

3Q 2003 Earnings

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- ***The 3rd Quarter Financial Highlights***

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The 3rd Quarter Financial Key Points

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The bank announced 2003 the 3rd quarter net income of 87.6 billion krw, down 31.48% compared with 127.7 billion krw in the 3rd quarter of 2002

- Provision for loan losses increased : 139.7 billion krw in 3Q 2003 vs 71.2 billion krw*

	3Q 2003	FY 2003 (per Quarter Basis)			FY 2002	3Q 2002
		3Q	2Q	1Q		
Corporate	8.9	-8.3	8.2	9.0	46.1	29.8
Household	57.4	24.7	18.8	13.9	22.2	15.7
Credit Card	73.4	22.4	26.6	24.4	44.3	26.1
Total	139.7	38.8	53.6	47.3	112.6	71.2

** reaged loans included*

- General & Administrative expenses increased 16.78% from the 3rd quarter of 2002 due to the provision for retirement allowance*
 - The provision for retirement allowance increased 58.96% or 10.2 billion krw from the 3rd quarter a year ago*
- Trust related income down by 12.7 billion krw due to decrease in trust account*

However, compared to the 3rd quarter a year ago

- *Net interest income increased 8.6% to 349.9 billion krw, driven by continued growth in low cost core deposits.*
 - *Interest income up 1.18% and interest expense down 5.66%*
- *Commission & fee income increased 2.36% to 73.7 billion krw*
- *Non-operating income increased substantially, reflecting income generated from Securities investment*
- *Total loans up 15.48% with improved asset quality (S&B ratio : 2.15% in 3Q 2003 vs 2.82% in 3Q 2002)*
- *Low cost core deposits rose 0.67%*

	FY 2003			FY 2002		3Q 2003	
	3Q	2Q	1Q	4Q	3Q	vs 4Q 02	vs 3Q 02
Total Assets	17,341.7	17,004.4	17,015.9	16,225.9	16,218.1	6.88 %	6.93 %
Total Deposits	13,777.2	13,471.6	13,532.6	13,023.7	13,137.6	5.79 %	4.87 %
Total Loans	9,048.2	8,702.7	8,299.8	8,014.2	7,835.5	12.90 %	15.48 %
Paid-in Capital	733.4	733.4	733.4	733.4	733.4	-	-
Total Shareholders' Equity	905.4	863.4	820.7	815.8	829.7	10.98 %	9.12 %
Net Income	87.6	51.0	13.0	148.0	127.7	-	- 31.60
ROA	0.77 %	0.69 %	0.36 %	1.09 %	1.27 %	-0.32%p	- 0.50%p
ROE	13.57 %	12.22 %	6.41 %	20.09 %	24.03 %	-6.52%p	- 10.46%p
BIS Capital Ratio	11.41 %	11.20 %	11.01 %	11.69 %	12.99 %	-0.28%p	- 1.59%p
(Tier 1)	9.48 %	9.27 %	9.02 %	9.21 %	9.71 %	0.27%p	-0.23%p
NIM	3.17 %	3.17 %	3.25 %	3.39 %	3.42 %	-0.22%p	-0.25%p
NIS (won)	3.77 %	3.75 %	3.71 %	4.05 %	4.07 %	-0.28%p	-0.30%p
NPL	1.56 %	1.47 %	1.90 %	1.45 %	2.00 %	0.11%p	- 0.44%p
S&B loan Ratio	2.15 %	2.07 %	2.62 %	2.22 %	2.82 %	-0.07%p	-0.67%p

	FY 2003				3Q 2002		FY 2002
	Accumulated	3Q	2Q	1Q	Accumulated	YoY	
Operating Income	809.0	271.1	271.8	266.1	811.1	-0.26 %	1,093.4
Interest Income	680.0	231.9	225.8	222.3	672.1	1.18 %	906.1
Fee & Commission Income	87.8	28.7	30.0	29.1	85.6	2.57 %	116.8
Trust Related Income	13.2	1.4	6.0	5.8	22.9	-42.36 %	32.5
Others	25.0	9.1	10.0	8.9	30.5	-8.19 %	38.0
Operating Expenses	723.0	233.0	242.9	247.1	641.7	12.67 %	892.8
Interest Expenses	330.1	107.1	112.0	111.0	349.9	-5.66 %	470.3
Fee & Commission Expenses	14.1	5.3	4.2	4.6	13.6	3.68 %	18.9
Trust Related Expense	30	-	-	-	-	-	-
G&A Expenses	195.6	65.7	59.8	70.1	167.5	16.78 %	241.4
Others	13.5	16.1	13.3	14.1	39.5	-65.82 %	44.4
Provisions for Loan Losses	139.7	38.8	53.6	47.3	71.2	96.21 %	117.8
Net Operating Income	86.0	38.1	28.9	19.0	169.4	-49.23	200.6
Non-Operating Income	1.6	- 1.5	9.1	-6.0	-41.7	-	-52.6
Ordinary Income	87.6	36.6	38.0	13.0	127.7	-31.40	148.0
Extra-Ordinary Gain	0	0	0	0	0	-	0
Income Before Income Taxes	87.6	36.6	38.0	13.0	127.7	-31.40	148.0
Income Tax Expenses	0	0	0	0	0	-	0
Net Income	87.6	36.6	38.0	13.0	127.7	-31.40	148.0

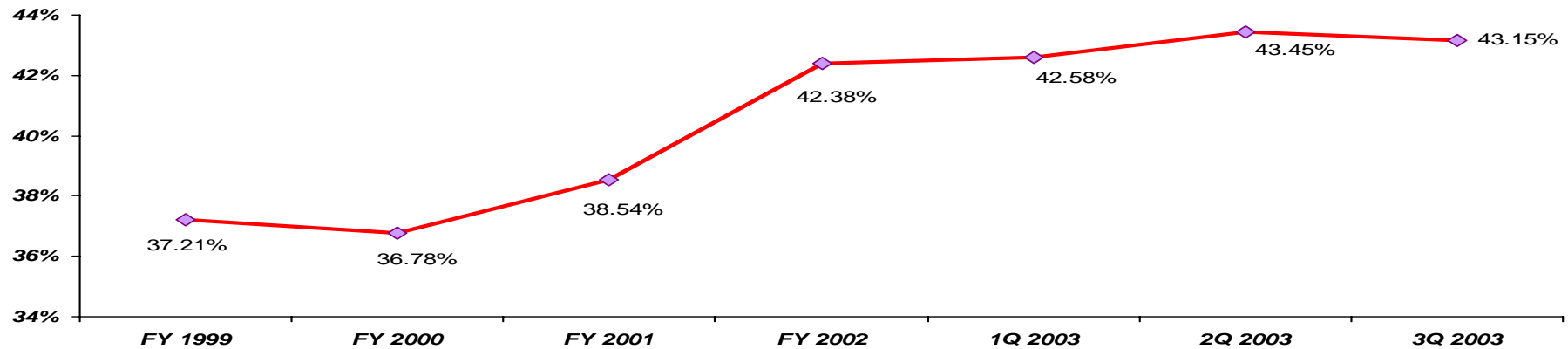
The 3rd Quarter Financial Review

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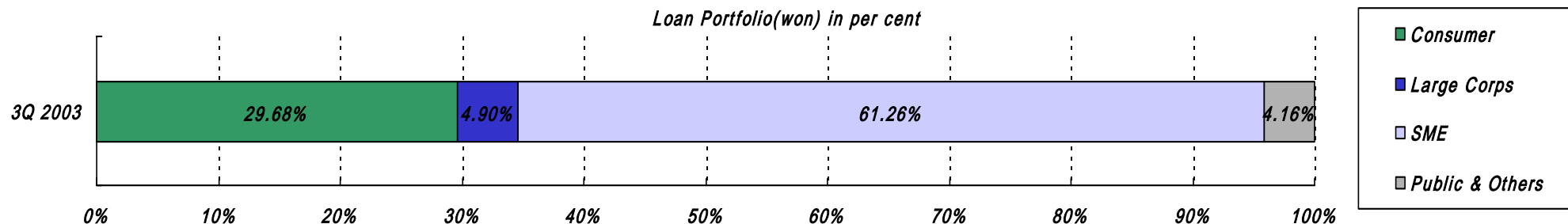
Category	FY 2003			FY 2002		3Q 2003 vs 3Q 2002
	3Q	2Q	1Q	4Q	3Q	
Deposits in Won	11,787.1	11,557.1	11,559.7	10,958.3	10,791.9	9.22 %
Demand	1,139.5	1,146.2	1,106.9	1,097.6	1,107.5	2.89 %
Savings	10,425.2	10,186.6	10,203.4	9,618.2	9,444.9	10.38 %
Mutual Installment Deposit	222.4	224.3	249.4	242.5	239.5	-7.14 %
CD	30.1	39.1	28.9	35.4	40.7	-26.04 %
Bills Sold	6.2	6.6	9.1	9.5	8.8	-29.55 %
RP	473.6	336.5	143.2	53.6	-	-
Finance Debentures Issued	200.0	200.0	200.0	200.0	298.7	-33.04 %
Money in Trust	1,280.2	1,332.3	1,591.6	1,766.9	1,997.5	-35.91 %
Total Deposits	13,777.2	13,471.6	13,532.6	13,023.7	13,137.6	4.87%

Low Cost Deposit Ratio

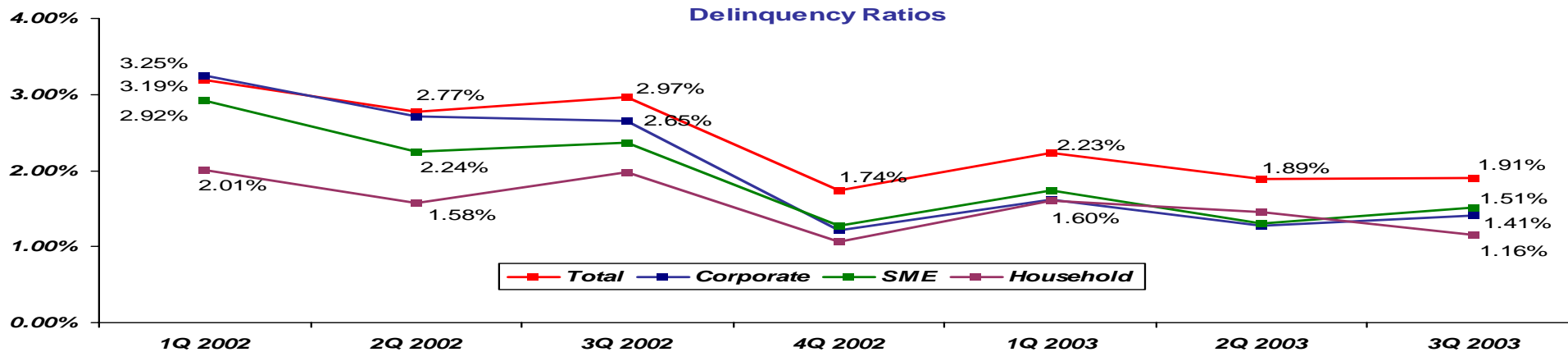


	FY 2003			FY 2002		3Q 2003	
	3Q	2Q	1Q	4Q	3Q	vs 4Q 2002	vs 3Q 2002
Low-Cost Core Deposit ^(note)	5,185.7	5,162.1	4,889.1	4,622.9	4,588.2	12.17%	13.02%
Demand Deposit	998.1	1,004.7	979.6	937.1	935.7	6.51%	6.67%
Savings Deposit	2,992.2	2,978.5	2,975.5	2,837.9	2,802.4	5.44%	6.77%
Business Savings	1,195.4	1,178.9	934.0	847.9	850.1	40.98%	40.62%
Total Deposits in Bank Account	12,018.2	11,880.3	11,482.7	10,907.8	10,799.7	10.18%	11.28%
Low-Cost Core Deposit Ratio	43.15%	43.45 %	42.58 %	42.38 %	42.48 %	0.77%p	0.67%p

Note :The average funding cost was 1.21%



Category	FY 2003			FY 2002		3Q 2003	
	3Q	2Q	1Q	4Q	3Q	vs 4Q 2002	vs 3Q 2002
Loans in Won	8,285.2	7,962.4	7,568.9	7,320.7	7,110.3	13.18 %	16.52 %
Consumer	2,459.2	2,375.1	2,203.7	2,123.2	1,982.8	15.83 %	24.03 %
Large Corps	405.9	405.1	406.7	350.9	356.3	15.67 %	13.92 %
SME	5,075.8	4,813.3	4,614.5	4,491.7	4,386.0	13.00 %	15.73 %
Public & Others	344.3	368.9	344.0	354.9	385.2	-29.87 %	-10.62 %
Loans in Foreign Currency	260.4	231.0	251.3	211.7	192.5	23.00 %	35.27 %
Trust Lending	31.5	30.4	33.3	35.7	46.5	-11.77 %	-32.26 %
Others	471.1	478.9	446.3	446.1	486.2	-5.60 %	-3.11 %
Total Loan	9,048.2	8,702.7	8,299.8	8,014.2	7,835.5	12.90 %	15.48 %



Delinquency Ratio	FY 2003			FY 2002			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total	1.91 %	1.89 %	2.23 %	1.74 %	2.97 %	2.77 %	3.19 %
Corporate	1.41 %	1.28 %	1.62 %	1.21 %	2.65 %	2.71 %	3.25 %
SME	1.51 %	1.31 %	1.74 %	1.27 %	2.36 %	2.24 %	2.92 %
Household	1.16 %	1.46 %	1.60 %	1.06 %	1.98 %	1.58 %	2.01 %
Credit Card(+reaged loans)							
1 day over due	11.68(12.78)	12.23 %	12.18 %	10.12 %	10.33 %	8.09 %	6.98 %
1 month over due	8.60 (9.73)	8.89 %	9.58 %	7.67 %	6.87 %	4.78 %	4.38 %
3 months over due	5.19 (5.05)	5.28 %	5.42 %	4.48 %	3.67 %	2.73 %	2.55 %

	FY 2003			FY 2002		3Q 2003	
	3Q	2Q	1Q	4Q	3Q	vs 4Q 2002	vs 3Q 2002
Total Loans	9,670.3	9,282.5	8,954.6	8,685.4	8,484.3	11.34 %	13.98%
Normal	9,193.6	8,820.5	8,464.2	8,277.5	8,008.7	916.1	1,184.6
	(95.1%)	(95.0%)	(94.5%)	(95.3%)	(94.4%)	11.07%	14.80%
Precautionary	269.3	269.6	256.1	215.0	236.7	54.3	32.6
	(2.8%)	(2.9%)	(2.9%)	(2.5%)	(2.8%)	25.25%	13.77%
Substandard	133.6	124.6	163.9	140.0	156.5	-6.4	-22.9
	(1.4%)	(1.3%)	(1.8%)	(1.6%)	(1.8%)	-4.57%	-14.63%
Doubtful	55.5	46.1	48.0	35.2	57.0	20.3	-1.5
	(0.6%)	(0.5%)	(0.5%)	(0.4%)	(0.7%)	57.67%	
Loss	18.3	21.7	22.4	17.8	25.4	0.5	-7.1
	(0.2%)	(0.2%)	(0.3%)	(0.2%)	(0.3%)	2.81%	-27.95%
Substandard & Below Loans	207.4	192.4	234.4	193.0	238.9	14.4	-31.5
Sub-Total	(2.15%)	(2.07%)	(2.62%)	(2.22%)	(2.82%)	-0.07%p	-13.19%
Provisions	167.0	175.0	180.5	161.6	183.4	3.34%	-8.94%
Coverage Ratio	80.50%	90.96%	77.02%	83.73%	76.77%	-3.23%p	3.74%p

	Provisions				FY 2002
	Subtotal	3Q 2003	2Q 2003	1Q 2003	
Household	34.4	11.3	12.5	10.6	22.2
Credit Card	96.4	35.8	32.9	27.7	44.3
(Reaged Loans)	(23.0)	(13.4)	(6.3)	(3.3)	(n.a.)
Corporate	8.9	-8.3	8.2	9.0	46.1
Total	139.7	38.8	53.6	47.3	112.6

	S&B Loans			Provision Balance			Coverage Ratio		
	3Q 2003	2Q 2003	1Q 2003	3Q 2003	2Q 2003	1Q 2003	3Q 2003	2Q 2003	1Q 2003
Household	29.0	32.5	34.1	34.5	40.1	37.0	119.0 %	123.4 %	108.5 %
(Reaged Loans)	-	(6.8)	(5.0)	-	(7.4)	(4.8)	-	(108.8%)	(96.0%)
Credit Card	40.0	26.9	31.0	37.3	35.2	28.0	93.0 %	93.7 %	90.3 %
(Reaged Loans)	(16.5)	-	-	(15.4)	-	-	(93.3%)	-	-
Corporate	129.8	124.2	158.9	90.8	105.4	110.7	70.0 %	84.9 %	69.7 %
Total	198.8	183.6	224.0	162.6	175.0	175.7	81.7 %	95.3 %	78.4 %

	3Q 2003		2Q 2003		1Q 2003		4Q 2003	
Manufacturing Sectors	2,720.0	32.83%	2,632.1	33.06%	2,533.3	33.47%	2,449.2	33.46%
Wholesale & Retail	767.0	9.26%	757.8	9.52%	747.0	9.87%	715.8	9.78%
Construction & Engineering	469.1	5.66%	423.7	5.32%	404.1	5.34%	398.3	5.44%
Real Estate, Lease	503.9	6.08%	426.8	5.36%	372.6	4.92%	358.5	4.90%
Insurance & Financing	323.1	3.90%	322.0	4.04%	316.0	4.17%	271.3	3.71%
Transportation & Comm. Service	224.3	2.71%	222.1	2.79%	210.4	2.78%	221.0	3.02%
Public & Administration	134.4	1.62%	167.8	2.11%	148.7	1.96%	159.6	2.18%
Hotel, Foods & Other Sectors	684.2	8.26%	635.0	7.97%	633.1	8.36%	623.8	8.52%
Others (Loans to household)	2,459.2	29.68%	2,375.1	29.83%	2,203.7	29.12%	2,123.2	29.00%
Total Loan in Won	8,285.2	100%	7,964.2	100%	7,568.9	100%	7,320.7	100%

Collateral Type	3Q 2003	2Q 2003	1Q 2003	FY 2002	YoY
SME Loans in WON	5,075.8	4,813.3	4,614.5	4,491.7	321.6
Real-estates	2,186.0 (43.07%)	2,064.5 (42.89%)	1,999.6 (43.33%)	1,936.8 (43.12%)	127.8 (-0.23%)
Movable Goods	0	0	0	0	0
Guaranteed(Insurance)	757.7 (14.93%)	740.9 (15.39%)	719.8 (15.60%)	711.6 (15.84%)	29.3 (-0.45%)
Credit	1,891.1 (37.25%)	242.4 (5.04%)	1,676.9 (36.34%)	210.5 (4.69%)	132.6 (0.33%)
Others	241.0 (4.75%)	1,765.4 (36.68%)	218.3 (4.73%)	1,632.8 (36.35%)	31.9 (0.35%)

Note : 62.8% of SME loans backed by collaterals

	FY 2003			FY 2002	
	3Q	2Q	1Q	4Q	3Q
Total Loans	6,360.0	5,805.9	4,651.7	4,494.4	4,400.1
Normal	6,107.0	5,578.8	4,440.0	4,330.2	4,201.5
	(96.02%)	(96.09%)	(95.49%)	(96.35%)	(95.49%)
Precautionary	120.5	106.8	76.6	56.9	96.4
	(1.89%)	(1.84%)	(1.27%)	(1.27%)	(2.19%)
Substandard	111.6	103.5	116.4	99.4	84.1
	(1.75%)	(1.78%)	(2.50%)	(2.21%)	(1.91%)
Doubtful	15.8	10.1	4.9	3.4	7.3
	(0.25%)	(0.17%)	(0.11%)	(0.08%)	(0.17%)
Loss	5.1	6.7	9.7	4.5	10.8
	(0.08%)	(0.12%)	(0.215)	(0.10%)	(0.25%)
Substandard & Below Loans	132.5	120.3	131.0	107.3	102.2
Sub-Total	(2.08%)	(2.07%)	(2.82%)	(2.39%)	(2.32%)
Provisions	83.2	82.1	73.8	-	-
Coverage Ratio	62.79%	68.25%	56.3%	-	-

Total Loans SME Delinquency Ratio by Sector	3Q 2003		2Q 2003		1Q 2003		FY 2002	
	Receivables	Ratio	Receivables	Ratio	Receivables	Ratio	Receivables	Ratio
Manufacturing Sector	2,899.5	1.27 %	2,807.0	0.86 %	2,721.3	1.45 %	2,623.0	1.12 %
Wholesale & Retail	840.6	2.61 %	838.0	2.60 %	832.1	1.96 %	806.4	1.26 %
Public	134.4	-	167.8	-	148.7	-	159.7	-
Construction	465.5	0.56 %	442.8	0.45 %	438.4	0.89 %	397.6	0.96 %
Real Estate & Lease	514.3	1.85 %	436.9	2.20 %	378.5	2.77 %	364.4	0.27 %
Insurance & Financing	37.9	-	45.8	-	64.4	-	94.1	-
Transportations & Communications	221.3	1.04 %	230.7	0.56 %	219.9	0.95 %	219.0	0.78 %
Hotel & Foods	210.2	1.76 %	203.7	1.37 %	206.8	0.87 %	210.0	0.67 %
Others	492.4	2.17 %	442.0	1.36 %	426.1	2.56 %	389.7	2.59 %
Non Manufacturing Sector	2,916.6	1.74 %	2,807.7	1.55 %	2,714.0	1.68 %	2,640.9	1.07 %
Total	5,816.1	1.51 %	5,614.7	1.31 %	5,435.3	1.74 %	5,263.9	1.27 %

SME Delinquency Ratio by Collaterals	Real Estates	Movables	Deposits	Guarantees	Credit
3Q 2003	1.91 %	-	-	2.42 %	0.88 %
2Q 2003	1.69 %	-	-	2.20 %	0.79 %
1Q 2003	2.40 %	-	-	2.01 %	1.18 %
4Q 2002	1.91 %	-	-	1.18 %	0.82 %

	3Q 2003	2Q 2003	1Q 2003	4Q 2002	YTD
Total Asset	17,341.7	17,004.4	17,015.9	16,225.9	6.88 %
Loans in won	8,285.2	7,962.4	7,568.9	7,320.7	13.17 %
Household Loans – Retail	2,459.2	2,375.1	2,203.7	2,123.2	15.83 %
Mortgage	856.4	831.7	759.2	755.3	13.39 %
Home Equity	300.1	226.1	167.7	88.0	241.02 %
Collateral Loan	581.8	587.3	551.0	420.9	38.23 %
Consumer Credit	720.9	730.2	725.8	859.0	-16.08 %
LTV	51.61	45.48 %	53.16%	53.52 %	-1.91%p
Credit Card Receivables	472.5	464.8	509.1	541.4	-12.73 %
Credit Sales	221.1	240.2	263.6	303.4	-27.13 %
Cash Advances	194.9	224.6	245.5	238.0	-18.10 %
Cash Advances / Receivables	42.1%	48.3 %	48.2%	44.0 %	-2.75%p
Reaged Loans	56.5	-	-	-	-
Subtotal = +	2,931.7	2,839.9	2,712.8	2,664.6	10.02 %
Ratio = / (+)	33.48 %	33.70 %	33.58 %	33.90 %	-0.41%p
Ratio = /	16.91 %	16.70 %	15.94 %	16.42 %	0.49%p

Household	FY 2003		QoQ
	3Q	2Q	
Total Loans	2,459.2	2,375.1	3.54 %
Normal	2,384.3	2,261.5	5.43 %
	(96.95%)	(95.22%)	1.73 %p
Precautionary	45.9	81.2	-43.47 %
	(1.87%)	(3.42%)	-1.55 %p
Substandard	15.7	13.3	18.05 %
	(0.64%)	(0.56%)	0.08 %p
Doubtful	7.8	11.5	-32.17 %
	(0.32%)	(0.48%)	-0.16 %p
Loss	5.5	7.6	-27.63 %
	(0.22%)	(0.32%)	-0.1 %p
S&B Loans	29.0	32.4	-10.49 %
Sub-Total	(1.18%)	(1.36%)	-0.18 %p
Provisions	34.5	40.1	-13.97 %
Coverage Ratio	118.97%	123.77%	-

Credit Card	FY 2003		QoQ
	3Q*	2Q	
Total Loans	472.5	464.8	1.66 %
Normal	375.8	418.6	-9.99 %
	(79.53%)	(90.06%)	-10.53 %p
Precautionary	56.7	19.2	195.30 %
	(12.00%)	(4.13%)	7.87 %p
Substandard	1.1	0.5	120.00 %
	(0.23%)	(0.11%)	0.12 %p
Doubtful	31.2	19.8	57.58 %
	(6.60%)	(4.26%)	2.34 %p
Loss	7.7	6.7	16.67 %
	(1.63%)	(1.44%)	0.19 %p
S&B Loans	40.0	27.0	48.15 %
Sub-Total	(8.47%)	(5.8%)	2.67 %p
Provisions	37.3	25.2	48.01 %
Coverage Ratio	93.25%	93.33%	-

Note : The reaged loans were included in Credit Card beginning 3Q 2003

The 3rd Quarter Key Indicators

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As of 3Q 2003

- *Total losses from NPLs with a put-back option sold to KAMCO accounted 476.6 billion krw*
- *KAMCO put back option exercised : 206.5 billion krw*
- *The remaining balance of KAMCO put-back option to be exercised : 33.3 billion krw*
- *The total loss expected : 19.5 billion krw*

KAMCO PUTBACK OPTION

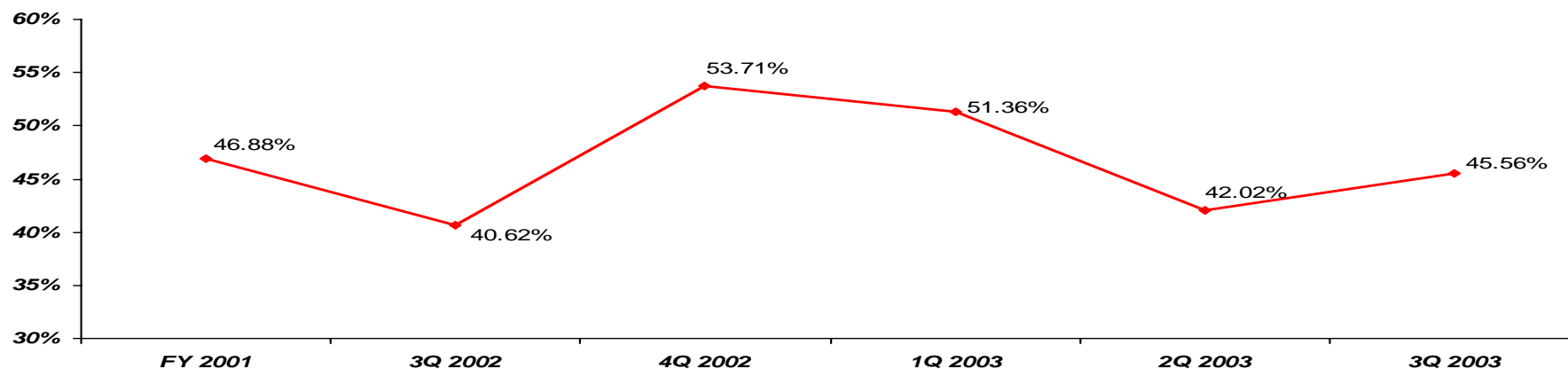
	NPLs sold to KAMCO	Provision	Interest	Loss
3Q 2003	20.0	9.3	0.6	9.9
2Q 2003	8.4	1.5	1.2	2.7
1Q 2003	5.4	1.2	-	1.2
Sub Total	33.8	12.0	1.8	13.8
4Q 2003 expected	29.3	11.5	4.2	15.7
FY 2003	63.1	23.5	6.0	29.5
FY 2004 ~ FY 2006	4.0	2.7	1.1	3.8

NIM	FY 2003			FY 2002		3Q 2003 vs 4Q 2002	3Q 2003 vs 3Q 2002
	3Q	2Q	1Q	4Q	3Q		
Average Interest Earning Asset	13,387.3	13,177.8	12,744.0	11,969.2	11,823.3	11.85%	13.23%
Interest Income	661.6	439.5	217.6	885.3	659.0	-25.27%	0.39%
Interest Expense	344.2	232.3	115.6	479.0	302.6	-28.14%	-3.42%
Net Interest Income	317.4	207.2	102.0	406.3	302.6	-21.88%	4.89%
Net Interest Margin	3.17 %	3.17 %	3.25 %	3.39 %	3.42 %	-0.22%p	-0.25%p

NIS	FY 2003			FY 2002		3Q 2003 vs 4Q 2002	3Q 2003 vs 3Q 2002
	3Q	2Q	1Q	4Q	3Q		
Average Rate in Loans (won) (a)	7.18 %	7.26 %	7.36 %	7.82 %	7.90 %	-0.64 %p	-0.72 %p
Average Rate in Deposits (won) (b)	3.41 %	3.51 %	3.65 %	3.77 %	3.83 %	-0.36 %p	-0.42 %p
Net Interest Spread (won) (a-b)	3.77 %	3.75 %	3.71 %	4.05 %	4.07 %	-0.28 %p	-0.30 %p

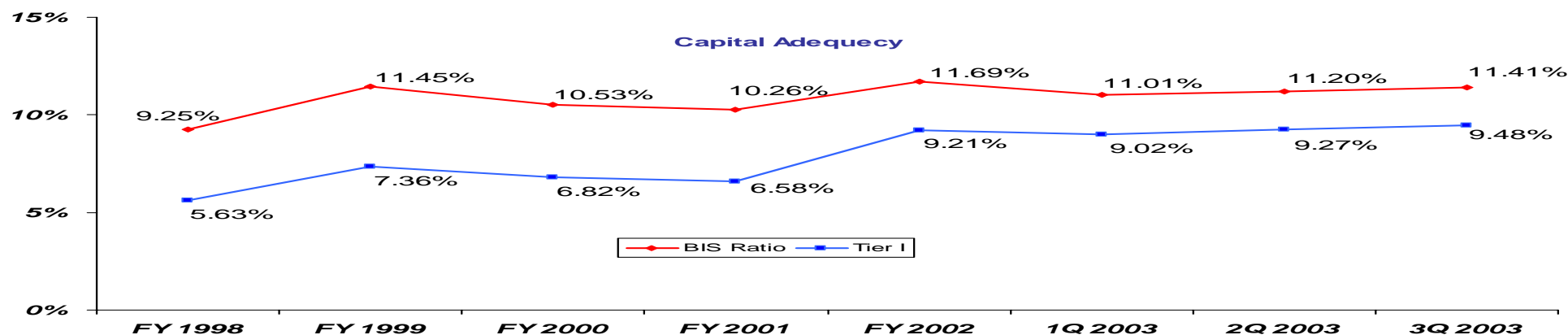
Note : Applied the revised FSS standard on NIM & NIS

Cost Income Ratio



Classification	FY 2003			FY 2002	
	3Q	2Q	1Q	4Q	3Q
Net Operating Income	38.1	28.9	19.0	31.2	56.2
Administrative Expenses	65.7	59.8	70.1	73.9	60.2
Provisions for Loan Losses (note)	40.4	53.6	47.4	32.5	31.8
Cost Income Ratio = / (+ +)	45.56 %	42.02 %	51.36 %	53.71 %	40.62 %

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



	FY 2003			FY 2002		3Q 2003 Vs 3Q 2002
	3Q	2Q	1Q	4Q	3Q	
Core Capital	882.1	844.4	806.1	792.9	827.2	45.8
Supplement Capital	231.2	228.1	226.5	263.7	300.1	-53.8
Contribution to Unconsolidated Subsidiaries	52.2	52.2	49.2	50.2	21.2	31.0
Total Risk-Adjusted Capital	1,061.1	1,020.3	983.4	1,006.4	1,106.1	-39.0
Total Risk Weighted Assets	9,300.0	9,107.3	8,932.7	8,609.7	8,515.0	1,207.2
On-Balance Sheet Assets	8,942.6	8,733.4	8,513.3	8,225.4	7,938.8	1,411.6
Off-Balance Sheet Assets	357.4	373.9	419.4	384.3	576.2	-204.4
BIS Capital Ratio	11.41%	11.20%	11.01%	11.69%	12.99%	-2.21%p
Tier Capital Ratio	9.48%	9.27%	9.02%	9.21%	9.71%	-0.84%p
Tier Capital Ratio	2.49%	2.50%	2.54%	3.06%	3.52%	-1.07%p

	FY 2003				FY 2002
	4Q*	3Q	2Q	1Q	
Net Income	152.0	87.6	51.0	13.0	148.0
Net Asset	916.1	605.4	863.4	820.7	815.8
Total # of stocks issued & outstanding ^{note2}	146,683	146,683	146,683	146,683	146,683
Market Price (KRW)	-	5,480 krw	4,975 krw	4,800 krw	4,600 krw
EPS (KRW)	1,036 krw	798 krw	701 krw	359 krw	1,009 krw
BPS (KRW)	6,245 krw	6,374 krw	6,239 krw	5,866 krw	5,562 krw

Note 1 : estimated

Note 2 : figures in thousand of shares

Note 3 : annualized

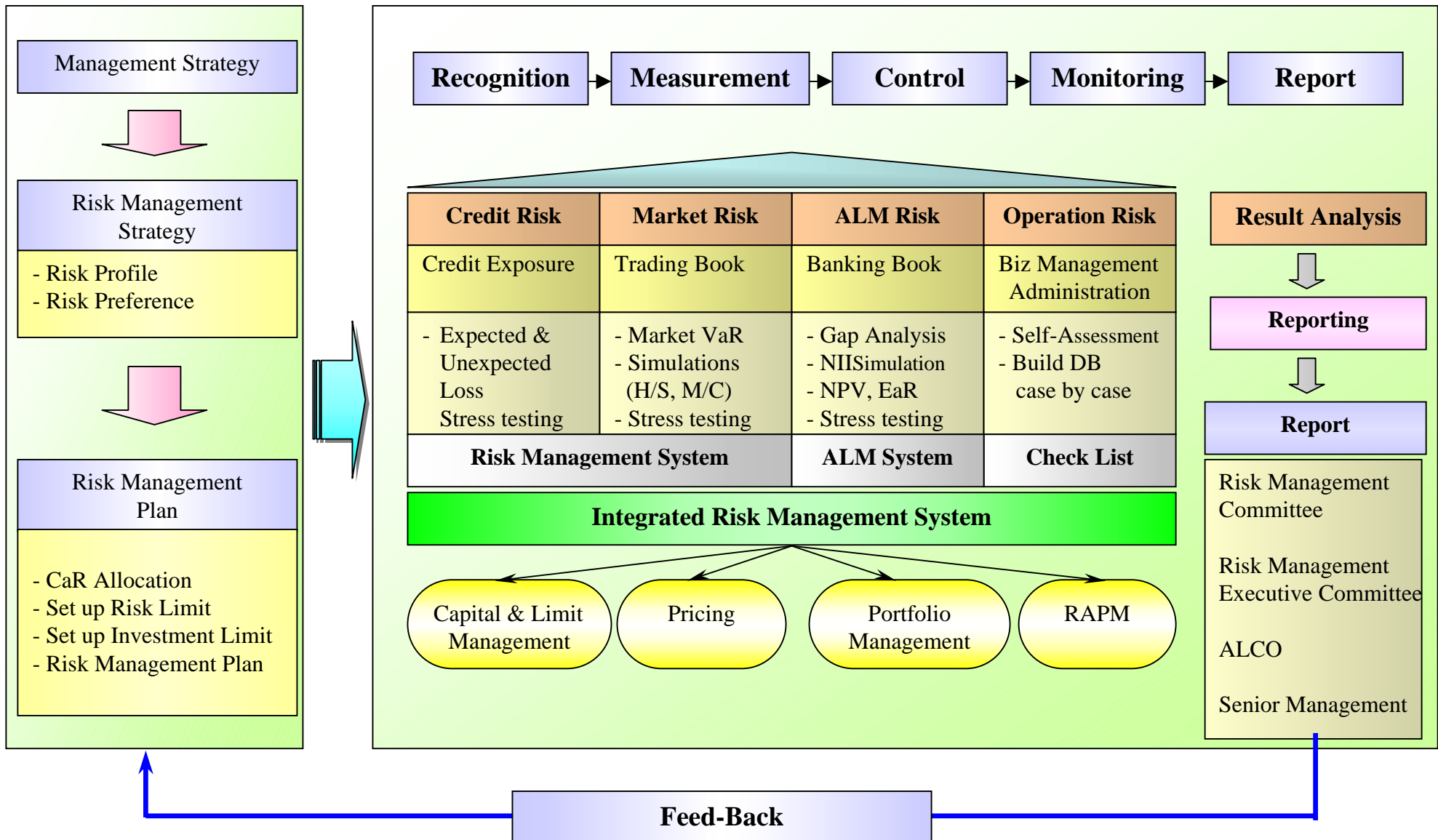
Remarks : figures in billions of won except market price, EPS & BPS

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

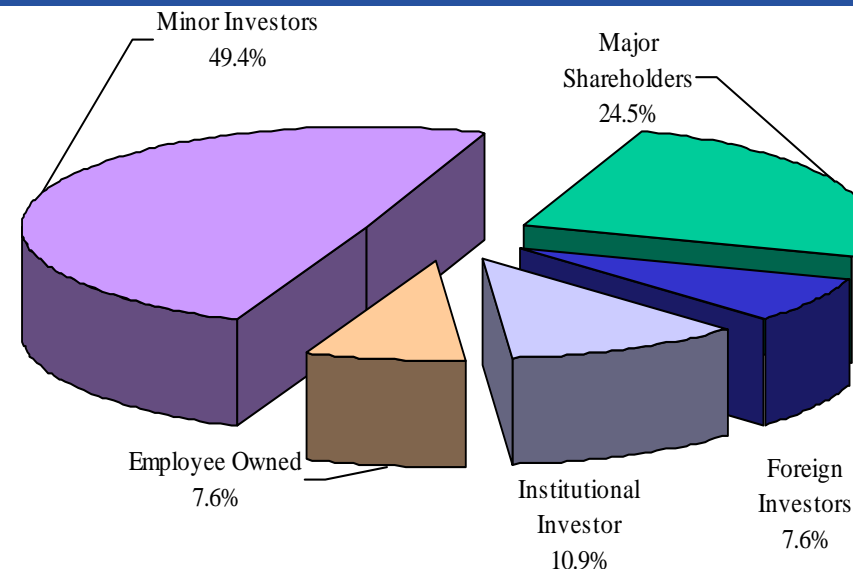
Dividend Propensity of Pusan Bank

	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	No Dividends	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 %



Major Shareholders (as of the end of 2002)

• 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 %

**Foreign Investors (As of September 24, 2003)**

Classification	Dec 31, 2002	Oct 20, 2003	Change
Total Number of Stocks Issued and Outstanding	146,683	146,683	-
Number of Shares held by Foreign Investors	17,660	46,513	-
Ratio of Foreign Shareholders	12.04%	31.71% _(note)	19.67 %p

Note : Include the shares held by Japan Lotte (16.60% when exclude the shares held by Japan Lotte)

A remarkable shareholder : Capital Research & Management Company : 10.33% as of September 1, 2003

Three key strategic aspects to create the value we pursue

- ***Intensive Asset Quality Management***
 - *To reduce provision expenses and have better asset quality, the bank strengthens its asset quality management – delinquents control system by credit counseling and more strict credit risk management ever*
 - *More frequent credit quality assessments*
- ***Higher NIM***
 - *Re-assess and readjust interest rates*
 - *By 2003 year end : the bank expects NIM to be 3.28%, up 0.11%p from 1H 2003*
 - *Low cost core deposit : Local government budgetary deposits and Cycle racing corps' deposits*
- ***More Market Shares***
 - *Expand market basis into newly established industrial areas(new branches)*
 - *Close relationship with local citizens and enhance their quality of life(active participation in volunteer programs)*

2003 Full Year Outlook

- *Net Interest Margin will likely to be improved*
 - ***Fund Management***
 - *Total Assets : mid single digit percentage growth*
 - *Total Loans : mid teens range percentage growth*
- Total Deposits : mid single digit percentage growth*

Thank you for your interest in Pusan Bank

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