

**NEWCORE GANGNAM CORPORATE RESTRUCTURING  
REAL ESTATE INVESTMENT TRUST**

**WAIVER AND CONSENT TO HOLDING THE BOARD OF DIRECTORS' MEETING**

We, the undersigned, being the Directors and Auditor of Newcore Gangnam Corporate Restructuring Real Estate Investment Trust do, and each of us does, hereby waive any notice required under the applicable provisions of the Articles of Incorporation, and hereby consent to the holding of a meeting of the Board of Directors as set forth below and agree that actions may be taken on matters coming before such meeting as if notice had been duly given.

Date and Time: June 9, 2011 at 12:30 p.m.

Place : Conference Room of 11F, Hyundai Intellex Bldg., 261,  
Nonhyun-dong, Gangnam-gu, Seoul, Korea

- Agenda : 1. Approval of the Annual Report for 2011 Fiscal Year  
2. Approval of the Financial Statements for 2011 Fiscal Year  
3. Convening of the Ordinary General Meeting of Shareholders

Date : June 9, 2011



\_\_\_\_\_  
Kim Chang Hee  
Director



\_\_\_\_\_  
Goh Richard Chee Heng  
Director



\_\_\_\_\_  
Tracy Tran Hue Vi  
Director



\_\_\_\_\_  
Kim So Hee  
Auditor

**NEWCORE GANGNAM CORPORATE RESTRUCTURING  
REAL ESTATE INVESTMENT TRUST**

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS**

The meeting of the Board of Directors of the Company was held as follows:

Date and Time : June 9, 2011 at 12:30 p.m.  
Place : Conference Room of 11F, Hyundai Intellex Bldg., 261,  
Nonhyun-dong, Gangnam-gu, Seoul, Korea

Total Number of Directors : 3 persons  
Number of Directors present : 3 persons  
Auditor : Absent

Chairman, Representative Director, Kim Chang Hee took the chair, reported the number of Directors present and opened the session, declaring that the quorum set forth in the Articles of Incorporation was present and that the meeting was lawfully constituted.

Then the following items were submitted, considered and resolved:

**Agenda 1. Approval of the Annual Report for 2011 Fiscal Year**

The Chairman presented to the Directors the Annual Report for 2011 Fiscal Year for review by the Board, and proposed that the Board approve the Annual Report as presented.

Upon review of the Annual Report and due deliberation by the Directors present, it was resolved by unanimous vote that the Annual Report for 2011 Fiscal Year be approved as presented.

**Agenda 2. Approval of the Financial Statements for 2011 Fiscal Year**

The Chairman presented to the Directors the Financial Statements for 2011 Fiscal Year for review by the Board and proposed that the Board approve the Financial Statements.

Upon review of the Financial Statements and due deliberation by the Directors present, it was resolved by unanimous vote that the Financial Statements for 2011 Fiscal Year should be approved as presented.

**Agenda 3. Convening of the Ordinary General Meeting of Shareholder**

The Directors present unanimously agreed to the Chairman's proposal to convene the Ordinary General Meeting of Shareholder to deal with the agenda set forth below as follows:

Date and Time : June 30, 2011 at 12:30 p.m.

Place : Conference Room of 11F, Hyundai Intellex Bldg., 261,  
Nonhyun-dong, Gangnam-gu, Seoul, Korea

Agenda : 1. Annual Report for 2011 Fiscal Year  
2. Approval of the Financial Statements for 2011 Fiscal Year  
3. Approval of Dividends  
4. Approval of Ceiling Amount of Remuneration for Directors and Statutory Auditor

There being no further business to be transacted at this meeting, the Chairman declared the meeting closed at 01:00 p.m.

IN WITNESS WHEREOF, the Chairman and Directors present personally and through a video conference system have executed these minutes and hereunto affixed their signatures.

Date: June 9, 2011

Newcore Gangnam Corporate Restructuring Real Estate Investment Trust



\_\_\_\_\_  
Kim Chang Hee  
Director



\_\_\_\_\_  
Goh Richard Chee Heng  
Director



\_\_\_\_\_  
Tracy Tran Hue Vi  
Director

**NEWCORE GANGNAM CORPORATE RESTRUCTURING  
REAL ESTATE INVESTMENT TRUST**

**NOTICE OF CONVENING OF THE ORDINARY GENERAL MEETING OF SHAREHOLDER**

We hereby inform you that the Ordinary General Meeting of Shareholder of Newcore Gangnam Corporate Restructuring Real Estate Investment Trust will be convened as set forth below, and you are cordially requested to attend the meeting.

Date and Time : June 30, 2011 at 12:30 p.m.

Place : Conference Room of 11F, Hyundai Intellex Bldg., 261,  
Nonhyun-dong, Gangnam-gu, Seoul, Korea

Agenda : 1. Annual Report for 2011 Fiscal Year  
2. Approval of the Financial Statements for 2011 Fiscal Year  
3. Approval of Dividends  
4. Approval of Ceiling Amount of Remuneration for Directors and Statutory Auditor

Date: June 9, 2011

Newcore Gangnam Corporate Restructuring Real Estate Investment Trust



\_\_\_\_\_  
Kim Chang Hee  
Representative Director

Receipt Acknowledged  
June 9, 2011

\_\_\_\_\_  
Reco Won Pte Ltd

**NEWCORE GANGNAM CORPORATE RESTRUCTURING**  
**REAL ESTATE INVESTMENT TRUST**

**MINUTES OF THE ORDINARY GENERAL MEETING OF SHAREHOLDER**

The Ordinary General Meeting of Shareholder of the Company was held as follows:

Date and Time : June 30, 2011 at 12:30 p.m.

Place : Conference Room of 11F, Hyundai Intellex Bldg., 261,  
Nonhyun-dong, Gangnam-gu, Seoul, Korea

Total number of issued shares with voting rights	: 2,000,000 shares
Total number of Shareholders	: 1 person
Number of Shareholders present at the meeting	: 1 person
Number of shares held by Shareholders present	: 2,000,000 shares

Chairman, Representative Director, Kim Chang Hee took the chair and opened the session, declaring that the quorum set forth in the Articles of Incorporation was present and that the meeting was lawfully constituted.

Then the following agenda items were submitted, considered and resolved as follows:

**Agenda 1. Annual Report for 2011 Fiscal Year**

The Chairman reported to the Shareholder matters concerning the business of the Company during 2011 Fiscal Year using the Annual Report presented at this meeting.

**Agenda 2. Approval of the Financial Statements for 2011 Fiscal Year**

The Chairman presented the Financial Statements for 2011 Fiscal Year including the Balance Sheet, Statement of Operation, Statement of Cash Flows, Statement of Appropriation of Retained Earnings and supplementary documents thereof and proposed that they be approved.

Upon review thereof and due deliberation by the Shareholder present, it was unanimously resolved that the foregoing Financial Statements for 2011 Fiscal Year should be approved as drafted.

**Agenda 3. Approval of Dividends**

The Chairman proposed to pay cash dividend from the income of the Company for the fiscal year ended March 31, 2011 and the Shareholder present unanimously agreed to the proposal as follows.

1. Name of the Shareholder: Reco Won Pte Ltd, 2,000,000 shares (100%)
2. Amount of total dividend: KRW 10,559,000,000

**Agenda 4. Approval of Ceiling Amounts of Remuneration for Director and Statutory Auditor**

The Chairman explained that the ceiling amount of remuneration (including bonuses) to be paid by the Company to the registered Directors and Statutory Auditor of the Company must be approved by the General Meeting of Shareholder and proposed that the shareholder determine and approve such amount for the Fiscal Year, covering the period from April 1, 2011 to March 31, 2012.

Upon due deliberation by the shareholder present, it was resolved that the ceiling amounts of remuneration to be paid by the Company to the Directors and Statutory Auditor for the Fiscal Year ending March 31, 2012 be set as follows:

Ceiling amount of remuneration for Directors:       NIL        
Ceiling amount of remuneration for Statutory Auditor:       NIL      

There being no further business to be transacted at this meeting, the Chairman declared the meeting closed at 01:00 p.m.

IN WITNESS WHEREOF, the Chairman and Directors present have executed these minutes and hereunto affixed their signatures.

Date: June 30, 2011

Newcore Gangnam Corporate Restructuring Real Estate Investment Trust



\_\_\_\_\_  
Kim Chang Hee  
Director



\_\_\_\_\_  
Goh Richard Chee Heng  
Director



\_\_\_\_\_  
Tracy Tran Hue Vi  
Director

**NEWCORE GANGNAM CORPORATE RESTRUCTURING**  
**REAL ESTATE INVESTMENT TRUST**  
**ANNUAL REPORT**  
**FOR THE PERIOD FROM APRIL 1, 2010 TO MARCH 31, 2011**

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## 1. Summary of the Company

### (A) Organization and business of the Company

Newcore Gangnam Corporate Restructuring Real Estate Investment Trust (the "Company") was established as a corporate restructuring real estate investment company with the authorization of the Ministry of Land, Transport and Maritime Affairs in the Republic of Korea under the Real Estate Investment Company Act on August 4, 2009 to engage in acquisition, management, improvement, amelioration and disposal of real estate, lease and rent of real estate, real estate development projects and related business.

The Company is a wholly-owned subsidiary of Reco Won Pte Ltd.

### (B) Objectives of the Company

- (1) Acquisition, management, improvement and disposition of real estate,
- (2) Development of real estate,
- (3) Lease of real estate,
- (4) Sale and purchase of securities,
- (5) Deposit of funds with financial institutions,
- (6) Acquisition, management and disposition of rights related to the use of real estate, including superficies and leasehold interests.

### (C) Office

Classification	Major business	Location
Head Office	Sales and rent of real estates	11F, Hyundai Intellex Bldg., 261, Nonhyun-dong, Gangnam- gu, Seoul

### (D) Employees

Classification	Officer	Sales	Administration	Total
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

### (E) With respect to the capital stock

- (1) Kind and number of stock issued and outstanding

Kind of Stock	Number of Stock	Amount	Ratio	Remarks
Common stock	2,000,000	W 10 billion	100%	-



(2) Changes in capital stock during the year

Not applicable

**2. Proceeding and Results of Business**

See the accompanying financial statements.

**3. Business Performances and Financial Status during the year**

See the accompanying financial statements.

**4. Tasks to be managed by the Company**

(A) Full utilization of the Company's business assets

(B) Development of new business opportunities in Korea

**5. Board of Directors**

Standing/ Non-standing	Name	Title	Duty or Main Job	Commercial Relations with the Company	Remarks
Non-Standing	Kim Chang Hee	Representative Director	President	None	-
Non-Standing	Goh Richard Chee Heng	Director	Director	None	-
Non-Standing	Tracy Tran Hue Vi	Director	Director	None	-
Non-Standing	Kim So Hee	Auditor	Audit	None	-

**6. Shareholders**

Name	Number of stock	Ratio	Commercial relations with the Company	Remarks
Reco Won Pte Ltd.	2,000,000	100%	None	-

## **7. Major Creditors**

<b>Name</b>	<b>Amount (in thousands)</b>	<b>Interest Rate</b>	<b>Type</b>	<b>Maturity</b>
Reco Won Pte Ltd	W 9,629,786	5.8%	Foreign Currency Loan	Sep 7, 2016
Standard Chartered Bank, Singapore Branch	W132,000,000	5.03%	Fixed Rate Note	Sep 8, 2012

## **8. Major events happened after the end of fiscal year**

The Company declared W10,559,000 thousand of dividend for fiscal 2011 to enjoy tax benefit of dividend deduction against the taxable income in accordance with the Korean Corporate Income Tax Law.

## **9. Other major matters related to the business**

The Company relocated its head office of to 11F, Hyundai Intellex Bldg., 261, Nonhyun-dong, Gangnam-gu, Seoul on September 10, 2010.



**NEWCORE GANGNAM CORPORATE RESTRUCTURING REAL ESTATE INVESTMENT TRUST**  
**BALANCE SHEET**  
**AS OF MARCH 31, 2011 AND 2010**

(in thousands of Korean won)

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	₩ 16,246,145	₩ 11,884,821
Other accounts receivable	-	3,196
Prepaid expenses	36,237	13,521
Total current assets	16,282,382	11,901,538
Property and equipment, net	225,035,374	225,921,679
Total assets	₩ 241,317,756	₩ 237,823,217
<b>Liabilities and Shareholder's Equity</b>		
Current liabilities		
Other accounts payable	₩ 43,355	₩ 57,900
Accrued expenses	813,245	789,745
Deferred revenue	7,177	-
Other current liabilities	697,396	684,522
Total current liabilities	1,561,173	1,532,167
Office rental deposits	20,067,408	20,067,408
Bonds	131,873,770	131,763,414
Long-term debt	9,629,786	9,932,667
Long-term deferred revenue	89,287	-
Total liabilities	163,221,424	163,295,656
Shareholder's equity		
Capital stock	10,000,000	10,000,000
Capital surplus	57,536,770	57,536,770
Retained earnings	10,559,562	6,990,791
Total shareholder's equity	78,096,332	74,527,561
Total liabilities and shareholder's equity	₩ 241,317,756	₩ 237,823,217



**NEWCORE GANGNAM CORPORATE RESTRUCTURING REAL ESTATE INVESTMENT TRUST**  
**STATEMENT OF OPERATION**  
**FOR THE YEARS ENDED MARCH 31, 2011 AND 2010**

(in thousands of Korean won)

	<u>2011</u>	<u>2010</u>
<b>Revenue</b>	₩ 20,412,266	₩ 11,260,046
<b>Operating expenses</b>	<u>2,504,701</u>	<u>1,215,754</u>
Operating income	<u>17,907,565</u>	<u>10,044,292</u>
<b>Non-operating income</b>		
Interest income	243,193	74,975
Gain on foreign currency translation	302,881	1,000,333
Gain on exemption of debts	-	430,990
Other income	14	-
	<u>546,088</u>	<u>1,506,298</u>
<b>Non-operating expenses</b>		
Interest expenses	<u>8,075,882</u>	<u>4,559,799</u>
	<u>8,075,882</u>	<u>4,559,799</u>
Income before income taxes	10,377,771	6,990,791
Income tax expense	-	-
Net income	<u>10,377,771</u>	<u>₩ 6,990,791</u>

**NEWCORE GANGNAM CORPORATE RESTRUCTURING REAL ESTATE INVESTMENT TRUST**  
**STATEMENT OF APPROPRIATION OF RETAINED EARNINGS**  
**FOR THE YEARS ENDED MARCH 31, 2011 AND 2010**

*(in thousands of Korean won)*

	<u>2011</u>	<u>2010</u>
<b>Retained earnings before appropriations</b>		
Unappropriated retained earnings carried over from prior years	₩ 181,791	₩ -
Net income	<u>10,377,771</u>	<u>6,990,791</u>
	10,559,562	6,990,791
<b>Appropriation of retained earnings</b>		
Dividends		
Cash dividends	<u>10,559,000</u>	<u>6,809,000</u>
	10,559,000	6,809,000
<b>Unappropriated retained earnings carried forward to the subsequent year</b>	<u>₩ 562</u>	<u>₩ 181,791</u>



**NEWCORE GANGNAM CORPORATE RESTRUCTURING REAL ESTATE INVESTMENT TRUST****STATEMENT OF CASH FLOWS****FOR THE YEARS ENDED MARCH 31, 2011 AND 2010***(in thousands of Korean won)*

	<u>2011</u>	<u>2010</u>
<b>Cash flows from operating activities</b>		
Net income	₩ 10,377,771	₩ 6,990,791
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	988,577	575,408
Interest expense(Discounts on debentures)	110,356	83,514
Gain on foreign currency translation	(302,881)	(1,000,333)
Gain on exemption of debts	-	(430,990)
Changes in operating assets and liabilities		
Other accounts receivable	3,196	(3,196)
Other current assets	(22,716)	(13,521)
Other accounts payable	(14,545)	488,890
Other current liabilities	12,874	684,522
Accrued expenses	23,500	789,745
Office rental deposits	-	20,067,408
Long-term deferred revenue	96,464	-
Net cash provided by operating activities	<u>11,272,596</u>	<u>28,232,238</u>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(102,272)	(226,497,087)
Net cash used in investing activities	<u>(102,272)</u>	<u>(226,497,087)</u>
<b>Cash flows from financing activities</b>		
Issuance of long-term debt	-	10,933,000
Issuance of bonds	-	131,679,900
Stock issuance	-	67,536,770
Dividends	(6,809,000)	-
Net cash provided by financing activities	<u>(6,809,000)</u>	<u>210,149,670</u>
Net increase in cash and cash equivalents	4,361,324	11,884,821
<b>Cash and cash equivalents</b>		
Beginning of year	11,884,821	-
End of year	<u>₩ 16,246,145</u>	<u>₩ 11,884,821</u>

## AUDIT REPORT

I, the auditor of Newcore Gangnam Corporate Restructuring Real Estate Investment Trust T (the "Company"), am pleased to report on the audit results relative to the operations of the Company and accounting thereof for the fiscal period from April 1, 2010 to March 31, 2011 as follows:

### **1. Summary of audit method**

My examination of the Company's financial statements was made with due care and accordingly included tests such as checking, comparison, physical counts, observations, confirmations and such other auditing procedures as I considered necessary in the circumstances. I also read important documents and inspected critical operations of the Company by applying such inspection procedures as I considered necessary in the circumstances.

### **2. With respect to the balance sheet and the statement of operations**

The balance sheet and the statement of operations present the Company's financial position and results of operations as appropriate in accordance with the relevant laws and the Company's articles of incorporation.

### **3. With respect to the statements of appropriation of retained earnings and cash flows**

The statements of appropriation of retained earnings and cash flows are prepared in accordance with the relevant laws and the Company's articles of incorporation.

### **4. With respect to the annual report**

The annual report adequately describes the Company's status in accordance with the relevant laws and the Company's articles of incorporation.

June 9, 2011



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Kim So Hee  
Auditor