

# 1Q 2012 BS Financial Group Financial Results

(May 10, 2012)



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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.

· 2012/2011 results are based on K-IFRS with consolidated financial statements, 2010/2009 are based on K-GAAP with unconsolidated financial statements

· Fiscal Year End for BS Securities is March, 31

# *I. 1Q 2012 Group Results*

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# 1. Earnings Highlights

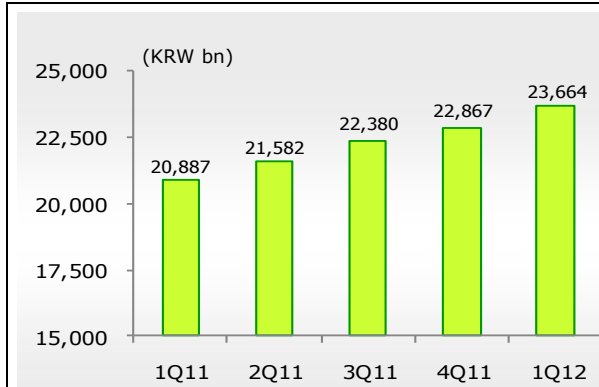
**Group  
Net Income  
109.7 KRW bn**  
(Up by 38.3% QoQ)

- ❖ **1Q 2012 Group Net Income : 109.7 KRW bn, up by 38.3% QoQ**
- Consolidated Bank Net Income 107.4 KRW bn, up by 34.4% QoQ
- Consolidated Non Bank Net Income 5.9 KRW bn, up by 9.3% QoQ
- Securities 1.0 KRW bn, down by 28.6% QoQ, Capital 4.7 KRW bn, up by 23.7% QoQ
- ※ 1Q 2012 Net Income : Securities 1.0 KRW bn, Capital 4.7 KRW bn, MSB 0 KRW bn, Credit Information 0.1 KRW bn, Information System 0.1 KRW bn, \* Exclude unconsolidated portion 3.6 KRW bn

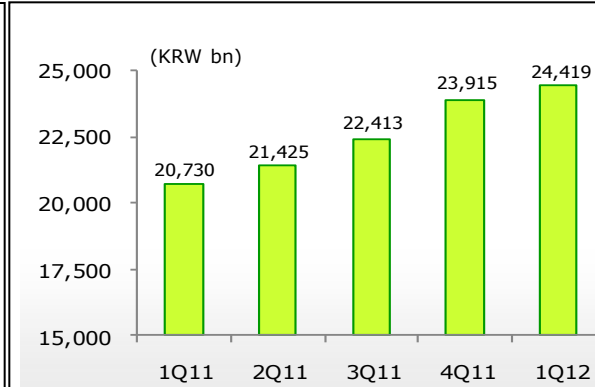
**Group  
Total Assets  
42,446.4 KRW bn**  
(Up by 1.1% QoQ)

- ❖ **1Q 2012 Group Total Assets : 42,446.4 KRW bn, up by 1.1% QoQ**
- Bank : 39,973.1 KRW bn, down by 1.5% QoQ
- Non-Bank : 2,522.3 KRW bn, up by 75.0% QoQ
- ※ Securities 745.2 KRW bn, Capital 1,096.7 KRW bn, MSB 671.5 KRW bn, Credit Information 5.4 KRW bn, Information Systems 3.5 KRW bn \* Exclude unconsolidated portion : 3,296.0 KRW bn

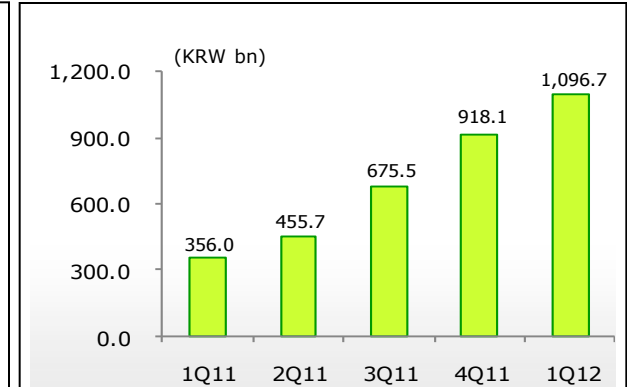
□ Bank KRW Credits



□ Bank KRW Deposits



□ BS Capital Total Assets



## 2. I/S Summary / Profitability / Dividend Payout

### □ 1Q12 Results by Business

(KRW bn)	Group	Bank	Securities	Capital	MSB	Credit Information	Information System	Consolidation Change
Net Interest Income	<b>289.0</b>	<b>257.6</b>	<b>2.4</b>	<b>17.0</b>	<b>13.5</b>	<b>0.1</b>	<b>0.0</b>	△1.6
Net Fee Income	<b>26.9</b>	20.3	3.5	2.6	0.2	0.5	0.0	△0.2
Others	<b>5.1</b>	2.9	2.6	△0.2	△0.6	0.0	0.9	△0.5
SG&A(-)	<b>128.1</b>	<b>110.2</b>	<b>7.0</b>	<b>5.0</b>	<b>3.7</b>	<b>0.4</b>	<b>0.8</b>	<b>1.0</b>
Provision Expense(-)	<b>46.8</b>	<b>28.6</b>	<b>0.0</b>	<b>8.4</b>	<b>9.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>
Earnings Before Income Tax	<b>146.1</b>	<b>142.0</b>	<b>1.5</b>	<b>6.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.1</b>	△3.7
Income Tax Expenses(-)	<b>36.4</b>	<b>34.6</b>	<b>0.5</b>	<b>1.3</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	△0.1
Net Income	<b>109.7</b>	<b>107.4</b>	<b>1.0</b>	<b>4.7</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	△3.6

### □ Profitability

(%, %p)	1Q12	4Q11	3Q11	2Q11	1Q11	QoQ
<b>ROA</b>	1.11	1.10	1.20	1.29	1.46	0.01
<b>ROE</b>	14.74	14.34	15.65	16.92	19.61	0.40
<b>Quarterly NIM</b>	2.84	2.88	2.98	3.06	3.07	△0.04
<b>CIR</b>	39.93	42.08	37.96	36.84	35.98	△2.15

### □ Dividend Payout

(Won)	2005	2006	2007	2008	2009	2010	2011
<b>Dividend Yield(FV)</b>	8.1	8.4	11.4	4.0	3.2	5.0	7.0
<b>Dividend Yield(MV)</b>	3.0	3.5	3.6	3.2	1.1	1.7	3.1
<b>Dividend per share</b>	405	420	570	200	160	250	350
<b>Dividend Paid(bn)</b>	59.4	61.6	83.6	29.3	29.9	46.7	67.7
<b>1) Payout Ratio(%)</b>	33.2	33.5	30.9	10.7	12.2	14.0	16.9

1) Calculated without deducting 'Reserve' from Net Income

### 3. B/S Summary / Asset Quality / Capital Strength

#### □ Assets

(KRW bn)	1Q12	4Q11	QoQ
Cash and Dues	<b>2,358.1</b>	2,595.5	△9.1
Securities	<b>7,533.8</b>	7,339.6	2.6
Loans & Receivables	<b>29,070.5</b>	28,737.1	1.2
Derivative Assets	<b>87.6</b>	149.1	△41.2
Fixed Assets & Investment Assets	<b>387.0</b>	412.6	△6.2
Intangible Assets	<b>129.5</b>	24.1	437.3
Others	<b>133.1</b>	100.7	32.2
<b>Total Assets</b>	<b>39,699.6</b>	39,358.7	0.9

#### □ Asset Quality

(%, %p)	1Q12	4Q11	3Q11	2Q11	1Q11	QoQ
Substandard & Below Ratio	<b>1.53</b>	0.97	1.37	1.05	1.20	0.56
Coverage Ratio	<b>121.87</b>	154.45	110.20	135.01	125.14	△32.58
Delinquency Ratio	<b>1.16</b>	0.61	0.92	0.58	0.69	0.55

#### □ Liabilities

(KRW bn)	1Q12	4Q11	QoQ
Deposits	<b>25,824.4</b>	24,991.3	3.3
Borrowings	<b>8,474.9</b>	8,256.1	2.7
Derivatives	<b>33.5</b>	82.8	△59.5
Others	<b>2,371.8</b>	3,073.5	△22.8
<b>Total Liabilities</b>	<b>36,704.6</b>	36,403.7	0.8
Shareholder's Equity	<b>2,995.0</b>	2,955.0	1.4
<b>Total Liabilities &amp; Shareholder's Equity</b>	<b>39,699.6</b>	39,358.7	0.9

#### □ Capital Strength

(%, %p)	<sup>1)</sup> 1Q12	4Q11	3Q11	2Q11	1Q11	QoQ
BIS Ratio	<b>15.11</b>	15.83	16.04	15.94	16.07	△0.72
Tier I	<b>10.98</b>	11.42	11.87	11.81	11.80	△0.44
Tier II	<b>4.13</b>	4.41	4.17	4.13	4.27	△0.28
TCE	<b>7.54</b>	7.51	7.81	7.82	7.46	0.03

1) Estimate

## *II. 1Q 2012 Bank Results*

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# 1. Earnings Highlights

## Growth

- ❖ **Total Credits: Up by 2.6% (646.0 billion won) QoQ**
  - KRW Loans up by 3.5% (797.5 billion won) QoQ
- ❖ **Total Deposits: Up by 0.9% (256.5 billion won) QoQ**
  - KRW Deposits up by 2.1% (504.8 billion won) QoQ

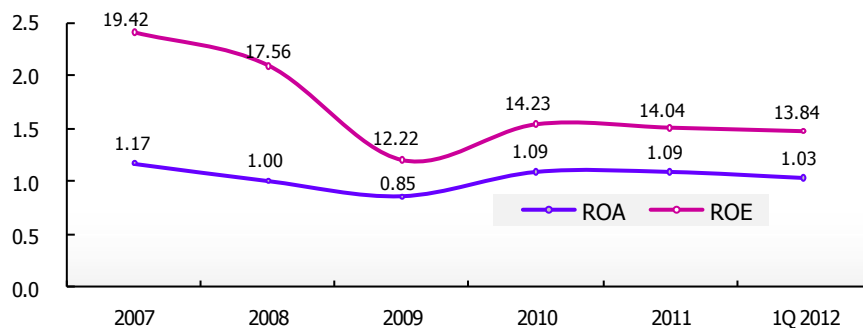
## Asset Quality

- ❖ **S&B Loan Ratio: 1.18%, up by 0.19%p QoQ**
- ❖ **Delinquency Ratio: 0.82%, up by 0.23%p QoQ**
- ❖ **Real Estate PF S&B Loan Ratio & Delinquency Ratio : 0%**

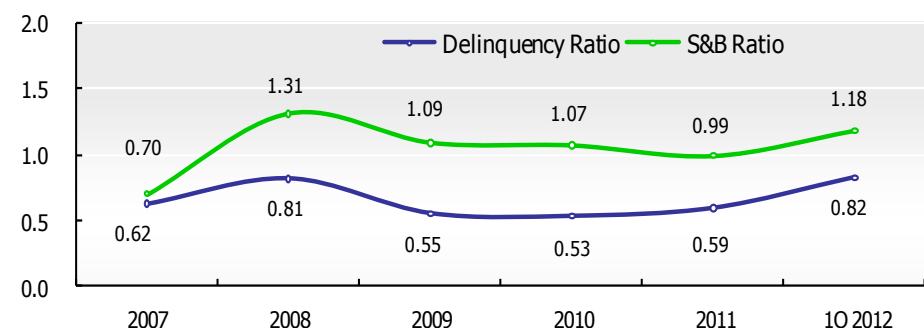
## Profitability

- ❖ **Top Line**
  - ▶ **Net Interest Income 257.6 billion won, up by 0.8% QoQ, up by 9.4% YoY**
  - ▶ **Quarterly NIM is 2.84% down by 0.05%p QoQ**
- ❖ **Bottom Line**
  - ▶ **Annualized Credit Cost at 0.44%, down by 0.05%p compared to 2011 Annualized Credit Cost**
  - ▶ **Cost Income Ratio at 39.25%, down by 14.37% QoQ, up by 4.40% YoY**
  - ▶ **1Q Net Income of 107.4 billion won, up by 34.4% QoQ, down by 12.2% YoY**

□ ROA / ROE (%)



□ Asset Quality (%)





## 2. Key Financial Indicators

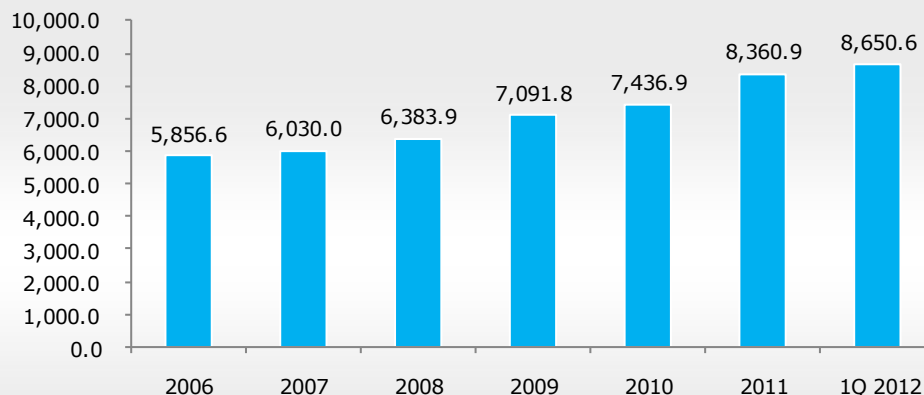
(KRW bn, %, Balance)	1Q 2012					4Q 2010	QoQ	YoY
		4Q	3Q	2Q	1Q			
<b>Total Assets</b>	<b>39,971.5</b>	40,594.4	38,358.4	36,703.8	37,323.8	36,788.8	△1.5	7.1
Bank Account	<b>37,224.6</b>	37,988.7	36,083.3	34,561.7	35,131.0	34,726.1	△2.0	6.0
Trust Account	<b>2,746.9</b>	2,605.7	2,275.1	2,142.1	2,192.8	2,062.7	5.4	25.3
<b>Total Deposits</b>	<b>30,018.7</b>	29,762.2	28,085.6	27,212.2	26,037.3	25,630.0	0.9	15.3
Bank Account	<b>27,648.8</b>	27,540.8	25,980.1	25,236.5	24,069.5	23,774.9	0.4	14.9
Won Deposits	<b>24,419.3</b>	23,914.5	22,413.4	21,425.3	20,730.2	20,218.3	2.1	17.8
Demand	<b>2,037.8</b>	1,951.7	1,798.2	1,966.9	1,952.1	1,816.3	4.4	4.4
Savings & Time	<b>22,345.3</b>	21,923.9	20,570.3	19,410.4	18,721.4	18,337.5	1.9	19.4
Installment	<b>36.3</b>	38.9	44.9	48.0	56.7	64.5	△6.7	△36.1
CD	<b>547.3</b>	852.0	770.4	1,368.1	1,035.5	1,063.1	△35.8	△47.1
Trust Account	<b>2,369.9</b>	2,221.4	2,105.5	1,975.7	1,967.8	1,855.1	6.7	20.4
<b>Total Credits</b>	<b>25,949.7</b>	25,303.7	24,816.9	23,834.5	23,104.2	22,226.6	2.6	12.3
Total Loans	<b>25,146.1</b>	24,527.0	24,076.3	23,109.8	22,441.3	21,581.5	2.5	12.1
KRW Loans	<b>23,664.0</b>	22,866.5	22,380.0	21,582.2	20,887.0	20,018.0	3.5	13.3
SMEs	<b>15,742.5</b>	15,231.6	14,913.1	14,442.7	14,121.0	13,618.1	3.4	11.5
Households	<b>5,636.7</b>	5,541.0	5,331.8	5,021.6	4,811.5	4,753.7	1.7	17.2
Guarantees	<b>803.6</b>	776.7	740.6	724.7	662.9	645.1	3.5	21.2
<b>Total Securities</b>	<b>8,368.7</b>	8,314.4	7,803.4	7,675.3	7,678.6	7,456.8	0.7	9.0
Bank Account	<b>7,074.6</b>	7,010.4	6,543.7	6,420.7	6,357.9	6,231.3	0.9	11.3
Trust Account	<b>1,294.1</b>	1,304.0	1,259.7	1,254.6	1,320.7	1,225.5	△0.8	△2.0
<b>Shareholders' Equity</b>	<b>2,846.9</b>	2,737.3	2,785.2	2,728.0	2,625.8	2,458.0	4.0	8.4

Note. Based on the Bank's Unconsolidated Financial Statements

### 3. Low-Cost Deposits

#### □ Growth Records

(KRW bn, Average Balance)



#### □ Funding Costs

(%, Accumulated)	1Q12	4Q11	4Q10	4Q09
Demand Deposits	<b>0.25</b>	0.27	0.32	0.32
Savings Deposits	<b>0.15</b>	0.15	0.15	0.16
Corporate Savings Deposits	<b>1.86</b>	1.77	1.36	1.52
<b>Total</b>	<b>0.71</b>	0.69	0.55	0.65

(KRW bn, %, %p, Average Balance)	1Q 2012	2011				4Q 2010	QoQ	YoY
		4Q	3Q	2Q	1Q			
<b>Low-Cost Deposits (A)</b>	<b>8,650.6</b>	8,360.9	8,403.4	8,459.9	8,449.6	7,436.9	3.5	2.4
<b>Demand Deposits</b>	<b>1,915.3</b>	1,793.2	1,818.7	1,838.5	1,816.3	1,706.9	6.8	5.5
<b>Savings Deposits</b>	<b>3,978.5</b>	3,906.7	3,907.2	3,909.0	3,882.9	3,524.3	1.8	2.5
<b>Corporate Savings Deposits</b>	<b>2,756.8</b>	2,661.0	2,677.5	2,712.4	2,750.4	2,205.7	3.6	0.2
Deposits in KRW (B)	<b>23,789.5</b>	21,556.4	21,100.4	20,776.3	20,369.4	17,323.7	10.4	16.8
<b>Total Deposits (Bank Account) (C)</b>	<b>27,153.1</b>	25,071.2	24,608.1	24,204.7	23,764.4	22,012.8	8.3	14.3
Total Deposits (Bank + Trust Account)(D)	<b>29,522.9</b>	27,122.2	26,626.6	26,179.0	25,738.7	23,702.5	8.9	14.7
Low-Cost Deposits/Won Deposits(A/B)	<b>36.36</b>	38.79	39.83	40.72	41.48	42.93	△2.43	△5.12
<b>Low-Cost Deposits/Total Deposits (A/C)</b>	<b>31.86</b>	33.35	34.15	34.95	35.56	33.78	△1.49	△3.70
Low-Cost Deposits/Total Deposits(A/D)	<b>29.30</b>	30.83	31.56	32.32	32.83	31.38	△1.53	△3.53

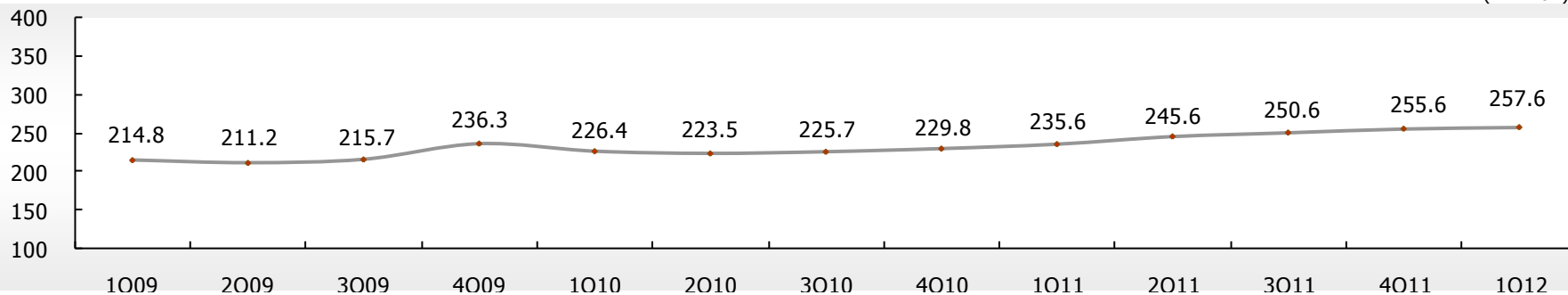
## 4. Earning Results

	1Q 2012	2011					2010	QoQ	YoY
		4Q	3Q	2Q	1Q				
<small>(KRW bn, %, %p)</small>									
Net Interest Income	<b>257.6</b>	987.4	255.6	250.6	245.6	235.6	905.4	0.8	9.3
Net Fee Income	<b>20.3</b>	84.1	20.5	20.5	21.4	21.7	81.6	△1.0	△6.5
Fees from Trust Account	<b>2.7</b>	10.5	2.8	2.7	2.3	2.7	12.5	△3.6	0.0
Others	<b>0.2</b>	24.1	1.2	△1.0	5.6	18.3	△0.1	△83.3	△98.9
Provision Expense(-)	<b>28.6</b>	125.9	22.8	39.3	44.7	19.1	159.8	25.4	49.7
SG&A(-)	<b>110.2</b>	451.8	150.2	104.3	100.3	97.0	405.5	△26.6	13.6
Net Operating Income	<b>142.0</b>	528.4	107.1	129.2	129.9	162.2	434.1	32.6	△12.5
Non-Operating Income	-	-	-	-	-	-	9.2	-	-
Earnings Before Income Taxes	<b>142.0</b>	528.4	107.1	129.2	129.9	162.2	443.3	32.6	△12.5
Income Tax Expenses(-)	<b>34.6</b>	130.1	27.2	30.5	32.5	39.9	109.8	27.2	△13.3
Net Income	<b>107.4</b>	398.3	79.9	98.7	97.4	122.3	333.5	34.4	△12.2
ROA	<b>1.03</b>	1.09	1.25	1.35	1.46	1.09	1.09	△0.06	△0.43
ROE	<b>13.84</b>	14.04	15.79	16.98	18.41	14.23	14.23	△0.20	△4.57

## 5. Net Interest Income

### □ Net Interest Income

(KRW bn)



(KRW bn, %)	1Q 2012	2011				2010	QoQ	YoY	
		4Q	3Q	2Q	1Q				
Net Interest Income	<b>257.6</b>	987.4	255.6	250.6	245.6	235.6	905.4	0.8	9.3
Interest Revenues	<b>485.0</b>	1,796.2	479.7	461.3	440.8	414.4	1,622.1	1.1	17.0
Interest on Loans	<b>402.3</b>	1,499.8	401.2	386.4	369.0	343.2	1,337.5	0.3	17.2
Interest on Securities	<b>71.4</b>	263.7	68.8	66.5	65.1	63.3	263.3	3.8	12.8
Others	<b>11.3</b>	32.7	9.7	8.4	6.7	7.9	21.3	16.5	43.0
Interest Expenses	<b>227.4</b>	808.8	224.1	210.7	195.2	178.8	716.7	1.5	27.2
Interest on Deposits	<b>164.3</b>	578.5	160.1	151.6	139.9	126.9	479.4	2.6	29.5
Interest on Debentures	<b>36.0</b>	135.5	35.8	34.2	33.0	32.5	140.8	0.6	10.8
Others	<b>27.1</b>	94.8	28.2	24.9	22.3	19.4	96.5	△3.9	39.7

## 6. NIM & NIS

	1Q 2012	2011				QoQ	YoY
		4Q	3Q	2Q	1Q		
(KRW bn,%,%p)							
<b>NIM(Quarterly)</b>	<b>2.84</b>	2.88	2.98	3.06	3.07	△0.04	△0.23
<b>NIS</b>	<b>3.56</b>	3.53	3.58	3.66	3.66	0.03	△0.10
Interest Rate on KRW Loans	<b>6.44</b>	6.39	6.40	6.37	6.26	0.05	0.18
Households	<b>5.84</b>	5.89	5.91	5.79	5.67	△0.05	0.17
Corporate	<b>6.15</b>	6.24	6.13	6.13	5.92	△0.09	0.23
Interest Rate paid on KRW Deposits	<b>2.88</b>	2.86	2.82	2.71	2.60	0.02	0.28
Average Interest Earning Assets	<b>33,116.4</b>	32,321.2	30,514.0	29,495.1	28,476.5	2.5	16.3
<b>NIM(Accumulated)</b>	<b>2.84</b>	2.99	3.03	3.06	3.07	△0.15	△0.23
<b>NIS</b>	<b>3.56</b>	3.61	3.63	3.67	3.66	△0.05	△0.10
Interest Rate on KRW Loans	<b>6.44</b>	6.36	6.34	6.32	6.26	0.08	0.18
Households	<b>5.84</b>	5.82	5.79	5.73	5.67	0.02	0.17
Corporate	<b>6.15</b>	6.11	6.07	6.03	5.92	0.04	0.23
Interest Rate paid on KRW Deposits	<b>2.88</b>	2.75	2.71	2.65	2.60	0.13	0.28
Average Interest Earning Assets	<b>33,116.4</b>	30,213.1	29,502.6	28,988.6	28,476.5	9.6	16.3

Note. Table on the top is based on quarterly numbers

Table on the bottom is based on accumulated numbers

## 7. Noninterest Income

### □ Noninterest Income Summary

	1Q 2012	2011					2010	QoQ	YoY
		4Q	3Q	2Q	1Q				
(KRW bn, %)									
Noninterest Income	<b>23.2</b>	118.7	24.5	22.2	29.3	42.7	94.1	△5.3	△45.7
Noninterest Revenues	<b>294.8</b>	1,184.3	241.7	438.8	274.0	229.8	1,137.1	22.0	28.3
Fee Income	<b>33.1</b>	133.1	33.6	32.9	33.4	33.2	135.8	△1.5	△0.3
Fees from Trust Acct.	<b>2.7</b>	10.5	2.4	2.8	2.6	2.7	12.5	12.5	0.0
Others <sup>1)</sup>	<b>259.0</b>	1,040.7	205.7	403.1	238.0	193.9	988.8	25.9	33.6
Noninterest Expenses	<b>271.6</b>	1,065.6	217.2	416.6	244.7	187.1	1,043.0	25.0	45.2
Commissions Paid	<b>12.8</b>	49.0	13.1	12.4	11.9	11.6	54.1	△2.3	10.3
Trust Acct. Losses	<b>0.0</b>	0.0	△0.4	0.1	0.3	0.0	0.0	-	-
Others <sup>2)</sup>	<b>258.8</b>	1,016.6	204.5	404.1	232.5	175.5	988.9	26.6	47.5

1) Gains on Securities (11.5), FX Trading and Derivatives (242.4)

2) Losses from Securities (0.3), FX Trading and Derivatives (230.0), Contribution to Guarantee Funds (11.7), Deposit Insurance Fee (8.2)

## 8. Provisioning

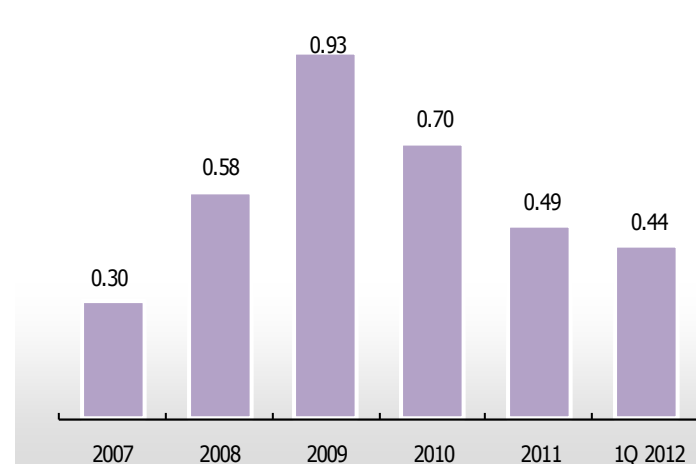
### □ Provision Expense

(KRW bn, %)	1Q 2012	2011					2010				
		4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Corporate	<b>23.5</b>	115.4	18.7	35.4	38.3	23.0	155.8	65.8	25.4	27.2	37.4
Household	<b>4.2</b>	1.5	1.5	1.4	1.3	△2.7	△0.3	1.3	1.0	2.0	△4.6
Credit Card	<b>1.2</b>	3.2	1.1	0.6	0.7	0.8	2.6	0.4	0.4	0.6	1.2
Others	<b>△0.3</b>	6.0	1.5	2.1	4.4	△2.0	1.7	1.1	5.0	△7.5	3.1
Trust Account	<b>0.0</b>	△0.2	0.0	△0.2	0	0	0	0	0	0	0
Total (A)	<b>28.6</b>	125.9	22.8	39.3	44.7	19.1	159.8	68.6	31.8	22.3	37.1
Total Credit (B)	<b>26,420.2</b>	25,868.1	25,868.1	25,360.1	24,323.6	23,581.3	22,740.2	22,740.2	22,240.9	21,657.4	20,550.3
Credit Cost (A/B)	<b>0.44</b>	0.49	0.35	0.61	0.74	0.33	0.70	1.20	0.57	0.41	0.73

### □ Provision Balance<sup>1)</sup>

(KRW bn)	1Q 2012	2011				4Q 2010
		4Q	3Q	2Q	1Q	
Corporate	<b>296.3</b>	283.6	290.9	257.6	276.5	274.2
Household	<b>23.7</b>	19.0	17.8	16.3	15.3	54.3
Credit Card	<b>10.1</b>	7.7	7.7	7.1	7.4	11.6
Trust	<b>0</b>	0	0	0	0	0
Total	<b>330.1</b>	310.3	316.4	281.0	299.2	340.1

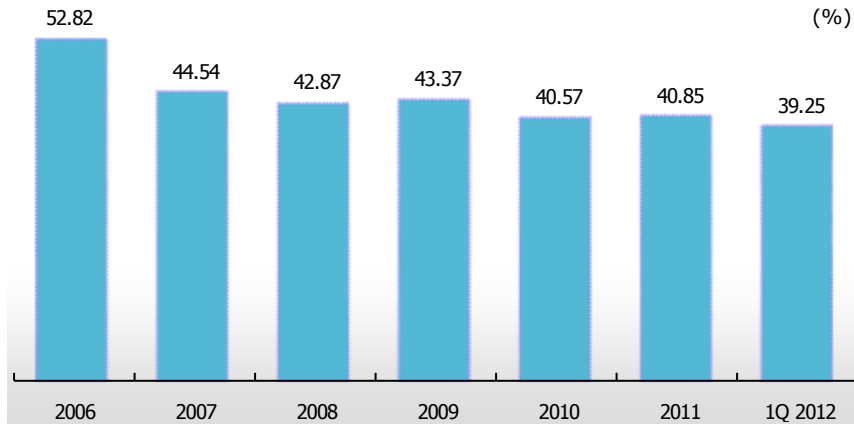
### □ Credit Cost



Note 1). Unused Credit Line Provisions of 12.5 and Other Provisions of 14.8 not included

## 9. SG&A

### □ CIR Records



### □ Summary

- Changes in SG&A
  - SG&A increased by 13.2 billion won, 13.6% YoY, due to additional retirement allowance, wages increase etc.
- Although accumulated CIR(39.25%) picked up by 4.40%p YoY, the bank's CIR has shown a downward trend since 2006.

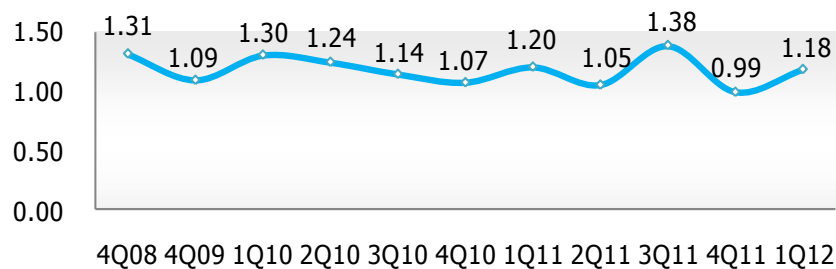
	1Q 2012		2011				2010	QoQ	YoY
			4Q	3Q	2Q	1Q			
(KRW bn, %, %p)									
Total SG&A	<b>110.2</b>	451.8	150.2	104.3	100.3	97.0	405.5	△26.6	13.6
Salaries and other expenses	<b>87.2</b>	356.6	108.9	85.3	82.3	80.1	330.3	△19.9	8.9
Depreciation	<b>12.3</b>	40.2	11.6	10.1	9.7	8.8	37.3	6.0	39.8
Taxes and dues	<b>3.6</b>	13.3	4.2	3.5	2.9	2.7	11.5	△14.3	33.3
Retirement Allowance	<b>7.1</b>	33.8	17.6	5.4	5.4	5.4	19.6	△59.7	31.5
Honorary Retirement	<b>0.0</b>	7.9	7.9	0.0	0.0	0.0	6.8	-	-
CIR(Cost Income Ratio)	<b>39.25</b>	40.85	53.62	38.23	36.49	34.85	40.57	△14.37	4.40



## 10. Asset Quality

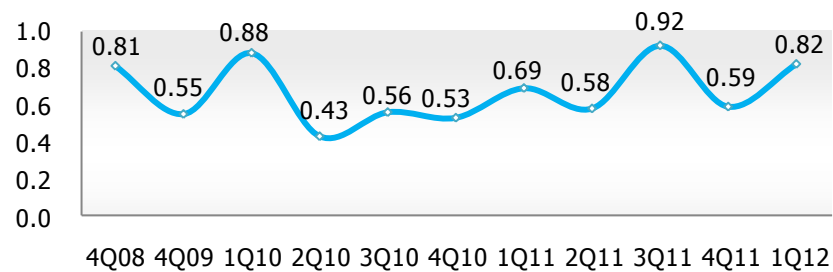
### □ SBL(NPL) Ratio

(%)



### □ Delinquency Ratio

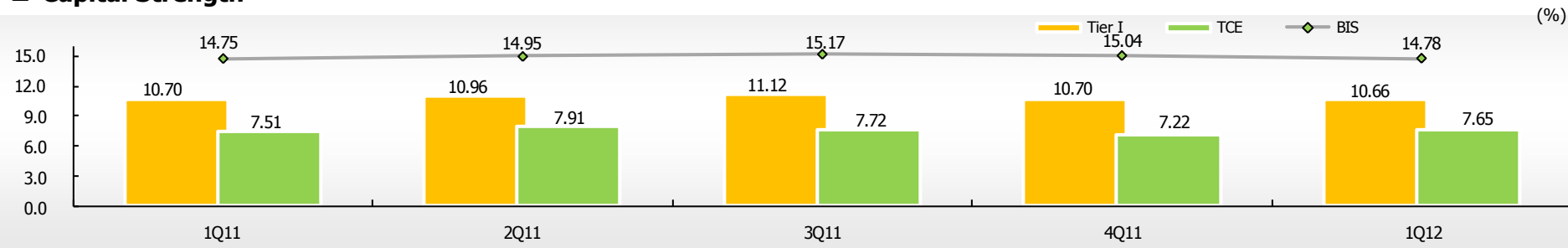
(%)



	1Q 2012	2011				4Q 2010	QoQ	YoY
		4Q	3Q	2Q	1Q			
(KRW bn, %, %p)								
Total Loans	<b>26,420.2</b>	25,868.1	25,360.1	24,323.6	23,581.3	22,740.2	2.1	12.0
Normal	<b>25,569.1</b>	25,100.0	24,478.1	23,569.4	22,723.0	21,929.6	1.9	12.5
Precautionary	<b>538.7</b>	511.4	530.9	498.2	574.2	566.6	5.3	△6.2
Substandard	<b>244.9</b>	212.1	281.9	224.8	250.5	220.6	15.5	△2.2
Doubtful	<b>26.1</b>	20.4	45.6	16.1	13.5	9.9	27.9	93.3
Expected loss	<b>41.4</b>	24.2	23.6	15.1	20.1	13.5	71.1	106.0
SBL(Substandard & Below Loans)	<b>312.4</b>	256.8	351.1	256.0	284.1	244.0	21.7	10.0
(SBL Ratio (%))	<b>(1.18)</b>	(0.99)	(1.38)	(1.05)	(1.20)	(1.07)	0.19	△0.02
(SBL Coverage Ratio)	<b>(135.78)</b>	(152.22)	(109.11)	(133.75)	(128.48)	(143.67)	△16.44	7.30
Loan Amount	<b>25,616.7</b>	25,091.4	24,619.5	23,598.9	22,918.4	22,095.1	2.1	11.8
Delinquent Amount	<b>210.0</b>	149.0	225.9	136.7	158.0	116.2	40.9	32.9
Delinquency Ratio	<b>0.82</b>	0.59	0.92	0.58	0.69	0.53	0.23	0.13

# 11. Capital Adequacy

## Capital Strength



	<sup>1)</sup> 1Q 2012	2011			
		4Q	3Q	2Q	1Q
(KRW bn, %, Basel II)					
<b>Total Risk Adjusted Capital</b>	<b>3,961.3</b>	3,953.1	3,931.0	3,718.3	3,620.9
Tier I Capital	<b>2,857.7</b>	2,811.2	2,881.6	2,726.9	2,629.8
Tier II Capital	<b>1,103.6</b>	1,141.9	1,049.4	991.4	991.1
<b>Total Risk Weighted Assets</b>	<b>26,809.7</b>	26,282.0	25,911.6	24,877.2	24,538.5
Credit Risk	<b>24,805.8</b>	24,321.1	23,878.6	22,798.0	22,375.2
Market Risk	<b>75.3</b>	49.9	123.7	195.8	282.9
Operational Risk	<b>1,928.6</b>	1,911.0	1,909.3	1,883.4	1,880.4
<b>BIS Capital Ratio</b>	<b>14.78</b>	15.04	15.17	14.95	14.75
Tier I	<b>10.66</b>	10.70	11.12	10.96	10.70
Tier II	<b>4.12</b>	4.34	4.05	3.99	4.05
<sup>2)</sup> Tangible Common Equity	<b>7.65</b>	7.22	7.72	7.91	7.51

1) Finalized numbers based on Basel II

2) TCE = (Total Shareholder's Equity – Intangible Assets) / (Total Assets- Intangible Assets)

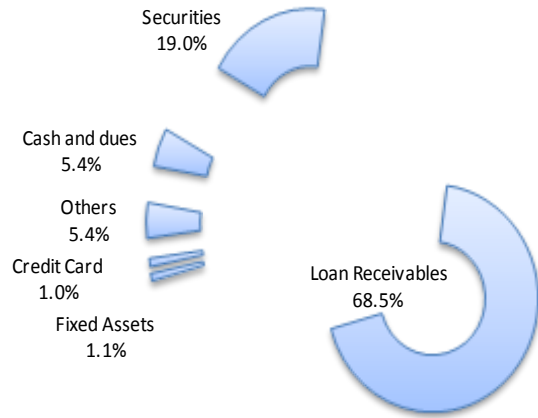
3) Basel III Core Tier I including RWA is 9.82% which exceeds the guideline of 9.5%

## *IV. Appendix (Bank)*

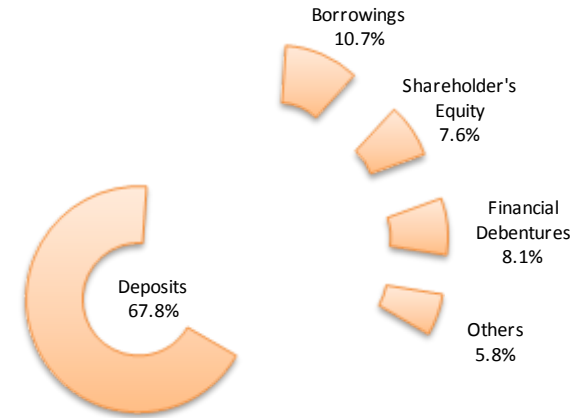
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# 1. B/S Summary

## Management



## Funding



	1Q 2012	2011				4Q 2010	QoQ	YoY
		4Q	3Q	2Q	1Q			
<small>(KRW bn, %, Balance)</small>								
<b>Assets</b>	<b>37,224.6</b>	37,988.7	36,083.3	34,561.7	35,130.9	34,726.1	△2.0	7.2
Cash and Dues	2,017.0	2,490.0	1,739.5	1,734.5	1,779.6	2,005.1	△19.0	0.6
Securities	7,074.6	7,010.4	6,543.7	6,420.7	6,357.9	6,231.3	0.9	13.5
Loans	25,484.4	24,883.0	24,327.0	23,329.9	22,744.9	21,668.0	2.4	17.6
Credit Card	378.8	383.2	383.1	390.6	379.2	411.3	△1.1	△7.9
Fixed Assets	426.3	453.0	427.4	410.7	393.4	389.6	△5.9	9.4
Other Assets	1,843.5	2,769.1	2,662.6	2,275.3	3,475.9	4,020.8	△33.4	△54.2
<b>Liability &amp; Shareholder's Equity</b>	<b>37,224.6</b>	37,988.7	36,083.3	34,561.7	35,130.9	34,726.1	△2.0	7.2
Deposits	25,226.7	25,024.2	23,431.5	23,060.1	22,013.3	21,490.0	0.8	17.4
Borrowings	3,982.8	4,315.7	3,931.2	3,344.5	3,644.4	3,746.6	△7.7	6.3
Financial Debentures	3,008.6	2,890.3	2,950.2	2,779.3	2,666.7	2,631.8	4.1	14.3
Other Liabilities	2,159.6	3,021.2	2,985.2	2,649.8	4,180.7	4,399.7	△28.5	△50.9
Shareholder's Equity	2,846.9	2,737.3	2,785.2	2,728.0	2,625.8	2,458.0	4.0	15.8

## 2. I/S Summary

(KRW bn,%)	1Q 2012	2011				2010	QoQ	YoY	
		4Q	3Q	2Q	1Q				
1. Operating Revenues	<b>779.8</b>	2,980.5	721.4	900.1	714.8	644.2	2,759.2	8.1	21.0
Interest Revenue	<b>485.0</b>	1,796.2	479.7	461.3	440.8	414.4	1,622.1	1.1	17.0
Fee & Commission Revenue	<b>33.1</b>	133.1	33.6	32.9	33.4	33.2	135.8	△1.5	△0.3
Trust Account	<b>2.7</b>	10.5	2.4	2.8	2.6	2.7	12.5	12.5	0.0
Others	<b>259.0</b>	1,040.7	205.7	403.1	238.0	193.9	988.8	25.9	33.6
2. Operating Expenses	<b>637.8</b>	2,452.1	614.3	770.9	584.9	482.0	2,325.1	3.8	32.3
Interest Expense	<b>227.4</b>	808.8	224.1	210.7	195.2	178.8	716.7	1.5	27.2
Fee & Commission Expense	<b>12.8</b>	49.0	13.1	12.4	11.9	11.6	54.1	△2.3	10.3
Trust Account	<b>0.0</b>	0.0	△0.4	0.1	0.3	0.0	0.0	-	-
Others	<b>258.8</b>	1,016.6	204.5	404.1	232.5	175.5	988.9	26.6	47.5
SG&A	<b>110.2</b>	451.8	150.2	104.3	100.3	97.0	405.5	△26.6	13.6
Provision Expense	<b>28.6</b>	125.9	22.8	39.3	44.7	19.1	159.8	25.4	49.7
3. Operating Income	<b>142.0</b>	528.4	107.1	129.2	129.9	162.2	434.1	32.6	△12.5
4. Non Operating Income	-	-	-	-	-	-	9.2	-	-
5. Earnings Before Income Taxes	<b>142.0</b>	528.4	107.1	129.2	129.9	162.2	443.3	32.6	△12.5
6. Income Taxes	<b>34.6</b>	130.1	27.2	30.5	32.5	39.9	109.8	27.2	△13.3
7. Net Income	<b>107.4</b>	398.3	79.9	98.7	97.4	122.3	333.5	34.4	△12.2

### 3. PPOP

	1Q 2012	2011				2010	QoQ	YoY	
		4Q	3Q	2Q	1Q				
(KRW bn, %)									
<b>PPOP</b>	<b>177.7</b>	688.1	147.5	174.0	180.0	186.6	622.7	20.5	△4.8
<b>Provision Expenses</b>	<b>35.7</b>	159.7	40.4	44.8	50.1	24.4	179.4	△11.6	46.3
Loans	<b>28.4</b>	119.7	21.6	37.1	40.2	20.8	154.2	31.5	36.5
Payment Guarantees	<b>0.5</b>	0.2	△0.3	0.2	-	0.3	3.9	-	66.7
Retirement Allowance	<b>7.1</b>	33.8	17.6	5.4	5.4	5.4	19.6	△59.7	31.5
Others	<b>△0.3</b>	6.0	1.5	2.1	4.5	△2.1	1.7	△120.0	△85.7
<b>Income Taxes</b>	<b>34.6</b>	130.1	27.2	30.5	32.5	39.9	109.8	27.2	△13.3
<b>Net Income</b>	<b>107.4</b>	398.3	79.9	98.7	97.4	122.3	333.5	34.4	△12.2

## 4. Securities Investment

(KRW bn, %, Balance)	1Q 2012					4Q 2011		1Q 2011	
	Total	Trading Securities	Investment Securities			QoQ	YoY		
			Total	A.F.S*	H.T.M*				
KRW Bonds	<b>6,452.6</b>	0	6,452.6	2,127.1	4,325.5	6,240.9	3.4	5,452.4	18.3
Government Bonds	<b>940.8</b>	0	940.8	213.5	727.3	920.3	2.2	832.0	13.1
Financial Debentures	<b>762.8</b>	0	762.8	460.5	302.3	913.1	△16.5	1,121.6	△32.0
Municipal Bonds	<b>918.8</b>	0	918.8	0	918.8	785.9	16.9	490.7	87.2
Govn't Corporate Bonds	<b>3,159.0</b>	0	3,159.0	843.0	2,316.0	2,936.1	7.6	2,459.9	28.4
Corporate Bonds	<b>671.2</b>	0	671.2	610.0	61.2	685.5	△2.1	548.2	22.4
Foreign Bonds	<b>52.7</b>	0	52.7	52.7	0	53.1	△0.8	31.9	65.2
Stock	<b>302.1</b>	0	302.1	302.1	0	299.2	1.0	458.8	△34.2
Mutual Funds	<b>209.1</b>	9.1	200.0	200.0	0	359.0	△41.8	385.8	△45.8
Bonds	-	0	-	0	0	150.0	-	50.0	-
Stocks	<b>66.6</b>	0	66.6	66.6	0	59.7	11.6	140.8	△52.7
MMF	<b>9.1</b>	9.1	-	0	0	8.6	5.8	11.4	△20.2
Others	<b>133.4</b>	0	133.4	133.4	0	140.7	△5.2	183.6	△27.3
Others	<b>58.1</b>	0	58.1	8.1	50.0	58.2	△0.2	29.0	100.3
<b>Total</b>	<b>7,074.6</b>	9.1	7,065.5	2,690.0	4,375.5	7,010.4	0.9	6,357.9	11.3

## 5. Deposits / Loans Breakdown

### ☐ Deposits

(KRW bn, %, Balance)	1Q 2012	2011				4Q 2010	QoQ	YoY
		4Q	3Q	2Q	1Q			
KRW Deposits	<b>24,419.3</b>	23,914.5	22,413.4	21,425.3	20,730.2	20,218.3	2.1	17.8
Demand	<b>2,037.8</b>	1,951.7	1,798.2	1,966.9	1,952.1	1,816.3	4.4	4.4
Savings	<b>22,345.3</b>	21,923.9	20,570.3	19,410.4	18,721.4	18,337.5	1.9	19.4
Installment	<b>36.2</b>	38.9	44.9	48.0	56.7	64.5	△6.9	△36.2
CD	<b>547.3</b>	852.0	770.4	1,368.1	1,035.5	1,063.1	△35.8	△47.1
Bills Sold	<b>67.4</b>	63.5	60.7	53.9	45.4	40.0	6.1	48.5
R P	<b>565.5</b>	701.4	696.1	499.7	498.8	488.9	△19.4	13.4
Financial Debenture	<b>2,049.3</b>	2,009.4	2,039.4	1,889.5	1,759.6	1,964.6	2.0	16.5
Trust Account	<b>2,369.9</b>	2,221.4	2,105.5	1,975.7	1,967.8	1,855.1	6.7	20.4
Total Deposits	<b>30,018.7</b>	29,762.2	28,085.6	27,212.2	26,037.3	25,630.0	0.9	15.3

### ☐ Loans

(KRW bn, %, Balance)	1Q 2012	2011				4Q 2010	QoQ	YoY
		4Q	3Q	2Q	1Q			
KRW Loans	<b>23,664.0</b>	22,866.5	22,380.0	21,582.2	20,887.0	20,018.3	3.5	13.3
Corporate	<b>17,108.1</b>	16,428.0	16,185.5	15,692.5	15,265.1	14,450.3	4.1	12.1
(SME)	<b>15,742.5</b>	15,231.6	14,913.1	14,442.7	14,121.0	13,618.1	3.4	11.5
(Large Corps)	<b>1,365.6</b>	1,196.4	1,272.4	1,249.8	1,144.1	832.2	14.1	19.4
Household	<b>5,636.7</b>	5,541.0	5,331.8	5,021.6	4,811.5	4,753.7	1.7	17.2
Public	<b>919.2</b>	897.5	862.7	868.1	810.4	814.0	2.4	13.4
Foreign Currency Loans	<b>949.4</b>	1,044.3	1,081.3	989.3	1,059.3	1,122.3	△9.1	△10.4
Trust Account	<b>19.4</b>	23.1	21.2	19.4	19.2	18.9	△16.0	1.0
Others	<b>1,316.9</b>	1,369.8	1,334.4	1,243.6	1,138.7	1,067.4	△3.9	15.6
Total Loans	<b>25,949.7</b>	25,303.7	24,816.9	23,834.5	23,104.2	22,226.6	2.6	12.3

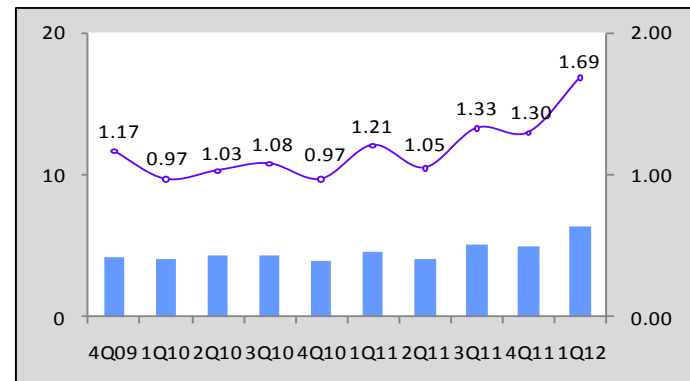
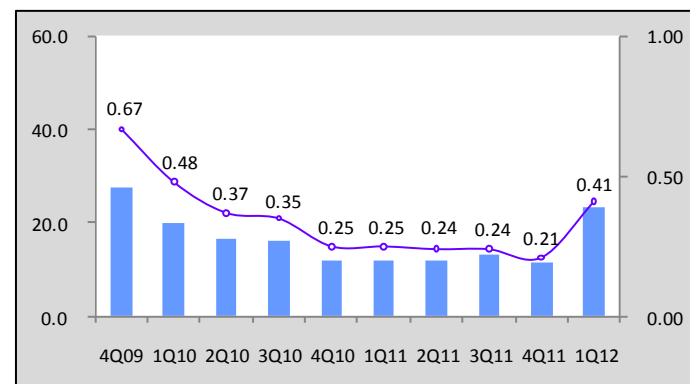
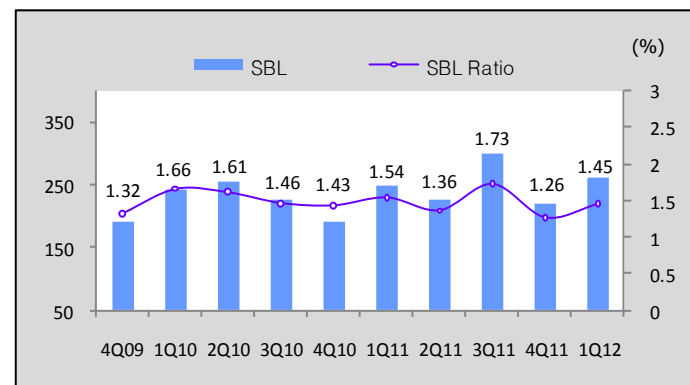


## 6. Corporate Loan Portfolio

(KRW bn, %, Balance)	1Q 2012			4Q 2011		1Q 2011	
	Amount	Ratio	QoQ	Amount	Ratio	Amount	Ratio
<b>Manufacturing Sectors</b>	<b>7,908.6</b>	<b>43.9</b>	<b>3.8</b>	7,619.9	44.0	7,325.9	45.6
Steel Metal Products	2,438.0	13.5	1.3	2,407.4	13.9	2,327.2	14.5
Automobile Parts	1,764.4	9.8	5.5	1,672.5	9.7	1,626.9	10.1
Machinery	976.0	5.4	2.5	952.2	5.5	952.2	5.9
Petroleum, Rubber, etc.	920.3	5.1	6.5	864.4	5.0	757.5	4.7
Fabric	242.6	1.3	△0.3	243.4	1.4	274.3	1.7
Garment & Shoes	213.2	1.2	10.4	193.1	1.1	179.5	1.1
Kitchen Units	240.2	1.3	6.7	225.2	1.3	220.4	1.4
Electronics	465.7	2.6	3.4	450.3	2.6	395.3	2.5
Paper, Paper Mills	74.4	0.4	8.3	68.7	0.4	102.6	0.6
Others	573.8	3.2	5.7	542.7	3.1	490.0	3.0
<b>Non-Manufacturing</b>	<b>10,118.7</b>	<b>56.1</b>	<b>4.3</b>	9,705.6	56.0	8,749.6	54.4
Wholesale & Retail	1,968.3	10.9	1.6	1,936.9	11.2	1,830.6	11.4
Public	298.8	1.7	7.4	278.3	1.6	194.5	1.2
Construction & Engineering	1,361.6	7.6	19.3	1,140.9	6.6	884.4	5.5
Real Estate & Lease	2,474.8	13.7	7.2	2,309.6	13.3	1,779.3	11.1
Insurance & Financing	593.2	3.3	△12.7	679.3	3.9	831.3	5.2
Transportation	1,182.3	6.6	1.7	1,163.1	6.7	1,113.9	6.9
Hotel & Food	385.4	2.1	0.5	383.5	2.2	368.5	2.3
Others	1,854.3	10.3	2.2	1,814.0	10.5	1,747.1	10.9
<b>Total</b>	<b>18,027.3</b>	<b>100.0</b>	<b>4.1</b>	17,325.5	100.0	16,075.5	100.0

# 7. Asset Quality

		1Q 2012	2011				4Q 2010
			4Q	3Q	2Q	1Q	
<b>SME</b>							
	Normal	17,231.9	16,795.5	16,424.8	15,929.9	15,446.2	15,022.8
	Precautionary	476.3	453.2	472.5	422.5	515.3	508.7
	Substandard	212.8	190.4	258.6	202.0	223.8	208.6
	Doubtful	19.6	14.1	19.2	11.1	8.6	5.3
	Expected Loss	27.4	15.5	20.3	12.7	17.3	11.1
	<b>Total</b>	<b>17,968.0</b>	<b>17,468.7</b>	<b>17,195.4</b>	<b>16,578.2</b>	<b>16,211.1</b>	<b>15,756.5</b>
<b>Household</b>							
	Normal	5,609.8	5,536.0	5,323.8	4,998.9	4,787.5	4,731.2
	Precautionary	35.8	31.1	31.3	31.5	32.6	30.8
	Substandard	15.2	7.5	9.0	8.6	8.7	8.8
	Doubtful	4.0	3.1	2.6	2.2	1.8	2.0
	Expected Loss	4.1	1.0	1.5	1.1	1.4	1.2
	<b>Total</b>	<b>5,668.9</b>	<b>5,578.7</b>	<b>5,368.2</b>	<b>5,042.3</b>	<b>4,832.1</b>	<b>4,774.0</b>
<b>Credit Card</b>							
	Normal	364.4	372.1	372.1	381.3	369.2	401.5
	Precautionary	8.0	6.1	5.9	5.2	5.5	5.8
	Substandard	0.2	0.2	0.2	0.2	0.2	0.2
	Doubtful	2.5	3.2	3.1	2.7	3.0	2.6
	Expected Loss	3.7	1.6	1.8	1.2	1.4	1.2
	<b>Total</b>	<b>378.8</b>	<b>383.2</b>	<b>383.1</b>	<b>390.6</b>	<b>379.2</b>	<b>411.3</b>



## 8. Delinquency Ratio/Write-Offs & NPL Sales

(KRW bn, %)		1Q 2012	2011				2010			
			4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
<b>Total Delinquency Ratio</b>		<b>0.82</b>	0.59	0.92	0.58	0.69	0.53	0.56	0.43	0.88
Overdue Amount	<b>210.0</b>	149.0	225.9	136.7	158.0	116.2	121.7	91.2	174.9	
Loan Amount	<b>25,616.7</b>	25,091.4	24,619.5	23,598.9	22,918.4	22,095.1	21,589.5	20,982.9	19,925.2	
<b>SMEs</b>		<b>1.00</b>	0.69	1.17	0.75	0.89	0.65	0.65	0.45	1.04
Overdue Amount	<b>171.7</b>	115.9	194.1	119.2	139.4	99.1	97.7	66.2	146.4	
Loan Amount	<b>17,246.3</b>	16,853.6	16,590.3	15,959.7	15,644.9	15,189.6	15,071.4	14,564.4	14,071.8	
<b>Households</b>		<b>0.52</b>	0.25	0.24	0.24	0.23	0.21	0.36	0.40	0.50
Overdue Amount	<b>29.4</b>	14.2	12.8	12.3	11.3	10.2	16.6	18.0	21.0	
Loan Amount	<b>5,656.1</b>	5,564.0	5,352.9	5,041.0	4,830.6	4,772.5	4,619.9	4,517.1	4,175.6	
<b>Credit Card</b>		<b>2.36</b>	1.59	1.61	1.31	1.46	1.26	1.25	1.13	1.16
Overdue Amount	<b>8.9</b>	6.1	6.1	5.1	5.5	5.2	5.1	4.9	4.9	
Loan Amount	<b>378.8</b>	383.2	383.1	390.5	379.2	411.3	407.2	428.4	423.4	
<b>Total Write-Offs</b>		<b>8.1</b>	34.6	12.5	57.5	8.1	67.5	28.5	22.1	10.0
Corporate	<b>8.0</b>	30.6	10.1	53.8	5.5	63.5	24.9	18.7	5.2	
Household	<b>0.1</b>	1.4	0.9	1.1	0.9	2.0	1.6	1.5	2.5	
Credit Card	<b>0.0</b>	2.6	1.5	2.6	1.7	2.0	2.0	1.9	2.3	
<b>Total NPL Sales</b>		<b>0.0</b>	92.9	0.0	69.9	0.0	29.8	33.3	125.6	54.7
<b>(NPL Sales for SBL Loans)</b>		<b>(0.0)</b>	(90.6)	(0.0)	(60.9)	(0.0)	(21.7)	(11.9)	(84.9)	(33.2)
Corporate	<b>0.0</b>	92.9	0.0	69.8	0.0	27.5	32.3	120.9	50.6	
Household	<b>0.0</b>	0.0	0.0	0.0	0.0	2.1	0.7	4.2	3.9	
Credit Card	<b>0.0</b>	0.0	0.0	0.1	0.0	0.2	0.3	0.5	0.2	

## 9. SME Industry/Collateral Delinquency Ratio

### □ Delinquency Ratio by Industry

(KRW bn, %, Balance)	1Q 2012		4Q 2011		1Q 2011	
	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio
Manufacturing Sector	<b>8,189.1</b>	<b>1.39</b>	7,961.3	0.96	7,728.9	1.06
Non-Manufacturing Sector	<b>9,057.2</b>	<b>0.64</b>	8,892.3	0.44	7,915.9	0.73
Wholesale and Retail	<b>2,193.8</b>	<b>0.38</b>	2,163.8	0.31	2,071.4	0.58
Public & others	<b>0.2</b>	-	0.2	-	0.1	-
Construction	<b>1,070.3</b>	<b>0.32</b>	1,047.6	0.16	842.0	0.34
Real Estate & Lease	<b>2,458.5</b>	<b>0.33</b>	2,297.5	0.18	1,764.6	0.65
Finance and Insurance	<b>283.5</b>	-	341.7	-	283.8	7.38
Transportation & Communications	<b>1,152.8</b>	<b>1.87</b>	1,147.4	1.53	1,126.8	0.20
Hotel & Food	<b>390.9</b>	<b>0.87</b>	389.4	0.51	374.6	0.39
Others	<b>1,507.2</b>	<b>0.88</b>	1,504.7	0.49	1,452.6	0.46
Total	<b>17,246.3</b>	<b>1.00</b>	16,853.6	0.69	15,644.9	0.89

### □ Delinquency Ratio by Types of Collateral

(KRW bn, %, Balance)	Total	Real Estate	Movable	Deposit	Guarantee	Unsecured
<b>1Q 2012</b>	<b>1.00</b>	<b>1.62</b>	<b>0.12</b>	<b>0.02</b>	<b>0.41</b>	<b>0.57</b>
<b>Amount</b>	<b>(17,246.3)</b>	<b>(7,478.1)</b>	<b>(85.7)</b>	<b>(431.9)</b>	<b>(1,571.1)</b>	<b>(7,679.5)</b>
4Q 2011	0.69	1.09	0.36	0.02	0.37	0.40
Amount	(16,853.6)	(7,286.1)	(111.5)	(422.9)	(1,408.1)	(7,625.0)
1Q 2011	0.89	1.29	0.25	0.00	0.33	0.69
Amount	(15,644.9)	(6,792.5)	(90.0)	(465.8)	(1,476.0)	(6,820.5)
4Q 2010	0.65	0.97	0.19	1.53	0.61	0.30
Amount	(15,189.6)	(6,510.0)	(108.0)	(449.7)	(1,438.5)	(6,683.4)

## 10. Household Loans

	1Q 2012	2011				4Q 2010	QoQ	YoY
		4Q	3Q	2Q	1Q			
(KRW bn, %, %p, Balance)								
Household Loans – Retail (KRW)	<b>5,636.7</b>	5,541.0	5,331.8	5,021.6	4,811.5	4,753.7	1.7	17.2
Total Secured Loans	<b>5,197.7</b>	4,957.0	4,616.9	4,347.5	4,179.6	4,141.0	4.9	24.4
Mortgage / Home Equity	<b>2,732.4</b>	2,768.1	2,709.6	2,666.7	2,618.3	2,603.7	△1.3	4.4
(Avg. LTV)	<b>(49.39)</b>	(43.24)	(40.65)	(43.08)	(44.36)	(45.34)	6.15	5.03
Others	<b>1,273.7</b>	1,238.8	1,099.2	1,061.9	1,031.6	1,055.8	2.8	23.5
Group Loans	<b>1,052.2</b>	805.9	670.4	491.7	412.4	361.4	30.6	155.1
Government Pension Backed	<b>139.4</b>	144.2	137.7	127.2	117.3	120.1	△3.3	18.8
Non-Collateralized	<b>439.0</b>	584.0	714.9	674.1	631.9	612.7	△24.8	△30.5
Government Workers	<b>106.4</b>	111.6	112.0	91.2	90.1	92.5	△4.7	18.1
Large Corp. Employees	<b>57.5</b>	59.3	60.1	48.5	45.8	45.8	△3.0	25.5
Student Loans	<b>0.7</b>	0.9	1.1	1.4	1.7	2.1	△22.2	△58.8
Clean Credit	<b>300.3</b>	274.4	274.4	274.0	274.9	280.5	9.4	9.2
Others	<b>△25.9</b>	137.8	267.3	259.0	219.4	191.8	△118.8	△111.8

## 11. Credit Card Business

### □ Asset Portfolio, Balance Sheet Summary & Source of Income

(KRW bn)

Portfolio	1Q 2012	2011				2010			
		4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	<b>946.3</b>	920.8	898.3	878.0	836.6	834.5	805.9	820.9	811.7
Lump-sum	<b>787.4</b>	760.8	756.8	711.5	699.2	685.5	673.7	629.9	620.1
Installment	<b>158.9</b>	160.0	141.5	166.5	137.4	149.0	132.2	191.0	191.6
Cash Advance	<b>103.0</b>	110.3	108.6	110.6	111.8	119.2	119.2	123.4	123.1
<b>Total</b>	<b>1,049.3</b>	1,031.1	1,006.9	988.6	948.4	953.7	925.1	944.3	934.8
Balance	1Q 2012	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	<b>324.2</b>	326.1	326.1	333.3	321.1	350.6	346.3	364.9	359.0
Cash Advance	<b>53.4</b>	56.0	55.9	56.2	57.0	59.5	59.5	62.1	62.9
Re-aged Loans	<b>1.2</b>	1.1	1.1	1.1	1.2	1.1	1.4	1.4	1.5
<b>Total</b>	<b>378.8</b>	383.2	383.1	390.6	379.3	411.2	407.2	428.4	423.4
Income(Fees)	1Q 2012	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	<b>21.0</b>	19.1	18.5	18.9	19.1	19.2	18.4	20.6	20.8
Cash Advance	<b>3.2</b>	3.4	3.4	3.6	3.5	3.8	4.1	4.5	4.4
Re-aged Loans	<b>0</b>	0	0	0	0	0	0	0	0
Others	<b>0.6</b>	0.9	0.9	1.0	0.9	0.9	0.9	0.9	0.8
<b>Total</b>	<b>24.8</b>	23.4	22.8	23.5	23.6	23.9	23.4	26.0	26.0

## *V. Appendix (Non Bank)*

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# 1. B/S Summary

## □ BS Securities

(KRW bn, %, Balance)	4Q11	3Q11	QoQ
<b>Assets</b>	<b>745.2</b>	507.2	46.9
Cash and Dues	<b>213.4</b>	75.0	184.5
Securities	<b>448.3</b>	330.9	35.5
Loans	<b>26.4</b>	26.1	1.1
Fixed Assets	<b>5.3</b>	4.7	12.8
Other Assets	<b>51.8</b>	70.5	△26.5
<b>Liability &amp; Shareholder's Equity</b>	<b>745.2</b>	507.2	46.9
Deposits	<b>91.2</b>	77.6	17.5
Borrowings	<b>497.1</b>	263.5	88.7
Other Liabilities	<b>45.7</b>	57.0	△19.8
Shareholder's Equity	<b>111.2</b>	109.1	1.9

## □ BS MSB

(KRW bn, %, Balance)	1Q12	Start	QoQ
<b>Total Assets</b>	<b>671.5</b>	872.5	△23.0
<b>Total Deposits</b>	<b>518.7</b>	841.9	△38.4
KRW Deposits	<b>518.7</b>	841.9	△38.4
Others	-	-	-
<b>Total Credits</b>	<b>478.0</b>	414.7	15.3
Total Loans	<b>478.0</b>	414.7	15.3
KRW Loans	<b>459.4</b>	406.9	12.9
Others	<b>18.6</b>	7.8	138.5
Guarantees	-	-	-
<b>Total Securities</b>	<b>13.5</b>	7.6	77.6
<b>Shareholder's Equity</b>	<b>114.6</b>	8.0	1,332.5

## □ BS Capital

(KRW bn, %, Balance)	1Q12	4Q11	QoQ
<b>Assets</b>	<b>1,096.7</b>	918.1	19.5
Cash and Dues	<b>23.2</b>	27.4	△15.3
Securities	<b>0.0</b>	0.01	-
Loans	<b>460.8</b>	426.6	8.0
Durables Installment Financing Assets	<b>235.3</b>	134.4	75.1
Leased Assets	<b>350.8</b>	308.2	13.8
Fixed Assets	<b>3.1</b>	2.0	55.0
Other Assets	<b>23.5</b>	19.5	20.5
<b>Liability &amp; Shareholder's Equity</b>	<b>1,096.7</b>	918.1	19.5
Borrowings	<b>889.0</b>	729.4	21.9
Other Liabilities	<b>95.2</b>	80.8	17.8
Shareholder's Equity	<b>112.5</b>	107.9	4.3

## □ BS Credit Information

(KRW bn, %, Balance)	1Q12	4Q11	QoQ
<b>Assets</b>	<b>5.4</b>	5.2	3.8
Cash and Dues	<b>4.6</b>	4.7	△2.1
Securities	<b>0.0</b>	0.0	-
Fixed Assets	<b>0.1</b>	0.1	-
Other Assets	<b>0.7</b>	0.4	75.0
<b>Liability &amp; Shareholder's Equity</b>	<b>5.4</b>	5.2	3.8
Other Liabilities	<b>0.3</b>	0.2	50.0
Shareholder's Equity	<b>5.1</b>	5.0	2.0



## 2. I/S Summary

	BS Securities		BS Capital		BS MSB	BS Credit Information	
	4Q11	QoQ	1Q12	QoQ	1Q12	1Q12	QoQ
(KRW bn,%)							
<b>Operating Revenue</b>	<b>19.9</b>	34.5	<b>30.9</b>	19.8	<b>21.9</b>	<b>0.58</b>	△12.1
Interest Revenue	<b>4.9</b>	113.0	<b>27.6</b>	11.7	<b>21.3</b>	<b>0.04</b>	△20.0
Fee & Commission Revenue	<b>5.5</b>	22.2	<b>3.3</b>	200.0	<b>0.3</b>	<b>0.54</b>	△11.5
Others	<b>9.5</b>	18.8	-	-	<b>0.3</b>	-	-
<b>Operating Expense</b>	<b>18.4</b>	42.6	<b>24.9</b>	20.9	<b>21.9</b>	<b>0.43</b>	△8.5
Interest Expense	<b>2.5</b>	150.0	<b>10.6</b>	19.1	<b>7.8</b>	-	-
Fee & Commission Expense	<b>2.0</b>	100.0	<b>0.7</b>	250.0	<b>0.1</b>	-	-
Others	<b>6.9</b>	50.0	<b>0.2</b>	△88.2	<b>0.9</b>	-	-
SG&A	<b>7.0</b>	11.1	<b>5.0</b>	47.1	<b>3.7</b>	<b>0.43</b>	△8.5
Provision Expense	<b>0.0</b>	-	<b>8.4</b>	31.3	<b>9.4</b>	-	-
<b>Earnings Before Income Tax</b>	<b>1.5</b>	△21.1	<b>6.0</b>	15.4	<b>0.0</b>	<b>0.15</b>	△21.1
<b>Income Tax Expenses</b>	<b>0.5</b>	0.0	<b>1.3</b>	△7.1	<b>0.0</b>	<b>0.03</b>	△25.0
<b>Net Income</b>	<b>1.0</b>	△28.6	<b>4.7</b>	23.7	<b>0.0</b>	<b>0.12</b>	△20.0

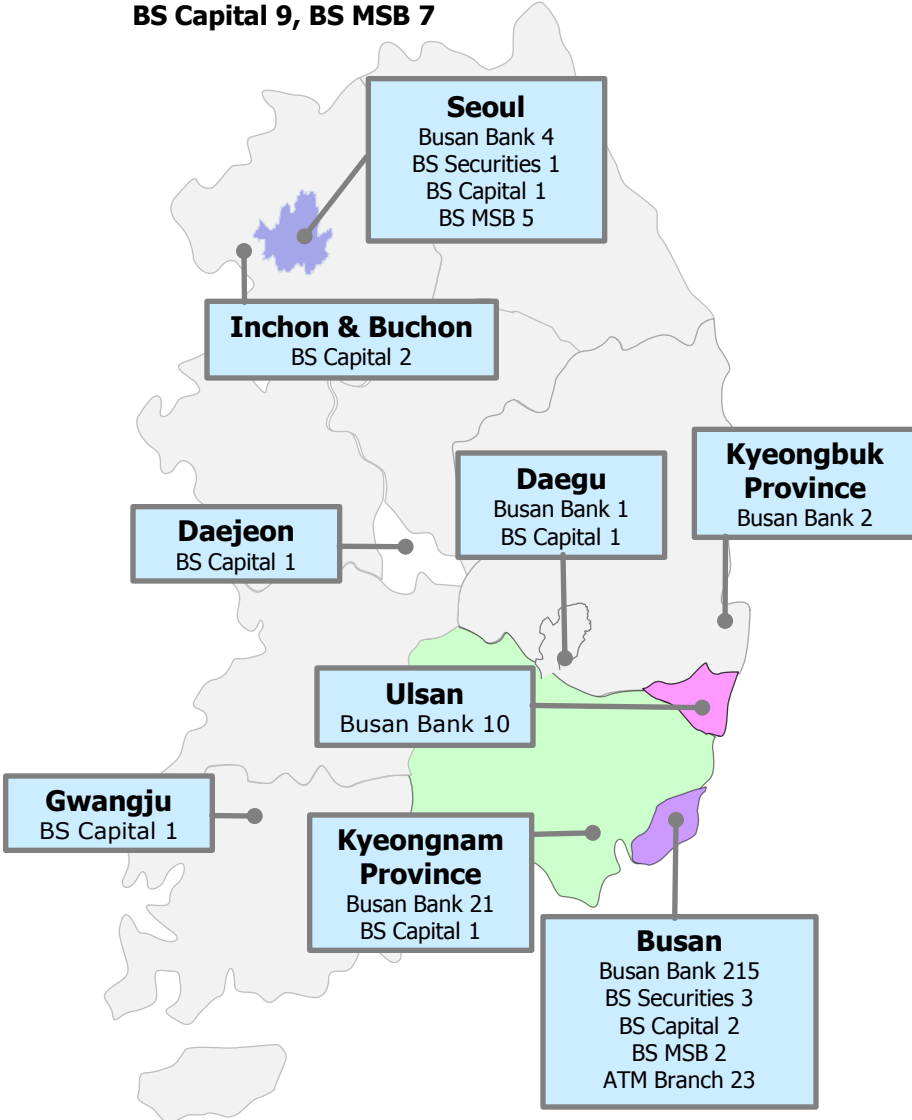
### 3. BS Capital Portfolio

(KRW bn, %, Balance)	1Q12	Ratio	QoQ	4Q11	3Q11
<b>Total</b>	<b>1,041.2</b>	100.0	20.8	<b>862.0</b>	<b>609.0</b>
<b>Loans</b>	<b>405.2</b>	38.9	9.8	<b>369.2</b>	<b>253.3</b>
Household	155.6	14.9	10.7	140.5	112.1
Corporate	249.6	24.0	9.1	228.7	141.2
<b>Auto Financing</b>	<b>293.4</b>	28.2	52.0	<b>193.0</b>	<b>107.2</b>
Commercial Vehicle	175.8	16.9	55.9	112.8	64.1
Passenger Vehicle	117.6	11.3	46.6	80.2	43.1
<b>Lease/Installments</b>	<b>342.6</b>	32.9	14.3	<b>299.8</b>	<b>248.5</b>
Machine Tools	133.1	12.8	12.9	117.9	101.8
Medical Instruments	132.5	12.7	12.1	118.2	96.5
Others	77.0	7.4	20.9	63.7	50.2

## 4. Group Networks & Greater Busan Industries

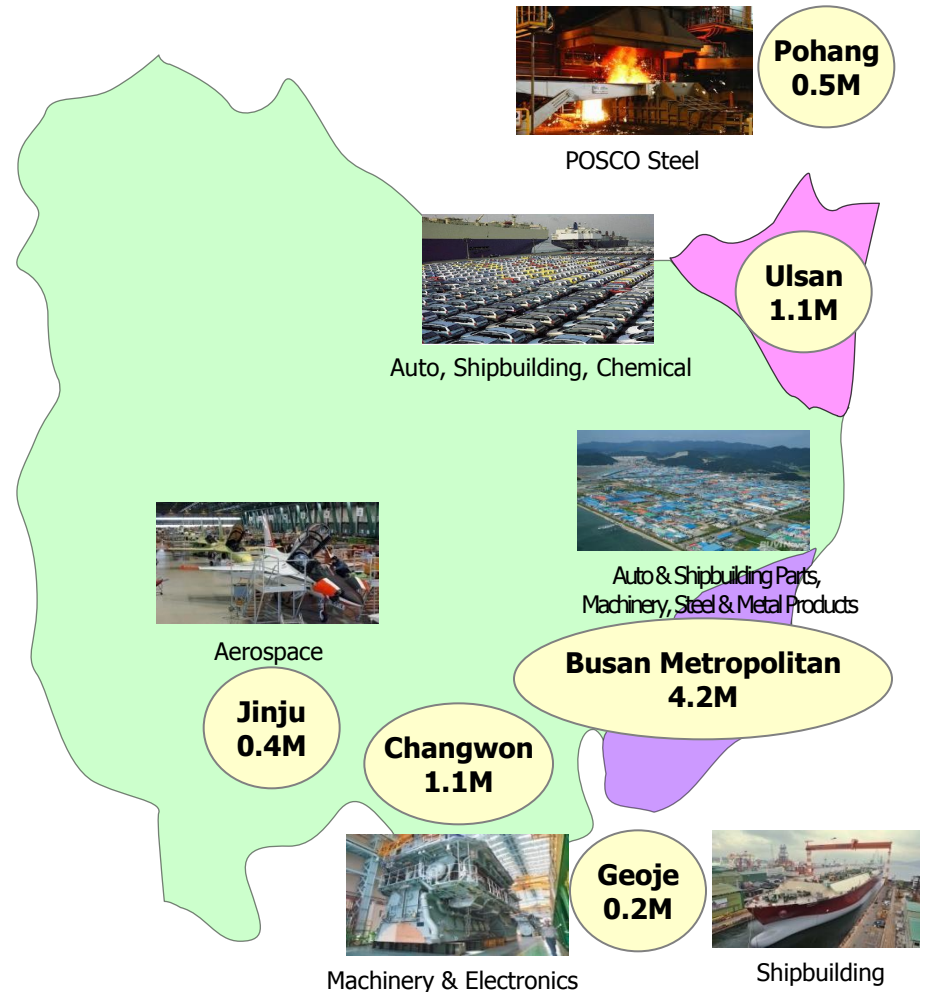
### ❑ Networks across Korea

- Busan Bank 253, BS Securities 4, BS Capital 9, BS MSB 7



### ❑ Greater Busan

- Hub for the Southeastern Conurbation (7.5M, 15.4% of Total Population), making up 17.5% of GDP & Population



## 5. Busan Economy – At a Glance

### □ Overview & Outlook

- Higher production levels, increased exports, employment & price stabilization etc. has decelerated the process of business slowdown, even with the existing domestic & global uncertainties

### □ Recent Developments<sup>1)</sup>

Indicators	12.02	<sup>2)</sup> Change(YoY)	12.01	11.12	Details
<sup>3)</sup> Composite Leading Index*	<b>128.1</b>	<b>0.1%</b> ↑	128.0	122.8	2 Consecutive months of increase. Even considering the Europe Crisis & Rising Global Gas Price, February's Export & Employment is showing improvements
Industrial Production (2005=100)	<b>126.9</b>	<b>18.5%</b> ↑	127.7	129.7	2 Consecutive months of increase, also including increased number of days operated & strong main sector exports leading to a large increase YoY
Unemployment Rate(%) (Based on March, Feb. & Jan 2012)	<b>3.9</b>	<b>△0.4%</b> ↓	4.6	3.8	2 Consecutive months of employment rate increase maintaining a low unemployment rate
Consumer Prices (Based on March, Feb. & Jan 2012)	<b>106.6</b>	<b>2.8 %</b> ↑	106.8	106.2	Even with the rise in gas & agricultural/livestock/marine product prices, consumer prices have been on the slowdown due to personal service prices lowering overall
Export (USD mn)	<b>1,196</b>	<b>24.5 %</b> ↑	943	1,371	Upswing in exports including Autos/Steel etc. In terms of export destination, other than China, France(87.9% ↑ YoY), US(75.9% ↑ YoY) is showing growth in overall exports
Sales at Large Retailers (KRW bn)	<b>4,237</b>	<b>3.7 %</b> ↑	5,198	452	February sales has seen a decrease after the Lunar New Year's Day effect in January; however, sales have seen a continued upward trend YoY
SMEs Operation Ratio (%)	<b>89.6</b>	<b>△0.1 %</b> ↓	90.3	90.3	Particularly active in auto parts(100%), shipbuilding components(99.7%) & machinery(98.8%); Average Nationwide Operating Ratio at 70.9%
House Prices (2011.6=100) (Based on March, Feb. & Jan 2012)	<b>106.2</b>	<b>11.9 %</b> ↑	105.9	102.6	Housing Purchase Price Composite Index still on the rise, February unsold apartment units at 3,970 and maintaining unsold apartment units under 4,000 since December 2010
Container Handling (1,000 TEU)	<b>1,242</b>	<b>13.8 %</b> ↑	1,359	1,370	Increased number of days operated & volumes of transshipment cargo, increased import volumes etc. have been a positive effect on maintaining strong container traffic volumes

Note.

1) Data from Busan Economic Promotion Agency's April release of Economic Trend in Busan

2) Monthly comparison for Composite Leading Index, all others YoY comparison

3) Housing Construction Permit, Net Capital Good Import, Capital Goods Expenditure, Net Barter Terms of Trade, Shipment Index of Intermediate Materials, KOSPI, CSI, CAPEX