



[For Immediate Release]

KAIT signs memorandum of understanding with Xinhua Financial Network Korean telecoms firms bullish on Greater China post WTO

December 2, 2002, Hong Kong – Korea Association of Information & Telecommunication (KAIT), a subsidiary of Korea's Ministry of Information and Communication (MIC), and Xinhua Financial Network (XFN), the premier China financial media company, today signed a memorandum of understanding (MOU), to facilitate better cooperation between IT and telecoms firms of their respective countries in exchanging valuable market information, knowledge and experience and exploring new business opportunities.

KAIT is a leading trade body representing the information technology sector in Korea. XFN is a subsidiary of Xinhua News Agency and provides information on China's financial market. The signing of the MOU will enable the members of the association to capitalize off XFN's unique access to China's vast financial market.

"Since its establishment in 1987, KAIT has been committed to assisting our members in growing their business locally and internationally. China's entry into WTO will gradually transform China into one of the world's most competitive telecoms market and it also represents huge business opportunities for the Korean IT sector," said Mr. Choi Myung-Sun, President of KAIT.

"We are very excited about the partnership with XFN, which is an important milestone in bridging Korea and China's IT sectors by leveraging XFN's strong information network and business connections in Hong Kong and China," Mr. Choi added.

Already world leaders in 3G service implementation and broadband, Korean companies have been moving into the Chinese market through joint venture tie-ups with Hong Kong and mainland-listed firms. Just recently, China Unicom and SK Telecom agreed to establish a joint-venture wireless Internet business in the PRC drawing on expertise from the Korean telecoms leader.

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Coinciding the ITU Telecom Asia 2002, representatives from some of Korea's largest telecoms firms presented in this morning a bullish assessment of their business prospects in the Greater China region in a Korea IT forum hosted by MIC. The forum which was organized by KAIT and sponsored by XFN is the first project of the partnership between the two parties.

During the event themed "Korea Information & Telecommunication Industry: The Road Ahead", LG Electronics introduced the company's advanced 3G handsets and plans for Greater China while SK Telecom presented SK Telecom's cutting-edge mobile payment and m-commerce initiatives. Visit www.itbizkorea.com and www.xfn.com for details about the Korea IT forum.

"The partnership is aimed at facilitating cooperation between Korea and HK firms with an objective of creating new opportunities for the China market," said Mr. Jae Lie, Chief Operating Officer of Xinhua Financial Network.

"The telecoms companies in China also stand to benefit from Korea's unparalleled expertise in providing the next-generation wireless Internet and telecommunication services, and KAIT and XFN would like to play an important role in this bridging process," Mr. Lie continued.

Korea is the world's most wired country, with over 10 million high-speed connections. Under an ambitious plan unveiled earlier this month it expects most of its households to be linked with broadband by 2005. In the wireless field, almost 40 per cent of mobile subscribers are using CDMA-2000 services – higher than any market globally. Meanwhile Korea's consumer electronics firms, such as LG Electronics and Samsung Electronics, continue to gain market share in the worldwide handset and electronic devices sectors.

KAIT, LG Electronics and SK Telecom, as well as other major Korean IT and telecoms firms, will be participating in ITU Telecom Asia 2002, gaining full exposure and benefits from this one-week signature international event.

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Note to Editors:

About Korea Association of Information & Telecommunication

Korea Association of Information & Telecommunication is an official organization which was founded in April 1987 with the enactment of Article 24 of national law which relates to the dissemination of the information & communication industry and the promotion of its usage.

KAIT is a subsidiary of Korea's Ministry of Information & Communication which represents information technology. KAIT is an association of small, medium and large companies – local and international – involved in developing, producing and distributing computer and telecommunication hardware and services, as well as providing telecommunication infrastructure and services.

About Xinhua Financial Network

Xinhua Financial Network (XFN) is an independent financial media company providing financial information on and possesses unique access to China's markets. The company's strong presence in China allows the company to deliver an integrated platform of indices, financial news feeds, credit ratings and corporate data products. XFN's comprehensive approach will help international investors streamline their investment decisions and analyse new opportunities in China. This information infrastructure bridges China's financial market to the global business community. XFN delivers its product suite to global financial institutions and re-distributors via leased line, Internet and satellite technology.

Founded in 2000, XFN is backed by a select group of international investors and partners and is managed by a team of international business professionals recognized for their industry knowledge and proven leadership. The China Economic Information Center of the Xinhua News Agency is the majority shareholder. XFN is based in Hong Kong, with offices in Beijing, Shanghai, Shenzhen, Korea, Taiwan and North America. For more information, see www.xfn.com.