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Press Release

April 30, 2012

RESUMPTION OF PRIVATIZATION PLAN FOR WOORI FINANCE HOLDINGS

The Public Funds Oversight Committee has held the 52nd Meeting on April 27 and approved the KDIC's plan to resume the sale process of Woori Finance Holdings.

<GENERAL PLAN>

I. BASIC PRINCIPLE

Upholding the three main principles of privatization,* the sale process will be proceeded through the open bidding scheme with preliminary and final biddings.**

*Three basic principles of privatization:

①maximizing the recovery of public funds; ②speeding up the privatization process; and ③contributing to the development of the domestic financial sector

**For efficiency of the sale process, the process of submitting LOIs will be exempted.

II. SALE OF MANAGEMENT RIGHTS

The sale of Woori Finance Holdings is aimed at selling management rights. The privatization can proceed through either merger or acquisition.

*With a revision to the Commercial Act, bidders who propose a merger are allowed to make payment in cash as well as new shares of the merged company.

To reaffirm government's intention to sell Woori's controlling stake, the minimum bid acceptable is maintained at 30% of the total share.

III. SELLING THE GROUP AS A PACKAGE

Woori Finance Holdings will be put up for sale in its entirety with its subsidiaries not to be sold separately. This is to simplify the sale procedure and minimize uncertainties of the process.



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IV. PHASE-OUT OR CANCELLATION OF THE MOU HELD BY KDIC

The KDIC's MOU governing Woori Finance Holdings will be either phased out or cancelled depending on the reduction of KDIC's stake in Woori in order to ensure Woori's managerial autonomy as much as possible.

If the KDIC still remains a majority shareholder even after a merger, the KDIC's voting rights can be restricted or delegated by the Public Funds Oversight Committee's approval.

<SCHEDULE>

The sale notice for Woori will be announced on April 30, and preliminary bids will be accepted by July 27.

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