

Pusan Bank

2006 1Q Financial Results

April, 2006

Senior EVP

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1Q 2006 Results

❖ Regional Economy	4
❖ Our Presence in the Region	5
❖ Key Financial Indicators	6
❖ Loans	7
❖ Asset Quality	8
❖ Delinquency Ratios	9
❖ Deposits	10
❖ Income Statement Summary	11
❖ Interest Income	12
❖ NIM & NIS	13
❖ Fee & Commission Income	14
❖ Provisioning	15
❖ Capital Adequacy	16
❖ Shareholding Structure & Dividend	17

Appendix

❖ Corporate Won Loan Portfolio	19
❖ SME Loan Asset Quality	20
❖ SME Loan Delinquency Ratio	21
❖ Household Loan Portfolio	22
❖ Household Loan Asset Quality	23
❖ Credit Card Business	24
❖ Credit Card Asset Quality	25
❖ Write-offs and NPL Sales	26
❖ Other Operating Income	27
❖ Non Operating Income	28
❖ Balance Sheet Summary	29
❖ Securities Investment	30
❖ Delinquency Ratios	31

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❖ Regional Economy	4
❖ Our Presence in the Region	5
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❖ Loans	7
❖ Asset Quality	8
❖ Delinquency Ratios	9
❖ Deposits	10
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South Eastern Korea : Busan Metropolitan City & Gyeongnam Province

❖ **Logistically the most important region in Korea**

- Busan Port : 5th largest port in the world(Container handling volume)
- Busan New Port : 30 new docks and estimated economic benefits of 15.4 trillion kwr
- Busan Jinhae Tax Free Zone : Government to invest more than 61 trillion kwr

❖ **The most industrialized region in Korea with over 25 industrial complexes**

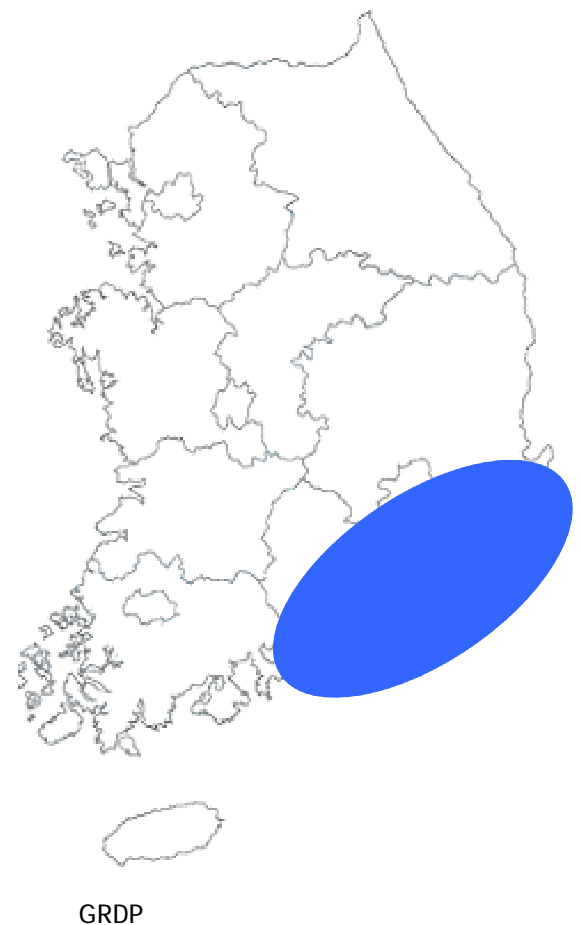
- 6 new industrial complexes will be newly built
- Busan : Electronics, Logistics, Machinery, Shipbuilding, etc.
 - Hanjin Heavy Industry, Renault Samsung Motors, Samsung Electronics
- Gyeongnam : Automobile parts, Petrochemical, Shipbuilding. etc.
 - DSMC, Hyundai Motors, Samsung SDI, SK.

❖ **Government Decentralization Policy**

- Government to relocate 24 public facilities, including KAMCO, KNP, SBC, etc.
- Estimated economic benefit of over 10 trillion kwr

❖ **Foreign Investment**

- ❖ Renault group to invest 600 billion kwr
- ❖ MGM to open “MGM Studio City”, estimated economic benefits of 380 billion kwr
- ❖ Automobile parts manufacturers, such as AMT, NCF, etc., to invest more than USD 16 million

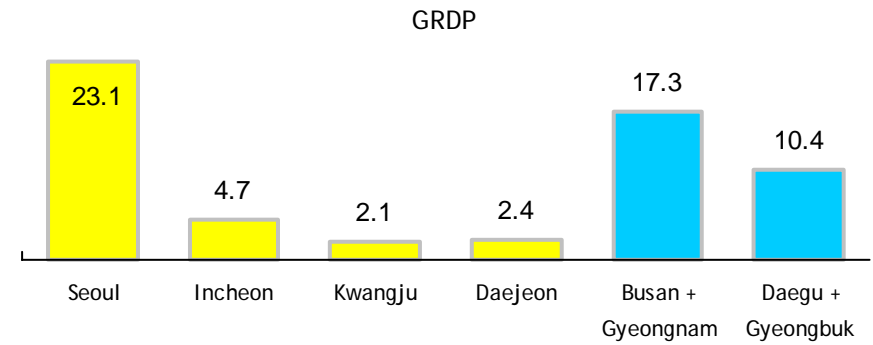


Contribution ratios to Korea Economy

❖ **GRDP : 17.3%, Export : 27.7%, Population : 16.0%**

❖ **Manufacturing Sectors**

- **Shipbuilding : 91.9%, Automobile : 52.3%, Machinery : 32.5%**

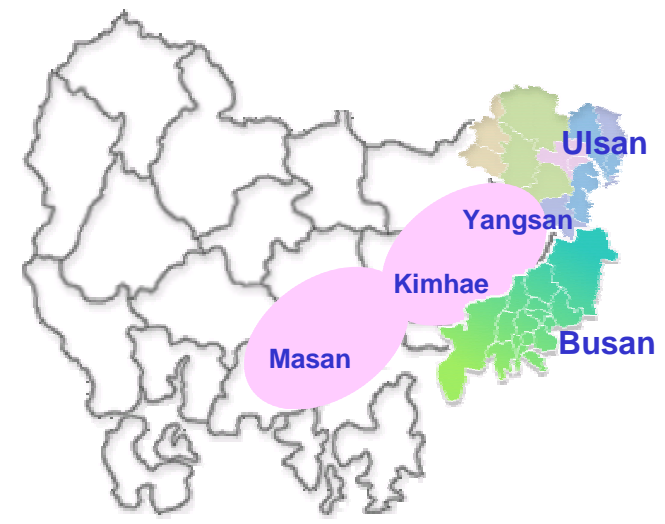


Our Services

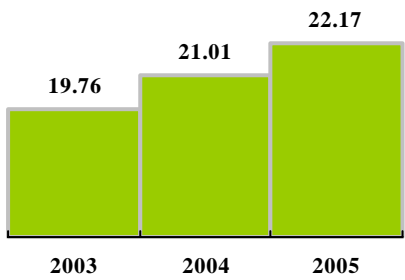
- ❖ **Over 38 years, providing tailor-made financial services to the regional customers**
(3.2 million customers out of 3.7 million Busan residents)
- ❖ **Municipal government and other government institutions' budgetary bank**
(15% of total deposits)
 - providing financial services, tax collections, payroll account management, etc.

Our Presence

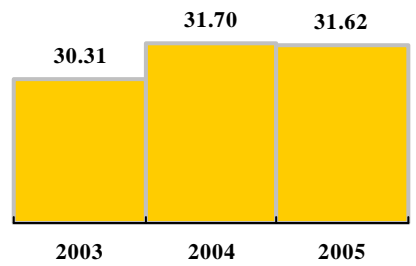
- ❖ **Plans to expand our branch network in neighboring markets**
 - 209 branches(189 in Busan , 16 in Gyeong Nam, 3 in Seoul and 1 in Pohang)
 - 213 branches by 2006 year end
 - Gyeongnam province : 16 branches to 35 branches by 2008
- ❖ **Dominant market leader in the region – projected loan market share in key target markets by 2008**
 - Busan : 22% 25%
 - Yangsan : 18% 30%
 - Kimhae : 13% 25%
 - Ulsan : 3% 10%



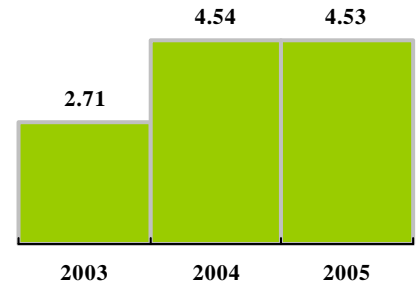
■ Loan Market Share in Busan



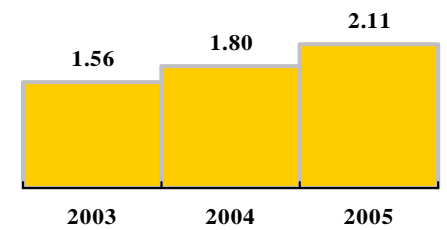
■ Deposit Market Share in Busan



■ Loan Market Share in Gyeongnam

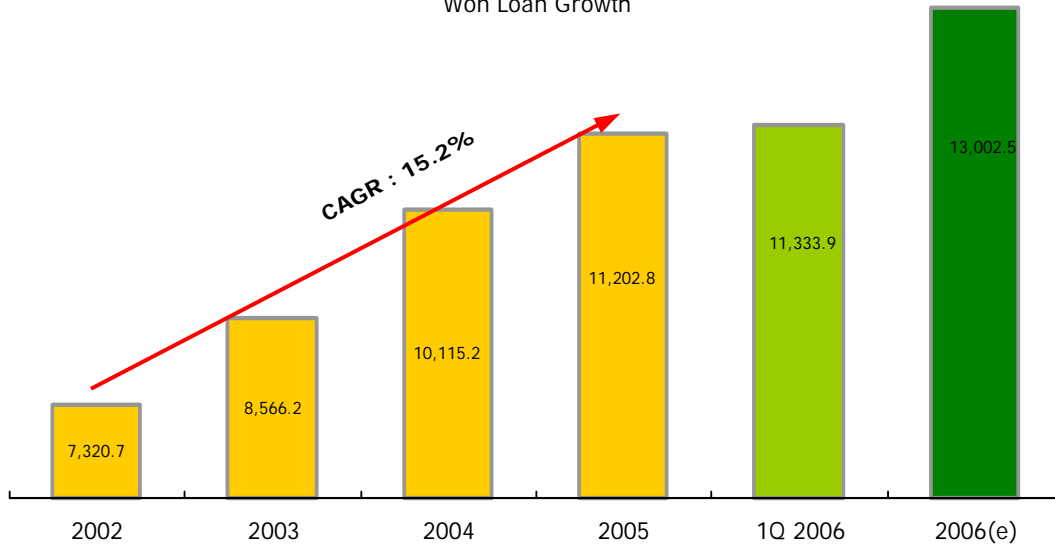


■ Deposit Market Share in Gyeongnam

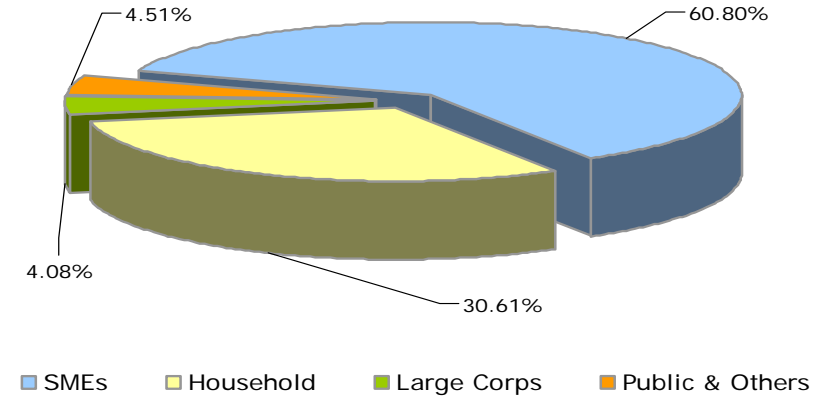


Ending Balance	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Total Assets	19,910.8	19,880.8	19,871.1	19,331.4	18,551.0	18,184.1	18,334.1	17,886.4	17,109.1	0.2 %
Total Deposits	15,333.1	15,709.1	15,400.0	15,304.5	14,499.7	14,568.0	14,370.5	14,446.2	13,803.8	-2.4 %
Total Loans	12,252.4	12,131.0	11,919.4	11,402.2	11,008.0	10,921.1	10,786.0	10,258.9	9,496.4	1.0 %
Securities	5,589.6	5,664.9	5,647.9	5,205.6	5,157.6	5,062.6	5,305.2	5,650.7	5,730.9	-1.3 %
Shareholders' Equity	1,138.0	1,146.5	1,127.3	1,081.2	1,025.7	1,025.7	1,001.5	955.1	920.9	-0.7 %
Net Income	47.8	17.2	54.6	54.4	52.7	35.5	35.1	36.2	25.9	177.9 %
ROA	1.03%	0.99%	1.21%	1.24%	1.24%	0.81%	0.80 %	0.78 %	0.66 %	0.04 %p
ROE	17.03%	16.34%	20.06%	20.51%	20.83%	13.60%	13.54 %	13.31 %	11.33 %	0.69 %p
BPS (W)	7,758	7,816	7,687	7,371	6,993	6,993	6,828	6,511	6,278	-0.7 %
EPS (W)	1,321	1,220	1,489	1,473	1,456	905	884	847	707	8.3 %
Cost Income Ratio	44.07%	49.50%	45.77%	46.43%	45.27%	49.00%	47.28%	47.83%	49.44%	-5.4 %p
LDR	90.44%	86.69%	89.22%	83.79%	83.79%	84.18%	79.18%	74.18%	72.05%	3.8 %p

Won Loan Growth



Won Loan Portfolio(1Q 2006)

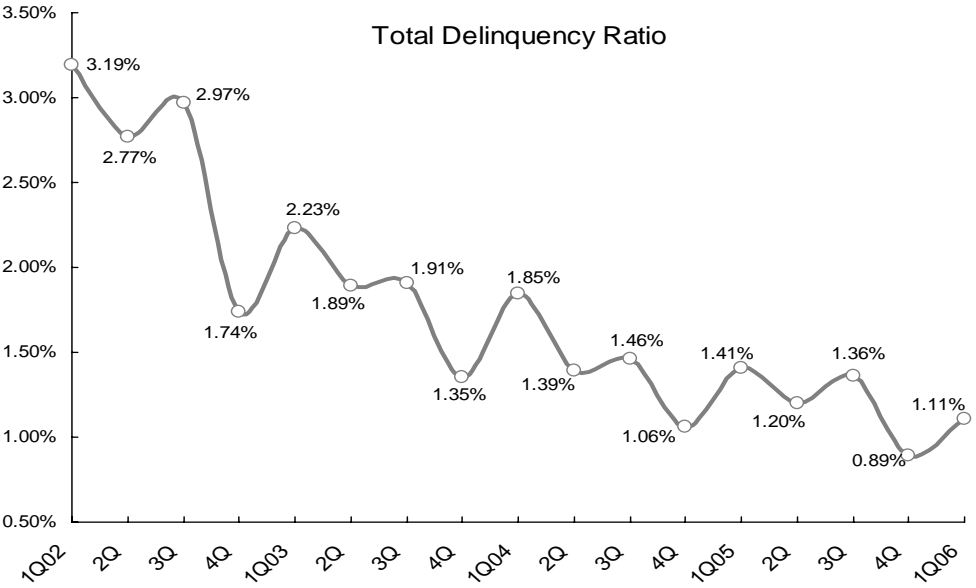


Ending Balance	2006		2005				2004				QoQ (%)
	1Q	4Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Won Loans	11,333.9	11,202.8	11,202.8	10,933.9	10,411.9	10,130.4	10,115.2	9,900.7	9,343.4	8,708.0	1.2 %
Household	3,468.8	3,544.9	3,544.9	3,548.8	3,473.5	3,396.6	3,432.3	3,214.7	2,980.8	2,699.1	- 2.2 %
SMEs	6,891.5	6,670.2	6,670.2	6,628.3	6,314.5	6,031.8	5,946.9	5,891.4	5,615.2	5,264.1	3.3 %
Large Corps	462.4	490.9	490.9	391.3	337.2	372.0	403.6	465.2	425.6	406.7	-5.8 %
Public & Others	511.2	496.8	496.8	365.5	286.7	330.0	332.4	329.4	321.8	338.1	2.9 %
Foreign Currency Loans	332.0	339.0	339.0	323.3	311.9	291.4	294.6	299.5	301.6	291.7	-2.1 %
Others*	586.6	589.2	589.2	662.3	678.4	586.2	511.3	585.8	613.9	496.7	-0.4 %
Total	12,252.4	12,131.0	12,131.0	11,919.5	11,402.2	11,008.0	10,921.1	10,786.0	10,258.9	9,496.4	1.0 %

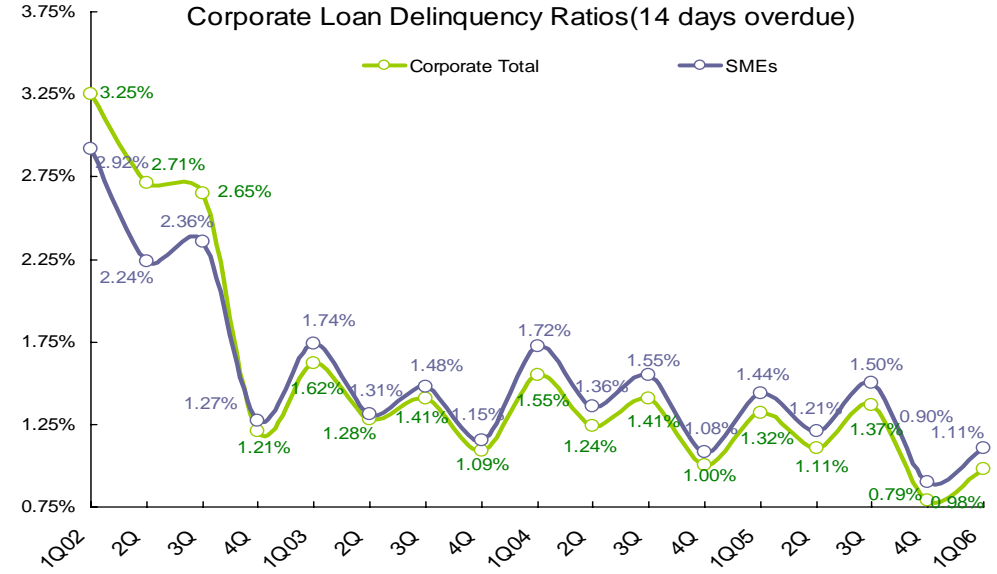
Note : Domestic Import Usance Bill : 220.2, Foreign Currency Bought : 169.1, Off-Shore Foreign Loans : 3.2, Customer Advance : 1.5

	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Total Loan Amount	12,607.4	12,463.3	12,254.1	11,719.0	11,314.8	11,229.8	11,122.2	10,643.7	9,876.6	1.2 %
Normal	12,172.9	12,098.0	11,832.7	11,319.2	10,897.3	10,811.2	10,683.6	10,272.1	9,470.8	0.6 %
Precautionary	288.7	248.4	279.8	268.5	265.8	272.6	265.5	217.1	216.6	16.2 %
Substandard	102.0	77.5	88.0	81.8	96.9	88.3	114.6	92.9	119.8	31.6 %
Doubtful	30.6	29.2	32.8	31.0	36.3	36.7	39.4	43.4	48.9	4.8 %
Expected Loss	13.2	10.2	20.8	18.5	18.5	21.0	19.1	18.2	20.5	29.4 %
P&B Loan Amount	434.5	365.3	421.4	399.8	417.5	418.6	438.6	371.6	405.8	18.9 %
P&B Loan Ratio	3.45%	2.93%	3.44%	3.41%	3.69%	3.73%	3.94%	3.49%	4.11%	0.52 %p
P&B Loan Coverage Ratio	46.95%	52.12%	37.99%	37.67%	37.00%	37.22%	35.29%	40.61%	38.66%	-5.17 %p
S&B Loan Amount	145.8	116.9	141.6	131.3	151.7	146.0	173.1	154.5	189.2	24.7 %
S&B Loan Ratio	1.16%	0.94%	1.16%	1.12%	1.34%	1.30%	1.56%	1.45%	1.92%	0.22 %p
S&B Loan Coverage Ratio	139.90%	162.96%	113.01%	114.71%	101.88%	106.79%	89.41%	97.66%	82.93%	-23.06 %p
Provision for Loan Losses(Balance)	204.0	190.4	160.1	150.6	154.5	155.8	154.8	150.9	156.9	7.1 %

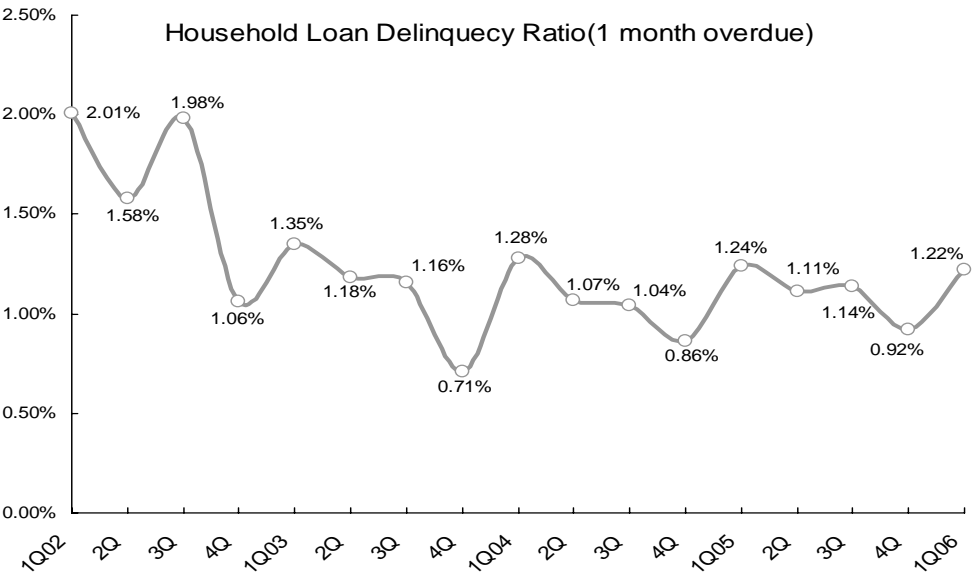
Total Delinquency Ratio



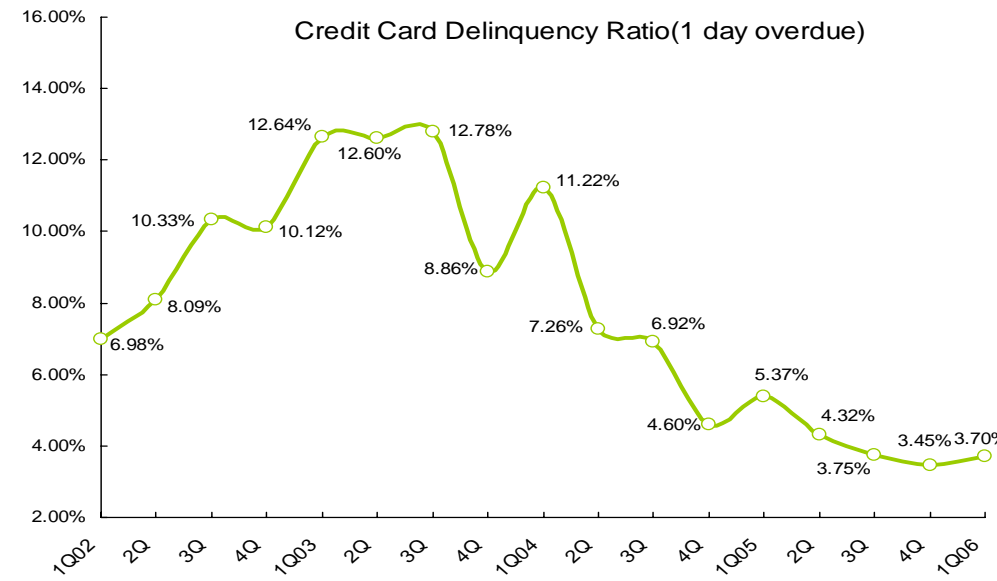
Corporate Loan Delinquency Ratios(14 days overdue)

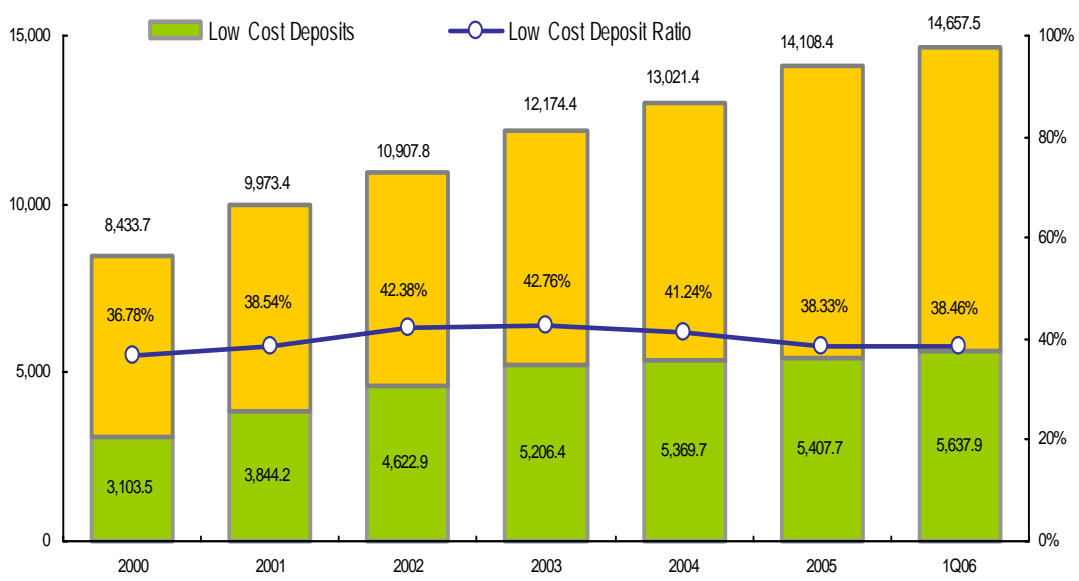


Household Loan Delinquency Ratio(1 month overdue)



Credit Card Delinquency Ratio(1 day overdue)





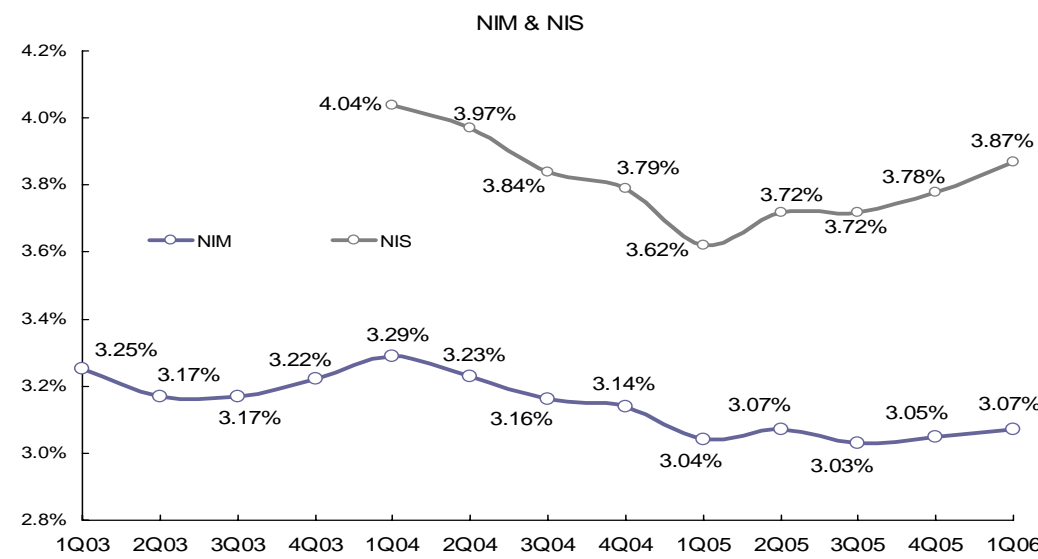
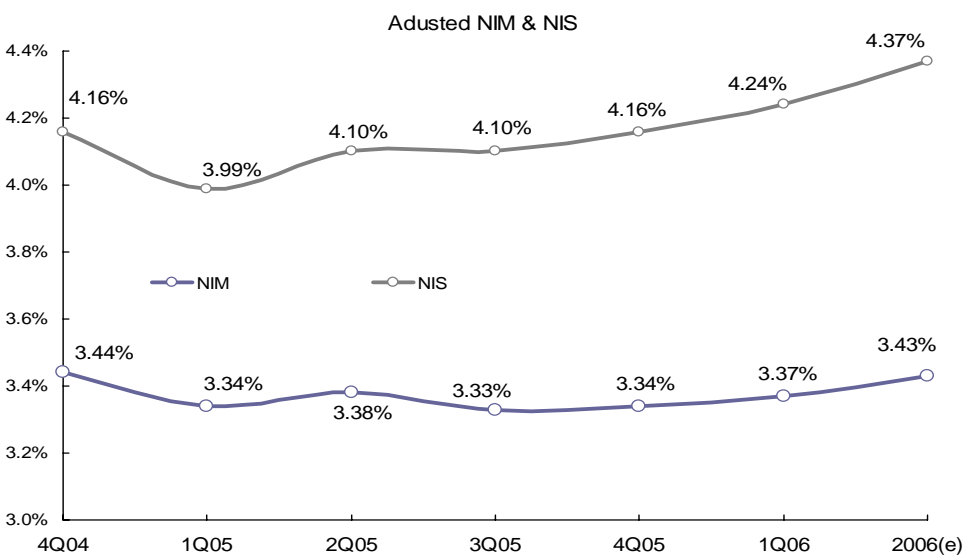
Low Cost Deposit Funding Cost	1Q 2006	4Q 2005	3Q 2005	2Q 2005	1Q 2005	4Q 2004
Demand Deposit	0.33%	0.31%	0.30%	0.31%	0.34%	0.29%
Savings	0.34%	0.34%	0.34%	0.35%	0.36%	0.46%
Corporate Saving	2.40%	2.08%	2.08%	1.74%	2.09%	2.59%
Low Cost Deposit Funding Cost	0.76%	0.69%	0.70%	0.63%	0.71%	0.95%

Ending Balance	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Won Deposits	12,531.3	12,923.1	12,254.5	12,425.7	12,090.1	12,016.3	12,504.5	12,594.8	12,086.3	-3.0 %
Savings	11,137.4	11,323.8	10,860.9	10,998.2	10,726.8	10,632.3	11,069.6	11,232.7	10,784.6	-1.7 %
Demand Deposit	1,218.6	1,415.4	1,202.2	1,228.8	1,152.9	1,174.2	1,215.5	1,144.6	1,084.9	-13.9 %
Installment	175.3	183.9	191.4	198.7	210.4	209.8	219.4	217.5	216.8	-4.7 %
RP	1,140.8	900.0	865.7	706.9	590.5	465.6	473.0	333.8	307.6	26.8 %
Money in Trust	787.4	862.5	917.5	940.9	1,036.3	1,057.3	1,138.6	1,256.3	1,160.1	-8.7 %
CD	446.0	596.9	778.5	649.0	379.4	629.2	47.2	56.0	42.9	-25.3 %
Financial Debenture Issued	410.4	408.7	569.8	570.2	394.3	392.7	200.0	200.0	200.0	0.4 %
Bills Sold	17.2	17.9	14.0	11.8	9.1	6.9	7.2	5.3	6.9	-3.9 %
Total	15,333.1	15,709.1	15,400.0	15,304.5	14,499.7	14,567.9	14,370.5	14,446.2	13,803.8	-2.4 %

	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Operating Income	378.9	342.6	312.3	298.4	356.0	345.0	281.9	282.5	284.9	10.6 %
Interest Income	274.1	273.1	260.4	245.8	236.7	243.2	240.2	241.0	240.9	0.4 %
Fee & Commission Income	20.9	20.3	20.4	21.1	19.4	20.7	19.3	17.8	17.9	3.0 %
Trust Related Income	2.8	14.8	2.9	2.8	3.4	4.4	3.8	3.5	4.3	-81.1 %
Others	81.1	34.4	28.6	28.7	96.5	76.7	18.6	20.2	21.8	135.8 %
Operating Expenses	306.2	323.0	242.5	228.7	281.1	292.8	230.8	237.7	252.9	-5.2 %
Interest Expenses	118.7	114.8	110.4	99.5	98.2	102.8	105.5	103.7	103.3	3.4 %
Fee & Commission Expense	6.1	7.9	6.3	6.9	5.5	5.8	5.2	5.1	4.8	-22.8 %
G&A Expenses	73.2	104.4	72.9	74.7	68.9	83.1	68.3	68.3	74.8	-29.9 %
Provision for Loan Losses	20.6	56.7	21.6	13.3	9.1	20.0	29.1	34.5	45.0	-63.7 %
Others	87.6	39.2	31.6	34.3	99.4	81.1	22.7	26.1	25.0	123.5 %
Net Operating Income	72.7	19.6	69.8	69.7	74.9	52.2	51.1	44.8	32.0	270.9 %
Non-Operating Income	- 6.2	6.5	6.0	5.9	- 2.9	-0.3	-1.1	6.6	4.4	-195.4 %
Income Before Income Taxes	66.5	26.1	75.8	75.6	72.0	51.9	50.0	51.4	36.4	154.8 %
Income Taxes	18.7	8.9	21.2	21.2	19.3	16.4	14.9	15.2	10.5	110.1 %
Net Income	47.8	17.2	54.6	54.4	52.7	35.5	35.1	36.2	25.9	177.9 %
Pre Provision Income	91.8	90.2	100.6	91.7	85.2	75.8	82.4	88.8	94.1	1.7 %

	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Interest Revenues	274.1	273.1	260.4	245.8	236.7	243.1	240.2	241.0	240.9	0.4 %
Interest on Loans	213.9	214.3	200.3	192.7	187.4	192.1	184.7	180.2	178.5	-0.2 %
Interest on Credit Card*	19.7	20.2	19.3	19.4	18.8	19.7	18.8	20.1	22.1	-2.5 %
Interest on Securities	54.2	53.4	49.4	47.7	46.6	49.5	53.2	58.6	59.4	1.5 %
Others	6.0	5.4	10.7	5.4	2.7	1.6	2.3	2.2	3.0	11.1 %
Interest Expenses	118.7	114.8	110.4	99.5	98.2	102.8	105.5	103.7	103.3	3.4 %
Interest on Deposits	82.8	79.8	78.7	75.2	76.3	82.7	85.5	84.8	84.2	3.8 %
Interest on Borrowings	27.0	25.0	21.9	15.1	14.3	14.0	13.9	13.3	13.0	8.0 %
Interest on Financial Debentures	7.1	8.3	8.2	7.6	6.0	4.5	4.2	4.1	4.2	-14.5 %
Others	1.8	1.6	1.6	1.6	1.6	1.6	1.9	1.5	1.9	12.5 %
Net Interest Income	155.4	158.3	150.0	146.3	138.5	140.3	134.7	137.3	137.6	-1.8 %

Note : Accounting adjustments have been made. Under new regulation, "Interest on Credit Card" includes credit card processing charges and others



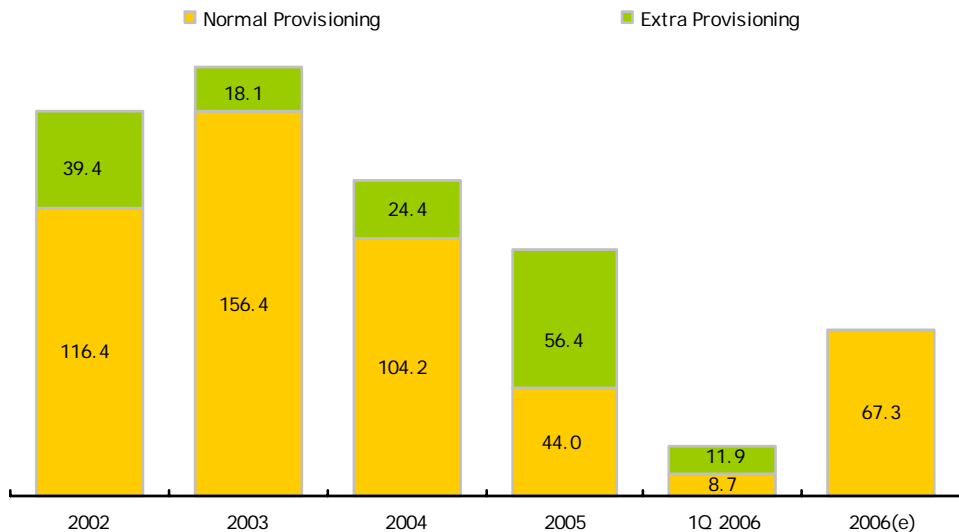
Adjusted	2006	2005				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	
Net Interest Spread	4.24	4.16	4.10	4.10	3.99	0.08%p
Average Lending Rate	7.02	6.79	6.72	6.73	6.66	0.23%p
Household	6.81	6.49	6.42	6.43	6.40	0.32%p
Corporates	6.29	6.17	6.10	6.12	6.07	0.12%p
Credit Card	23.56	24.50	24.17	23.87	23.56	-0.94%p
Average Deposit Rate	2.78	2.63	2.62	2.63	2.67	0.15%p
Interest Earning Assets (Average Balance)	17,342.7	16,593.2	16,324.4	15,875.6	15,656.7	4.52%

Adjusted NIM

- ❖ FSS changed the report regulation for NIM calculation
- ❖ Credit card processing fees, FC credit card processing fees and cash advance processing fees are included

	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Fee & Commission Revenues	20.9	20.3	20.4	21.1	19.4	20.7	19.3	17.8	17.9	3.0 %
Commissions in Won	15.8	15.1	15.2	15.8	14.7	15.6	14.6	12.9	13.2	4.6 %
Bancassurance	1.3	1.5	1.8	2.2	1.9	2.2	1.6	1.1	0.7	-13.3 %
Beneficiary Certificate Sales	1.6	1.1	0.8	0.8	0.6	0.5	0.2	0.1	-	45.5 %
Commissions on Credit Cards	3.3	0.9	0.8	1.1	0.9	1.1	1.0	1.0	1.1	-2.9 %
Commissions in Foreign Currency	1.0	3.4	3.5	3.5	3.1	3.3	3.0	3.2	3.0	11.1 %
Guarantee Fees	0.8	0.9	0.9	0.7	0.7	0.7	0.7	0.7	0.6	-11.1 %
Fee & Commission Expenses	6.1	7.9	6.3	6.9	5.5	5.8	5.2	5.1	4.8	-22.8 %
Commissions Paid on Credit Cards	4.3	4.2	3.5	4.2	3.4	3.5	3.0	3.0	3.0	2.4 %
Commissions Paid	1.8	3.7	2.8	2.7	2.1	2.3	2.2	2.1	1.8	-51.4 %
Net Fee & Commission Income	14.7	12.4	14.1	14.2	13.9	14.9	14.1	12.7	13.1	18.5 %

Provisioning



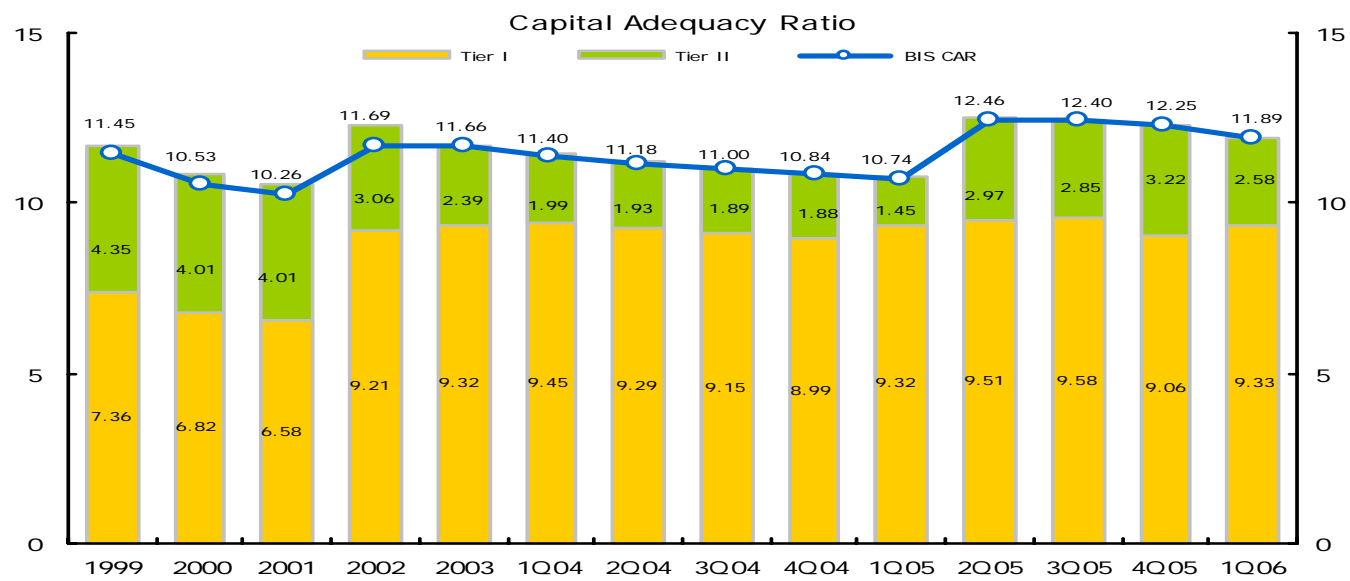
Strengthened Asset Quality Classification

Extra provisioning of **11.9 billion krw** provided during 1Q 2006

❖ Applied "Forward Looking Criteria" on Corporate Loans

- Precautionary loans : 57.9 billion krw increased
- Substandard loans : 23.5 billion krw increased

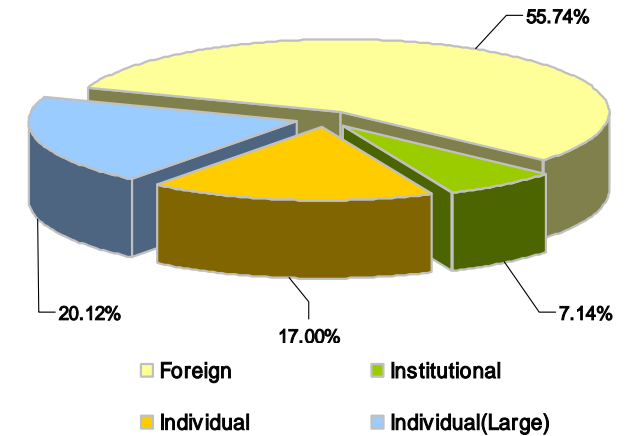
Provision Expenses	2006	2005				2004				2003			
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Corporates	16.4	35.3	16.3	5.6	0.3	9.8	14.6	9.0	14.1	2.4	- 8.3	8.2	9.0
Household	2.4	2.7	3.0	4.3	4.5	5.1	5.9	10.8	9.1	9.0	11.3	12.5	10.6
Credit Card (Re-aged Loans)	0.8 (-0.9)	7.5 (0.4)	1.6 (- 0.4)	3.3 (0.6)	3.9 (1.3)	4.9 (2.1)	7.0 (4.1)	14.7 (6.7)	21.5 (9.2)	24.1 (9.5)	36.1 (13.4)	33.0 (6.3)	27.7 (3.3)
Other	1.0	11.2	0.4	0.1	0.4	0.2	1.6	0.0	0.3	-0.7	-0.3	-0.1	0.0
Total	20.6	56.7	21.3	13.3	9.1	20.0	29.1	34.5	45.0	34.8	38.8	53.6	47.3



	2006	2005				2004				2003
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Tier I Capital	1,131.3	1,082.3	1,124.3	1,068.2	1,012.8	959.4	972.8	936.5	900.1	876.5
Tier II Capital	313.2	384.6	334.7	334.1	157.4	201.1	200.6	194.2	189.7	224.8
Contribution to Unconsolidated Subsidiaries (-)	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.9
Total Risk-Adjusted Capital	1,441.5	1,463.9	1,456.0	1,399.3	1,167.3	1,156.4	1,169.4	1,126.7	1,085.8	1,096.3
Total Risk-Weighted Assets	12,120.9	11,950.7	11,739.7	11,231.7	10,865.9	10,677.8	10,630.2	10,076.9	9,526.6	9,406.4
On-Balance Sheet Assets	11,638.7	11,540.9	11,310.8	10,828.1	10,460.4	10,301.0	10,232.3	9,721.2	9,160.5	9,053.9
Off-Balance Sheet Assets	482.2	409.8	428.9	403.6	405.5	376.8	397.9	355.7	366.1	352.5

Major Shareholders(as of December 31, 2005)	
• Lotte Group(Japan Lotte Inclusive)	14.11 %
• Capital Research & Management Company	11.41 %
• Aberdeen Asset Management Asia Limited	8.35%
• Schrodgers Investment Management Ltd.	7.08%
• Templeton Investment Counsel LLC	4.88%
• Parkland Co., Ltd.	4.11 %
• Korea Iron & Steel Co., Ltd.	1.90 %

Shareholding Structure(as of Dec. 31, 2005)



Note : shareholders' stakes are based on most recent fair disclosures

Dividend History	2006	2004	2003	2002	2001 ~ 1997	1996	1995
Net Income	17	132.7	121.3	148.0	No Dividends	41.9	30.2
Dividends Paid per Share (W)	405	300	270	300		400	250
Dividend Payout Ratios	33.2%	33.2%	32.7 %	29.7 %		32.7 %	28.3 %
Dividend Type	Cash	Cash	Cash	Cash		Cash	Cash
Share Prices	13,480	7,886	6,738	5,088		6,640	9,450
Dividend Yields at Market Price	3.0%	3.8%	4.0%	5.9 %		6.2 %	2.7%

Appendix

❖ Corporate Won Loan Portfolio	19
❖ SME Loan Asset Quality	20
❖ SME Loan Delinquency Ratio	21
❖ Household Loan Portfolio	22
❖ Household Loan Asset Quality	23
❖ Credit Card Business	24
❖ Credit Card Asset Quality	25
❖ Write-offs and NPL Sales	26
❖ Other Operating Income	27
❖ Non Operating Income	28
❖ Balance Sheet Summary	29
❖ Securities Investment	30
❖ Delinquency Ratios	31

Loan Portfolio	1Q 2006		4Q 2005		4Q 2004		4Q 2003		YoY (%)
Manufacturing Sectors	3,681.0	48.7 %	3,602.1	47.0%	3,079.7	46.1 %	2,680.7	45.1%	2.2 %
Steel & Metal Products	995.3	13.2 %	1,002.8	13.1%	847.3	12.7 %	696.7	11.7%	-0.7 %
Machinery	561.8	7.4 %	525.6	6.9%	436.0	6.5 %	358.8	6.0%	6.9 %
Automobile Parts	522.9	6.9 %	482.3	6.3%	421.9	6.3 %	370.7	6.2%	8.4 %
Petroleum, Rubber, etc.	478.2	6.3 %	470.1	6.1%	431.8	6.6 %	366.8	6.2%	1.7 %
Fabric	228.9	3.0 %	235.5	3.1%	247.9	3.7 %	239.0	4.0%	-2.8 %
Kitchen Units	184.2	2.4 %	212.9	2.8%	134.4	2.0 %	128.1	2.6%	-13.5 %
Electronics	172.5	2.3 %	159.7	2.1%	112.0	1.7 %	94.7	1.6%	8.0 %
Garment & Shoes	126.7	1.7 %	126.1	1.6%	125.5	1.9 %	136.1	2.3%	0.5 %
Paper, Paper Mills	83.7	1.1 %	85.6	1.1%	65.2	1.0 %	59.9	1.0%	-2.2 %
Others	316.8	4.2 %	301.5	3.9%	257.7	3.9 %	229.9	3.9%	5.1 %
Non-Manufacturing Sectors	4,184.0	55.3 %	4,055.7	53.0%	3,603.2	53.9 %	3,265.9	54.9%	3.2 %
Wholesale & Retail	986.9	13.0 %	962.3	12.6%	896.8	13.4 %	769.1	12.9%	2.6 %
Real Estate & Lease	622.8	8.2 %	677.4	8.8%	630.8	9.4 %	553.2	9.3%	-8.1 %
Construction & Engineering	606.5	8.0 %	540.4	7.1%	549.2	8.2 %	527.2	8.9%	12.2 %
Transportation	460.1	6.1 %	425.6	5.6%	314.1	4.7 %	250.5	4.2%	8.1 %
Insurance & Financing	330.0	4.4 %	313.5	4.1%	304.9	4.6 %	324.5	5.5%	5.3 %
Hotel & Food	238.5	3.2 %	238.1	3.1%	205.0	3.1 %	204.0	3.4%	0.2 %
Public	190.0	2.5 %	190.1	2.5%	73.8	1.1 %	128.8	2.2%	-0.1 %
Others	749.2	9.9 %	708.3	9.2%	628.6	9.4 %	508.6	8.6%	5.8 %
Total Corporate Won Loans	7,565.0	100.0 %	7,657.8	100.0%	6,682.9	100.0 %	5,946.6	100.0%	-1.2 %

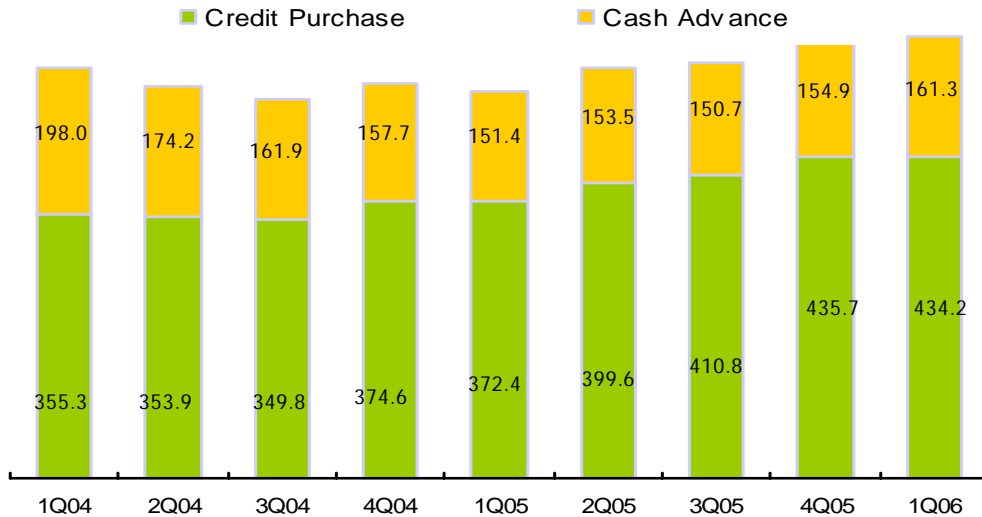
	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Total	7,703.0	7,479.9	7,628.7	7,318.4	6,978.9	6,845.4	6,858.6	6,678.2	6,166.3	3.0 %
Normal	7,376.7	7,219.2	7,325.3	7,074.8	6,708.7	6,574.4	6,594.1	6,488.3	5,975.0	2.2 %
Precautionary	218.2	181.5	205.6	159.1	177.4	181.0	154.1	99.5	75.4	20.2 %
Substandard	84.7	60.8	67.4	62.6	72.5	68.4	92.8	72.6	97.5	39.3 %
Doubtful	18.2	14.7	17.9	12.7	13.4	11.7	10.3	11.5	9.9	23.8 %
Expected Loss	5.2	3.7	12.5	9.2	6.9	9.9	7.3	6.3	8.5	40.5 %
Precautionary & Below Loans	326.3	260.7	303.4	243.6	270.2	271.0	264.5	189.9	191.3	25.2 %
P&B Loan Ratio(%)	4.24%	3.49 %	3.98 %	3.33 %	3.87 %	3.96 %	3.86 %	2.84 %	3.10 %	0.75 %p
P&B Loan Coverage Ratio(%)	39.96 %	45.49 %	32.56 %	35.14 %	31.57 %	32.29 %	31.83 %	42.07 %	42.34 %	5.53 %p
Substandard & Below Loans	108.1	79.2	97.8	84.5	92.8	90.0	110.4	90.4	115.9	36.5 %
S&B Loan Ratio(%)	1.40 %	1.06 %	1.28 %	1.15 %	1.33 %	1.31 %	1.61 %	1.35 %	1.88 %	0.34 %p
S&B Loan Coverage Ratio(%)	120.63 %	149.75 %	101.02 %	101.30 %	91.92 %	97.22 %	76.27 %	88.38 %	69.89 %	29.12 %p
Provision for Loan Losses	130.4	118.6	98.8	85.6	85.3	87.5	84.2	79.9	81.0	9.9 %

SMEs Delinquency Ratio By Sector	1Q 2006		4Q 2005		3Q 2005		2Q 2005		1Q 2005		4Q 2004	
	Loan Amount	Ratio	Loan Amount	Ratio	Loan Amount	Ratio	Loan Amount	Ratio	Loan Amount	Ratio	Loan Amount	Ratio
Manufacturing Sector	3,875.0	1.16 %	3,756.5	1.11 %	3,790.7	1.76 %	3,558.1	1.19%	3,354.7	1.24%	3,237.7	0.96%
Non-Manufacturing Sector	3,550.2	1.06 %	3,464.0	0.67 %	3,588.3	1.23 %	3,450.4	1.23%	3,390.1	1.63%	3,411.7	1.20%
Wholesale & Retail	1,076.6	1.69 %	1,054.9	0.73 %	1,060.8	1.49 %	1,060.1	1.16%	1,004.6	1.56%	974.4	1.40%
Real Estate & Lease	619.4	1.16 %	673.4	0.91 %	601.7	1.63 %	594.9	1.48%	598.9	1.19%	641.0	0.98%
Construction	608.6	0.54 %	542.4	0.53 %	546.2	1.60 %	549.6	1.96%	522.6	2.77%	552.7	1.49%
Transport. & Comms.	428.5	0.07 %	402.3	0.08 %	414.8	0.04 %	389.8	0.11%	311.2	0.25%	305.7	0.14%
Hotel & Food	239.4	2.13 %	239.1	1.45 %	233.9	1.74 %	226.7	1.70%	221.2	2.39%	207.0	2.41%
Insurance & Financing	10.0	- %	11.8	- %	13.9	- %	15.4	0.03%	16.5	- %	19.0	- %
Others	567.7	0.60 %	540.1	0.52 %	628.9	0.91 %	603.1	1.04%	663.1	1.79%	638.1	1.13%
Total	7,425.2	1.11 %	7,220.5	0.90 %	7,379.0	1.50 %	7,008.5	1.21%	6,744.8	1.44%	6,649.4	1.08%

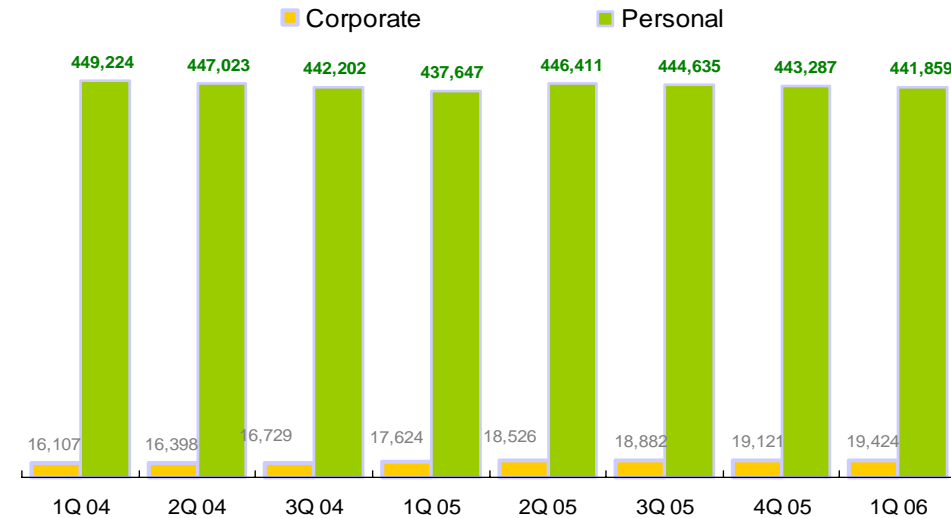
		2006	2005				2004				QoQ (%)
		1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Household Loans – Retail		3,468.8	3,544.9	3,548.8	3,473.5	3,396.6	3,432.3	3,214.7	2,980.8	2,699.1	-2.1 %
1Q 2006 Secured Loans 2,915.6 (84.05%)	Total Secured Loans	2,915.6	2,990.4	2,985.6	2,891.2	2,813.9	2,831.3	2,646.8	2,438.1	2,147.4	-2.5 %
	Mortgage / Home Equity	1,115.2	1,082.8	1,069.8	1,045.5	1,005.2	961.8	914.4	877.3	843.8	3.0 %
	Group Loans	911.7	1,003.3	1,041.3	1,001.5	1,015.0	1,082.8	985.6	833.8	627.3	-9.1 %
	Other Collateralized Loans	820.0	837.0	807.9	777.1	733.3	728.9	693.6	676.0	630.3	-2.0 %
	Government Workers' Pension Backed Loans	68.7	67.3	66.6	67.1	60.4	57.7	53.2	51.0	46.0	2.1 %
	Loan to Value Ratio	46.33%	50.04%	48.65%	48.21%	55.06%	54.8%	54.6%	54.7%	53.1%	-3.71 %p
	Total Unsecured Loans	553.2	554.5	563.2	582.3	582.7	601.0	567.9	542.7	551.7	-0.2 %
1Q 2006 Unsecured Loans 553.2 (15.95%)	Personal CSS Loans	236.0	240.7	246.4	211.0	241.0	239.5	222.4	230.0	234.1	-2.0 %
	Student Loans	29.9	32.8	47.8	38.7	42.1	37.7	40.6	39.0	38.6	-8.8 %
	Government Workers' Loans	44.9	41.0	39.1	40.2	39.3	38.9	39.6	40.8	40.7	9.5 %
	Others	242.4	240.0	229.9	292.4	260.3	284.9	265.3	232.9	238.3	1.0 %

	2006	2005				2004				QoQ(%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Total	3,492.3	3,567.4	3,548.8	3,473.5	3,396.6	3,432.3	3,214.7	2,980.8	2,699.1	-2.1 %
Normal	3,418.9	3,498.7	3,470.5	3,395.2	3,309.0	3,352.3	3,130.4	2,898.6	2,609.7	-2.3 %
Precautionary	45.1	40.7	46.1	45.9	49.1	46.8	48.1	47.9	55.7	10.8 %
Substandard	16.9	16.2	20.4	19.0	23.1	18.5	21.3	19.7	21.1	4.3 %
Doubtful	8.3	9.1	8.7	9.3	10.2	9.3	9.1	8.0	7.6	-8.8 %
Expected Loss	3.1	2.7	3.1	4.1	5.2	5.4	5.8	6.6	5.0	14.8 %
Precautionary & Below Loans	73.4	68.7	78.3	78.3	87.6	80.0	84.3	82.2	89.4	6.8 %
P&B Loan Ratio	2.10%	1.93%	2.21%	2.25%	2.58%	2.33%	2.62%	2.76%	3.3 %	0.17%p
P&B Loan Coverage Ratio	58.31%	61.28%	53.13%	53.90%	50.34%	53.88%	50.42 %	49.27 %	41.8 %	-2.97%p
Substandard & Below Loans	28.3	28.0	32.2	32.4	38.5	33.2	36.2	34.3	33.7	1.1 %
S&B Loan Ratio	0.81%	0.78%	0.91%	0.93%	1.13%	0.97%	1.13%	1.15%	1.2 %	0.03%p
S&B Loan Coverage Ratio	151.24%	150.36%	129.19%	130.25%	114.5%	129.82%	117.40%	118.08%	111.3 %	0.88%p
Provision for Loan Losses	42.8	42.1	41.6	42.2	44.1	43.1	42.5	40.5	37.5	1.7 %

Credit Card Sales Volume



Number of Card Holders



		2006	2005				2004				QoQ (%)
		1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Balance	Total(with Reaged Loans)	303.2	309.8	296.9	305.4	307.0	317.5	305.1	340.7	376.4	- 2.1 %
	Credit Purchase	212.7	222.0	207.8	210.4	204.7	212.9	191.7	211.7	219.3	- 4.2 %
	Cash Advances	78.2	73.0	70.8	71.8	71.6	66.8	67.8	75.4	92.5	7.1 %
	Re-aged Loans	12.3	14.8	18.3	23.2	30.7	37.8	45.6	53.6	64.5	- 16.9 %
Credit Card Income	Total Income	20.5	20.8	19.9	20.4	19.8	20.7	19.5	21.1	23.3	- 1.4 %
	Credit Purchase	13.9	14.2	13.1	13.3	12.8	13.0	11.4	12.3	12.0	- 2.1 %
	Cash Advance	4.7	4.6	4.6	4.6	4.3	4.6	4.7	5.1	7.2	2.2 %
	Others	1.9	2.0	2.2	2.5	2.7	3.1	3.4	3.7	4.1	- 5.0 %

	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Total	303.2	309.8	296.9	305.4	307.0	317.5	305.1	340.7	376.3	-2.1 %
Normal	281.7	286.5	269.3	272.1	265.4	270.8	251.0	276.0	288.6	-1.7 %
Precautionary	14.2	16.2	18.1	20.9	25.1	29.7	33.7	40.8	51.9	-12.3 %
Substandard	0.2	0.1	0.2	0.3	0.4	0.3	0.5	0.6	1.2	100.0 %
Doubtful	3.9	5.0	6.0	6.9	9.7	11.2	14.0	18.0	27.6	-22.0 %
Expected Loss	3.2	2.0	3.3	5.2	6.4	5.5	5.9	5.3	7.0	60.0 %
P&B Loans	21.5	23.3	27.6	33.3	41.6	46.7	54.1	64.7	87.7	-7.7 %
P&B Loan Ratio	7.09%	7.52%	9.30%	10.9%	13.6%	14.7%	17.7%	19.0%	23.3 %	-0.43 %p
P&B Loan Coverage Ratio	75.35%	71.67%	42.75%	43.8%	43.3%	39.6%	38.6%	36.9%	37.5%	3.68 %p
S&B Loans	7.3	7.1	9.5	12.4	16.5	17.0	20.4	23.9	35.8	2.8 %
S&B Loan Ratio	2.41%	2.29%	3.2%	4.1%	5.4%	5.4%	6.7%	7.0%	9.5%	0.12 %p
S&B Loan Coverage Ratio	221.92%	235.21%	124.21%	117.7%	109.1%	108.8%	102.5%	100%	91.9%	-13.29 %p
Provision for Loan Losses	16.2	16.7	11.8	14.6	18.0	18.5	20.9	23.9	32.9	-3.0 %

NPL Sales	2006	2005 Full Year	2005		2004 Full Year	2004		2003 Full Year	2003	
	1Q		2H	1H		2H	1H		2H	1H
Household	0.0	10.2	4.0	6.2	9.4	4.6	4.8	11.1	3.9	7.2
Credit Card	0.0	0.1	0.1	0.0	0.2	0.1	0.1	0.7	0.1	0.6
Corporates	0.0	26.9	8.4	18.5	39.0	20.0	19.0	34.2	17.0	17.7
Total	0.0	37.2	12.5	24.7	48.6	24.7	23.9	46.4	20.9	25.5

Write-Offs	2006	2005				2004				2003			
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Household	2.7	3.5	4.6	6.4	4.1	5.6	4.6	7.2	5.7	9.3	9.9	9.6	5.9
Credit Card	3.2	4.5	6.4	8.4	6.4	9.5	12.3	26.0	21.3	32.3	32.6	33.8	24.2
Corporates	4.2	23.0	7.8	7.1	4.7	12.9	12.2	6.0	5.7	11.3	7.5	11.3	2.3
Total	10.1	31.0	18.8	21.9	15.2	28.0	29.1	39.2	32.7	52.9	50.0	54.7	32.4

	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Other Operating Revenues	81.1	34.3	28.6	28.7	96.5	76.8	18.6	20.1	21.8	136.4 %
Gains on Securities	1.0	0.9	2.3	0.5	4.1	1.5	0.4	0.4	1.4	11.1 %
Revenues on Foreign Exchange	18.6	12.9	6.1	11.5	6.1	9.1	5.7	5.7	4.7	44.2 %
Revenues on Derivatives	61.5	18.0	18.3	15.7	86.2	66.2	12.5	14.0	15.7	241.7 %
Others(provision write back)	0.0	2.5	1.9	1.0	0.1	0.0	0.0	0.0	0.0	- %
Other Operating Expenses	108.2	96.0	52.8	47.6	108.5	101.1	50.6	61.7	70.0	12.7 %
Losses on Securities	1.3	0.4	0.8	0.7	2.4	0.5	0.1	0.9	0.0	225.0 %
Losses on Foreign Exchange	2.6	1.1	4.9	8.0	1.0	4.0	1.9	1.8	1.5	136.4 %
Expenses on Derivatives	72.4	28.0	16.4	15.9	86.5	67.2	11.3	14.1	14.6	158.6 %
Contribution to Funds	6.0	4.8	4.6	4.5	4.4	4.4	4.3	4.1	4.0	25.0 %
Provision for Loan Losses	19.6	42.8	20.7	13.4	8.8	19.7	26.3	35.7	44.7	-54.2 %
Others	6.3	18.7	5.3	5.1	5.4	5.3	6.7	5.1	5.2	66.3 %
Net Other Operating Income	-27.1	-61.7	-24.3	-18.9	-12.0	-24.3	-32.0	-41.6	-48.2	56.1 %

Non-Operating Income	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Non-Operating Revenues	1.7	13.4	9.7	11.2	9.3	12.4	7.7	9.4	11.5	-87.3%
Gains on Investment Securities	0.3	2.4	6.9	0.8	7.4	8.4	1.8	3.9	10.0	-
Gains on Sales of NPLs	0.0	0.0	0.0	7.0	0.0	1.6	0.0	1.7	0.0	-
Gains on Sales of Tangible Asset	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	-
Others	1.4	11.0	2.4	3.4	1.9	2.4	5.9	3.8	1.4	-
Non-Operating Expenses	7.9	6.9	3.7	5.3	12.2	12.7	8.8	2.8	7.0	14.5%
Losses on Investment Securities	0.0	0.3	3.8(gain)	0.3	3.9	0.0	0.0	1.9(gain)	3.1	-
Losses on Sales of NPLs	0.3	3.9	0.1	3.1	0.0	11.1	0.0	3.1	0.0	-
Losses on Sales of Tangible Asset	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	-
Retirement Allowance	4.8	0.0	0.0	0.0	5.6	0.0	0.0	0.1	2.1	-
Other Non-Operating Expenses	2.8	2.7	7.2	1.9	2.7	1.6	8.8	1.5	1.8	-
Net Non-Operating Income	- 6.2	6.5	6.0	5.9	- 2.9	- 0.3	- 1.1	6.6	4.4	-195.4 %

Ending Balance	2006	2005				2004				QoQ (%)
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Won Loans*	11,320.6	11,093.6	10,996.2	10,504.6	10,161.8	10,075.6	10,281.1	9,369.7	8,741.3	2.0 %
Won Securities	4,766.9	4,796.2	4,722.0	4,286.2	4,148.9	4,033.0	4,230.0	4,451.9	4,582.5	- 0.6 %
Cash & Due from Banks	1,042.6	1,105.0	1,120.6	1,327.8	1,070.7	970.4	596.9	619.9	420.3	- 5.6 %
Foreign Currency Assets	856.9	910.7	953.9	906.3	806.2	779.2	812.4	882.3	765.0	- 5.9 %
Credit Card Receivables	303.2	309.8	296.9	305.4	307.0	317.6	305.1	340.7	376.3	- 2.1 %
Fixed Assets	345.1	347.4	338.6	341.6	340.3	343.3	331.2	327.5	333.2	- 0.7 %
Other Assets	497.1	487.2	526.3	732.4	674.4	615.3	643.0	661.7	719.7	2.0 %
Assets	19,132.4	19,049.9	18,954.4	18,404.3	17,509.3	17,134.4	17,199.7	16,653.7	15,938.3	0.4 %
Won Deposits & CD	12,977.2	13,520.0	13,032.9	13,074.7	12,469.5	12,645.5	12,551.7	12,650.8	12,129.3	- 4.0 %
Won Borrowings	2,215.6	2,047.5	2,115.9	1,837.2	1,515.1	1,398.6	1,583.7	1,238.2	1,174.0	8.2 %
Foreign Currency Liabilities	1,222.4	1,258.6	1,243.6	949.6	891.9	837.5	799.0	858.7	724.9	- 2.9 %
Won Financial Debenture	410.4	408.7	569.8	570.2	394.3	392.7	200.0	200.0	200.0	0.4 %
Other Liabilities	1,168.8	668.6	864.7	891.4	1,212.8	834.4	1,063.8	750.9	789.2	74.8 %
Shareholders' Equity	1,138.0	1,146.5	1,127.3	1,081.2	1,025.7	1,025.7	1,001.5	955.1	920.9	- 0.7 %
Liabilities & Shareholders' Equity	19,132.4	19,049.9	18,954.4	18,404.3	17,509.3	17,134.4	17,199.7	16,653.7	15,938.3	0.4 %

Note : Private Placements & Call Loans included
Trust Account excluded

	1Q 2006					4Q 2005	4Q 2004	QoQ (%)
	Total	Marketable Securities	Investment Securities					
			Subtotal	Available for Sale	Held to Maturity			
Bonds in Won	4,463.7	30.1	4,433.6	1,367.3	3,066.3	4,515.7	3,797.3	-1.15 %
Financial Debentures	2,139.6	30.1	2,109.5	633.3	1,476.2	2,034.9	1,725.3	5.15 %
Government Bonds	1,075.2	0.0	1,075.2	337.7	737.5	1,133.9	685.3	-5.18 %
Gov't Owned Corps. Bonds	748.1	0.0	748.1	104.9	643.2	860.0	800.0	-13.01 %
Corporate Bonds	316.0	0.0	316.0	291.4	24.6	299.7	335.4	5.44 %
Local Gov't Bonds	184.8	0.0	184.8	0.0	184.8	187.2	251.3	-1.28 %
Bonds in Foreign Currency	91.5	0.0	91.5	36.9	54.6	81.0	26.6	12.96 %
Stocks	53.2	6.9	46.3	46.3	0.0	54.9	54.5	-3.10 %
Beneficiary Certificates	218.2	0.0	218.2	218.2	0.0	207.5	151.7	5.16 %
Bond + Equity Type	166.1	0.0	166.1	166.1	0.0	155.2	10.6	7.02 %
Bond Type	30.4	0.0	30.4	30.4	0.0	30.0	130.4	1.33 %
Equity Type	21.6	0.0	21.6	21.6	0.0	22.3	10.7	-3.14 %
Others	22.0	0.0	22.0	22.0	0.0	12.0	29.5	83.33 %
Total	4,848.6	37.0	4,811.6	1,690.7	3,120.9	4,871.1	4,059.6	-0.46 %
Duration (years)		1.71		1.02	1.77			

		2006	2005				2004				2003			
		1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total	Loans	12,276.2	12,159.3	11,958.8	11,423.1	11,036.3	10,978.6	10,834.0	1,0376.7	9,649.7	9,526.0	9,441.8	9,041.5	8,709.8
	Delinquents	136.5	108.7	162.8	136.8	155.6	116.1	157.9	143.9	178.8	128.5	180.6	171.0	194.2
	Ratios	1.11%	0.89%	1.36%	1.20%	1.41%	1.06%	1.46%	1.40%	1.85%	1.35%	1.91%	1.89%	2.23%
Large Corps.	Loans	1,055.5	1,061.7	712.9	615.7	587.9	579.4	652.5	624.8	634.8	494.8	694.0	586.9	561.7
	Delinquents	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6	4.0	5.8	2.6
	Ratios(14 days)	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.32%	0.67%	0.99%	0.46%
SMEs	Loans	7,425.2	7,220.5	7,379.0	7,008.5	6,744.8	6,649.4	6,661.7	6,430.4	5,939.4	5,964.1	5,816.1	5,614.7	5,435.3
	Delinquents	82.6	64.9	110.9	84.7	96.9	72.1	103.2	87.4	102.1	68.7	87.6	73.6	94.4
	Ratios(14 days)	1.11%	0.90%	1.50%	1.21%	1.44%	1.08%	1.55%	1.36%	1.72%	1.15%	1.51%	1.31%	1.74%
House hold	Loans	3,492.3	3,567.3	3,570.0	3,493.5	3,396.6	3,432.3	3,214.7	2,980.8	2,699.1	2,619.7	2,459.2	2,330.5	2,177.3
	Delinquents	42.6	33.0	40.8	38.9	42.2	29.4	33.6	31.8	34.5	18.6	28.6	27.5	29.5
	Ratios(1 month)	1.22%	0.92%	1.14%	1.11%	1.24%	0.86%	1.05%	1.07%	1.28%	0.71%	1.16%	1.47%	1.60%
Credit Card	Loans	303.2	309.8	296.9	305.4	307.0	317.5	305.1	340.7	376.4	447.4	472.5	509.4	535.5
	Delinquents	11.2	10.7	11.1	8.4	6.4	9.5	12.3	26.0	21.3	32.4	32.6	33.8	24.2
	Ratios(1 day)	3.70%	3.45%	3.74%	4.32%	5.37%	4.60%	6.92%	7.63%	11.21%	8.85%	12.78%	12.22%	12.18%

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Thank you for your interest in Pusan Bank

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