

1Q 2003 Earnings

Kie-Tae Park

Vice President and CFO

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Pusan Bank

www.pusanbank.co.kr

Contents

- **General Review**

<i>Busan metropolitan city and its economy</i>	1
<i>Pusan Bank – who we are</i>	2
<i>Major Shareholders</i>	3
<i>Our vision & strategy</i>	4
<i>CEO's profile</i>	5

- **Financial Review (2002)**

<i>Key points</i>	7
<i>General review</i>	8
<i>Condensed income statement</i>	9
<i>Total deposit</i>	10
<i>Low cost deposit</i>	11
<i>Total loan</i>	12
<i>Loan portfolio by borrowers</i>	13
<i>Loan portfolio by industries</i>	14
<i>Loan portfolio by manufacturing sectors</i>	15
<i>Asset quality</i>	16
<i>Provision in detail</i>	17
<i>SME asset quality</i>	18
<i>SME delinquency ratio</i>	19
<i>SME loans in detail</i>	20

- **Financial Review (2002) continued**

<i>Household loans – retail & credit card</i>	21
<i>Household loan – delinquency ratio</i>	22
<i>Credit card business - delinquency ratio</i>	23
<i>Cost income ratio</i>	24
<i>BIS capital ratio</i>	25
<i>NIM & NIS</i>	26
<i>ROA & ROE</i>	27
<i>Dividend</i>	28

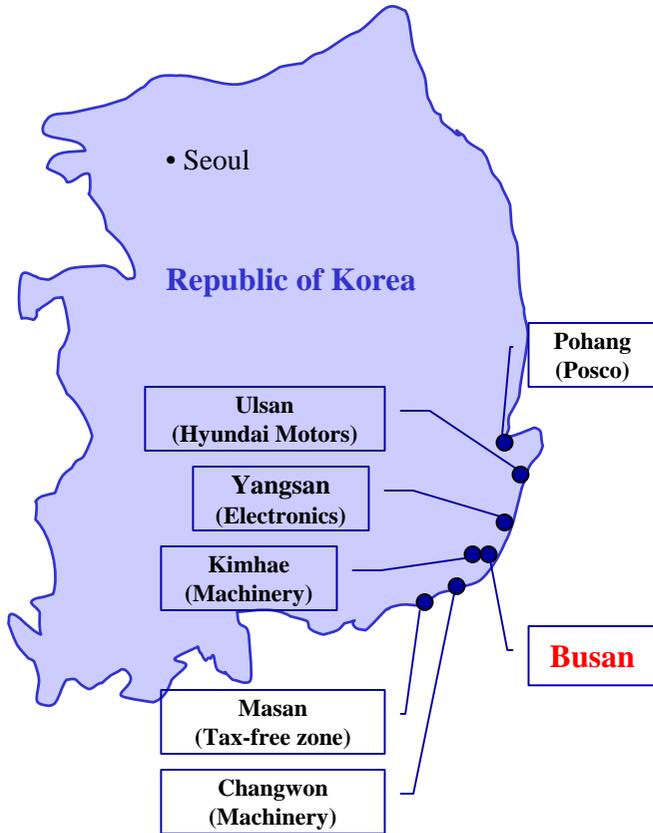
- **Financial Outlook (2003 and on)**

<i>Key financial forecast</i>	29
<i>Earnings forecast</i>	30
<i>BPS & EPS</i>	31

General Review

- *Busan Metropolitan City and Its Economy* 1
- *Pusan Bank – Who We Are* 2
- *Major Shareholders* 3
- *Our Vision & Strategy* 4
- *C.E.O.'s Profile* 5

Busan & Southeast Industrial Belt



The 2nd largest city in Korea

- 3.78 million residents
- Handling 82.7% of total container volume (Korea)
- Accounting 6.3% of total GDP
- 37.4% of foreign tourists (over 2 million tourists, 33.3% increased)

Hub Port of Logistics in East Asia

- The 3rd largest container handling port in the world
- TSR and TCR start from Busan

The South East Industrial Belt & “Gaya Vally”

- Final Products : Machinery 35%, Automobile 40%, Shipbuilding 100%
- Accounting 18% of total GDP (Busan, Ulsan & Kyounghnam province)

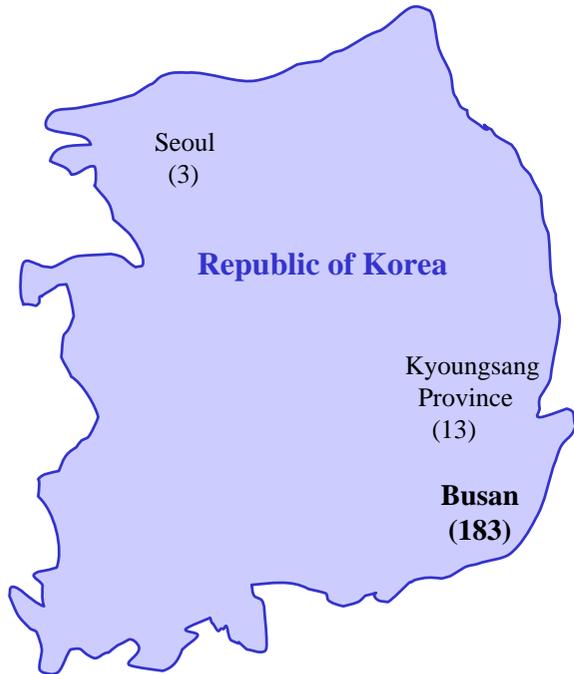
Economy is “booming” in and around Busan

- Container volume increased by 17.0%
- Renault-Samsung Motors Unit Production in 2002 : 200,000
- GM Daewoo Motors 200,000 units of engine production projected (Changwon)
- Volvo Truck division launching a new plant in Changwon
- SME operating rate increased (2001 : 75.9% → 2002 : 80.3%)
- Unemployment Rate : 2.9% as of 2002, 4 year low

Source : BOK

Pusan Bank – Who we are

Pusan Bank's Branch Network



► Leading Regional Bank

► Established : October 25, 1967 (36th Anniversary)

► Headcount : 1,893

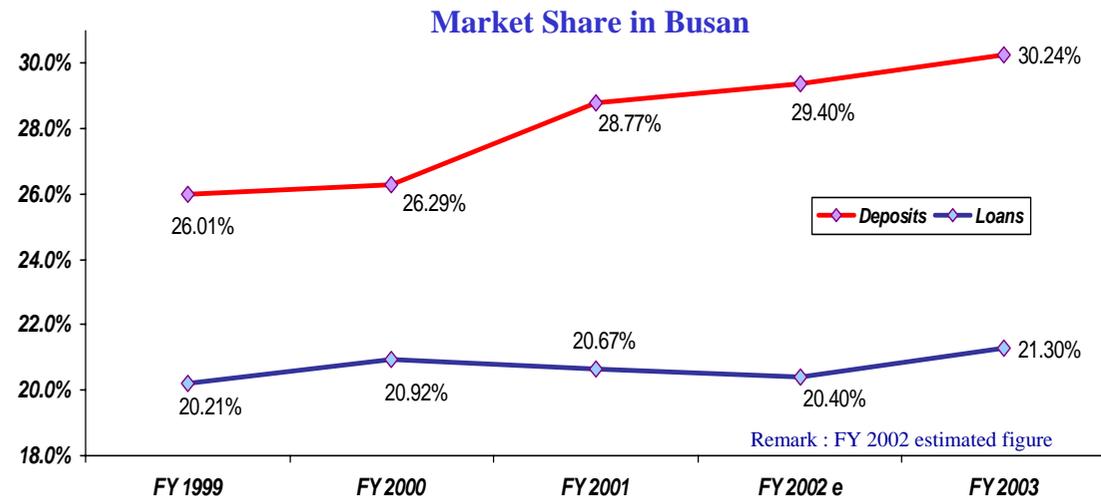
► Paid-In Capital : 733.4 billion KRW

Market Shares

- Deposits : 29.40% in 2002 ⇒ 30.24% in 2003
- Loans : 20.40% in 2002 ⇒ 21.30% in 2003
- 3.23 million customers (85.4% of Busan residents : 3.78 mil.)

Branch Network – Strong local presence

- 199 Franchises
 - 183 in Busan, 3 in Seoul & 13 in the Southeast Industrial Belt
- ATM : 543 units Cash Dispenser : 730 units (as of 1Q 2003)
- 35.1% of market share, in terms of # of branches in Busan area

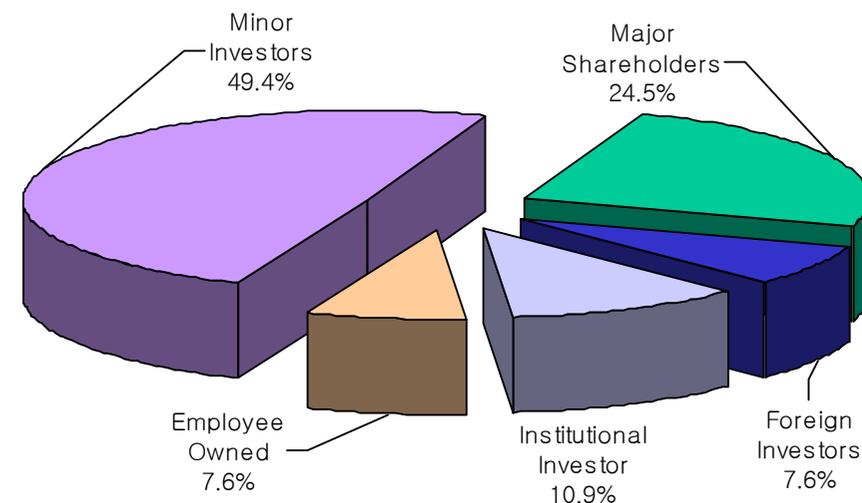


Major Shareholders (as of 2002)

Unit : thousand shares, %

Major Shareholders (note)

• Lotte Group	14.11 %
• Parkland Co., Ltd.	2.98 %
• Korea Iron & Steel Co., Ltd.	2.14 %
• Y. K. Park	1.64 %
• Others	3.63 %
T o t a l	24.5 %



Note : Whom hold more than 1% of total number of issued and outstanding stocks excludes those of foreign and institutional investors

Foreign Investors (As of April 28, 2003)

Classification	Dec 31, 2002	April 28, 2003	Change
Total Number of Stocks Issued and Outstanding	146,683	146,683	-
Number of Shares of held by Foreign Investors	17,660	29,909	69.36%
Ratio of Foreign Shareholders	12.04%	20.39% ^(note)	8.35%p

Note : Includes the shares held by Japan Lotte (15.92% when excludes the shares held by Japan Lotte)

Our Vision & Strategy

World-Class Premier Regional Bank

The most clean and solid regional bank

Doing what is best for shareholders and customers

Our dedication for better life of regional societies

Solidify the Core Business

- **Market Leader**
 - Maintain dominant market position
 - Strong local presence - Interactive
- **Expand Business Area**
 - The Southeast Industrial Belt
 - “Gaya” Vally
- **Develop New Products**
 - Specialized Products
 - Loans to Fishery, Local Market, etc

Close Region-Friendly Relations

- **Regional Friendly Activity 21**
 - Relationships that work for everyone
 - Commitment to improve quality of life
- **Financing**
 - 10 strategic regional business
 - Local business project financing
- **Life-Information Center**
 - Interactive information provider
 - Catering to the demands of our customers

Develop & Penetrate into New Types of Income Source

- **Strengthen the e-business**
 - e-money business (1 subsidiary)
 - Internet Banking
- **Commission Based Business**
 - Credit card business
 - Beneficiary certificates sales
 - Custodian Business
- **Drive non-banking business thru strategic alliances**
 - Securities, Insurance & Foreign Banks
 - Bankassurance

Hoon Shim : *Chairman of the Board of Director & President*

Educational Background

- MA in Economics from Yale University (Class of 1987)
- BA in Economics from Seoul National University (Class of 1966)

Career

- Auditor of the Bank of Korea in 1997
- Deputy Governor of the Bank of Korea in 1998
- Chairman of the Board of Directors & CEO of Pusan Bank

Award

- Best CEO of the Year in 2002
- Dasan Award in 2002 (for the Bank's exceptional services and performance in financial sector)

Vision

- Leading Regional Bank in Korea
- World-Class Financial Service Provider
 - Bench Marking Bank : Wachovia Bank in U.S. , Shizuoka Bank in Japan

Financial Review

• <i>Key Points</i>	7	• <i>Household Loans – Retail & Credit Card</i>	21
• <i>General Review</i>	8	• <i>Household Loan - Delinquency Ratio</i>	22
• <i>Condensed Income Statement</i>	9	• <i>Credit Card Business - Delinquency Ratio</i>	23
• <i>Total Deposit</i>	10	• <i>Cost Income Ratio</i>	24
• <i>Low Cost Deposit</i>	11	• <i>BIS Capital Ratio</i>	25
• <i>Total Loan</i>	12	• <i>NIM & NIS</i>	26
• <i>Loan Portfolio By Borrowers</i>	13	• <i>Dividend</i>	27
• <i>Loan Portfolio By Industries</i>	14		
• <i>Loan Portfolio By Manufacturing Sectors</i>	15		
• <i>Asset Quality</i>	16		
• <i>Provision in detail</i>	17		
• <i>SME Asset Quality</i>	18		
• <i>SME Delinquency Ratio</i>	19		
• <i>SME Loans in Detail</i>	20		

The bank announced the first quarter net income of 13.0 billion KRW, down 75.75% compared with 53.6 billion KRW in the first quarter of 2002

- *Provision for loan losses increased some : 47.4 billion KRW in 1Q 2003 vs 22.7 billion KRW in 1Q 2002*
 - *Provision for consumer loan losses : 13.9 billion KRW*
 - *Provision for credit card receivable losses : 24.5 billion KRW*
 - *Provision for corporate loan losses : 9.0 billion KRW*
- *General & Administrative expenses increased 33.27% from the first quarter of 2002 due to the provision for retirement allowance which up by 270.10%*
 - *15.5 billion KRW in 1Q 2003 vs 4.2 billion KRW in 1Q 2002*

However... compared to the first quarter a year ago

- *Total assets, deposits and loans increased by 11.68%, 7.85% and 19.19% respectively*
- *Low cost core deposits rose 5.76% linked-quarter*
- *NIM and NIS remained relatively consistent with 2002 level and they are sustainable going forward*
- *Interest revenues increased 2.96% and interest expenses decreased 5.85%*
- *Commission and Fee income increased by 8.41%*

Category	Dec. 2000	Dec. 2001	Dec. 2002	1Q 2002	1Q 2003	% Changed YoY
Total Assets	12,910.5	14,564.3	16,225.9	15,236.0	17,015.9	11.68 %
Total Deposits	10,361.0	12,008.4	13,023.7	12,547.1	13,532.6	7.85 %
Total Loans	5,790.5	6,496.3	8,014.2	6,963.6	8,299.8	19.19 %
Paid-In Capital	475.2	475.2	733.4	479.3	733.4	54.34 %
Total shareholder's Equity	406.6	443.9	815.8	502.3	820.7	63.39 %
Net Income	10.2	52.3	148.0	53.6	13.0	-75.75 %
ROA	0.09 %	0.42 %	1.09 %	1.66 %	0.36 %	-1.30 %p
ROE	2.47 %	12.00 %	20.09 %	43.30 %	6.41 %	-36.89 %p
BIS Capital Ratio ^(note)	10.53 %	10.26 %	11.69 %	10.24 %	11.01 %	0.77 %p
(Tier 1)	(6.82 %)	(6.58 %)	(9.21 %)	(6.84 %)	(9.02 %)	(2.18 %p)
NIM	2.79 %	2.87 %	3.39 %	3.29 %	3.25 %	-0.04 %p
NIS (won)	3.08 %	3.66 %	4.05 %	3.93 %	3.71 %	-0.46 %p
NPL	4.51 %	2.74 %	1.45 %	2.59 %	1.90 %	-0.69 %p
S&B loan Ratio	6.65 %	3.73 %	2.22 %	3.54 %	2.62 %	-0.92 %p
S&B Coverage Ratio	40.3 %	54.2 %	83.7 %	59.88 %	77.02 %	17.14 %p

Note : estimated figure

Condensed Income Statement

Unit : billion KRW, %

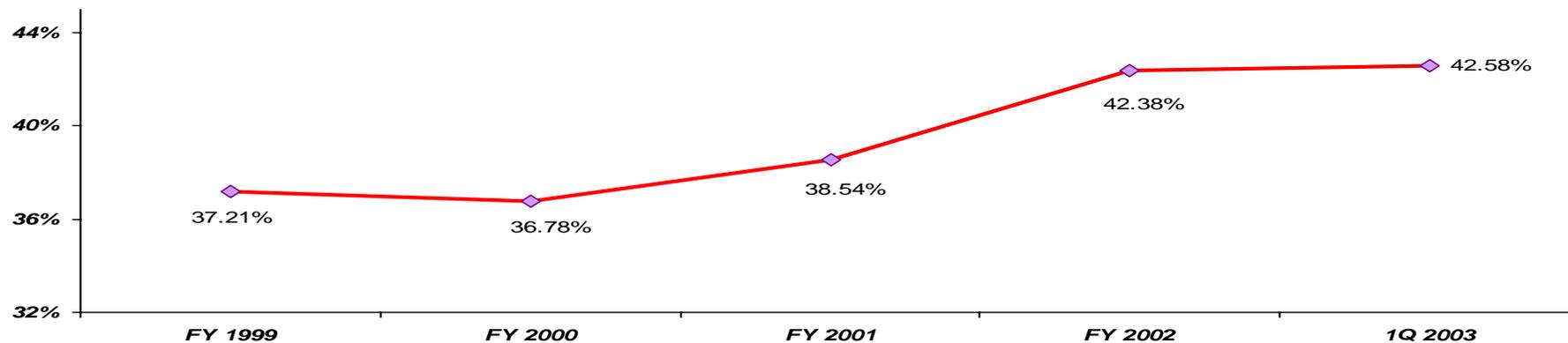
	FY 2000	FY 2001	FY 2002	1Q 2002	1Q 2003	QoQ	
						KRW	%
Operating Income	1,005.8	1,103.5	1,093.4	259.6	266.0	6.4	2.47
Interest Income	878.9	937.6	906.1	215.9	222.3	6.4	2.96
Fee & Commission Income	65.8	89.9	116.8	26.5	29.0	2.5	9.43
Trust Related Income	26.5	19.0	32.5	7.5	5.8	-1.7	-22.67
Others	34.6	57.0	38.0	9.7	8.9	-0.8	-8.25
Operating Expenses	989.2	1,026.3	892.8	205.0	247.1	42.1	4.72
Interest Expenses	599.2	594.8	470.3	117.9	111.0	-6.9	-5.85
Commission Expenses	6.8	11.7	18.9	3.9	4.5	0.6	15.38
Trust Related Losses	33.8	22.0	0	0	0	0	0
General & Administrative	201.0	204.6	241.4	52.6	70.1	17.5	33.27
Others	148.4	193.2	162.2	30.6	61.5	30.9	100.98
(Provisions for loan loss)	(100.7)	(126.2)	(117.8)	(22.7)	(47.4)	(24.7)	100.81
Net Operating Income	16.6	77.2	200.6	54.6	18.9	-35.7	-65.39
Non-Operating Income	-6.4	-24.9	-52.6	-1.0	-5.9	-4.9	-499.0
Ordinary Income	10.2	52.3	148.0	53.6	13.0	-40.6	-75.75
Extra-Ordinary Gain	0	0	0	0	0	0	0
Income Before Income Taxes	10.2	52.3	148.0	53.6	13.0	-40.6	-75.75
Income Tax Expenses	0	0	0	0	0	0	0
Net Income	10.2	52.3	148.0	53.6	13.0	-40.6	-75.75

Total Deposit

Unit : billion KRW, %

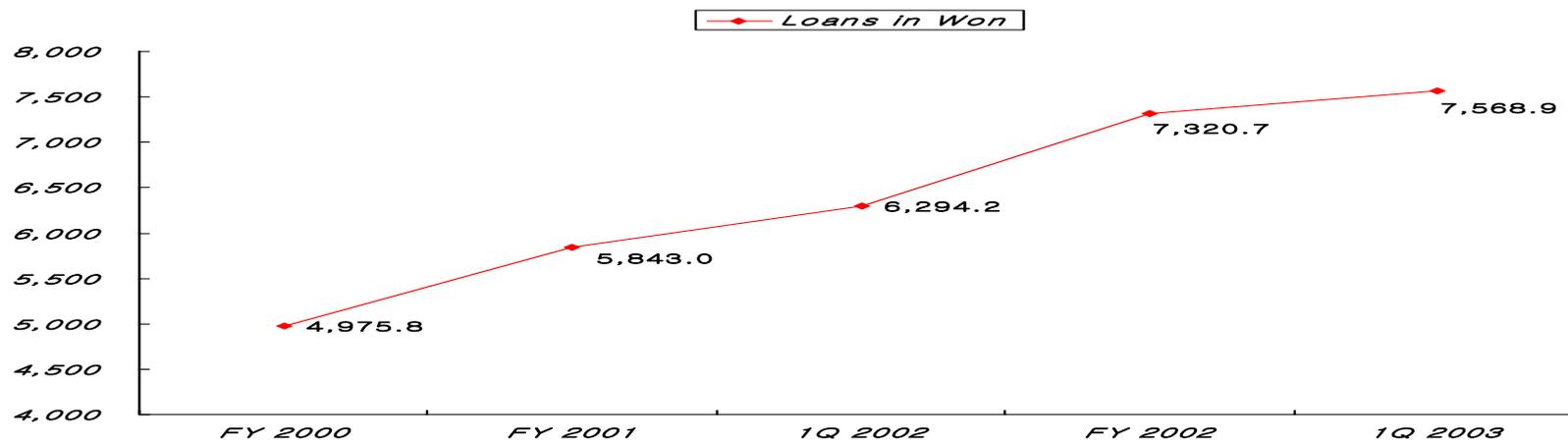
Category	FY 2000	FY 2001	FY 2002	1Q 2002	1Q 2003	% Changed YoY
Deposits in Won	8,937.0	9,986.3	10,958.3	10,456.5	11,559.7	10.55 %
Demand	847.1	1,000.8	1,097.6	1,080.0	1,106.9	2.49 %
Savings	7,886.6	8,779.5	9,618.2	9,157.1	10,203.4	11.42 %
Mutual Installment Deposit	203.3	206.0	242.5	219.4	249.4	13.67 %
CD	43.4	32.6	35.4	31.3	28.9	-7.67 %
Bills Sold	88.4	12.8	9.5	10.2	9.1	-10.78 %
RP	6.0	97.0	53.6	8.3	143.2	-
Finance Debentures Issued	214.2	314.8	200.0	314.9	200.0	-36.49 %
Money in Trust	1,072.0	1,564.8	1,766.9	1,725.9	1,591.6	-7.78 %
Total Deposits	10,361.0	12,008.4	13,023.7	12,547.1	13,532.6	7.85 %

Low Cost Deposit Ratio



	FY 2000	FY 2001	FY 2002	1Q 2003	Chg
Low-Cost Core Deposit ^(note)	3,103.5	3,844.2	4,622.9	4,889.1	5.76 %
Demand Deposit	674.3	793.2	937.1	979.6	5.16 %
Savings Deposit	1,838.4	2,272.1	2,837.9	2,975.5	9.57 %
Business Savings	590.8	778.9	847.9	934.0	1.22 %
Total Deposits in Bank Account	8,437.2	9,973.4	10,907.8	11,482.7	13.22 %
Low-Cost Core Deposit Ratio	36.78 %	38.54 %	42.38 %	42.58 %	0.2 %p

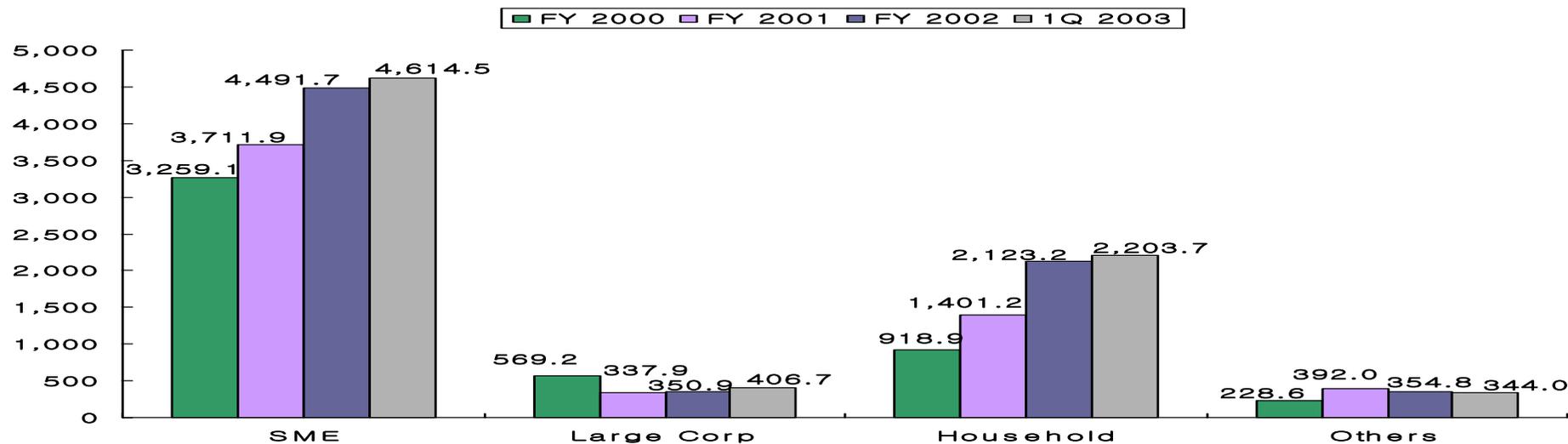
Note :The average funding cost 1.24% (2003. 1Q))



Category	FY 2000	FY 2001	FY 2002	1Q 2002	1Q 2003	% changed YoY
Loans in Won	4,975.8	5,843.0	7,320.7	6,294.2	7,568.9	20.25 %
Consumer	918.8	1,401.2	2,123.2	1,568.9	2,203.7	40.46 %
Corp.	3,828.5	4,049.8	4,842.6	4,329.9	5,012.2	15.97 %
Others	228.5	392.0	354.9	395.4	344.0	-13.00 %
Loans in Foreign Currency	121.1	114.6	211.7	152.5	251.3	64.79 %
Trust Lending	194.7	80.6	35.7	56.9	33.3	-41.48 %
Others	495.9	458.1	446.1	460.0	446.3	-2.98 %
Total Loan	5,790.5	6,496.3	8,014.2	6,963.6	8,299.8	19.19 %

Loan Portfolio by Borrowers

Unit : billion KRW, %



	FY 2000		FY 2001		FY 2002		1Q 2003		Chg (%) (b-a)
	Amount	%	Amount (a)	%	Amount (b)	%	Amount (b)	%	
Corp.	3,828.3	76.94	4,049.8	69.31	4,842.6	66.15	5,021.2	66.34	3.69%
SME	3,259.1	65.50	3,711.9	63.53	4,491.7	61.36	4,614.5	60.97	2.73%
Large Corp.	569.2	11.44	337.9	5.78	350.9	4.79	406.7	5.37	15.90%
Household	918.9	18.47	1,401.2	23.98	2,123.2	29.00	2,203.7	29.11	3.79%
Others	228.6	4.59	392.0	6.71	354.8	4.85	344.0	4.54	- 3.04%
Total Loans in Won	4,975.8	100	5,843.0	100	7,320.7	100	7,568.9	100	3.39%

Loan Portfolio by Industries

Unit : billion KRW, %

	FY 2001		FY 2002		1Q 2003	
Manufacturing Sectors <small>(note)</small>	2,134.9	36.5%	2,449.2	33.46%	2,533.3	33.47%
Wholesale & Retail	602.8	10.3%	715.8	9.78%	747.0	9.87%
Construction & Engineering	316.4	5.4%	398.3	5.44%	404.1	5.34%
Real Estate, Lease	240.7	4.1%	358.5	4.90%	372.6	4.92%
Insurance & Financing	254.3	4.4%	271.3	3.71%	316.0	4.17%
Transportation & Communication Service	211.5	3.6%	221.0	3.02%	210.4	2.78%
Public & Administration	196.8	3.4%	159.6	2.18%	148.7	1.96%
Hotel, Foods & Other Sectors	484.4	8.3%	623.8	2.84%	633.1	8.36%
Others (Loans to household)	1,401.2	24.0%	2,123.2	29.0%	2,203.7	29.11%
Total Loan in Won	5,843.0	100%	7,320.7	100%	7,568.9	100%

Note : The details on the next page

Loan Portfolio by Manufacturing Sectors

Unit : billion KRW, %

	FY 2001		FY 2002		1Q 2003	
Fabricated Metal Product Manufacturing	528.4	9.04 %	635.7	8.68 %	665.4	8.79 %
Transportation Equipment Manufacturing	281.3	4.81 %	327.8	4.48 %	344.7	4.55 %
Machinery Manufacturing	286.3	4.90 %	316.6	4.32 %	314.8	4.16 %
Rubber, Chemical & Petroleum Manufacturing	255.1	4.37 %	306.6	4.19 %	314.4	4.15 %
Textile	208.8	3.57 %	243.7	3.33 %	252.6	3.34 %
Apparel Manufacturing	50.3	0.86 %	61.9	0.85 %	77.1	1.02 %
Footwear	80.6	1.38 %	86.4	1.18 %	74.1	0.98 %
Food Manufacturing	109.5	1.87 %	123.1	1.68 %	126.2	1.67 %
Electrical Equipment & Component Manufacturing	98.9	1.69 %	82.4	1.13 %	83.5	1.10 %
Paper Manufacturing	60.2	1.03 %	63.0	0.86 %	64.7	0.85 %
Miscellaneous Manufacturing	175.5	3.00 %	202.0	2.76 %	215.9	2.85 %
Total	2,134.9	36.5 %	2,449.2	33.46 %	2,533.3	33.47 %

	FY 1999	FY 2000	FY 2001	FY 2002	1Q 2003	Chg
Total Loans	5,488.0	6,207.4	7,048.1	8,685.4	8,954.6	269.2
Normal	4,549.8	5,399.6	6,416.4	8,277.5	8,464.2	186.7
	(82.9%)	(87.0%)	(91.0%)	(95.3%)	(94.5%)	(-0.8%p)
Precautionary	518.5	395.0	368.7	215.0	256.1	41.1
	(9.4%)	(6.4%)	(5.2%)	(2.5%)	(2.9%)	(0.4%p)
Substandard	316.9	279.2	159.5	140.0	163.9	23.9
	(5.8%)	(4.5%)	(2.3%)	(1.6%)	(1.8%)	(0.2%p)
Doubtful	80.7	124.1	83.1	35.2	48.0	12.8
	(1.5%)	(2.0%)	(1.2%)	(0.4%)	(0.5%)	(0.1%p)
Loss	22.1	9.5	20.4	17.8	22.4	4.6
	(0.4%)	(0.2%)	(0.3%)	(0.2%)	(0.3%)	(0.1%p)
Substandard & Below Loans Sub-Total	419.7	412.8	263.0	193.0	234.4	41.4
	(7.65%)	(6.65%)	(3.73%)	(2.22%)	(2.62%)	(0.4%p)
Provisions	168.4	166.4	142.6	161.6	180.5	18.9
Coverage Ratio	40.1%	40.3%	54.2%	83.7%	77.02%	-6.68%p

Provision in detail

Unit : billion KRW, %

		Normal	Precautionary	Substandard	Doubtful	Loss	Total
Banking Account	Receivables	7,854.4	232.4	156.8	45.0	22.3	8,310.8
	FSS Requirement	46.8	10.6	31.4	25.5	22.2	136.5
	Additional Reserve	-	-	-	-	-	39.2
	Ending Balance	-	-	-	-	-	175.7
	Acceptance & Guarantee	224.6	20.2	-	-	0.1	244.9
	Provisions for A&G losses	-	-	-	-	0.1	0.1
Trust Account	Receivables	141.3	3.5	7.1	3.0	0.2	155.1
	Provision for Credit loss	-	1.6	1.4	1.5	0.2	4.7
Total	Receivables	8,220.3	256.1	163.9	48.0	22.5	8,710.8
	Ending Balance	-	-	-	-	-	180.5

	Provisions	S&B loan	Provision balance	Coverage Ratio
Household	13.9	34.1	37.0	108.5
Credit Card	24.5	31.0	28.0	90.3
Corporate	9.0	158.9	110.7	69.7
T o t a l	47.4	224.0	175.7	78.4

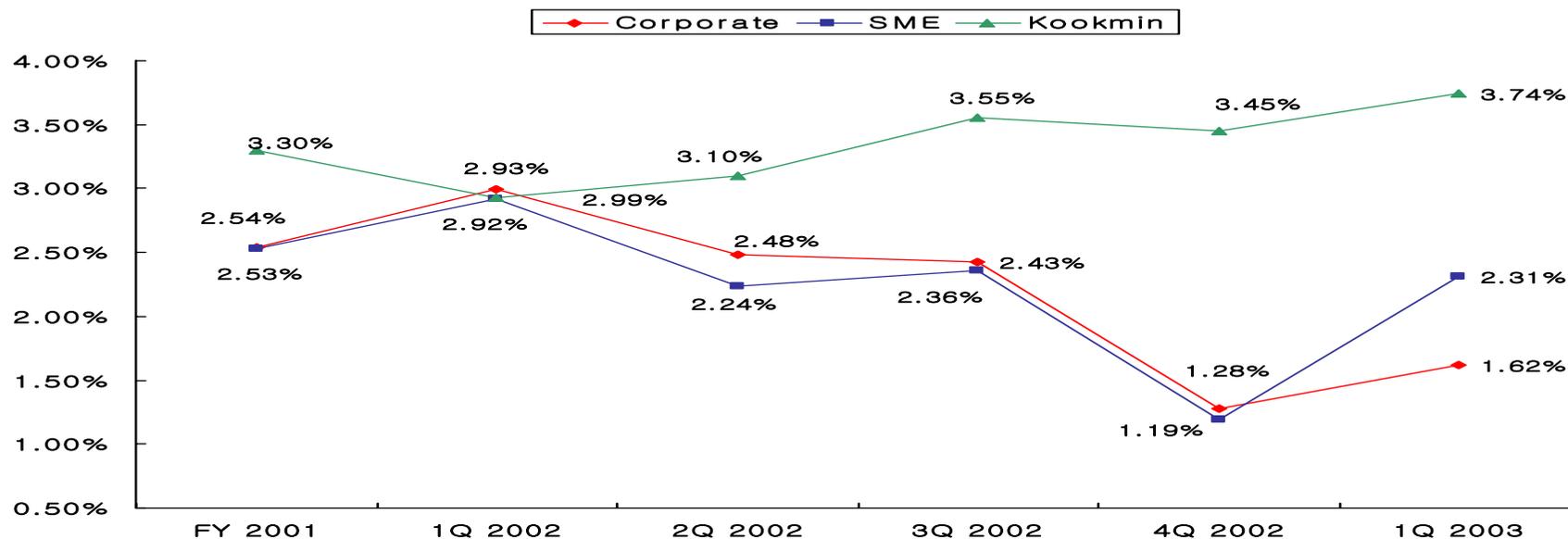
	FY 2001	1Q 2002	2Q 2002	3Q 2002	FY 2002	1Q 2003
Total Loans	3,720.0	3,931.7	4,051.7	4,400.1	4,494.4	4,651.7 ^{Note}
Normal	3,448.3	3,667.6	3,845.3	4,201.5	4,330.2	4,442.0
	(92.70%)	(93.28%)	(94.91%)	(95.49%)	(96.35%)	(95.49%)
Precautionary	173.3	150.2	104.5	96.4	56.9	76.6
	(4.66%)	(3.82%)	(2.58%)	(2.19%)	(1.27%)	(1.65%)
Substandard	84.8	99.5	85.5	84.1	99.4	116.4
	(2.28%)	(2.53%)	(2.11%)	(1.91%)	(2.21%)	(2.50%)
Doubtful	5.2	6.0	6.0	7.3	3.4	4.9
	(0.14%)	(0.15%)	(0.15%)	(0.17%)	(0.08%)	(0.11%)
Loss	8.4	8.4	10.4	10.8	4.5	9.7
	(0.23%)	(0.21%)	(0.26%)	(0.25%)	(0.10%)	(0.21%)
Substandard & Below Loans	98.4	113.9	101.9	102.2	107.3	131.0
Sub-Total	(2.65%)	(2.90%)	(2.51%)	(2.32%)	(2.39%)	(2.82%)
Provisions	-	-	-	-	-	73.8
Coverage Ratio	-	-	-	-	-	56.3%

* Note : Banking and Trust accounts



SME Delinquency Ratio

Unit : billion KRW, %, %p



Delinquency Ratio	FY 2001	1Q 2002	2Q 2002	3Q 2002	FY 2002	1Q 2003
Corporate Loans	4,040.7	4,319.8	4,375.5	4,735.8	4,836.8	5,982.1
Delinquency Ratio	2.54 %	2.99 %	2.48 %	2.43 %	1.28 %	1.62 %
SME Loans	3,720.0	3,931.7	4,051.7	4,400.1	4,494.4	4,651.7
Delinquent Receivables	94.3	114.7	90.7	104.0	53.7	107.3
Delinquency Ratio	2.53 %	2.92 %	2.24 %	2.36 %	1.19 %	2.31 %
Kookmin Bank's Delinquency Ratio	3.30 %	2.93 %	3.10 %	3.55 %	3.45 %	3.74 %

Note : SME loans : Banking & Trust Account inclusive

Collateral Type	FY 2002 (a)	1Q 2003 (b)	Change (b – a)
SME Loans	4,491.7	4,614.5	122.8
Real-estates	1,936.8 (43.12%)	1,999.6 (43.33%)	62.8 (0.61%)
Movable Goods	0	0	-
Guaranteed(Insurance)	711.6 (15.84%)	719.8 (15.60%)	8.2 (-0.24%)
Credit	1,632.8 (36.35%)	1,676.9 (36.34%)	44.1 (-0.01%)
Others	210.5 (4.69%)	218.3 (4.73%)	7.8 (0.04%)

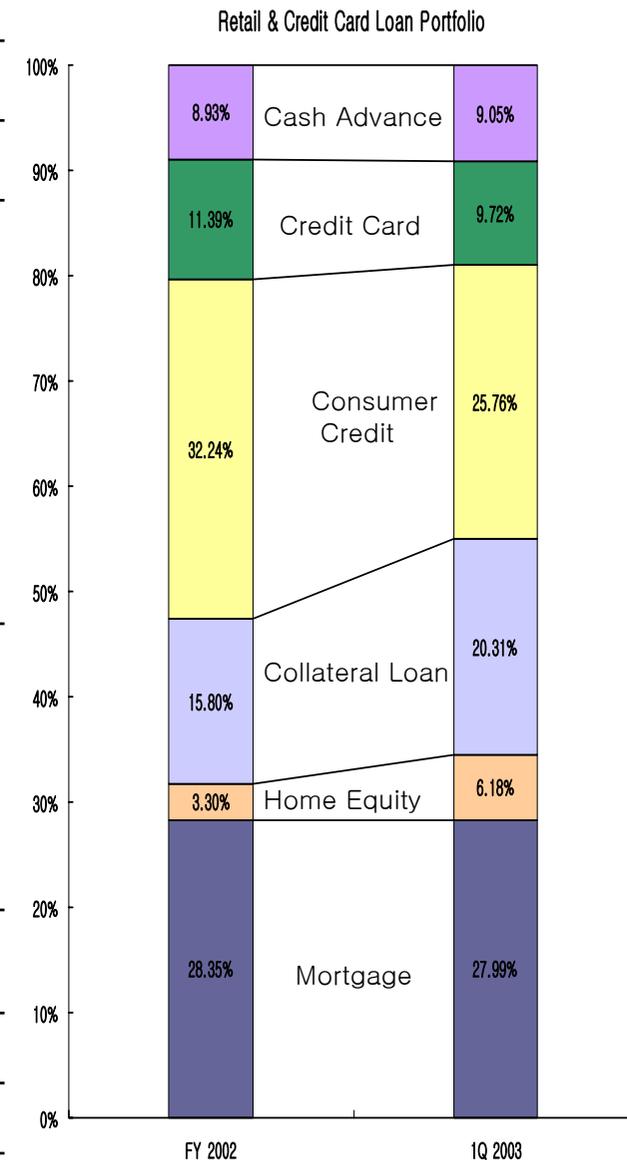
Note : 63.7% of SME loans backed by collateral

In terms of Asset Size	Ratio	Number of SME	Receivables
Below 1.0	40.38 %	32,385	1,863.5
Over 1.0 & less 3.0	26.32 %	744	1,214.6
Over 3.0 & less 5.0	9.66 %	118	445.7
Over 5.0 & less 10.0	10.04 %	66	463.3
Over 10.0	13.60 %	34	627.4
Total	100.00 %	33,347	4,614.6

Household Loans – Retail & Credit Card

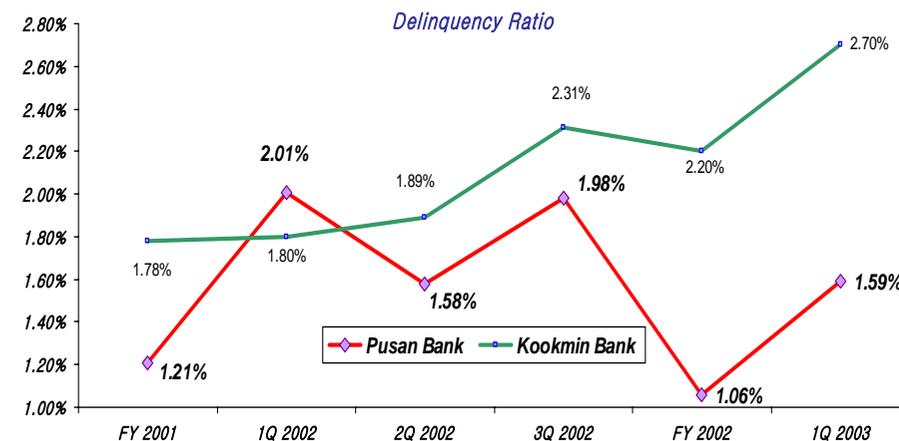
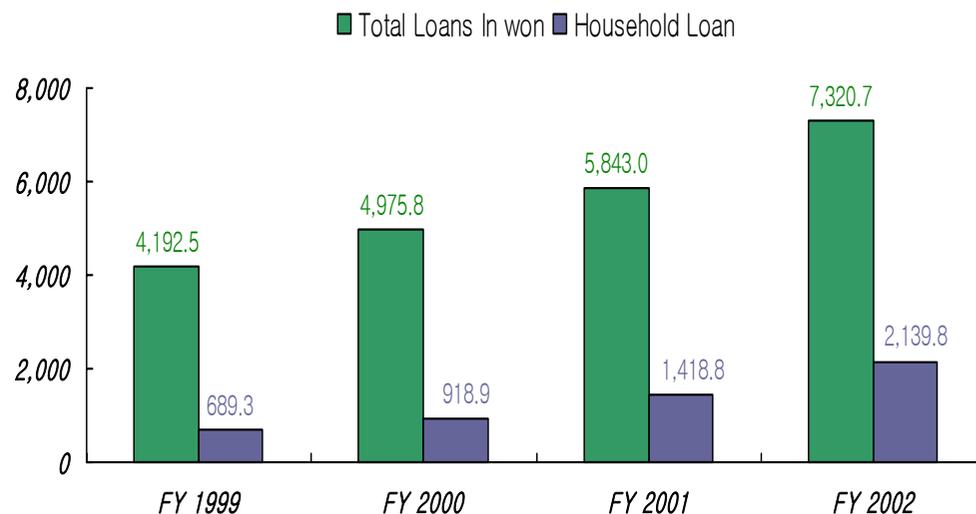
Unit : billion KRW, %, %p

	FY 2002	1Q 2003	Chg (%)
Total Asset (a)	16,225.9	17,015.9	4.87 %
Loans in won (b)	7,320.7	7,568.9	3.39 %
Household Loans – Retail (c)	2,123.2	2,203.7	3.79 %
Mortgage	755.3	759.2	0.52 %
Home Equity	88.0	167.7	90.57 %
Collateral Loan	420.9	551.0	30.91 %
Consumer Credit	859.0	725.8	-15.51 %
LTV	53.52 %	53.16 %	-
Credit Card Receivables (d)	541.4	509.1	-5.97 %
Credit Sales	303.4	263.6	-13.12 %
Cash Advances	238.0	245.5	3.15 %
Cash Advances / Receivables	44.0 %	48.2 %	-
Subtotal – Retail & Credit Card (e) = (c) + (d)	2,664.6	2,712.8	1.81 %
Ratio (f) = (e) / ((b) + (d))	33.90 %	33.58 %	-0.31 %p
Ratio (g) = (e) / (a)	16.42 %	15.94 %	-0.48 %p



Household Loan – Delinquency Ratio

Unit : billion KRW, %

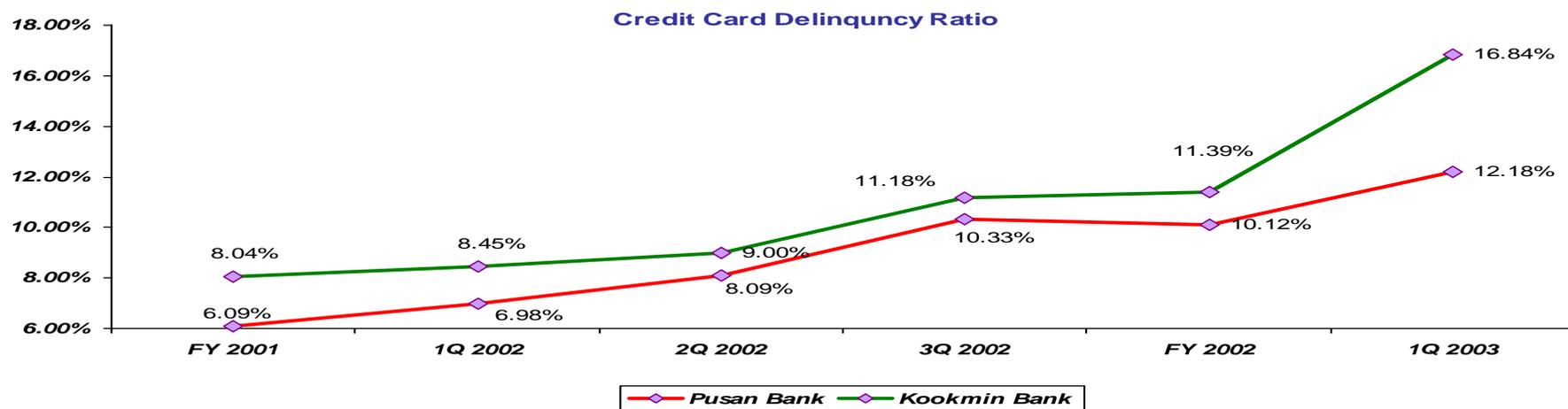


	FY 2001	1Q 2002	2Q 2002	3Q 2002	FY 2002	1Q 2003
Household Loan	1,418.8	1,585.0	1,819.7	2,000.5	2,139.8	2,218.6
Delinquent Receivables	17.2	31.9	28.7	39.6	22.7	35.3
Delinquency Ratio	1.21 %	2.01 %	1.58 %	1.98 %	1.06 %	1.60 %
Kookmin Bank Delinquency Ratio	1.78 %	1.80 %	1.89 %	2.31 %	2.20 %	2.70 %

Note : Household Loan – Banking and Trust account inclusive

Credit Card Business – Delinquency Ratio

Unit : billion KRW, %

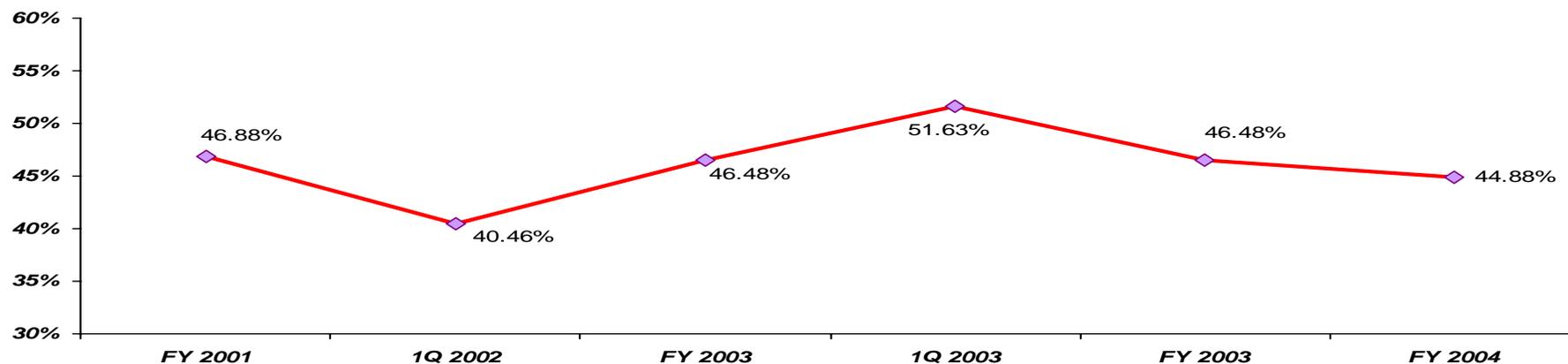


	FY 2001	1Q 2002	2Q 2002	3Q 2002	FY 2002	1Q 2003	
Credit Card Receivables	385.1	411.3	465.4	510.0	541.4	509.1	
Delinquent Credit Receivables	23.5	28.7	37.7	52.7	54.8	62.0	
Delinquency Ratio (note 1)	1 day over due	6.09 %	6.98 %	8.09 %	10.33 %	10.12 %	12.18 %
	1 month over due	3.63 %	4.38 %	4.78 %	6.87 %	7.67 %	9.58 %
	3 months over due	2.13 %	2.55 %	2.73 %	3.67 %	4.48 %	5.42 %
Delinquency Ratio of Kookmin Bank	1 day over due	8.04 %	8.45 %	9.00 %	11.18 %	11.39 %	16.84 %
	1 month over due	-	-	-	7.88 %	-	-
	3 months over due	-	-	-	4.33 %	-	-

Note : 1) Delinquent receivables of cash advances are 2 times more than those of credit sales

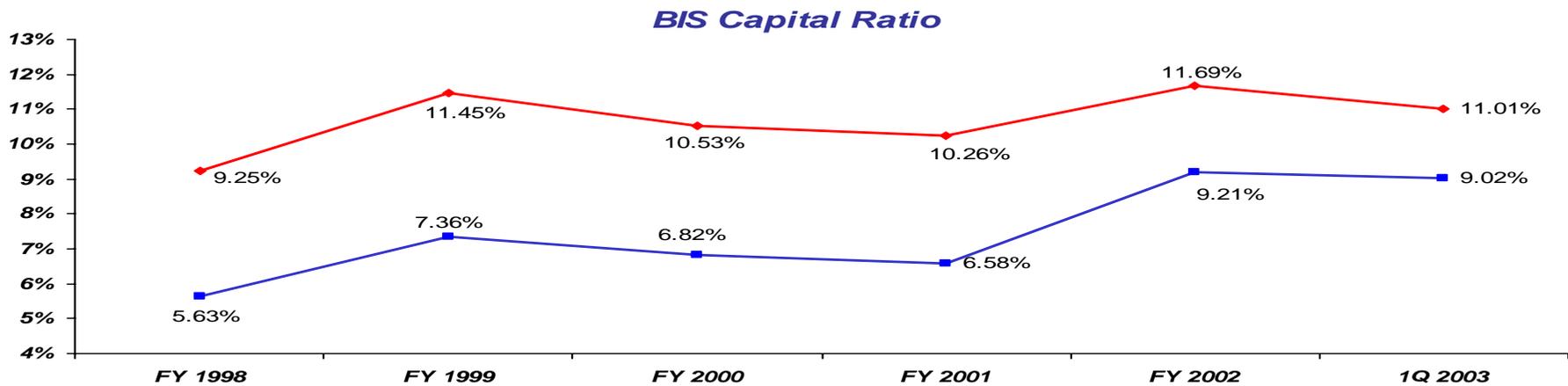
2) U.S. Banks delinquency ratio(1 month over due) is 5.5%

Cost Income Ratio



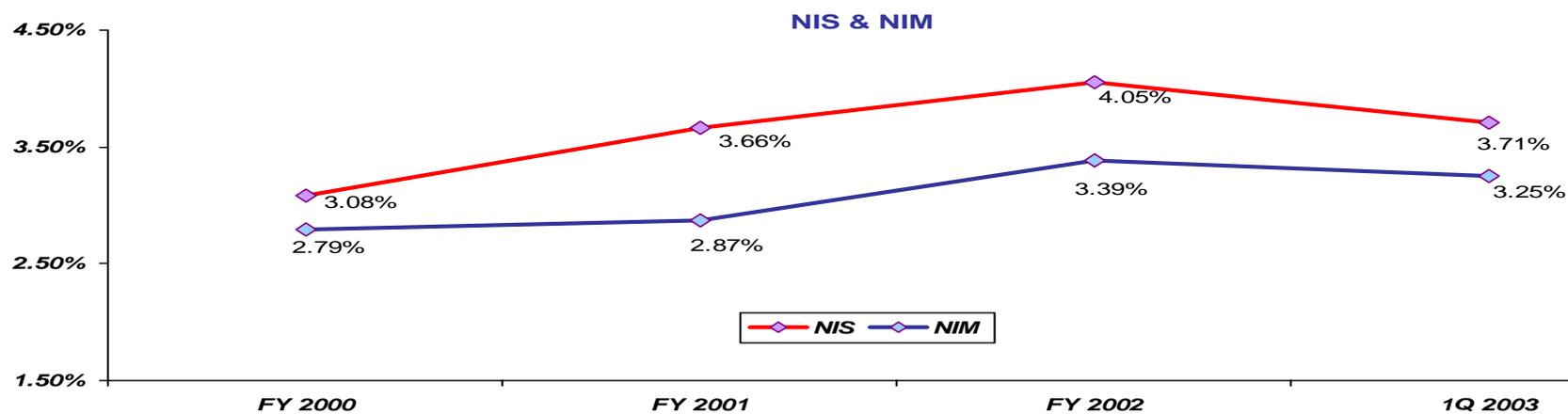
Classification	FY 2000	FY 2001	FY 2002	1Q 2002	1Q 2003	% Changed
Net Operating Income (a)	16.6	77.2	200.6	54.6	18.9	-65.38%
Administrative Expenses (b)	201.0	204.6	241.4	52.6	70.1	33.27%
Provisions for Loan Losses (c) (note)	131.1	154.5	110.7	22.7	47.4	
Cost Income Ratio ((d) = (b) / ((a) + (b) + (c)))	57.64%	46.88%	43.68%	40.46%	51.63%	11.17 %p

Note : Provision for bad loans + Provision for payment guarantee + other provisions



	FY 2000	FY 2001	FY 2002	1Q 2002	1Q 2003 <small>(note 1)</small>	Chg
Core Capital	389.8	442.9	792.9	500.8	806.1	305.3
Supplement Capital	229.5	269.8	263.7	270.3	226.5	-43.8
Contribution to Unconsolidated Subsidiaries	17.1	21.9	50.2	21.2	49.2	28.0
Total Risk-Adjusted Capital	602.2	690.8	1,006.4	749.8	983.4	233.6
Total Risk Weighted Assets	5,717.2	6,733.0	8,609.7	7,320.5	8,932.7	1,612.2
On-Balance Sheet Assets	5,121.7	6,188.7	8,225.4	6,733.7	8,513.3	1,779.6
Off-Balance Sheet Assets	599.5	544.4	384.3	586.8	419.4	-167.1
BIS Capital Ratio	10.53%	10.26%	11.69%	10.24%	11.01%	0.77%p
Tier I Capital Ratio	6.82%	6.58%	9.21%	6.84%	9.02%	2.18%p
Tier II Capital Ratio	4.01%	4.01%	3.06%	3.69%	2.54%	-1.15%p

Note : Estimated Figure



	FY 2000	FY 2001	FY 2002	1Q 2002	1Q 2003	Chg (%p)
Average Rate in Loans (won) (a)	9.22 %	8.79 %	7.82 %	7.89 %	7.36 %	- 0.53 %p
Average Rate in Deposits (won) (b)	6.14 %	5.13 %	3.77 %	3.96 %	3.65 %	- 0.31 %p
Net Interest Spread (won) (a-b)	3.08 %	3.66 %	4.05 %	3.93 %	3.71 %	-0.25 %p
Net Interest Margin ^(note)	2.79 %	2.87 %	3.39 %	3.27 %	3.25 %	-0.02 %p

Note : Applied the revised FSS standard on NIM & NIS

Pusan Bank declared yearly dividend

- Declared yearly dividend of KRW 300 per share on Pusan bank common stock.
- The dividend is payable to holders of record as of December 31, 2002

Dividend Propensity of Pusan Bank

	1995	1996	1997 ~ 2001	2002
Net Income	30.2	41.9		148.0
Dividend Rate	5 %	8 %		6 %
Dividend Amount per Share	250 KRW	400 KRW	Passed Dividend	300 KRW
Payout Ratio	28.5 %	32.7 %		29.7 %
Type	Cash	Cash		Cash
Dividend Rate at Market Price	2.5 %	5.79 %		5.92 %

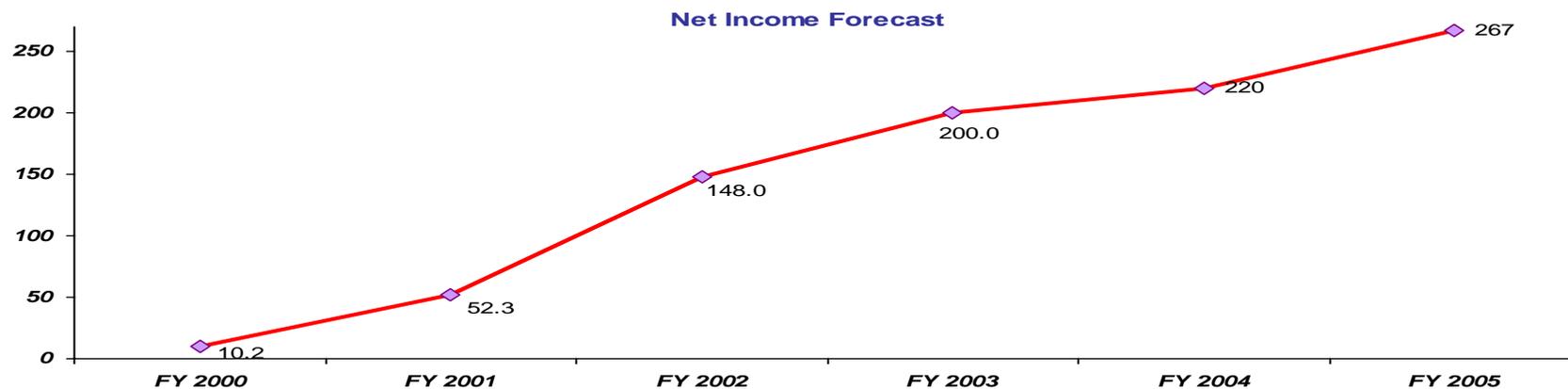
Financial Outlook (2003 and on)

- *Key Financial Forecast (2003 and on)* 29
- *Earning Forecast (2003 and on)* 30
- *EPS & BPS* 31

Key Financial Forecast (2003 and on)

Unit : billion KRW, %

Category	FY 2002	FY 2003	Chg	FY 2004	FY 2005
Total Assets	16,225.9	18,280.0	12.66 %	20,580.0	23,170.0
Total Deposits	13,023.7	14,850.0	14.02 %	16,680.0	18,760.0
Total Loans	8,014.2	9,564.5	19.34 %	11,340.0	13,374.0
Paid-In Capital	733.4	733.4	-	733.4	733.4
Total Shareholder's Equity	815.8	964.1	18.18 %	1,147.4	1,377.8
Net Income	148.0	200.0	35.14 %	220.0	267.0
ROA	1.09 %	1.29 %	0.2 %p	1.26 %	1.35 %
ROE	20.09 %	21.36 %	1.27 %p	21.59 %	21.78 %
BIS Capital Ratio	11.69 %	11.01 %	-0.68 &p	11.14 %	11.15 %
Tier I	9.21 %	9.27 %	0.06 %p	9.85 %	10.32 %
NIM	3.39 %	3.33 %	-0.06 %p	3.40 %	3.42 %
NIS	4.05 %	4.00 %	-0.05 &p	3.98 %	3.96 %
S&B Loan Ratio	2.22 %	1.90 %	-0.32 %p	1.80 %	1.70 %
S&B Coverage Ratio	83.73 %	92.02 %	8.29 %p	100 %	100 %



Category	FY 2002	FY 2003	Chg	FY 2004	FY 2005
Operating Revenues	1,093.4	1,196.9	9.47 %	1,361.2	1,558.8
Operating Expenses	892.8	963.2	7.88 %	1,055.7	1,189.6
Operating Income	200.6	233.8	16.55 %	305.5	369.2
Non-Operating Income	-52.6	-4.2	-92.02 %	7.5	10.8
Ordinary Income	148.0	229.6	55.14 %	313.0	380.0
Extraordinary Gain/Loss	0	0	-	0	0
Income before Income Taxes	148.0	229.6	55.14 %	313.0	380.0
Income Tax Expense	0	29.6	-	93.0	113.0
Net Income	148.0	200.0	35.14 %	220.0	267.0

Category	FY 2001	FY 2002	1Q 2003	FY 2003
Net Income	52.3	148.0	13.0	200.0
Net Asset	443.9	815.8	820.7	964.1
Total # of stocks issued & outstanding ^{note1}	95,045	146,683	146,683	146,683
Market Price (KRW)	4,260	4,600	4,800	-
EPS (KRW)	550	1,009	355 ^{note2}	1,363
BPS (KRW)	4,670	5,562	5,595	6,573
PER	7.75	4.56	-	-
PBR	0.91	0.83	-	-

Note 1 : figures in thousand of shares

Note 2 : annualized

Remarks : figures in billions of wons except market price, EPS & BPS



Thank you for your interest in Pusan Bank

Investor Contact

Pusan Bank IR Team

Joshua Hwang

e-mail : josh@pusanbank.co.kr

URL : www.pusanbank.co.kr

Phone Number : +82-51-640-4105

Fax Number : +82-51-640-4099

Address

8th Fl. Bosang Bldg.

833-13 Bomil-dong Dong-gu

Busan, Korea