

NEWCORE GANGNAM CORPORATE RESTRUCTURING
REAL ESTATE INVESTMENT TRUST

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDER

Date and time: September 1, 2014 at 3:00 p.m.

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

Total number of shares present: 2,000,000 shares among 2,000,000 shares of the total number of issued shares

Total number of shareholders: 1 person among the total 1 shareholder

Chairman, Representative Director, Kim Chang Hee took the chair and opened the session, declaring that 100% of the total number of issued shares was present and that the meeting was lawfully constituted.

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

■ **Resolution 1: Approval of Capital Increase with Consideration**

The Chairman reported to the Shareholder details concerning the Capital Increase with Consideration and upon review by the Shareholders present, it was unanimously resolved to finally approve the proposal as contained in Appendix 1.

■ **Resolution 2: Approval of Financing Plan**

The Chairman reported to the Shareholder details concerning the Financing Plan and upon review by the Shareholders present, it was unanimously resolved to finally approve the proposal as contained in Appendix 2.

■ **Resolution 3: Approval of Entering into a Loan Agreement and Financing Consultancy and Arrangement Agreement and Registration of Keun-mortgage**

The Chairman reported to the Shareholder details concerning entering into a Loan Agreement and Financing Consultancy and Arrangement Agreement and Registration of Keun-mortgage and upon review by the Shareholders present, it was unanimously resolved to finally approve the proposal as contained in Appendix 3.

There being no further business to be transacted at this meeting, the Chairman declared the meeting is closed.

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

Date: September 1, 2014

NEWCORE GANGNAM CORPORATE RESTRUCTURING

Chairman/Representative Director Chang Hee Kim (Seal)



<Appendix 1>

Approval of Capital Increase**□ Purpose**


- In order to extend the investment period and change the investment structure of the Company by deleting the duration period of the Company it plans the capital increase by way of a shareholder allotment and third-party allotment of new share.

□ Outline of New Share Issuance

- Type and Number of New Shares to be Issued
 - Common Stocks: 1 share
 - Operating Gain Dividend Stocks: 761,334 shares
 - Capital Gain Dividend Stocks: 268,000 shares
- Method of New Share Allotment: Shareholder allotment and third-party allotment
- Amount of Capital Increase
 - Amount of par value: KRW 5,146,675,000(KRW 5,000 per share)
 - Actual amount paid: KRW 77,200,125,000(KRW 75,000 per share, premium issue)
- Date of Subscription for New Shares: 2014. 09. 16.(expected)
- Share Proceeds Payment Date: 2014. 09. 16.(expected)

□ New Share Subscriber

- Method of Allotment
 - The new shares shall be allotted respectively to shareholders pursuant to Article 15, Paragraph (1) of the Articles of Incorporation, and third parties who subscribe for new shares pursuant to Article 15, Paragraph (2), Item 1.
- Subscribing Agency



	Subscriber	Type	Number	Actual amount paid (KRW)
Shareholder Allotment	Reco Won Pte Ltd.	Operating Gain Dividend Stocks	761,334 shares	57,100,050,000
Third-Party Allotment	Eland Retail Co., Ltd.	Common Stocks	1 share	75,000
Third-Party Allotment	Eland Retail Co., Ltd.	Capital Gain Dividend Stocks	268,000 shares	20,100,000,000
	Total		1,029,335 shares	77,200,125,000

□ Change in Number of Shares and Capital

(Unit: Share)

	Classification	Current	After capital increase
Number	Common Stocks	2,000,000	1

of Shares	Operating Gain Dividend Stocks	-	761,334
	Capital Gain Dividend Stocks	-	268,000
Capital Funds(KRW)		10,000,000,000	5,146,675,000

※ Whereas the Company is carrying out capital increase and capital reduction at the same time, the 1st capital reduction (1,000,000 shares) shall be completed on the day preceding the completion date of capital increase and the 2nd capital reduction (1,000,000 shares) shall be completed on the completion date of capital increase. When capital reduction and capital increase are both completed, the Company's shares outstanding will be: 1 share of common stock, 268,000 shares of capital gain dividend stocks, 761,334 shares of operation gain dividend, KRW 5,146,675,000 of capital funds.

□ Payment of Share Proceeds

- Reco Won Pte Ltd plans to set off the consideration for capital reduction and share proceeds for new share issuance pursuant to <Attachment 1. Set-Off Agreement>.
- Eland Retail plans to set off a portion of the amount of security deposit and share proceeds for new share issuance and shall pay the remaining portion in cash pursuant to <Attachment 2. Set-Off Agreement >
Place for payment of share proceeds in cash: HSBC Seoul Branch

<Attachment 1. Set-Off Agreement>

<Attachment 2. Set-Off Agreement >



□ Timeline of execution (expected)

- 2014. 09. 01. : Resolution of capital increase by the board of directors
- 2014. 09. 01. : Notice to new share subscribers, Public notice to existing shareholders under Article 418, Paragraph 3 of the Commercial Act
- 2014. 09. 16. : Subscription for new shares and execution of a subscription agreement
- 2014. 09. 16. : Payment of share proceeds / Issuance of new shares and amendment of shareholder registry


<Appendix 2>

Approval of Financing Plan

□ Purpose

- The Company wishes to finance the current loan outstanding by entering into a new Loan Agreement and withdrawal.

□ Main contents of financing plan

- Creditor: Industrial Bank of Korea (“IBK”) (arranger and agent), Dongbu Fire and Marine Insurance, Hyundai Fire and Marine Insurance, Mirae Asset Life Insurance
- Loan commitment : KRW 170,000,000,000
- Effective date of the Loan Agreement: September 2, 2014.(expected)
- Date of withdrawal: until September 30th of 2014 from the effective date of the Loan Agreement
- Maturity date of the Loan: 60th month from the withdrawal date
- Interest rate: Annual rate of 4.2%(fixed rate)
- Overdue interest rate: Annual rate of 13%
- Payment of interest: Every 6 months payment 
- Ways of repayment : Lump sum payment on maturity
- Establishment of collateral: Right to collateral security on the possessed real estate, claim for payment of insurance or pledge for the interest payment account
- Financing arranger: IBK
- Financing consultancy and arrangement service commission: KRW 595,000,000


<Appendix 3>

Approval of Entering into a Loan Agreement and a Financing Consultancy and Arrangement Agreement, and Registration of Keun-mortgage

□ Purpose

- As set forth in the financing plan in Appendix 2, the Company desires to enter into a Loan Agreement, a Financing Consultancy and Arrangement Agreement and establish the right to collateral security.

□ Outline of the Loan Agreement and the Financing Consultancy and Arrangement Agreement

- Creditor: IBK (arranger and agent), Dongbu Fire and Marine Insurance, Hyundai Fire and Marine Insurance, Mirae Asset Life Insurance
- Loan commitment: KRW 170,000,000,000
- Effective date of the Loan Agreement: September 2, 2014.(expected)
- Date of withdrawal: until September 30th of 2014 from the effective date of the Loan Agreement
- Maturity date of the Loan: 60th month from the withdrawal date
- Interest rate: Annual rate of 4.2%(fixed rate)
- Overdue interest rate: Annual rate of 13%
- Payment of interest: Every 6 months payment 
- Ways of repayment : Lump sum payment on maturity
- Advanced redemption: if the loan is repaid within 3 years from the withdrawal date, advanced redemption fee will be imposed (If the possessed real estate is sold, advanced redemption is mandated)
- Establishment of collateral: Right to collateral security on the possessed real estate, claim for payment of insurance or pledge for the interest payment account
- Finance arranger: IBK
- Finance consultation and arrangement service commission: KRW 595,000,000

□ Registration of Keun-mortgage

- Under the foregoing Loan Agreement and the Agreement on Registration of Keun-mortgage, the Company desires to establish the right to collateral security in the amount equivalent to 120% of the commitment of the loans.

□ Related information

- In accordance with the foregoing Loan Agreement, necessary actions must be taken in relation to the cancellation of the existing registration for leasehold right under the name of the lessee, the establishment of keun-mortgage and then re-establishment of the lease hold right.