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# 1Q 2011 BS Financial Group Business Results

[2011. 5. 4]



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## DISCLAIMER

The financial information presented herein is prepared on the basis of pre-audited financial of BS Financial Group and is based upon the plans, strategies and expectations of the FG's management. All information described in this presentation should be treated as forward looking statements that are subject to risks and uncertainties. Actual results could vary materially from the expectations reflected in this presentation, thus the statements presented herein do not purport to be a complete description of the group's operations or future developments. Readers are cautioned not to place under reliance on these statements, which speak only as of the date of this presentation BS Financial Group does not undertake any obligation to publicly release any revisions to these statements to reflect any future events.

· 1Q 2011 results are based on K-IFRS(including 7.7 KRW bn for Reserve), 2010 and 2009 are based on K-GAAP

· Fiscal Year End for BS Securities is March, 31

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# 1. Group Earnings Highlight

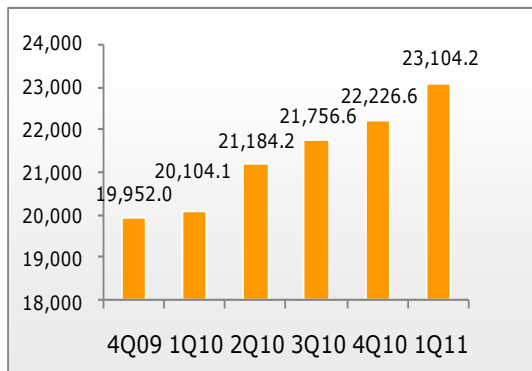
**1Q 2011  
Group  
Net Income  
128.5 KRW bn**

- ❖ **1Q 2011 Group Net Income : 128.5 KRW bn**
  - Bank Net Income 124.0 KRW bn, record high for a single quarter
  - Top Line up due to increase in NIM and loan growth,  
Bottom Line down due to decrease in Provisioning & SG&A

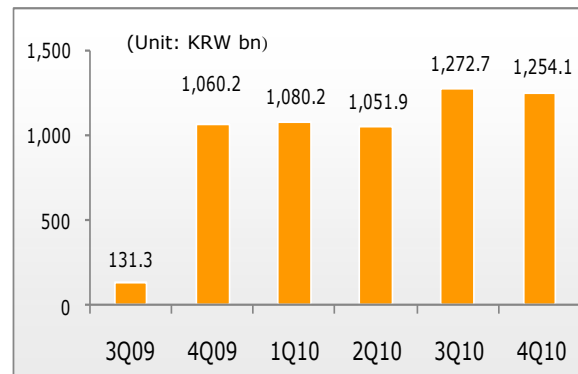
**1Q 2011  
Group  
Total Assets  
37,322.3 KRW bn  
[Trust included]**

- ❖ **1Q 2011 Group Total Assets : 37,322.3 KRW bn**
  - BS Financial Group : 2,606.4 KRW bn
  - Bank : 35,142.9 KRW bn
  - Non-bank : 495.0 KRW bn (BS Securities 134.2 KRW bn, BS Capital 356.0 KRW bn, BS Credit Info 4.8 KRW bn)
  - \* Exclude unconsolidated portion : 3,114.8 KRW bn, include Total Trust Assets : 2,192.8 KRW bn

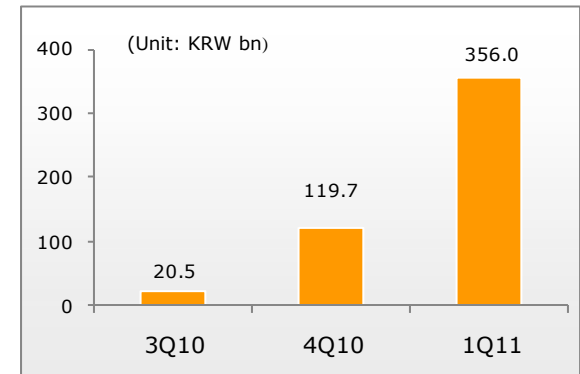
☐ **Busan Bank Total Credits**



☐ **BS Securities Total Securities in Custody**



☐ **BS Capital Total Assets**



## 2. Group I/S Summary

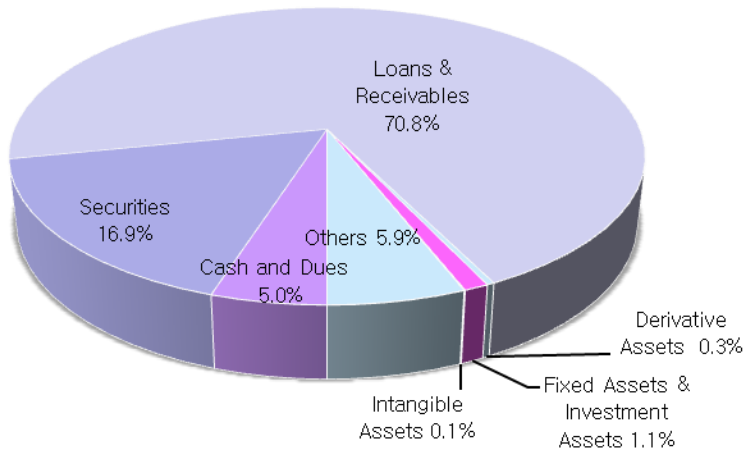
### □ Group & Subsidiaries I/S Summary

(Unit: KRW bn)

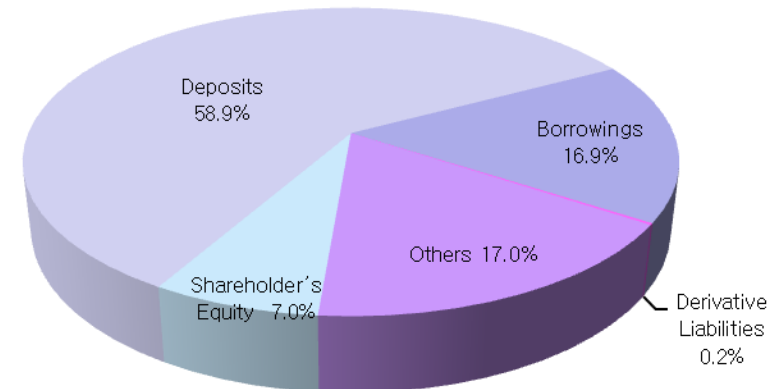
	Group	Busan Bank	BS Securities	BS Credit Information	BS Capital	FHC & Consolidated Change
Net Interest Income	241.3	235.1	0.7	-	4.9	0.6
Net Fee Income	22.8	21.7	1.9	0.5	△1.2	△0.1
Others	23.3	23.2	2.3	-	-	△2.2
SG&A(-)	103.4	97.0	4.2	0.4	1.6	0.2
Income Before Provision Expense	184.0	183.0	0.7	0.1	2.1	△1.9
Provision Expense(-)	15.4	19.1	-	-	0.9	△4.6
Income Before Income Tax	168.6	163.9	0.7	0.1	1.2	2.7
Income Tax Expenses(-)	40.1	39.9	0.2	-	-	-
Net Income	128.5	124.0	0.5	0.1	1.2	2.7

### 3. Group B/S Summary

#### Assets



#### Liabilities



(Unit: KRW bn)

Assets	1Q11
Cash and Dues	1,848.2
Securities	6,291.0
Loans & Receivables	26,433.3
Derivative Assets	121.2
Fixed Assets & Investment Assets	396.3
Intangible Assets	19.7
Others	2,212.6
<b>Total Assets</b>	<b>37,322.3</b>

Liabilities & Shareholder's Equities	1Q11
Deposits	21,981.1
Borrowings	6,319.2
Derivatives	63.4
Others	6,345.0
<b>Total Liabilities</b>	<b>34,708.7</b>
Shareholder's Equity	2,613.6
<b>Total Liabilities &amp; Shareholder's Equity</b>	<b>37,322.3</b>

Note. Group Consolidated B/S, Other Assets and Other Liabilities include Trust Assets(2,192.8 KRW bn)

## 4. Group Financial Indicators

### □ Group Financial Indicators

(Unit: %, %p)

		<sup>2)</sup> Group (A)	<sup>3)</sup> Bank (B)	A - B
Profitability	Quarterly NIM	3.09	3.09	-
	ROA	1.48	1.46	0.02
	ROE	19.93	18.47	1.46
	Cost Income Ratio	35.80	34.64	1.16
Asset Quality	Precautionary & Below Ratio	3.61	3.64	△0.03
	Substandard & Below Ratio	1.19	1.20	△0.01
	Coverage Ratio	128.36	128.48	△0.12
	Delinquency Ratio	0.69	0.69	-
<sup>1)</sup> Capital Adequacy	BIS Ratio	16.27	14.76	1.51
	Tier I Ratio	12.02	10.72	1.30
	Tier II Ratio	4.25	4.04	0.21
	Tangible Common Equity Ratio(TCE)	7.39	7.24	0.15

Note. 1) Estimate

2) Group based on Basel I

3) Bank based on Basel II

## II. 1Q 2011 Bank Results

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# 1. Earnings Highlight

## Growth

- ❖ **Total Credits: Up by 3.9% (877.6 billion bn ) QoQ**
  - KRW Loan up by 4.3% (869.0 billion won ) QoQ
- ❖ **Total Deposits: Up by 1.6% (407.3 billion won) QoQ**
  - KRW Deposit up by 2.5% (511.9 billion won) QoQ

## Asset Quality

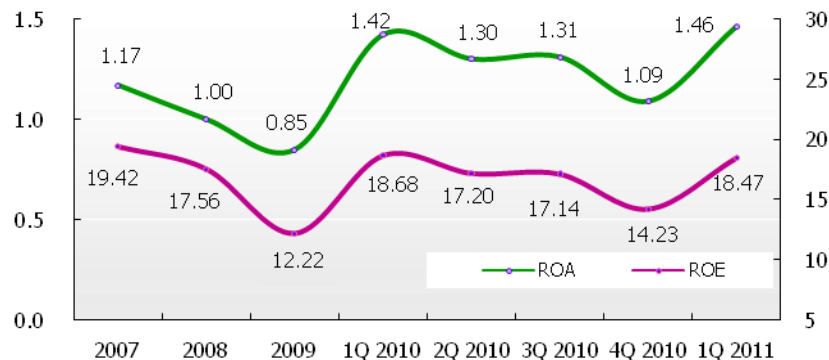
- ❖ **P&B Loan Ratio: 3.64%, up by 0.08%p QoQ**
- ❖ **S&B Loan Ratio: 1.20%, up by 0.13%p QoQ**
- ❖ **Delinquency Ratio: 0.69%, up by 0.16%p QoQ**
  - ▶ Write-off (8.1 billion won), NPL Sales (0)

## Profitability

- ❖ **Top Line**
  - ▶ **Net Interest Income increased by 3.8% YoY**
    - Quarterly NIM is 3.09% up by 0.02%p QoQ
- ❖ **Bottom Line**
  - ▶ **Annualized Credit Cost for 1Q is 0.33% down by 0.40%p YoY and down by 0.87%p QoQ**
  - ▶ **Cost Income Ratio for 1Q is 34.64% down by 0.65%p YoY and down by 16.57%p QoQ**
- ❖ **Net Income of 124.0 billion won, up by 21.8% YoY, up by 226.3% QoQ (Reserve 7.7 billion won)**

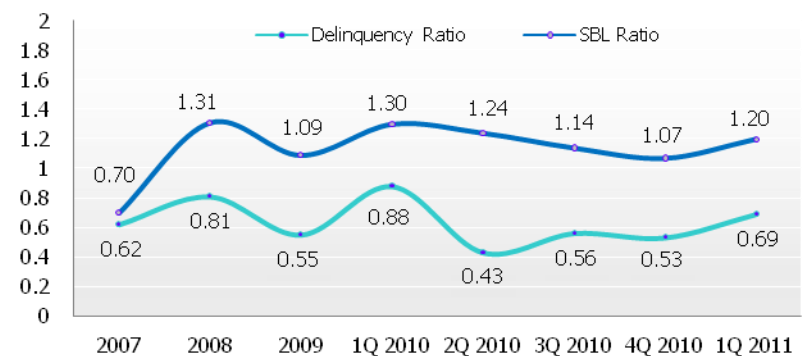
□ ROA / ROE

(Unit: %)



□ Asset Quality

(Unit: %)



## 2. Key Financial Indicators

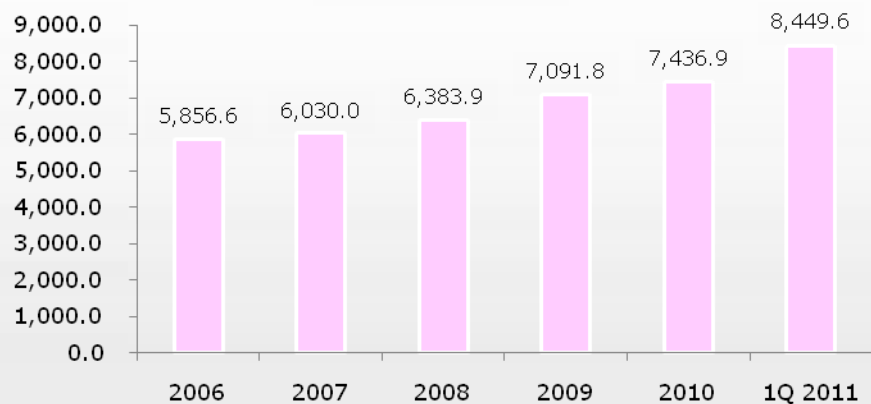
(Unit: KRW bn, %, %p, Balance)

	1Q 2011	2010				4Q 2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
<b>Total Assets</b>	<b>37,323.8</b>	36,788.8	36,283.6	35,035.5	33,493.7	32,037.0	1.5	11.4
Bank Account	<b>35,131.0</b>	34,726.1	34,319.2	33,176.7	31,824.2	30,477.1	1.2	10.4
Trust Account	<b>2,192.8</b>	2,062.7	1,964.4	1,858.8	1,669.5	1,559.9	6.3	31.3
<b>Total Deposits</b>	<b>26,037.3</b>	25,630.0	24,654.6	23,857.7	22,672.7	22,407.6	1.6	14.8
Bank Account	<b>24,069.5</b>	23,774.9	22,874.4	22,132.7	21,123.7	20,927.2	1.2	13.9
Won Deposits	<b>20,730.2</b>	20,218.3	18,741.7	16,928.4	16,006.5	15,588.2	2.5	29.5
Demand	<b>1,952.1</b>	1,816.3	1,820.5	1,793.0	1,655.2	1,709.6	7.5	17.9
Savings	<b>18,721.4</b>	18,337.5	16,852.9	15,061.3	14,273.6	13,796.8	2.1	31.2
Installment	<b>56.7</b>	64.5	68.2	74.1	77.8	81.8	△12.1	△27.1
CD	<b>1,035.5</b>	1,063.1	1,652.1	2,425.9	2,584.8	2,643.5	△2.6	△59.9
Trust Account	<b>1,967.8</b>	1,855.1	1,780.2	1,725.0	1,549.0	1,480.4	6.1	27.0
<b>Total Credits</b>	<b>23,104.2</b>	22,226.6	21,756.6	21,184.2	20,104.1	19,952.0	3.9	14.9
Total Loans	<b>22,441.3</b>	21,581.5	21,105.2	20,509.6	19,478.9	19,284.6	4.0	15.2
KRW Loans	<b>20,887.0</b>	20,018.0	19,534.0	18,884.2	18,057.1	17,842.8	4.3	15.7
SMEs	<b>14,121.0</b>	13,618.1	13,504.0	12,989.2	12,688.6	12,500.6	3.7	11.3
Households	<b>4,811.5</b>	4,753.7	4,597.1	4,492.6	4,147.5	4,093.3	1.2	16.0
Guarantees	<b>662.9</b>	645.1	651.4	674.6	625.2	667.4	2.8	6.0
<b>Total Securities</b>	<b>7,678.6</b>	7,456.8	7,280.8	7,169.4	6,976.2	6,750.2	3.0	10.1
Bank Account	<b>6,357.9</b>	6,231.3	6,017.9	5,988.2	5,921.6	5,767.7	2.0	7.4
Trust Account	<b>1,320.7</b>	1,225.5	1,262.9	1,181.2	1,054.6	982.5	7.8	25.2
<b>Shareholders' Equity</b>	<b>2,625.8</b>	2,458.0	2,406.2	2,298.1	2,210.1	2,119.5	6.8	18.8

## - Low-Cost Deposits

### Low Cost Deposit Growth (Unit: KRW bn, Average Balance)

Low Cost Deposit



### Low Cost Deposit Funding Costs

(Unit: %, accumulated)

	1Q11	4Q10	4Q09	4Q08
Demand Deposits	0.29	0.32	0.32	0.35
Savings Deposits	0.15	0.15	0.16	0.28
Free Corporate Savings Deposits	1.68	1.36	1.52	3.33
<b>Total</b>	<b>0.68</b>	0.55	0.65	1.26

(Unit: KRW bn, %, %p, Average Balance)

	1Q 2011	2010				2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
<b>Low-Cost Deposits (A)</b>	<b>8,449.6</b>	7,436.9	7,357.7	7,322.2	7,298.2	7,091.8	13.6	15.8
<b>Demand Deposits</b>	<b>1,816.3</b>	1,706.9	1,711.0	1,727.2	1,687.8	1,552.7	6.4	7.6
<b>Savings Deposits</b>	<b>3,882.9</b>	3,524.3	3,481.1	3,442.0	3,408.2	3,191.7	10.2	13.9
<b>Free Corporate Savings Deposits</b>	<b>2,750.4</b>	2,205.7	2,165.6	2,153.0	2,202.2	2,347.4	24.7	24.9
Deposits in KRW (B)	<b>20,369.4</b>	17,323.7	16,696.0	16,136.2	15,798.3	14,827.1	17.6	28.9
<b>Total Deposits (Bank Account) (C)</b>	<b>23,764.4</b>	22,012.8	21,696.0	21,351.4	20,990.7	20,339.4	8.0	13.2
Total Deposits (Bank + Trust Account)(D)	<b>25,738.7</b>	23,702.5	23,354.8	22,952.3	22,524.4	21,637.0	8.6	14.3
Low-Cost Deposits/Won Deposits(A/B)	<b>41.48</b>	42.93	44.07	45.38	46.20	47.83	△1.45	△4.72
<b>Low-Cost Deposits/Total Deposits (A/C)</b>	<b>35.56</b>	33.78	33.91	34.29	34.77	34.87	1.78	0.79
Low-Cost Deposits/Total Deposits(A/D)	<b>32.83</b>	31.38	31.50	31.90	32.40	32.78	1.45	0.43

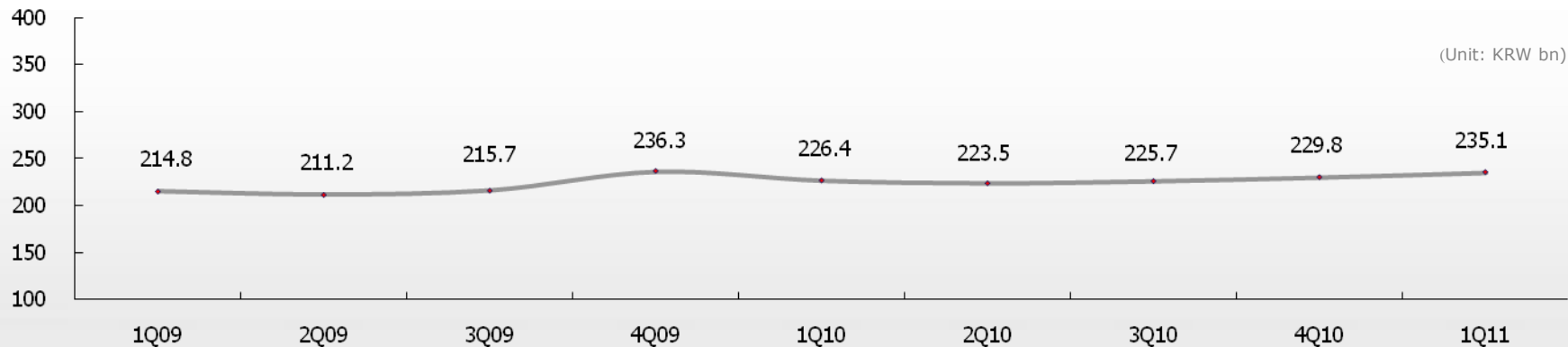
### 3. Income Statement

(Unit: KRW bn, %, %p)

	1Q 2011	2010					2009	QoQ	YoY
		4Q	3Q	2Q	1Q				
Net Interest Income	<b>235.1</b>	905.4	229.8	225.7	223.5	226.4	878.0	2.3	3.8
Net Fee Income	<b>21.7</b>	81.6	20.4	19.5	22.3	19.4	83.4	6.4	11.9
Fees from Trust Account	<b>2.7</b>	12.5	3.7	2.9	2.8	3.1	8.5	△27.0	△12.9
Others	<b>20.5</b>	△0.1	3.1	12.3	△16.5	1.0	△74.1	561.3	1,950.0
Provision Expense (-)	<b>19.1</b>	159.8	68.6	31.8	22.3	37.1	190.1	△72.2	△48.5
SG&A (-)	<b>97.0</b>	405.5	131.6	93.9	91.8	88.2	388.5	△26.3	10.0
<b>Net Operating Income</b>	<b>163.9</b>	434.1	56.8	134.6	118.1	124.6	317.2	188.6	31.5
Non-Operating Income	-	9.2	△3.7	1.9	0.9	10.1	0.8	-	-
Income Before Income Tax	<b>163.9</b>	443.3	53.1	136.5	119.0	134.7	318.0	208.7	21.7
Income Tax Expenses (-)	<b>39.9</b>	109.8	15.1	33.3	28.5	32.9	72.9	164.2	21.3
<b>Net Income</b>	<b>124.0</b>	333.5	38.0	103.2	90.5	101.8	245.1	226.3	21.8
ROA	<b>1.46</b>	1.09		1.31	1.30	1.42	0.85	0.37	0.04
ROE	<b>18.47</b>	14.23		17.14	17.20	18.68	12.22	4.24	△0.21

## 4. Interest Income

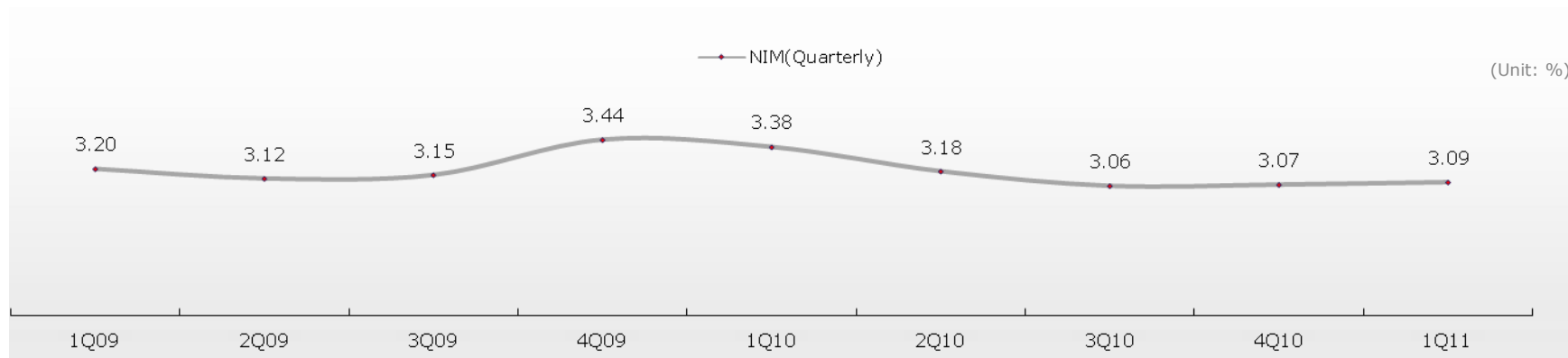
### □ Net Interest Income



(Unit: KRW bn, %)

	1Q 2011	2010					2009	QoQ	YoY
		4Q	3Q	2Q	1Q				
Net Interest Income	<b>235.1</b>	905.4	229.8	225.7	223.5	226.4	878.0	2.3	3.8
Interest Revenues	<b>413.9</b>	1,622.1	409.7	406.6	402.5	403.3	1,683.2	1.0	2.6
Interest on Loans	<b>343.2</b>	1,337.5	340.9	335.2	329.6	331.8	1,392.7	0.7	3.4
Interest on Securities	<b>62.9</b>	263.3	64.0	66.3	67.1	65.9	266.2	△1.7	△4.6
Others	<b>7.8</b>	21.3	4.8	5.1	5.8	5.6	24.3	62.5	39.3
Interest Expenses	<b>178.8</b>	716.7	179.8	181.0	179.0	176.9	805.2	△0.6	1.1
Interest on Deposits	<b>126.9</b>	479.4	125.0	122.4	116.5	115.5	485.2	1.5	9.9
Interest on Debentures	<b>32.5</b>	140.8	34.3	35.2	36.4	34.9	167.1	△5.2	△6.9
Others	<b>19.4</b>	96.5	20.5	23.4	26.1	26.5	152.9	△5.4	△26.8

## □ NIM Trend



(Unit: KRW bn, %, %p, Accumulated)

	1Q 2011	2010				2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
<b>NIM</b>	<b>3.09</b>	3.17	3.20	3.27	3.38	3.23	△0.08	△0.29
NIS	<b>3.66</b>	3.81	3.88	4.00	4.14	4.16	△0.15	△0.48
Interest Rate on KRW Loans	<b>6.26</b>	6.45	6.53	6.66	6.84	7.17	△0.19	△0.58
Households	<b>5.67</b>	5.90	5.99	6.12	6.33	6.77	△0.23	△0.66
Corporate	<b>5.92</b>	6.05	6.11	6.20	6.35	6.77	△0.13	△0.43
Interest Rate paid on KRW Deposits	<b>2.60</b>	2.64	2.65	2.66	2.70	3.01	△0.04	△0.10
Interest Earning Assets (Accumulated)	<b>28,476.5</b>	26,690.0	26,371.2	25,936.6	25,524.6	25,415.5	6.7	11.6
Avg. Interest Earning Assets (Quarterly)	<b>28,476.5</b>	27,635.8	27,226.2	26,344.0	25,524.6	25,581.9	3.0	11.6

## 6. Non-Interest Income

(Unit: KRW bn, %)

	1Q 2011	2010					2009	QoQ	YoY
		4Q	3Q	2Q	1Q				
Non-Interest Income	<b>44.9</b>	94.1	27.3	34.7	8.6	23.5	17.8	64.5	91.1
Non-Interest Revenues	<b>221.5</b>	1,137.1	255.6	236.2	413.2	232.1	1,401.9	△13.3	△4.6
Fee Income	<b>33.3</b>	135.8	33.7	33.2	36.1	32.8	133.9	△1.2	1.5
Fees from Trust Acct.	<b>2.7</b>	12.5	3.7	2.9	2.8	3.1	9.0	△27.0	△12.9
Others	<b><sup>1)</sup>185.5</b>	988.8	218.2	200.1	374.3	196.2	1,259.0	△15.0	△5.5
Non-Interest Expenses	<b>176.6</b>	1,043.0	228.3	201.5	404.7	208.5	1,384.1	△22.6	△15.3
Commissions Paid	<b>11.6</b>	54.1	13.2	13.7	13.9	13.3	50.5	△12.1	△12.8
Trust Acct. Losses	<b>0</b>	0	0	0	0	0	0.5	-	-
Others	<b><sup>2)</sup>165.0</b>	988.9	215.1	187.8	390.8	195.2	1,333.1	△23.3	△15.5

Note)

1. Non-Interest Other Revenues : Security Investment Related Gains (25.5), FX and Derivative Related Gains (146.7)
2. Non-Interest Other Expenses : Security Investment Related Losses (2.4), FX and Derivative Related Losses (139.4)  
Investment in Fund (10.1), Deposit Insurance (6.8)

## 7. Provisioning

### Provision Expenses

(Unit: KRW bn)

	1Q 2011	2010					2009				
			4Q	3Q	2Q	1Q		4Q	3Q	2Q	1Q
Corporate	<b>23.0</b>	155.8	65.8	25.4	27.2	37.4	141.2	17.4	25.1	26.5	72.2
Household	<b>△2.7</b>	△0.3	1.3	1.0	2.0	△4.6	14.7	6.3	2.0	3.7	2.7
Credit Card	<b>0.8</b>	2.6	0.4	0.4	0.6	1.2	5.9	1.3	1.1	1.8	1.7
Others	<b>△2.0</b>	1.7	1.1	5.0	△7.5	3.1	28.3	△4.4	0.5	13.5	18.7
Trust Account	<b>0</b>	0	0	0	0	0	0	0	0	0	0
Total (A)	<b>19.1</b>	159.8	68.6	31.8	22.3	37.1	190.1	20.6	28.7	45.5	95.3
Total Credit (B)	<b>23,581.3</b>	22,740.2	22,740.2	22,240.9	21,657.4	20,550.3	20,381.0	20,381.0	20,630.4	20,180.8	20,070.3
Credit Cost (A/B)	<b>0.33</b>	0.70	1.20	0.57	0.41	0.73	0.93	0.40	0.55	0.90	1.93

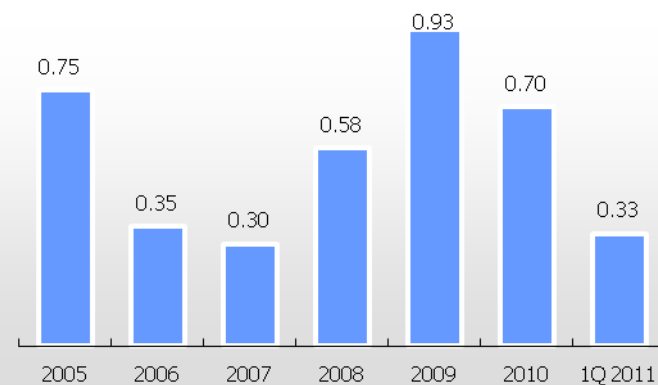
### Provision Balances

(Unit: KRW bn)

	1Q 2011	2010				2009
		4Q	3Q	2Q	1Q	4Q
Corporate	<b>276.5</b>	274.2	277.0	273.6	268.9	237.4
Household	<b>15.3</b>	54.3	53.8	53.4	51.6	57.8
Credit Card	<b>7.4</b>	11.6	11.5	11.5	11.2	10.8
Trust	<b>0</b>	0	0.4	0.4	0.4	0.4
Total	<b>299.2</b>	340.1	342.7	338.9	332.1	306.4

### □ Credit Cost

(Unit: %)





Summary of SG&A

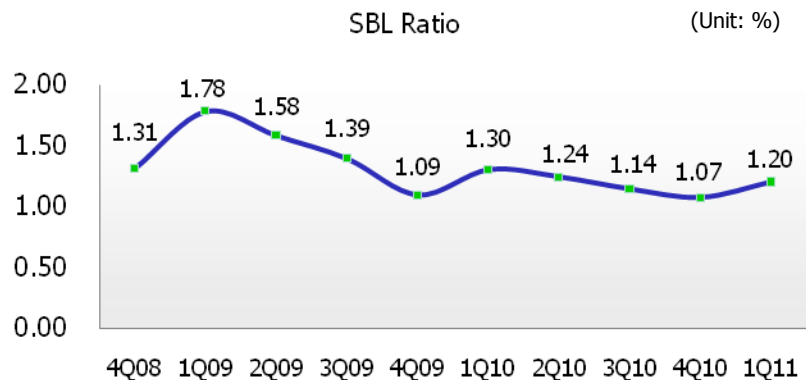
- Changes in SG&A
  - SG&A decreased by 34.6 billion won, 26.3% QoQ
  - Salaries and other expenses increased by 7.3 billion won, 10.0% YoY, due to pay increases & promotions
  
- Cost-Income Ratio decreased by 16.57%p from 51.21% in 4Q10 and decreased by 0.65%p YoY

(Unit: KRW bn, %, %p)

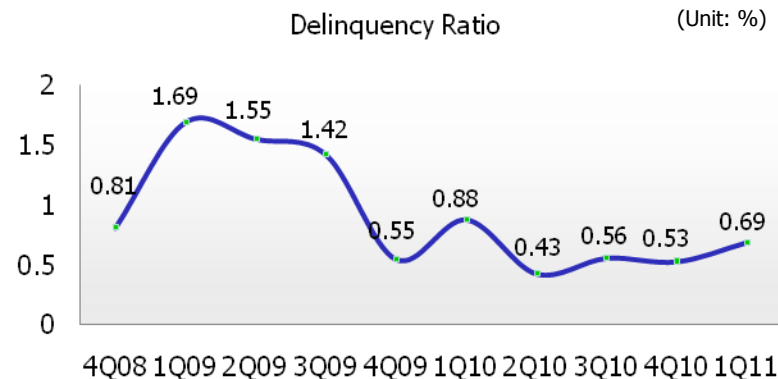
	1Q 2011	2010				2009	QoQ	YoY	
		4Q	3Q	2Q	1Q				
Total SG&A	<b>97.0</b>	405.5	131.6	93.9	91.8	88.2	388.5	△26.3	10.0
Salaries and other expenses	<b>80.1</b>	330.3	103.1	76.9	77.5	72.8	311.4	△22.3	10.0
Depreciation	<b>8.8</b>	37.3	10.5	9.5	8.7	8.6	32.1	△16.2	2.3
Taxes and dues	<b>2.7</b>	11.5	3.1	3.3	2.6	2.5	11.9	△12.9	8.0
Retirement Allowance	<b>5.4</b>	19.6	7.8	4.2	3.0	4.6	20.7	△30.8	17.4
Honorary Retirement	<b>0</b>	6.8	7.1	0	0	△0.3	12.5	△100.0	-
Cost Income Ratio	<b>34.64</b>	40.57	51.21	36.07	39.55	35.29	43.37	△16.57	△0.65

## 9. Asset Quality

### □ SBL Ratio



### □ Delinquency Ratio



(Unit: KRW bn, %, %p)

	1Q 2011	2010				2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
Total Loans	<b>23,581.3</b>	22,740.2	22,240.9	21,657.4	20,550.3	20,381.0	3.7	14.7
Normal	<b>22,723.0</b>	21,929.6	21,416.1	20,905.8	19,790.9	19,664.5	3.6	14.8
Precautionary	<b>574.2</b>	566.6	572.4	483.7	492.5	493.4	1.3	16.6
Substandard	<b>250.5</b>	220.6	221.7	224.0	213.9	179.3	13.6	17.1
Doubtful	<b>13.5</b>	9.9	17.4	32.5	37.2	36.5	36.4	△63.7
Expected loss	<b>20.1</b>	13.5	13.3	11.4	15.8	7.3	48.9	26.4
SBL(Substandard Below Loans)	<b>284.1</b>	244.0	252.4	267.9	267.0	223.1	16.4	6.4
(SBL Ratio (%))	<b>(1.20)</b>	(1.07)	(1.14)	(1.24)	(1.30)	(1.09)	0.13	△0.10
(SBL Coverage Ratio)	<b>(128.48)</b>	(143.67)	(135.20)	(125.98)	(123.93)	(136.77)	△15.19	4.55
Loan Amount	<b>22,918.4</b>	22,095.1	21,589.5	20,982.9	19,925.2	19,713.6	3.7	15.0
Delinquent Amount	<b>158.0</b>	116.2	121.8	91.2	174.9	108.8	36.0	△9.7
Delinquency Ratio	<b>0.69</b>	0.53	0.56	0.43	0.88	0.55	0.16	△0.19

## 10. Capital Adequacy

(Unit: KRW bn, %)

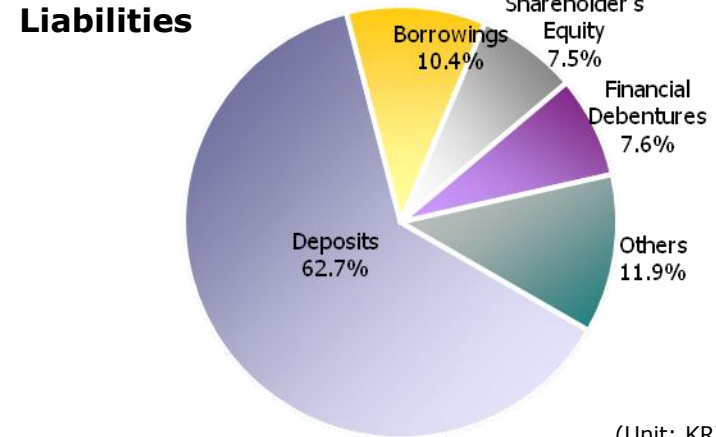
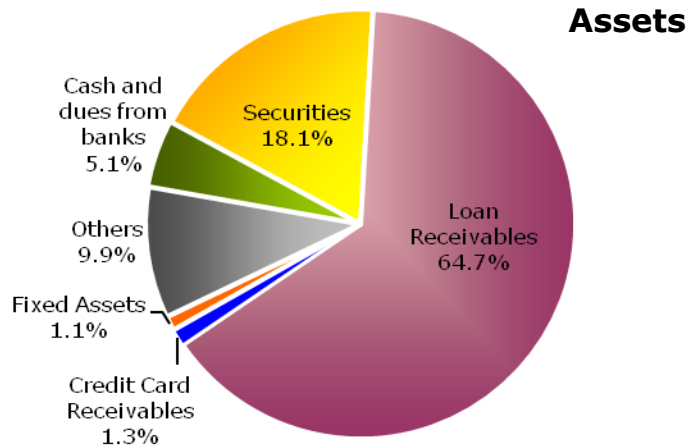
Bank BIS Ratio	1)1Q 2011	2010			
		4Q	3Q	2Q	1Q
<b>Total Risk Adjusted Capital</b>	<b>3,620.9</b>	3,595.3	3,572.0	3,353.3	3,215.7
Tier I Capital	<b>2,629.8</b>	2,551.8	2,547.1	2,449.4	2,353.2
Tier II Capital	<b>991.1</b>	1,043.5	1,024.9	903.9	862.5
<b>Total Risk Weighted Assets</b>	<b>24,538.5</b>	23,546.8	22,984.9	22,116.3	21,813.2
Credit Risk	<b>22,375.2</b>	21,619.3	21,098.3	20,290.2	20,016.5
Market Risk	<b>282.9</b>	87.1	82.2	64.7	73.8
Operational Risk	<b>1,880.4</b>	1,840.3	1,804.4	1,761.4	1,722.9
<b>BIS Capital Ratio</b>	<b>14.76</b>	15.27	15.54	15.16	14.74
Tier I	<b>10.72</b>	10.84	11.08	11.07	10.79
Tier II	<b>4.04</b>	4.43	4.46	4.09	3.95
TCE	<b>7.24</b>	7.02	6.95	6.86	6.87

1) Estimate

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# 1. Financial Statements Summary



(Unit: KRW bn, %, Balance)

	1Q 2011	2010				2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
<b>Assets</b>	<b>35,130.9</b>	34,726.1	34,319.2	33,176.7	31,824.2	30,477.1	1.2	10.4
Cash and Dues	<b>1,779.6</b>	2,005.1	1,563.1	1,272.9	1,844.0	1,230.1	△11.2	△3.5
Securities	<b>6,357.9</b>	6,231.3	6,017.9	5,988.2	5,921.6	5,767.7	2.0	7.4
Loans	<b>22,744.9</b>	21,668.0	21,182.8	20,691.1	19,543.6	19,840.1	5.0	16.4
Credit Card	<b>379.2</b>	411.3	407.2	428.4	423.4	358.9	△7.8	△10.4
Fixed Assets	<b>393.4</b>	389.6	363.6	353.1	355.4	357.1	1.0	10.7
Other Assets	<b>3,475.9</b>	4,020.8	4,784.6	4,443.0	3,736.1	2,923.2	△13.6	△7.0
<b>Liability &amp; Shareholder's Equity</b>	<b>35,130.9</b>	34,726.1	34,319.2	33,176.7	31,824.2	30,477.1	1.2	10.4
Deposits	<b>22,013.3</b>	21,490.0	20,646.5	19,562.6	18,933.6	18,510.5	2.4	16.3
Borrowings	<b>3,644.4</b>	3,746.6	3,587.3	3,668.2	3,870.1	3,744.5	△2.7	△5.8
Financial Debentures	<b>2,666.7</b>	2,631.8	2,628.4	2,815.1	2,465.3	2,646.3	1.3	8.2
Other Liabilities	<b>4,180.7</b>	4,399.7	5,050.8	4,832.7	4,345.1	3,456.3	△5.0	△3.8
Shareholder's Equity	<b>2,625.8</b>	2,458.0	2,406.2	2,298.1	2,210.1	2,119.5	6.8	18.8

# 1. Financial Statements Summary

(Unit: KRW bn, %)

	Busan Bank			
	1Q11	4Q10	QoQ	YoY
1. Operating Revenues	<b>635.4</b>	665.3	△4.5	0.0
Interest Revenue	<b>413.9</b>	409.7	1.0	2.6
Fee & Commission Revenue	<b>33.3</b>	33.7	△1.2	1.5
Trust Account	<b>2.7</b>	3.7	△27.0	△12.9
Others	<b>185.5</b>	218.2	△15.0	△5.5
2. Operating Expenses	<b>471.5</b>	608.4	△22.5	△7.7
Interest Expense	<b>178.8</b>	179.8	△0.6	1.1
Fee & Commission Expense	<b>11.6</b>	13.2	△12.1	△12.8
Trust Account	<b>0</b>	0	-	-
Others	<b>165.0</b>	215.1	△23.3	△15.5
SG&A	<b>97.0</b>	131.6	△26.3	10.0
Provision Expense	<b>19.1</b>	68.6	△72.2	△48.5
3. Operating Income	<b>163.9</b>	56.8	188.6	31.5
4. Non Operating Income	<b>0</b>	△3.7	-	-
5. Ordinary Income	<b>163.9</b>	53.1	208.7	21.7
6. Special Income	<b>0</b>	0	-	-
7. Income Before Income Taxes	<b>163.9</b>	53.1	208.7	21.7
8. Income Taxes	<b>39.9</b>	15.1	164.2	21.3
9. Net Income	<b>124.0</b>	38.0	226.3	21.8

## 2. PPOP

(Unit: KRW bn, %)

	1Q 2011	2010					2009	QoQ	YoY
		4Q	3Q	2Q	1Q				
<b>PPOP</b>	<b>188.4</b>	622.7	129.5	172.6	144.2	176.4	528.7	45.5	6.8
<b>Provision Expenses</b>	<b>24.5</b>	179.4	76.4	36.1	25.2	41.7	210.7	△67.9	△41.2
Loans	<b>20.8</b>	154.2	63.8	27.1	28.9	34.4	161.0	△67.4	△39.5
Payment Guarantees	<b>0.3</b>	3.9	3.8	△0.4	0.9	△0.4	0.8	△92.1	△175.0
Retirement Allowance	<b>5.4</b>	19.6	7.8	4.3	2.9	4.6	20.6	△30.8	17.4
Others	△ <b>2.0</b>	1.7	1.0	5.1	△7.5	3.1	28.3	△300.0	△164.5
<b>Income Taxes</b>	<b>39.9</b>	109.8	15.1	33.3	28.5	32.9	72.9	164.2	21.3
<b>Net Income</b>	<b>124.0</b>	333.5	38.0	103.2	90.5	101.8	245.1	226.3	21.8

### 3. Security Investment

(Unit: KRW bn, %, Balance)

	1Q 2011					4Q 2010		1Q 2010	
	Total	Trading Securities	Investment Securities			Total	QoQ		YoY
			Total	A.F.S*	H.T.M*				
KRW Bonds	5,452.4	0	5,452.4	1,623.0	3,829.4	5,325.0	2.4	5,152.1	5.8
Government Bonds	832.0	0	832.0	235.6	596.4	731.2	13.8	810.4	2.7
Financial Debentures	1,121.6	0	1,121.6	480.4	641.2	1,163.1	△3.6	1,632.7	△31.3
Municipal Bonds	490.7	0	490.7	0	490.7	424.3	15.6	241.6	103.1
Govn't Corporate Bonds	2,459.9	0	2,459.9	423.6	2,036.3	2,404.0	2.3	1,934.7	27.1
Corporate Bonds	548.2	0	548.2	483.4	64.8	602.4	△9.0	532.7	2.9
Foreign Bonds	31.9	3.3	28.6	28.6	0	59.3	△46.2	72.0	△55.7
Stock	458.8	21.8	437.0	437.0	0	412.5	11.2	332.3	38.1
Mutual Funds	385.8	11.4	374.4	374.4	0	424.7	△9.2	353.1	9.3
Bonds	50.0	0	50.0	50.0	0	112.1	△55.4	112.2	△55.4
Stocks	140.8	0	140.8	140.8	0	182.8	△23.0	123.7	13.8
MMF	11.4	11.4	0	0	0	7.9	44.3	8.0	42.5
Others	183.6	0	183.6	183.6	0	121.9	50.6	109.2	68.1
Others	29.0	<sup>1)</sup> 19.9	9.1	9.1	0	9.8	195.9	12.3	135.8
<b>Total</b>	<b>6,357.9</b>	56.4	6,301.5	2,472.1	3,829.4	6,231.3	2.0	5,921.8	7.4

<sup>1)</sup> Fair Value Option



## 4. Total Deposits / Loans

(Unit: KRW bn, %, Balance)

Total Deposits	1Q 2011	2010				2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
KRW Deposits	<b>20,730.2</b>	20,218.3	18,741.7	16,928.4	16,006.5	15,588.2	2.5	29.5
Demand	<b>1,952.1</b>	1,816.3	1,820.5	1,793.0	1,655.2	1,709.6	7.5	17.9
Savings	<b>18,721.4</b>	18,337.5	16,852.9	15,061.3	14,273.6	13,796.8	2.1	31.2
Installment	<b>56.7</b>	64.5	68.2	74.1	77.8	81.8	△12.1	△27.1
CD	<b>1,035.5</b>	1,063.1	1,652.1	2,425.9	2,584.8	2,643.5	△2.6	△59.9
Bills Sold	<b>45.4</b>	40.0	30.5	25.5	26.7	30.3	13.5	70.0
R P	<b>498.8</b>	488.9	495.2	647.3	699.9	699.8	2.0	△28.7
Financial Debenture	<b>1,759.6</b>	1,964.6	1,955.1	2,105.6	1,805.7	1,965.3	△10.4	△2.6
Trust Account	<b>1,967.8</b>	1,855.1	1,780.2	1,725.0	1,549.0	1,480.5	6.1	27.0
Total Deposits	<b>26,037.3</b>	25,630.0	24,654.6	23,857.7	22,672.7	22,407.6	1.6	14.8

Total Loans	1Q 2011	2010				2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
KRW Loans	<b>20,887.0</b>	20,018.3	19,534.0	18,884.2	18,057.1	17,842.8	4.3	15.7
Corporate	<b>15,265.1</b>	14,450.3	14,185.7	13,666.4	13,263.1	13,149.2	5.6	15.1
(SME)	<b>(14,121.0)</b>	(13,618.1)	(13,504.0)	(12,989.2)	(12,688.6)	(12,500.6)	3.7	11.3
(Large Corps)	<b>(1,144.1)</b>	(832.2)	(681.7)	(677.2)	(574.5)	(648.6)	37.5	99.1
Household	<b>4,811.5</b>	4,753.7	4,597.1	4,492.6	4,147.4	4,093.3	1.2	16.0
Public	<b>810.4</b>	814.0	751.2	725.2	646.6	600.3	△0.4	25.3
Foreign Currency Loans	<b>1,059.3</b>	1,122.3	1,127.7	1,152.2	1,063.2	1,116.1	△5.6	△0.4
Trust Account	<b>19.2</b>	18.9	24.7	26.5	30.4	31.4	1.6	△36.8
Others	<b>1,138.7</b>	1,067.4	1,070.2	1,121.3	953.4	961.7	6.7	19.4
Total Loans	<b>23,104.2</b>	22,226.6	21,756.6	21,184.2	20,104.1	19,952.0	3.9	14.9

## 5. Corporate Loan Portfolio

(Unit: KRW bn, %, Balance)

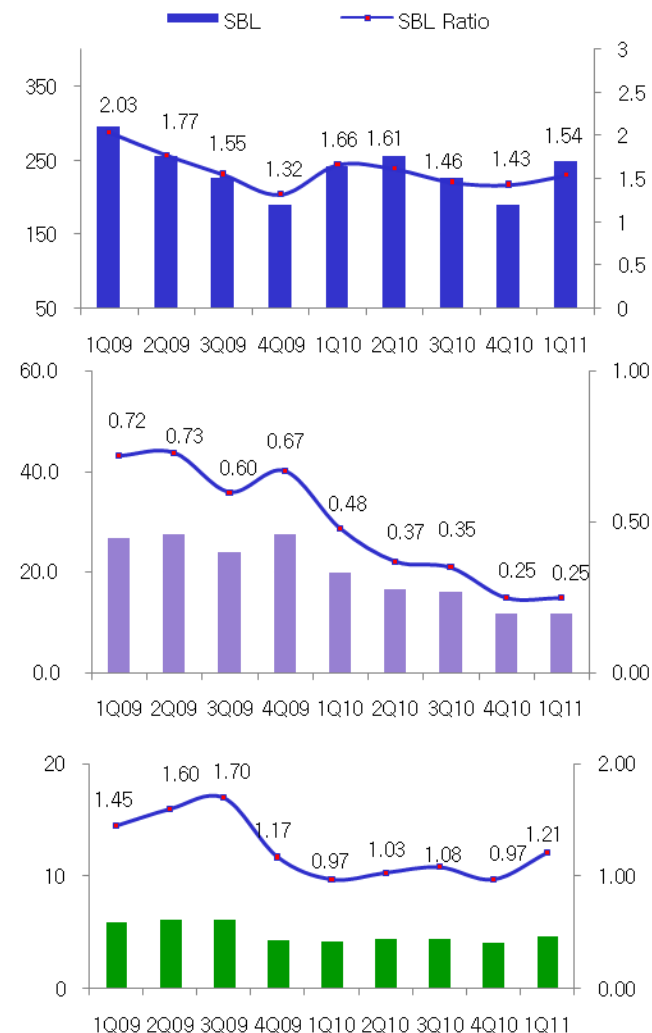
	1Q 2011		4Q 2010		1Q 2010	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Manufacturing Sectors	<b>7,325.9</b>	<b>45.6</b>	7,040.0	46.1	6,530.3	46.9
Steel Metal Products	<b>2,327.2</b>	<b>14.5</b>	2,268.5	14.9	1,941.5	14.0
Automobile Parts	<b>1,626.9</b>	<b>10.1</b>	1,565.6	10.3	1,490.4	10.7
Machinery	<b>952.2</b>	<b>5.9</b>	968.0	6.3	952.9	6.9
Petroleum, Rubber, etc.	<b>757.5</b>	<b>4.7</b>	707.8	4.6	677.3	4.8
Fabric	<b>274.3</b>	<b>1.7</b>	246.3	1.6	213.4	1.5
Garment & Shoes	<b>179.5</b>	<b>1.1</b>	163.8	1.1	170.7	1.2
Kitchen Units	<b>220.4</b>	<b>1.4</b>	216.5	1.4	222.7	1.6
Electronics	<b>395.3</b>	<b>2.5</b>	364.1	2.4	382.4	2.8
Paper, Paper Mills	<b>102.6</b>	<b>0.6</b>	102.4	0.7	105.7	0.8
Others	<b>490.0</b>	<b>3.0</b>	437.0	2.9	373.3	2.6
Non-Manufacturing	<b>8,749.6</b>	<b>54.4</b>	8,224.3	53.9	7,379.3	53.1
Wholesale & Retail	<b>1,830.6</b>	<b>11.4</b>	1,792.5	11.7	1,660.9	11.9
Public	<b>194.5</b>	<b>1.2</b>	194.6	1.3	56.2	0.4
Construction & Engineering	<b>884.4</b>	<b>5.5</b>	732.4	4.8	710.6	5.1
Real Estate & Lease	<b>1,779.3</b>	<b>11.1</b>	1,708.2	11.2	1,527.3	11.0
Insurance & Financing	<b>831.3</b>	<b>5.2</b>	670.3	4.4	518.1	3.7
Transportation	<b>1,113.9</b>	<b>6.9</b>	1,078.6	7.1	1,000.6	7.2
Hotel & Food	<b>368.5</b>	<b>2.3</b>	360.3	2.4	340.1	2.5
Others	<b>1,747.1</b>	<b>10.9</b>	1,687.4	11.1	1,565.5	11.3
Total	<b>16,075.5</b>	<b>100.0</b>	15,264.3	100.0	13,909.6	100.0

## 6. Asset Quality

(Unit: KRW bn, %)

	1Q 2011	2010				4Q 2009	
		4Q	3Q	2Q	1Q		
<b>SME</b>	Normal	15,446.2	15,022.8	14,898.3	14,497.9	13,942.9	13,809.6
	Precautionary	515.3	508.7	512.5	415.9	440.9	441.1
	Substandard	223.8	208.6	206.1	208.4	198.8	162.8
	Doubtful	8.6	5.3	11.1	25.8	30.8	24.0
	Expected Loss	17.3	11.1	11.1	9.3	13.3	4.4
	<b>Total</b>	<b>16,211.1</b>	15,756.5	15,639.1	15,157.3	14,626.7	14,441.9
<b>Household</b>	Normal	4,787.5	4,731.2	4,574.9	4,467.0	4,118.4	4,054.4
	Precautionary	32.6	30.8	30.1	34.9	39.5	42.9
	Substandard	8.7	8.8	12.0	12.1	14.6	16.2
	Doubtful	1.8	2.0	3.0	3.2	3.9	10.0
	Expected Loss	1.4	1.2	1.2	1.3	1.5	1.5
	<b>Total</b>	<b>4,832.1</b>	4,774.0	4,621.2	4,518.5	4,177.9	4,125.0
<b>Credit Card</b>	Normal	369.2	401.5	396.4	417.1	413.2	349.1
	Precautionary	5.5	5.8	6.4	6.9	6.1	5.6
	Substandard	0.2	0.2	0.5	0.7	0.5	0.3
	Doubtful	3.0	2.6	2.9	2.9	2.5	2.5
	Expected Loss	1.4	1.2	1.0	0.8	1.1	1.4
	<b>Total</b>	<b>379.2</b>	411.3	407.2	428.4	423.4	358.9

(Unit: KRW bn, %)



## 7. Delinquency Ratio / Write-Offs and NPL Sales

(Unit: KRW bn, %)

	1Q 2011	2010				2009			
		4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
<b>Total Delinquency Ratio</b>	<b>0.69</b>	0.53	0.56	0.43	0.88	0.55	1.42	1.55	1.69
Overdue Amount	<b>158.0</b>	116.2	121.7	91.2	174.9	108.8	283.4	302.4	328.2
Loan Amount	<b>22,918.4</b>	22,095.1	21,589.5	20,982.9	19,925.2	19,713.6	19,916.8	19,505.6	19,383.5
<b>SMEs</b>	<b>0.89</b>	0.65	0.65	0.45	1.04	0.54	1.47	1.59	1.99
Overdue Amount	<b>139.4</b>	99.1	97.7	66.2	146.4	74.5	206.0	220.6	277.7
Loan Amount	<b>15,644.9</b>	15,189.6	15,071.4	14,564.4	14,071.8	13,867.9	14,053.5	13,862.4	13,923.9
<b>Households</b>	<b>0.23</b>	0.21	0.36	0.40	0.50	0.71	1.02	1.17	1.13
Overdue Amount	<b>11.3</b>	10.2	16.6	18.0	21.0	29.3	40.8	44.4	41.8
Loan Amount	<b>4,830.6</b>	4,772.5	4,619.9	4,517.1	4,175.6	4,122.3	3,986.7	3,794.3	3,718.5
<b>Credit Card</b>	<b>1.46</b>	1.26	1.25	1.13	1.16	1.39	1.95	2.15	2.11
Overdue Amount	<b>5.5</b>	5.2	5.1	4.9	4.9	5.0	7.0	8.2	8.4
Loan Amount	<b>379.2</b>	411.3	407.2	428.4	423.4	358.9	359.5	380.6	397.8
<b>Total Write-Offs</b>	<b>8.1</b>	67.5	28.5	22.1	10.0	55.0	44.5	45.4	19.1
Corporate	<b>5.5</b>	63.5	24.9	18.7	5.2	48.0	38.5	40.0	15.5
Household	<b>0.9</b>	2.0	1.6	1.5	2.5	3.0	2.6	2.3	1.4
Credit Card	<b>1.7</b>	2.0	2.0	1.9	2.3	4.0	3.4	3.1	2.2
<b>Total NPL Sales</b>	<b>0</b>	29.8	33.3	125.6	54.7	101.9	55.9	79.9	61.5
<b>(NPL Sales for SBL Loans)</b>	<b>(0)</b>	(21.7)	(11.9)	(84.9)	(33.2)	(63.1)	(34.8)	(55.6)	(26.6)
Corporate	<b>0</b>	27.5	32.3	120.9	50.6	96.8	49.9	68.3	58.2
Household	<b>0</b>	2.1	0.7	4.2	3.9	4.8	5.6	11.3	3.2
Credit Card	<b>0</b>	0.2	0.3	0.5	0.2	0.3	0.4	0.3	0.1

## 8. SME Industry/Collateral Delinquency Ratio

### Delinquency Ratio by Industry

(Unit: KRW bn, %, Balance)

	1Q 2011			4Q 2010			1Q 2010		
	Loan	Amount	Delinquency Ratio	Loan	Amount	Delinquency Ratio	Loan	Amount	Delinquency Ratio
<b>Manufacturing Sector</b>	<b>7,728.9</b>		<b>1.06</b>	7,521.8		0.75	7,073.4		1.42
<b>Non-manufacturing Sector</b>	<b>7,915.9</b>		<b>0.73</b>	7,667.8		0.56	6,998.4		0.66
<b>Wholesale and Retail</b>	<b>2,071.4</b>		<b>0.58</b>	2,062.3		0.26	1,875.3		0.73
<b>Public &amp; others</b>	<b>0.1</b>		<b>-</b>	0.1		-	0.2		-
<b>Construction</b>	<b>842.0</b>		<b>0.34</b>	690.7		0.83	668.1		0.69
<b>Real Estate &amp; Lease</b>	<b>1,764.6</b>		<b>0.65</b>	1,686.6		1.23	1,484.9		0.82
<b>Finance and Insurance</b>	<b>283.8</b>		<b>7.38</b>	326.0		-	226.3		-
<b>Transportation &amp; Communications</b>	<b>1,126.8</b>		<b>0.20</b>	1,105.8		0.27	1,084.7		0.43
<b>Hotel &amp; Food</b>	<b>374.6</b>		<b>0.39</b>	366.7		0.25	344.7		0.76
<b>Others</b>	<b>1,452.6</b>		<b>0.46</b>	1,429.6		0.50	1,314.2		0.64
<b>Total</b>	<b>15,644.9</b>		<b>0.89</b>	15,189.6		0.65	14,071.8		1.04

### Delinquency Ratio by Collateral

(Unit: KRW bn, %)

	Total	Real Estate	Movable	Deposit	Guarantee	Credit
<b>1Q 2011</b>	<b>0.89</b>	<b>1.29</b>	<b>0.25</b>	<b>0.00</b>	<b>0.33</b>	<b>0.69</b>
<b>Amount</b>	<b>(15,644.9)</b>	<b>(6,792.5)</b>	<b>(90.0)</b>	<b>(465.8)</b>	<b>(1,476.0)</b>	<b>(6,820.5)</b>
<b>4Q 2010</b>	0.65	0.97	0.19	1.53	0.61	0.30
<b>Amount</b>	(15,189.6)	(6,510.0)	(108.0)	(449.7)	(1,438.5)	(6,683.4)
<b>1Q 2010</b>	1.04	1.61	0.54	0.25	0.48	0.65
<b>Amount</b>	(14,071.8)	(6,136.5)	(55.4)	(446.6)	(1,169.0)	(6,264.3)
<b>4Q 2009</b>	0.54	0.80	0.38	0.10	0.21	0.37
<b>Amount</b>	(13,867.9)	(6,078.3)	(53.2)	(408.1)	(1,170.9)	(6,157.4)

## 9. Household Loans

(Unit: KRW bn, %, %p, Balance)

	1Q 2011	2010				2009	QoQ	YoY
		4Q	3Q	2Q	1Q			
<b>Household Loans – Retail (KRW)</b>	<b>4,811.5</b>	4,753.7	4,597.1	4,492.6	4,147.5	4,093.3	1.2	16.0
<b>Total Secured Loans</b>	<b>4,179.6</b>	4,141.0	3,970.9	3,825.9	3,488.1	3,437.5	0.9	19.8
<b>Mortgage / Home Equity</b>	<b>2,618.3</b>	2,603.7	2,521.1	2,473.3	2,229.8	2,165.3	0.6	17.4
<b>(Avg. LTV)</b>	<b>(44.36)</b>	(45.34)	(46.15)	(47.29)	(47.76)	(47.80)	△2.2	△7.1
<b>Others</b>	<b>1,031.6</b>	1,055.8	1,026.7	1,001.0	975.9	994.0	△2.3	5.7
<b>Group Loans</b>	<b>412.4</b>	361.4	303.8	235.0	169.2	164.9	14.1	143.7
<b>Government Pension Backed</b>	<b>117.3</b>	120.1	119.3	116.6	113.2	113.3	△2.3	3.6
<b>Non-Collateralized</b>	<b>631.9</b>	612.7	626.2	666.7	659.4	655.8	3.1	△4.2
<b>Government Workers</b>	<b>90.1</b>	92.5	96.9	90.6	83.1	85.0	△2.6	8.4
<b>Large Corp. Employees</b>	<b>45.8</b>	45.8	45.8	45.7	43.3	44.0	0.0	5.8
<b>Student Loans</b>	<b>1.7</b>	2.1	2.6	3.1	3.7	4.5	△19.0	△54.1
<b>Clean Credit</b>	<b>274.9</b>	280.5	284.4	287.4	283.6	284.9	△2.0	△3.1
<b>Others</b>	<b>219.4</b>	191.8	196.5	239.9	245.7	237.4	14.4	△10.7

## 10. Credit Card Business

### Credit Card Business

(Unit: KRW bn)

Amount	1Q 2011	2010				2009			
		4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	<b>836.6</b>	834.5	805.9	820.9	811.7	739.4	702.1	690.0	706.7
Lump-sum	<b>699.2</b>	685.5	673.7	629.9	620.1	602.4	586.4	543.9	522.1
Installment	<b>137.4</b>	149.0	132.2	191.0	191.6	137.0	115.7	146.1	184.6
Cash Advance	<b>111.8</b>	119.2	119.2	123.4	123.1	129.4	135.2	140.7	146.3
<b>Total</b>	<b>948.4</b>	953.7	925.1	944.3	934.8	868.8	837.3	830.7	853.0
Balance	1Q 2011	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	<b>321.1</b>	350.6	346.3	364.9	359.0	291.8	289.3	306.2	322.7
Cash Advance	<b>57.0</b>	59.5	59.5	62.1	62.9	65.2	68.2	72.1	72.8
Re-aged Loans	<b>1.2</b>	1.1	1.4	1.4	1.5	1.9	1.9	2.3	2.3
<b>Total</b>	<b>379.3</b>	411.2	407.2	428.4	423.4	358.9	359.4	380.6	397.8
Income(Fees)	1Q 2011	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	<b>19.1</b>	19.2	18.4	20.6	20.8	17.7	17.0	17.7	19.1
Cash Advance	<b>3.5</b>	3.8	4.1	4.5	4.4	5.0	5.3	5.3	5.4
Re-aged Loans	<b>0.0</b>	0	0	0	0	0	0	0.2	0.1
Others	<b>0.9</b>	0.9	0.9	0.9	0.8	0.8	0.9	0.9	0.8
<b>Total</b>	<b>23.6</b>	23.9	23.4	26.0	26.0	23.5	23.2	24.1	25.4

## 11. Dividend Policy / Shareholding Structure

### Dividend Policy

(Unit: Won, KRW bn)

Year	2005	2006	2007	2008	2009	2010
Dividend Yield(FV)	8.1	8.4	11.4	4.0	3.2	5.0
Dividend Yield(MV)	3.0	3.5	3.6	3.2	1.1	1.7
Dividend per share	405	420	570	200	160	250
Total Dividend Paid	59.4	61.6	83.6	29.3	29.9	46.7
Payout Ratio(%)	33.2	33.5	30.9	10.7	12.2	14.0

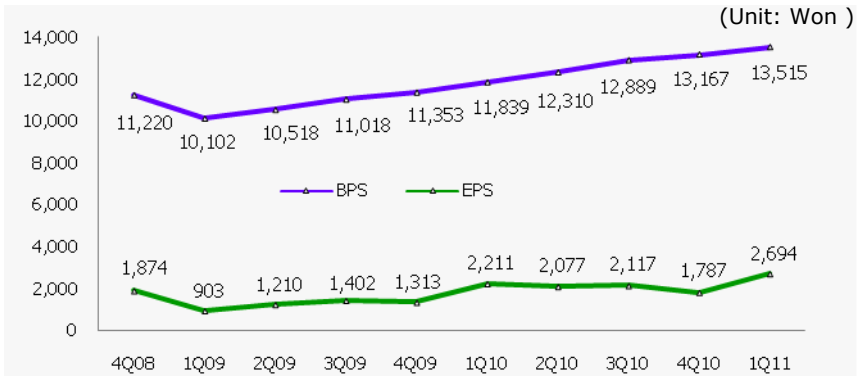
### Credit Ratings

	Long Term	Short Term	BFSR	Outlook
Moody's	A2	P1	C-	Stable
Fitch	BBB+	F2	C	Positive

(End of March 2011)	Issuer Rating	Subordinate Bonds
<b>Korea Ratings</b>	AAA	AA+
<b>KIS</b>	AAA	AA+
<b>Nice Rating</b>	AAA	AA+

Note. BS Financial Group Issuer Rating : AAA for all Domestic Ratings

### BPS / EPS



• 1Q10 BPS/EPS includes treasury shares(6,696,249) issued after the FHC transformation

### Major Shareholders (end of Dec 2010)\*

Shareholders	Ratio (%)
Aberdeen Asset Management Asia Ltd.	14.56
Lotte Group	14.08
NPS (National Pension Service)	5.43
Capital Research & Global Investors	4.35
Parkland	4.29
Franklin Templeton	3.40
<b>Sub Total</b>	<b>46.11</b>

\* Based on the most recent fair disclosures



## 12. IFRS Effect

(Unit: KRW bn, %, %p)

Bank	K-IFRS (a)	K-GAAP (b)	a-b	Reason for Difference
Net Interest Income	235.1	232.0	3.1	-Increase from Loan-related Fee Income -Prepaid Rent Interest Revenue(1.2 KRW bn) and Interest Revenue increase(0.8 KRW bn) from Present Value of Cash Flows for Damaged Loans
Fee & Commission Income	21.7	20.8	0.9	-Decrease from Loan-related Fee Income and Foreign Currency Borrowing-related Fee Income
Fees from Trust Account	2.7	2.7	-	
Others	20.5	19.1	1.4	-Reclassification of Derivative CDOs & CLNs, that were classified as Available for Sale & Held to Maturity Securities before, into Tradable Securities that incur Valuation Gain and Loss -Gain and Loss due to Translation Adjustment based on Average Exchange Rate for Foreign Currency Financial Instruments Interest Revenue/Expense
Provision Expense(-)	19.1	28.2	△9.1	-IFRS Provision level lower than the former FLC(Forward Looking Criteria) based FSC Guideline for Provisions(7.7 KRW bn) -Increase in Other Provisions Writeback (1.4 KRW bn)
SG&A(-)	97.0	95.8	1.2	-Prepaid Rent Write-off due to Fair Value calculation of the Leasehold Deposits
Net Operating Income	163.9	150.6	13.3	
Income Before Income Tax	163.9	150.6	13.3	

<b>1. B/S Summary</b>	34
<b>2. I/S Summary</b>	35



# 1. B/S Summary

(Unit: KRW bn, %, Balance)

BS Securities	4Q10	3Q10	QoQ	YoY
<b>Assets</b>	<b>134.2</b>	135.2	△0.7	△18.5
Cash and Dues	<b>75.4</b>	87.9	△14.2	△35.4
Securities	<b>37.4</b>	29.9	25.1	19.5
Loans	<b>13.2</b>	8.9	48.3	50.0
Fixed Assets	<b>1.3</b>	1.4	△7.1	0.0
Other Assets	<b>6.9</b>	7.1	△2.8	7.8
<b>Liability &amp; Shareholder's Equity</b>	<b>134.2</b>	135.2	△0.7	△18.5
Deposits	<b>65.8</b>	77.2	△14.8	△45.0
Borrowings	<b>10.0</b>	0.0	-	-
Other Liabilities	<b>3.7</b>	3.8	△2.6	0.0
Shareholder's Equity	<b>54.7</b>	54.2	0.9	32.8

BS Credit Information	1Q11	4Q10	QoQ	YoY
<b>Assets</b>	<b>4.8</b>	4.7	2.1	11.6
Cash and Dues	<b>4.1</b>	4.2	△2.4	7.9
Securities	<b>0.0</b>	0.0	-	-
Fixed Assets	<b>0.1</b>	0.0	-	0.0
Other Assets	<b>0.6</b>	0.5	20.0	50.0
<b>Liability &amp; Shareholder's Equity</b>	<b>4.8</b>	4.7	2.1	11.6
Other Liabilities	<b>0.2</b>	0.2	0.0	0.0
Shareholder's Equity	<b>4.6</b>	4.5	2.2	12.2

BS Capital	1Q11	4Q10	QoQ	YoY
<b>Assets</b>	<b>356.0</b>	119.7	197.4	-
Cash and Dues	<b>87.6</b>	0.05	175,100.0	-
Securities	<b>0.01</b>	0.01	0.0	-
Loans	<b>98.2</b>	58.3	68.4	-
Durables Installment Financing Assets	<b>17.8</b>	3.7	381.1	-
Leased Assets	<b>144.0</b>	50.9	182.9	-
Fixed Assets	<b>1.3</b>	1.4	△7.1	-
Other Assets	<b>7.0</b>	5.4	29.6	-
<b>Liability &amp; Shareholder's Equity</b>	<b>356.0</b>	119.7	197.4	-
Borrowings	<b>300.0</b>	89.6	234.8	-
Other Liabilities	<b>36.3</b>	11.6	212.9	-
Shareholder's Equity	<b>19.7</b>	18.5	6.5	-

Note. BS Securities Fiscal Year End, March 31

## 2. I/S Summary

(Unit: KRW bn, %)

	BS Securities							
	2010	4Q10	3Q10	2Q10	1Q10	2009	QoQ	2010 vs 2009
<b>Operating Revenue</b>	<b>38.9</b>	<b>9.2</b>	12.0	8.3	9.3	45.0	△23.3	△13.6
Interest Revenue	<b>3.7</b>	<b>0.9</b>	1.2	0.9	0.7	3.4	△25.0	8.8
Fee & Commission Revenue	<b>11.1</b>	<b>2.8</b>	3.1	2.6	2.7	14.5	△9.7	△23.4
Trust Account	<b>0.0</b>	<b>0.0</b>	0.0	0.0	0.0	0.0	-	-
Others	<b>24.1</b>	<b>5.6</b>	7.8	4.8	6.0	27.1	△28.2	△11.1
<b>Operating Expense</b>	<b>36.0</b>	<b>8.6</b>	10.4	8.1	9.0	40.4	△17.3	△10.9
Interest Expense	<b>0.6</b>	<b>0.1</b>	0.2	0.2	0.1	0.5	△50.0	20.0
Fee & Commission Expense	<b>4.0</b>	<b>0.9</b>	1.1	1.0	1.0	5.5	△18.2	△27.3
Trust Account	<b>0.0</b>	<b>0.0</b>	0.0	0.0	0.0	0.0	-	-
Others	<b>15.2</b>	<b>3.3</b>	4.7	3.1	4.2	19.6	△29.8	△22.4
SG&A	<b>16.2</b>	<b>4.2</b>	4.5	3.8	3.6	14.8	△6.7	9.5
Provision Expense	<b>0.0</b>	<b>0.0</b>	0.0	0.0	0.0	0.0	-	-
<b>Operating Income</b>	<b>2.9</b>	<b>0.7</b>	1.6	0.3	0.4	4.6	△56.3	△37.0
<b>Income Before Income Tax</b>	<b>2.9</b>	<b>0.7</b>	1.6	0.3	0.4	4.6	△56.3	△37.0
<b>Income Tax Expenses</b>	<b>0.7</b>	<b>0.2</b>	0.4	0.1	0.1	1.2	△50.0	△41.7
<b>Net Income</b>	<b>2.2</b>	<b>0.5</b>	1.2	0.2	0.3	3.4	△58.3	△35.3

Note. BS Securities Fiscal Year End, March 31

## 2. I/S Summary

(Unit: KRW bn, %)

	BS Credit Information				BS Capital			
	1Q11	4Q10	QoQ	YoY	1Q11	4Q10	QoQ	YoY
<b>Operating Revenue</b>	<b>0.54</b>	0.68	△20.59	3.85	<b>7.4</b>	1.7	335.3	-
Interest Revenue	<b>0.04</b>	0.04	0.00	33.33	<b>7.2</b>	1.6	350.0	-
Fee & Commission Revenue	<b>0.50</b>	0.64	△21.88	2.04	<b>0.2</b>	0.0	-	-
Trust Account	<b>0.00</b>	0.00	-	-	<b>0.0</b>	0.0	-	-
Others	<b>0.00</b>	0.00	-	-	<b>0.0</b>	0.0	-	-
<b>Operating Expense</b>	<b>0.40</b>	0.44	△9.09	△6.98	<b>6.1</b>	3.2	90.6	-
Interest Expense	<b>0.00</b>	0.00	-	-	<b>2.3</b>	0.3	666.7	-
Fee & Commission Expense	<b>0.00</b>	0.00	-	-	<b>1.3</b>	0.8	62.5	-
Trust Account	<b>0.00</b>	0.00	-	-	<b>0.0</b>	0.0	-	-
Others	<b>0.00</b>	0.00	-	-	<b>0.1</b>	0.0	-	-
SG&A	<b>0.40</b>	0.44	△9.09	△6.98	<b>1.5</b>	1.4	7.1	-
Provision Expense	<b>0.00</b>	0.00	-	-	<b>0.9</b>	0.7	28.6	-
<b>Operating Income</b>	<b>0.14</b>	0.24	△41.67	55.56	<b>1.2</b>	△1.5	Net Gain	-
<b>Income Before Income Tax</b>	<b>0.14</b>	0.24	△41.67	55.56	<b>1.2</b>	△1.5	Net Gain	-
<b>Income Tax Expenses</b>	<b>0.02</b>	0.06	△66.67	100.00	<b>0.0</b>	0.0	-	-
<b>Net Income</b>	<b>0.12</b>	0.18	△33.33	50.00	<b>1.2</b>	△1.5	Net Gain	-