

Vibrant KONEX Market with Expanded Trading Volume

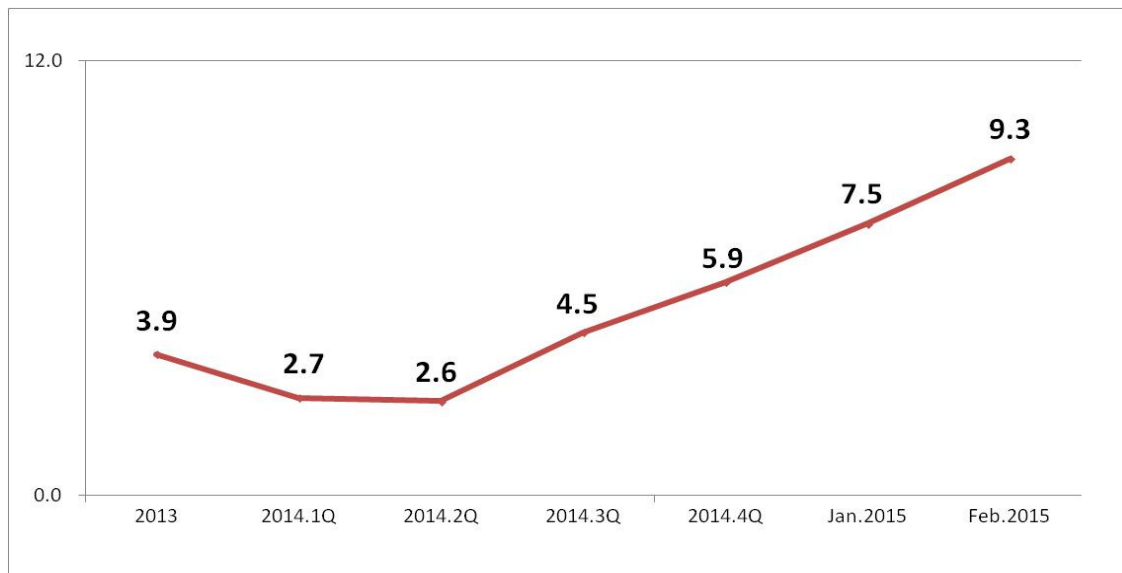
Market Update

Recently, the KONEX market grows rapidly in both trading volume and the number of stocks traded. In 2015, the average daily trading value of the KONEX market increased as much as 200% year on year (KRW 390 mil → KRW 830 mil). In February, the average daily trading value posted KRW 930 mil.

**On Jan 22, 2015, the trading value reached an all-time high of KRW 4.83 bil.*

<Trend of Average Daily Trading Value in the KONEX Market >

(Unit: KRW 100 million)



	2013	2014					2015		
		Q1	Q2	Q3	Q4	Avg.	Jan.	Feb.	Avg.
Avg. daily trading value (KRW million)	309	270	260	450	590	390	750	930	830
Avg. daily trading volume (1,000 shares)	61	43	31	59	64	49	88	98	92

The rate of trading execution has consistently risen to 49.6% from 29.7% recorded at the end of last year, showing that the trend of trading concentrated on particular stocks has been mitigated.

<Trend of Trading Executed in the KONEX Market >

(Unit: no. of companies, %)

	2013	2014					2015		
		Q1	Q2	Q3	Q4	Avg.	Jan.	Feb.	Avg.
No. of stocks traded	13	16	17	20	19	18	28	35	31
Rate of trading execution*	49.6	33.4	32.9	34.4	29.7	32.6	39.4	49.6	44.0

* The rate of average daily trading executed during the relevant time period (The number of stocks traded/The number of listed stocks)

In Jan-Feb, 2015, the bio sector took up the highest proportion of trading value (71.9%) followed by the software sector (9.0%) and the metals sector (8.6%).

<Top 3 Sectors in Terms of Trading Value in January-February >

(Unit: KRW 100 million, %)

Ranking	Sector	Trading Value	Contribution to the Total Market Trading Value*
1	Bio	228.0	71.9
2	Software	28.5	9.0
3	Metals	27.4	8.6
Total		283.9	89.5

*The cumulative trading value of the relevant sector in 2015/The cumulative trading value of the KONEX market (KRW 31.71 billion)

In January-February, among the stocks listed, Enzychem Lifesciences recorded the highest trading value (KRW 10.34 billion), followed by Eyegene (KRW 9.04 billion) and Standard Firm (KRW 2.62 billion).

The stock prices of 71 listed corporations reached the highest level ever recorded since the launch of the KONEX market (an average of 186%* from the initial valuation price of the listing date)

* Average stock price increment from the initial valuation price of the listing date for the entire 71 companies listed on the KONEX market: 128% (2013) → 125% (Q1 2014) → 155% (Q2 2014) → 168% (Q3 2014) → 131% (Q4 2014) → 186% (2015)

Particularly, the prices of bio stocks and among high-ranking stocks in terms of trading value have grown.

** The prices of top 10 stocks in terms of trading value increased 603.0% on average.*

*** The prices of 9 bio stocks increased 513.7% on average.*

A growing number of individual investors participate in the market, accounting for the highest portion of trading (78.9%)* among investors.

**Proportion of trading by individual investors: 51.7% (2013) → 70.3% (2014) → 78.9% (2015)*

Particularly, individual investors purchased primarily the high-ranking stocks in terms of market capitalization and the bio stocks on the expectation of some KONEX-listed companies to be transferred to the KOSDAQ market for stock listing.

** Top 3 stocks purchased most by individual investors: Enzychem Lifesciences (KRW 8.0 billion), Eyegene (KRW 7.6 billion), Standard Firm (KRW 2.3 billion)*

Outlook

Given the substantial increase* in the prices of some stocks to be transferred to the KOSDAQ market for listing such as Hironic and Labgenomics and also the rising investors' interests** in small cap stocks, the KONEX market is expected to grow consistently.

**Average stock price increment from the public offering price for the 6 stocks transferred to the KOSDAQ market for listing: 86.2%*

*** Growing interests in mid and small cap stocks, rather than large cap stocks, due to the KOSDAQ index that has broken the 600-point mark recently*

The Korea Exchange will proceed with various institutional improvements in order to attract more investors and promote trading.

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[Appendix 1. Key Market Data]

<Major Market Indicators>

(Unit: No. of companies, 1,000, KRW bil., shares, %)

	2013	2014	2015			Aggregate amount
			Jan.	Feb. (~Feb.27)	Total	
No. of listed companies	45	71	71	71	71	71
(Initial listing)	(24)	(34)	-	-	-	(58)
(Delisting)	-	(8)	-	-	-	(8)
Market capitalization	9,234	14,252	15,990	17,986	17,986	17,986
Cumulative trading value	48.7	96.0	15.8	15.9	31.7	176.4
(Average daily value)	(0.39)	(0.39)	(0.75)	(0.93)	(0.83)	(0.43)
Cumulative trading volume	7,528	12,070	1,847	1,659	3,506	23,104
(Average daily volume)	(61)	(49)	(88)	(98)	(92)	(57)
No. of stocks traded*	13	18	28	35	31	18
Rate of trading execution*	49.6	32.6	39.4	49.6	44.0	38.9
Rate of turnover**	17.2	7.9	12.5	13.3	12.9	11.2
Change from the valuation price	128	131	156	186	186	186

* No. of stocks traded and the rate of trading execution are based on the average of the period concerned. However, the market capitalization and the change (%) from the valuation price are as of the end of the period concerned.

** The rate of turnover refers to the daily turnover rates (trading value/market capitalization) averaged by the period concerned.

<Trading by Investor (July 1, 2013- February 27, 2015)>

(Unit: KRW billion)

	Institutions	Individuals	Other corporations	Foreigners	Total
Buying	64.1	99.1	8.8	4.1	176.4
Selling	15.9	136.3	23.5	0.8	176.4
Net buying	48.5	△ 37.2	△ 14.6	3.3	0.0
Proportion of buying	36.5%	56.2%	5.0%	2.3%	100%
Proportion of selling	22.7%	66.7%	9.2%	1.4%	100%

<Key Record Figures>

(Unit: 1,000 shares, KRW billion)

	Date of market opening	Highs (on the date concerned)	Lows (on the date concerned)
Market capitalization	468.9	1,830.7 (Feb 25, 2015)	402.2 (Jul 8, 2013)
Trading volume	220	486 (Aug 8, 2013)	3 (Sep 9, 2013)
Trading value	1.4	4.8 (Jan 22, 2015)	0.02 (Sep 9, 2013)
No. of stocks traded	20	50 (Jan 26, 2015)	5 (Jul 8, 2013, Aug 22, 2013, Sep 2, 2013)

[Appendix 2. Stock Price Growth by Stock]

<Top 10 KONEX-Listed Stocks in terms of Trading Value>

(Unit: KRW, %)

Ranking	Name of Company	Initial valuation price*	Price as of Feb 27, 2015	Change(%) from the valuation price
1	Enzychem Lifesciences	5,110	31,000	506.7
2	EyeGene	5,180	14,750	184.8
3	Standard Firm	642	7,200	1,021.5
4	Pandora TV	869	4,300	394.8
5	MG Med	3,980	35,050	780.7
6	Lstro	2,500	9,500	280.0
7	ToolGen	525	8,900	1,595.2
8	Vessel	4,370	5,900	35.0
9	Exicon	4,940	8,990	82.0
10	L&K Biomed	1,545	19,300	1,149.2
Average				603.0

* The initial valuation price as of the listing date of the stocks concerned

<Bio Stocks in the KONEX Market>

(Unit: KRW, %)

Ranking	Name of Company	Initial valuation price*	Price as of Feb 27, 2015	Change(%) from the valuation price
1	ToolGen	525	8,900	1,595.2
2	L&K Biomed	1,545	19,300	1,149.2
3	MG Med	3,980	35,050	780.7
4	Enzychem Lifesciences	5,110	31,000	506.7
5	Abion	3,410	15,100	342.8
6	Eyegene	5,180	14,750	184.8
7	HIMS International	8,940	13,500	51.0
8	Bio Leaders	3,500	4,310	23.1
9	SNP Genetics	3,915	3,500	△10.6
Average				513.7

* The initial valuation price as of the listing date of the stocks concerned

<Stocks Transferred to the KOSDAQ Market for Listing>

(Unit: KRW, %)

Name of Company	Date of transfer	IPO Price	Price as of Feb 27, 2015	Change(%) from the IPO price
Ajinextek	July. 24, 2014	7,000	5,460	△22.0
Mediana	Oct. 7, 2014	6,200	13,550	118.6
Terrasem	Oct. 30, 2014	3,000	2,995	△0.2
Labgenomics	Dec.16, 2014	13,200	28,700	117.4
Hironic	Dec.17, 2014	51,000	128,000	151.0
ITCEN Systems	Dec. 23, 2014	7,500	18,950	152.7
Average				86.2