose - Monitor the structure and operation of the performance-based compensation system. - Independently establish and manage compensation policies. 	
		Kang-Shik Choi (outside director)	<ul style="list-style-type: none"> o Authority - Determine employees, including management, entitled to compensation. 	
		Seong-Yeol Lim (outside director)	<ul style="list-style-type: none"> - Evaluate the performance of executive officers and offer appropriate compensation. 	
		Min Chang (outside director)	<ul style="list-style-type: none"> - Apply the performance-based compensation system to persons other than executive officers. - Review performance-based compensation and annual bonus. 	
Committee for recommending audit committee member candidates	Four outside directors	Sang-Keun Oh (outside director)	<ul style="list-style-type: none"> o Purpose and Authority - Recommend candidates for members of the audit committee. 	
		Kang-Shik Choi (outside director)		
		Seong-Yeol Lim (outside director)		
		Min Chang (outside director)		

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(2) Description of Major Activities of the Committees of the Board of Directors

- Board of Directors Management Committee

Name of Committee	Date of Meeting	Agenda	Resolution	Names of Outside Directors							Min
				Yong-Geun Lee	Gui-Nam Lee	Guan-Hee Yoo	Jung-Shik Kim	Sang-Keun Oh	Kang-Shik Choi	Seong-Yeol Lim	Chang
				(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)
Board of directors management committee	1.23.2014	Management planning of the board of directors and sub-committees for 2014 (proposed)	Passed	Yes	Yes	Yes	Yes			Yes	Yes
	2.28.2014	Evaluation of performance of the board of directors	Passed	Yes	Yes	Yes	Yes	N/A (newly appointed)	N/A (newly appointed)	Yes	Yes
		Recommendation of a candidate for outside director (Sang-Keun Oh)	Passed	Yes	Yes	Yes	Yes			Yes	Yes
	3.20.2014	Recommendation of a candidate for outside director (Kang-Shik Choi)	Passed	Yes	Yes	Yes	Yes			Yes	Yes
	3.20.2014	Establishment of order of delegation of duties upon the absence of the chairman	Passed	N/A (resigned)	N/A (resigned)	N/A (resigned)	N/A (resigned)	Yes	Yes	Yes	Yes
	7.28.2014	Recommendation of a candidate for outside director	Passed					Yes	Yes	Yes	Yes

- Risk Management Committee

Name of Committee	Date of Meeting	Agenda Resolution items	Resolution Passed	Names of Outside Directors					Min		
				Yong-Geun Lee	Gui-Nam Lee	Jung-Shik Kim	Sang-Keun Oh	Kang-Shik Choi	Chang		
				(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)	(Attendance rate:100%)		
	1.23.2014 (2014-1)	- Change in credit evaluation model of large corporations/external audits/non-external audits	Passed	Yes	Yes	Yes			N/A (newly appointed)	N/A (newly appointed)	N/A (newly appointed)

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	(proposed) Discussion items				
	- Third extension of Bond Market Stabilization Fund (proposed)	Passed original proposal	Yes	Yes	Yes
	Resolution items				
	- Change in the credit evaluation model of medium-sized corporations/small-sized corporations (proposed)	Passed	Yes	Yes	Yes
	- Partial change of factors measuring credit risk (proposed)	Passed	Yes	Yes	Yes
2.4.2014	Report items				
(2014-2)	- Report status of 4Q 2013 loan supervision				
	- Report status of 4Q 2013 risk management for each sector				
	- Report 4Q 2013 meeting results of the Risk Management Council				

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Name of Committee	Date of Meeting	Agenda Resolution items	Resolution	Names of Outside Directors					Min Chang (Attendance rate:100%)
				Yong-Geun	Gui-Nam	Jung-Shik	Sang-Keun	Kang-Shik	
				Lee (Attendance rate:100%)	Lee (Attendance rate:100%)	Kim (Attendance rate:100%)	Oh (Attendance rate:100%)	Choi (Attendance rate:100%)	
				Approval					
	3.13.2014 (2014-3)	- Issuance of foreign currency contingent capital securities for capital expansion (proposed) - Change in definition of bankruptcy in accordance with the Detailed Regulations on Banking Supervision (proposed) Report items	Passed Passed	Yes Yes	Yes Yes	Yes Yes			
	3.20.2014 (2014-4)	- Report risk analysis results (as of December 30, 2013) Resolution items - Establishment of order of delegation of duties upon the absence of the chairman (proposed) Discussion items	 Passed	 N/A (resigned)	 N/A (resigned)	 N/A (resigned)	 Yes	 Yes	 Yes
	4.26.2014 (2014-5)	- Acquisition of Cambodian Microfinance company (proposed) Report items - Report status of 1Q 2014 loan supervision - Report status of 1Q 2014 risk management for each sector	Passed original proposal				Yes	Yes	Yes
	5.30.2014 (2014-6)	- Report 1Q 2014 meeting results of the risk management council Resolution items - Change in classification and final authority of approval system (proposed) Resolution items	 Passed				Yes	Yes	Yes
	7.28.2014 (2014-7)	- Merger between the Company and the Bank (proposed) Report items	Passed				Yes	Yes	Yes
	8.25.2014 (2014-8)	- Report status of 2Q 2014 loan supervision - Report status of 2Q 2014 risk management for each sector							

- Report 2Q 2014 meeting
results of the risk management
council

- Compensation Committee

Name of Committee	Date of Meeting	Agenda	Resolution	Names of Outside Directors					
				Jung-Shik Kim (Attendance rate:-%)	Yong-Geun Lee (Attendance rate:-%)	Sang-Keun Oh (Attendance rate:100%)	Kang-Shik Choi (Attendance rate:100%)	Seong-Yeol Lim (Attendance rate:100%)	Min Chang (Attendance rate:100%)
Compensation Committee	3.20.2014 (2014-1)	Establishment of order of delegation of duties upon the absence of the chairman (proposed)	Passed			Yes	Yes	Yes	Yes
	4.25.2014 (2014-2)	2013 performance-based compensation and annual compensation	Report item						
	5.23.2014 (2014-3)	2014 performance evaluation and compensation standard review for management and certain employees (proposed)	Passed	N/A (resigned)	N/A (resigned)	Yes	Yes	Yes	Yes
	6.26.2014 (2014-4)	2013 performance evaluation and compensation standard review for standing directors and executive officers (proposed)	Passed			Yes	Yes	Yes	Yes

- Committee For Recommending Audit Committee Member Candidates

Name of Committee	Date of Meeting	Agenda	Resolution	Names of Outside Directors							
				Yong-Geun Lee (Attendance rate:100%)	Gui-Nam Lee (Attendance rate:100%)	Guan-Hee Yoo (Attendance rate:100%)	Jung-Shik Kim (Attendance rate:100%)	Sang-Keun Oh (Attendance rate:100%)	Kang-Shik Choi (Attendance rate:100%)	Seong-Yeol Lim (Attendance rate:100%)	Min Chang (Attendance rate:100%)
Committee for recommending audit committee member candidates	3.20.2014	Recommend outside director audit committee members	Passed	Yes	Yes	Yes	Yes			Yes	Yes
		Recommend non-outside director audit committee members	Passed	Yes	Yes	Yes	Yes	N/A (newly appointed)	N/A (newly appointed)	Yes	Yes
	3.20.2014	Appoint chairman of the committee for recommending audit committee member candidates	Passed					Yes	Yes	Yes	Yes
	7.28.2014	Recommend outside director audit committee members	Passed	N/A (resigned)	N/A (resigned)	N/A (resigned)	N/A (resigned)		Yes	Yes	Yes

D. Independence of Directors

- Outside directors are appointed at the general shareholders meeting upon recommendation from the committee for recommending outside directors candidates and approval of the board of directors. The articles of incorporation prescribe the number of outside directors to be at least three, a majority of the total number of directors, to guarantee the independence of directors.

E. Expertise of Outside Directors

- Persons appointed as outside directors possess specialized knowledge or work experience in finance, economics, business administration, law, accounting or mass media.

2. Matters Relating to the Audit System

A. Biographical Information of Audit Committee Members and Outside Director Status

Name	Major Experience	Status
	(Education)	
	1979. (Daegu) Cheonggu High School	
	1984. Yonsei University, B.A. in Economics	
	1986. Yonsei University, M.A. in Economics	
Kang-Shik Choi	1993. Yale University, Ph.D. in Economics	Outside director
	(Work Experience)	
	2002. Yonsei University, Professor in Economics (current)	
	2011. Korea Economics Society, Director (current)	
Seong-Yeol Lim	(Education)	Outside director
	1982. Osan High School	
	1986. Seoul National University, B.A. in Economics	
	1988. Seoul National University, M.A. in Public Administration	
	(Work Experience)	
	2009. KDIC Head of Fund Management Division	
	2010. KDIC Head of Financial Analysis and Strategy Department	
	2011. KDIC Head of Insurance Policy Department	
	2013. KDIC Head of Risk Management Department	

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2013. KDIC Head of Planning Coordination Department (current)
(Education)

1983. Kyeongbuk High School

1988. Seoul National University, B.A. in Economics

1997. Michigan State University, Ph.D. in Economics

Min Chang

(Work Experience)

Outside director

1999. Bank of Korea, Investigation Bureau, Currency Analysis Team, Manager

2007. Bank of Korea, Policy Planning Bureau, Policy Coordination Team, Deputy Head

2009. Korea Institute of Finance, Head of Macroeconomic Research Office

2013. Korea Institute of Finance, Head of Research and Coordination Office
(Education)

1975. Jeonju High School

1980. Yonsei University, B.A. in Economics

1997. Syracuse University, M.A. in Public Administration

(Work Experience)

1980. Ministry of Government Administration

1998. The Board of Audit and Inspection of Korea (BAI) Daejeon Office, Administration Manager

Yong-Woo Kim

Standing audit
committee member

2001. BAI Planning and Management Office, Planning Officer

2002. BAI 3rd Department, Manager 1

2005. BAI Construction and Logistics Inspection Bureau, Director

2007. BAI Social Welfare Inspection Bureau, Director

2009. BAI Audit Research Center, Director

2010. BAI 2nd Deputy Executive Director

2011. Woori Bank, Standing Auditor (current)

1. As of June 30, 2014.
2. Mr. Guan-Hee Yoo, outside director, retired on March 20, 2014.
Mr. Kang-Shik Choi, was newly appointed as an outside director on March 20, 2014.

B. Independence of Audit Committee Members

(1) Organization of the Audit Committee and Appointment of Members

Audit committee members that are outside directors are recommended by the committee for recommending audit committee member candidates. Audit committee members are appointed upon resolution of the general meeting of shareholders, and the chairman of the audit committee is chosen from among members that are outside directors, upon resolution of the audit committee. With respect to the resolution of the general meeting of shareholders appointing audit committee members, shareholders holding more than 3% of the total voting shares issued may not exercise their voting rights for the shares that exceed such amount. The audit committee consists of at least three directors, and at least 2/3 of all members must be outside directors. There shall be at least one member that is not an outside director (a full-time member).

(2) Resolutions of the Audit Committee

Resolutions of the audit committee are passed upon the attendance of a majority of the listed members as well as the majority vote of the members in attendance, notwithstanding cases set forth in the related laws. Members with special interest in an item of the audit committee's agenda may not exercise voting rights with respect to such item, and the number of votes which are restricted from being exercised shall not be included in the calculation of votes of the members in attendance.

(3) Obligations of the Audit Committee and the Principle of Independence

The audit committee must conduct its audits fairly and its duties must be conducted based on facts and evidence pursuant to the related laws. The audit committee must have sufficient records and evidence with respect to the audited matters. Moreover, the audit committee must conduct its duties independent from resolutions of the board of directors and the head division of each business.

C. Description of Major Activities of the Audit Committee

Round	Date of Meeting	Agenda	Resolution	Type
2014-1	2.4.2014	Report of 2013 internal control system evaluation results		Discussion
		Report of inspection results of money laundering prevention efforts		Discussion
		Report of revision of mid-term sector inspection plans for the head office and 2013 plans for sectors inspection of the head office		Report
		Report of evaluation of the internal accounting management system for the second half of 2013		Report
		Report of results of independent third party review of the Basel II risk model validation		Report
		Report of audit activities in November 2013 and December 2013		Report
2014-2	3.5.2014	Submission of 2013 audit committee s audit report	Passed	Resolution
		Report of results of 2013 internal accounting management system and audit committee evaluation		Discussion
		Report of results of 4Q 2013 compliance activities		Discussion
		Submission of 2013 business report (audit related part)		Discussion
		Report of results of outside auditor audit of 2013 financial statements		Report
		Report of feedback on 4Q 2013 audit opinion		Report
2014-3	3.13.2014	Report of performance of 2013 audit activities		Report
		Appointment of outside auditor for FY 2014 (proposed)	Passed	Resolution
		Appointment of accounting auditor of trust assets for FY 2014 (proposed)	Passed	Resolution
		Evaluation of audit activities by outside auditor for FY 2013		Discussion
2014-4	3.20.2014	Tax adjustment and appointment of advisor for FY 2014 (proposed)		Discussion
		Resolution on agenda of the general shareholders meeting	Passed	Resolution
2014-5	3.20.2014	Appointment of the chairman of the audit committee	Passed	Resolution
		Establishment of order of delegation of duties upon the absence of the chairman of the audit committee	Passed	Resolution
2014-6	4.25.2014	Report of 2014 accounting and tax advisor s advisory plan		Report
		Report of performance of audit activities in January 2014 and February 2014		Report
2014-7	5.23.2014	Report of 4Q 2013 compliance monitoring activities		Discussion
		2014 audit plan for the Bank		Report
		Report of results of outside auditor review of 1Q 2014 financial statements		Report
		Report of feedback on 1Q 2014 audit opinion		Report
		Report of performance of audit activities in March 2014 and April 2014		Report
		Report of implementation of audit committee instructions for the second half of 2013		Report
2014-8	7.8.2014	Approval of appointment of department heads of audit support organizations	Passed	Resolution
2014-9	8.25.2014	Report of 2Q 2014 compliance monitoring activities		Discussion
		Report of evaluation of internal accounting management system for the first half of 2014		Report
		Report of outside auditor audit of 1H 2014 financial statements		Report
		Report of feedback on 2Q 2014 audit opinion		Report
		Report of performance of audit activities in May 2014 and June 2014		Report

3. Matters Relating to the Exercise of Voting Rights

A. Voting System

(1) Adoption of the Concentrated Voting System

Applicable (adoption assumed if there are no exclusion provisions in the articles of incorporation).

(2) Adoption of Voting System by Paper Ballots or Electronic Method

Paper ballot system

- Articles of Incorporation

Article 25-2 (Exercise of Voting Rights in Writing)

Any shareholder may, pursuant to a resolution of the board of directors, exercise such shareholder's voting rights in writing without being present at a general meeting of shareholders.

In the case of paragraph (1) above, the Bank shall attach, to the convening notice of the general meeting of shareholders, written forms and reference materials necessary for the exercise of voting rights in writing.

Any shareholder who intends to exercise such shareholder's voting rights in writing without being present at a general meeting of shareholders shall indicate the necessary information in the relevant written forms under paragraph (2) above and submit the completed written forms to the Bank at least one (1) day prior to the date of the general meeting of shareholders.

B. Minority Shareholder Rights

- Not applicable

C. Competition for Management Control

- Not applicable for the Public Disclosure Period

4. Affiliated Companies, Etc.

A. Status of Affiliated Companies

(1) Name of Group: Woori Finance Group

(2) Names of Affiliated Companies

See I. Company Overview F. Total Number, Names and Listing Status of Affiliated Companies as of the date of submission of this Securities Registration Statement.

(3) Organization of Affiliated Companies

(4) Name of company and description, if there are companies among affiliates that have a direct or indirect influence on the business administration of the company

- The Company: Largest shareholder of the Bank (equity ownership 100%)

(5) Executives that have concurrent positions at the company and its affiliates

Name	Company	Position	Date of Concurrent Position	Standing / Non-standing
Soon-Woo Lee	The Bank	President	6.14.2013	Standing
	The Company	Chairman		Standing
Sang-Keun Oh	The Bank	Outside director	3.21.2014	Non-standing
	The Company	Outside director		Non-standing
Kang-Shik Choi	The Bank	Outside director	3.21.2014	Non-standing
	The Company	Outside director		Non-standing
Seong-Yeol Lim	The Bank	Outside director	3.21.2014	Non-standing
	The Company	Outside director		Non-standing
Min Chang	The Bank	Outside director	3.21.2014	Non-standing
	The Company	Outside director		Non-standing
Dong-Gun Lee	The Bank	Deputy president	6.3.2014	Standing
	The Company	Executive vice president		Standing
Tae-Yong Park	The Bank	Head of global business division	1.14.2013	Standing
	ZAO Woori Bank	Chairman of board of directors		Non-standing

1. As of June 30, 2014.

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B. Investments in Other Entities

(Unit: 1,000 Shares, KRW millions, thousands of other currencies, %)

Name of Entity (Preferred)	Date of Initial Acquisition	Purpose of Contribution	Initial Price	Opening Balance			Increase (Decrease) Acquisition (Disposal) Unrealized Gain (Loss)			Closing Balance			Financial Status of Most Recent Business Year		Remarks
				Quantity	Share Percentage	Book Value	Quantity	Price	Quantity	Share Percentage	Book Value	Total Assets	Net Profit		
Humphreys SLQ One Co., Ltd. (Unlisted)	9.10.2010	Investment	310	62		322			6	62		328	79,818	(1,758)	Preferred stock
Humphreys SLQ One Co., Ltd. (Unlisted)	9.10.2010	Investment	201	40	14.41	208			(17)	40	14.41	191	79,818	(1,758)	Common stock
Star A&D Co., Ltd. (Formerly) Tuna D&C. (Unlisted)	6.28.2005	Investment	8	2	15.00					2	15.00		5,351	(1,571)	
Hanwoori World Resort (Amount of Contribution) (Unlisted)	10.24.2008	Investment	600	120	11.11					120	10.17		110,969	(5,951)	Difficult to obtain financial information since investment reduction in 2009
Gaya Railroad (Unlisted)	11.19.2007	Investment	5,227	1,066	8.45	4,428	5	24	182	1,071	8.45	4,634	413,919	(7,411)	
Sky Land Co., Ltd. (Unlisted)	6.15.2006	Investment	250	50	5.00					50	5.00		557,315	(47,444)	Difficult to obtain financial information since investment reduction in 2009
New Airport Hiway (Unlisted)	12.29.2003	Investment	5,072	923	2.10	25,670			(4,055)	923	2.10	21,615	925,118	83,303	
Altwon Development (Unlisted)	8.9.2006	Investment	250	50	5.00					50	5.00		38,553	(4,062)	Difficult to obtain financial information since investment reduction in 2013
Osan Development PFV (Unlisted)	2.23.2007	Investment	250	50	5.00					50	5.00		1,370	(24,129)	Data from 2011 closing accounts
Ulsan Green Co., Ltd. (Unlisted)	11.30.2009	Investment	1,954	391	11.00	1,985			(25)	391	11.00	1,960	108,549	(4,261)	
Central Logistics (Unlisted)	6.25.2008	Investment	4,029	806	8.85	4,883	(806)	(4,883)					132,581	(2,918)	
Pangyo SD2 Co., Ltd. (Unlisted)	8.23.2007	Investment	15,400	1,680	14.00	20,340			(195)	1,680	14.00	20,145	192,844	4,305	
Pyungtaek Water (Unlisted)	12.21.2005	Investment	488	98	7.00	449			(6)	98	7.00	443	20,662	199	

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Pohang Techno Valley PFV (Unlisted)	4.19.2011	Investment	2,100	420	7.00	2,322	(380)	420	7.00	1,942	14,691	6,138
Pureun Jangryang (Unlisted)	12.5.2007	Investment	971	194	15.00	988	2	194	15.00	990	21,123	949
Purun Jeju Jikimi (Unlisted)	9.28.2007	Investment	763	153	15.00	728	-26	153	15.00	702	47,044	(157)

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Name of Entity (if Integrated with Terminal Investment (Listed))	Date of Initial Acquisition	Purpose of Contribution	Initial Acquisition Price	Opening Balance			Increase (Decrease)			Closing Balance			Financial Status of Most Recent Business Year		Remarks
				Quantity	Share Percentage	Book Value	Quantity	Acquisition (Disposal) Price	Unrealized Gain (Loss)	Quantity	Share Percentage	Book Value	Total Assets	Net Profit	
Woori Finance Holdings Co., Ltd. (Listed)	4.9.2014	Investment	4,861				311	4,861	19	311	2.07	4,880	589,237	24,513	
Woori Finance Korea Development Co., Ltd. (Listed)	11.15.2006	Investment	20	4	10.00					4	10.00		7,807	(5,054)	2010
Woori Finance BTL Structure (Unlisted)	5.24.2006	Capital contribution	577,185	128,859	100.00	648,604		927		128,859	100.00	649,531	633,554	7,951	
Woori Finance (Listed)	7.4.2006	Investment	3,000	600	6.52	2,217		(69)		600	6.52	2,148	63,996	725	
Woori Finance REIT (Listed)	12.28.2009	Investment	9,100	1,820	14.68	7,189		(437)		1,820	14.68	6,752	117,106	(340)	
Woori Finance E&C (Listed)	3.30.2010	Debt-equity swap	111,282	1,390	5.62	16,330		(2,154)		1,390	5.62	14,176	1,708,573	12,739	
Woori Finance CO (Listed)	6.29.2010	Investment	433,428	872	1.00	284,665		(19,617)		872	1.00	265,048	84,455,407	1,369,450	
Woori Finance & Trust (Listed)	10.24.2001	Investment	1,308	244	12.20	11,075		3,455		244	12.20	14,530	163,550	20,426	
Woori Finance (Unlisted)	12.16.1999	Investment	3,532	162	15.00	6,100		(1,973)	(402)	162	15.00	3,725	32,998	986	
Woori Finance (Listed)	10.24.2003	Investment	990	198	9.90	4,143		308		198	9.90	4,451	20,220	3,784	
Woori Finance No.2 (Listed)	7.8.2005	Investment	72,907	20,857	13.33	80,270	672	2,600	1,523	21,529	13.33	84,393	666,116	16,541	
Woori Finance (Listed)	3.17.2006	Investment	518	148	4.70	518		259		148	4.70	777	22,016	978	
Woori Finance REIT 2 (Listed)	1.8.2007	Investment	30,000	6,000	13.30	41,058		(2,934)		6,000	13.30	38,124	611,855	15,623	
Woori Finance & Giga (Listed)	9.21.2001	Investment in venture business	510	170	8.95					170	8.95				Business closed
Woori Finance (Listed)	12.31.2002	Investment in venture business		50	10.00					50	10.00				Business closed
Woori Finance (Listed)	12.27.2002	Investment in venture business	80	446	9.40					446	9.40				Business closed
Woori Finance (Listed)	7.13.2001	Investment in venture business	450	227	5.05					227	5.05				Business closed
Woori Finance (Listed)	10.25.1999	Investment	222	188	5.05					188	5.05				

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s Tech (sted)								Business closed	
Engineering (sted)	12.31.2003	Investment in venture business	510	17	7.25		17	7.25	Business closed
Information (sted)	8.1.2003	Investment	84	100	5.00		100	5.00	Business closed
Electronic (sted)	8.1.2003	Investment		233	8.92		233	8.92	Business closed
ure (sted)	5.22.2002	Investment in venture business	510	85	5.88		85	5.88	Business closed

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Name of Entity	Date of Initial Acquisition	Purpose of Contribution	Initial Acquisition Price	Opening Balance		Increase (Decrease) Acquisition Unrealized			Closing Balance		Financial Status of Most Recent Business Year		Remarks	
				Share Quantity	Book Value	(Disposal) Price	Gain (Loss)	Share Quantity	Book Value	Total Assets	Net Profit			
				Percentage				Percentage						
Joohong Information Communication (Unlisted)	8.1.2003	Investment	431	16	9.12				16	9.12			Business closed	
Tomis (Unlisted)	12.27.2002	Investment in venture business	690	472	7.83				472	7.83			Business closed	
Hyesung (Unlisted)	5.10.2002	Investment in venture business	500	50	7.69				50	7.69			Business closed	
Dow Metal (Unlisted)	4.7.2006	Investment	1,500	150	5.40				150	5.40			Business closed	
Kocref CR-REIT 11 (Unlisted)	6.7.2007	Investment	14,250	750	15.00	21,034		(84)	750	15.00	20,951	215,118	4,969	
Kukje Trust (Unlisted)	8.23.2007	Investment	1,000	200	6.54	1,474		217	200	6.54	1,691	29,128	4,716	
C9 Infinity CR Reit Co., Ltd. (Unlisted)	12.31.2007	Investment	5,000	1,000	14.02	4,847		(37)	1,000	14.02	4,810	74,605	(420)	
Kocref REIT 14 (Unlisted)	1.18.2008	Investment	6,744	595	14.62	11,217		(327)	595	14.62	10,890	109,647	1,155	
Unique P.F.V. Co.,Ltd. (Unlisted)	5.29.2009	Investment	250	50	5.00				50	5.00		2,476	(16,897)	
Seoul Tourism Organization (Unlisted)	9.25.2009	Investment	1,000	200	4.81	748		(2)	200	4.81	746	14,945	(851)	
Intellectual Discovery (Unlisted)	5.13.2011	Investment	1,000	200	2.23	935		65	200	2.23	1,000	48,125	(12,619)	
PS AMC (Unlisted)	6.8.2011	Investment	335	67	8.37	1,526		(98)	67	8.37	1,428	8,441	1,079	
Hyundai Commercial Co.,Ltd. (Unlisted)	11.17.2011	Investment	37,119	1,500	6.00	38,375		1,115	1,500	6.00	39,490	4,154,666	21,230	
Vogo Private Equity Fund (Amount of Contribution) (Unlisted)	9.16.2005	Investment	39,763		13.82	33,963		(11,876)		13.82	22,087	150,481	(101,090)	
GLOBAL STAR KOREA FUND,L.P. (Amount of Contribution) (Unlisted)	12.28.2005	Investment	7,996		10.50	405				10.50	405	1,368	(2,745)	
Consus Investment Private Equity Investment No.3 (Amount of Contribution) (Unlisted)	2.24.2006	Investment			13.29					13.29		2,056	(81)	
IBK-SKS Private Equity Fund No.1 (Amount of Contribution) (Unlisted)	11.8.2006	Investment	10		19.90					19.90		206	(16,104)	
	5.4.2005	Investment	747		15.00	156		(45)		(47)	15.00	64	2,249	(886)

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KTIC 22nd
 Concert Hall
 Investment
 Association
 (Amount of
 Contribution)
 (Unlisted)
 Renaissance
 Private Equity
 Fund
 No.1(Amount of
 Contribution)
 (Unlisted)

3.12.2007	Investment	5,114	8.30	2,900	(33)	8.30	2,867	32,161	(208)
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Name of Entity	Date of Initial Acquisition	Purpose of Contribution	Initial Acquisition Price	Opening Balance		Increase (Decrease) Acquisition (Disposal) Unrealized Gain (Loss)		Closing Balance		Financial Status of Most Recent Business Year		Remarks
				Quantity	Percentage	Quantity	Price	Quantity	Percentage	Share	Book Value	
Macquarie Opportunities (Amount of Contribution) (Unlisted)	12.8.2006	Investment	23,672	5.76	22,123	(334)	(146)	5.76	21,643	458,289	107,685	
KTB Mezzanine Fund (Amount of Contribution) (Unlisted)	5.21.2007	Investment	2,677	14.30	1,421	(565)	(216)	14.30	640	10,280	(184)	
Mirae Asset Partners Private Equity Fund No.4 (Amount of Contribution) (Unlisted)	5.25.2007	Investment	12,260	8.15	9,871	(274)	(905)	7.94	8,692	172,416	4,245	
NH Agri-Best 1st Private Equity Fund (Amount of Contribution) (Unlisted)	9.21.2007	Investment	1,108	13.00	428		(58)	13.00	370	2,991	(39)	
Binext Patent Fund (Amount of Contribution) (Unlisted)	10.5.2007	Investment	550	10.00	546		26	10.00	572	5,837	197	
NV Equity Fund 1 (Formerly) Eugene Asset No.2 Private Equity Fund (Amount of Contribution) (Unlisted)	6.5.2008	Investment	1,600	4.42	912	(180)	(28)	4.42	704	42,377	32,639	
STIC Co-investment Fund No.19 (Amount of Contribution) (Unlisted)	7.31.2008	Investment	3,544	6.30	4,093	(1,293)	1,256	6.30	4,056	56,217	5,973	
Kamco No.5 Joint Investment SPC (Amount of Contribution) (Unlisted)	6.28.2010	Investment	3,854	3.70	4,827		1,371	3.70	6,198	59,221	(3,115)	
KoFC Macquarie Growth Champ 2010 No.1 Private Equity Fund (Amount of Contribution) (Unlisted)	1.27.2011	Investment	29,766	5.45	29,600		371	5.45	29,971	546,198	24,946	
KoFC Woori Growth Champ 2010 No.3 Private Equity Fund (Amount of Contribution) (Unlisted)	1.27.2011	Investment	13,948	18.18	15,171	(291)	(934)	18.18	13,946	74,495	2,153	
Kamco Joint Investment 10th SPC (Amount of Contribution) (Unlisted)	12.30.2010	Investment	25	13.24	1,914		374	13.24	2,288	25,622	(1,548)	
Kamco Joint Investment 11th SPC (Amount of Contribution) (Unlisted)	3.30.2011	Investment	25	5.63	4,754		316	5.63	5,070	8,219	(27)	
Vogo No. 2-2 Private Equity Fund (Amount of Contribution) (Unlisted)	3.22.2011	Investment	24,548	34.60	21,716	124	(1,490)	36.39	20,350	70,849	(72)	
PGF Private Equity Fund (Amount of Contribution) (Unlisted)	4.27.2011	Investment	2,500	19.97	2,741		642	19.97	3,383	12,253	(1)	
Jabez Private Equity Fund No.1 (Unlisted)	4.27.2011	Investment	29,077	15.15	29,077		1,396	15.15	30,473	191,947	73,587	
Posco Woori EIG Global Private Equity Fund (Unlisted)	3.29.2012	Investment	9,000	5.40	8,394		(553)	5.40	7,841	163,404	(2,618)	
Glenwood Private Equity Fund No.1 (Unlisted)	5.31.2012	Investment	4,500	19.31	4,021		288	19.31	4,309	22,875	(208)	

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Entity	Date of Initial Acquisition	Purpose of Contribution	Initial Acquisition Price	Opening Balance			Increase (Decrease) Acquisition (Disposal)			Closing Balance			Financial Status of Most Recent Business Year	
				Quantity	Share Percentage	Book Value	Quantity	Price	Unrealized Gain (Loss)	Quantity	Share Percentage	Book Value	Total Assets	Net Profit
Private Equity Fund	7.20.2006	Investment	46,527		28.95	13,772			(884)	28.95	12,888	45,129	(12,000)	
Eaststone Korea Private Equity (Unlisted)	2.11.2010	Investment	90,298		21.45	67,446				21.45	67,446	299,552	27,183	
(Unlisted)	2.1.2006	Investment	13,111		4.00	14,546		(10,489)	(719)	4.00	3,338	EUR 552,185	(EUR) 55,271	
(Unlisted)	1.26.2006	Investment	17,483		0.60	4,065			(2,217)	0.60	1,848	USD 671,311	USD 172,434	
(Unlisted)	10.11.2007	Investment	33,485		0.37	6,776			101	0.37	6,877	USD 2,095,208	USD 202,144	
IN ASIA FUND (Unlisted)	8.28.2007	Investment	19,880		6.61	17,309		(257)	588	6.61	17,640	USD 265,696	USD 54,363	
FUND (Unlisted)	10.9.2007	Investment	6,381		2.94	8,052		(272)	(938)	2.94	6,842	USD 360,348	USD 65,036	
AN INVESTMENT FUND	10.16.2007	Investment	1,348		8.90	923		(1,024)	631	8.90	530	USD 10,682	USD 684	
INFRASTRUCTURE PARTNERS	10.18.2007	Investment	22,443		0.53	14,410		33	1,612	0.53	16,055	USD 1,685,407	USD 408,517	
REAL ESTATE FUNDS (Unlisted) Group Co	3.21.2007	Investment	25,417		3.70	3,604		(2,482)	733	3.70	1,855	JPY 14,489,000	JPY 545,000	
(Unlisted)	5.21.2008	Investment	22,854		7.40	21,493		(15,891)	6,713	7.40	12,315	SGD 977,030	(SGD) 76,344	
(Unlisted)	10.8.2010	Debt-equity swap	14,172	12,684	15.86	27,399			(1,459)	12,684	15.86	229,735	15,964	
Bluetec (Listed)	12.24.2010	Debt-equity swap	442	833	2.62	1,129			(113)	833	2.62	148,571	(4,918)	
Energy & Construction	12.31.2012	Debt-equity swap	8,934	29	0.38	245			98	29	0.38	459,327	(46,063)	
Communication	6.1.2000	Debt-equity swap	7,142	2,998	11.66					2,998	11.66		Liquidation	
Restructuring No.1	4.28.2000	Debt-equity swap	25	5	50.00	25				5	50.00	39	(1)	
Restructuring No.2	4.28.2000	Debt-equity swap	25	5	50.00	25				5	50.00	39	(1)	
Investing Guarantee	6.11.1999	Debt-equity swap	4,261	1,752	0.27	12,051			2,232	1,752	0.27	5,768,670	199,170	
Co., Ltd.	7.23.2007	Debt-equity swap	16,625	26,121	4.95	12,799			(7,340)	26,121	4.95	710,711	(627,243)	
Construction Co., (Unlisted)	7.3.2009	Debt-equity swap	20,135	2,372	8.55	1,641	(2,372)	(217)	(1,424)			380,620	(65,916)	
Building	7.28.2010	Debt-equity swap	923	180	20.44					180	20.44		Bankruptcy	
(Listed)	11.29.2010	Debt-equity swap	113,204	18,497	12.51	93,003				18,497	12.51	3,324,692	63,879	
International Inc.	3.21.2012	Debt-equity swap	60,275	25,010	26.40	60,275			(22,260)	25,010	26.40	487,789	(72,429)	
Investment Finance	9.12.2006	Investment	1,000	200	12.50	880			75	200	12.50	7,812	592	
Development	7.12.2007	Investment	1,939	388	2.70	1,939				388	2.70	909,859	(27,748)	
Project Financing (Unlisted)	11.29.2007	Investment	250	50	5.00					50	5.00	209,529	(22,228)	

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Entity	Date of Initial Acquisition	Purpose of Contribution	Initial Acquisition Price	Opening Balance			Increase (Decrease) Acquisition (Disposal) Unrealized Gain (Loss)			Closing Balance			Financial Status of Most Recent Business Year	
				Quantity	Share Percentage	Book Value	Quantity	Price		Quantity	Share Percentage	Book Value	Total Assets	Net Profit
ent ment d) ght asset ment . d) sia	9.20.2007	Investment	1,000	200	14.18	834			(41)	200	14.18	793	5,938	(271)
s Ltd. d) Global Asia (listed) service t	3.28.2014	Investment	5,792				1,158	5,792	(4,708)	1,158	5.76	1,084	18,824	(490)
s Ltd. d) Global Asia (listed) service t	9.12.2006	Investment	HKD 8,187	10,623	0.80	434	(10,623)	(434)					HKD 2,044,700	(HKD 241,061)
s Ltd. d) Global Asia (listed) service t	7.26.2006	Investment	USD50,000	78,000	100.00	113,858				78,000	100.00	113,858	184,475	2,291
s Ltd. d) Global Asia (listed) service t	5.8.2005	Capital contribution	24	5	4.94	107				5	4.94	107	4,031	405
s Ltd. d) Global Asia (listed) service t	1.12.2005	Capital contribution	1,500	1,241	8.96	10,219			(37)	1,241	8.96	10,182	105,080	6,841
s Ltd. d) Global Asia (listed) service t	2.15.2005	Capital contribution	3,600	144	7.20	2,215				144	7.20	2,215	63,572	5,205
s Ltd. d) Global Asia (listed) service t	10.1.2009	NPL disposal	72,900	73	15.00	87,297			(6,280)	73	15.00	81,017	4,365,097	105,085
s Ltd. d) Global Asia (listed) service t	11.22.1997	NPL disposal	5,590	1,118	0.65	5,590				1,118	0.65	5,590	3,084,984	51,021
s Ltd. d) Global Asia (listed) service t	12.29.2009	NPL disposal	8,673		14.69	9,015			2,456		14.69	11,471	74,114	4,573
s Ltd. d) Global Asia (listed) service t	12.29.2009													