

Announcement of the Release of Korean *International Financial Reporting Standards* as issued by the IASB(K-IFRS)

December 21, 2007, The Korea Accounting Institute(KAI), whose accounting standard-setting responsibilities were commissioned by the FSC(Financial Supervisory Committee), announced the release of the Korean *International Financial Reporting Standards* as issued by the IASB(K-IFRS). This new set of standards is part of its continuous efforts to improve the comparability, the reliability, and the transparency of Korean corporates' financial reporting.

As proposed by the Roadmap, the KAI completed the process of translating the English version of IFRS as adopted by the International Accounting Standards Board(IASB) into Korean word-for-word and enactment of IFRS upon the endorsement by the FSC. Per the Roadmap, the K-IFRS is to be the Korea's national GAAP for listed companies through respective legislation procedures as prescribed in the Act on External Audit of Corporation. The translation was performed through the due processes prescribed in the copyright agreement with the IASCF(International Accounting Standards Committee Foundation).

Adopting IFRS is a global trend intended to increase the quality of accounting standards and to enhance the transparency and public trust of financial reporting. In line with this global trend, Korea announced its Roadmap for a full adoption of IFRS on March 15, 2007. This has marked Korea with the formal commitment for adopting a full IFRS, which are to be the national GAAP in 2011(2009 for early-adopters)

The KAI has started offering K-IFRS courses from this December to CPAs and corporate personnel, and is fully and continuously committed to the activities to improve the level of understandability in the new standards. The KAI is also in the process of translating IFRS Guidance materials, which are planned to be issued in the late 2008.