

# 2Q 2012 BS Financial Group Financial Results

(August 1, 2012)

# Contents

## I. 2Q 2012 Group Results

1.	Earnings Highlights	3
2.	I/S Summary	4
3.	B/S Summary / Asset Quality / Capital Adequacy	6
4.	Profitability / Dividend Payout	7
5.	Group Structure	8

## II. 2Q 2012 Bank Results

1.	Earnings Highlights	10
2.	Assets & Deposits	11
3.	Low-Cost Deposits	12
4.	Earning Results	13
5.	Net Interest Income	14
6.	NIM & NIS	15
7.	Noninterest Income	16
8.	Provisioning	17
9.	SG&A	18
10.	Asset Quality	19
11.	Capital Adequacy	20

## III. Appendix (Bank)

1.	B/S Summary	22
2.	I/S Summary	23
3.	PPOP	24
4.	Securities	25
5.	Deposits / Loans Breakdown	26
6.	Corporate Loan Portfolio	27
7.	Asset Quality	28
8.	Delinquency / Write-Offs and NPL Sales	29
9.	SME Industry / Collateral Delinquency Ratio	30
10.	Household Loans	31
11.	Credit Card Business	32

## IV. Appendix (Non Bank)

1.	B/S Summary / I/S Summary	34
2.	BS Capital Portfolio	39
3.	Group Networks & Major Industries	40
4.	Busan Economy – At a Glance	41

### 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 are based on K-GAAP with unconsolidated financial statements

• Fiscal Year End for BS Securities is March 31 , for BS MSB, the Fiscal Year End is June 30

# *I. 2Q 2012 Group Results*

<b>1.</b>	<b>Earnings Highlights</b>	<b>3</b>
<b>2.</b>	<b>I/S Summary</b>	<b>4</b>
<b>3.</b>	<b>B/S Summary / Asset Quality / Capital Adequacy</b>	<b>6</b>
<b>4.</b>	<b>Profitability / Dividend Payout</b>	<b>7</b>
<b>5.</b>	<b>Group Structure</b>	<b>8</b>

# 1. Earnings Highlights

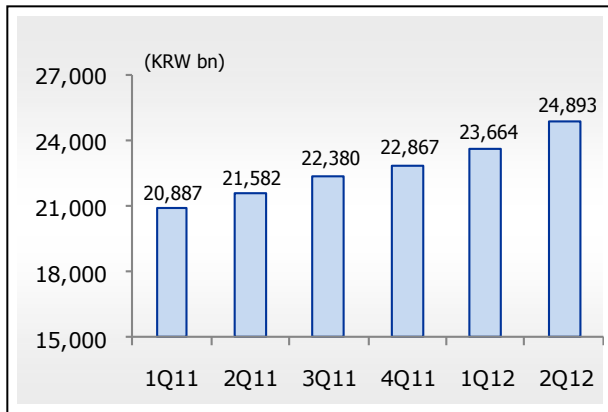
**2Q12 Group Net Income 86.3 KRW bn**  
(2012 1H 196.0 KRW bn)

- ❖ **2Q 2012 Group Net Income : 86.3 KRW bn, down by 21.3% QoQ**
  - Consolidated Bank Net Income 85.9 KRW bn, down by 20.0% QoQ
  - Consolidated Non Bank Net Income 5.8 KRW bn, down by 1.7% QoQ
  - Securities 0.6 KRW bn, Capital 4.8 KRW bn, MSB 0.2 KRW bn, Credit Info. 0.1 KRW bn, Info Sys. 0.1 KRW bn
- ※ 2012 1H Net Income : Financial Group 196.0 KRW bn, Bank 193.3 KRW bn, Securities 1.6 KRW bn, Capital 9.5 KRW bn, MSB 0.2 KRW bn, Credit Information 0.2 KRW bn, Information System 0.2 KRW bn
- \* Exclude unconsolidated portion 9.0 KRW bn

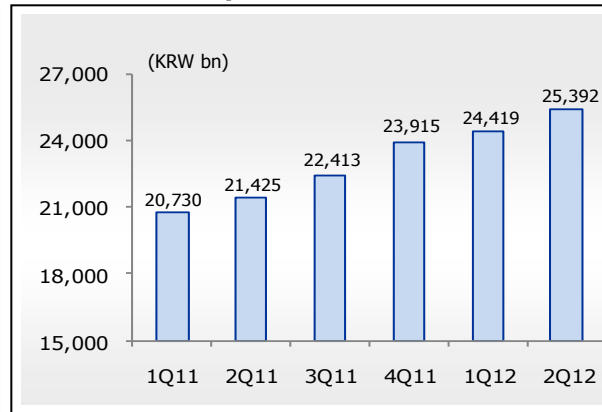
**Group Total Assets 43,223.5 KRW bn**  
(Up by 1.8% QoQ)

- ❖ **2Q 2012 Group Total Assets : 43,223.5 KRW bn, up by 1.8% QoQ**
  - Bank : 40,611.9 KRW bn, up by 1.6% QoQ
  - Non-Bank : 2,632.9 KRW bn, up by 4.4% QoQ
- ※ Financial Group 3,320.8 KRW bn, Securities 680.2 KRW bn, Capital 1,275.3 KRW bn, MSB 668.3 KRW bn, Credit Information 5.5 KRW bn, Information System 3.6 KRW bn
- \* Exclude unconsolidated portion : 3,342.1 KRW bn

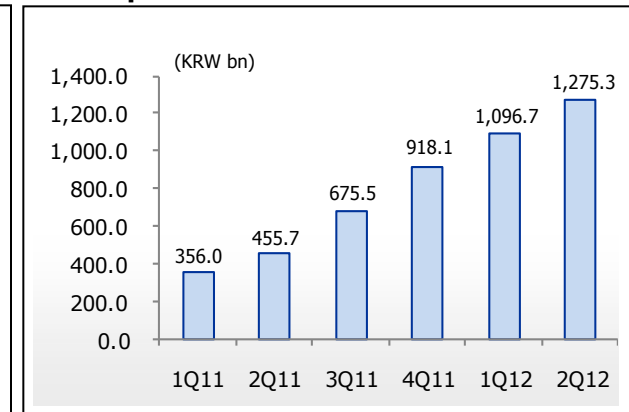
□ Bank KRW Credits



□ Bank KRW Deposits



□ BS Capital Total Assets



## 2. I/S Summary

### □ 2Q12 Results by Business

	Group	Bank	Securities	Capital	MSB	Credit Information	Information System	Consolidation Change
(KRW bn)								
Net Interest Income	282.4	255.5	2.2	18.8	8.0	0.0	0.0	△2.1
Net Fee Income	27.6	21.2	4.1	3.9	△0.2	0.6	0.0	△2.0
Others	△2.6	△4.2	1.7	0.3	△0.5	0.0	1.3	△1.2
SG&A(-)	138.5	119.0	7.1	7.3	3.6	0.5	1.1	△0.1
Provision Expense(-)	52.8	40.3	0.0	8.8	3.4	0.0	0.0	0.3
Earnings Before Income Tax	116.1	113.2	0.9	6.9	0.3	0.1	0.2	△5.5
Income Tax Expenses(-)	29.8	27.3	0.3	2.1	0.1	0.0	0.1	△0.1
Net Income	86.3	85.9	0.6	4.8	0.2	0.1	0.1	△5.4

## 2. I/S Summary

### □ Group Level Results

	2012				2011					QoQ	YoY
	1H	2Q	1Q		4Q	3Q	1H	2Q	1Q		
(KRW bn, %)											
Net Interest Income	<b>571.4</b>	<b>282.4</b>	289.0	1,024.5	270.5	260.3	493.7	252.4	241.3	△2.3	15.7
Net Fee Income	<b>54.5</b>	<b>27.6</b>	26.9	96.5	24.8	23.9	47.8	25.0	22.8	2.6	14.0
Others	<b>2.5</b>	△ <b>2.6</b>	5.1	40.1	7.6	△0.9	33.4	10.1	23.3	Net Loss	△92.5
SG&A(-)	<b>266.6</b>	<b>138.5</b>	128.1	488.6	162.9	113.9	211.8	108.4	103.4	8.1	25.9
Provision Expense(-)	<b>99.6</b>	<b>52.8</b>	46.8	139.7	32.4	44.1	63.2	47.8	15.4	12.8	57.6
Earnings Before Income Tax	<b>262.2</b>	<b>116.1</b>	146.1	532.8	107.6	125.3	299.9	131.3	168.6	△20.5	△12.6
Income Tax Expenses(-)	<b>66.2</b>	<b>29.8</b>	36.4	132.5	28.3	30.1	74.1	34.0	40.1	△18.1	△10.7
Net Income	<b>196.0</b>	<b>86.3</b>	109.7	400.3	79.3	95.2	225.8	97.3	128.5	△21.3	△13.2

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

#### □ Group Total Lending

(KRW bn, %)	2Q12	1Q12	QoQ
Cash and Dues	<b>1,348.4</b>	2,358.1	△42.8
Securities	<b>7,527.2</b>	7,533.8	△0.1
Loans & Receivables	<b>30,711.5</b>	29,070.5	5.6
Derivative Assets	<b>87.0</b>	87.6	△0.7
Fixed Assets & Investment Assets	<b>387.0</b>	387.0	0.0
Intangible Assets	<b>125.7</b>	129.5	△2.9
Others	<b>152.5</b>	133.1	14.6
Total Assets	<b>40,339.3</b>	39,699.6	1.6

#### □ Asset Quality

(%, %p)	2Q12	1Q12	4Q11	3Q11	2Q11	1Q11	QoQ
Substandard & Below Ratio	<b>1.76</b>	1.53	0.97	1.37	1.05	1.20	0.23
Coverage Ratio	<b>106.60</b>	121.87	154.45	110.20	135.01	125.14	△15.27
Delinquency Ratio	<b>1.10</b>	1.16	0.61	0.92	0.58	0.69	△0.06

#### □ Group Total Funding

(KRW bn, %)	2Q12	1Q12	QoQ
Deposits	<b>26,631.2</b>	25,824.4	3.1
Borrowings	<b>8,291.8</b>	8,474.9	△2.2
Derivatives	<b>35.6</b>	33.5	6.3
Others	<b>2,295.9</b>	2,371.8	△3.2
Total Liabilities	<b>37,254.5</b>	36,704.6	1.5
Shareholder's Equity	<b>3,084.8</b>	2,995.0	3.0
Total Liabilities & Shareholder's Equity	<b>40,339.3</b>	39,699.6	1.6

#### □ Capital Strength

(%, %p)	2Q12 <sup>1)</sup>	1Q12	4Q11	3Q11	2Q11	1Q11	QoQ
BIS Ratio	<b>15.01</b>	15.11	15.83	16.04	15.94	16.07	△0.10
Tier I	<b>10.94</b>	10.98	11.42	11.87	11.81	11.80	△0.04
Tier II	<b>4.07</b>	4.13	4.41	4.17	4.13	4.27	△0.06
TCE	<b>7.65</b>	7.54	7.51	7.81	7.82	7.46	0.11

1) Estimate

## 4. Profitability / Dividend Payout

### □ Profitability

	2Q12	1Q12	4Q11	3Q11	2Q11	1Q11	QoQ
(%, %p)							
<b>ROA</b>	<b>0.99</b>	1.11	1.10	1.20	1.29	1.46	△0.12
<b>ROE</b>	<b>13.02</b>	14.74	14.34	15.65	16.92	19.61	△1.72
<b>Cost Income Ratio</b>	<b>42.42</b>	39.93	42.08	37.96	36.84	35.98	2.49

### □ Dividend Payout

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
(%, Won, KRW bn)										
<b>Dividend Yield(FV)</b>	6.0	5.4	6.0	8.1	8.4	11.4	4.0	3.2	5.0	7.0
<b>Dividend Yield(MV)</b>	5.9	4.0	3.8	3.0	3.5	3.6	3.2	1.1	1.7	3.1
<b>Dividend per share</b>	300	270	300	405	420	570	200	160	250	350
<b>Dividend Paid(bn)</b>	44.0	39.6	44.0	59.4	61.6	83.6	29.3	29.9	46.7	67.7
<b>Payout Ratio(%)<sup>1)</sup></b>	29.7	32.7	33.2	33.2	33.5	30.9	10.7	12.2	14.0	16.9

1) Calculated without deducting 'Reserve' from Net Income



# 5. Group Structure



(%, KRW bn)

<b>Total Shares Owned</b>
100%
<b>Total Assets</b>
40,611.9
<b>Net Income</b>
193.3

<b>Total Shares Owned</b>
100%
<b>Total Assets</b>
680.2
<b>Net Income</b>
1.6

<b>Total Shares Owned</b>
100%
<b>Total Assets</b>
1,275.3
<b>Net Income</b>
9.5

<b>Total Shares Owned</b>
100%
<b>Total Assets</b>
668.3
<b>Net Income</b>
0.2

<b>Total Shares Owned</b>
100%
<b>Total Assets</b>
5.5
<b>Net Income</b>
0.2

<b>Total Shares Owned</b>
100%
<b>Total Assets</b>
3.6
<b>Net Income</b>
0.2

## *II. 2Q 2012 Bank Results*

<b>1.</b>	<b>Earnings Highlights</b>	10
<b>2.</b>	<b>Assets &amp; Deposits</b>	11
<b>3.</b>	<b>Low-Cost Deposits</b>	12
<b>4.</b>	<b>Earning Results</b>	13
<b>5.</b>	<b>Net Interest Income</b>	14
<b>6.</b>	<b>NIM &amp; NIS</b>	15
<b>7.</b>	<b>Noninterest Income</b>	16
<b>8.</b>	<b>Provisioning</b>	17
<b>9.</b>	<b>SG&amp;A</b>	18
<b>10.</b>	<b>Asset Quality</b>	19
<b>11.</b>	<b>Capital Adequacy</b>	20

# 1. Earnings Highlights

## Growth

- ❖ **Total Credits: Up by 5.2% (1,352.3 billion won) QoQ**
  - KRW Loans up by 5.2% (1,229.4 billion won) QoQ
- ❖ **Total Deposits: Up by 2.0% (602.0 billion won) QoQ**
  - KRW Deposits up by 4.0% (972.5 billion won) QoQ
- ❖ **LDR : 97.19%, down by 0.64%p QoQ**

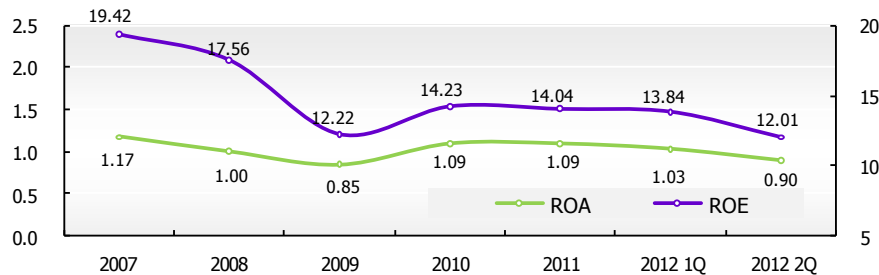
## Asset Quality

- ❖ **S&B Loan Ratio: 1.41%, up by 0.23%p QoQ**
- ❖ **Delinquency Ratio: 0.72%, down by 0.10%p QoQ**
- ❖ **Real Estate PF S&B Loan Ratio & Delinquency Ratio : 0%**

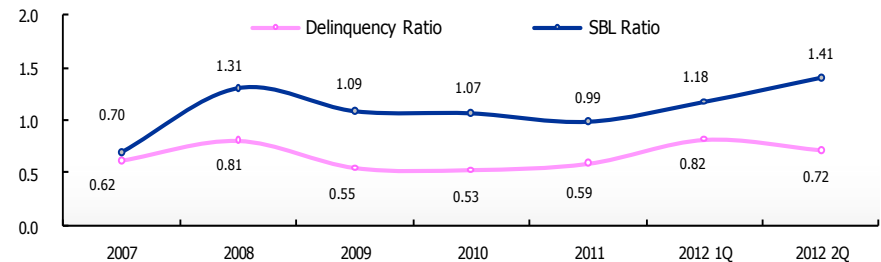
## Profitability

- ❖ **Top Line**
  - ▶ **Net Interest Income 255.5 billion won, down by 0.8% QoQ, up by 6.6% YoY**
  - ▶ **NIM is 2.79% down by 0.05%p QoQ**
- ❖ **Bottom Line**
  - ▶ **Annualized Credit Cost at 0.50%, up by 0.01%p compared to 2011 Annualized Credit Cost, down by 0.03%p YoY**
  - ▶ **Cost Income Ratio at 41.36%, up by 2.04% QoQ, up by 6.58% YoY**
  - ▶ **Quarterly Net Income of 85.9 KRW bn, down by 20%, down by 11.8% YoY**
  - ▶ **2012 1H Net Income of 193.3 billion won, down by 12.0% YoY**

□ ROA / ROE (%)



□ Asset Quality (%)



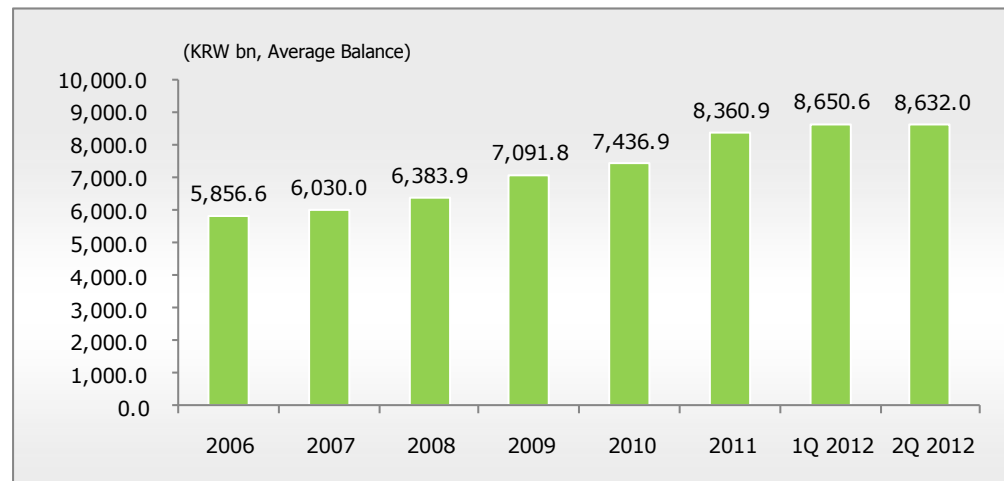
## 2. Assets & Deposits<sup>1)</sup>

(KRW bn, %, Balance)	2012		2011				QoQ	YTD
	2Q	1Q	4Q	3Q	2Q	1Q		
<b>Total Assets</b>	<b>40,611.9</b>	39,971.5	40,594.4	38,358.4	36,703.8	37,323.8	1.6	0.0
Bank Account	<b>37,727.7</b>	37,224.6	37,988.7	36,083.3	34,561.7	35,131.0	1.4	△0.7
Trust Account	<b>2,884.2</b>	2,746.9	2,605.7	2,275.1	2,142.1	2,192.8	5.0	10.7
<b>Total Deposits</b>	<b>30,620.7</b>	30,018.7	29,762.2	28,085.6	27,212.2	26,037.3	2.0	2.9
Bank Account	<b>28,108.7</b>	27,648.8	27,540.8	25,980.1	25,236.5	24,069.5	1.7	2.1
Won Deposits	<b>25,391.8</b>	24,419.3	23,914.5	22,413.4	21,425.3	20,730.2	4.0	6.2
Demand	<b>2,209.2</b>	2,037.8	1,951.7	1,798.2	1,966.9	1,952.1	8.4	13.2
Savings & Time	<b>23,152.5</b>	22,345.3	21,923.9	20,570.3	19,410.4	18,721.4	3.6	5.6
Installment	<b>30.1</b>	36.2	38.9	44.9	48.0	56.7	△16.9	△22.6
CD	<b>328.3</b>	547.3	852.0	770.4	1,368.1	1,035.5	△40.0	△61.5
Trust Account	<b>2,512.0</b>	2,369.9	2,221.4	2,105.5	1,975.7	1,967.8	6.0	13.1
<b>Total Credits</b>	<b>27,302.0</b>	25,949.7	25,303.7	24,816.9	23,834.5	23,104.2	5.2	7.9
Total Loans	<b>26,489.4</b>	25,146.1	24,527.0	24,076.3	23,109.8	22,441.3	5.3	8.0
KRW Loans	<b>24,893.4</b>	23,664.0	22,866.5	22,380.0	21,582.2	20,887.0	5.2	8.9
SMEs	<b>16,306.5</b>	15,742.5	15,231.6	14,913.1	14,442.7	14,121.0	3.6	7.1
Households	<b>5,732.6</b>	5,636.7	5,541.0	5,331.8	5,021.6	4,811.5	1.7	3.5
Guarantees	<b>812.6</b>	803.6	776.7	740.6	724.7	662.9	1.1	4.6
<b>Total Securities</b>	<b>8,417.3</b>	8,368.7	8,314.4	7,803.4	7,675.3	7,678.6	0.6	1.2
Bank Account	<b>7,043.9</b>	7,074.6	7,010.4	6,543.7	6,420.7	6,357.9	△0.4	0.5
Trust Account	<b>1,373.4</b>	1,294.1	1,304.0	1,259.7	1,254.6	1,320.7	6.1	5.3
<b>Shareholders' Equity</b>	<b>2,935.6</b>	2,846.9	2,737.3	2,785.2	2,728.0	2,625.8	3.1	7.2

Note. Based on the Bank's Unconsolidated Financial Statements

### 3. Low-Cost Deposits

#### □ Growth Records



#### □ Funding Costs

(%, Accumulated)	2Q12	1Q12	4Q11	4Q10
Demand Deposits	<b>0.24</b>	0.25	0.27	0.32
Savings Deposits	<b>0.15</b>	0.15	0.15	0.15
Corporate Savings Deposits	<b>1.80</b>	1.86	1.77	1.36
<b>Total</b>	<b>0.68</b>	0.71	0.69	0.55

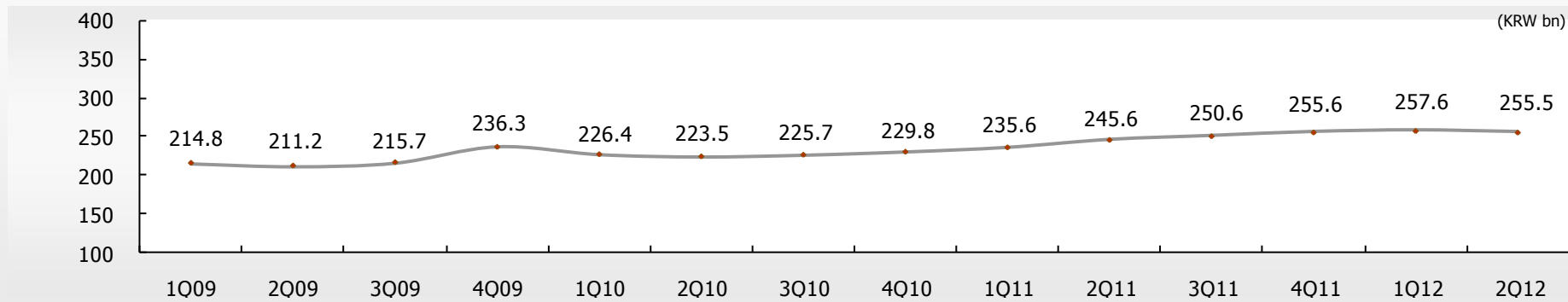
(KRW bn, %, %p, Average Balance)	2012		2011				QoQ	YTD
	2Q	1Q	4Q	3Q	2Q	1Q		
<b>Low-Cost Deposits (A)</b>	<b>8,632.0</b>	8,650.6	8,360.9	8,403.4	8,459.9	8,449.6	△0.2	3.2
<b>Demand Deposits</b>	<b>1,968.4</b>	1,915.3	1,793.2	1,818.7	1,838.5	1,816.3	2.8	9.8
<b>Savings Deposits</b>	<b>3,973.4</b>	3,978.5	3,906.7	3,907.2	3,909.0	3,882.9	△0.1	1.7
<b>Corporate Savings Deposits</b>	<b>2,690.2</b>	2,756.8	2,661.0	2,677.5	2,712.4	2,750.4	△2.4	1.1
Deposits in KRW (B)	<b>24,326.5</b>	23,789.5	21,556.4	21,100.4	20,776.3	20,369.4	2.3	12.9
<b>Total Deposits (Bank Account) (C)</b>	<b>27,474.6</b>	27,153.1	25,071.2	24,608.1	24,204.7	23,764.4	1.2	9.6
Total Deposits (Bank + Trust Account)(D)	<b>29,825.7</b>	29,426.6	27,122.2	26,626.6	26,179.0	25,738.7	1.4	10.0
Low-Cost Deposits/Won Deposits(A/B)	<b>35.48</b>	36.36	38.79	39.83	40.72	41.48	△0.88	△3.31
<b>Low-Cost Deposits/Total Deposits (A/C)</b>	<b>31.42</b>	31.86	33.35	34.15	34.95	35.56	△0.44	△1.93
Low-Cost Deposits/Total Deposits(A/D)	<b>28.94</b>	29.40	30.83	31.56	32.32	32.83	△0.46	△1.89

## 4. Earning Results

	2012			2011						QoQ	YoY
	1H	2Q	1Q	4Q	3Q	1H	2Q	1Q			
(KRW bn, %, %p)											
Net Interest Income	<b>513.1</b>	<b>255.5</b>	257.6	987.4	255.6	250.6	481.2	245.6	235.6	△0.8	6.6
Net Fee Income	<b>41.5</b>	<b>21.2</b>	20.3	84.1	20.5	20.5	43.1	21.4	21.7	4.4	△3.7
Fees from Trust Account	<b>5.6</b>	<b>2.9</b>	2.7	10.5	2.8	2.7	5.0	2.3	2.7	7.4	12.0
Others	△ <b>6.9</b>	△ <b>7.1</b>	0.2	24.1	1.2	△1.0	23.9	5.6	18.3	Net Loss	Net Loss
Provision Expense(-)	<b>68.9</b>	<b>40.3</b>	28.6	125.9	22.8	39.3	63.8	44.7	19.1	40.9	8.0
SG&A(-)	<b>229.2</b>	<b>119.0</b>	110.2	451.8	150.2	104.3	197.3	100.3	97.0	8.0	16.2
Net Operating Income	<b>255.2</b>	<b>113.2</b>	142.0	528.4	107.1	129.2	292.1	129.9	162.2	△20.3	△12.6
Non-Operating Income	-	-	-	-	-	-	-	-	-	-	-
Earnings Before Income Taxes	<b>255.2</b>	<b>113.2</b>	142.0	528.4	107.1	129.2	292.1	129.9	162.2	△20.3	△12.6
Income Tax Expenses(-)	<b>61.9</b>	<b>27.3</b>	34.6	130.1	27.2	30.5	72.4	32.5	39.9	△21.1	△14.5
Net Income	<b>193.3</b>	<b>85.9</b>	107.4	398.3	79.9	98.7	219.7	97.4	122.3	△20.0	△12.0
ROA	<b>0.90</b>		1.03	1.09		1.25	1.35		1.46	△0.13	△0.45
ROE	<b>12.01</b>		13.84	14.04		15.79	16.98		18.41	△1.83	△4.97

## 5. Net Interest Income

### Net Interest Income



(KRW bn, %)	2012			2011						QoQ	YoY
	1H	2Q	1Q	4Q	3Q	1H	2Q	1Q			
Net Interest Income	<b>513.1</b>	<b>255.5</b>	257.6	987.4	255.6	250.6	481.2	245.6	235.6	△0.8	6.6
Interest Revenues	<b>973.1</b>	<b>488.1</b>	485.0	1,796.2	479.7	461.3	855.2	440.8	414.4	0.6	13.8
Interest on Loans	<b>812.5</b>	<b>410.2</b>	402.3	1,499.8	401.2	386.4	712.2	369.0	343.2	2.0	14.1
Interest on Securities	<b>142.1</b>	<b>70.7</b>	71.4	263.7	68.8	66.5	128.4	65.1	63.3	△1.0	10.7
Others	<b>18.5</b>	<b>7.2</b>	11.3	32.7	9.7	8.4	14.6	6.7	7.9	△36.3	26.7
Interest Expenses	<b>460.0</b>	<b>232.6</b>	227.4	808.8	224.1	210.7	374.0	195.2	178.8	2.3	23.0
Interest on Deposits	<b>335.3</b>	<b>171.0</b>	164.3	578.5	160.1	151.6	266.8	139.9	126.9	4.1	25.7
Interest on Debentures	<b>70.6</b>	<b>34.6</b>	36.0	135.5	35.8	34.2	65.5	33.0	32.5	△3.9	7.8
Others	<b>54.1</b>	<b>27.0</b>	27.1	94.8	28.2	24.9	41.7	22.3	19.4	△0.4	29.7

## 6. NIM & NIS

	2012		2011				QoQ	YoY
	2Q	1Q	4Q	3Q	2Q	1Q		
(KRW bn, %, %p)								
<b>NIM(Quarterly)</b>	<b>2.79</b>	2.84	2.88	2.98	3.06	3.07	△0.05	△0.27
<b>NIS</b>	<b>3.41</b>	3.55	3.53	3.58	3.66	3.66	△0.14	△0.25
Interest Rate on KRW Loans	<b>6.31</b>	6.42	6.39	6.40	6.37	6.26	△0.11	△0.06
Households	<b>5.80</b>	5.82	5.89	5.91	5.79	5.67	△0.02	0.01
Corporate	<b>6.05</b>	6.13	6.24	6.13	6.13	5.92	△0.08	△0.08
Interest Rate paid on KRW Deposits	<b>2.90</b>	2.87	2.86	2.82	2.71	2.60	0.03	0.19
Average Interest Earning Assets	<b>33,516.8</b>	33,116.4	32,321.2	30,514.0	29,495.1	28,476.5	1.2	13.6
<b>NIM(Accumulated)</b>	<b>2.82</b>	2.84	2.99	3.03	3.06	3.07	△0.02	△0.24
<b>NIS</b>	<b>3.48</b>	3.55	3.61	3.63	3.67	3.66	△0.07	△0.19
Interest Rate on KRW Loans	<b>6.37</b>	6.42	6.36	6.34	6.32	6.26	△0.05	0.05
Households	<b>5.82</b>	5.82	5.82	5.79	5.73	5.67	0.00	0.09
Corporate	<b>6.10</b>	6.13	6.11	6.07	6.03	5.92	△0.03	0.07
Interest Rate paid on KRW Deposits	<b>2.89</b>	2.87	2.75	2.71	2.65	2.60	0.02	0.24
Average Interest Earning Assets	<b>33,316.6</b>	33,116.4	30,213.1	29,502.6	28,988.6	28,476.5	0.6	14.9

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

(KRW bn, %)	2012			2011					QoQ	YoY	
	1H	2Q	1Q	4Q	3Q	1H	2Q	1Q			
Noninterest Income	<b>40.2</b>	<b>17.0</b>	23.2	118.7	24.5	22.2	72.0	29.3	42.7	△26.7	△44.2
Noninterest Revenues	<b>619.1</b>	<b>324.3</b>	294.8	1,184.3	241.7	438.8	503.8	274.0	229.8	10.0	22.9
Fee Income	<b>66.9</b>	<b>33.8</b>	33.1	133.1	33.6	32.9	66.6	33.4	33.2	2.1	0.5
Fees from Trust Acct.	<b>5.6</b>	<b>2.9</b>	2.7	10.5	2.4	2.8	5.3	2.6	2.7	7.4	5.7
Others <sup>1)</sup>	<b>546.6</b>	<b>287.6</b>	259.0	1,040.7	205.7	403.1	431.9	238.0	193.9	11.1	26.6
Noninterest Expenses	<b>578.9</b>	<b>307.3</b>	271.6	1,065.6	217.2	416.6	431.8	244.7	187.1	13.1	34.1
Commissions Paid	<b>25.4</b>	<b>12.6</b>	12.8	49.0	13.1	12.4	23.5	11.9	11.6	△1.6	8.1
Trust Acct. Losses	<b>0.0</b>	<b>0.0</b>	0.0	0.0	△0.4	0.1	0.3	0.3	0.0	-	△100.0
Others <sup>2)</sup>	<b>553.5</b>	<b>294.7</b>	258.8	1,016.6	204.5	404.1	408.0	232.5	175.5	13.9	35.7

1) Gains on Securities (7.1), FX Trading and Derivatives (276.7)

2) Losses from Securities (0.2), FX Trading and Derivatives (267.9), Contribution to Guarantee Funds (12.4), Deposit Insurance Fee (8.1)

## 8. Provisioning

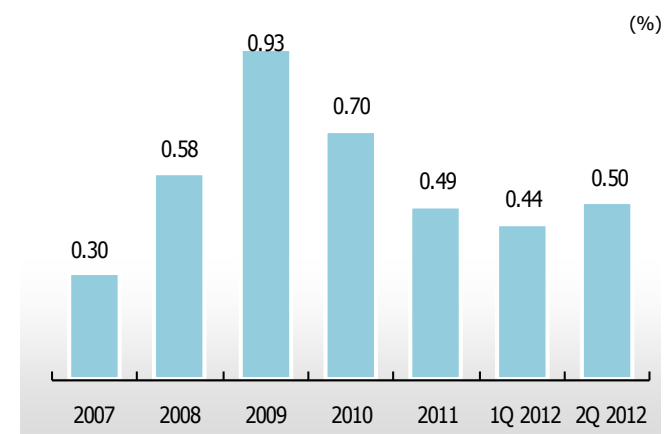
### □ Provision Expense

(KRW bn, %)	2012			2011					
		2Q	1Q		4Q	3Q		2Q	1Q
Corporate	<b>59.4</b>	<b>35.9</b>	23.5	115.4	18.7	35.4	61.3	38.3	23.0
Household	<b>5.2</b>	<b>1.0</b>	4.2	1.5	1.5	1.4	△1.4	1.3	△2.7
Credit Card	<b>3.8</b>	<b>2.6</b>	1.2	3.2	1.1	0.6	1.5	0.7	0.8
Others	<b>0.5</b>	<b>0.8</b>	△0.3	6.0	1.5	2.1	2.4	4.4	△2.0
Trust Account	<b>0.0</b>	<b>0.0</b>	0.0	△0.2	0.0	△0.2	0.0	0.0	0.0
Total (A)	<b>68.9</b>	<b>40.3</b>	28.6	125.9	22.8	39.3	63.8	44.7	19.1
Total Credit (B)	<b>27,835.6</b>	<b>27,835.6</b>	26,420.2	25,868.1	25,868.1	25,360.1	24,323.6	24,323.6	23,581.3
Credit Cost (A/B)	<b>0.50</b>	<b>0.58</b>	0.44	0.49	0.35	0.61	0.53	0.74	0.33

### □ Provision Balance<sup>1)</sup>

(KRW bn)	2012		2011			
	2Q	1Q	4Q	3Q	2Q	1Q
Corporate	<b>319.5</b>	296.3	283.6	290.9	257.6	276.5
Household	<b>25.4</b>	23.7	19.0	17.8	16.3	15.3
Credit Card	<b>9.3</b>	10.1	7.7	7.7	7.1	7.4
Trust	<b>0.0</b>	0.0	0.0	0.0	0.0	0.0
Total	<b>354.2</b>	330.1	310.3	316.4	281.0	299.2

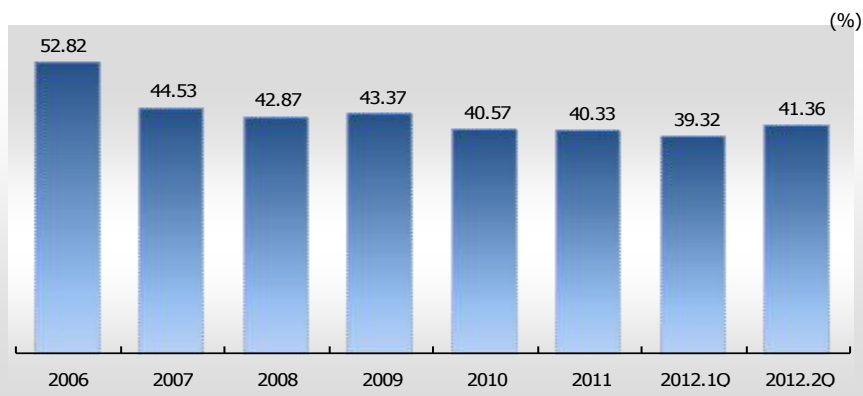
### □ Credit Cost



Note 1). Unused Credit Line Provisions of 12.4 and Other Provisions of 15.9 not included

## 9. SG&A

### ☐ CIR Records<sup>1)</sup>



### ☐ Summary

- Accumulated SG&A(229.2 billion won) up by 31.9 billion won, 16.2% YoY
- Accumulated CIR(41.36%) up by 6.58%p YoY

Note 1). Accumulated, Unconsolidated Financial Statement No#

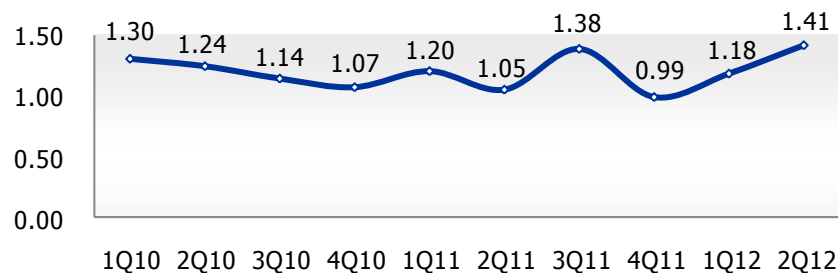
(KRW bn, %, %p)	2012			2011					QoQ	YoY	
	1H	2Q	1Q	4Q	3Q	1H	2Q	1Q			
Total SG&A	<b>229.2</b>	<b>119.0</b>	110.2	451.8	150.2	104.3	197.3	100.3	97.0	8.0	16.2
Salaries and other expenses	<b>181.8</b>	<b>94.6</b>	87.2	356.6	108.9	85.3	162.4	82.3	80.1	8.5	11.9
Depreciation	<b>26.2</b>	<b>13.9</b>	12.3	40.2	11.6	10.1	18.5	9.7	8.8	13.0	41.6
Taxes and dues	<b>7.1</b>	<b>3.5</b>	3.6	13.3	4.2	3.5	5.6	2.9	2.7	△2.8	26.8
Retirement Allowance	<b>14.1</b>	<b>7.0</b>	7.1	33.8	17.6	5.4	10.8	5.4	5.4	△1.4	30.6
Honorary Retirement	<b>0.0</b>	<b>0.0</b>	0.0	7.9	7.9	0.0	0.0	0.0	0.0	-	-
CIR(Consolidated)	<b>41.42</b>	<b>43.67</b>	39.25	40.85	53.62	38.23	35.67	36.49	34.85	4.42	5.75
CIR(Unconsolidated) <sup>1)</sup>	<b>41.36</b>	<b>43.45</b>	39.32	40.33	54.97	37.26	34.78	34.91	34.65	4.13	6.58

Note 1). Based on FSS reporting standards

## 10. Asset Quality

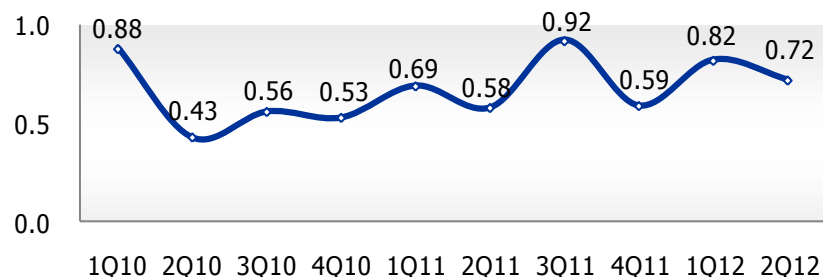
### □ SBL(NPL) Ratio

(%)



### □ Delinquency Ratio

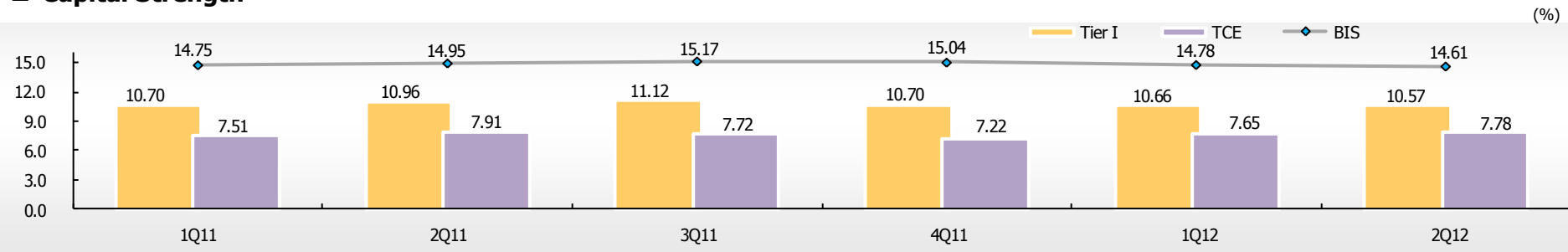
(%)



	2012		2011				QoQ	YTD
	2Q	1Q	4Q	3Q	2Q	1Q		
(KRW bn, %, %p)								
Total Loans	<b>27,835.6</b>	26,420.2	25,868.1	25,360.1	24,323.6	23,581.3	5.4	7.6
Normal	<b>26,808.1</b>	25,569.1	25,100.0	24,478.1	23,569.4	22,723.0	4.8	6.8
Precautionary	<b>635.0</b>	538.7	511.4	530.9	498.2	574.2	17.9	24.2
Substandard	<b>314.9</b>	244.9	212.1	281.9	224.8	250.5	28.6	48.5
Doubtful	<b>28.0</b>	26.1	20.4	45.6	16.1	13.5	7.3	37.3
Expected loss	<b>49.6</b>	41.4	24.2	23.6	15.1	20.1	19.8	105.0
SBL(Substandard & Below Loans)	<b>392.5</b>	312.4	256.8	351.1	256.0	284.1	25.6	52.8
(SBL Ratio (%))	<b>1.41</b>	(1.18)	(0.99)	(1.38)	(1.05)	(1.20)	0.23	0.42
(SBL Coverage Ratio)	<b>(114.53)</b>	(135.78)	(152.22)	(109.11)	(133.75)	(128.48)	△21.25	△37.69
Loan Amount	<b>27,023.0</b>	25,616.7	25,091.4	24,619.5	23,598.9	22,918.4	5.5	7.7
Delinquent Amount	<b>193.9</b>	210.0	149.0	225.9	136.7	158.0	△7.7	30.1
Delinquency Ratio	<b>0.72</b>	0.82	0.59	0.92	0.58	0.69	△0.10	0.13

# 11. Capital Adequacy

## Capital Strength



(KRW bn, %, Basel II)	2012		2011			
	2Q <sup>1)</sup>	1Q	4Q	3Q	2Q	1Q
<b>Total Risk Adjusted Capital</b>	<b>4,050.1</b>	3,961.3	3,953.1	3,931.0	3,718.3	3,620.9
Tier I Capital	<b>2,929.6</b>	2,857.7	2,811.2	2,881.6	2,726.9	2,629.8
Tier II Capital	<b>1,120.5</b>	1,103.6	1,141.9	1,049.4	991.4	991.1
<b>Total Risk Weighted Assets</b>	<b>27,723.0</b>	26,809.7	26,282.0	25,911.6	24,877.2	24,538.5
Credit Risk	<b>25,710.7</b>	24,805.8	24,321.1	23,878.6	22,798.0	22,375.2
Market Risk	<b>68.0</b>	75.3	49.9	123.7	195.8	282.9
Operational Risk	<b>1,944.3</b>	1,928.6	1,911.0	1,909.3	1,883.4	1,880.4
<b>BIS Capital Ratio</b>	<b>14.61</b>	14.78	15.04	15.17	14.95	14.75
Tier I	<b>10.57</b>	10.66	10.70	11.12	10.96	10.70
Tier II	<b>4.04</b>	4.12	4.34	4.05	3.99	4.05
<sup>2)</sup> Tangible Common Equity	<b>7.78</b>	7.65	7.22	7.72	7.91	7.51

1) Estimate based on Basel II

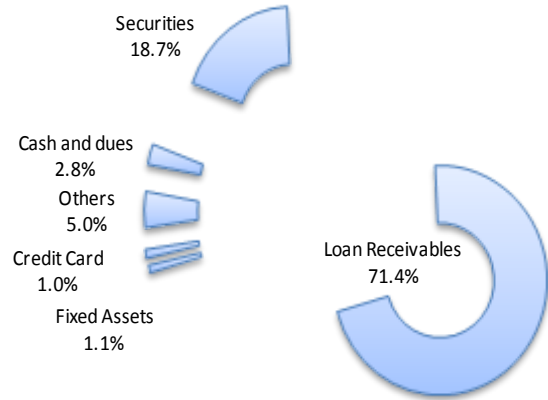
2) TCE = (Total Shareholder's Equity - Intangible Assets) / (Total Assets - Intangible Assets), 3) Basel III Core Tier I including RWA is 9.91% which exceeds the guideline of 9.5%

### *III. Appendix (Bank)*

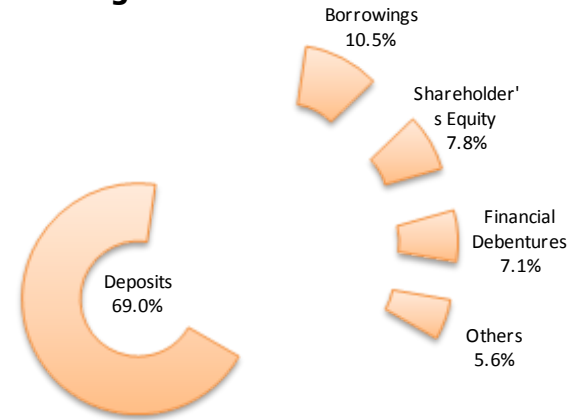
<b>1. B/S Summary</b>	22
<b>2. I/S Summary</b>	23
<b>3. PPOP</b>	24
<b>4. Securities</b>	25
<b>5. Deposits / Loans Breakdown</b>	26
<b>6. Corporate Loan Portfolio</b>	27
<b>7. Asset Quality</b>	28
<b>8. Delinquency / Write-Offs &amp; NPL Sales</b>	29
<b>9. SME Industry / Collateral Delinquency Ratio</b>	30
<b>10. Household Loans</b>	31
<b>11. Credit Card Business</b>	32

# 1. B/S Summary

## □ Lending



## □ Funding



	2012		2011				QoQ	YTD
	2Q	1Q	4Q	3Q	2Q	1Q		
<small>(KRW bn, %, Balance)</small>								
<b>Assets</b>	<b>37,727.7</b>	37,224.6	37,988.7	36,083.3	34,561.7	35,130.9	1.4	△0.7
Cash and Dues	<b>1,055.9</b>	2,017.0	2,490.0	1,739.5	1,734.5	1,779.6	△47.6	△57.6
Securities	<b>7,043.9</b>	7,074.6	7,010.4	6,543.7	6,420.7	6,357.9	△0.4	0.5
Loans	<b>26,922.6</b>	25,484.4	24,883.0	24,327.0	23,329.9	22,744.9	5.6	8.2
Credit Card	<b>386.8</b>	378.8	383.2	383.1	390.6	379.2	2.1	0.9
Fixed Assets	<b>428.0</b>	426.3	453.0	427.4	410.7	393.4	0.4	△5.5
Other Assets	<b>1,890.5</b>	1,843.5	2,769.1	2,662.6	2,275.3	3,475.9	2.5	△31.7
<b>Liability &amp; Shareholder's Equity</b>	<b>37,727.7</b>	37,224.6	37,988.7	36,083.3	34,561.7	35,130.9	1.4	△0.7
Deposits	<b>26,039.2</b>	25,226.7	25,024.2	23,431.5	23,060.1	22,013.3	3.2	4.1
Borrowings	<b>3,947.5</b>	3,982.8	4,315.7	3,931.2	3,344.5	3,644.4	△0.9	△8.5
Financial Debentures	<b>2,683.3</b>	3,008.6	2,890.3	2,950.2	2,779.3	2,666.7	△10.8	△7.2
Other Liabilities	<b>2,122.1</b>	2,159.6	3,021.2	2,985.2	2,649.8	4,180.7	△1.7	△29.8
Shareholder's Equity	<b>2,935.6</b>	2,846.9	2,737.3	2,785.2	2,728.0	2,625.8	3.1	7.2

## 2. I/S Summary

(KRW bn, %)	2012			2011					QoQ	YoY	
	1H	2Q	1Q		4Q	3Q	1H	2Q			1Q
1. Operating Revenues	<b>1,592.2</b>	<b>812.4</b>	779.8	2,980.5	721.4	900.1	1,359.0	714.8	644.2	4.2	17.2
Interest Revenue	<b>973.1</b>	<b>488.1</b>	485.0	1,796.2	479.7	461.3	855.2	440.8	414.4	0.6	13.8
Fee & Commission Revenue	<b>66.9</b>	<b>33.8</b>	33.1	133.1	33.6	32.9	66.6	33.4	33.2	2.1	0.5
Trust Account	<b>5.6</b>	<b>2.9</b>	2.7	10.5	2.4	2.8	5.3	2.6	2.7	7.4	5.7
Others	<b>546.6</b>	<b>287.6</b>	259.0	1,040.7	205.7	403.1	431.9	238.0	193.9	11.0	26.6
2. Operating Expenses	<b>1,337.0</b>	<b>699.2</b>	637.8	2,452.1	614.3	770.9	1,066.9	584.9	482.0	9.6	25.3
Interest Expense	<b>460.0</b>	<b>232.6</b>	227.4	808.8	224.1	210.7	374.0	195.2	178.8	2.3	23.0
Fee & Commission Expense	<b>25.4</b>	<b>12.6</b>	12.8	49.0	13.1	12.4	23.5	11.9	11.6	△1.6	8.1
Trust Account	-	-	0.0	0.0	△0.4	0.1	0.3	0.3	0.0	-	△100.0
Others	<b>553.5</b>	<b>294.7</b>	258.8	1,016.6	204.5	404.1	408.0	232.5	175.5	13.9	35.7
SG&A	<b>229.2</b>	<b>119.0</b>	110.2	451.8	150.2	104.3	197.3	100.3	97.0	8.0	16.2
Provision Expense	<b>68.9</b>	<b>40.3</b>	28.6	125.9	22.8	39.3	63.8	44.7	19.1	40.9	8.0
3. Operating Income	<b>255.2</b>	<b>113.2</b>	142.0	528.4	107.1	129.2	292.1	129.9	162.2	△20.3	△12.6
4. Non Operating Income	-	-	-	-	-	-	-	-	-	-	-
5. Earnings Before Income Taxes	<b>255.2</b>	<b>113.2</b>	142.0	528.4	107.1	129.2	292.1	129.9	162.2	△20.3	△12.6
6. Income Taxes	<b>61.9</b>	<b>27.3</b>	34.6	130.1	27.2	30.5	72.4	32.5	39.9	△21.1	△14.5
7. Net Income	<b>193.3</b>	<b>85.9</b>	107.4	398.3	79.9	98.7	219.7	97.4	122.3	△20.0	△12.0



### 3. PPOP

(KRW bn, %)	2012			2011					QoQ	YoY	
	1H	2Q	1Q		4Q	3Q	1H	2Q			1Q
<b>PPOP</b>	<b>338.2</b>	<b>160.5</b>	177.7	688.1	147.5	174.0	366.6	180.0	186.6	△9.7	△7.7
<b>Provision Expenses</b>	<b>83.0</b>	<b>47.3</b>	35.7	159.7	40.4	44.8	74.5	50.1	24.4	32.5	11.4
Loans	<b>68.3</b>	<b>39.9</b>	28.4	119.7	21.6	37.1	61.0	40.2	20.8	40.5	12.0
Payment Guarantees	<b>0.1</b>	△ <b>0.4</b>	0.5	0.2	△0.3	0.2	0.3	-	0.3	△180.0	△66.7
Retirement Allowance	<b>14.1</b>	<b>7.0</b>	7.1	33.8	17.6	5.4	10.8	5.4	5.4	△1.4	30.6
Others	<b>0.5</b>	<b>0.8</b>	△0.3	6.0	1.5	2.1	2.4	4.5	△2.1	-	△79.2
<b>Income Taxes</b>	<b>61.9</b>	<b>27.3</b>	34.6	130.1	27.2	30.5	72.4	32.5	39.9	△21.1	△14.5
<b>Net Income</b>	<b>193.3</b>	<b>85.9</b>	107.4	398.3	79.9	98.7	219.7	97.4	122.3	△20.0	△12.0

## 4. Securities Investment

(KRW bn, %, Balance)	2Q 2012					1Q 2012		2Q 2011	
	Total	Trading Securities	Investment Securities			QoQ	YoY		
			Total	A.F.S. <sup>1)</sup>	H.T.M. <sup>2)</sup>				
KRW Bonds	<b>6,472.2</b>	-	6,472.2	2,082.2	4,390.0	6,452.6	0.3	5,490.8	17.9
Government Bonds	<b>1,051.0</b>	-	1,051.0	263.5	787.5	940.8	11.7	843.3	24.6
Financial Debentures	<b>533.3</b>	-	533.3	271.0	262.3	762.8	△30.1	1,060.7	△49.7
Municipal Bonds	<b>1,014.9</b>	-	1,014.9	-	1,014.9	918.8	10.5	608.0	66.9
Govn't Corporate Bonds	<b>3,226.5</b>	-	3,226.5	956.8	2,269.7	3,159.0	2.1	2,450.7	31.7
Corporate Bonds	<b>646.5</b>	-	646.5	590.9	55.6	671.2	△3.7	528.1	22.4
Foreign Bonds	<b>53.6</b>	-	53.6	53.6	-	52.7	1.7	68.2	△21.4
Stock	<b>306.5</b>	-	306.5	306.5	-	302.1	1.5	457.7	△33.0
Mutual Funds	<b>211.6</b>	9.9	201.7	201.7	-	209.1	1.2	274.9	△23.0
Bonds	-	-	-	-	-	-	-	0	-
Stocks	<b>59.5</b>	-	59.5	59.5	-	66.6	△10.7	80.4	△26.0
MMF	<b>9.9</b>	9.9	-	-	-	9.1	8.8	10.0	△1.0
Others	<b>142.2</b>	-	142.2	142.2	-	133.4	6.6	184.5	△22.9
Others	-	-	-	-	-	58.1	-	129.1	-
<b>Total</b>	<b>7,043.9</b>	9.9	7,034.0	2,644.0	4,390.0	7,074.6	△0.4	6,420.7	9.7

1) A.F.S. = Available for Sale

2) H.T.M. = Held to Maturity

## 5. Deposits / Loans Breakdown

### ☐ Deposits

(KRW bn, %, Balance)	2012		2011				QoQ	YTD
	2Q	1Q	4Q	3Q	2Q	1Q		
KRW Deposits	<b>25,391.8</b>	24,419.3	23,914.5	22,413.4	21,425.3	20,730.2	4.0	6.2
Demand	<b>2,209.2</b>	2,037.8	1,951.7	1,798.2	1,966.9	1,952.1	8.4	13.2
Savings	<b>23,152.5</b>	22,345.3	21,923.9	20,570.3	19,410.4	18,721.4	3.6	5.6
Installment	<b>30.1</b>	36.2	38.9	44.9	48.0	56.7	△16.9	△22.6
CD	<b>328.3</b>	547.3	852.0	770.4	1,368.1	1,035.5	△40.0	△61.5
Bills Sold	<b>77.2</b>	67.4	63.5	60.7	53.9	45.4	14.5	21.6
R P	<b>552.0</b>	565.5	701.4	696.1	499.7	498.8	△2.4	△21.3
Financial Debenture	<b>1,759.4</b>	2,049.3	2,009.4	2,039.4	1,889.5	1,759.6	△14.1	△12.4
Trust Account	<b>2,512.0</b>	2,369.9	2,221.4	2,105.5	1,975.7	1,967.8	6.0	13.1
Total Deposits	<b>30,620.7</b>	30,018.7	29,762.2	28,085.6	27,212.2	26,037.3	2.0	2.9

### ☐ Loans

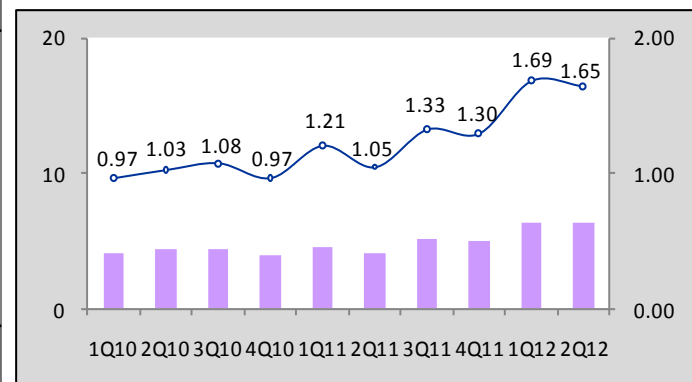
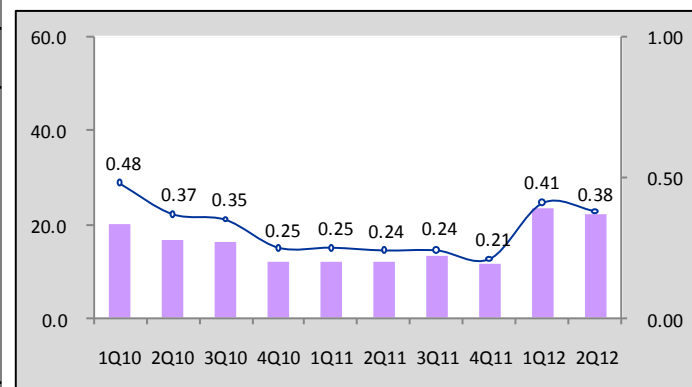
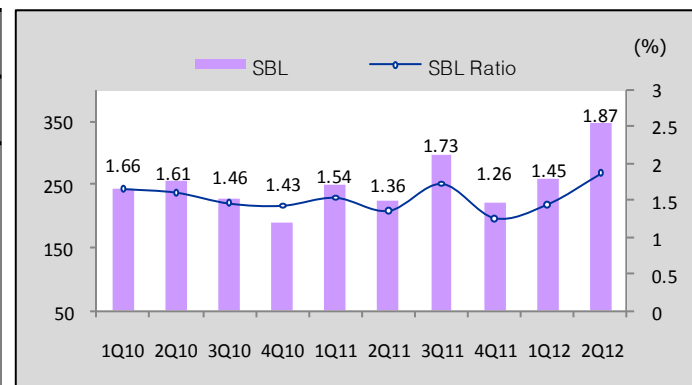
(KRW bn, %, Balance)	2012		2011				QoQ	YTD
	2Q	1Q	4Q	3Q	2Q	1Q		
KRW Loans	<b>24,893.4</b>	23,664.0	22,866.5	22,380.0	21,582.2	20,887.0	5.2	8.9
Corporate	<b>17,958.6</b>	17,108.1	16,428.0	16,185.5	15,692.5	15,265.1	5.0	9.3
(SME)	<b>16,306.5</b>	15,742.5	15,231.6	14,913.1	14,442.7	14,121.0	3.6	7.1
(Large Corps)	<b>1,652.1</b>	1,365.6	1,196.4	1,272.4	1,249.8	1,144.1	21.0	38.1
Household	<b>5,732.6</b>	5,636.7	5,541.0	5,331.8	5,021.6	4,811.5	1.7	3.5
Public	<b>1,202.2</b>	919.2	897.5	862.7	868.1	810.4	30.8	33.9
Foreign Currency Loans	<b>978.6</b>	949.4	1,044.3	1,081.3	989.3	1,059.3	3.1	△6.3
Trust Account	<b>20.0</b>	19.4	23.1	21.2	19.4	19.2	3.1	△13.4
Others	<b>1,410.0</b>	1,316.9	1,369.8	1,334.4	1,243.6	1,138.7	7.1	2.9
Total Loans	<b>27,302.0</b>	25,949.7	25,303.7	24,816.9	23,834.5	23,104.2	5.2	7.9

## 6. Corporate Loan Portfolio

(KRW bn, %, Balance)	2Q 2012			1Q 2012		2Q 2011	
	Amount	Ratio	QoQ	Amount	Ratio	Amount	Ratio
<b>Manufacturing Sectors</b>	<b>8,198.3</b>	<b>42.8</b>	<b>3.7</b>	7,908.6	43.9	7,452.1	45.0
Steel Metal Products	2,477.6	12.9	1.6	2,438.0	13.5	2,448.2	14.8
Automobile Parts	1,815.7	9.5	2.9	1,764.4	9.8	1,527.2	9.2
Machinery	1,022.9	5.3	4.8	976.0	5.4	967.2	5.8
Petroleum, Rubber, etc.	960.4	5.0	4.4	920.3	5.1	818.9	4.9
Fabric	237.9	1.2	△1.9	242.6	1.3	272.7	1.6
Garment & Shoes	236.1	1.2	10.7	213.2	1.2	184.9	1.1
Kitchen Units	248.6	1.3	3.5	240.2	1.3	215.3	1.3
Electronics	483.2	2.5	3.8	465.7	2.6	421.8	2.5
Paper, Paper Mills	80.4	0.4	8.1	74.4	0.4	101.4	0.6
Others	635.5	3.5	10.8	573.8	3.2	494.5	3.0
<b>Non-Manufacturing</b>	<b>10,962.5</b>	<b>57.2</b>	<b>8.3</b>	10,118.7	56.1	9,108.5	55.0
Wholesale & Retail	2,112.2	11.0	7.3	1,968.3	10.9	1,830.1	11.1
Public	556.7	2.9	86.3	298.8	1.7	237.7	1.4
Construction & Engineering	1,472.0	7.7	8.1	1,361.6	7.6	961.6	5.8
Real Estate & Lease	2,612.1	13.6	5.5	2,474.8	13.7	1,985.4	12.0
Insurance & Financing	543.1	2.8	△8.4	593.2	3.3	831.8	5.0
Transportation	1,246.7	6.5	5.4	1,182.3	6.6	1,128.3	6.8
Hotel & Food	404.8	2.1	5.0	385.4	2.1	372.2	2.2
Others	2,014.9	10.6	8.7	1,854.3	10.3	1,761.4	10.6
<b>Total</b>	<b>19,160.8</b>	<b>100.0</b>	<b>6.3</b>	18,027.3	100.0	16,560.6	100.0

# 7. Asset Quality

		2012		2011			
		2Q	1Q	4Q	3Q	2Q	1Q
(KRW bn)							
SME	Normal	<b>17,638.7</b>	17,231.9	16,795.5	16,424.8	15,929.9	15,446.2
	Precautionary	<b>574.5</b>	476.3	453.2	472.5	422.5	515.3
	Substandard	<b>286.0</b>	212.8	190.4	258.6	202.0	223.8
	Doubtful	<b>18.8</b>	19.6	14.1	19.2	11.1	8.6
	Expected Loss	<b>42.5</b>	27.4	15.5	20.3	12.7	17.3
	<b>Total</b>	<b>18,560.5</b>	17,968.0	17,468.7	17,195.4	16,578.2	16,211.1
Household	Normal	<b>5,712.4</b>	5,609.8	5,536.0	5,323.8	4,998.9	4,787.5
	Precautionary	<b>31.0</b>	35.8	31.1	31.3	31.5	32.6
	Substandard	<b>11.8</b>	15.2	7.5	9.0	8.6	8.7
	Doubtful	<b>5.9</b>	4.0	3.1	2.6	2.2	1.8
	Expected Loss	<b>4.3</b>	4.1	1.0	1.5	1.1	1.4
	<b>Total</b>	<b>5,765.4</b>	5,668.9	5,578.7	5,368.2	5,042.3	4,832.1
Credit Card	Normal	<b>373.4</b>	364.4	372.1	372.1	381.3	369.2
	Precautionary	<b>7.0</b>	8.0	6.1	5.9	5.2	5.5
	Substandard	<b>0.3</b>	0.2	0.2	0.2	0.2	0.2
	Doubtful	<b>3.3</b>	2.5	3.2	3.1	2.7	3.0
	Expected Loss	<b>2.8</b>	3.7	1.6	1.8	1.2	1.4
	<b>Total</b>	<b>386.8</b>	378.8	383.2	383.1	390.6	379.2



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

### □ Delinquency Ratio

(KRW bn, %)	2012		2011			
	2Q	1Q	4Q	3Q	2Q	1Q
<b>Total Delinquency Ratio</b>	<b>0.72</b>	0.82	0.59	0.92	0.58	0.69
Overdue Amount	<b>193.9</b>	210.0	149.0	225.9	136.7	158.0
Loan Amount	<b>27,023.0</b>	25,616.7	25,091.4	24,619.5	23,598.9	22,918.4
<b>SMEs</b>	<b>0.87</b>	1.00	0.69	1.17	0.75	0.89
Overdue Amount	<b>156.5</b>	171.7	115.9	194.1	119.2	139.4
Loan Amount	<b>17,904.1</b>	17,246.3	16,853.6	16,590.3	15,959.7	15,644.9
<b>Households</b>	<b>0.43</b>	0.52	0.25	0.24	0.24	0.23
Overdue Amount	<b>24.6</b>	29.4	14.2	12.8	12.3	11.3
Loan Amount	<b>5,752.5</b>	5,656.1	5,564.0	5,352.9	5,041.0	4,830.6
<b>Credit Card</b>	<b>2.07</b>	2.36	1.59	1.61	1.31	1.46
Overdue Amount	<b>8.0</b>	8.9	6.1	6.1	5.1	5.5
Loan Amount	<b>386.8</b>	378.8	383.2	383.1	390.5	379.2

### □ Write-Offs & NPL Sales

(KRW bn, %)	1H	2012		2011		2011		
		2Q	1Q	4Q	3Q	1H	2Q	1Q
<b>Total Write-Offs</b>	<b>29.8</b>	<b>21.7</b>	8.1	34.6	12.5	65.6	57.5	8.1
Corporate	<b>25.0</b>	<b>17.0</b>	8.0	30.6	10.1	59.3	53.8	5.5
Household	<b>0.1</b>	<b>0.0</b>	0.1	1.4	0.9	2.0	1.1	0.9
Credit Card	<b>4.7</b>	<b>4.7</b>	0.0	2.6	1.5	4.3	2.6	1.7
<b>Total NPL Sales</b>	<b>26.8</b>	<b>26.8</b>	0.0	92.9	0.0	69.9	69.9	0.0
<b>(NPL Sales for SBL Loans)</b>	<b>(25.1)</b>	<b>(25.1)</b>	(0.0)	(90.6)	(0.0)	60.9	(60.9)	(0.0)
Corporate	<b>24.7</b>	<b>24.7</b>	0.0	92.9	0.0	69.8	69.8	0.0
Household	<b>2.1</b>	<b>2.1</b>	0.0	0.0	0.0	-	0.0	0.0
Credit Card	<b>0.0</b>	<b>0.0</b>	0.0	0.0	0.0	0.1	0.1	0.0

## 9. SME Industry/Collateral Delinquency Ratio

### □ Delinquency Ratio by Industry

(KRW bn, %, Balance)	2Q 2012		1Q 2012		2Q 2011	
	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio
Manufacturing Sector	<b>8,287.5</b>	<b>1.18</b>	8,189.1	1.39	7,824.6	0.89
Non-Manufacturing Sector	<b>9,616.6</b>	<b>0.61</b>	9,057.2	0.64	8,135.1	0.61
Wholesale and Retail	<b>2,302.5</b>	<b>0.81</b>	2,193.8	0.38	2,071.4	0.25
Public & others	<b>0.3</b>	-	0.2	-	0.1	-
Construction	<b>1,161.7</b>	<b>0.29</b>	1,070.3	0.32	915.2	0.37
Real Estate & Lease	<b>2,580.8</b>	<b>0.09</b>	2,458.5	0.33	1,956.9	0.28
Finance and Insurance	<b>297.2</b>	-	283.5	-	230.6	-
Transportation & Communications	<b>1,229.6</b>	<b>1.49</b>	1,152.8	1.87	1,106.2	1.10
Hotel & Food	<b>410.5</b>	<b>1.57</b>	390.9	0.87	378.3	0.43
Others	<b>1,634.0</b>	<b>0.57</b>	1,507.2	0.88	1,470.3	1.46
Total	<b>17,904.1</b>	<b>0.87</b>	17,246.3	1.00	15,959.7	0.75

### □ Delinquency Ratio by Types of Collateral

(KRW bn, %, Balance)	Total	Real Estate	Movable	Deposits	Guarantee	Unsecured
<b>2Q 2012</b>	<b>0.87</b>	<b>1.32</b>	<b>0.37</b>	<b>0.05</b>	<b>0.40</b>	<b>0.60</b>
<b>Amount</b>	<b>(17,904.1)</b>	<b>(7,691.9)</b>	<b>(81.2)</b>	<b>(435.6)</b>	<b>(1,736.5)</b>	<b>(7,958.9)</b>
1Q 2012	1.00	1.62	0.12	0.02	0.41	0.57
Amount	(17,246.3)	(7,478.1)	(85.7)	(431.9)	(1,571.1)	(7,679.5)
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)
2Q 2011	0.75	1.32	0.89	0.00	0.50	0.29
Amount	(15,959.7)	(6,881.8)	(101.2)	(475.3)	(1,554.8)	(6,946.6)

## 10. Household Loans

(KRW bn, %, %p, Balance)	2012		2011				2010 4Q	QoQ	YTD
	2Q	1Q	4Q	3Q	2Q	1Q			
Household Loans – Retail (KRW)	<b>5,732.6</b>	5,636.7	5,541.0	5,331.8	5,021.6	4,811.5	4,753.7	1.7	3.5
Total Secured Loans	<b>5,397.0</b>	5,197.7	4,957.0	4,616.9	4,347.5	4,179.6	4,141.0	3.8	8.9
Mortgage / Home Equity	<b>2,672.6</b>	2,732.4	2,768.1	2,709.6	2,666.7	2,618.3	2,603.7	△2.2	△3.5
(Avg. LTV)	<b>(52.97)</b>	(49.39)	(43.24)	(40.65)	(43.08)	(44.36)	(45.34)	3.58	9.73
Others	<b>1,351.9</b>	1,273.7	1,238.8	1,099.2	1,061.9	1,031.6	1,055.8	6.1	9.1
Group Loans	<b>1,231.9</b>	1,052.2	805.9	670.4	491.7	412.4	361.4	17.1	52.9
Government Pension Backed	<b>140.6</b>	139.4	144.2	137.7	127.2	117.3	120.1	0.9	△2.5
Non-Collateralized	<b>335.6</b>	439.0	584.0	714.9	674.1	631.9	612.7	△23.6	△42.5
Government Workers	<b>107.0</b>	106.4	111.6	112.0	91.2	90.1	92.5	0.6	△4.1
Large Corp. Employees	<b>57.8</b>	57.5	59.3	60.1	48.5	45.8	45.8	0.5	△2.5
Student Loans	<b>0.6</b>	0.7	0.9	1.1	1.4	1.7	2.1	△14.3	△33.3
Clean Credit	<b>357.2</b>	300.3	274.4	274.4	274.0	274.9	280.5	18.9	30.2
Others	<b>△187.0</b>	△25.9	137.8	267.3	259.0	219.4	191.8	622.0	△235.7



## 11. Credit Card Business

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

(KRW bn)

Portfolio	2012		2011				2010	
	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q
Credit Purchase	<b>966.3</b>	946.3	920.8	898.3	878.0	836.6	834.5	805.9
Lump-sum	<b>802.7</b>	787.4	760.8	756.8	711.5	699.2	685.5	673.7
Installment	<b>163.6</b>	158.9	160.0	141.5	166.5	137.4	149.0	132.2
Cash Advance	<b>109.1</b>	103.0	110.3	108.6	110.6	111.8	119.2	119.2
<b>Total</b>	<b>1,075.4</b>	1,049.3	1,031.1	1,006.9	988.6	948.4	953.7	925.1
<b>Balance</b>	<b>2Q</b>	<b>1Q</b>	<b>4Q</b>	<b>3Q</b>	<b>2Q</b>	<b>1Q</b>	<b>4Q</b>	<b>3Q</b>
Credit Purchase	<b>332.4</b>	324.2	326.1	326.1	333.3	321.1	350.6	346.3
Cash Advance	<b>53.1</b>	53.4	56.0	55.9	56.2	57.0	59.5	59.5
Re-aged Loans	<b>1.3</b>	1.2	1.1	1.1	1.1	1.2	1.1	1.4
<b>Total</b>	<b>386.8</b>	378.8	383.2	383.1	390.6	379.3	411.2	407.2
<b>Income(Fees)</b>	<b>2Q</b>	<b>1Q</b>	<b>4Q</b>	<b>3Q</b>	<b>2Q</b>	<b>1Q</b>	<b>4Q</b>	<b>3Q</b>
Credit Purchase	<b>18.6</b>	21.0	19.1	18.5	18.9	19.1	19.2	18.4
Cash Advance	<b>3.3</b>	3.2	3.4	3.4	3.6	3.5	3.8	4.1
Re-aged Loans	<b>0</b>	0	0	0	0	0	0	0
Others	<b>1.1</b>	0.6	0.9	0.9	1.0	0.9	0.9	0.9
<b>Total</b>	<b>23.0</b>	24.8	23.4	22.8	23.5	23.6	23.9	23.4

## ***VI. Appendix (Non Bank)***

<b>1. B/S Summary / I/S Summary</b>	<b>34</b>
<b>2. BS Capital Portfolio</b>	<b>39</b>
<b>3. Group Networks &amp; Major Industries</b>	<b>40</b>
<b>4. Busan Economy – At a Glance</b>	<b>41</b>

# 1. B/S Summary / I/S Summary

## □ BS Securities B/S Summary

(KRW bn, %, Balance)	12.2Q	12.1Q	11.4Q	11.3Q	11.2Q	11.1Q	QoQ	YoY
<b>Assets</b>	<b>680.2</b>	745.2	507.2	256.1	185.8	134.2	△8.7	266.1
Cash and Dues	<b>78.8</b>	213.4	75.0	98.7	59.6	75.4	△63.1	32.2
Securities	<b>472.1</b>	448.3	330.9	82.4	54.1	37.4	5.3	772.6
Loans	<b>28.6</b>	26.4	26.1	25.2	19.9	13.2	8.3	43.7
Fixed Assets	<b>5.2</b>	5.3	4.7	2.2	1.6	1.3	△1.9	225.0
Other Assets	<b>95.5</b>	51.8	70.5	47.6	50.6	6.9	84.4	88.7
<b>Liability &amp; Shareholder's Equity</b>	<b>680.2</b>	745.2	507.2	256.1	185.8	134.2	△8.7	266.1
Deposits	<b>78.6</b>	91.2	77.6	103.0	60.2	65.8	△13.8	30.6
Borrowings	<b>419.9</b>	497.1	263.5	0.0	0.0	10.0	△15.5	-
Other Liabilities	<b>69.7</b>	45.7	57.0	45.1	49.4	3.7	52.5	41.1
Shareholder's Equity	<b>112.0</b>	111.2	109.1	108.0	76.2	54.7	0.7	47.0

## □ BS Securities I/S Summary

(KRW bn, %, Balance)	12 1H	12.2Q	12.1Q	2011	11.4Q	11.3Q	11 1H	11.2Q	11.1Q	QoQ	12 1H vs. 11 1H
<b>Operating Revenue</b>	<b>40.2</b>	<b>20.3</b>	19.9	48.9	14.8	14.5	19.6	10.4	9.2	2.0	105.1
Interest Revenue	<b>10.2</b>	<b>5.3</b>	4.9	5.7	2.3	1.5	1.9	1.0	0.9	8.2	436.8
Fee & Commission Revenue	<b>11.7</b>	<b>6.2</b>	5.5	15.3	4.5	4.6	6.2	3.4	2.8	12.7	88.7
Others	<b>18.3</b>	<b>8.8</b>	9.5	27.9	8.0	8.4	11.5	6.0	5.5	△7.4	59.1
<b>Operating Expense</b>	<b>37.8</b>	<b>19.4</b>	18.4	42.8	12.9	12.1	17.8	9.3	8.5	5.4	112.4
Interest Expense	<b>5.7</b>	<b>3.2</b>	2.5	1.6	1.0	0.4	0.2	0.1	0.1	28.0	2,750.0
Fee & Commission Expense	<b>4.1</b>	<b>2.1</b>	2.0	4.6	1.0	1.6	2.0	1.1	0.9	5.0	105.0
Others	<b>13.9</b>	<b>7.0</b>	6.9	16.4	4.6	4.7	7.1	3.8	3.3	1.4	95.8
SG&A	<b>14.1</b>	<b>7.1</b>	7.0	20.2	6.3	5.4	8.5	4.3	4.2	1.4	65.9
Provision Expense	-	-	-	-	-	-	-	-	-	-	-
<b>Earnings Before Income Tax</b>	<b>2.4</b>	<b>0.9</b>	1.5	6.1	1.9	2.4	1.8	1.1	0.7	△40.0	33.3
<b>Income Tax Expenses</b>	<b>0.8</b>	<b>0.3</b>	0.5	1.5	0.5	0.6	0.4	0.2	0.2	△40.0	100.0
<b>Net Income</b>	<b>1.6</b>	<b>0.6</b>	1.0	4.6	1.4	1.8	1.4	0.9	0.5	△40.0	14.3

# 1. B/S Summary / I/S Summary

## □ BS Capital B/S Summary

(KRW bn, %, Balance)	12.2Q	12.1Q	11.4Q	11.3Q	11.2Q	11.1Q	QoQ	YoY
<b>Assets</b>	<b>1,275.3</b>	1,096.7	918.1	675.5	455.7	356.0	16.3	179.9
Cash and Dues	<b>61.6</b>	23.2	27.4	46.4	18.8	87.6	165.5	227.7
Securities	<b>0.0</b>	0.0	0.01	0.01	0.01	0.01	-	-
Loans	<b>452.1</b>	460.8	426.6	290.1	173.6	98.2	△1.9	160.4
Durables Installment Financing Assets	<b>321.3</b>	235.3	134.4	69.9	34.9	17.8	36.5	820.6
Leased Assets	<b>413.3</b>	350.8	308.2	253.7	216.5	144.0	17.8	90.9
Fixed Assets	<b>3.1</b>	3.1	2.0	1.9	1.3	1.3	0.0	138.5
Other Assets	<b>23.9</b>	23.5	19.5	13.5	10.6	7.0	1.7	125.5
<b>Liability &amp; Shareholder's Equity</b>	<b>1,275.3</b>	1,096.7	918.1	675.5	455.7	356.0	16.3	179.9
Borrowings	<b>988.8</b>	889.0	729.4	510.0	355.0	300.0	11.2	178.5
Other Liabilities	<b>119.3</b>	95.2	80.8	61.2	49.5	36.3	25.3	141.0
Shareholder's Equity	<b>167.2</b>	112.5	107.9	104.2	51.2	19.7	48.6	226.6

## □ BS Capital I/S Summary

(KRW bn, %, Balance)	12 1H	12.2Q	12.1Q	2011	11.4Q	11.3Q	11 1H	11.2Q	11.1Q	QoQ	12 1H vs. 11 1H
<b>Operating Revenue</b>	<b>67.1</b>	<b>36.2</b>	30.9	62.3	25.8	17.6	18.9	11.5	7.4	17.2	255.0
Interest Revenue	<b>58.9</b>	<b>31.3</b>	27.6	59.9	24.7	16.9	18.3	11.1	7.2	13.4	221.9
Fee & Commission Revenue	<b>7.9</b>	<b>4.6</b>	3.3	2.3	1.1	0.6	0.6	0.4	0.2	39.4	1,216.7
Others	<b>0.3</b>	<b>0.3</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-
<b>Operating Expense</b>	<b>54.2</b>	<b>29.3</b>	24.9	44.9	20.6	13.8	15.5	9.4	6.1	17.7	249.7
Interest Expense	<b>23.1</b>	<b>12.5</b>	10.6	22.5	8.9	6.4	7.2	4.9	2.3	17.9	220.8
Fee & Commission Expense	<b>1.2</b>	<b>0.5</b>	0.7	0.6	0.2	0.0	0.4	△0.9	1.3	△28.6	200.0
Others	<b>0.6</b>	<b>0.4</b>	0.2	2.5	1.7	0.5	0.3	0.2	0.1	100.0	100.0
SG&A	<b>12.0</b>	<b>7.0</b>	5.0	9.8	3.4	2.7	3.7	2.2	1.5	40.0	224.3
Provision Expense	<b>17.3</b>	<b>8.9</b>	8.4	14.6	6.4	4.3	3.9	3.0	0.9	6.0	343.6
<b>Earnings Before Income Tax</b>	<b>12.9</b>	<b>6.9</b>	6.0	12.3	5.2	3.8	3.3	2.1	1.2	15.0	290.9
<b>Income Tax Expenses</b>	<b>3.4</b>	<b>2.1</b>	1.3	2.4	1.4	0.6	0.4	0.4	0.0	61.5	750.0
<b>Net Income</b>	<b>9.5</b>	<b>4.8</b>	4.7	9.9	3.8	3.2	2.9	1.7	1.2	2.1	227.6

# 1. B/S Summary / I/S Summary

## □ BS MSB B/S Summary

(KRW bn, %, Balance)	12.2Q	12.1Q	QoQ
<b>Total Assets</b>	<b>668.3</b>	671.5	△0.5
<b>Total Deposits</b>	<b>526.9</b>	518.7	1.6
KRW Deposits	<b>526.9</b>	518.7	1.6
Others	-	-	-
<b>Total Credits</b>	<b>487.3</b>	478.0	1.9
Total Loans	<b>487.3</b>	478.0	1.9
KRW Loans	<b>470.2</b>	459.4	2.4
Others	<b>17.1</b>	18.6	△8.1
Guarantees	-	-	-
<b>Total Securities</b>	<b>13.1</b>	13.5	△3.0
<b>Shareholder's Equity</b>	<b>114.8</b>	114.6	0.2

## □ BS MSB I/S Summary

(KRW bn, %, Balance)	12.1H	12.2Q	12.1Q	QoQ
<b>Operating Revenue</b>	<b>36.5</b>	<b>14.6</b>	21.9	△33.3
Interest Revenue	<b>35.6</b>	<b>14.3</b>	21.3	△32.9
Fee & Commission Revenue	<b>0.3</b>	<b>0.0</b>	0.3	△100.0
Others	<b>0.6</b>	<b>0.3</b>	0.3	0.0
<b>Operating Expense</b>	<b>36.2</b>	<b>14.3</b>	21.9	△34.7
Interest Expense	<b>14.1</b>	<b>6.3</b>	7.8	△19.2
Fee & Commission Expense	<b>0.3</b>	<b>0.2</b>	0.1	100.0
Others	<b>1.7</b>	<b>0.8</b>	0.9	△11.1
SG&A	<b>7.3</b>	<b>3.6</b>	3.7	△2.7
Provision Expense	<b>12.8</b>	<b>3.4</b>	9.4	△63.8
<b>Earnings Before Income Tax</b>	<b>0.3</b>	<b>0.3</b>	0.0	-
<b>Income Tax Expenses</b>	<b>0.1</b>	<b>0.1</b>	0.0	-
<b>Net Income</b>	<b>0.2</b>	<b>0.2</b>	0.0	-

# 1. B/S Summary / I/S Summary

## □ BS Credit Information B/S Summary

(KRW bn, %, Balance)	12.2Q	12.1Q	11.4Q	11.3Q	11.2Q	11.1Q	QoQ	YoY
<b>Assets</b>	<b>5.5</b>	5.4	5.2	5.0	5.0	4.8	1.9	10.0
Cash and Dues	<b>4.8</b>	4.6	4.7	4.4	4.3	4.1	4.3	11.6
Securities	<b>0.0</b>	0.0	0.0	0.0	0.0	0.0	-	-
Fixed Assets	<b>0.1</b>	0.1	0.1	0.0	0.0	0.1	0.0	-
Other Assets	<b>0.6</b>	0.7	0.4	0.6	0.7	0.6	△14.3	△14.3
<b>Liability &amp; Shareholder's Equity</b>	<b>5.5</b>	5.4	5.2	5.0	5.0	4.8	1.9	10.0
Other Liabilities	<b>0.3</b>	0.3	0.2	0.2	0.3	0.2	0.0	0.0
Shareholder's Equity	<b>5.2</b>	5.1	5.0	4.8	4.7	4.6	2.0	10.6

## □ BS Credit Information I/S Summary

(KRW bn, %, Balance)	12 1H	12.2Q	12.1Q	2011	11.4Q	11.3Q	11 1H	11.2Q	11.1Q	QoQ	121H vs. 111H
<b>Operating Revenue</b>	<b>1.25</b>	<b>0.67</b>	0.58	2.40	0.66	0.58	1.16	0.62	0.54	15.5	7.8
Interest Revenue	<b>0.09</b>	<b>0.05</b>	0.04	0.17	0.05	0.04	0.08	0.04	0.04	25.0	12.5
Fee & Commission Revenue	<b>1.16</b>	<b>0.62</b>	0.54	2.23	0.61	0.54	1.08	0.58	0.50	14.8	7.4
Others	-	-	-	-	-	-	-	-	-	-	-
<b>Operating Expense</b>	<b>0.92</b>	<b>0.49</b>	0.43	1.74	0.47	0.42	0.85	0.45	0.40	14.0	8.2
Interest Expense	-	-	-	-	-	-	-	-	-	-	-
Fee & Commission Expense	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
SG&A	<b>0.92</b>	<b>0.49</b>	0.43	1.74	0.47	0.42	0.85	0.45	0.40	14.0	8.2
Provision Expense	-	-	-	-	-	-	-	-	-	-	-
<b>Earnings Before Income Tax</b>	<b>0.33</b>	<b>0.18</b>	0.15	0.66	0.19	0.16	0.31	0.17	0.14	20.0	6.5

# 1. B/S Summary / I/S Summary

## □ BS Information System I/S Summary

	12 1H	12.2Q	12.1Q	2011	11.4Q	11.3Q	11.2Q	QoQ
(KRW bn, %, Balance)								
Net Interest Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Net Fee Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Others	2.2	1.3	0.9	0.9	0.7	0.2	0.0	44.4
SG&A(-)	1.9	1.1	0.8	0.9	0.6	0.3	0.0	37.5
Provision Expense(-)	0.0	0.0	0.0	0.0	0.0	0.0	-	-
Earnings Before Income Tax	0.3	0.2	0.1	0.0	0.1	△0.1	0.0	100.0
Income Tax Expenses(-)	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-
Net Income	0.2	0.1	0.1	0.0	0.1	△0.1	0.0	0.0

## 2. BS Capital Portfolio

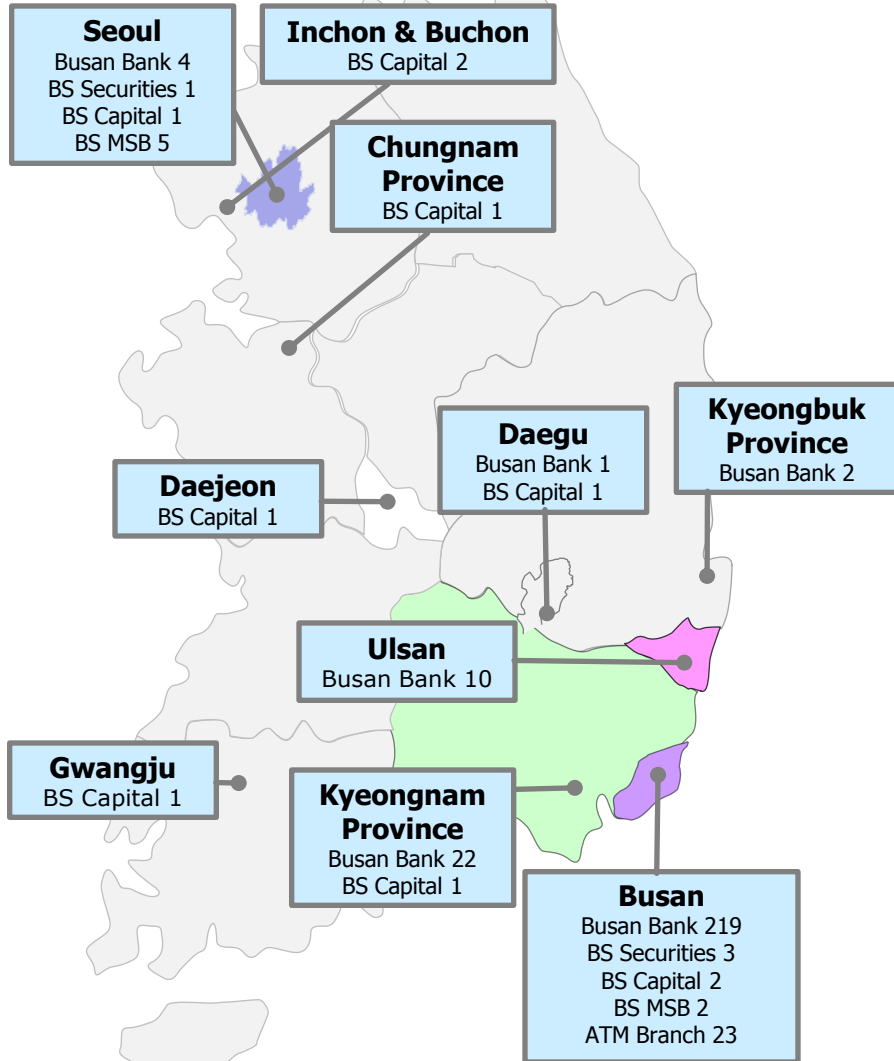
	2Q12	Portion	QoQ	1Q12	4Q11	3Q11	2Q11	1Q11	4Q10
(KRW bn, %, Balance)									
<b>Total</b>	<b>1,179.6</b>	100.0%	13.3%	<b>1,041.2</b>	<b>862.0</b>	<b>609.0</b>	<b>420.3</b>	<b>255.7</b>	<b>111.6</b>
<b>Loans</b>	<b>396.1</b>	33.6%	△2.2%	<b>405.2</b>	<b>369.2</b>	<b>253.3</b>	<b>161.8</b>	<b>94.6</b>	<b>56.9</b>
Household	<b>178.5</b>	15.1%	14.7%	155.6	140.5	112.1	78.4	54.3	28.4
Corporate	<b>217.6</b>	18.5%	△12.8%	249.6	228.7	141.2	83.4	40.3	28.5
<b>Auto Financing</b>	<b>401.3</b>	34.0%	36.8%	<b>293.4</b>	<b>193.0</b>	<b>107.2</b>	<b>43.8</b>	<b>20.1</b>	<b>4.1</b>
Commercial Vehicle	<b>220.9</b>	18.7%	25.7%	175.8	112.8	64.1	23.1	12.2	3.7
Passenger Vehicle	<b>180.4</b>	15.3%	53.4%	117.6	80.2	43.1	20.7	7.9	0.4
<b>Lease/Installments</b>	<b>382.2</b>	32.4%	11.6%	<b>342.6</b>	<b>299.8</b>	<b>248.5</b>	<b>214.7</b>	<b>141.0</b>	<b>50.6</b>
Machine Tools	<b>152.8</b>	13.0%	14.8%	133.1	117.9	101.8	91.7	76.4	18.2
Medical Instruments	<b>146.7</b>	12.4%	10.7%	132.5	118.2	96.5	84.3	35.0	13.6
Others	<b>82.7</b>	7.0%	7.4%	77.0	63.7	50.2	38.7	29.6	18.8



### 3. Group Networks & Major Industries

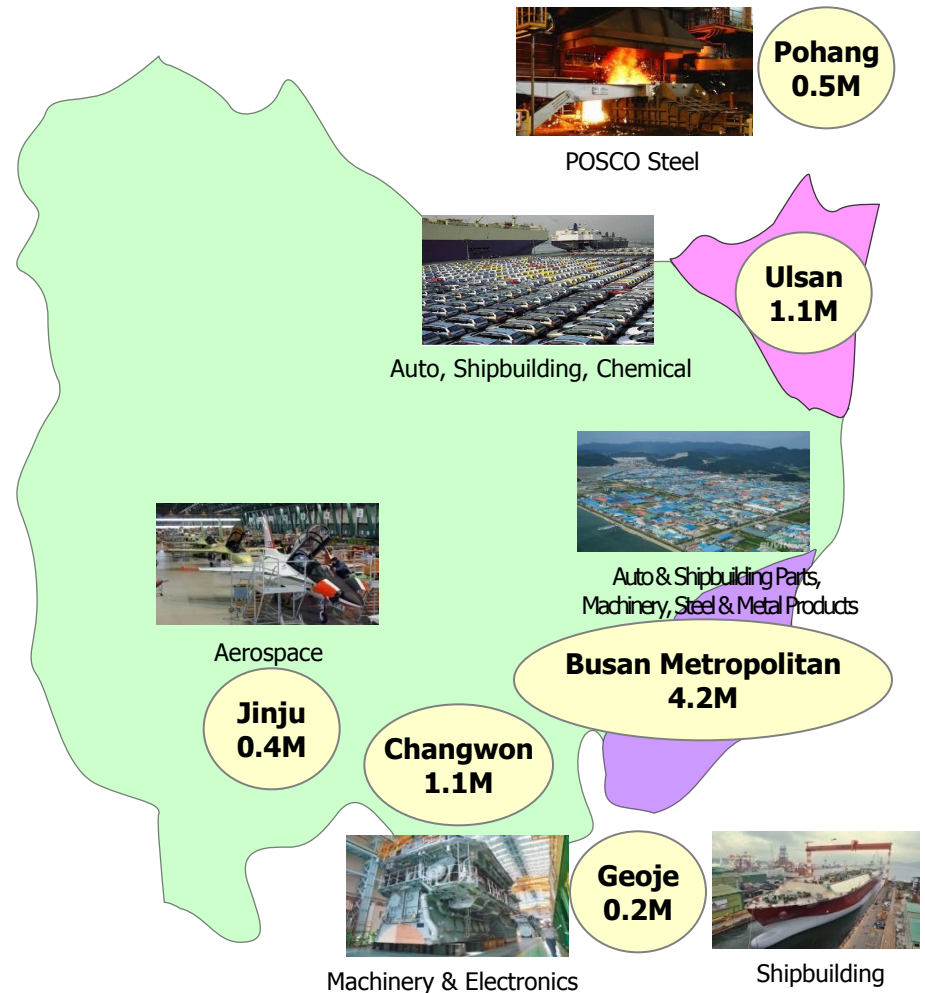
#### ❑ Networks across Korea

- Busan Bank 258, BS Securities 4, BS Capital 10, BS MSB 7



#### ❑ Population & Major Industries

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



## 4. Busan Economy – At a Glance

### □ Overview & Outlook

- Even under domestic & global uncertainties, the Composite Leading Index & Industrial Production recovery has continued; however, decreasing exports etc. real index improvement has weakened
- The main industries including Auto Components, Shipbuilding Equipments, and Machinery maintaining operating ratios of 100%
- The Housing Purchase Price Index has been keep held steady on a monthly basis at 6.6% higher than the previous year

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

Indicators	12.05	Change(YoY) <sup>2)</sup>	12.04	12.03	Details
Composite Leading Index <sup>*3)</sup>	<b>131.0</b>	<b>1.0%</b> ↑	129.7	128.9	5 Consecutive months of increase. Considering the Europe Crisis, China & US economy slowdown, there remains a chance for the weakening in this upward trend
Industrial Production (2005=100)	<b>131.9</b>	<b>3.5%</b> ↑	129.8	128.1	Continued uncertainty with the European Crisis situation; however, still strong machinery, metal product production rates showing 2 consecutive months of increase in Industrial Production
Unemployment Rate(%) (Based on June, May, & April 2012)	<b>3.7</b>	<b>0.1%</b> ↑	3.7	4.0	Unemployment rate has slightly increased due to employment recovery trends that have increased job searchers even in a slow economy; however, still maintaining stable level of unemployment rate
Consumer Prices (Based on June, May, & April 2012)	<b>106.8</b>	<b>2.5%</b> ↑	107.0	106.7	June consumer prices hitting a record low in 32 months due to the efforts of the Busan Government to stabilize consumer prices
Export (USD mn)	<b>1,216</b>	<b>△3.0%</b> ↓	1,157	1,215	Continued export trend to China & Russia, autopart export on the rise to US & Czech Republic. However, slight slowdown in terms of exports for automobiles including transport vehicles to other areas
Sales at Large Retailers (KRW bn)	<b>4,739</b>	<b>3.2%</b> ↑	4,496	4,633	May sales has seen a decrease due to Large Retailer's mandatory closure effect, however, sales have seen continued upward trend
SMEs Operation Ratio (%)	<b>90.1</b>	<b>0.5%</b> ↑	90.2	89.8	Particularly active in auto parts(100%), shipbuilding components(100.0%) & machinery(98.8%); Average Nationwide Operating Ratio at 71.8%
House Prices (2011.6=100) (Based on June, May, & April 2012)	<b>106.6</b>	<b>6.6%</b> ↑	106.6	106.5	With a new large housing complex open for moving in the north Hwamyung area, the Housing Price drop in older housing complexes has lowered the Housing Purchase Price Index, unsold apartment units at 4,014 maintaining a stable level since Dec. 2010
Container Handling (1,000 TEU)	<b>1,537</b>	<b>8.6%</b> ↑	1,475	1,486	Increased volumes of transshipment cargo have overall been a positive effect on maintaining strong container traffic volumes

Note.

1) Data from Busan Economic Promotion Agency's July 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