



Press Release

June 23, 2014

PRIVATIZATION PLAN FOR WOORI BANK

The Public Funds Oversight Committee deliberated and approved on June 23 the privatization plan for Woori Bank.

BASIC DIRECTION

Woori Financial Holdings will be merged with Woori Bank.¹ The Korea Deposit Insurance Corporation(KDIC) will then sell its entire 56.97% stake in Woori Bank. The stake will be put up for two-track sales to proceed separately but simultaneously: sale of a controlling 30% stake and sale of the remaining minority shares.

DETAILED PLAN

1. SALE OF CONTROLLING STAKE

Out of KDIC's 56.97% stake in Woori Bank, the controlling 30% will be sold to a single buyer who seeks management rights of the bank. The shares will be sold according to general M&A procedure².

2. SALE OF MINORITY SHARES

The remaining 26.97% will be put up for auction for investors seeking investment returns. Bidders are allowed to make bids for minority shares of between 0.5% and 10%. As an incentive to draw more tenders, winning bidders will be given call options³ - e.g. 0.5 shares per share – for the stake they won. The sale process⁴ will proceed in a swift manner skipping preliminary bidding and price adjustment.

SCHEDULE

Public announcement on the sale will be made in September. The bids will be closed at the end of November. Final bidders for the controlling stake and winning bidders for minority shares are expected to be selected by the end of 2014.

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¹ The remaining entity after the merger will be Woori Bank.

² Sales notice → preliminary bidding → binding bidding → due diligence & price negotiation → approval by FSC → sales closing

³ Details will be finalized when public announcement of the sale will be made in September.

⁴ Sales notice → bidding → closing

For any inquiry, please contact Foreign Press & Relations Team at fsc_media@korea.kr