

WOORI FINANCE HOLDINGS CO LTD

Form 6-K

May 18, 2010

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**Form 6-K**  
**REPORT OF FOREIGN PRIVATE ISSUER**  
**PURSUANT TO RULE 13a-16 OR 15d-16 UNDER**  
**THE SECURITIES EXCHANGE ACT OF 1934**  
**For the month of May 2010**  
**Woori Finance Holdings Co., Ltd.**

(Translation of Registrant's name into English)  
203, Hoehyon-dong, 1-ga, Chung-gu, Seoul, Korea 100-792  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

*Note:* Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

*Note:* Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submission to furnish a report or other document that the registration foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

Summary of 2010 1Q Business Report

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**All financial information contained in this document (including the attached financial statements) have been prepared in accordance with generally accepted accounting principles in Korea, which differ in certain important respects from generally accepted accounting principles in the United States.**

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**I. Company Overview**

**1. Purpose of the Company**

**a. Scope of Business**

Acquisition/ownership of shares in companies that are engaged in financial services or are closely related to financial services, as well as the governance and/or management of such companies.

(1) Corporate Management

1. Setting management targets for and approving business plans of the subsidiaries;
2. Evaluation of the subsidiaries' business performance and establishment of compensation levels;
3. Formulation of corporate governance structures of the subsidiaries;
4. Inspection of operation and assets of the subsidiaries; and
5. Other activities complementary to the items mentioned in numbers 1 to 4.

(2) Corporate Management Support Activities

1. Funding for the affiliate companies (including direct and indirect subsidiaries, the Affiliates );
2. Capital investment in subsidiaries or procurement of funds for the Affiliates; and
3. Activities ancillary to the above items, for which authorization, permission or approval is not required under the relevant laws and regulations.

(3) All activities directly or indirectly related to the items listed above.

**b. Scope of Business of Subsidiaries**

(1) Bank Subsidiaries (Woori Bank, Kwangju Bank and Kyongnam Bank):

1. Banking business as prescribed by the Banking Act;
2. Trust business;
3. Foreign exchange business; and
4. Other authorized businesses.

(2) Woori Investment & Securities: businesses authorized under the Financial Investment Services and Capital Markets Act and related laws and regulations.

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- (3) Woori Aviva Life Insurance: life insurance and other insurance activities and other business activities permitted under the Insurance Business Act.
- (4) Woori Asset Management: asset management business.
- (5) Woori Financial: consumer finance business.
- (6) Woori Finance Information System: finance-related IT services.
- (7) Woori F&I: securitization business.
- (8) Woori Private Equity: private equity business.

**2. History of the Company**

**a. Company History**

- (1) Background: Major developments.

March 30, 2004	Appointment of new management
March 31, 2004	Woori Card merged into Woori Bank
June 18, 2004	Woori Securities becomes a wholly-owned subsidiary
December 21, 2004	Capital increase through conversion of CBs (Total capital after conversion: Won 4.0 trillion)
December 24, 2004	Acquired LG Investment & Securities and incorporated as a subsidiary
February 17, 2005	Capital increase through conversion of CBs (Total capital after conversion: Won 4.0 trillion)
March 11, 2005	Capital increase through conversion of CBs (Total capital after conversion: Won 4.0 trillion)
March 31, 2005	Woori Securities and LG Investment & Securities merged (the name of the surviving entity, LG Investment & Securities, changed to Woori Investment & Securities)
May 6, 2005	Incorporated LG Investment Trust Management from 2 <sup>nd</sup> tier subsidiary to 1 <sup>st</sup> tier subsidiary
May 31, 2005	Woori Investment Trust Management and LG Investment Trust Management merged (the name of the surviving entity, LG Investment Trust Management, changed to Woori Asset Management)
August 3, 2005	Dissolution of Woori LB Second Asset Securitization Specialty Co., Ltd.

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September 5, 2005	Woori Asset Management becomes a wholly-owned subsidiary through capital reduction and cancellation
October 21, 2005	Woori Private Equity is established and incorporated as a subsidiary
October 27, 2005	Closure of strategic investment agreement with Lehman Brothers
February 23, 2006	Joint venture arrangement between Woori CA Asset Management, a 2 <sup>nd</sup> tier subsidiary, and Japan's Shinsei Bank (involving a transfer of 49% of Woori F&I's 100% stake in Woori CA Asset Management to Shinsei Bank)
April 11, 2006	Joint venture agreement to transfer 30% of the shares of Woori Asset Management to Credit Suisse Asset Management International Holdings, a wholly owned subsidiary of Credit Suisse.
May 30, 2006	Upon the 30% share transfer to Credit Suisse Asset Management International Holdings, Woori Asset Management was renamed Woori Credit Suisse Asset Management.
March 30, 2007	Appointment of new management
September 14, 2007	Acquired Hanmi Capital as a subsidiary (Hanmi Capital was renamed Woori Financial as of October 26, 2007)
April 4, 2008	Acquired LIG Life Insurance as a subsidiary (LIG Life Insurance was renamed Woori Aviva Life Insurance as of April 1, 2008)
June 27, 2008	Appointment of new management
April 29, 2009	Termination of joint venture with Credit Suisse regarding Woori Credit Suisse Asset Management. Renamed Woori Asset Management (May 30, 2009)
October 28, 2009	Acquired the remaining 30% equity stake in Woori Credit Suisse Asset Management from Credit Suisse Asset Management International Holding and completed the establishment of Woori Asset Management as our wholly-owned subsidiary

**b. Associated Business Group**

- (1) Overview of Business Group



Woori Investment Asia Pte. Ltd.  
Mars Private Equity Fund No. 3  
Mars Private Equity Fund No. 4  
Woori Absolute Partners PTE, Ltd.  
Woori Absolute Global Opportunity Fund  
Woori Korindo Securities Indonesia  
High Technology Venture Investment  
Global Technology Investment  
LG Investment Holdings B.V. GG

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Type	Name of Company	Controlling Company	Notes
	Connacht Capital Market Investment Ltd. Bien Viet Securities Joint Stock Company Brim Asian Credit Fund		
	Woori Finance Holdings, Woori Investment & Securities and Woori Financial are listed on the KRX KOSPI Market		
	On March 5, 2007, Mars Private Equity Fund No. 2, with KRW 31,500 million paid-in-capital, was included as our 2 <sup>nd</sup> tier subsidiary. Woori Investment & Securities, which owns a 4.76% stake, is its general partner.		
	On March 27, 2007, Nexbi Tech, a subsidiary of Woori Finance Information System, was removed from our list of 2 <sup>nd</sup> tier subsidiaries as the company undertook a second capital reduction (the first capital reduction was as of Oct. 18, 2006), liquidating all the shares held by Woori Finance Information System.		
	On May 23, 2007, Woori F&I Fifth Asset Securitization Specialty Co., Ltd. was included as our 2 <sup>nd</sup> tier subsidiary. Woori F&I Co., Ltd. owns 100% of its equity.		
	On September 14, 2007, Hanmi Capital was included as our 1 <sup>st</sup> tier subsidiary to strengthen our non-banking business (Hanmi Capital was renamed Woori Financial as of October 26, 2007).		
	On September 20, 2007, Woori Investment Asia Pte. Ltd. was included as our 2 <sup>nd</sup> tier subsidiary. Woori Investment & Securities owns a 100% stake in Woori Investment Asia Pte. Ltd.		
	On October 26, 2007, Woori Bank (China) Limited was included as our 2 <sup>nd</sup> tier subsidiary. Woori Bank owns a 100% stake in Woori Bank (China) Limited.		
	On November 22, 2007, ZAO Woori Bank was included as our 2 <sup>nd</sup> tier subsidiary. Woori Bank owns a 100% stake in ZAO Woori Bank, excluding one ZAO Woori Bank share which is owned by a related party of Woori Bank in order to comply with Russian regulations on single shareholder limitations.		
	On December 12, 2007, Woori F&I Sixth Asset Securitization Specialty Co., Ltd. and Woori F&I Seventh Asset Securitization Specialty Co., Ltd. were included as our 2 <sup>nd</sup> tier subsidiaries. Woori F&I Co., Ltd. owns a 100% stake in each of these two subsidiaries.		
	On March 18, 2008, Mars Private Equity Fund No. 3, with an expected paid-in-capital of KRW 51 billion, was included as our 2 <sup>nd</sup> tier subsidiary. Woori Investment & Securities, as its general partner, will have contributed 1.96% of the capital of Mars Private Equity Fund No. 3.		
	On April 3, 2008, Woori F&I Eighth Asset Securitization Specialty Co., Ltd. was included as our 2 <sup>nd</sup> tier subsidiary. Woori F&I Co., Ltd. owns 100% of its equity.		
	On April 4, 2008, LIG Life Insurance was included as our 1 <sup>st</sup> tier subsidiary (LIG Life Insurance was renamed Woori Aviva Life Insurance as of April 1, 2008).		
	On May 14, 2008, Mars Private Equity Fund No. 4, with an expected paid-in-capital of KRW 51 billion, was included as our 2 <sup>nd</sup> tier subsidiary. Woori Investment & Securities, as its general partner,		

will have contributed 0.99% of the capital.

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On May 29, 2008, Woori Absolute Partners Pte. Ltd., an investment advisory service company wholly-owned by Woori Investment & Securities and established in Singapore to manage offshore funds, was included as our 2<sup>nd</sup> tier subsidiary.

On June 27, 2008, Woori SB Tenth Asset Securitization Specialty Co., Ltd. was included as our 2<sup>nd</sup> tier subsidiary. Woori F&I owns a stake of 50% plus one share in the company.

On July 21, 2008, Woori Absolute Asia Multi Strategy Fund, an offshore financial company wholly-owned by Woori Investment & Securities, was included as our 2<sup>nd</sup> tier subsidiary.

On July 21, 2008, Woori Absolute Global Opportunity Fund, an offshore financial company wholly-owned by Woori Investment & Securities, was included as our 2<sup>nd</sup> tier subsidiary.

On September 9, 2008, Woori F&I Ninth Asset Securitization Specialty Co., Ltd. was included as our 2<sup>nd</sup> tier subsidiary. Woori F&I Co., Ltd. owns 100% of its equity.

On March 3, 2009, PT Clemont Securities Indonesia was included as our 2<sup>nd</sup> tier subsidiary. Woori Investment & Securities owns a 60% stake in PT Clemont Securities Indonesia.

On March 12, 2009, Woori F&I Tenth Asset Securitization Specialty Co., Ltd. was included as our 2<sup>nd</sup> tier subsidiary. Woori F&I Co., Ltd. owns 100% of its equity.

On July 24, 2009, Woori F&I Twelfth Asset Securitization Specialty Co., Ltd. was removed as our 2<sup>nd</sup> tier subsidiary following the sale of Woori F&I's equity stake in Woori F&I Twelfth Asset Securitization Specialty Co., Ltd.

On August 31, 2009, Woori F&I Thirteenth Asset Securitization Specialty Co., Ltd. was included as our 2<sup>nd</sup> tier subsidiary.

On September 28, 2009, Bien Viet Securities Joint Stock Company was included as our 2<sup>nd</sup> tier subsidiary. Woori Investment & Securities owns a 49% stake in Bien Viet Securities Joint Stock Company.

On October 15, 2009, we acquired an additional 2.41% of common shares of Woori Financial, and our shareholding is currently 52.52%.

On October 28, 2009, Woori Asset Management became our wholly-owned subsidiary following our acquisition of Credit Suisse's 30% interest in Woori Asset Management.

High Technology Venture Investment, Global Technology Investment, LG Investment Holdings B.V. GG and Connacht Capital Market Investment, which are offshore finance companies and subsidiaries of Woori Investment & Securities, are currently undergoing liquidation or other change of control-related proceedings. Due to an expansion in the types of entities that are considered 2<sup>nd</sup> tier subsidiaries of financial holding companies, these entities became our 2<sup>nd</sup> tier subsidiaries.

On December 28, 2009, Woori SB Asset Management changed its name to Woori AMC and became a wholly-owned subsidiary of Woori F&I following the termination of its joint venture with Shinsei Bank.

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On December 30, 2009, Woori Third Asset Securitization Specialty Co., Ltd. was dissolved and removed from our list of subsidiaries.

On March 8, 2010, Woori F&I Thirteenth Asset Securitization Specialty Co., Ltd. was included as our 2<sup>nd</sup> tier subsidiary.

**Table of Contents****3. Capital Structure****a. Changes in Capital**

(units: Won, shares)

Date	Category	Type	Stock Decrease/Increase		Issue price	Note
			Quantity	Par Value		
2001.3.27	Establishment	Common	727,458,609	5,000	5,000	
2002.5.31	Exercise B/W	Common	165,782	5,000	5,000	
2002.6.12	Capital increase w/ consideration	Common	36,000,000	5,000	6,800	Capital contribution ratio: 0.0494
2002.6.30	Exercise B/W	Common	1,416,457	5,000	5,000	
2002.9.30	Exercise B/W	Common	2,769,413	5,000	5,000	
2002.12.31	Exercise B/W	Common	4,536	5,000	5,000	
2003.3.31	Exercise B/W	Common	1,122	5,000	5,000	
2003.6.30	Exercise B/W	Common	7,688,991	5,000	5,000	
2004.6.18	Stock Exchange	Common	8,571,262	5,000	8,902	Exchange with Woori Sec shares on a 1-to-0.55 basis
2004.11.4	Exercise CB	Common	666,301	5,000	5,380	
2004.12.2	Exercise CB	Common	7,995,613	5,000	5,380	
2004.12.21	Exercise CB	Common	3,717,472	5,000	5,380	
2005.2.17	Exercise CB	Common	3,481,173	5,000	5,588	
2005.3.11	Exercise CB	Common	5,914,180	5,000	7,313	
2005.3.11	Exercise CB	Common	164,429	5,000	7,228	

**b. Convertible Bonds**

Not applicable

**Table of Contents****4. Total Number of Authorized Shares****a. Total Number of Authorized Shares**

As of March 31, 2010

(unit: shares)

Items	Type	
	Common Shares	Total
Total number of shares authorized	2,400,000,000	2,400,000,000
Total number of issued stock	806,015,340	806,015,340
Treasury stock	2,560	2,560
Free float shares	806,012,780	806,012,780

**b. Treasury Stock**

As of March 31, 2010

(unit: shares)

Acquisition Method	Type of Stock	Beg.	Acquired	Disposal	Canceled	End	Remarks
Direct purchase under Sub-section 1, section 165-2	Common						
Direct purchase other than the conditions under Sub-section 1, section 165-2	Preferred						
Subtotal	Common	2,560				2,560	
Indirect acquisition from trust agreement	Preferred						
Total	Common	2,560				2,560	
	Preferred						

\* Woori Financial Holdings acquired additional treasury shares in respect of fractional shares resulting from share exchange for Woori Securities.

**5. Voting Rights**

As of March 31, 2010

(unit: shares)

Items	Number of stock	Notes
Total number of shares	Common Shares	
	Preferred Shares	
Stocks without voting rights	806,015,340	

	Common Shares	
	Preferred Shares	
Stocks with limited voting rights under the Securities & Exchange Law		2,560
Stocks with voting rights restored		
Stocks with voting rights	Common Shares	
	Preferred Shares	806,012,780
	12	

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**Table of Contents****6. Dividend Information****a. Dividend information for the past three years**

(Non-consolidated)

(unit: Won)

<b>Items</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Par value per share (Won)	5,000	5,000	5,000
Net profit (Won in Millions)	1,026,024	454,478	1,943,560
Earnings per share (Won)	1,273	564	2,411
Total cash payout (Won in Millions)	80,601		201,503
Total stock dividends (Won in Millions)			
Cash dividend payout ratio (%)	7.86		10.37
Cash dividend yield (%)			
Common Shares	0.7		1.3
Preferred Shares			
Stock dividend yield (%)			
Common Shares			
Preferred Shares			
Cash dividend per share (Won)			
Common Shares	100		250
Preferred Shares			
Stock dividend per share (Won)			
Common Shares			
Preferred Shares			

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**II. Description of Business**

**1. Business Overview**

**a. Organizational Chart**

(As of March 31, 2010)

**Table of Contents****2. Overview of Operations****a. Performance of Operations**

As a financial holding company under the Financial Holding Company Act, our main income consists of dividend payments made to us by our subsidiaries. We are not involved in any other operations.

**b. Financing of Operations**

## (1) Source of Funds

(unit: in millions of Won)

<b>Items</b>	<b>2010 1Q</b>	<b>2009</b>	<b>2008</b>
Shareholders Equity	14,150,567	13,720,923	12,207,338
Capital	4,030,077	4,030,077	4,030,077
Capital Surplus	179,868	179,488	186,959
Retained Earnings	8,837,465	8,346,186	7,323,148
Capital Adjustments	1,103,157	1,165,172	667,154
Borrowings	3,844,505	3,824,205	3,412,854
Debtures	3,744,899	3,744,156	3,393,702
Bank Borrowings		60,000	
Commercial Paper			
Other Borrowings			
Other Liabilities	99,606	20,049	19,152
Total	17,995,072	17,545,128	15,620,192

\* The figures in the table above reflect our adoption of Statements of Korea Accounting Standard No. 15 ( Equity method accounting ).

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## (2) Use of Funds

(unit: in millions of Won)

<b>Items</b>	<b>2010 1Q</b>	<b>2009</b>	<b>2008</b>
Subsidiary Stock	17,546,039	17,350,078	15,285,356
Woori Bank	13,729,702	13,621,824	11,900,128
Kyongnam Bank	1,465,380	1,443,661	1,245,318
Kwangju Bank	1,003,060	976,284	920,938
Woori Financial Information System	16,224	15,013	13,076
Woori F&I	162,779	166,563	139,999
Woori Investment & Securities	799,176	754,782	709,114
Woori Asset Management (formerly Woori CS Asset Management)	71,794	67,456	41,296
Woori Private Equity	25,128	24,246	12,844
Woori Financial	198,691	207,346	228,456
Woori Aviva Life Insurance	74,105	72,903	74,187
Investment Securities			
Loan Obligations	99,500	139,300	169,150
Tangible Assets	377	415	566
Intangible Assets	21	8	14
Cash	312,986	23,267	119,350
Other Assets	36,149	32,060	45,756
<b>Total</b>	<b>17,995,072</b>	<b>17,545,128</b>	<b>15,620,192</b>

\* The figures in the table above reflect our adoption of Statements of Korea Accounting Standard No. 15 ( Equity method accounting ).

**c. Transactions related to Commission Fees**

(unit: in millions of Won)

<b>Category</b>	<b>2010 1Q</b>	<b>2009</b>	<b>2008</b>
Commission Revenue (A)			
Commission Expense (B)	889	7,001	7,119
Commission Profit (A-B)	(889)	(7,001)	(7,119)

**Table of Contents****3. Other Information Relevant to Investment Decisions****a. BIS Ratio**

(unit: in millions of Won)

Items	2010 1Q	2009	2008
Total Capital (A)	24,916,159	24,824,094	22,436,482
Risk weighted assets (B)	203,388,308	200,954,776	206,606,315
BIS Ratio (A/B)	12.25%	12.35%	10.86%

\* Applied since  
January 1, 2007.

**b. Credit Ratings for the Past Three Years**

Date of Rating	Evaluated Securities	Credit Rating	Company (Ratings Range)	Evaluation Category
2007.05.07		A2	Moody's (Aaa ~ C)	Case evaluation
2007.08.17	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2007.08.17	Debentures	AAA	KIS Ratings (AAA ~ D)	Case evaluation
2007.11.27	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2007.11.27	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2008.04.03	Debentures	AAA	KIS Ratings (AAA ~ D)	Case evaluation
2008.04.03	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2008.06.04		BBB+	S&P (AAA ~ D)	Case evaluation
2008.06.12	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2008.06.16	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2008.09.12	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2008.09.16	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2008.12.02	Debentures	AAA	KIS Ratings (AAA ~ D)	Case evaluation
2008.12.02	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2009.03.13	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2009.03.13	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2009.06.30	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2009.06.30	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2009.11.05	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2009.11.05	Debentures	AAA	KIS Ratings (AAA ~ D)	Case evaluation

**c. Won-denominated Current Ratio**

(unit: in millions of Won)

Items	2010 1Q	2009	2008	2007
Current Assets (A)	317,152	23,682	119,566	32,874
Current Liabilities (B)	86,705	8,995	18,376	12,207
Current Ratio* (A/B)	365.78%	263.29%	650.66%	269.30%

\* Beginning in 2009,  
current ratio is  
calculated as the ratio  
of  
(i) Won-denominated  
assets with maturity of

less than 1 month and  
(ii) Won-denominated liabilities with maturity of less than 1 month. Prior to 2009, current ratio was calculated as the ratio of  
of  
(i) Won-denominated assets with maturity of less than 3 months and  
(ii) Won-denominated liabilities with maturity of less than 3 months.

**Table of Contents****d. Foreign Currency-denominated Current Ratio**

(unit: in millions of Won)

<b>Items</b>	<b>2010 1Q</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Current Assets (A)				
Current Liabilities (B)				
Current Ratio* (A/B)				

\* Current ratio is calculated as the ratio of (i) foreign currency-denominated assets with maturity of less than 3 months and (ii) foreign currency-denominated liabilities with maturity of less than 3 months

**e. Debt Ratio**

(unit: in millions of Won)

<b>Items</b>	<b>2010 1Q</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Liabilities (A)	3,844,504	3,824,205	3,412,854	2,129,288
Equity (B)	14,150,567	13,720,923	12,207,338	(*)13,062,368
Debt Ratio (A/B)	27.17%	27.87%	27.96%	16.30%

The figures in the table above reflect our adoption of Statements of Korea Accounting Standard No. 15 ( Equity method accounting ).

\* The figures for fiscal year 2007 have been adjusted to take into account the effects of the revisions to the Interpretations on Financial Accounting Standards 53-70 on accounting for derivative instruments.

**Table of Contents****f. 30 Largest Exposures by Borrower**

(unit: in billions of Won)

Name	Total Credit Exposure	Normal	Pre- cautionary	Sub- standard	Doubtful	Estimated Loss	Securities	Total Exposure
Korea Development Bank	0	0	0	0	0	0	1,408	1,408
Samsung Electronics Co., Ltd.	1,188	1,188	0	0	0	0	114	1,303
Industrial Bank of Korea	0	0	0	0	0	0	1,179	1,179
STX Offshore & Shipbuilding Co., Ltd.	1,028	1,028	0	0	0	0	130	1,157
SH Corporation	1,026	1,026	0	0	0	0	0	1,026
National Agricultural Cooperation Federation	0	0	0	0	0	0	1,009	1,009
Samsung Heavy Industries Co., Ltd.	871	871	0	0	0	0	6	877
Kookmin Bank	0	0	0	0	0	0	761	761
Sung-Dong Ship Marine Co., Ltd.	725	346	379	0	0	0	0	725
SLS Shipbuilding Co., Ltd.	657	645	0	11	0	0	53	710
Seoul Metropolitan Government Office	705	705	0	0	0	0	0	705
Korea Housing Finance Corporation	0	0	0	0	0	0	699	699
Hyundai Steel	694	694	0	0	0	0	0	694
Hyundai Heavy Industries Co., Ltd.	625	625	0	0	0	0	37	662
Shinhan Bank	0	0	0	0	0	0	606	606
LG Chem, Ltd.	552	552	0	0	0	0	0	552
SPP Shipbuilding	534	534	0	0	0	0	11	545
Hana Bank	0	0	0	0	0	0	510	510
Kumho Tire Co., Ltd.	489	99	0	390	0	0	0	489
Poonglim Industrial Co., Ltd.	314	9	305	0	0	0	127	440
Hanwha Group	333	333	0	0	0	0	99	432
Hyosung Co., Ltd.	408	408	0	0	0	0	0	408
Kumho Petrochemical Co., Ltd.	395	97	299	0	0	0	10	406

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Kia Motors	404	404	0	0	0	0	0	404
Woori Partner Plus Private Equity Investment Trust	0	0	0	0	0	0	400	400
PI Investment	397	40	357	0	0	0	0	397
Hyundai Samho Heavy Industries Co., Ltd.	368	368	0	0	0	0	0	368
STX	344	344	0	0	0	0	10	354
Wise Private Equity Investment Trust	0	0	0	0	0	0	352	352
Hyundai Motors	343	343	0	0	0	0	0	343
Total	12,399	10,658	1,339	402	0	0	7,520	19,919

**Table of Contents****g. 20 Largest Loan Exposures Classified as Sub-Standard or Below by Borrower**

(units: in billions of Won, %)

Name	Total Loans	Normal	Sub-standard Loan					Coverage Ratio		
			Pre- cautionary	Sub- standard	Doubtful	Estimated Loss	or below Reserve		Collateral	
Kumho Tire Co., Ltd.	489	99	0	390	0	0	390	116	69	38%
Kumho Industrial Daewoo Motor Sales	298	0	0	298	0	0	298	60	201	88%
21 <sup>st</sup> Century Shipbuilding Co., Ltd.	187	0	0	187	0	0	187	37	2	21%
Jun Jin Development & Construction Co., Ltd.	113	6	0	107	0	0	107	33	40	65%
Hanwori World Resort	108	0	0	108	0	0	108	53	0	49%
1 <sup>st</sup> Kumho Trust Samho International Co., Ltd.	105	0	0	0	0	105	105	105	0	100%
KAMCO Value Creation 1 <sup>st</sup> Securitization Company	92	0	0	92	0	0	92	18	0	20%
Woolim Construction & Development Co., Ltd.	69	0	0	69	0	0	69	34	0	49%
Yeon Soo Development	56	0	0	56	0	0	56	27	0	49%
Namyang Construction Co., Ltd.	55	0	0	54	0	0	54	13	0	25%
DOMS Partners City & Culture	42	0	0	0	0	42	42	42	0	100%
Seahan Steel	41	0	0	3	0	37	40	38	3	101%
Sungsan Prior	40	0	0	18	23	0	40	40	24	159%
Shinsung E&C	40	0	0	40	0	0	40	8	40	120%
Kumho Industrial (Hong Kong)	36	0	0	36	0	0	36	10	2	34%
Hanmi Piore	35	0	0	35	0	0	35	7	0	20%
U&C Construction	32	0	0	13	19	0	32	12	22	107%
	31	0	0	31	0	0	31	6	0	20%
	27	0	0	27	0	0	27	5	0	20%
	26	0	0	0	18	8	26	17	27	168%
<b>Total</b>	<b>1,921</b>	<b>105</b>	<b>0</b>	<b>1,564</b>	<b>59</b>	<b>192</b>	<b>1,815</b>	<b>682</b>	<b>430</b>	<b>58%</b>



**Table of Contents****h. 20 Largest Loan Exposures Classified as Precautionary by Borrower**

(units: in billions of Won, %)

Name	Exposure	Normal	Pre-cautionary	Sub-standard	Doubtful	Estimated Loss	Loan Reserve	Collateral	Coverage Ratio
Sungdong Shipbuilding & Marine	733	354	379	0	0	0	20	466	66%
PI Investment Kumho	397	40	357	0	0	0	68	44	28%
Petrochemical Poonglim	395	97	299	0	0	0	25	130	39%
Industrial Orient Shipyard	314	9	305	0	0	0	58	119	56%
KSID	227	5	223	0	0	0	26	5	14%
Asiana Airlines	178	0	178	0	0	0	34	0	19%
Haesol City	150	0	150	0	0	0	11	27	25%
Pungan Construction	119	0	119	0	0	0	8	0	7%
HJ Life PFV	109	0	109	0	0	0	18	0	16%
Pi City	104	0	104	0	0	0	20	0	19%
DongEon	100	0	100	0	0	0	19	0	19%
Woojong LD	90	0	90	0	0	0	6	0	7%
Mani D&C	86	0	86	0	0	0	16	0	19%
Dukwon Construction	80	0	80	0	0	0	15	0	19%
Daesun Shipbuilding & Engineering	79	10	69	0	0	0	3	10	16%
Woolim C&D	78	0	78	0	0	0	15	0	19%
Amuty2	70	0	70	0	0	0	11	0	16%
Landmark C&D	69	0	69	0	0	0	13	0	19%
KFD Urban Development	63	0	63	0	0	0	4	0	7%
<b>Total</b>	<b>3,521</b>	<b>514</b>	<b>3,007</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>405</b>	<b>801</b>	<b>34%</b>

**Table of Contents****III. Financial Information****1. Condensed Financial Statements (Non-consolidated)**

(unit: in millions of Won)

<b>Items</b>	<b>2010 1Q</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Cash and Due from Banks	312,986	23,267	119,350	32,502	89,724
Securities	17,546,039	17,350,078	15,285,356	15,062,711	13,591,413
Loans	99,500	139,300	169,150	0	49,750
Tangible Assets	377	415	566	438	630
Other Assets	36,170	32,068	45,770	96,005	62,004
<b>Total Assets</b>	<b>17,995,072</b>	<b>17,545,128</b>	<b>15,620,192</b>	<b>15,191,656</b>	<b>13,793,521</b>
Borrowings		60,000			
Debentures	3,744,899	3,744,155	3,393,702	2,116,679	1,847,591
Other Liabilities	99,606	20,050	19,152	12,609	12,858
<b>Total Liabilities</b>	<b>3,844,505</b>	<b>3,824,205</b>	<b>3,412,854</b>	<b>2,129,288</b>	<b>1,860,449</b>
Common Stock	4,030,077	4,030,077	4,030,077	4,030,077	4,030,077
Capital Surplus	179,868	179,488	186,959	187,554	187,955
Capital Adjustment	(55,697)	(54,201)	(57,219)	(55,812)	(55,854)
Consolidated Other					
Comprehensive Income	1,158,854	1,219,373	724,373	1,842,300	2,173,349
Retained Earnings	8,837,465	8,346,186	7,323,148	7,058,249	5,597,545
<b>Total Stockholder s Equity</b>	<b>14,150,567</b>	<b>13,720,923</b>	<b>12,207,338</b>	<b>13,062,368</b>	<b>11,933,072</b>
Operating Revenue	649,938	1,326,855	666,267	2,080,957	2,031,611
Operating Income	573,168	1,028,463	455,812	1,939,374	1,893,248
Income before income tax					
expense	573,017	1,026,024	454,478	1,943,561	2,029,319
Net income	573,017	1,026,024	454,478	1,943,561	2,029,319

\* The figures in the table above reflect our adoption of Statements of Korea Accounting Standard No. 15 ( Equity method accounting ).

\* The figures for fiscal year 2007 have been adjusted to take

into account the effects of the revisions to the Interpretations on Financial Accounting Standards 53-70 on accounting for derivative instruments.

**Table of Contents****2. Condensed Financial Statements (Consolidated)**

(unit: in millions of Won)

<b>Items</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Cash and Due from Banks	21,133,831	19,967,897	14,984,541	10,674,977	11,224,015
Securities	50,276,343	46,714,465	48,228,254	46,313,960	37,693,090
Loans	196,882,416	197,040,672	167,635,411	140,854,505	106,937,970
Tangible Assets	2,820,417	2,796,537	2,638,774	2,561,391	2,472,727
Other Assets	13,791,060	24,474,724	16,165,322	11,592,497	6,215,046
<b>Total Assets</b>	<b>284,904,067</b>	<b>290,994,295</b>	<b>249,652,302</b>	<b>211,997,330</b>	<b>164,542,848</b>
Deposits	178,660,922	170,224,891	146,583,312	129,022,868	107,087,990
Borrowings	71,664,594	74,717,758	66,040,316	54,111,207	37,116,858
Other Liabilities	18,591,420	31,743,043	22,011,382	15,438,450	9,233,038
<b>Total Liabilities</b>	<b>268,916,936</b>	<b>276,685,692</b>	<b>234,635,010</b>	<b>198,572,525</b>	<b>153,437,886</b>
Common Stock	4,030,077	4,030,077	4,030,077	4,030,077	4,030,077
Consolidated Capital Surplus	179,488	186,959	187,555	187,955	142,608
Consolidated Capital Adjustment	(54,201)	(57,219)	(55,812)	(55,854)	(52,747)
Consolidated Other Comprehensive Income	1,219,366	724,366	1,842,294	2,173,342	1,705,456
Consolidated Retained Earnings	8,346,186	7,323,149	7,058,249	5,601,869	3,896,255
Minority Interest	2,266,215	2,101,271	1,954,929	1,487,416	1,383,313
<b>Total Stockholders Equity</b>	<b>15,987,131</b>	<b>14,308,603</b>	<b>15,017,292</b>	<b>13,424,805</b>	<b>11,104,962</b>
Operating Revenue	54,061,689	86,901,260	26,650,127	19,895,975	14,564,520
Operating Income	1,383,261	1,115,659	2,915,803	2,748,368	2,004,494
Income before income tax expense	1,459,818	1,190,400	2,923,358	2,913,712	2,145,704
Net income from continuing operation	1,077,445	588,655	2,114,501	2,189,207	1,833,521
Aggregated Net Income	1,115,773	588,502	2,114,360	2,189,207	1,833,521
Net Income for Majority Shareholders	1,026,024	454,478	1,939,238	2,029,319	1,688,221
Net Income for Minority Shareholders	89,749	134,024	175,122	159,888	145,300
No. of Companies Consolidated	36	38	30	24	21

\* The figures for fiscal years

2007 to 2009  
take into  
account the  
effects of the  
revisions to the  
Interpretations  
on Financial  
Accounting  
Standards 53-70  
on accounting  
for derivative  
instruments.

\* The figures for  
fiscal years  
2007 and 2008  
have been  
adjusted to  
reflect the  
re-classification  
of net income  
(loss) from  
discontinued  
operations.

**Table of Contents****3. Accounting Information****a. Loan Loss Reserves**

(1) Loan Loss Reserves for the past three years by classification

(unit: in millions of Won)

<b>Period</b>	<b>Item</b>	<b>Total Credits</b>	<b>Loan Loss Reserves</b>	<b>Provisioning Ratio</b>
2010 1Q	Loans	100,000	500	0.5%
	Total	100,000	500	0.5%
2009	Loans	140,000	700	0.5%
	Total	140,000	700	0.5%
2008	Loans	170,000	850	0.5%
	Total	170,000	850	0.5%

(2) Change in Loan Loss Reserves for the past three years

(unit: in millions of Won)

<b>Item</b>	<b>2010 1Q</b>	<b>2009</b>	<b>2008</b>
1. Initial loan loss reserves balance	700	850	0
2. Net credit costs			
1) Write-offs			
2) Recovery of written-off assets			
3) Other changes			
Recovery of credit costs	(200)	(150)	850
Ending loan loss reserve balance	500	700	850

**Table of Contents****IV. Independent Auditor's Opinion****1. Independent Auditor's Opinion****a. Independent Auditor**

	<b>2010 1Q</b>	<b>2009 1Q</b>	<b>2009</b>	<b>2008</b>
Auditor	Deloitte Anjin LLC	Deloitte Anjin LLC	Deloitte Anjin LLC	Deloitte Anjin LLC
Auditor's Opinion			Unqualified Opinion	Unqualified Opinion

**2. Compensation to the Independent Auditor for the Past Three Years****a. Auditing Service**

(units: in millions of Won, hours)

<b>Year</b>	<b>Auditor</b>	<b>Activity</b>	<b>Compensation</b>	<b>Accrued Time (hrs)</b>
2010 1Q	Deloitte Anjin LLC	Review of Quarter and Half Year financial statements and audit of Annual financial statements (Consolidated, Non-consolidated)	325	1,070
2009	Deloitte Anjin LLC	Review of Quarter and Half Year financial statements and audit of Annual financial statements (Consolidated, Non-consolidated)	342	4,941
2008	Deloitte Anjin LLC	Review of Quarter and Half Year financial statements and audit of Annual financial statements (Consolidated, Non-consolidated)	360	4,957

**b. Compensation for Services Other than the Audit**

(unit: in millions of Won)

<b>Year</b>	<b>Contract Date</b>	<b>Activity</b>	<b>Period</b>	<b>Comp.</b>	<b>Note</b>
2010 1Q	2010.04.30	Corporate tax reconciliation (Consolidated tax return advice)	2010.07~2010.08 2011.02~2011.03	72	Deloitte Anjin LLC
2009	2009.12.21	US GAAP and SOX Auditing	2009.12~2010.05	3,006	Deloitte Anjin LLC
	2009.04.29	Corporate tax reconciliation (Consolidated tax return review)	2009.07~2009.08 2010.2~2010.3	31	Deloitte Anjin LLC
2008	2009.01.07	US GAAP and SOX Auditing	2008.12~2009.5	3,340	Deloitte Anjin LLC
	2008.05.14	Corporate tax reconciliation	2008.7~2008.8 2009.2~2009.3	23	Deloitte Anjin LLC

**Table of Contents****V. Corporate Governance and Affiliated Companies****1. About the Board of Directors**

## A. Composition of our board of directors

As of March 27, 2010

<b>Name</b>	<b>Career &amp; Academic Background</b>	<b>Relationship with Largest Shareholder</b>	<b>Notes</b>
<b>Pal Seung Lee</b> (Standing Director)	<b>Current)</b> Chairman and chief executive officer of Woori Finance Holdings  Chief executive officer, Woori Investment & Securities  Executive managing director, Hanil Bank  Bachelor of Law, Korea University	None	Chairman of the board
<b>Min-Joon Bang</b> (Non-standing Director)	Arbitration Commissioner of Press Arbitration Commission  Head of Editorial Desk, Korea Times  Bachelor of Korean Language and Literature, Seoul National University	None	Third consecutive term
<b>Hi-Taek Shin</b> (Non-standing Director)	<b>Current)</b> Professor of College of Law, Seoul National University  Lawyer, Kim & Chang Law Firm  Bachelor of Laws, Seoul National University  Master of Laws, Seoul National University  J.S.D at Yale Law School	None	Third consecutive term
<b>Hi-Bock Kang</b> (Non-standing Director)	<b>Current)</b> Executive Director, Market Economy Research Institute  Chief Executive Officer, Korea Minting and Security Printing Corporation  Bachelor of Public Administration, Seoul National University  Graduate School of Public Administration, Seoul National University	None	Second consecutive term

<b>Young-Ho Lee</b> (Non-standing Director)	<b>Current)</b> Advisor, Kim & Chang Law Firm  Chairman, Market Oversight Commission of Korea Exchange  Assistant Governor, Financial Supervisory Service  Bachelor of Laws, Korea University	None	Second consecutive term
<b>Hak-Jin Kim</b> (Non-standing Director)	<b>Current)</b> Director General of Department of Planning & Coordination, Korea Deposit Insurance Corporation  General Manager of Human Resources Development Department, Korea Deposit Insurance Corporation  Bachelor of Economics, Chung-Ang University	Employee of the majority shareholding company	Second consecutive term
<b>Doo-Hee Lee</b> (Non-standing Director)	<b>Current)</b> Professor of College of Business Administration, Korea University  President, Korea Advertising Society  Bachelor of Business Administration, Korea University  Ph.D. in Business Administration, Michigan State University	None	Second consecutive term
<b>Hun Lee</b> (Non-standing Director)	<b>Current)</b> Co-Head, The Lawyers for Citizens  Lawyer, Barun Law  Bachelor of Law, Chung-Ang University	None	Second consecutive term

B. Committees under the Board of Directors  
We currently have the following management committees serving under the board of directors:  
(a) Management Committee

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(b) Business Development and Compensation Committee

(c) Risk Management Committee

(d) Standing Directors Committee

(e) Ethics Committee

(f) Outside Directors Recommendation Committee

(g) MOU Evaluation Committee

(h) Audit Committee

(i) Audit Committee Member Candidate Recommendation Committee

As of March 27, 2010

<b>Name</b>	<b>Position</b>	<b>Notes</b>
Management Committee	Pal Seung Lee Hi-Bock Kang Young-Ho Lee Min-Joon Bang Hi-Taek Shin	Chairman and CEO Pal Seung Lee heads this committee consisting of the heads of the sub-committees.
Business Development and Compensation Committee	Young-Ho Lee Doo-Hee Lee Hun Lee	Non-standing director Young-Ho Lee heads this committee consisting of no fewer than three non-standing directors.
Risk Management Committee	Pal Seung Lee Hi-Bock Kang Young-Ho Lee Min-Joon Bang Hun Lee	Chairman and CEO Pal Seung Lee heads this committee. The committee consists of the Chairman and CEO, inside director and no fewer than three non-standing directors.
Standing Directors Committee	Pal Seung Lee	Chairman and CEO Pal Seung Lee heads the committee consisting of all executive directors.
Ethics Committee	Pal Seung Lee Min-Joon Bang Hak-Jin Kim Doo-Hee Lee Hi-Taek Shin	Non-standing director Min-Joon Bang heads this committee consisting of all executive directors and no fewer than two non-standing directors.
Outside Directors Recommendation Committee	Pal Seung Lee Hi-Bock Kang Hak-Jin Kim Doo-Hee Lee Hun Lee	Non-standing director Hi-Bock Kang heads this committee consisting of the Chairman and CEO and no fewer than three non-standing directors.

MOU Evaluation Committee	Pal Seung Lee Hi-Bock Kang Young-Ho Lee Min-Joon Bang Hi-Taek Shin Hak-Jin Kim Doo-Hee Lee Hun Lee	Chairman and CEO Pal Seung Lee heads this committee consisting of the entire board of directors.
Audit Committee	Young-Ho Lee Hak-Jin Kim Hi-Taek Shin Doo-Hee Lee	Consists of no fewer than 3 directors and one financial expert, at least two-thirds of whom are non-standing directors
Audit Committee Member Candidate Recommendation Committee	Hi-Bock Kang Young-Ho Lee Min-Joon Bang Hi-Taek Shin Hak-Jin Kim Doo-Hee Lee Hun Lee	Non-standing director Hi-Bock Kang heads this committee consisting of all executive directors.

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**2. Related Companies**

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**Table of Contents****3. Investments in Other Companies**

As of March 31, 2010

(units: thousands of shares, millions of Won, %)

Name	Beginning Balance			Changes <sup>1</sup> Valuation		Ending Bal.			Total Assets	Net Income <sup>2</sup>
	Quantity	Share	Book value	Quantity	Cost/Gain/Loss	Quantity	Share	Book value		
Woori Bank Kwangju	765,957	100.0	13,621,824		107,878	765,957	100.0	13,729,702	237,910,470	953,829
Bank	49,413	99.9	976,284		26,776	49,413	99.9	1,003,060	17,308,304	62,003
Kyongnam Bank	58,050	99.9	1,443,661		21,719	58,050	99.9	1,465,380	23,157,326	193,618
Woori Finance Info Sys.	900	100.0	15,013		1,211	900	100.0	16,224	221,876	1,416
Woori F&I	6,000	100.0	166,563		(3,784)	6,000	100.0	162,779	508,542	24,667
Woori Investment & Securities	46,325	35.0	754,782		44,394	46,325	35.0	799,176	15,569,687	181,805
Woori Asset Management	6,662	100.0	67,456		4,338	6,662	100.0	71,794	89,595	55
Woori Private Equity	4,000	100.0	24,246		882	4,000	100.0	25,128	25,141	1,310
Woori Financial	8,970	52.5	207,346		(8,655)	8,970	52.5	198,691	2,151,217	25,732
Woori Aviva Life Insurance	3,060	51.0	72,903		1,202	3,060	51.0	74,105	1,640,793	10,477
<b>Total</b>	<b>949,337</b>		<b>17,350,078</b>		<b>195,961</b>	<b>949,337</b>		<b>17,546,039</b>	<b>298,582,951</b>	<b>1,429,180</b>

1. The changes in quantity and cost are calculated from the increase or decrease under the equity method.
2. The figures for the net income stated above are for the fiscal year ended December 31,

2009, except for the figures for the latest net income of Woori Asset Management, Woori Investment & Securities and Woori Aviva Life Insurance, which are for the fiscal year ended March 31, 2008.

3. The figures have been adjusted to reflect our adoption of Statements of Korea Accounting Standard No. 15 ( Equity method accounting ). The figures for fiscal year 2007 have been adjusted to take into account the effects of the revisions to the Interpretations on Financial Accounting Standards 53-70 on accounting for derivative instruments.

**Table of Contents****VI. Stock Information****1. Stock Distribution****a. Stock Information of the Largest Shareholder and Specially Related Parties**

As of April 13, 2010

(units: shares, %)

Name	Relation	Type	Beginning balance			Shares Held		Ending balance		Reasons Behind Change
			Stock	Share (+)	(-)	Stock	Share			
KDIC	Largest S/H	Common	531,738,609	65.97		72,540,000		459,198,609	56.97	
Total		Common	531,738,609	65.97		72,540,000		459,198,609	56.97	
		Preferred								
		Total	531,738,609	65.97		72,540,000		531,738,609	56.97	

Largest Shareholder: KDIC

**b. Share Ownership of More Than 5%**

As of April 9, 2010

(units: shares, %)

No.	Name	Common Stock		Preferred Stock		Total	
		No. of shares	%	No. of shares	%	No. of shares	%
1	KDIC	459,198,609	56.97			459,198,609	56.97
2	Mirae Asset Management Investment	49,967,187	6.20			49,967,187	6.20
Total		509,165,796	63.17			509,165,796	63.17

**c. Shareholder Distribution**

As of December 31, 2009

Items	Shareholder		Number of	
	number	Ratio(%)	shares	Ratio(%)
Total Minority Shareholders	70,667	100.00	265,694,161	32.96
Minority Shareholders (Companies)	1,547	2.19	215,407,064	26.72
Minority Shareholders (Individual)	69,120	97.81	50,287,097	6.24
Largest Shareholders, etc.	1		531,738,609	65.97
Main Shareholders				
Total Other Shareholders	1		8,580,000	1.06
Others Shareholders (Companies)	1		8,580,000	1.06
Others Shareholders (Individuals)				
Others	1		2,570	
Total	70,670	100.0	806,015,340	100.00



**Table of Contents****2. Stock Price and Stock Market Performance for the Past Six Months****a. Domestic Stock Market**

(units: Won, shares)

Period		October 2009	November 2009	December 2009	January 2010	February 2010	March 2010
Common Stock	High	16,900	16,700	15,600	16,000	14,450	16,800
	Low	15,250	13,300	13,850	13,400	12,950	13,750
	Average	16,140	15,795	15,074	14,953	13,576	15,080
Monthly Trade Volume	High	6,160,933	70,050,991	11,145,935	9,228,569	4,601,541	8,445,039
	Low	1,784,163	1,302,133	1,504,110	2,503,978	1,237,078	1,518,406
	Average	66,227,647	140,716,281	85,018,954	85,347,708	55,357,442	83,747,705

**b. Foreign Stock Market (NYSE)**

(units: US Dollars, ADRs)

Period		October 2009	November 2009	December 2009	January 2010	February 2010	March 2010
ADR	High	43.11	43.78	40.03	42.50	36.60	44.10
	Low	39.39	35.00	35.50	33.93	33.05	34.35
	Average	41.13	41.00	38.33	39.00	35.12	39.75
Won Conversion	High	50,340	50,570	46,151	48,400	42,349	50,170
	Low	47,292	40,376	41,567	38,640	38,241	39,078
	Average	48,338	47,733	44,710	44,414	40,637	45,221
Monthly Trade Volume	High	57,135	92,521	27,832	68,100	15,700	54,900
	Low	900	700	1,315	2,000	2,200	500
	Average	202,035	302,933	171,216	257,600	130,300	180,600

**Table of Contents****VII. Directors and Employee Information****1. Directors**

Position		Name	Common Stocks Owned (As of May 3, 2010)	Note
Chairman and CEO	Registered	Pal Seung Lee	30,000	
Senior Managing Director	Non-Registered	Kyung Dong Kim	2,000	Retired on April 9, 2010
Senior Managing Director	Non-Registered	Sang Koo Youn	400	
Senior Managing Director	Non-Registered	Jeong Han Kim		Also serves as the Head of the Risk Management Unit at Woori Bank
Managing Director	Non-Registered	In Chul Park	1,000	
Managing Director	Non-Registered	Sung Jae Park	353	Appointed as the Chief Compliance Officer on February 10, 2010
Managing Director	Non-Registered	Seung Gyu Kim		
Non-standing Director	Registered	Hi-Bock Kang		
Non-standing Director	Registered	Young-Ho Lee		
Non-standing Director	Registered	Min-Joon Bang		
Non-standing Director	Registered	Hi-Taek Shin		
Non-standing Director	Registered	Hak-Jin Kim		
Non-standing Director	Registered	Doo-Hee Lee		
Non-standing Director	Registered	Hun Lee		

**2. Employee Status**

As of March 31, 2010

(units: persons, thousands of Won)

Items	Staff			Total	Average Tenure Years	Cumulative Compensation	Average Compensation Per Person	Note
	Admin.	Manu.	Misc.					
Total	116		12	128	3 years and 9 months	1,605,903	12,546	

**3. Directors Compensation**

(unit: in millions of Won)

Items	Total Compensation	Compensation Limit approved at Meeting of Shareholders	Fair value of Stock Option	Note
Standing Director	119	4,000		
Non-standing Directors (excluding audit committee member)	20			
Audit committee members	40			
	32			



**Table of Contents****VIII. Related Party Transactions****1. Transactions with Affiliated Parties****a. Transactions of Provisional Payments and Loans (including secured loans)**

(unit: in millions of Won)

Name	Relation	Item	Beg.	Changes		End	Notes
				+	-		
Woori Financial	Subsidiary	Other Loan	100,000			100,000	
Woori F&I	Subsidiary	Other Loan	40,000		40,000		
Total			140,000		40,000	100,000	

**b. Payment Transactions**

(unit: shares)

Name	Relation	Types of Shares	Capital Contribution and Share Disposal Transactions			Ending	Notes
			Beginning	Increase	Decrease		
Woori Bank	Subsidiary	Common stock	695,956,580			695,956,580	
		Preferred Stock	70,000,000			70,000,000	
Kwangju Bank	Subsidiary	Common stock	49,413,333			49,413,333	
Kyongnam Bank	Subsidiary	Common stock	58,049,994			58,049,994	
Woori Finance Info Sys.	Subsidiary	Common Stock	900,000			900,000	
Woori F&I	Subsidiary	Common Stock	6,000,000			6,000,000	
Woori Investment & Securities	Subsidiary	Common Stock	46,324,981			46,324,981	
Woori Asset Management	Subsidiary	Common Stock	6,662,000			6,662,000	
Woori Private Equity	Subsidiary	Common Stock	4,000,000			4,000,000	
Woori Financial	Subsidiary	Common Stock	8,970,639			8,970,639	
Woori Aviva Life Insurance	Subsidiary	Common Stock	3,060,000			3,060,000	
Total			949,337,527			949,337,527	

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**EXHIBIT A**

**FINANCIAL STATEMENTS**

**WOORI FINANCE HOLDINGS CO., LTD.**

NON-CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009

AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT

**Audit Tax Consulting Financial Advisory**

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**Independent Accountants Review Report**

English Translation of a Report Originally Issued in Korean

**To the Shareholders and Board of Directors of**

**Woori Finance Holdings Co., Ltd.:**

We have reviewed the accompanying non-consolidated statement of financial position of Woori Finance Holdings Co., Ltd. (the Company) as of March 31, 2010 and the related non-consolidated statements of income, changes in shareholders' equity and cash flows for the three months ended March 31, 2010 and 2009, all expressed in Korean won. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our reviews.

We conducted our reviews in accordance with standards for review of interim financial statement in the Republic of Korea. These standards require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and this provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our reviews nothing has come to our attention that causes us to believe that the financial statements referred to above are not presented fairly, in all material respects, in accordance with accounting principles generally accepted in the Republic of Korea (See Note 2).

We have previously audited, in accordance with auditing standards generally accepted in the Republic of Korea, the non-consolidated statement of financial position of the Company as of December 31, 2009 and the related non-consolidated statements of income, appropriations of retained earnings, changes in shareholders' equity and cash flows for the year then ended (not presented herein) and in our report dated March 4, 2010, we expressed an unqualified opinion on those non-consolidated financial statements. The accompanying statement of financial position as of December 31, 2009, which is comparatively presented, does not differ in material respects from such audited non-consolidated statement of financial position.

Our reviews also comprehended the translation of the Korean won amounts into U.S. dollar amounts and nothing has come to our attention that cause us to believe that such translation has not been made in conformity with the basis stated in Note 2. Such U.S. dollar amounts are presented solely for the convenience of readers outside of Korea.

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Accounting principles and review standards and their application in practice vary among countries. The accompanying non-consolidated financial statements are not intended to present the financial position, results of operations, cash flows or changes in shareholders' equity in accordance with accounting principles and practices generally accepted in countries other than the Republic of Korea. In addition, the procedures and practices utilized in the Republic of Korea to review such financial statements may differ from those generally accepted and applied in other countries.

Accordingly, this report and the accompanying financial statements are for use by those knowledgeable about Korean accounting procedures and review standards and their application in practice.

May 3, 2010

**Notice to Readers**

This report is effective as of May 3, 2010, the accountants' review report date. Certain subsequent events or circumstances may have occurred between the accountants' review report date and the time the accountants' review report is read. Such events or circumstances could significantly affect the accompanying financial statements and may result in modifications to the accountants' review report.

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**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF MARCH 31, 2010 AND DECEMBER 31, 2009**

	Korean won		Translation into U.S. dollars (Note 2)	
	2010	2009	2010	2009
	(In millions)		(In thousands)	
<b><u>ASSETS</u></b>				
Cash and bank deposits (Notes 15 and 17)	₩ 312,986	₩ 23,267	US\$ 276,783	US\$ 20,576
Investment securities accounted for using the equity method of accounting (Notes 3 and 15)	17,546,039	17,350,078	15,516,483	15,343,189
Loans, net of allowance for possible loan losses (Notes 4, 15 and 17)	99,500	139,300	87,991	123,187
Fixed assets (Notes 5 and 20)	377	415	333	367
Other assets (Notes 7 and 17)	36,170	32,068	31,986	28,358
	₩ 17,995,072	₩ 17,545,128	US\$ 15,913,576	US\$ 15,515,677
<b><u>LIABILITIES AND SHAREHOLDERS EQUITY</u></b>				
<b>LIABILITIES</b>				
Debentures, net of discounts (Notes 8 and 15)	₩ 3,744,899	₩ 3,744,156	US\$ 3,311,725	US\$ 3,311,068
Borrowings (Notes 8 and 15)		60,000		53,060
Other liabilities (Notes 10 and 17)	99,606	20,049	88,084	17,730
	3,844,505	3,824,205	3,399,809	3,381,858
<b>SHAREHOLDERS EQUITY</b>				
Common stock (Note 11)	4,030,077	4,030,077	3,563,917	3,563,917
Capital surplus (Note 3)	179,868	179,488	159,063	158,726
Capital adjustments (Notes 3 and 11)	(55,697)	(54,201)	(49,255)	(47,932)
Accumulated other comprehensive income (Notes 3 and 19)	1,158,854	1,219,373	1,024,809	1,078,328
Retained earnings:				
Legal reserve	885,903	783,300	783,430	692,695
Voluntary reserve	7,379,000	6,539,000	6,525,469	5,782,632
Retained earnings before appropriations (Notes 3 and 11)	572,562	1,023,885	506,334	905,453
	8,837,465	8,346,186	7,815,233	7,380,780

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14,150,567	13,720,923	12,513,767	12,133,819
₩ 17,995,072	₩ 17,545,128	US\$ 15,913,576	US\$ 15,515,677

See accompanying notes to non-consolidated financial statements.

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**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009**

	Korean won		Translation into U.S. dollars (Note 2)	
	2010	2009	2010	2009
	(In millions, except for income per share data)		(In thousands, except for income per share data)	
<b>OPERATING REVENUE</b>				
Gain on valuation using the equity method of accounting (Notes 3 and 16)	₩ 647,869	₩ 235,221	US\$ 572,930	US\$ 208,013
Interest income (Note 17)	1,868	3,771	1,652	3,335
Reversal of allowance for doubtful accounts	200		177	
	649,937	238,992	574,759	211,348
<b>OPERATING EXPENSES</b>				
Loss on valuation using the equity method of accounting (Notes 3 and 16)	7,548	12,794	6,675	11,314
Interest expense	61,118	54,722	54,049	48,392
Fees (Note 17)	889	1,132	786	1,002
Provision for possible loan losses		100		88
General and administrative (Notes 14 and 17)	7,214	6,461	6,380	5,714
	76,769	75,209	67,890	66,510
<b>OPERATING INCOME</b>	<b>573,168</b>	<b>163,783</b>	<b>506,869</b>	<b>144,838</b>
<b>NON-OPERATING INCOME</b>	<b>3</b>	<b>43</b>	<b>3</b>	<b>38</b>
<b>NON-OPERATING EXPENSES</b>	<b>154</b>	<b>1,553</b>	<b>136</b>	<b>1,373</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>573,017</b>	<b>162,273</b>	<b>506,736</b>	<b>143,503</b>
<b>INCOME TAX EXPENSE (Note 12)</b>				
<b>NET INCOME</b>	<b>₩ 573,017</b>	<b>₩ 162,273</b>	<b>US\$ 506,736</b>	<b>US\$ 143,503</b>
<b>BASIC NET INCOME PER COMMON SHARE (Note 18)</b>	<b>₩ 711</b>	<b>₩ 201</b>	<b>US\$ 0.63</b>	<b>US\$ 0.18</b>

See accompanying notes to non-consolidated financial statements.



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**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009**

Korean won	Common stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income (In millions)	Retained earnings	Total
January 1, 2009 (Reported)	₩ 4,030,077	₩ 186,959	₩ (57,219)	₩ 724,373	₩ 7,323,149	₩ 12,207,339
Net income					162,273	162,273
Valuation using the equity method on subsidiaries		(148)	306	104,064	905	105,127
March 31, 2009	₩ 4,030,077	₩ 186,811	₩ (56,913)	₩ 828,437	₩ 7,486,327	₩ 12,474,739
January 1, 2010 (Reported)	₩ 4,030,077	₩ 179,488	₩ (54,201)	₩ 1,219,373	₩ 8,346,186	₩ 13,720,923
Net income					573,017	573,017
Dividend					(80,601)	(80,601)
Valuation using the equity method on subsidiaries		380	(1,496)	(60,519)	(1,137)	(62,772)
March 31, 2010	₩ 4,030,077	₩ 179,868	₩ (55,697)	₩ 1,158,854	₩ 8,837,465	₩ 14,150,567
Translation into U.S. dollars (Note 2)	Common stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income (In thousands)	Retained earnings	Total
January 1, 2009 (Reported)	US\$ 3,563,917	US\$ 165,333	US\$ (50,600)	US\$ 640,585	US\$ 6,476,078	US\$ 10,795,313
Net income					143,503	143,503
Valuation using the equity method on subsidiaries		(131)	271	92,027	800	92,967
March 31, 2009	US\$ 3,563,917	US\$ 165,202	US\$ (50,329)	US\$ 732,612	US\$ 6,620,381	US\$ 11,031,783
January 1, 2010 (Reported)	US\$ 3,563,917	US\$ 158,726	US\$ (47,932)	US\$ 1,078,328	US\$ 7,380,780	US\$ 12,133,819

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Net income					506,736	506,736
Dividend					(71,278)	(71,278)
Valuation using the equity method on subsidiaries	337	(1,323)	(53,519)	(1,005)		(55,510)
March 31, 2010	US\$ 3,563,917	US\$ 159,063	US\$ (49,255)	US\$ 1,024,809	US\$ 7,815,233	US\$ 12,513,767

See accompanying notes to non-consolidated financial statements.

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**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009**

	Korean won		Translation into U.S. dollars (Note 2)	
	2010	2009	2010	2009
	(In millions)		(In thousands)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net income	₩ 573,017	₩ 162,273	US\$ 506,736	US\$ 143,503
Adjustments to reconcile net income to net cash provided by operating activities:				
Loss on valuation using the equity method of accounting	7,548	12,794	6,675	11,314
Interest expense (amortization of discounts on debentures)	743	648	657	573
Provision for severance benefits	323	237	286	209
Depreciation	41	54	36	48
Amortization	2	2	2	2
Gain on valuation using the equity method of accounting	(647,869)	(235,221)	(572,930)	(208,013)
Provision for possible loan losses	(200)	100	(177)	88
	(639,412)	(221,386)	(565,451)	(195,779)
Changes in operating assets and liabilities:				
Decrease in other receivables	80		71	
Increase in accrued dividends	(4,009)		(3,545)	
Decrease (increase) in accrued income	(16)	79	(14)	70
Increase in prepaid expenses	(110)	(277)	(97)	(245)
Increase in advanced payments	(34)	(31)	(30)	(28)
Severance benefits payment	(183)	(118)	(162)	(104)
Decrease in employee retirement insurance deposit		107		95
Increase (decrease) in other payables	(125)	217	(111)	191
Increase (decrease) in accrued expenses	(984)	31	(870)	27
Increase (decrease) in withholdings	(77)	158	(68)	140
Dividends on investment securities accounted for the equity method	381,590	13,722	337,451	12,135
	376,132	13,888	332,625	12,281
Net cash provided by (used in) operating activities	309,737	(45,225)	273,910	(39,995)

(Continued)



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**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009**

	Korean won		Translation into U.S. dollars (Note 2)	
	2010	2009	2010	2009
	(In millions)		(In thousands)	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Collection of loans	₩ 40,000	₩ 20,000	US\$ 35,373	US\$ 17,687
Acquisition of investment securities accounted for using the equity method accounting		(300,000)		(265,299)
Acquisition of fixed assets	(3)		(3)	
Acquisition of intangible assets	(15)		(13)	
Increase in loans		(40,000)		(35,373)
Net cash provided by (used in) investing activities	39,982	(320,000)	35,357	(282,985)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase in debentures in local currency		599,133		529,831
Decrease in borrowings in local currency	(60,000)		(53,060)	
Net cash provided by (used in) financing activities	(60,000)	599,133	(53,060)	529,831
<b>NET INCREASE IN CASH AND BANK DEPOSITS</b>	<b>289,719</b>	<b>233,908</b>	<b>256,207</b>	<b>206,851</b>
<b>CASH AND BANK DEPOSITS, BEGINNING OF THE PERIOD</b>	<b>23,267</b>	<b>119,350</b>	<b>20,576</b>	<b>105,545</b>
<b>CASH AND BANK DEPOSITS, END OF THE PERIOD</b>	<b>₩ 312,986</b>	<b>₩ 353,258</b>	<b>US\$ 276,783</b>	<b>US\$ 312,396</b>

See accompanying notes to non-consolidated financial statements.

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**WOORI FINANCE HOLDINGS CO., LTD.  
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009**

**1. GENERAL**

## (1) Woori Finance Holdings Co., Ltd.

Woori Finance Holdings Co., Ltd. (the Company) was incorporated on March 27, 2001, to engage in the business of managing the following five financial institutions; Woori Bank, Kyongnam Bank, Kwangju Bank, Woori Credit Card Co., Ltd. (formerly Peace Bank of Korea and merged into Woori Bank on March 31, 2004) and Woori Investment Bank (merged into Woori Bank on July 31, 2003), whose shares were contributed to the Company by the Korea Deposit Insurance Corporation (the KDIC) in accordance with the provisions of the Financial Holding Company Act. As a result of its functional restructuring, the Company owns 10 subsidiaries and 28 2nd-tier subsidiaries as of March 31, 2010.

Upon incorporation, the Company's stock amounted to ₩3,637,293 million, consisting of 727,458,609 common shares (₩5,000 per share) issued and outstanding. As a result of several capital increases, exercise of warrants and conversion rights since incorporation, as of March 31, 2010, the Company's stock amounted to ₩4,030,077 million, consisting of 806,015,340 common shares issued and outstanding of which the KDIC owns 531,738,609 shares (65.97%).

On June 24, 2002, the Company listed its common shares on the Korea Exchange. On September 29, 2003, the Company was registered with the Securities and Exchange Commission in the United States of America and listed its American Depositary Shares on the New York Stock Exchange.

## (2) The structure of the Company and its significant subsidiaries as of March 31, 2010 and December 31, 2009 is as follows:

Parent companies	Subsidiaries	2010		2009		Financial statements as of
		Number of shares owned	Percentage of ownership (%)	Number of shares owned	Percentage of ownership (%)	
Woori Finance Holdings Co., Ltd.	Woori Bank	765,956,580	100.0	765,956,580	100.0	Mar. 31
"	Kyongnam Bank	58,049,994	99.9	58,049,994	99.9	Mar. 31
"	Kwangju Bank	49,413,333	99.9	49,413,333	99.9	Mar. 31
"	Woori Finance Information System Co., Ltd.	900,000	100.0	900,000	100.0	Mar. 31
"	Woori F&I Co., Ltd.	6,000,000	100.0	6,000,000	100.0	Mar. 31
"	Woori Investment Securities Co., Ltd.	46,324,981	35.0	46,324,981	35.0	Mar. 31
"	Woori Asset Management Co., Ltd.	6,662,000	100.0	6,662,000	100.0	Mar. 31
"	Woori Private Equity Co., Ltd.	4,000,000	100.0	4,000,000	100.0	Mar. 31
"		8,909,439	52.5	8,909,439	52.5	Mar. 31

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	Woori Financial Co., Ltd.					
Woori Bank	Woori Aviva Life Insurance Co., Ltd.	3,060,000	51.0	3,060,000	51.0	Mar. 31 (*5)
	Woori Credit Information Co., Ltd.	1,008,000	100.0	1,008,000	100.0	Mar. 31 (*5)
	Woori America Bank	10,500,000	100.0	10,500,000	100.0	Mar. 31 (*5)
	PT. Bank Woori Indonesia	1,618	95.2	1,618	95.2	Mar. 31 (*5)
	Woori Global Market Asia Limited	39,000,000	100.0	39,000,000	100.0	Mar. 31 (*5)
	Woori Bank (China) Limited	-	100.0	-	100.0	Mar. 31 (*5)
	ZAO Woori Bank	19,999,999	100.0	19,999,999	100.0	Mar. 31 (*5)

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Parent companies	Subsidiaries	2010		2009		Financial statements as of
		Number of shares owned	Percentage of ownership (%)	Number of shares owned	Percentage of ownership (%)	
Woori F&I Co., Ltd.	Woori AMC Co., Ltd. (*3)	800,000	100.0	-	-	Mar. 31
"	Woori F&I Fifth Asset Securitization Specialty (*2)	-	-	92,500	100.0	Mar. 31
"	Woori F&I Sixth Asset Securitization Specialty	98,780	100.0	98,780	100.0	Mar. 31
"	Woori F&I Seventh Asset Securitization Specialty	105,300	100.0	105,300	100.0	Mar. 31
"	Woori F&I Tenth Asset Securitization Specialty	478,020	100.0	478,020	100.0	Mar. 31
"	Woori F&I Eleventh Asset Securitization Specialty (*3)	181,060	100.0	-	-	Mar. 31
"	Woori F&I Thirteenth Asset Securitization Specialty (*3)	1,044,860	94.6	-	-	Mar. 31
"	Woori SB Tenth Asset Securitization Specialty	410,711	50.0	410,711	50.0	Mar. 31
Woori Investment Securities Co., Ltd.	Woori Futures Co., Ltd.	5,000,000	100.0	5,000,000	100.0	Mar. 31
"	Woori Investment Securities (H.K.) Ltd.	22,500,000	100.0	22,500,000	100.0	Mar. 31 (*5)
"	LG Investments Holding B.V. (Amsterdam) GG	1,642,398,242	100.0	1,642,398,242	100.0	Mar. 31 (*5)
"	MARS First Private Equity Fund	18,000,000	52.9	18,000,000	52.9	Mar. 31 (*5)
"	MARS Second Private Equity Fund (*4)	25,066,666,670	8.9	25,066,666,670	8.9	Mar. 31 (*5)
"	Connacht Capital Market Investment	15,000,000	100.0	15,000,000	100.0	Mar. 31 (*5)
"	Woori Investment Asia Pte. Ltd.	50,000,000	100.0	50,000,000	100.0	Mar. 31 (*5)
"	Woori Absolute Asia Global Opportunity Fund	35,000	100.0	35,000	100.0	Feb. 28 (*5)
Woori, Kyongnam & Kwangju Bank, Woori Investment Securities, Woori F&I & Woori PE	Woori Private Equity Fund (*1)	150,498	61.0	149,937	61.0	Mar. 31
Woori Private	Kumho Investment Bank	74,550,000	41.4	74,550,000	41.4	Mar. 31 (*5)

Equity Fund						
"	Woori Renaissance Holdings	1,260	51.6	1,260	51.6	Mar. 31
"	Phoenix Digital Tech Co., Ltd.	500,000	50.0	500,000	50.0	Mar. 31 (*5)
"	Woori BK Co., Ltd.	1,000	100.0	1,000	100.0	Mar. 31 (*5)
Woori Private Equity Fund & Kumho Investment Bank	Sahn Eagles LLC (*3)	51,027,331	63.8	-	-	Dec. 31
Woori Renaissance Holdings	UP Chemical Co., Ltd.	582,371	70.0	582,371	70.0	Mar. 31 (*5)

(\*1) The investee increased its capital in cash on January 5, 2010. As a result, the number of shares owned increased.

(\*2) Since total assets as of December 31, 2009 decreased to ₩10 billion, it has been deconsolidated and accounted for using the equity method as of January 1, 2010.

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(\*3) Since total assets as of December 31, 2009 exceeded ₩10 billion, it has been consolidated as of January 1, 2010.

(\*4) As a General Partner of investee s company, Woori Investment Securities Co., Ltd. has a right to make investment decisions even though it holds less than 50% equity of Mars 2nd Private Equity Fund. Therefore, it has been consolidated.

(\*5) The unreviewed financial statements as of March 31, 2010 are used for the consolidation.

(3) General information pertaining to the Company s subsidiaries as of March 31, 2010 does not differ materially from that as of December 31, 2009.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Financial Statement Presentation**

The Company maintains its official accounting records in Korean won and prepares statutory non-consolidated financial statements in the Korean language (Hangeul) in conformity with the accounting principles generally accepted in the Republic of Korea. Certain accounting principles applied by the Company that conform with financial accounting standards and accounting principles in the Republic of Korea may not conform with generally accepted accounting principles in other countries. Accordingly, these financial statements are intended for use by those who are informed about Korean accounting principles and practices. The accompanying financial statements have been restructured and translated into English with certain expanded descriptions from the Korean language financial statements. Certain information included in the Korean language financial statements, but not required for a fair presentation of the Company s financial position, results of operations, changes in shareholders equity or cash flows, is

not presented in the accompanying financial statements.

The accompanying financial statements are stated in Korean won, the currency of the country in which the Company is incorporated and operates. The translation of Korean won amounts into U.S. dollar amounts is included solely for the convenience of readers outside of the Republic of Korea and has been made at the rate of ₩1,130.80 to US\$ 1.00 at March 31, 2010, the Base Rate announced by Seoul Money Brokerage Service, Ltd. Such translations should not be construed as representations that the Korean won amounts could be converted into U.S. dollars at that or any other rate.

The accounting policies, which have been adopted in preparing the accompanying non-consolidated financial statements, do not differ materially from those used in preparing the non-consolidated financial statements for the year ended December 31, 2009.

### 3. INVESTMENT SECURITIES ACCOUNTED FOR USING THE EQUITY METHOD OF ACCOUNTING

(1) Changes in investment securities accounted for using the equity method of accounting for the three months ended March 31, 2010 and the year ended December 31, 2009 are as follows (Korean won in millions):

<2010>	Jan. 1, 2010	Gain (loss) on valuation using the equity method (*)	Other comprehensive income (*)	Dividends	Other increase (decrease)	Mar. 31, 2010
Woori Bank	₩ 13,621,824	₩ 472,173	₩ (76,341)	₩ (286,149)	₩ (1,805)	₩ 13,729,702
Kyongnam Bank	1,443,661	72,828	7,079	(58,050)	(138)	1,465,380
Kwangju Bank	976,284	40,455	5,039	(18,580)	(138)	1,003,060
WFIS	15,013	1,211				16,224
Woori F&I	166,563	10,931	82	(14,801)	4	162,779
Woori Investment Securities	754,782	45,025	(526)		(105)	799,176
Woori Asset Management	67,456	4,338				71,794
Woori PE	24,246	908	44		(70)	25,128
Woori Financial	207,346	(4,682)	36	(4,009)		198,691
Woori Aviva	72,903	(2,866)	4,068			74,105
	₩ 17,350,078	₩ 640,321	₩ (60,519)	₩ (381,589)	₩ (2,252)	₩ 17,546,039

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<2009>	Jan.1, 2009	Gain (loss) on valuation using the equity method (*)	Other comprehensive income (*)	Dividends	Other increase (decrease)	Dec.31, 2009
Woori Bank	₩ 11,900,128	₩ 952,362	₩ 475,591	₩ (2,455)	₩ 296,198	₩ 13,621,824
Kyongnam Bank	1,245,318	191,438	6,653		252	1,443,661
Kwangju Bank	920,938	61,980	(6,886)		252	976,284
WFIS	13,076	1,935	2			15,013
Woori F&I	139,999	24,097	(6,295)	(11,267)	20,029	166,563
Woori 3 <sup>rd</sup> SPC		38,328	(8,692)		(29,636)	
Woori Investment Securities	709,114	36,686	34,269	(25,479)	192	754,782
Woori Asset Management	41,296	4,315			21,845	67,456
Woori PE	12,844	1,320	103		9,979	24,246
Woori Financial	228,456	(24,589)	(1,085)	(1,275)	5,839	207,346
Woori Aviva	74,187	(2,498)	1,340		(126)	72,903
	₩ 15,285,356	₩ 1,285,374	₩ 495,000	₩ (40,476)	₩ 324,824	₩ 17,350,078

(\*) Gain or loss on valuation using the equity method and changes in equity of investees using the equity method is represented in total amount segregated by each investee.

(2) The details of other increase (decrease) for the three months ended March 31, 2010 and the year ended December 31, 2009 are as follows (Korean won in millions):

<2010>	Capital surplus	Capital adjustment	Retained earnings	Acquisition/ Others	Total
Woori Bank	₩ (316)	₩ (353)	₩ (1,136)	₩	₩ (1,805)
Kyongnam Bank	(67)	(71)			(138)
Kwangju Bank	(67)	(71)			(138)
Woori F&I	(56)	60			4
Woori Investment Securities	920	(1,025)			(105)
Woori PE	(34)	(36)			(70)
	₩ 380	₩ (1,496)	₩ (1,136)	₩	₩ (2,252)

<2009>	Capital surplus	Capital adjustment	Retained earnings	Other non-operating expenses	Acquisition/ Others	Total
Woori Bank	₩ (895)	₩ 898	₩ (2,987)	₩ (818)	₩ 300,000	₩ 296,198
Kyongnam Bank	71	181				252
Kwangju Bank	71	181				252
Woori F&I	34	(5)			20,000	20,029
Woori 3 <sup>rd</sup> SPC					(29,636)	(29,636)
Woori Investment Securities	(13)	205				192
Woori Asset Management	(26,005)				47,850	21,845
Woori PE	34	(55)			10,000	9,979
Woori Financial	217	1,613			4,009	5,839
Woori Aviva					(126)	(126)
	₩ (26,486)	₩ 3,018	₩ (2,987)	₩ (818)	₩ 352,097	₩ 324,824

(\*) The variation of equity due to the additional acquisition, disposal of shares and paid in capital of Company s subsidiaries are accounted as capital surplus or capital adjustments.

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- (3) The details of changes in the difference between the acquisition cost and the proportionate net asset value on the acquisition date for the three months ended March 31, 2010 and the year ended December 31, 2009 are as follows (Korean won in millions):

	Jan. 1, 2010	Acquisition	Amortization	Mar. 31, 2010
Woori F&I	₩ 56	₩	₩ 1	₩ 55
Woori Investment Securities	(2,223)		(78)	(2,145)
Woori Financial	105,684		9,608	96,076
Woori Aviva	23,633		1,836	21,797
	₩ 127,150	₩	₩ 11,367	₩ 115,783

  

	Jan. 1, 2009	Acquisition	Amortization	Dec. 31, 2009
Woori F&I	₩ 61	₩	₩ 5	₩ 56
Woori Investment Securities	(2,245)		(22)	(2,223)
Woori Financial	144,114		38,430	105,684
Woori Aviva	31,058	(126)	7,299	23,633
	₩ 172,988	₩ (126)	₩ 45,712	₩ 127,150

- (4) The details of unrealized gain (loss) from transactions among subsidiaries for the three months ended March 31, 2010 are as follows (Korean won in millions):

	Jan. 1, 2010	Realized	Incurred	Mar. 31, 2010
Woori Bank	₩ 4,175	₩ 1,333	₩ 2,192	₩ 7,700
Kyongnam Bank	360	130		490
Kwangju Bank	2,365	(150)		2,215
WFIS	3,642	(30)		3,612
Woori F&I	200	(200)		
Woori Investment Securities	(122)	5		(117)
Woori Financial	424	(79)		345
	₩ 11,044	₩ 1,010	₩ 2,192	₩ 14,245

- (5) The market value of Woori Investment Securities and Woori Financial are ₩727,302 million (₩15,700 per share) and ₩82,947 million (₩9,310 per share), respectively, as of March 31, 2010.

**4. LOANS AND ALLOWANCE FOR POSSIBLE LOAN LOSSES**

Loans as of March 31, 2010 and December 31, 2009 are as follows (Korean won in millions):

	Issuance date	Maturity date	Annual interest rate (%)	2010	2009
Woori Financial	Nov. 3, 2008	Oct. 19, 2010	5.47	₩ 30,000	₩ 30,000
"	Dec. 26, 2008	Oct. 19, 2010	5.47	70,000	70,000
Woori F&I Co.,Ltd	Mar. 27, 2009	Mar.27, 2012	6.80		40,000

	100,000	140,000
Allowance for possible loan losses	(500)	(700)
	<del>₩</del> 99,500	<del>₩</del> 139,300

**Table of Contents****5. FIXED ASSETS**

(1) Changes in fixed assets for the three months ended March 31, 2010 and the year ended December 31, 2009 are as follows (Korean won in millions):

	Jan. 1, 2010	Acquisition	Disposition	Depreciation	Mar. 31, 2010
Furniture and equipment	₩ 256	₩ 1	₩	₩ 30	₩ 227
Leasehold improvements	132	2		11	123
Others	27				27
	₩ 415	₩ 3	₩	₩ 41	₩ 377

  

	Jan. 1, 2009	Acquisition	Disposition	Depreciation	Dec. 31, 2009
Furniture and equipment	₩ 384	₩ 55	₩	₩ 183	₩ 256
Leasehold improvements	155	19		42	132
Others	27				27
	₩ 566	₩ 74	₩	₩ 225	₩ 415

**6. INTANGIBLE ASSETS**

(1) Changes in intangible assets for the three months ended March 31, 2010 and the year ended December 31, 2009 are as follows (Korean won in millions):

	Jan. 1, 2010	Acquisition	Amortization	Mar. 31, 2010
Software	₩ 2	₩	₩	₩ 2
Industrial property rights	6	15	2	19
	₩ 8	₩ 15	₩ 2	₩ 21

  

	Jan. 1, 2009	Acquisition	Amortization	Dec. 31, 2009
Software	₩ 3	₩	₩ 1	₩ 2
Industrial property rights	11		5	6
	₩ 14	₩	₩ 6	₩ 8

As of March 31, 2010 and December 31, 2009, accumulated amortization of software amounted to ₩35.3 million and ₩35.1 million, respectively, and accumulated amortization of industrial property rights amounted to ₩83.9 million and ₩82.4 million, respectively.

**7. OTHER ASSETS**

Other assets as of March 31, 2010 and December 31, 2009 are as follows (Korean won in millions):

	2010	2009
Deposits refundable (Note 17)	₩ 31,645	₩ 31,645
Other receivables		81

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Dividend receivables	4,009	
Accrued income (Note 17)	29	13
Prepaid expenses	432	321
Advance payments	34	
Intangible assets (Note 6)	21	8
	₩ 36,170	₩ 32,068

**Table of Contents****8. BORROWINGS AND DEBENTURES**

(1) Borrowings in local currency as of March 31, 2010 and December 31, 2009 are as follows (Korean won in millions):

Lender	Annual interest rate (%)	Maturity	Line of credit	2010	2009
Hana Bank	CD(3M)+2.5	Jul. 14, 2010	₩ 100,000	₩	₩ 50,000
Kookmin Bank	5.3	Jun. 17, 2010	150,000		10,000
			₩ 250,000	₩	₩ 60,000

(2) Debentures in local currency as of March 31, 2010 and December 31, 2009 are as follows (Korean won in millions):

	Issuance date	Annual interest rate (%)	Maturity	2010	2009
The 15th bonds	Jun. 21, 2005	4.31	Jun. 21, 2010	₩ 250,000	₩ 250,000
	Aug. 30, 2007	5.71	Aug. 30, 2010	250,000	250,000
The 18-1 <sup>st</sup> bonds	Aug. 30, 2007	5.79	Aug. 30, 2012	250,000	250,000
The 18-2 <sup>nd</sup> bonds	Dec. 6, 2007	6.63	Dec. 6, 2010	130,000	130,000
The 19-1 <sup>st</sup> bonds	Dec. 6, 2007	6.63	Dec. 6, 2012	140,000	140,000
The 19-2 <sup>nd</sup> bonds	Apr. 14, 2008	5.67	Apr. 14, 2011	160,000	160,000
The 20-1 <sup>st</sup> bonds	Apr. 14, 2008	5.72	Apr. 14, 2013	170,000	170,000
The 20-2 <sup>nd</sup> bonds	Jun. 24, 2008	6.55	Jun. 24, 2011	200,000	200,000
The 21 <sup>st</sup> bonds	Sep. 25, 2008	7.24	Sep. 25, 2010	50,000	50,000
The 22-1 <sup>st</sup> bonds	Sep. 25, 2008	7.28	Sep. 25, 2011	250,000	250,000
The 22-2 <sup>nd</sup> bonds	Dec. 9, 2008	7.96	Dec. 9, 2010	210,000	210,000
The 23-1 <sup>rd</sup> bonds	Dec. 9, 2008	8.13	Dec. 9, 2011	530,000	530,000
The 23-2 <sup>nd</sup> bonds	Dec. 9, 2008	8.19	Dec. 9, 2013	60,000	60,000
The 23-3 <sup>rd</sup> bonds	Mar. 24, 2009	5.24	Mar. 24, 2011	50,000	50,000
The 25-1st bonds	Mar. 24, 2009	5.39	Mar. 24, 2012	100,000	100,000
The 25-2nd bonds	Mar. 24, 2009	5.70	Mar. 24, 2014	150,000	150,000
The 25-3rd bonds	Mar. 31, 2009	6.36	Jan. 1, 2015	300,000	300,000
The 26th bonds	Jun. 15, 2009	5.43	Jun. 15, 2012	220,000	220,000
The 27-1st bonds	Jun. 15, 2009	5.94	Jun. 15, 2014	80,000	80,000
The 27-2nd bonds	Nov. 13, 2009	5.21	Nov. 13, 2012	60,000	60,000
The 28-1st bonds	Nov. 13, 2009	5.43	Nov. 13, 2013	140,000	140,000
The 28-2nd bonds				3,750,000	3,750,000
Less: discounts				(5,101)	(5,844)
				₩ 3,744,899	₩ 3,744,156

(\*)

All debentures  
above are in  
terms of bullet  
repayment.

**Table of Contents****9. ACCRUED SEVERANCE BENEFITS**

Employees and directors with more than one year of service are entitled to receive a lump-sum payment upon termination of their service with the Company. The accrued severance benefits that would be payable assuming all eligible employees and directors were to terminate amounted to ₩2,315 million and ₩2,175 million as of March 31, 2010 and December 31, 2009, respectively.

The details of changes in the accrued severance benefits for the three months ended March 31, 2010 and the year ended December 31, 2009 are as follows (Korean won in millions):

	2010	2009
Beginning balance	₩ 2,175	₩ 1,985
Provision for severance benefits (Note 14)	323	965
Retirement benefits payment	(183)	(775)
Ending balance	₩ 2,315	₩ 2,175

As of March 31, 2010 and December 31, 2009, the Company has enrolled post-retirement pension plan deposits at Woori Bank and the deposits amounting to ₩1,414 million, are presented as a deduction from accrued severance benefits. As of March 31, 2010, post-retirement pension plan deposits consist of beneficiary certificates and time deposits amounting to ₩146 million and ₩1,268 million, respectively.

**10. OTHER LIABILITIES**

Other liabilities as of March 31, 2010 and December 31, 2009 are as follows (Korean won in millions):

	2010	2009
Accrued severance benefits (Note 9)	₩ 2,315	₩ 2,175
Post-retirement pension plan deposits (Notes 9 and 17)	(1,414)	(1,414)
Other payables (Note 17)	633	758
Accrued expenses	17,086	18,069
Accrued dividend	80,602	
Withholdings	384	461
	₩ 99,606	₩ 20,049

**11. SHAREHOLDERS EQUITY**

(1) The authorized shares and issued shares of common stock as of March 31, 2010 and December 31, 2009 are as follows:

	2010	2009
Authorized shares of common stock	2,400,000,000	2,400,000,000
Par value	₩ 5,000	₩ 5,000
Issued shares of common stock	806,015,340	806,015,340

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(2) The changes in the capital stock of the Company for the period from its incorporation to March 31, 2010 are as follows (Korean won in millions):

Date	Description	Number of shares issued	Capital stock	Paid-in capital in excess of par value
March 27, 2001	Establishment	727,458,609	₩ 3,637,293	₩
June 12, 2002	Issuance of new shares	36,000,000	180,000	58,645
In 2002	Exercise of warrants	4,356,188	21,781	
2002.12.31		767,814,797	3,839,074	58,645
In 2003	Exercise of warrants	7,690,113	38,451	(574)
2003.12.31		775,504,910	3,877,525	58,071
In 2004	Issuance of new shares	8,571,262	42,856	14,126
	Exercise of convertible bonds	12,379,386	61,897	12,118
2004.12.31		796,455,558	3,982,278	84,315
In 2005	Exercise of convertible bonds	9,559,782	47,799	24,710
	Acquisition of common shares of Woori Asset Management			(24,537)
2006.12.31		806,015,340	4,030,077	84,488
2010.03.31		806,015,340	₩ 4,030,077	₩ 84,488

(3) Pursuant to Article 53 of the Financial Holding Company Act, legal reserves are appropriated at no less than one tenth of net income until reaching an amount equal to the Company's contributed capital, whenever dividends are declared.

(4) The Company held 2,560 shares of treasury stock as of March 31, 2010 and December 31, 2009.

(5) The changes in retained earnings from December 31, 2009 to March 31, 2010 are as follows (Korean won in millions):

Balance December 31, 2009	2010
	₩ 1,023,886
Appropriations:	
Dividend	(80,601)
Legal reserve	(102,604)
Voluntary reserve	(840,000)
Increase by using the equity method of accounting	(1,136)
Net income for the three months ended March 31, 2010	573,017

Balance March 31, 2010

₩ 572,562

**12. INCOME TAX EXPENSE**

- (1) Unless the Company sells or liquidates subsidiaries or affiliates, no income tax payments are expected under the Korean Corporate Tax Act. As the Company does not expect income tax payments, no deferred tax assets or liabilities are recorded in the financial statements.

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(2) The changes in cumulative temporary differences and tax loss carry-forwards for the three months ended March 31, 2010 and 2009 are as follows (Korean won in millions):

					Deferred tax Assets (liabilities)
<2010>	Jan. 1, 2010	Decrease	Increase	Mar. 31, 2010	
Investment securities	₩ (7,536,753)	₩ (239,748)	₩ (646,733)	₩ (7,943,783)	₩(*1) (53,869)
Accrued expenses	2,043	2,043	2,206	2,206	534
Accrued severance benefits	1,523		124	1,647	362
Post-retirement pension plan deposits	(1,414)			(1,414)	(311)
Depreciation	7			7	2
Other comprehensive income due to the equity method of accounting	(1,390,564)	(211,403)	(380)	(1,179,541)	(256,073)
<b>Total</b>	<b>₩ (8,925,158)</b>	<b>₩ (449,108)</b>	<b>₩ (644,783)</b>	<b>₩ (9,120,833)</b>	<b>₩ (309,355)</b>
Tax loss carry-forwards	₩ 508,146	₩	₩ 38,907	₩ 547,053	₩ 120,352
					Deferred tax assets (liabilities)
<2009>	Jan. 1, 2009	Decrease	Increase	Dec. 31, 2009	
Investment securities	₩ (6,334,148)	₩ (70,710)	₩ (1,273,315)	₩ (7,536,753)	₩(*1) (53,563)
Accrued expenses	1,820	1,820	2,043	2,043	494
Accrued severance benefits	1,374	229	378	1,523	335
Post-retirement pension plan deposits	(1,209)	(229)	(434)	(1,414)	(311)
Depreciation	10	4	1	7	2
Dividend receivable	39,390	39,390			
Other comprehensive income due to the equity method of accounting	(910,340)		(480,224)	(1,390,564)	(*1) (12,400)
Gain on disposal of investments using the equity method	34,604	34,604			
Others	2	2			
<b>Total</b>	<b>₩ (7,168,497)</b>	<b>₩ 5,110</b>	<b>₩ (1,751,551)</b>	<b>₩ (8,925,158)</b>	<b>₩ (65,443)</b>
Tax loss carry-forwards	₩ 303,186	₩ 22,414	₩ 227,374	₩ 508,146	₩ 111,792

(\*1) Based on the assumption that the temporary

differences in securities accounted for using the equity method of accounting would be realized by dividends.

(3) Remaining tax loss carry-forwards and their expirations are as follows (Korean won in millions):

Year incurred	Amount (*1)	Utilized	Expiration	Remaining	Expiration date
2005	₩ 112,067	₩	₩	₩ 112,067	Dec. 31, 2010
2006	22,324			22,324	Dec. 31, 2011
2007	57,788			57,788	Dec. 31, 2012
2008	88,593			88,593	Dec. 31, 2013
2009	227,374			227,374	Dec. 31, 2019
2010	38,907			38,907	Dec. 31, 2020
	₩ 547,053	₩	₩	₩ 547,053	

(\*1) Adjusted based on the reported tax returns

**Table of Contents****13. STATEMENTS OF CASH FLOWS**

The significant transactions without cash flows for the three months ended March 31, 2010 and 2009 are as follows (Korean won in millions):

Transactions	2010	2009
Increase (decrease) in other capital surplus for the equity method of accounting	₩ 380	₩ (148)
Increase (decrease) in capital adjustments for the equity method of accounting	(1,496)	306
Increase (decrease) in other comprehensive income for the equity method of accounting	(60,519)	104,064
Increase (decrease) in retained earnings for the equity method of accounting	(1,136)	905
Decrease (increase) in dividend receivables	(4,009)	13,308

**14. GENERAL AND ADMINISTRATIVE EXPENSES**

General and administrative expenses for the three months ended March 31, 2010 and 2009 are summarized as follows (Korean won in millions):

	2010	2009
Salaries, wages and bonuses (Note 17)	₩ 4,212	₩ 3,962
Provision for severance benefits (Notes 9 and 17)	323	237
Fringe benefits	474	448
Rent (Note 17)	277	267
Entertainment	264	220
Depreciation (Note 5)	41	54
Amortization (Note 6)	2	2
Taxes and dues	98	29
Advertising	60	38
Travel	153	46
Telecommunications	49	40
Service fees (Note 17)	759	695
Suppliers	38	36
Others (Note 17)	464	387
	₩ 7,214	₩ 6,461

**Table of Contents****15. FINANCIAL INFORMATION OF SUBSIDIARIES**

(1) The condensed statement of financial positions of subsidiaries as of March 31, 2010 are as follows (Korean won in millions):

	Total assets	Total liabilities	Total shareholders equity
Woori Bank	₩ 228,952,823	₩ 215,213,857	₩ 13,738,966
Kyongnam Bank	21,672,494	20,206,738	1,465,756
Kwangju Bank	16,208,987	15,208,132	1,000,855
WFIS	217,082	204,470	12,612
Woori F&I	517,755	337,152	180,603
Woori Investment Securities	18,972,086	16,232,271	2,739,815
Woori Asset Management	92,363	20,569	71,794
Woori PE	2,158,882	1,731,364	427,518
Woori Financial	2,187,058	1,974,448	212,610
Woori Aviva	1,743,822	1,659,238	84,584
Total	₩ 292,723,352	₩ 272,788,239	₩ 19,935,113

(2) The condensed statements of operations of subsidiaries for the three months ended March 31, 2010 are as follows (Korean won in millions):

	Operating revenue	Operating expenses	Operating income (loss)	Income(loss) before income tax	Net income (loss)
Woori Bank	₩ 6,937,346	₩ 6,339,562	₩ 597,784	₩ 570,836	₩ 459,808
Kyongnam Bank	430,341	335,528	94,813	94,676	71,817
Kwangju Bank	301,158	246,596	54,562	53,362	40,480
WFIS	71,215	69,533	1,682	1,686	1,242
Woori F&I	19,445	8,479	10,966	14,777	11,132
Woori Investments Securities	1,235,376	1,059,658	175,718	179,637	136,535
Woori Asset Management	12,448	6,382	6,066	5,716	4,338
Woori PE	64,886	95,546	(30,660)	(24,794)	429
Woori Financial	66,347	55,408	10,939	10,944	8,770
Woori Aviva	235,847	237,453	(1,606)	(2,064)	(1,522)
	₩ 9,374,409	₩ 8,454,145	₩ 920,264	₩ 904,776	₩ 733,029

(3) Significant financial resources and financial assets of the Company and its subsidiaries as of March 31, 2010 are summarized as follows (Korean won in millions):

1) Significant financial resources

	Deposits	Borrowings	Debentures	Total
Woori Finance Holdings	₩	₩	₩ 3,744,899	₩ 3,744,899
Woori Bank	152,649,296	18,072,506	25,530,219	196,252,021
Kyongnam Bank	14,183,385	2,333,578	1,798,145	18,315,108

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Kwangju Bank	11,533,175	2,098,665	920,137	14,551,977
WFIS		67,100		67,100
Woori F&I		129,808	194,541	324,349
Woori Investment Securities	1,439,469	11,623,165	1,024,802	14,087,436
Woori PE	1,148,535	385,768	44,431	1,578,734
Woori Financial		447,951	1,312,344	1,760,295
Woori Aviva		33,700		33,700
Total	₩ 180,953,860	₩ 35,192,241	₩ 34,569,518	₩ 250,715,619

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## 2) Significant assets

	Cash and due from banks	Securities	Loans	Total
Woori Finance Holdings	₩ 312,986	₩ 17,546,039	₩ 99,500	₩ 17,958,525
Woori Bank	19,972,719	31,892,677	161,507,543	213,372,939
Kyongnam Bank	833,313	3,720,112	15,468,992	20,022,417
Kwangju Bank	1,294,808	3,301,896	11,047,950	15,644,654
WFIS	3,488	114		3,602
Woori F&I	39,483	59,509	151,922	250,914
Woori Investment Securities	3,858,299	12,281,816	1,030,008	17,170,123
Woori Asset Management	57,211	18,218	1,236	76,665
Woori PE	227,337	429,022	613,945	1,270,304
Woori Financial	53,295	14,961	2,014,112	2,082,368
Woori Aviva	100,428	1,111,099	176,316	1,387,843
	₩ 26,753,367	₩ 70,375,463	₩ 192,111,524	₩ 289,240,354

(4) Loans subject to allowance for possible losses, allowance for possible losses and percentage of allowance to loans by each subsidiary as of March 31, 2010 are summarized as follows (Korean won in millions):

	Loans subject to allowance for possible loan losses		Percentage of allowance to loans (%)
	Allowance		
Woori Bank	₩ 165,177,136	₩ 3,669,595	2.2
Kyongnam Bank	15,681,599	212,608	1.4
Kwangju Bank	11,284,110	236,160	2.1
Woori F&I	155,449	3,526	2.3
Woori Investment Securities	1,135,337	105,329	9.3
Woori Asset Management	1,243	6	0.5
Woori PE	645,894	31,948	4.9
Woori Financial	2,054,760	40,648	2.0
Woori Aviva	181,123	4,807	2.7
Total	₩ 196,316,651	₩ 4,304,627	2.2

**Table of Contents****16. PROPORTION OF INCOME FROM SUBSIDIARIES IN THE COMPANY'S NET INCOME**

Proportion of income from subsidiaries in the Company's net income for the three months ended March 31, 2010 and 2009 are as follows (Korean won in millions):

	2010	Ratio (%)	2009	Ratio (%)
Woori Bank	₩472,173	73.7	₩152,312	68.5
Kyongnam Bank	72,828	11.4	47,651	21.4
Kwangju Bank	40,455	6.3	10,286	4.6
WFIS	1,211	0.2	(4,370)	(2.0)
Woori F&I	10,931	1.7	(78)	
Woori 3 <sup>rd</sup> SPC			(36)	
Woori Investment Securities	45,025	7.0	22,410	10.1
Woori Asset Management	4,338	0.7	2,008	0.9
Woori PE	908	0.1	386	0.2
Woori Financial	(4,682)	(0.7)	(8,310)	(3.8)
Woori Aviva	(2,866)	(0.4)	168	0.1
Gain on valuation using the equity method of accounting, net of loss	640,321	100.0	222,427	100.0
Other income	2,072		3,814	
Other expenses	69,376		63,968	
Net income	₩573,017		₩162,273	

**Table of Contents****17. TRANSACTIONS WITH RELATED PARTIES**

(1) The related parties of the Company as of March 31, 2010 are as follows:

	Company name
Majority shareholder	Korea deposit insurance corporation
Consolidated subsidiaries	Woori Bank Kyongnam Bank Kwangju Bank Woori Finance Information System Co., Ltd. Woori F&I Co., Ltd. Woori Third Asset Securitization Specialty Co., Ltd. Woori Investment Securities Co., Ltd. Woori Asset Management Co., Ltd. Woori Private Equity Co., Ltd. Woori Financial Co., Ltd. Woori Aviva Life Insurance Co.,Ltd.
Other affiliates	Woori Credit Information Woori America Bank PT. Bank Woori Indonesia Woori Global Market Asia Limited Woori Bank (China) Limited ZAO Woori Bank Woori AMC Co.,Ltd. Woori F&I Sixth Asset Securitization Specialty Woori F&I Seventh Asset Securitization Specialty Woori F&I Tenth Asset Securitization Specialty Woori F&I Eleventh Asset Securitization Specialty Woori F&I Thirteenth Asset Securitization Specialty Woori SB Tenth Asset Securitization Specialty Woori Futures Co., Ltd. Woori Investment Securities (H.K.) Ltd. LG Investment Holding B.V.(Amsterdam) GG MARS First Private Equity Fund MARS Second Private Equity Fund Connacht Capital Market Investment Woori Investment Asia Pte. Ltd. Woori Absolute Asia Global Opportunity Fund Woori Private Equity Fund Kumho Investment Bank Woori Renaissance Holdings Phoenix Digital Tech Co.,Ltd. Woori BK Co.,Ltd. Sahn Eagles LLC UP Chemical Co., Ltd.

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(2) Assets and liabilities from transactions with the subsidiaries as of March 31, 2010 and December 31, 2009 are as follows (Korean won in millions):

	2010	2009	
<Assets>			
Woori Bank	₩ 236,356	₩ 23,267	Cash and bank deposits
	31,555	31,555	Guarantee deposits
	28	13	Accrued income
	1,303	1,414	Post-retirement pension plan assets
Kyongnam Bank	58,050		Cash and bank deposits
Kwangju Bank	18,579		Cash and bank deposits
	1		Accrued income
Woori Financial	100,000	100,000	Loans
Woori F&I		40,000	Loans
	₩ 445,872	₩ 196,249	
<Liabilities>			
Woori Bank	187	246	Other payables
WFIS	123	143	Other payables
	₩ 310	₩ 389	

(3) Revenues and expenses from transactions with the subsidiaries for the three months ended March 31, 2010 and 2009 are as follows:

	2010	2009	
<Revenues>			
Woori Bank	₩ 123	₩ 603	Interest income on deposits
Kyongnam Bank		20	Interest income on deposits
Kwangju Bank	1	20	Interest income on deposits
Woori Financial	1,349	3,091	Interest income on loans
Woori F&I	395	37	Interest income on loans
	₩ 1,868	₩ 3,771	
<Expenses>			
Woori Bank	₩ 182	₩ 182	Rent
WFIS	501	429	Fees
	₩ 683	₩ 611	

(4) The Company compensated standing or non-standing directors for ₩457 million of salaries and recorded ₩21 million of severance benefits for the three months ended March 31, 2010.

**Table of Contents****18. EARNINGS PER COMMON SHARE**

(1) Basic net income per common share for the three months ended March 31, 2010 and 2009 is as follows (Korean won in millions, except for earnings per share data):

	2010	2009
Net income on common shares	₩ 573,017	₩ 162,273
Weighted average number of common shares outstanding	806,012,780	806,012,780
Basic net income per common shares	₩ 711	₩ 201

(2) Basic net income per common share for the year ended December 31, 2009 is ₩1,273.

**19. STATEMENTS OF COMPREHENSIVE INCOME**

Statements of comprehensive income for the three months ended March 31, 2010 and 2009 are as follows (Korean won in millions):

	2010	2009
Net income	₩ 573,017	₩ 162,273
Valuation using the equity method on subsidiaries	(60,519)	104,064
Comprehensive income	₩ 512,498	₩ 266,337

**20. INSURANCE**

As of March 31, 2010, the Company has indemnification insurance for directors with Samsung Fire & Marine Insurance Co., Ltd. The insurance coverage is ₩50,000 million. The Company also has insurance to cover for damage on premises, property and equipment with Samsung Fire & Marine Insurance Co., Ltd.

**21. ADOPTION OF KOREAN INTERNATIONAL FINANCIAL REPORTING STANDARDS**

(1) Adoption of Korean International Finance Reporting Standard

In accordance with the amendment to the Act on External Audit for Stock Companies, the Company is required to comply with Korean international financial reporting standard (K-IFRS) since January 1, 2011. From July 2007, the Company has processed the GAAP conversion toward K-IFRS by adopting systematic approach, such as analyzing IFRS impact on current accounting, establishing new accounting standards and financial reporting system, and simultaneously operating K-IFRS adopted financial reporting system and current reporting system.

In July 2008, the Company established the master transition plan toward K-IFRS, and is currently in the process of designing and implementing the new accounting framework and financial reporting system. The Company is to issue its financial statements under K-IFRS from 2011.

(2) Differences between K-IFRS and K-GAAP which are significant to the Company

Differences between K-IFRS and K-GAAP, which are significant to the Company, are summarized below. Such items being presented do not explain detailed impacts on financial statements which may vary with further analysis.

Presently, the Company could not estimate the financial impacts from key differences.

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Classification	K-IFRS	Current accounting Standards
Change of consolidation scope	Exceeding 50% of the voting power, decision making capability and holding benefits and risks are conditional on the alternation of consolidation scope.	Over 30% of shares owned, the biggest shareholder decision making are subject to the alternation, excluding special purpose entities subject to certain condition.
Business Combinations	Acquisition method of accounting	Purchase accounting or pooling interest method
Evaluation of Goodwill	No amortization but impairment testing	Amortization with straight line method within 20 years and impairment test
Allowance for Bad Debts	The estimated impairment amount is adopted of which the reason is objectively supported. An impairment loss should be regarded as incurred and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition.	It provides an allowance for doubtful accounts to cover estimated losses on loan, based on rational and unbiased standards (It must be selected as large amount between the percentage of loan loss allowance established by the Financial Supervisory Commission and loan loss experience ratio on a loan.)
Classification of Financial Instruments	Financial instruments classify financial assets at fair value through profit or loss, available-for-sale financial assets, held-to-maturity investments, loan and receivables.	Securities are classified by trading securities, available-for-sale securities and held-to-maturity securities. Otherwise, deposits and derivatives are separately categorized.
Measurement of Financial Instruments	The fair-value evaluation reflects credit risks.	The fair-value evaluation is targeted to trading securities, available-for-sale securities and derivatives, which are limited, the reflection of credit risk is not explicitly mentioned.
Derecognition of Financial Assets	A financial asset is derecognition when, and when only, either the contractual rights to the asset's cash flows expire, or the asset is transferred and the transfer qualifies for derecognition. The decision whether a transfer qualifies for derecognition is made	The disposal of financial assets is contingent on the risks and rewards of ownership of the financial assets, and whether it has retained control of the financial assets. However, some particular transactions like the asset backed method are recognized as disposal.

by applying a combination of risks and rewards and control tests.

Classification of Capital

Capital is categorized by contents of the contract rather than the legal forms.

Capital is classified as a legal capital which shareholders paid.

Classification of Investment Property

Property (land or building) to earn rentals is treated as investment property.

Property (land or building) to earn rentals is treated as tangible assets.

Evaluation of Tangible Asset and Investment Property

In accordance with asset classifications, the asset cost method and asset revaluation reserves are selected as alternative. In addition, cost method is a selective option. However, the Company can use fair value as deemed cost for the convertible basic price of an item of land and buildings.

In accordance with asset classifications, the asset cost method and asset revaluation reserves are selected as alternative. In addition, cost method is a selective option.

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Classification	K-IFRS	Current accounting Standards
Measurement of Accrued Severance Benefits	In accordance with the concept of estimated accumulation rate per unit using the actuarial technique and discount rate, calculate for current value of the estimated amount of severance pay, and the outcome is applied as the liability of the amount of severance pay.	In accordance with the Company's policy, all employees with more than one year of service are entitled to receive severance benefit payments upon termination.

**22. AGREEMENT ON THE IMPLEMENTATION OF A MANAGEMENT IMPROVEMENT PLAN**

Since December 30, 2000, the Company's three subsidiaries, Woori Bank, Kyongnam Bank and Kwangju Bank, and the KDIC have entered into agreements for the implementation of management improvement plans for the banks.

Under the agreements, the three subsidiaries are obligated to improve financial ratio, such as BIS capital ratio, Return on Assets (ROA), General and administrative ratio, Non-performing loan rate and adjusted operating income (AOI) per person. If the three subsidiaries fail to implement the agreements, the KDIC may command for the three subsidiaries to increase or decrease their capital, pursue mergers, assign contracts such as loans and deposits, or close or sell parts of their business operations.

Since July 2, 2001, the Company and the KDIC have entered into an agreement whereby the Company would integrate the Company's above subsidiaries, Woori Bank, Kyongnam Bank and Kwangju Bank, and improve the performance of the subsidiaries. The agreement stipulates that the Company should build a governance and management structure plan, implement a short-term business improvement strategy, enhance subsidiaries competitiveness, expedite privatization, meet the financial ratio targets, and dispose of business units in case of failure to carry out the agreement.

In order to implement the agreements of above three subsidiaries with the KDIC, on July 2, 2001, the Company and its three subsidiaries entered into agreements for the implementation of the management improvement for the three subsidiaries. Pursuant to the agreements, the three subsidiaries should meet management goals given by the Company, consult with the Company about material business decisions before execution, and prepare and implement a detailed business plan in conformity with the Company's business strategies. If the three subsidiaries fail to implement the management improvement plan, the Company may order the three subsidiaries to limit sales of the specific financial products, investments in fixed assets, promotion of new business or new equity investment, or to close or merge their branch operations and subsidiaries.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Woori Finance Holdings Co., Ltd.  
(Registrant)

Date: May 18, 2010

By: /s/ Woo Seok Seong  
(Signature)  
Name: Woo Seok Seong  
Title: General Manager