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## ***Korea (Republic of Korea)***

*Local stock exchange*

*Korea Exchange*

*<http://www.krx.co.kr/>*

*Korea Securities Dealers Automated Quotation  
(Secondary exchange which mainly trades venture  
businesses and small and medium-sized companies)  
<http://www.kosdaqca.or.kr/>*

### **Rules for listed filings**

#### **IFRS required or permitted for listed companies?**

Adoption of IFRS is required for all listed companies and certain unlisted financial institutions from 2011. Early adoption of IFRS, with exception of financial institutions, has been permitted from 2009.

#### **Version of IFRS**

IFRS as published by the IASB and translated to Korean language word-for-word. Endorsed IFRSs are referred to as IFRSs as adopted in Korea (K-IFRSs). To date all IFRSs as issued by the IASB have been endorsed as K-IFRSs without modification. A few disclosure and presentation requirements are added which do not affect the full compliance of IFRS as issued by the IASB.

#### **Are subsidiaries of foreign companies or foreign companies listed on local exchanges subject to different rules?**

Foreign companies must use IFRSs as published by the IASB, K-IFRSs, or US GAAP. Foreign companies are permitted to use IFRS issued by IASB or US GAAP if such financial statements were audited in their home country in accordance with relevant regulations.

### **Rules for statutory filings**

#### **Is IFRS or IFRS for SMEs required, permitted, or prohibited for statutory filings?**

IFRS has been permitted from 2009 for all statutory filers. From 2011, IFRS is a requirement for all listed statutory filers and certain unlisted financial institutions. IFRS for SMEs is prohibited for statutory filings.

#### **Version of IFRS**

IFRS as published by the IASB and translated to Korean language word-for-word.

#### **In addition to local GAAP statutory financial statements, are there any other regulatory financial statement requirements that permit or require the use of IFRS?**

No

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## IFRS conversion plans

### Plans for converging

Full adoption of IFRS is mandatory for all listed companies and certain financial institutions from 2011. From 2009, voluntary adoption has been permitted for all companies, listed and non-listed.

### Other useful websites

Korean Accounting Institute

<http://www.kasb.or.kr/>

Financial Supervisory Service

<http://ifrs.fss.or.kr/ifrs/main.jsp/>

## Tax information

### Type of tax regime

Quasi-dependent. Taxable profit is principally based on the legal entity statutory accounts, with a number of adjustments provided in the tax law.

### Plans for IFRS converging as the basis of tax reporting

The local tax authorities have accepted financial statements prepared under IFRS as a basis of tax reporting purpose from 2010.