

WOORI FINANCE HOLDINGS CO LTD

Form 6-K

February 27, 2013

# **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 February 2013**

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

**(Translation of registrant's name into English)**

**203, Hoehyon-dong, 1-ga, Chung-gu, Seoul, Korea**

**(Address of principal executive office)**

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

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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

203 Hoehyondong, 1-ga Chung-gu

Seoul, 100-792 Korea

Tel.822-2125-2211

Fax.822-2125-2293~4

February 27, 2013

To Shareholders:

**Convocation Notice of the Annual General Meeting of Shareholders**

Notice is hereby given that an Annual General Meeting of Shareholders of the Group will be held as described hereunder and your attendance is cordially requested.

Very truly yours,

Pal-Seung Lee

Chairman and CEO

Woori Financial Group

203, Hoehyon-dong 1-ga, Chung-gu

Seoul 100-792, Korea

**Description**

- |                  |   |
|------------------|---|
| 1. Date and Time | March 22, 2013<br>9 A.M., Seoul time.   |
| 2. Venue         | 5th floor / Woori Bank,<br>203, Hoehyon-dong, 1-ga, Chung-gu, Seoul, 100-792, Korea   |
| 3. Agenda        | A. Approval of financial statements for the fiscal year 2012<br>B. Approval of modifications to the Articles of Incorporation<br>C. Appointment of non-standing directors<br>C-1 Yong-Man Rhee<br>C-2 Doo-Hee Lee<br>C-3 Hun Lee<br>C-4 John Ji Whan Park<br>C-5 Young-Soo Park |

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C-6 Hee-Yul Chai

D. Appointment of candidates for the members of the Audit Committee

D-1 Yong-Man Rhee

D-2 Doo-Hee Lee

D-3 Hun Lee

D-4 Young-Soo Park

E. Approval of directors compensation limit

**Reference Document for the Exercise of Voting Rights**

**A. Approval of financial statements for the fiscal year 2012**

Please refer to appendix A.

**B. Approval of modifications to the Articles of Incorporation (the AOI )**

[Note: unless otherwise noted, the modifications below reflect corresponding amendments to relevant sections of the Korean Commercial Code and/or the Model Articles of Incorporation for listed companies as published by the Korea Listed Companies Association.]

**1. Article 2 of the AOI (Business Purpose)**

- a. Article 2 will be amended to replace "The purposes of the Company are acquisition and possession of the stock or equity of companies engaging in the financial business or closely related to the conduct of financial businesses, and control or administration and management of subsidiaries, sub-subsidiaries and companies controlled by sub-subsidiaries (hereinafter referred to as the "Subsidiaries" ), as well as the following activities which are ancillary to such purposes" with "The purposes of the Company are acquisition and possession of the stock or equity of companies engaging in the financial business or closely related to the conduct of financial businesses, and control or administration and management of Subsidiaries (as defined in Article 4, paragraph 1, subparagraph 2 of the Financial Holding Companies Act, and including subsidiaries, sub-subsidiaries and companies controlled by sub-subsidiaries), as well as the following activities which are ancillary to such purposes."

**2. Article 8-2 of the AOI (Number and Description of Class Shares -1)**

- a. Article 8-2, Paragraph 5 will be amended to replace "In the event where a resolution is adopted not to pay the prescribed dividend with respect to Class Shares, the Class Shares shall be deemed to have voting rights from the shareholders' meeting following the shareholders' meeting where such resolution is adopted, until the conclusion of the shareholders' meeting where a resolution for priority payment of dividend to Class shares is adopted." with "In the event where a resolution is adopted not to pay the prescribed dividend with respect to Class Shares, the Class Shares shall be deemed to have voting rights from the general meeting of shareholders following the general meeting of shareholders where such resolution is adopted, until the conclusion of the general meeting of shareholders where a resolution for priority payment of dividend to Class shares is adopted."

**3. Article 11 of the AOI (Stock Option)**

- a. Article 11, Paragraph 7 will be amended to replace "Any grantee of the stock option may exercise his/her stock option only after having served the Company for two (2) years or more from the date when the resolution of the General Meeting of Shareholders or Board of Directors provided in the foregoing paragraph 1 has been adopted; provided, however, that in case a grantee of the stock option dies, or retires or resigns due to the mandatory age limit or for any other reasons which are not attributable to such grantee within two (2) years from the date of the above mentioned resolution, the grantee may exercise the stock option within the exercise period." with "Any grantee of the stock option may exercise his/her stock option only after having served the Company for two (2) years or more from the date when the resolution of the General Meeting of Shareholders or Board of Directors provided in the foregoing paragraph 1 has been adopted; provided, however, that in case a grantee of the stock option dies, or retires or resigns for any reason which is not attributable to such grantee within two (2) years from the date of the above mentioned General Meeting of Shareholders' or Board of Directors' resolution, the grantee may exercise the stock option within the exercise period."

**4. Article 16 of the AOI (Issuance of Bonds)**

- a. A new Article 16, Paragraph 3 will be added to stipulate The Company may register credits in the electronic registration ledger of an electronic registration institution in lieu of issuing bond certificates for the bonds mentioned in Paragraph 1 above.

**5. Article 32 of the AOI (Term of Directors)**

- a. Article 32, Paragraph 1-2 will be amended to become Paragraph 2 and further to replace The term of office of a director who concurrently holds the position of representative director of a subsidiary shall coincide with the term of office as such representative director; provided, however, that this paragraph shall be applicable only where the term of office as representative director of the subsidiary expires prior to the term of office as a director of the Company. with The term of office of a director who concurrently holds the position of representative director of a subsidiary shall coincide with the term of office of such representative director in the event the term of office as representative director of the subsidiary expires prior to the term of office as a director of the Company.
- b. Article 32, Paragraph 2 will be amended to become Paragraph 3.
- c. Article 32, Paragraph 3 will be amended to become Paragraph 4 and further to replace Paragraphs 1, 1-2 and 2 with Paragraphs 1, 2, and 3.

**6. Article 38 of the AOI (Chairman of the Board of Directors)**

- a. Article 38 will be will be amended to replace The chairman of the Board of Directors shall be elected annually from among the directors by a resolution of the Board of Directors. In the event the elected chairman is not an outside director, a person representing the outside directors shall be separately elected. with The chairman of the Board of Directors (the Chairman ) shall be elected annually from among the directors by a resolution of the Board of Directors. In the event the elected Chairman is not an outside director, a person representing the outside directors shall be separately elected.

**7. Article 39 of the AOI (Convening of the Board of Directors)**

- a. Article 39 will be amended to replace chairman with Chairman .

**8. Article 43 of the AOI (Remuneration and Severance Pay of Directors)**

- a. Article 43, Paragraph 2 will be amended to replace The severance pay of directors shall be paid in accordance with the Regulations on Payment of Severance Pay for Officers as adopted by the resolution at the General Meeting of Shareholders. with The severance pay of directors shall be paid in accordance with the Regulations on Severance Pay for Officers as adopted by the resolution at the General Meeting of Shareholders.

**9. Article 46 of the AOI (Duties of Audit Committee)**

- a. Article 46, Paragraph 6 will be amended to replace The Audit Committee may request a business report from a subsidiary if it deems such report necessary for performance of its duties. In the event the subsidiary fails to report without delay or it is necessary to confirm the contents of the report, the Audit Committee may inspect the affairs and financial status of the subsidiary. with The Audit Committee may

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request a report of business from a subsidiary if it deems such report necessary for performance of its duties. In the event the subsidiary fails to report without delay or it is necessary to confirm the contents of the report, the Audit Committee may inspect the affairs and financial status of the subsidiary.

- b. Article 46, Paragraph 6 will be amended to become Paragraph 7.

**10. ADDENDA**

- a. ADDENDA (March 22, 2002) will be amended to ADDENDUM 1  
b. ADDENDA (March 31, 2003) will be amended to ADDENDUM 2  
c. ADDENDA (March 30, 2004) will be amended to ADDENDUM 3  
d. ADDENDA (May 18, 2004) will be amended to ADDENDUM 4  
e. ADDENDA (March 28, 2008) will be amended to ADDENDUM 5  
f. ADDENDA (March 27, 2009) will be amended to ADDENDUM 6  
g. ADDENDA (March 26, 2010) will be amended to ADDENDUM 7  
h. ADDENDA (March 30, 2012) will be amended to ADDENDUM 8  
i. ADDENDA 9 will be added to stipulate These Articles of Incorporation shall become effective as of 22nd of March 2013.

[Note: amendments relating to corresponding amendments to the Korean Commercial Code shall become effective on the effective date of such amendments to the Korean Commercial Code.]

**C. Appointment of non-standing directors**

| Name   | Experience   | Nominated by                                | Relationship with Majority Shareholder | Transactions with Company within the past three years | Term    |
|--|--|---|--|---|---------|
| <b>Yong-Man Rhee</b><br>(Date of Birth) <b>(Aug. 29, 1933)</b> | - <b>Current</b> ) Non-Standing Director, Woori Finance Holdings<br>- Minister, Ministry of Finance                            | Non-standing Directors Nomination Committee | None                                   | None  | 1 year  |
| <b>Doo-Hee Lee</b><br>(Jun. 12, 1957)                          | - <b>Current</b> ) Professor of College of Business Administration, Korea University<br>- President, Korea Advertising Society | Non-standing Directors Nomination Committee | None                                   | None  | 1 year  |
| <b>Hun Lee</b><br>(Dec. 8, 1961)                               | - <b>Current</b> ) Co-Head, The Lawyers for Citizens<br>- Attorney, Barun Law  | Non-standing Directors Nomination Committee | None                                   | None  | 1 year  |
| <b>John</b><br>(Feb. 29, 1968)                                 | - <b>Current</b> ) Representative Director, Asia Evolution<br>- Goldman Sachs  | Non-standing Directors Nomination Committee | None                                   | None  | 1 year  |
| <b>Young-Soo Park</b><br>(Feb. 15, 1952)                       | - <b>Current</b> ) Representative Attorney, Law Firm SanHo<br>- Chief Prosecutor, Seoul High Prosecutors Office                | Non-standing Directors Nomination Committee | None                                   | None  | 2 years |
| <b>Hee-Yul Chai</b><br>(Jan . 23, 1960)                        | - <b>Current</b> ) Professor of Economics, Kyonggi University<br>- Dean of Academic Affairs, Kyonggi University                | Non-standing Directors Nomination Committee | None                                   | None  | 2 years |

**D. Appointment of candidates for the members of the Audit Committee**

| Name   | Experience   | Nominated by               | Relationship with Majority Shareholder | Transactions with Company within the past three years | Term    |
|--|--|----------------------------|--|---|---------|
| <b>Yong-Man Rhee</b><br>(Date of Birth) <b>(Aug. 29, 1333)</b> | - <b>Current</b> ) Non-Standing Director, Woori Finance Holdings<br>- Minister, Ministry of Finance                            | Audit Committee Nomination | None                                   | None  | 1 year  |
| <b>Doo-Hee Lee</b><br>(Jun. 12, 1957)                          | - <b>Current</b> ) Professor of College of Business Administration, Korea University<br>- President, Korea Advertising Society | Audit Committee Nomination | None                                   | None  | 1 year  |
| <b>Hun Lee</b><br>(Dec. 8, 1961)                               | - <b>Current</b> ) Co-Head, The Lawyers for Citizens<br>- Attorney, Barun Law  | Audit Committee Nomination | None                                   | None  | 1 year  |
| <b>Young-Soo Park</b><br>(Feb. 15, 1952)                       | - <b>Current</b> ) Representative Attorney, Law Firm SanHo<br>- Chief Prosecutor, Seoul High Prosecutors Office                | Audit Committee Nomination | None                                   | None  | 2 years |

**E. Approval of directors compensation limit**

| Item               | 2012          | 2013          |
|--------------------|---------------|---------------|
| Compensation Limit | 4 billion won | 4 billion won |

**Appendix A. Financial Statements for FY2012****WOORI FINANCE HOLDINGS CO., LTD.****SEPARATE STATEMENTS OF FINANCIAL POSITION****AS OF DECEMBER 31, 2012 AND DECEMBER 31, 2011**

|  | December 31,<br>2012     | December 31,<br>2011 |
|--|--------------------------|----------------------|
|  | (Korean Won in millions) |                      |
| <b>ASSETS</b>                              |                          |                      |
| Cash and cash equivalents                  | 236,400                  | 33,538               |
| Loans and receivables                      | 209,199                  | 239,215              |
| Investments in subsidiaries and associates | 17,976,325               | 17,825,203           |
| Fixed assets                               | 389                      | 515                  |
| Intangible assets                          | 33                       | 29                   |
| Current tax assets                         | 20,844                   |                      |
| Deferred tax assets                        | 2,444                    | 2,158                |
| Other assets                               | 970                      | 2,347                |
| <b>Total assets</b>                        | <b>18,446,604</b>        | <b>18,103,005</b>    |
| <b>LIABILITIES</b>                         |                          |                      |
| Debentures                                 | 3,654,276                | 3,653,968            |
| Retirement benefit obligation              | 137                      |                      |
| Current tax liability                      | 165,588                  | 201,361              |
| Other financial liabilities                | 53,448                   | 31,796               |
| Other liabilities                          | 1,479                    | 1,659                |
| <b>Total liabilities</b>                   | <b>3,874,928</b>         | <b>3,888,784</b>     |
| <b>EQUITY</b>                              |                          |                      |
| Common stock                               | 4,030,077                | 4,030,077            |
| Hybrid securities                          | 498,407                  | 309,010              |
| Capital surplus                            | 109,026                  | 109,026              |
| Other equity                               | (14)                     | (14)                 |
| Retained earnings                          | 9,934,180                | 9,766,122            |
| <b>Total equity</b>                        | <b>14,571,676</b>        | <b>14,214,221</b>    |
| <b>Total liabilities and equity</b>        | <b>18,446,604</b>        | <b>18,103,005</b>    |

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

**SEPARATE STATEMENTS OF COMPREHENSIVE INCOME**

**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

|   | 2012   | 2011      |
|---|--|-----------|
|   | (Korean Won in millions, except for<br>earning per share data) |           |
| <b>NET INTEREST INCOME (EXPENSE)</b>              |  |           |
| Interest income                                   | 11,757   | 8,028     |
| Interest expense                                  | (184,136)  | (222,337) |
|   | (172,379)  | (214,309) |
| <b>NET FEE INCOME</b>                             |  |           |
| Fee income  | 62,582   | 65,698    |
| Fee expense                                       | (3,142)  | (7,846)   |
|   | 59,440   | 57,852    |
| <b>DIVIDEND INCOME</b>                            | 562,272  | 516,008   |
| <b>REVERSAL OF IMPAIRMENT LOSS ON CREDIT LOSS</b> | (1)  | 1         |
| <b>ADMINISTRATIVE EXPENSES</b>                    | (51,352)   | (49,792)  |
| <b>OPERATING INCOME (LOSS)</b>                    | 397,980  | 309,760   |
| <b>NON-OPERATING INCOME (LOSS)</b>                | (1,368)  | (6,310)   |
| <b>INCOME BEFORE INCOME TAX</b>                   | 396,612  | 303,450   |
| <b>INCOME TAX EXPENSE (INCOME)</b>                | (286)  | (1,030)   |
| <b>NET INCOME</b>                                 | 396,898  | 304,480   |
| <b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b>     |  |           |
| <b>COMPREHENSIVE NET INCOME</b>                   | 396,898  | 304,480   |
| <b>EARNING PER SHARE</b>                          |  |           |
| Basic and diluted earnings per share              | 459  | 375       |

**WOORI FINANCE HOLDINGS CO., LTD.****SEPARATE STATEMENTS OF CHANGES IN EQUITY****FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

|                                | Common<br>stock          | Hybrid<br>securities | Capital<br>surplus | Other<br>equity | Retained<br>earnings | Total      |
|--------------------------------|--------------------------|----------------------|--------------------|-----------------|----------------------|------------|
|                                | (Korean Won in millions) |                      |                    |                 |                      |            |
| January 1, 2011                | 4,030,077                |                      | 109,025            | (18)            | 9,665,087            | 13,804,171 |
| Dividends                      |                          |                      |                    |                 | (201,503)            | (201,503)  |
| Dividends of hybrid securities |                          |                      |                    |                 | (1,942)              | (1,942)    |
| Net income                     |                          |                      |                    |                 | 304,480              | 304,480    |
| Issue of hybrid securities     |                          | 309,010              |                    |                 |                      | 309,010    |
| Disposal of treasury stock     |                          |                      | 1                  | 4               |                      | 5          |
| December 31, 2011              | 4,030,077                | 309,010              | 109,026            | (14)            | 9,766,122            | 14,214,221 |
| January 1, 2012                | 4,030,077                | 309,010              | 109,026            | (14)            | 9,766,122            | 14,214,221 |
| Dividends                      |                          |                      |                    |                 | (201,503)            | (201,503)  |
| Dividends of hybrid securities |                          |                      |                    |                 | (27,337)             | (27,337)   |
| Net income                     |                          |                      |                    |                 | 396,898              | 396,898    |
| Issue of hybrid securities     |                          | 189,397              |                    |                 |                      | 189,397    |
| December 31, 2012              | 4,030,077                | 498,407              | 109,026            | (14)            | 9,934,180            | 14,571,676 |

## WOORI FINANCE HOLDINGS CO., LTD.

## SEPARATE STATEMENTS OF CASH FLOWS

## FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

|  | Years ended December 31  |             |
|--|--------------------------|-------------|
|  | 2012                     | 2011        |
|  | (Korean Won in millions) |             |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>           |                          |             |
| Net income   | 396,898                  | 304,480     |
| Adjustment to net income:                              | (387,950)                | (300,168)   |
| Income tax expense (income)                            | (286)                    | (1,030)     |
| Interest income  | (11,757)                 | (8,028)     |
| Interest expense                                       | 184,136                  | 222,337     |
| Dividend income  | (562,272)                | (516,008)   |
| Reversal of impairment loss on credit loss             | 1                        | (1)         |
| Depreciation   | 179                      | 294         |
| Amortization   | 6                        | 5           |
| Retirement benefit                                     | 2,043                    | 2,263       |
| Changes in operating assets and liabilities:           | 197,158                  | 121,756     |
| Decrease in loans and receivables                      | 198,113                  | 119,481     |
| Decrease in other assets                               | 1,364                    | 1,037       |
| Decrease in retirement benefit obligation              | (1,893)                  | (2,276)     |
| Increase (decrease) in other financial liabilities     | (245)                    | 2,620       |
| Increase (decrease) in other liabilities               | (181)                    | 894         |
| Income tax paid  | (201,361)                | (124,078)   |
| Interest income received                               | 9,739                    | 7,068       |
| Interest expense paid                                  | (181,630)                | (218,475)   |
| Dividend income received                               | 562,272                  | 516,008     |
| Net cash provided by operating activities              | 395,126                  | 306,591     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>           |                          |             |
| Decrease in investments in subsidiaries and associates | 3,107                    |             |
| Increase in investments in subsidiaries and associates | (154,229)                | (441,970)   |
| Acquisition of fixed assets                            | (54)                     | (216)       |
| Acquisition of intangible assets                       | (10)                     |             |
| Net cash (used in) investing activities                | (151,186)                | (442,186)   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>           |                          |             |
| Issue of debentures                                    | 767,657                  | 1,186,280   |
| Increase in borrowings                                 | 35,000                   | 10,000      |
| Issue of hybrid securities                             | 189,397                  | 309,010     |
| Redemption of debentures                               | (770,000)                | (1,190,000) |
| Redemption of borrowings                               | (35,000)                 | (10,000)    |
| Dividends paid for hybrid securities                   | (26,629)                 |             |
| Payment of dividends                                   | (201,503)                | (201,503)   |
| Net cash (used in) financing activities                | (41,078)                 | 103,787     |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS   | 202,862                  | (31,808)    |
| CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD     | 33,538                   | 65,346      |
| CASH AND CASH EQUIVALENTS, END OF THE PERIOD           | 236,400                  | 33,538      |



**WOORI FINANCE HOLDINGS CO., LTD.****SEPARATE STATEMENTS OF APPROPRIATION of RETAINED EARNINGS**

Date of Appropriation for 2012: March 22, 2013

Date of Appropriation for 2011: March 30, 2012

(Korean Won in millions)

|   | Year ended December 31 |                |
|---|------------------------|----------------|
|   | 2012                   | 2011           |
| <b>RETAINED EARNINGS BEFORE APPROPRIATIONS:</b>                                     |                        |                |
| Unappropriated retained earnings (Undisposed deficit) carried over from prior years | 762                    | 202,183        |
| Interest of hybrid equity securities  | (27,337)               | (1,942)        |
| Net income  | 396,898                | 304,480        |
|   | <b>370,323</b>         | <b>504,721</b> |
| <b>APPROPRIATIONS:</b>  |                        |                |
| Legal reserve   | 39,690                 | 30,448         |
| Reserves for bad debts  | 850                    | 8              |
| Cash dividends  | 201,503                | 201,503        |
| Voluntary reserve   | 128,000                | 272,000        |
|   | <b>370,043</b>         | <b>503,959</b> |
| <b>UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT YEARS</b>   | <b>280</b>             | <b>762</b>     |

## WOORI FINANCE HOLDINGS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2012, DECEMBER 31, 2011

|  | December 31,<br>2012     | December 31,<br>2011 |
|--|--------------------------|----------------------|
|  | (Korean Won in millions) |                      |
| <b>ASSETS</b>  |                          |                      |
| Cash and cash equivalents                                  | 5,777,804                | 6,417,123            |
| Financial assets at fair value through profit or loss      | 26,147,141               | 25,600,231           |
| Available-for-sale financial assets                        | 18,869,900               | 19,671,924           |
| Held-to-maturity financial assets                          | 18,684,801               | 20,036,128           |
| Loans and receivables                                      | 250,105,729              | 235,159,956          |
| Investments in jointly controlled entities and associates  | 1,037,930                | 928,233              |
| Investment properties                                      | 491,685                  | 498,999              |
| Premises and equipment                                     | 3,185,543                | 3,134,472            |
| Intangible assets and goodwill                             | 433,407                  | 447,891              |
| Current tax assets   | 37,792                   | 56,570               |
| Deferred tax assets  | 155,086                  | 79,980               |
| Derivative assets  | 281,069                  | 326,840              |
| Assets held for sale                                       | 83,347                   | 56,243               |
| Other assets   | 414,699                  | 377,059              |
| <b>Total assets</b>  | <b>325,705,933</b>       | <b>312,791,649</b>   |
| <b>LIABILITIES</b>   |                          |                      |
| Financial liabilities at fair value through profit or loss | 10,985,765               | 9,621,546            |
| Deposits due to customers                                  | 202,919,613              | 195,930,482          |
| Borrowings   | 33,478,685               | 34,666,709           |
| Debentures   | 27,959,969               | 29,265,833           |
| Provisions   | 863,658                  | 892,308              |
| Retirement benefit obligation                              | 166,296                  | 119,704              |
| Current tax liabilities                                    | 178,793                  | 274,257              |
| Deferred tax liabilities                                   | 124,946                  | 260,431              |
| Derivative liabilities                                     | 38,000                   | 33,493               |
| Other financial liabilities                                | 25,479,827               | 19,083,709           |
| Other liabilities  | 507,668                  | 569,783              |
| <b>Total liabilities</b>                                   | <b>302,703,220</b>       | <b>290,718,255</b>   |
| <b>EQUITY</b>  |                          |                      |
| Owners' equity:  | 18,705,697               | 17,523,998           |
| Capital stock  | 4,030,077                | 4,030,077            |
| Hybrid securities  | 498,407                  | 309,010              |
| Capital surplus  | 174,044                  | 175,768              |
| Other equity   | 185,950                  | 586,421              |
| Retained earnings  | 13,777,122               | 12,422,722           |
| Non-controlling interests                                  | 4,337,113                | 4,549,396            |
| <b>Total equity</b>  | <b>23,002,713</b>        | <b>22,073,394</b>    |
| <b>Total liabilities and equity</b>                        | <b>325,705,933</b>       | <b>312,791,649</b>   |

## WOORI FINANCE HOLDINGS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

## FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

|   | 2012                     | 2011        |
|---|--------------------------|-------------|
|   | (Korean Won in millions, |             |
|   | except per share data)   |             |
| <b>Net interest income</b>  | 7,267,103                | 7,264,395   |
| Interest income   | 15,019,982               | 15,044,846  |
| Interest expense  | (7,752,879)              | (7,780,451) |
| <b>Net fees and commissions income</b>  | 1,003,490                | 1,195,492   |
| Fees and commissions income   | 1,667,166                | 1,774,434   |
| Fees and commissions expense  | (663,676)                | (578,942)   |
| Dividends   | 163,125                  | 203,005     |
| Gain on financial instruments at fair value through profit or loss              | (293,469)                | 119,403     |
| Gain on available-for-sale financial assets                                     | 566,161                  | 1,072,877   |
| Gain on held-to-maturity financial assets                                       | 10                       | 82          |
| Impairment losses on credit loss  | (2,121,102)              | (2,268,927) |
| Other net operating expenses  | (4,356,747)              | (4,500,619) |
| <b>Operating income</b>   | 2,228,571                | 3,085,708   |
| <b>Non-operating income</b>   | 62,693                   | 91,665      |
| Share of profits of jointly controlled entities and associates                  | 68,667                   | 16,700      |
| Other non-operating income (loss)   | (5,974)                  | 74,965      |
| <b>Net income before income tax expense</b>                                     | 2,291,264                | 3,177,373   |
| Income tax expense  | (493,389)                | (744,093)   |
| <b>Net income</b>   | 1,797,875                | 2,433,280   |
| <b>Other comprehensive income (loss), net of tax</b>                            | (387,788)                | (385,374)   |
| Loss on available-for-sale financial assets                                     | (350,226)                | (374,877)   |
| Share of other comprehensive loss of jointly controlled entities and associates | 56,856                   | (37,602)    |
| Gain (loss) on overseas business translation                                    | (107,509)                | 24,591      |
| Gain on valuation of cashflow hedge   | 13,091                   | 2,514       |
| <b>Total Comprehensive Income</b>   | 1,410,087                | 2,047,906   |
| <b>Attribution of net income</b>  | 1,797,875                | 2,433,280   |
| Net income attributable to owners   | 1,583,580                | 2,136,828   |
| Net income attributable to non-controlling interests                            | 214,295                  | 296,452     |
| <b>Attribution of comprehensive income</b>                                      | 1,410,087                | 2,047,906   |
| Comprehensive income attributable to owners                                     | 1,177,633                | 1,729,658   |
| Comprehensive income attributable to non-controlling interests                  | 232,454                  | 318,248     |
| <b>Basic and diluted earnings per share</b>                                     | 1,931                    | 2,649       |

## WOORI FINANCE HOLDINGS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

## FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

|   | Capital stock | Hybrid securities | Capital surplus | Other equity<br>(Korean Won in millions) | Retained earnings | Controlling interests | Non-controlling interests | Total equity |
|---|---------------|-------------------|-----------------|--|-------------------|-----------------------|---------------------------|--------------|
| <b>January 1, 2011</b>  | 4,030,077     |                   | 180,105         | 1,002,019                                | 10,489,339        | 15,701,540            | 4,563,214                 | 20,264,754   |
| Net income  |               |                   |                 |  | 2,136,828         | 2,136,828             | 296,452                   | 2,433,280    |
| Dividends   |               |                   |                 |  | (201,503)         | (201,503)             | (36,687)                  | (238,190)    |
| Paid in capital stock   |               |                   | (4,632)         |  |                   | (4,632)               | 355,418                   | 350,786      |
| Changes in investment in consolidated subsidiaries              |               |                   | 295             |  |                   | 295                   | (217)                     | 78           |
| Variation of available-for-sale financial assets                |               |                   |                 | (403,737)                                |                   | (403,737)             | 28,860                    | (374,877)    |
| Changes in equity of jointly controlled entities and associates |               |                   |                 | (20,030)                                 |                   | (20,030)              | (17,572)                  | (37,602)     |
| Foreign currency translation                                    |               |                   |                 | 13,449                                   |                   | 13,449                | 11,142                    | 24,591       |
| Cash flow hedge   |               |                   |                 | 3,149                                    |                   | 3,149                 | (635)                     | 2,514        |
| Changes in other equity   |               |                   |                 | (8,428)                                  |                   | (8,428)               | (16,340)                  | (24,768)     |
| Changes in equity of non-controlling interests                  |               |                   |                 |  |                   |                       | 22,292                    | 22,292       |
| Dividends to hybrid securities                                  |               |                   |                 |  | (1,942)           | (1,942)               | (156,532)                 | (158,474)    |
| Issue of hybrid securities                                      |               | 309,010           |                 |  |                   | 309,010               |                           | 309,010      |
| Repayment of hybrid securities                                  |               |                   |                 | (1)                                      |                   | (1)                   | (499,999)                 | (500,000)    |
| <b>December 31, 2011</b>  | 4,030,077     | 309,010           | 175,768         | 586,421                                  | 12,422,722        | 17,523,998            | 4,549,396                 | 22,073,394   |
| <b>January 1, 2012</b>  | 4,030,077     | 309,010           | 175,768         | 586,421                                  | 12,422,722        | 17,523,998            | 4,549,396                 | 22,073,394   |
| Net income  |               |                   |                 |  | 1,583,580         | 1,583,580             | 214,295                   | 1,797,875    |
| Dividends   |               |                   |                 |  | (201,503)         | (201,503)             | (40,842)                  | (242,345)    |
| Changes in investment in consolidated subsidiaries              |               |                   | (1,724)         |  |                   | (1,724)               | (220)                     | (1,944)      |
| Variation of available-for-sale financial assets                |               |                   |                 | (335,688)                                |                   | (335,688)             | (14,538)                  | (350,226)    |
| Changes in equity of jointly controlled entities and associates |               |                   |                 | 7,188                                    |                   | 7,188                 | 49,667                    | 56,855       |
| Foreign currency translation                                    |               |                   |                 | (81,805)                                 |                   | (81,805)              | (25,704)                  | (107,509)    |
| Cash flow hedge   |               |                   |                 | 4,357                                    |                   | 4,357                 | 8,734                     | 13,091       |
| Changes in other equity   |               |                   |                 | 5,136                                    |                   | 5,136                 | 3,102                     | 8,238        |
| Depreciation of subsidiaries stock discount                     |               |                   |                 | 341                                      | (341)             |                       |                           |              |
| Changes in equity of non-controlling interests                  |               |                   |                 |  |                   |                       | (271,770)                 | (271,770)    |
| Dividends to hybrid securities                                  |               |                   |                 |  | (27,336)          | (27,336)              | (135,007)                 | (162,343)    |
| Issue of hybrid securities                                      |               | 189,397           |                 |  |                   | 189,397               |                           | 189,397      |
| <b>December 31, 2012</b>  | 4,030,077     | 498,407           | 174,044         | 185,950                                  | 13,777,122        | 18,665,600            | 4,337,113                 | 23,002,713   |



## WOORI FINANCE HOLDINGS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

## FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

|   | 2012                     | 2011         |
|---|--------------------------|--------------|
|   | (Korean Won in millions) |              |
| <b>Cash flows from operating activities:</b>                                      |                          |              |
| Net income  | 1,797,875                | 2,433,280    |
| Adjustments:  |                          |              |
| Income tax expense  | 493,389                  | 744,093      |
| Interest income   | (15,019,982)             | (15,044,846) |
| Interest expense  | 7,752,879                | 7,780,451    |
| Dividend income   | (163,125)                | (203,005)    |
| Impairment loss on credit loss  | 2,121,102                | 2,268,927    |
| Loss on valuation of financial instruments at fair value through profit or loss   | 176,907                  |              |
| Loss on valuation of investments in jointly controlled entities and associates    | 5,349                    | 39,738       |
| Loss on foreign exchange translation  | 44,539                   | 35,226       |
| Loss on transaction of derivatives  | 24,461                   | 5,641        |
| Loss on valuation of derivatives  | 32,006                   | 8,378        |
| Loss on fair value hedged items   | 38,879                   | 195,837      |
| Provisions  | 81,385                   | 59,260       |
| Retirement benefits   | 207,249                  | 153,167      |
| Depreciation and amortization   | 291,033                  | 273,607      |
| Loss on disposal of investments in jointly controlled entities and associates     | 19,807                   | 40           |
| Loss on disposal of premises and equipment and other assets                       | 3,335                    | 6,247        |
| Impairment loss of premises and equipment and other assets                        | 17,731                   | 18,875       |
| Gain on valuation of financial instruments at fair value through profit or loss   |                          | (224,550)    |
| Gain on disposal of available-for-sale financial assets                           | (566,161)                | (1,072,877)  |
| Gain on disposal of held-to-maturity financial assets                             | (10)                     | (82)         |
| Gain on valuation of investments in jointly controlled entities and associates    | (74,016)                 | (56,438)     |
| Gain on foreign exchange translation  | (26,059)                 | (46,882)     |
| Gain on transaction of derivatives  | (4,496)                  | (233)        |
| Gain on valuation of derivatives  | (40,072)                 | (187,038)    |
| Gain on fair value hedged items   | (43,725)                 | (3,876)      |
| Reversal of provisions  | (25,069)                 | (8,350)      |
| Gain on disposal of investments in jointly controlled entities and associates     | (28,627)                 | (61,071)     |
| Gain on disposal of premises and equipment and other assets                       | (4,669)                  | (74,140)     |
| Reversal of impairment loss of premises and equipment and other assets            | (3,700)                  | (791)        |
| Changes in operating assets and liabilities:                                      |                          |              |
| Decrease (increase) in financial instruments at fair value through profit or loss | 640,404                  | (2,408,645)  |
| Increase in loans and receivables   | (16,796,956)             | (17,933,322) |
| Increase in other assets  | (55,488)                 | (2,529,458)  |
| Increase in deposits due to customers   | 6,529,154                | 10,455,304   |

(Continued)

## WOORI FINANCE HOLDINGS CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

## FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

|   | Korean Won    |             |
|---|---------------|-------------|
|   | 2012          | 2011        |
|   | (in millions) |             |
| Increase (decrease) in provisions for guarantee and loan commitment     | (79,095)      | 12,921      |
| Decrease in retirement benefit obligation                               | (160,658)     | (142,289)   |
| Increase in other financial liabilities                                 | 6,035,108     | 6,829,024   |
| Increase (decrease) in other liabilities                                | (17,603)      | 174,424     |
| Cash received (paid) from operating activities:                         |               |             |
| Interest revenue received   | 14,986,770    | 14,948,932  |
| Interest expense paid   | (7,781,131)   | (7,170,272) |
| Dividend received   | 156,463       | 203,005     |
| Income tax paid   | (666,170)     | (549,333)   |
| Net cash provided by (used in) operating activities                     | (100,987)     | (1,071,121) |
| <b>Cash flows from investing activities:</b>                            |               |             |
| Disposal of available-for-sale financial assets                         | 25,991,898    | 11,319,306  |
| Repayment of held-to-maturity financial assets                          | 11,264,656    | 6,595,952   |
| Disposal of investments in jointly controlled entities and associates   | 140,871       | 167,701     |
| Disposal of investment properties                                       |               | 130,501     |
| Disposal of premises and equipment                                      | 15,545        | 31,962      |
| Disposal of intangible asset  | 3,199         | 3,270       |
| Disposal of assets held for sale  | 15,860        | 109,168     |
| Acquisition of available-for-sale financial assets                      | (24,796,958)  | (8,360,550) |
| Acquisition of held-to-maturity financial assets                        | (9,913,276)   | (6,826,232) |
| Acquisition of investment in jointly controlled entities and associates | (97,819)      | (311,805)   |
| Acquisition of investment properties                                    | (2,724)       | (1,356)     |
| Acquisition of premises and equipment                                   | (252,470)     | (232,456)   |
| Acquisition of intangible assets  | (72,598)      | (211,778)   |
| Net cash provided by investing activities                               | 2,296,184     | 2,413,683   |
| <b>Cash flows from financing activities:</b>                            |               |             |
| Net increase in borrowings  |               | 401,121     |
| Issue of debentures   | 8,922,872     | 6,942,404   |
| Issue of hybrid securities  | 189,397       | 309,010     |
| Increase in hedging derivatives   | 43,965        | 10,113      |
| Net increase in non-controlling interests                               |               | 189,728     |
| Net decrease in borrowings  | (1,188,024)   |             |
| Repayment of debentures   | (10,234,926)  | (6,975,522) |
| Dividends paid  | (201,503)     | (201,503)   |
| Dividends of hybrid securities paid                                     | (26,629)      |             |
| Repayment of hybrid securities of subsidiaries                          |               | (500,000)   |
| Net decrease in non-controlling interests                               | (168,448)     |             |
| Net cash provided by (used in) financing activities                     | (2,663,296)   | 175,351     |
| Net increase (decrease) in cash and cash equivalents                    | (468,099)     | 1,517,913   |
| Cash and cash equivalents, beginning of the year                        | 6,417,123     | 4,871,109   |
| Effects of exchange rate changes on cash and cash equivalents           | (171,220)     | 28,101      |

|   |           |           |
|---|-----------|-----------|
| <b>Cash and cash equivalents, end of the year</b> | 5,777,804 | 6,417,123 |
|---|-----------|-----------|

**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: February 27, 2013

By: /s/ Woo Seok Seong  
(Signature)  
Name: Woo Seok Seong  
Title: Managing Director