

WOORI FINANCE HOLDINGS CO LTD

Form 6-K

November 17, 2009

**Table of Contents**

**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 November 2009  
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

**Table of Contents**

**Summary of 2009 3Q Business Report**

**Table of Contents**

<b><u>I. Company Overview</u></b>	4
<b><u>1. Purpose of the Company</u></b>	4
a. <u>Scope of Business</u>	4
b. <u>Scope of Business of Subsidiaries</u>	4
<b><u>2. History of the Company</u></b>	5
a. <u>Company History</u>	5
b. <u>Associated Business Group</u>	6
<b><u>3. Capital Structure</u></b>	10
a. <u>Changes in Capital</u>	10
b. <u>Convertible Bonds</u>	10
<b><u>4. Total Number of Authorized Shares</u></b>	11
a. <u>Total Number of Authorized Shares</u>	11
b. <u>Treasury Stock</u>	11
<b><u>5. Voting Rights</u></b>	11
<b><u>6. Dividend Information</u></b>	12
a. <u>Dividend Information for the Past Three Years</u>	12
<b><u>II. Description of Business</u></b>	13
<b><u>1. Business Overview</u></b>	13
a. <u>Organizational Chart</u>	13
<b><u>2. Overview of Operations</u></b>	14
a. <u>Performance of Operations</u>	14
b. <u>Financing of Operations</u>	14
c. <u>Transactions related to Commission Fees</u>	15
<b><u>3. Other Information Relevant to Investment Decisions</u></b>	16
a. <u>BIS ratio</u>	16
b. <u>Credit Ratings for the Past Three Years</u>	16
c. <u>Won-denominated Current Ratio</u>	16
d. <u>Foreign Currency-denominated Current Ratio</u>	17
e. <u>Debt Ratio</u>	17
<b><u>III. Financial Information</u></b>	18
<b><u>1. Condensed Financial Statements (Non-consolidated)</u></b>	18
<b><u>2. Condensed Financial Statements (Consolidated)</u></b>	19
<b><u>3. Accounting Information</u></b>	20
a. <u>Loan Loss Reserves</u>	20
<b><u>IV. Independent Auditor's Opinion</u></b>	21
<b><u>1. Independent Auditor's Opinion</u></b>	21
a. <u>Independent Auditor</u>	21
<b><u>2. Compensation to the Independent Auditor for the Past Three Years</u></b>	21
a. <u>Auditing Service</u>	21

b. Compensation for Services Other than the Audit

21

2

---

**Table of Contents**

<b><u>V. Corporate Governance and Affiliated Companies</u></b>	22
<b><u>1. About the Board of Directors</u></b>	22
<b><u>2. Related Companies</u></b>	25
<b><u>3. Investments in Other Companies</u></b>	26
<b><u>VI. Stock Information</u></b>	27
<b><u>1. Stock Distribution</u></b>	27
a. <u>Stock Information of Largest Shareholder and Specially Related Parties</u>	27
b. <u>Share Ownership of More than 5%</u>	27
c. <u>Shareholder Distribution</u>	27
<b><u>2. Stock Price and Stock Market Performance for the Past Six Months</u></b>	28
a. <u>Domestic Stock Market</u>	28
b. <u>Foreign Stock Market (NYSE)</u>	28
<b><u>VII. Directors and Employee Information</u></b>	29
<b><u>1. Directors</u></b>	29
<b><u>2. Employee Status</u></b>	29
<b><u>3. Directors Compensation</u></b>	29
<b><u>VIII. Related Party Transactions</u></b>	30
<b><u>1. Transactions with Affiliated Parties</u></b>	30
a. <u>Transactions of Provisional Payments and Loans (including secured loans)</u>	30
b. <u>Payment Transactions</u>	30
<b><u>Exhibit A Financial Statements</u></b>	
<b><u>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.</u></b>	

**Table of Contents**

**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.

(3) Woori Aviva Life Insurance: life insurance and other insurance activities and other business activities permitted under the Insurance Business Act.

**Table of Contents**

- (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.
- (9) Woori Third Asset Securitization Specialty Co., Ltd.: securitization 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.

**Table of Contents**

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)

**b. Associated Business Group**

- (1) Overview of Business Group
  1. **Name of business group:** Woori Financial Group
- (2) Related companies within the business group



**Table of Contents**

As of September 30, 2009

Type	Name of Company	Controlling Company	Notes
Holding Company	Woori Finance Holdings	Korea Deposit Insurance Corporation	1 company
	Woori Bank		
	Kwangju Bank		
	Kyongnam Bank		
	Woori Finance Information System		
	Woori F & I		
1 <sup>st</sup> Tier Subsidiaries	Woori Third Asset Securitization Specialty	Woori Finance Holdings	11 companies
	Woori Asset Management		
	Woori Investment & Securities		
	Woori Private Equity		
	Woori Financial		
	Woori Aviva Life Insurance		
	Woori Credit Information		
	Woori America Bank		
	P.T. Bank Woori Indonesia		
	Korea BTL Infrastructure Fund	Woori Bank	
	Woori Global Markets Asia Ltd.		
	ZAO Woori Bank		
	Woori Bank (China) Limited		
	Woori SB Asset Management		
	Woori F&I Fifth Asset Securitization Specialty Co., Ltd.		
	Woori F&I Sixth Asset Securitization Specialty Co., Ltd.		
	Woori F&I Seventh Asset Securitization Specialty Co., Ltd.		
	Woori F&I Eighth Asset Securitization Specialty Co., Ltd.		
	Woori F&I Ninth Asset Securitization Specialty Co., Ltd.	Woori F&I	
	Woori SB Tenth Asset Management		
	Woori F&I Tenth Asset Securitization Specialty Co., Ltd.		
2 <sup>nd</sup> Tier Subsidiaries	Woori F&I Eleventh Asset Securitization Specialty Co., Ltd.		32 companies
	Woori F&I Thirteenth Asset Securitization Specialty Co., Ltd.		
	Woori Private Equity Fund	Woori Private Equity	
	Woori Futures		
	Woori Investment & Securities International Ltd.		
	Woori Investment & Securities (HK) Ltd.		
	Woori Investment & Securities America Inc.		
	Mars Private Equity Fund No. 1		
	Mars Private Equity Fund No.2		
	Woori Investment Asia Pte. Ltd.	Woori Investment & Securities	
	Mars Private Equity Fund No.3		
	Mars Private Equity Fund No.4		
	Woori Absolute Partners PTE, Ltd.		
	Woori Absolute Asia Multi Strategy Fund		
	Woori Absolute Global Opportunity Fund		
	PT Clemont Securities Indonesia		
	Bien Viet Securities Joint Stock Company		



**Table of Contents**

- \* 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

2nd 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.

\* 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.



**Table of Contents**

- \* 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.

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

(units: Won, shares)

Date	Category	Type	Quantity	Stock Decrease/Increase		Note
				Par Value	Issue price	
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 September 30, 2009 (units: shares)

	Items	Common Shares	Type 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 September 30, 2009 (units: 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						
	Common	2,560				2,560	
Subtotal	Preferred						
	Common	2,560				2,560	
Indirect acquisition from trust agreement	Preferred						
	Common	2,560				2,560	
Total	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 September 30, 2009 (units: shares)

Items	Number of stock	Notes
Total number of shares	806,015,340	
	Common Shares	
	Preferred Shares	

Stocks without voting rights	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	806,012,780
	Preferred Shares	
	11	

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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>2008</b>	<b>2007</b>	<b>2006</b>
Par value per share (Won)	5,000	5,000	5,000
Net profit (Won in Millions)	454,478	1,943,560	2,029,319
Earnings per share (Won)	564	2,411	2,518
Total cash payout (Won in Millions)		201,503	483,608
Total stock dividends (Won in Millions)			
Propensity to cash dividends (%)		10.37	23.83
	Common	1.29	2.71
	Shares		
Cash dividend yield (%)	Preferred		
	Shares		
	Common		
	Shares		
Stock dividend yield (%)	Preferred		
	Shares		
	Common	250	600
	Shares		
Cash dividend per share (Won)	Preferred		
	Shares		
	Common		
	Shares		
Stock dividend per share (Won)	Preferred		
	Shares		

**Table of Contents**

**II. Description of Business**

**1. Business Overview**

**a. Organizational Chart**

As of September 30, 2009



**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

(units: millions of Won)

Items	2009 3Q	2008	2007
Shareholders Equity	13,546,812	12,207,338	13,062,368
Capital	4,030,077	4,030,077	4,030,077
Capital Surplus	204,627	186,959	187,554
Retained Earnings	8,190,613	7,323,148	7,058,269
Capital Adjustments	1,121,495	667,154	1,786,488
Borrowings	3,762,330	3,412,854	2,129,288
Debentures	3,688,032	3,393,702	2,116,679
Bank Borrowings	50,000		
Commercial Paper			
Other Borrowings			
Other Liabilities	24,298	19,152	12,609
Total	17,309,142	15,620,192	15,191,656

\* The figures for fiscal years 2007 and 2008 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**

## (2) Use of Funds

(units: millions of Won)

<b>Items</b>	<b>2009 3Q</b>	<b>2008</b>	<b>2007</b>
Subsidiary Stock	17,055,959	15,285,356	15,062,711
Woori Bank	13,391,476	11,900,128	12,196,954
Kyongnam Bank	1,400,566	1,245,318	923,555
Kwangju Bank	962,787	920,938	726,256
Woori Financial Information System	13,240	13,076	10,080
Woori F&I	160,446	139,999	144,746
Woori 3 <sup>rd</sup> Asset Securitization Specialty			1,885
Woori Investment & Securities	771,774	709,114	735,983
Woori Asset Management (formerly Woori CS Asset Management)	50,972	41,296	49,895
Woori Private Equity	25,008	12,844	11,949
Woori Financial	205,544	228,456	261,408
Woori Aviva Life Insurance	74,146	74,187	
Investment Securities			
Loan Obligations	189,050	169,150	
Tangible Assets	449	566	438
Intangible Assets	9	14	20
Cash	31,529	119,350	32,502
Other Assets	32,146	45,756	95,985
<b>Total</b>	<b>17,309,142</b>	<b>15,620,192</b>	<b>15,191,656</b>

\* The figures for fiscal years 2007 and 2008 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.

**c. Transactions related to Commission Fees**

		(units: millions of Won)		
<b>Category</b>	<b>2009 3Q</b>	<b>2008</b>	<b>2007</b>	
Commission Revenue (A)				
Commission Expense (B)	4,310	7,119	5,916	
Commission Profit (A-B)	(4,310)	(7,119)	(5,916)	

15

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

(units: millions of Won)

Items	2009 3Q <sup>(1)</sup>	2008	2007
Total Capital (A)	24,756,866	22,436,482	20,102,976
Risk weighted assets (B)	204,500,042	206,606,315	174,367,585
BIS Ratio (A/B)	12.11%	10.86%	11.53%

\* Applied since  
January 1, 2007.

(1) Estimates

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

Date of Rating	Evaluated Securities	Credit Rating	Company (Ratings Range)	Evaluation Category
2005.06.07		BBB	S&P (AAA ~ D)	Case evaluation
2005.06.09	Debentures	AAA	KIS Ratings (AAA ~ D)	Case evaluation
2005.06.13	Debentures	AAA	Korea Ratings (AAA ~ D)	Case evaluation
2005.09.16	Debentures	AAA	NICE (AAA ~ D)	Case evaluation
2005.09.20	Debentures	AAA	KIS Ratings (AAA ~ D)	Case evaluation
2005.10.24		BBB+	Fitch Rating (AAA ~ D)	Case evaluation
2006.08.10		Baa2	Moody s (Aaa ~ C)	Case evaluation
2006.09.07		Baa1	Moody s (Aaa ~ C)	Case evaluation
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**

(units: millions of Won)

<b>Items</b>	<b>2009 3Q</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Current Assets (A)	31,905	119,566	32,874	117,037
Current Liabilities (B)	5,671	18,376	12,207	12,496
Current Ratio (A/B)	562.61%	650.66%	269.30%	936.60%
	16			

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**Table of Contents****\* Current ratio**

= Won-denominated assets with maturity of less than 1 month  
 Won-denominated liabilities with maturity of less than 1 month

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

**d. Foreign Currency-denominated Current Ratio**

(units: millions of Won)

Items	2009 3Q	2008	2007	2006
Current Assets (A)				
Current Liabilities (B)				
Current Ratio (A/B)				

**\* Current ratio**

= Foreign currency-denominated assets with maturity of less than 3 months  
 Foreign currency-denominated liabilities with maturity of less than 3 months

**e. Debt Ratio**

(units: millions of Won)

Items	2009 3Q	2008	2007	2006
Liabilities (A)	3,762,330	3,412,854	2,129,288	1,860,448
Equity (B)	13,546,812	12,207,338	(*)13,062,368	11,933,072
Debt Ratio (A/B)	27.77%	27.96%	16.30%	15.59%

The figures for fiscal years 2006, 2007 and 2008 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****III. Financial Information****1. Condensed Financial Statements (Non-consolidated)**

(units: millions of Won)

<b>Items</b>	<b>2009 3Q</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Cash and Due from Banks	31,530	119,350	32,502	89,724	104,072
Securities	17,055,959	15,285,356	15,062,711	13,591,413	11,751,678
Loans	189,050	169,150	0	49,750	109,450
Tangible Assets	449	566	438	630	119
Other Assets	32,154	45,770	96,005	62,004	66,464
<b>Total Assets</b>	<b>17,309,142</b>	<b>15,620,192</b>	<b>15,191,656</b>	<b>13,793,521</b>	<b>12,031,783</b>
Borrowings	3,744,016	3,393,702	2,116,679	1,847,591	2,296,203
Other Liabilities	18,314	19,152	12,609	12,858	18,216
<b>Total Liabilities</b>	<b>3,762,330</b>	<b>3,412,854</b>	<b>2,129,288</b>	<b>1,860,449</b>	<b>2,314,419</b>
Common Stock	4,030,077	4,030,077	4,030,077	4,030,077	4,030,077
Capital Surplus	204,627	186,959	187,554	187,955	142,608
Capital Adjustment	(56,683)	(57,219)	(55,812)	(55,854)	(52,747)
Consolidated Other					
Comprehensive Income	1,178,178	724,373	1,842,300	2,173,349	1,705,463
Retained Earnings	8,190,613	7,323,148	7,058,249	5,597,545	3,891,963
<b>Total Stockholder s Equity</b>	<b>13,546,812</b>	<b>12,207,338</b>	<b>13,062,368</b>	<b>11,933,072</b>	<b>9,717,364</b>
Operating Revenue	1,096,062	666,267	2,080,957	2,031,611	1,867,488
Operating Income	874,761	455,812	1,939,374	1,893,248	1,687,964
Income before income tax expense	869,246	454,478	1,943,561	2,029,319	1,688,221
Net income	869,246	454,478	1,943,561	2,029,319	1,688,221

\* The figures for fiscal years 2005 to 2007 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.

18

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

(units: millions of Won)

Items	2008	2007	2006	2005	2004
Cash and Due from					
Banks	19,967,897	14,984,541	10,674,977	11,224,015	6,530,065
Securities	46,714,465	48,228,254	46,313,960	37,693,090	29,175,271
Loans	197,040,672	167,635,411	140,854,505	106,937,970	91,482,647
Tangible Assets	2,796,537	2,638,774	2,561,391	2,472,727	2,410,106
Other Assets	24,474,724	16,165,322	11,592,497	6,215,046	7,003,875
<b>Total Assets</b>	<b>290,994,295</b>	<b>249,652,302</b>	<b>211,997,330</b>	<b>164,542,848</b>	<b>136,601,964</b>
Deposits	170,224,891	146,583,312	129,022,868	107,087,990	92,148,907
Borrowings	74,717,758	66,040,316	54,111,207	37,116,858	27,910,757
Other Liabilities	31,743,043	22,011,382	15,438,450	9,233,038	7,837,020
<b>Total Liabilities</b>	<b>276,685,692</b>	<b>234,635,010</b>	<b>198,572,525</b>	<b>153,437,886</b>	<b>127,896,684</b>
Common Stock	4,030,077	4,030,077	4,030,077	4,030,077	3,982,278
Consolidated Capital					
Surplus	186,959	187,555	187,955	142,608	170,960
Consolidated Capital					
Adjustment	(57,219)	(55,812)	(55,854)	(52,747)	(48,254)
Consolidated Other					
Comprehensive Income	724,366	1,842,294	2,173,342	1,705,456	1,014,211
Consolidated Retained					
Earnings	7,323,149	7,058,249	5,601,869	3,896,255	2,333,145
Minority Interest	2,101,271	1,954,929	1,487,416	1,383,313	1,252,940
<b>Total Stockholder s</b>					
<b>Equity</b>	<b>14,308,603</b>	<b>15,017,292</b>	<b>13,424,805</b>	<b>11,104,962</b>	<b>8,705,280</b>
Operating Revenue	86,901,262	26,650,125	19,895,975	14,564,520	13,542,554
Operating Income	1,115,506	2,915,662	2,748,368	2,004,494	1,137,600
Income before income					
tax expense	1,190,247	2,923,217	2,913,712	2,145,704	1,192,574
Aggregated Net Income	588,502	2,114,360	2,189,207	1,833,521	1,261,052
Net Income for Majority					
Shareholders	454,478	1,939,238	2,029,319	1,688,221	1,261,925
Net Income for Minority					
Shareholders	134,024	175,122	159,888	145,300	(873)
No. of Companies					
Consolidated	38	30	24	21	24

\* 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****3. Accounting Information****a. Loan Loss Reserves**

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

(units: millions of Won)

<b>Period</b>	<b>Item</b>	<b>Total Credits</b>	<b>Loan Loss Reserves</b>	<b>Provisioning Ratio</b>
2009 3Q	Loans	190,000	950	0.5%
	Total	190,000	950	0.5%
2008	Loans	170,000	850	0.5%
	Total	170,000	850	0.5%
2007	Loans			
	Total			

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

(units: millions of Won)

<b>Item</b>	<b>2009 3Q</b>	<b>2008</b>	<b>2007</b>
1. Initial loan loss reserves balance	850	0	250
2. Net credit costs			
1) Write-offs			
2) Recovery of written-off assets			
3) Other changes			
Recovery of credit costs	100	850	(250)
Ending loan loss reserve balance	950	850	0

20

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

Auditor	2009 3Q Anjin (Deloitte Anjin)	2008 3Q Anjin (Deloitte Anjin)	2008 Anjin (Deloitte Anjin) Unqualified Opinion	2007 Anjin (Deloitte Anjin) Unqualified Opinion
Auditor's Opinion				

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

(units: millions of Won, hours)

Year	Auditor	Activity	Compensation	Accrued Time (hrs)
2009 3Q	Anjin (Deloitte Anjin)	Review of Quarter and Half Year financial statements and audit of Annual financial statements (Consolidated, Non-consolidated)	342	3,914
2008	Anjin (Deloitte Anjin)	Review of Quarter and Half Year financial statements and audit of Annual financial statements (Consolidated, Non-consolidated)	360	4,957
2007	Anjin (Deloitte Anjin)	Review of Quarter and Half Year financial statements and audit of Annual financial statements (Consolidated, Non-consolidated)	340	4,936

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

(units: millions of Won)

Year	Contract Date	Activity	Period	Comp.	Note
2009 3Q	2009.04.29	Corporate tax reconciliation	2009.07~2009.08 2010.2~2010.3	23	Deloitte Anjin
2008	2009.01.07 2008.05.14	US GAAP and SOX Auditing Corporate tax reconciliation	2008.12~2009.5 2008.7~2008.8 2009.2~2009.3	3,340 23	Deloitte Anjin
2007	2008.01.24 2007.04.30	US GAAP and SOX Auditing Corporate tax reconciliation	2007.12~2008.5 2007.7~2007.8 2008.2~2008.3	3,530 22	Deloitte Anjin

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

## A. Composition of our board of directors

<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	
<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	Re-appointed
<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	Re-appointed
<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	Newly appointed
<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	Newly appointed
<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	Newly appointed
<b>Doo-Hee Lee</b> (Non-standing Director)	- <b>Current</b> ) Professor of College of Business Administration, Korea University - President, Korea Advertising Society	None	Newly appointed

- Bachelor of Business Administration, Korea University  
- Ph.D. in Business Administration, Michigan State University

<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	Newly appointed
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\* Hi-Bock Kang,  
Young-Ho Lee,  
Hak-Jin Kim,  
Doo-Hee Lee  
and Hun Lee  
were newly  
appointed as  
non-standing  
directors at the  
annual general  
meeting of  
shareholders  
held on  
March 27, 2009.



**Table of Contents****B. Committees under the Board of Directors**

We currently have the following management committees serving under the board of directors:

- (a) Management Committee
- (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  
(After March 27, 2009)

<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 Hi-Taek Shin Doo-Hee 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 Hak-Jin Kim 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 Hun Lee	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	Non-standing director Hi-Bock Kang heads this committee consisting of the Chairman and CEO and no fewer than

Hak-Jin Kim                      three non-standing directors.  
Doo-Hee Lee  
Hun Lee

**Table of Contents**

<b>Name</b>	<b>Position</b>	<b>Notes</b>
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 Min-Joon Bang 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.

**Table of Contents**

**2. Related Companies**

25

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

As of September 30, 2009

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

Name	Beginning Balance			Changes <sup>1</sup>			Ending Bal.			Total Assets	Net Income
	Quantity	Share	Book value	Quantity	Cost	Valuation Gain/Loss	Quantity	Share	Book value		
Woori Bank	705,957	100.0	11,900,128	60,000	300,000	1,491,348	765,957	100.0	13,391,476	228,048,189	233,970
Kwangju Bank	49,413	99.9	920,938			41,849	49,413	99.9	962,787	15,726,094	103,350
Kyongnam Bank	58,050	99.9	1,245,318			155,248	58,050	99.9	1,400,566	20,689,673	210,200
Woori Finance Info Sys.	900	100.0	13,076			164	900	100.0	13,240	238,480	2,420
Woori F&I	2,000	100.0	139,999	4,000	20,000	20,447	6,000	100.0	160,446	323,185	22,530
Woori 3 <sup>rd</sup> SPC	2	100.0					2	100.0		14,500	(150)
Woori Investment & Securities	46,325	35.0	709,114			62,660	46,325	35.0	771,774	17,831,370	181,800
Woori Asset Management	4,663	70.0	41,296			9,676	4,663	70.0	50,972	81,524	500
Woori Private Equity	2,000	100.0	12,844	2,000	10,000	12,164	4,000	100.0	25,008	13,684	1,090
Woori Financial	8,500	50.1	228,456			(22,912)	8,500	50.1	205,544	1,802,189	12,500
Woori Aviva Life Insurance	3,060	51.0	74,187			(41)	3,060	51.0	74,146	1,571,217	10,860
<b>Total</b>	<b>880,870</b>		<b>15,285,356</b>	<b>66,000</b>	<b>330,000</b>	<b>1,770,603</b>	<b>946,870</b>		<b>17,055,959</b>	<b>286,340,105</b>	<b>778,650</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, 2008, 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 September 30, 2009

(units: shares, %)

Name	Relation	Type	Beginning balance		Shares Held		Ending balance		Reasons Behind Change
			Stock	Share	(+)	(-)	Stock	Share	
KDIC	S/H	Common	588,158,609	72.97			588,158,609	72.97	
		Common	588,158,609	72.97			588,158,609	72.97	
		Preferred							
Total		Total	588,158,609	72.97			588,158,609	72.97	

Largest Shareholder: KDIC

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

As of September 30, 2009

(units: shares, %)

No.	Name	Common Stock		Preferred Stock		Total	
		No. of shares	%	No. of shares	%	No. of shares	%
1	KDIC	588,158,609	72.97			588,158,609	72.97
	Total	588,158,609	72.97			588,158,609	72.97

**c. Shareholder Distribution**

As of December 31, 2008

Items	Shareholder number	Ratio(%)	Number of shares	Ratio(%)
Total Minority Shareholders	77,012	100.00	209,454,431	25.99
Minority Shareholders (Companies)	1,073	1.39	146,935,896	18.23
Minority Shareholders (Individual)	75,939	98.60	62,518,535	7.76
Largest Shareholders, etc.	1		588,158,609	72.97
Main Shareholders				
Total Other Shareholders	1		8,399,560	1.04
Others Shareholders (Companies)	1		8,399,560	1.04
Others Shareholders (Individuals)				
Others	1		2,740	
Total	77,015	100.0	806,015,340	100.00

27

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

(units: Won, shares)

Period		April 2009	May 2009	June 2009	July 2009	August 2009	September 2009
Common Stock	High	10,750	12,850	12,100	14,250	14,700	16,950
	Low	7,160	10,050	10,000	10,700	13,250	14,500
	Average	9,192	11,274	10,653	12,363	14,095	15,970
Monthly Trade Volume	High	36,805,818	36,592,385	22,847,462	12,015,832	10,459,733	13,501,712
	Low	8,958,390	4,982,409	2,306,004	4,047,081	2,595,227	1,620,061
	Average	343,100,867	236,213,458	144,626,503	165,134,569	104,562,754	107,057,006

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

(units: US Dollars, ADR)

Period		April 2009	May 2009	June 2009	July 2009	August 2009	September 2009
ADR	High	23.25	29.90	28.70	35.60	36.14	43.29
	Low	16.75	23.56	23.70	25.10	31.62	34.29
	Average	20.43	27.15	25.32	29.75	34.26	39.91
Won Conversion	High	30,720	37,725	36,128	44,126	44,477	52,199
	Low	23,420	31,759	30,500	31,854	39,050	42,756
	Average	27,415	34,174	31,937	37,603	42,428	48,656
Monthly Trade Volume	High	92,200	71,900	29,900	15,400	21,400	25,300
	Low	2,200	2,500	3,800	1,100	1,600	2,900
	Average	453,600	402,000	305,900	126,900	144,500	221,500



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

Position	Name	Common Stocks Owned (As of September 30, 2009)	Note
Chairman and CEO	Pal Seung Lee	21,000	
Senior Managing Director	Kyung Dong Kim	2,000	
Senior Managing Director	Sang Koo Youn	(Held 400 at time of appointment)	Newly appointed as of April 27, 2009
Senior Managing Director	Gong Pil Choi		Retired as of September 30, 2009
Senior Managing Director	Jeong Han Kim		Newly appointed as of October 15, 2009
Managing Director	In Chul Park	1,000	
Managing Director	Sook Kyo Kwon	1,000	
Managing Director	Sung Jae Park	353	Newly appointed as of June 27, 2009
Non-standing Director	Hi-Bock Kang		
Non-standing Director	Young-Ho Lee		
Non-standing Director	Min-Joon Bang		
Non-standing Director	Hi-Taek Shin		
Non-standing Director	Hak-Jin Kim		
Non-standing Director	Doo-Hee Lee		
Non-standing Director	Hun Lee		

**2. Employee Status**

As of September 30, 2009

(units: persons, thousands of Won)

Items	Admin.	Staff Manu.	Misc.	Total	Average Tenure Years	Cumulative Compensation	Average Compensation Per Person	Note
Total	105		12	117	3 years and 1month	4,692,341	40,105	

**3. Directors Compensation**

(units: millions of Won)

Items	Total Compensation	Compensation Limit approved at Meeting of Shareholders	Fair value of Stock Option	Note
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Standing Director	369	
Non-standing Directors (excluding audit committee member)	43	4,000
Audit committee members	148	
		29

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**Table of Contents**

v

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

(units: millions of Won)

Name	Relation	Item	Beg.	Changes		End	Notes
				+	-		
Woori Financial	Subsidiary	Other Loan	170,000		20,000	150,000	
Woori F&I	Subsidiary	Other Loan		40,000		40,000	
Total			170,000	40,000	20,000	190,000	

**b. Payment Transactions**

(units: shares)

Name	Relation	Types of Shares	Beginning	Capital Contribution and Share Disposal Transactions		Ending	Notes
				Increase	Decrease		
Woori Bank	Subsidiary	Common stock	635,956,580	60,000,000		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.		Common Stock	900,000			900,000	
Woori F&I	Subsidiary	Common Stock	2,000,000	4,000,000		6,000,000	
Woori Third Asset Securitization Specialty	Subsidiary	Invested Shares	2,000			2,000	
Woori Investment & Securities	Subsidiary	Common Stock	46,324,981			46,324,981	
Woori Asset Management	Subsidiary	Common Stock	4,663,400			4,663,400	
Woori Private Equity	Subsidiary	Common Stock	2,000,000	2,000,000		4,000,000	
Woori Financial	Subsidiary	Common Stock	8,499,955			8,499,955	
Woori Aviva Life Insurance	Subsidiary	Common Stock	3,060,000			3,060,000	
Total			880,870,243	66,000,000		946,870,243	

**Table of Contents**

**EXHIBIT A**

**FINANCIAL STATEMENTS**

31

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**Table of Contents**

**WOORI FINANCE HOLDINGS CO., LTD.**  
NON-CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS AND NINE MONTHS  
ENDED SEPTEMBER 30, 2009 AND 2008  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT  
**Audit.Tax.Consulting.Financial Advisory.**

32

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**Table of Contents**

**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 September 30, 2009, the related non-consolidated income statements for the three months and nine months ended September 30, 2009 and 2008 and non-consolidated statements of changes in shareholders' equity and cash flows for the nine months ended September 30, 2009 and 2008, 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 did not review the financial statements of Woori Financial Co., Ltd., a subsidiary of the Company, which statements reflect total assets constituting 1.2% (₩206 billion) of total assets as of September 30, 2009. The financial statements of Woori Financial Co., Ltd. were reviewed by other auditors, KPMG Samjong Accounting Corp., and our review, insofar as it relates to the amounts included for Woori Financial Co., Ltd. are based solely on the reports of the other auditors.

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 and the reports of the other auditors, 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, 2008 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, 2009, we expressed an unqualified opinion on those non-consolidated financial statements. The accompanying statement of financial position as of December 31, 2008, 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.

**Table of Contents**

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, changes in shareholders' equity or cash flows 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.

/s/ Deloitte Anjin

November 10, 2009

**Notice to Readers**

This report is effective as of November 10, 2009, 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.

**Table of Contents**

**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF SEPTEMBER 30, 2009 AND DECEMBER 31, 2008**

	Korean won		Translation into U.S. dollars (Note 2)	
	2009	2008	2009	2008
	(In millions)		(In thousands)	
<b>ASSETS</b>				
Cash and bank deposits (Notes 14 and 16)	₩ 31,530	₩ 119,350	US\$ 26,525	US\$ 100,404
Investment securities accounted for using the equity method of accounting (Notes 3 and 14)	17,055,959	15,285,356	14,348,413	12,858,884
Loans, net of allowance for possible loan losses (Notes 4 and 14)	189,050	169,150	159,039	142,298
Fixed assets (Note 5)	449	566	378	476
Other assets (Notes 5, 6 and 16)	32,154	45,770	27,050	38,504
	₩ 17,309,142	₩ 15,620,192	US\$ 14,561,405	US\$ 13,140,566
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>LIABILITIES</b>				
Borrowings (Notes 7 and 14)	₩ 50,000	₩	US\$ 42,063	US\$
Debentures, net of discounts (Notes 7 and 14)	3,694,016	3,393,702	3,107,610	2,854,969
Other liabilities (Notes 8, 9 and 16)	18,314	19,151	15,407	16,111
	3,762,330	3,412,853	3,165,080	2,871,080
<b>SHAREHOLDERS' EQUITY</b>				
Common stock (Note 10)	4,030,077	4,030,077	3,390,323	3,390,323
Capital surplus (Note 3)	204,627	186,959	172,144	157,280
Capital adjustments (Notes 3 and 10)	(56,684)	(57,219)	(47,686)	(48,136)
Accumulated other comprehensive income (Notes 3 and 18)	1,178,179	724,373	991,148	609,382
Retained earnings:				
Legal reserve	783,301	783,301	658,956	658,956
Voluntary reserve	6,539,000	6,160,000	5,500,967	5,182,132
Retained earnings before appropriations (Notes 3 and 10)	868,312	379,848	730,473	319,549
	8,190,613	7,323,149	6,890,396	6,160,637



13,546,812	12,207,339	11,396,325	10,269,486
₩ 17,309,142	₩ 15,620,192	US\$ 14,561,405	US\$ 13,140,566

See accompanying notes to non-consolidated financial statements.

**Table of Contents**

**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED INCOME STATEMENTS**  
**FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008**

	Korean won				Translation into U.S. dollars (Note 2)			
	2009		2008		2009		2008	
	Three months (In millions, except for income per share data)	Nine months	Three months	Nine months	Three months	Nine months	Three months	Nine months
<b>OPERATING REVENUE</b>								
Gain on valuation arising from the equity method of accounting (Notes 3 and 15)	₩ 554,421	₩ 1,084,483	₩ 205,570	₩ 1,262,331	US\$ 466,410	US\$ 912,327	US\$ 172,937	US\$ 1,061,942
Interest income (Note 16)	3,352	11,578	3,557	6,873	2,820	9,740	2,992	5,782
	557,773	1,096,061	209,127	1,269,204	469,230	922,067	175,929	1,067,724
<b>OPERATING EXPENSES</b>								
Loss on valuation arising from the equity method of accounting (Notes 3 and 15)	5,646	20,994	7,167	26,001	4,750	17,662	6,029	21,873
Interest expense (Notes 16)	60,504	177,363	37,524	99,779	50,899	149,207	31,567	83,940
Fees	1,328	4,310	812	6,021	1,117	3,626	683	5,065
Provision for possible loan losses		100				84		
General and administrative (Notes 13 and 16)	6,207	18,534	6,370	16,900	5,222	15,592	5,359	14,217
	73,685	221,301	51,873	148,701	61,988	186,171	43,638	125,095
<b>OPERATING INCOME</b>	484,088	874,760	157,254	1,120,503	407,242	735,896	132,291	942,629
<b>NON-OPERATING INCOME</b>		170	327	438		143	275	368
<b>NON-OPERATING EXPENSES</b>	240	5,684	84	1,672	203	4,782	71	1,407

INCOME BEFORE INCOME TAX	483,848	869,246	157,497	1,119,269	407,039	731,257	132,495	941,590
INCOME TAX EXPENSE (Note 1)								
NET INCOME	₩ 483,848	₩ 869,246	₩ 157,497	₩ 1,119,269	US\$ 407,039	US\$ 731,257	US\$ 132,495	US\$ 941,590
NET INCOME PER COMMON SHARE (Note 17)	₩ 600	₩ 1,078	₩ 195	₩ 1,389	US\$ 0.51	US\$ 0.91	US\$ 0.17	US\$ 1.17

See accompanying notes to non-consolidated financial statements.

**Table of Contents**

**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008**

Korean won	Common stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income (In millions)	Retained earnings	Total
January 1, 2008 (Reported)	₩ 4,030,077	₩ 84,488	₩ (19)	₩ 1,891,648	₩ 7,145,883	₩ 13,152,077
The cumulative effect of changes in accounting policy		103,066	(55,794)	(49,347)	(87,634)	(89,709)
January 1, 2008 (Adjusted)	4,030,077	187,554	(55,813)	1,842,301	7,058,249	13,062,368
Net income					1,119,269	1,119,269
Dividend					(201,503)	(201,503)
Other capital surplus		1,743				1,743
Valuation using the equity method on subsidiaries			(759)	(659,852)	6,815	(653,796)
September 30, 2008	₩ 4,030,077	₩ 189,297	₩ (56,572)	₩ 1,182,449	₩ 7,982,830	₩ 13,328,081
January 1, 2009 (Reported)	₩ 4,030,077	₩ 186,959	₩ (57,219)	₩ 724,373	₩ 7,323,149	₩ 12,207,339
Net income					869,246	869,246
Other capital surplus		17,668				17,668
Valuation using the equity method on subsidiaries			535	453,806	(1,782)	452,559
September 30, 2009	₩ 4,030,077	₩ 204,627	₩ (56,684)	₩ 1,178,179	₩ 8,190,613	₩ 13,546,812
Translation into U.S. dollars (Note 2)	Common stock	Capital surplus	Capital adjustments	Accumulated other comprehensive income (In thousands)	Retained earnings	Total
January 1, 2008 (Reported)	US\$ 3,390,323	US\$ 71,076	US\$ (16)	US\$ 1,591,359	US\$ 6,011,511	US\$ 11,064,253
The cumulative effect of changes in accounting policy		86,705	(46,937)	(41,513)	(73,723)	(75,468)

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January 1, 2008 (Adjusted)	3,390,323	157,781	(46,953)	1,549,846	5,937,788	10,988,785
Net income					941,590	941,590
Dividend					(169,516)	(169,516)
Other capital surplus		1,466				1,466
Valuation using the equity method on subsidiaries			(639)	(555,103)	5,733	(550,009)
September 30, 2008	US\$ 3,390,323	US\$ 159,247	US\$ (47,592)	US\$ 994,743	US\$ 6,715,595	US\$ 11,212,316
January 1, 2009 (Reported)	US\$ 3,390,323	US\$ 157,280	US\$ (48,136)	US\$ 609,382	US\$ 6,160,637	US\$ 10,269,486
Net income					731,257	731,257
Other capital surplus		14,864				14,864
Valuation using the equity method on subsidiaries			450	381,766	(1,498)	380,718
September 30, 2009	US\$ 3,390,323	US\$ 172,144	US\$ (47,686)	US\$ 991,148	US\$ 6,890,396	US\$ 11,396,325

See accompanying notes to non-consolidated financial statements.

**Table of Contents**

**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008**

	Korean won		Translation into U.S. dollars (Note 2)	
	2009	2008	2009	2008
	(In millions)		(In thousands)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net income	₩ 869,246	₩ 1,119,269	US\$ 731,257	US\$ 941,590
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Loss on valuation using the equity method of accounting	20,994	26,001	17,662	21,873
Interest expense (amortization of discounts on debentures)	2,056	1,193	1,730	1,004
Provision for possible loan losses	100		84	
Provision for severance benefits	702	882	591	742
Depreciation	166	171	140	144
Amortization	5	8	4	7
Other non-operating expense	3,853		3,240	
Gain on valuation using the equity method of accounting	(1,084,483)	(1,262,331)	(912,327)	(1,061,942)
	(1,056,607)	(1,234,076)	(888,876)	(1,038,172)
Changes in operating assets and liabilities:				
Decrease in other receivables	1	757	1	637
Decrease (increase) in accrued income	106	(598)	89	(503)
Decrease (increase) in prepaid expenses	(40)	142	(34)	120
Increase in advanced payments	(3)	(7)	(3)	(6)
Retirement benefits payment	(633)	(469)	(533)	(395)
Decrease in post-retirement pension plan assets	222	210	187	177
Increase in other payables	557	427	469	359
Increase (decrease) in accrued expenses	(1,750)	1,534	(1,472)	1,290
Increase (decrease) in withholdings	64	(16)	54	(13)
Decrease in income tax refundable	62	511	52	430
Dividends on investment securities accounted for the equity method	84,535	283,101	71,116	238,160
	83,121	285,592	69,926	240,256
Net cash provided by (used in) operating activities	(104,240)	170,785	(87,693)	143,674

(Continued)

**Table of Contents**

**WOORI FINANCE HOLDINGS CO., LTD.**  
**NON-CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008**

	Korean won		Translation into U.S. dollars (Note 2)	
	2009	2008	2009	2008
	(In millions)		(In thousands)	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Collection of loans	₩ 20,000	₩	US\$ 16,825	US\$
Collection of guarantee deposits		14,000		11,778
Settlement amount under the condition of ex-post settlement	19,015		15,996	
Acquisition of investment securities accounted for using the equity method accounting	(329,874)	(255,584)	(277,508)	(215,011)
Acquisition of fixed assets	(49)	(339)	(41)	(285)
Acquisition of intangible assets		(3)		(3)
Increase in guarantee deposits	(930)	(4,695)	(782)	(3,950)
Increase in loans	(40,000)		(33,650)	
Net cash used in investing activities	(331,838)	(246,621)	(279,160)	(207,471)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase in borrowings in local currency	50,000		42,063	
Increase in debentures in local currency	898,258	827,591	755,664	696,215
Repayment of debentures in local currency	(600,000)	(200,000)	(504,753)	(168,251)
Payment of dividends		(201,503)		(169,515)
Net cash provided by financing activities	348,258	426,088	292,974	358,449
<b>NET INCREASE (DECREASE) IN CASH AND BANK DEPOSITS</b>	(87,820)	350,252	(73,879)	294,652
<b>CASH AND BANK DEPOSITS, BEGINNING OF THE PERIOD</b>	119,350	32,502	100,404	27,342
<b>CASH AND BANK DEPOSITS, END OF THE PERIOD</b>	₩ 31,530	₩ 382,754	US\$ 26,525	US\$ 321,994

See accompanying notes to non-consolidated financial statements.



**Table of Contents**

**WOORI FINANCE HOLDINGS CO., LTD.**  
**NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008**

**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 25 2nd-tier subsidiaries as of September 30, 2009.

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 September 30, 2009, 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 588,158,609 shares (72.97%).

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 September 30, 2009 and December 31, 2008 is as follows:

Parent companies	Subsidiaries	2009		2008		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 (*1)	765,956,580	100.0	705,956,580	100.0	Sep. 30
	Kyongnam Bank	58,049,994	99.9	58,049,994	99.9	Sep. 30
	Kwangju Bank	49,413,333	99.9	49,413,333	99.9	Sep. 30
	Woori Finance Information System Co., Ltd.	900,000	100.0	900,000	100.0	Sep. 30
	Woori F&I Co., Ltd. (*1)	6,000,000	100.0	2,000,000	100.0	Sep. 30
	Woori Third Asset Securitization Specialty Co., Ltd. (*2)			2,000	100.0	Sep. 30 (*6)
	Woori Investment Securities Co., Ltd.	46,324,981	35.0	46,324,981	35.0	Sep. 30

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	Woori Asset Management Co., Ltd.	4,663,400	70.0	4,663,400	70.0	Sep. 30
	Woori Private Equity Co., Ltd. (*1)	4,000,000	100.0	2,000,000	100.0	Sep. 30
	Woori Financial Co., Ltd.	8,499,955	50.1	8,499,955	50.1	Sep. 30
	Woori Aviva Life Insurance Co.,Ltd.	3,060,000	51.0	3,060,000	51.0	Sep. 30
Woori Bank	Woori Credit Information Co., Ltd.	1,008,000	100.0	1,008,000	100.0	Sep. 30 (*6)
	Woori America Bank PT. Bank Woori Indonesia	10,500,000	100.0	10,500,000	100.0	Sep. 30 (*6)
	Woori Global Market Asia Limited	1,618	95.2	1,618	95.2	Sep. 30 (*6)
	Woori Bank (China) Limited	39,000,000	100.0	39,000,000	100.0	Sep. 30 (*6)
	ZAO Woori Bank	19,999,999	100.0	19,999,999	100.0	Sep. 30 (*6)

40

**Table of Contents**

Parent companies	Subsidiaries	2009		2008		Financial statements as of
		Number of shares owned	Percentage of ownership (%)	Number of shares owned	Percentage of ownership (%)	
Woori F&I Co., Ltd.	Woori SB Asset Management Co., Ltd. (*4)			408,000	51.0	Sep. 30
	Woori F&I Fifth Asset Securitization Specialty	182,500	100.0	182,500	100.0	Sep. 30
	Woori F&I Sixth Asset Securitization Specialty	98,780	100.0	98,780	100.0	Sep. 30
	Woori F&I Seventh Asset Securitization Specialty	105,300	100.0	105,300	100.0	Sep. 30
	Woori F&I Eighth Asset Securitization Specialty (*4)			140,000	100.0	Sep. 30
	Woori F&I Tenth Asset Securitization Specialty (*3)	478,020	100.0			Sep. 30
	Woori SB Tenth Asset Securitization Specialty	410,711	50.0	410,711	50.0	Sep. 30
	Woori Futures Co., Ltd.	5,000,000	100.0	5,000,000	100.0	Sep. 30
	Woori Investment Securities Int 1 Ltd. (*4)			5,788,000	100.0	Sep. 30 (*6)
	Woori Investment Securities (H.K.) Ltd.	22,500,000	100.0	22,500,000	100.0	Sep. 30 (*6)
Woori Investment Securities Co., Ltd.	Woori Investment Securities America, Inc. (*4)			300	100.0	Sep. 30 (*6)
	LG Investments Holding B.V. (Amsterdam) GG High Technology Venture Investment (*4)	1,642,398,242	100.0	1,642,398,242	100.0	Sep. 30 (*6)
	Global Technology Investment (*4)			208,000	42.9	Sep. 30 (*6)
	MARS First Private Equity Fund	18,000,000	52.9	18,000,000	52.9	Sep. 30 (*6)
		2,507	8.9	2,507	8.9	Sep. 30 (*6)

	MARS Second Private Equity Fund Connacht Capital Market Investment	15,000,000	100.0	15,000,000	100.0	Sep. 30 (*6)
	Woori Investment Asia Pte. Ltd.	50,000,000	100.0	50,000,000	100.0	Sep. 30 (*6)
	Woori Absolute Asia Multi Strategy Fund (*5)	60,000	100.0			Sep. 30 (*6)
	Woori Absolute Asia Global Opportunity Fund (*5)	3,500	100.0			Sep. 30 (*6)
Woori, Kyongnam & Kwangju Bank, Woori Investment Securities, Woori F&I & Woori PE Woori Private Equity Fund	Woori Private Equity Fund (*1)	155,918	61.0	141,494	61.0	Sep. 30
	Kumho Investment Bank	74,550,000	41.4	74,550,000	41.4	Sep. 30
	Woori EL, Ltd. (*4)			1,010	100.0	Sep. 30
	Woori Renaissance Holdings (*5)	1,260	51.6			Sep. 30
Woori Renaissance Holdings	UP Chemical Co.,Ltd.	582,371	70.0	582,371	70.0	Sep. 30 (*6)

(\*1) The investees increased their capital for the nine months ended September 30, 2009. As a result, the number of shares owned increased.

**Table of Contents**

(\*2) Woori 3<sup>rd</sup> SPC is in the process of liquidation, and therefore no longer subject to consolidation for the nine months ended September 30, 2009.

(\*3) Woori F&I acquired 100% ownership interest of Woori F&I Tenth Asset Securitization Specialty Co., Ltd.

(\*4) Since total value of assets as of December 31, 2008 did not exceed ₩10 billion, it has been excluded from subsidiaries.

(\*5) Since total value of assets as of December 31, 2008 exceeded ₩10 billion, it has been included in subsidiaries.

(\*6) The financial statements as of September 30, 2009 are not reviewed.

(3) General information pertaining to the Company's subsidiaries as of September 30, 2009 does not differ materially from that as of December 31, 2008.

**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 (Hangul) 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 ₩1,188.70 to US\$1.00 at September 30, 2009, 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, 2008.

### 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 nine months ended September 30, 2009 and the year ended December 31, 2008 are as follows (Korean won in millions):

<2009>	Jan. 1, 2009	Gain (loss)	Other	Other		Sep. 30, 2009
		on valuation using the equity method	comprehensive income	Dividends	(decrease) increase	
Woori Bank	₩ 11,900,128	₩ 756,618	₩ 443,403	₩ (2,455)	₩ 293,782	₩ 13,391,476
Kyongnam Bank	1,245,318	154,162	946		140	1,400,566
Kwangju Bank	920,938	48,193	(6,484)		140	962,787
WFIS	13,076	164				13,240
Woori F&I	139,999	18,056	(6,315)	(11,267)	19,973	160,446
Woori 3 <sup>rd</sup> SPC		38,336	(8,692)		(29,644)	
Woori Investment Securities	709,114	57,186	30,846	(25,479)	106	771,773
Woori Asset Management	41,296	9,676				50,972
Woori PE	12,844	2,092	137		9,935	25,008
Woori Financial	228,456	(20,063)	(1,052)	(1,275)	(522)	205,544
Woori Aviva	74,187	(931)	1,017		(126)	74,147
	₩ 15,285,356	₩ 1,063,489	₩ 453,806	₩ (40,476)	₩ 293,784	₩ 17,055,959

**Table of Contents**

<2008>	Jan.1, 2008	Gain (loss) on valuation using the equity method	Other comprehensive income	Dividends	Other increase (decrease)	Dec. 31, 2008
Woori Bank	₩ 12,196,954	₩ 250,120	₩ (1,056,639)	₩ (200,326)	₩ 710,019	₩ 11,900,128
Kyongnam Bank	923,555	211,607	10,468		99,688	1,245,318
Kwangju Bank	726,256	103,246	11,568		79,868	920,938
WFIS	10,080	2,995	1			13,076
Woori F&I	144,746	22,801	(7,308)	(20,174)	(66)	139,999
Woori 3 <sup>rd</sup> SPC	1,885	(153)	(41,122)		39,390	
Woori Investment Securities	735,983	61,688	(37,773)	(50,957)	173	709,114
Woori Asset Management	49,895	495		(9,094)		41,296
Woori PE	11,949	1,081	(95)		(91)	12,844
Woori Financial	261,408	(32,919)	2,186	(2,550)	331	228,456
Woori Aviva		(2,183)	786		75,584	74,187
	₩ 15,062,711	₩ 618,778	₩ (1,117,928)	₩ (283,101)	₩ 1,004,896	₩ 15,285,356

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

(2) The details of other increase (decrease) for the nine months ended September 30, 2009 and the year ended December 31, 2008 are as follows (Korean won in millions):

<2009>	Capital surplus	Capital adjustment	Retained earnings	Other non-operating expenses	Acquisition/ Others	Total
Woori Bank	₩ (1,143)	₩ 559	₩ (1,782)	₩ (3,852)	₩ 300,000	₩ 293,782
Kyongnam Bank	27	113				140
Kwangju Bank	27	113				140
Woori F&I	12	(39)			20,000	19,973
Woori 3 <sup>rd</sup> SPC					(29,644)	(29,644)
Woori Investment Securities	(48)	154				106
Woori PE	16	(81)			10,000	9,935

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Woori Financial	(238)	(284)				(522)
Woori Aviva					(126)	(126)
	₩ (1,347)	₩ 535	₩ (1,782)	₩ (3,852)	₩ 300,230	₩ 293,784

<2008>	Capital surplus	Capital adjustment	Retained earnings	Acquisition/ Others	Total
Woori Bank	₩ (1,102)	₩ (803)	₩ 11,924	₩ 700,000	₩ 710,019
Kyongnam Bank	(150)	(162)		100,000	99,688
Kwangju Bank	30	(162)		80,000	79,868
Woori F&I	15	(81)			(66)
Woori 3 <sup>rd</sup> SPC				39,390	39,390
Woori Investment Securities	365	(192)			173
Woori PE	9	(100)			(91)
Woori Financial	238	93			331
Woori Aviva				75,584	75,584
	₩ (595)	₩ (1,407)	₩ 11,924	₩ 994,974	₩ 1,004,896



**Table of Contents**

- (3) The details of changes in the difference between the acquisition cost and the proportionate net asset value on the acquisition date for the nine months ended September 30, 2009 and the year ended December 31, 2008 are as follows (Korean won in millions):

	<2009>	Jan. 1, 2009	Acquisition	Amortization	Sep. 30, 2009
Woori F&I		₩ 61	₩	₩ 3	₩ 58
Woori Investment Securities		(2,245)		(14)	(2,231)
Woori Financial		144,114		28,823	115,291
Woori Aviva		31,058	(126)	5,481	25,451
		₩ 172,988	₩ (126)	₩ 34,293	₩ 138,569
	<2008>	Jan. 1, 2008	Acquisition	Amortization	Dec. 31, 2008
Woori F&I		₩ 66	₩	₩ 5	₩ 61
Woori Investment Securities		(2,355)		(110)	(2,245)
Woori Financial		182,544		38,430	144,114
Woori Aviva			36,539	5,481	31,058
		₩ 180,255	₩ 36,539	₩ 43,806	₩ 172,988

- (4) The details of unrealized gain (loss) from transactions among subsidiaries for the nine months ended September 30, 2009 are as follows (Korean won in millions):

	Jan. 1, 2009	Realized	Incurred	Sep. 30, 2009
Woori Bank	₩ (9,079)	₩ 27,294	₩ (10,618)	₩ 7,597
Kyongnam Bank	(84)	(31)	340	225
Kwangju Bank	1,284	775		2,059
WFIS	3,124	504	6	3,634
Woori F&I			200	200
Woori Investment Securities	(158)	26		(132)
Woori Financial	850	(17)	(100)	733
Woori Aviva	56	(56)		
	₩ (4,007)	₩ 28,495	₩ (10,172)	₩ 14,316

- (5) The market values of Woori Investment Securities and Woori Financial are ₩775,943 million (₩16,750 per share) and ₩99,874 million (₩11,750 per share), respectively, as of September 30, 2009.

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

Loans as of September 30, 2009 and December 31, 2008 are as follows (Korean won in millions):

	Issuance date	Maturity date	Annual interest rate (%)	2009	2008
Woori Financial	Nov. 3, 2008	Oct. 19, 2009	CD(3M)+2.37	₩ 30,000	₩ 50,000
	Nov. 10, 2008	Oct. 19, 2009	CD(3M)+2.37	50,000	50,000
	Dec. 26, 2008	Oct. 19, 2009	CD(3M)+3.94	70,000	70,000

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Woori F&I	Mar. 27, 2009	Mar.27, 2012	6.80	40,000	
				190,000	170,000
Allowance for possible loan losses				(950)	(850)
				₩ 189,050	₩ 169,150

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

(1) Changes in fixed assets for the nine months ended September 30, 2009 and the year ended December 31, 2008 are as follows (Korean won in millions):

<2009>	Jan. 1, 2009	Acquisition	Disposition	Depreciation	Sep. 30, 2009
Furniture and equipment	₩ 384	₩ 39	₩	₩ 135	₩ 288
Leasehold improvements	155	10		31	134
Others	27				27
	₩ 566	₩ 49	₩	₩ 166	₩ 449

  

<2008>	Jan. 1, 2008	Acquisition	Disposition	Depreciation	Dec. 31, 2008
Furniture and equipment	₩ 353	₩ 246	₩	₩ 215	₩ 384
Leasehold improvements	58	131		34	155
Others	27				27
	₩ 438	₩ 377	₩	₩ 249	₩ 566

(2) Changes in intangible assets for the nine months ended September 30, 2009 and the year ended December 31, 2008 are as follows (Korean won in millions):

<2009>	Jan. 1, 2009	Acquisition	Amortization	Sep. 30, 2009
Software	₩ 3	₩	₩ 1	₩ 2
Industrial property rights	11		4	7
	₩ 14	₩	₩ 5	₩ 9

  

<2008>	Jan. 1, 2008	Acquisition	Amortization	Dec. 31, 2008
Software	₩ 2	₩ 3	₩ 2	₩ 3
Industrial property rights	18	1	8	11
	₩ 20	₩ 4	₩ 10	₩ 14

As of September 30, 2009 and December 31, 2008, accumulated amortization of software amounted to ₩35 million and ₩34 million, respectively, and accumulated amortization of industrial property rights amounted to ₩81 million and ₩77 million, respectively.

**6. OTHER ASSETS**

Other assets as of September 30, 2009 and December 31, 2008 are as follows (Korean won in millions):

	2009	2008
Guarantee deposits (Note 16)	₩ 31,645	₩ 30,715
Other receivable		1
Dividend receivables	64	14,479

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Accrued income (Note 16)	110	216
Prepaid expenses	323	283
Advance to customer	3	
Income tax refundable		62
Intangible assets (Note 5)	9	14
	₩ 32,154	₩ 45,770

**Table of Contents****7. BORROWINGS AND DEBENTURES**

(1) Borrowings in local currency as of September 30, 2009 is as follows (Korean won in millions):

Lender	Annual interest rate (%)	Maturity	Line of credit	Amounts
Hana Bank	CD(3M)+2.5	Jul. 14, 2010	₩ 100,000	₩ 50,000
			₩ 100,000	₩ 50,000

(2) Debentures in local currency as of September 30, 2009 and December 31, 2008 are as follows (Korean won in millions):

	Issuance date	Annual interest rate (%)	Maturity	2009	2008
The 11th bonds	Jun. 18, 2004	5.05	Jun. 18, 2009	₩	₩ 370,000
The 12th bonds	Jul. 26, 2004	4.84	Jul. 26, 2009		230,000
The 15th bonds	Jun. 21, 2005	4.31	Jun. 21, 2010	250,000	250,000
The 18-1 <sup>st</sup> bonds	Aug. 30, 2007	5.71	Aug. 30, 2010	250,000	250,000
The 18-2 <sup>nd</sup> bonds	Aug. 30, 2007	5.79	Aug. 30, 2012	250,000	250,000
The 19-1 <sup>st</sup> bonds	Dec. 6, 2007	6.63	Dec. 6, 2010	130,000	130,000
The 19-2 <sup>nd</sup> bonds	Dec. 6, 2007	6.63	Dec. 6, 2012	140,000	140,000
The 20-1 <sup>st</sup> bonds	Apr. 14, 2008	5.67	Apr. 14, 2011	160,000	160,000
The 20-2 <sup>nd</sup> bonds	Apr. 14, 2008	5.72	Apr. 14, 2013	170,000	170,000
The 21st bonds	Jun. 24, 2008	6.55	Jun. 24, 2011	200,000	200,000
The 22-1 <sup>st</sup> bonds	Sep. 25, 2008	7.24	Sep. 25, 2010	50,000	50,000
The 22-2 <sup>nd</sup> bonds	Sep. 25, 2008	7.28	Sep. 25, 2011	250,000	250,000
The 23-1 <sup>st</sup> bonds	Dec. 9, 2008	7.96	Dec. 9, 2010	210,000	210,000
The 23-2 <sup>nd</sup> bonds	Dec. 9, 2008	8.13	Dec. 9, 2011	530,000	530,000
The 23-3 <sup>rd</sup> bonds	Dec. 9, 2008	8.19	Dec. 9, 2013	60,000	60,000
The 24th bonds	Dec. 17, 2008	6.75	Dec. 17, 2009	150,000	150,000
The 25-1 <sup>st</sup> bonds	Mar. 24, 2009	5.24	Mar. 24, 2011	50,000	
The 25-2 <sup>nd</sup> bonds	Mar. 24, 2009	5.39	Mar. 24, 2012	100,000	
The 25-3 <sup>rd</sup> bonds	Mar. 24, 2009	5.70	Mar. 24, 2014	150,000	
The 26th bonds	Mar. 31, 2009	6.36	Dec. 31, 2014	300,000	
The 27-1st bonds	Jun. 15, 2009	5.43	Jun. 15, 2012	220,000	
The 27-2nd bonds	Jun. 15, 2009	5.94	Jun. 15, 2014	80,000	
				3,700,000	3,400,000
Less: discounts				(5,984)	(6,298)
				₩ 3,694,016	₩ 3,393,702

(\* All Debentures above are in terms of bullet repayment.

**8. 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 ₩2,054 million and ₩1,985 million as of September 30, 2009 and December 31, 2008, respectively.

**Table of Contents**

The details of changes in the accrued severance benefits for the nine months ended September 30, 2009 and the year ended December 31, 2008 are as follows (Korean won in millions):

	2009	2008
Beginning balance	₩ 1,985	₩ 1,492
Provision for severance benefits (Note 13)	702	1,103
Retirement benefits payment	(633)	(610)
Ending balance	₩ 2,054	₩ 1,985

As of September 30, 2009 and December 31, 2008, the Company has deposited post-retirement pension plan assets at Woori Bank and the pension plan assets amounting to ₩987 million and ₩1,209 million, respectively, are presented as a deduction from accrued severance benefits. As of September 30, 2009, post-retirement pension plan assets consist of beneficiary certificates and time deposits amounting to ₩102 million and ₩885 million, respectively.

**9. OTHER LIABILITIES**

Other liabilities as of September 30, 2009 and December 31, 2008 are as follows (Korean won in millions):

	2009	2008
Accrued severance benefits (Note 8)	₩ 2,054	₩ 1,985
Post-retirement pension plan assets (Notes 8 and 16)	(987)	(1,209)
Other payables (Note 16)	903	346
Accrued expenses	16,058	17,808
Withholdings	286	221
	₩ 18,314	₩ 19,151

**10. SHAREHOLDERS EQUITY**

(1) The authorized shares and issued shares of common stock as of September 30, 2009 and December 31, 2008 are as follows:

	2009	2008
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

(2) 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.

(3) The Company held 2,560 shares of treasury stock as of September 30, 2009 and December 31, 2008.

(4) The changes in retained earnings from December 31, 2008 to September 30, 2009 are as follows (Korean won in millions):

	2009
Balance December 31, 2008	₩ 379,848
Appropriations:	
Dividend	
Voluntary reserve	(379,000)
Decrease by using the equity method of accounting	(1,782)
Net income for the nine months ended September 30, 2009	869,246

Balance September 30, 2009

₩ 868,312



**Table of Contents****11. 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.
- (2) The changes in cumulative temporary differences and tax loss carry-forwards for the nine months ended September 30, 2009 and 2008 are as follows (Korean won in millions):

<2009>	Jan. 1, 2009	Decrease	Increase	Sep. 30, 2009	Deferred tax assets (liabilities)
Investment securities	₩ (6,334,148)	₩ (63,253)	₩ (1,081,631)	₩ (7,352,526)	₩ (*1) (48,286)
Accrued expenses	1,820	1,820	2,706	2,706	595
Accrued severance benefits	1,374	222	286	1,438	316
Employee retirement deposits	(1,209)	(222)		(987)	(217)
Depreciation	10	3	1	8	2
Dividend receivables	39,390	29,644		9,746	2,144
Other comprehensive income due to the equity method of accounting	(910,340)		(423,350)	(1,333,690)	(*1) (11,251)
Gain on disposal of investments using the equity method	34,604			34,604	7,613
Others	2	2			
<b>Total</b>	<b>₩ (7,168,497)</b>	<b>₩ (31,784)</b>	<b>₩ (1,501,988)</b>	<b>₩ (8,638,701)</b>	<b>₩ (49,084)</b>
Tax loss carry-forwards	₩ 303,186	₩	₩ 154,611	₩ 457,797	₩ 100,715

<2008>	Jan. 1, 2008	Decrease	Increase	Sep. 30, 2008	Deferred tax assets (liabilities)
Investment securities	₩ (6,080,436)	₩ (390,081)	₩ (1,262,331)	₩ (6,949,054)	₩ (*1) (10,447)
Accrued expenses	2,188	2,188	1,221	1,221	336
Accrued severance benefits	970	210	736	1,496	411
Employee retirement deposits	(970)	(210)	(120)	(880)	(242)
Depreciation	4	1	7	10	3
Long-term receivables	(908)	(696)		(212)	(58)
Dividend receivable			12,325	12,325	3,389
Long-term accrued expenses	1,459	1,064		395	109
Other comprehensive income due to the equity method of accounting	(1,992,955)	(753,425)	(104,809)	(1,344,339)	(*1) (48,286)
Gain on disposal of investments using the	34,604			34,604	9,516

equity method						
Accrued income	(367)	(367)				
Total	₩ (8,036,411)	₩ (1,144,948)	₩ (1,352,971)	₩ (8,244,434)	₩	(45,269)
Tax loss carry-forwards	₩ 262,991	₩	₩ 61,403	₩ 324,394	₩	89,208

(\*1) Based on the assumption that the temporary differences in securities accounted for using the equity method of accounting would be realized by dividends.

**Table of Contents**

(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
2004	₩ 22,414	₩	₩	₩ 22,414	Dec. 31, 2009
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	154,611			154,611	Dec. 31, 2019
	₩ 457,797	₩	₩	₩ 457,797	

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

**12. STATEMENTS OF CASH FLOWS**

The significant transactions without cash flows for the nine months ended September 30, 2009 and 2008 are as follows (Korean won in millions):

Transactions	2009	2008
Other comprehensive income due to the equity method of accounting	₩ 453,806	₩ (659,852)
Change in retained earnings due to the equity method of accounting	(1,782)	6,815
Decrease (Increase) in dividend receivables	14,415	12,325

**13. GENERAL AND ADMINISTRATIVE EXPENSES**

General and administrative expenses for the nine months ended September 30, 2009 and 2008 are summarized as follows (Korean won in millions):

	2009	2008
Salaries, wages and bonuses (Note 16)	₩ 10,937	₩ 9,490
Provision for severance benefits (Notes 8 and 16)	702	882
Fringe benefits	1,269	1,049
Rent (Note 16)	805	659
Entertainment	654	725
Depreciation (Note 5)	166	171
Amortization (Note 5)	5	8
Taxes and dues	62	124
Advertising	101	177
Travel	309	424
Telecommunications	117	114
Service fees (Note 16)	2,106	1,843
Suppliers	109	116

Others (Note 16)	1,192	1,118
	₩ 18,534	₩ 16,900

**Table of Contents****14. FINANCIAL INFORMATION OF SUBSIDIARIES**

(1) The condensed statements of financial position of subsidiaries as of September 30, 2009 are as follows (Korean won in millions):

	Total assets	Total liabilities	Total shareholders equity
Woori Bank	₩ 233,653,699	₩ 220,253,011	₩ 13,400,688
Kyongnam Bank	21,489,052	20,088,318	1,400,734
Kwangju Bank	15,849,789	14,889,068	960,721
WFIS	214,553	204,947	9,606
Woori F&I	586,999	409,492	177,507
Woori Investment Securities	18,644,371	15,980,407	2,663,964
Woori Asset Management	94,290	21,473	72,817
Woori PE	2,118,144	1,688,149	429,995
Woori Financial	1,996,805	1,798,941	197,864
Woori Aviva	1,742,893	1,666,473	76,420
Total	₩ 296,390,595	₩ 277,000,279	₩ 19,390,316

(2) The condensed statements of operations of subsidiaries for the nine months ended September 30, 2009 are as follows (Korean won in millions):

	Operating revenue	Operating expenses	Operating income (loss)	Income (loss) before income tax	Net income (loss)
Woori Bank	₩ 38,118,616	₩ 37,306,627	₩ 811,989	₩ 944,338	₩ 749,793
Kyongnam Bank	1,436,098	1,236,802	199,296	202,393	156,587
Kwangju Bank	939,464	872,209	67,255	64,994	48,238
WFIS	201,580	201,909	(329)	(357)	(346)
Woori F&I	51,931	32,584	19,347	21,933	17,840
Woori Investments Securities	4,351,617	4,139,348	212,269	202,740	170,565
Woori Asset Management	34,656	16,980	17,676	18,010	13,823
Woori PE	263,835	225,832	38,003	43,122	1,615
Woori Financial	189,920	168,445	21,475	20,690	16,026
Woori Aviva	596,936	585,054	11,882	12,466	9,401
Total	₩ 46,184,653	₩ 44,785,790	₩ 1,398,863	₩ 1,530,329	₩ 1,183,542

**Table of Contents**

(3) Significant liabilities and assets of the Company and its subsidiaries as of September 30, 2009 are summarized as follows (Korean won in millions):

## 1) Significant liabilities

	Deposits	Borrowings	Debentures	Total
Woori Finance Holdings	₩	₩ 50,000	₩ 3,694,016	₩ 3,744,016
Woori Bank	153,006,212	15,561,948	29,854,671	198,422,831
Kyongnam Bank	13,365,835	2,472,542	1,958,985	17,797,362
Kwangju Bank	11,007,012	2,237,341	951,201	14,195,554
WFIS		68,000		68,000
Woori F&I		259,058	144,568	403,626
Woori Investment Securities	2,211,754	10,408,172	1,198,042	13,817,968
Woori PE	1,247,001	205,808	55,394	1,508,203
Woori Financial		422,844	1,175,774	1,598,618
Woori Aviva		33,700		33,700
Total	₩ 180,837,814	₩ 31,719,413	₩ 39,032,651	₩ 251,589,878

## 2) Significant assets

	Cash and due from banks	Securities	Loans	Total
Woori Finance Holdings	₩ 31,530	₩ 17,055,959	₩ 189,050	₩ 17,276,539
Woori Bank	15,596,337	34,014,368	167,661,288	217,271,993
Kyongnam Bank	1,068,426	3,561,545	14,676,287	19,306,258
Kwangju Bank	1,051,274	3,375,396	10,856,825	15,283,495
WFIS	12,203	81		12,284
Woori F&I	28,722	124,267	223,013	376,002
Woori Investment Securities	3,268,192	11,882,968	1,195,756	16,346,916
Woori Asset Management	61,356	17,552	931	79,839
Woori PE	344,459	551,253	565,215	1,460,927
Woori Financial	72,595	6,132	1,763,834	1,842,561
Woori Aviva	72,864	962,476	173,491	1,208,831
Total	₩ 21,607,958	₩ 71,551,997	₩ 197,305,690	₩ 290,465,645

(4) Loans subject to allowance for possible loan losses, allowance for possible loan losses and percentage of allowance to loans of each subsidiary as of September 30, 2009 are summarized as follows (Korean won in millions):

	Loans subject to allowance for possible loan losses	Allowance	Percentage of allowance to loans (%)
Woori Bank	₩ 170,900,251	₩ 3,238,963	1.9
Kyongnam Bank	14,904,826	228,539	1.5
Kwangju Bank	11,054,267	197,442	1.8

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Woori F&I	225,729	2,716	1.2
Woori Investment Securities	1,306,720	110,964	8.5
Woori Asset Management	936	5	0.5
Woori PE	586,613	21,398	3.6
Woori Financial	1,798,254	34,420	1.9
Woori Aviva	176,689	3,198	1.8
Total	₩ 200,954,285	₩ 3,837,645	1.9

**Table of Contents****15. CONTRIBUTIONS TO NET INCOME BY SUBSIDIARIES**

Contributions to net income of the Company by subsidiaries for the nine months ended September 30, 2009 and 2008 are as follows (Korean won in millions):

	2009	Ratio (%)	2008	Ratio (%)
Woori Bank	₩ 756,618	71.1	₩ 906,919	73.3
Kyongnam Bank	154,162	14.5	182,804	14.7
Kwangju Bank	48,193	4.5	85,956	7.0
WFIS	164		284	
Woori F&I	18,056	1.7	20,629	1.7
Woori 3 <sup>rd</sup> SPC	38,336	3.6	(111)	
Woori Investment Securities	57,186	5.4	56,256	4.6
Woori Asset Management	9,676	0.9	7,962	0.6
Woori PE	2,092	0.2	1,520	0.1
Woori Financial	(20,063)	(1.8)	(24,078)	(1.9)
Woori Aviva	(931)	(0.1)	(1,811)	(0.1)
Gain on valuation using the equity method of accounting, net of loss	1,063,489	100.0	1,236,330	100.0
Other income	11,748		7,312	
Other expenses	205,991		124,373	
Net income	₩ 869,246		₩ 1,119,269	



**Table of Contents**

**16. TRANSACTIONS WITH RELATED PARTIES**

(1) The related parties of the Company as of September 30, 2009 are as follows:

	Company name
Majority shareholder	Korea deposit insurance corporation
Subsidiaries and	Woori Bank
2 <sup>nd</sup> -tier subsidiaries	Kyongnam Bank
	Kwangju Bank
	Woori Finance Information System Co., Ltd.
	Woori F&I 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.
	Woori Credit Information
	Woori America Bank
	PT. Bank Woori Indonesia
	Woori Global Market Asia Limited
	Woori Bank (China) Limited
	ZAO Woori Bank
	Woori F&I Fifth Asset Securitization Specialty
	Woori F&I Sixth Asset Securitization Specialty
	Woori F&I Seventh Asset Securitization Specialty
	Woori F&I Tenth Asset Securitization Specialty
	Woori SB Tenth Asset Securitization Specialty
	Woori F&I Eighth Asset Securitization Specialty
	Woori Futures Co., Ltd.
	Woori Investment Securities (H.K.) Ltd.
	LG Investments Holding B.V. (Amsterdam) GG
	Woori Absolute Asia Multi Strategy Fund
	Woori Absolute Asia Global Opportunity Fund
	MARS First Private Equity Fund
	MARS Second Private Equity Fund
	Connacht Capital Market Investment
	Woori Investment Asia Pte. Ltd.
	Woori Private Equity Fund
	Kumho Investment Bank
	Woori Renaissance Holdings
	UP Chemical Co., Ltd.

**Table of Contents**

(2) Assets and liabilities from transactions with the subsidiaries as of September 30, 2009 and December 31, 2008 are as follows (Korean won in millions):

	2009	2008	
<Assets>			
Woori Bank	₩ 31,529	₩ 119,348	Cash and bank deposits
	31,555	30,635	Guarantee deposits
	110	216	Accrued income
	987	1,209	Post-retirement pension plan assets
Woori F&I	40,000		Loans
Woori Financial	150,000	170,000	Loans
	₩ 254,181	₩ 321,408	
<Liabilities>			
Woori Bank	₩ 151	₩ 221	Other payables
WFIS	135		Other payables
	₩ 286	₩ 221	

(3) Revenues and expenses from transactions with the subsidiaries for the nine months ended September 30, 2009 and 2008 are as follows:

	2009	2008	Account
<Revenues>			
Woori Bank	₩ 2,315	₩ 5,455	Interest income on deposits
Kyongnam Bank	295	228	Interest income on deposits
Kwangju Bank	295	228	Interest income on deposits
Woori Financial	7,262		Interest income on loans
Woori Investment Securities		910	Interest income on deposits
Woori F&I	1,401		Interest income on loans
	₩ 11,568	₩ 6,821	
<Expenses>			
Woori Bank	₩ 546	₩ 492	Rent
Woori Investment Securities		910	Service fees
	4		Others
		6	Interest expenses
WFIS	1,248	1,153	Others
	₩ 1,798	₩ 2,561	

(4) The Company compensated registered or non-registered directors, who have the authorities and responsibilities for the plan, management and control of the Company, operation for ₩2,215 million of salaries and recorded ₩64 million of provision for severance benefits for the nine months ended September 30, 2009.



**Table of Contents****17. EARNINGS PER COMMON SHARE**

(1) Basic net income per common share for the nine months ended September 30, 2009 and 2008 are as follows (Korean won in millions, except for earnings per share data):

	2009		2008	
	Three months	Nine months	Three months	Nine months
Net income on common shares	₩ 483,848	₩ 869,246	₩ 157,497	₩ 1,119,269
Weighted average number of common shares outstanding	806,012,780	806,012,780	806,012,780	806,012,780
Net income per common shares	₩ 600	₩ 1,078	₩ 195	₩ 1,389

(2) Net income per common share for the year ended December 31, 2008, for the three months ended March 31, 2009 and for the six months ended June 30, 2009 are ₩564, ₩201 and ₩277 respectively.

**18. COMPREHENSIVE INCOME STATEMENT**

Comprehensive income statements for the nine months ended September 30, 2009 and 2008 are as follows (Korean won in millions):

	2009	2008
Net income	₩ 869,246	₩ 1,119,269
Valuation using the equity method on subsidiaries	453,806	(659,852)
Comprehensive income	₩ 1,323,052	₩ 459,417

**19. INSURANCE**

As of September 30, 2009, the Company has insurance for liability of reparation of directors with Samsung Fire & Marine Insurance Co., Ltd. The insurance coverage is ₩50,000 million.

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

In accordance with the International Financial Reporting Standards ( IFRS ) Roadmap announced on March 15, 2007, the Company is required to comply with Korean International Financial Reporting Standards ( K-IFRS ) from 2011. From July 2007, the Company initiated the transition process 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 overall transition plans toward K-IFRS, and is in the process of designing and implementing the new accounting framework and financial reporting system. The Company plans to operate the current reporting system as well as K-IFRS financial reporting from 2010. The Company is to issue its financial statements under K-IFRS from 2011.

Different accounting treatments between current accounting standards and K-IFRS will have an impact on the Company's financial results. Those impacts include expansion of consolidation scope, changes in computation method for allowances, and changes in the applicability for fair-value accounting and reclassification standards for investments.

**Table of Contents**

**21. 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.

**22. SUBSEQUENT MATERIAL EVENT**

On October 15, 2009 and October 28, 2009, the Company acquired 409,484 shares (₩ 4,004 million) of Woori Financial Co., Ltd and 1,998,600 shares (₩ 47,850 million) of Woori Asset Management Co., Ltd.

After acquired percentage of ownership is 52.5% and 100.0%, respectively.

**Table of Contents**

**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: November 17, 2009

By: /s/ Woo Seok Seong  
(Signature)  
Name: Woo Seok Seong  
Title: General Manager  
57