

3Q 2012 BS Financial Group Financial Results

(November 2, 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 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

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1. Earnings Highlights

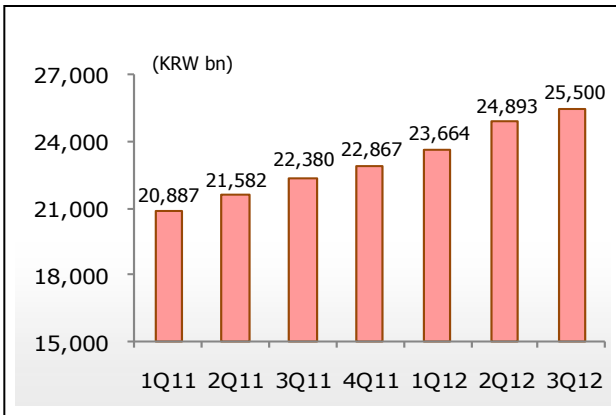
3Q12 Group Net Income
113.1 KRW bn
 (Accumulated Net Income 309.1 KRW bn)

- ❖ **3Q 2012 Group Net Income : 113.1 KRW bn, up by 31.1% QoQ**
- Consolidated Bank Net Income 107.4 KRW bn, up by 25.0% QoQ
- Consolidated Non Bank Net Income 10.3 KRW bn, up by 77.6% QoQ
- Securities 1.2 KRW bn, Capital 5.3 KRW bn, MSB 3.5 KRW bn, Credit Info. 0.2 KRW bn, Info Sys. 0.1 KRW bn
- ※ Accumulated Net Income : Financial Group 309.1 KRW bn, Bank 300.7 KRW bn, Securities 2.8 KRW bn, Capital 14.8 KRW bn, MSB 3.7 KRW bn, Credit Information 0.4 KRW bn, Information System 0.3 KRW bn
- * Exclude unconsolidated portion 13.6 KRW bn

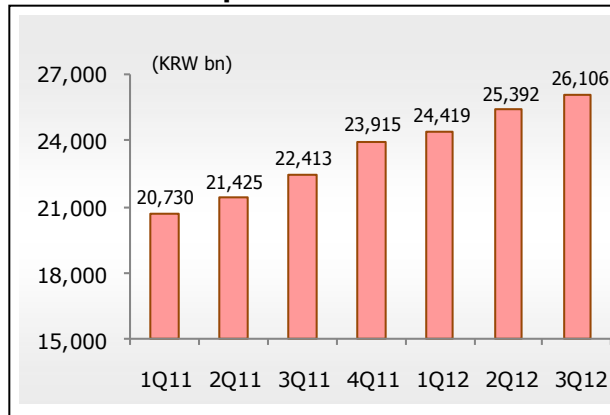
Group Total Assets
45,665.2 KRW bn
 (Up by 5.6% QoQ)

- ❖ **3Q 2012 Group Total Assets : 45,665.2 KRW bn, up by 5.6% QoQ**
- Bank : 43,061.6 KRW bn, up by 6.0% QoQ
- Non-Bank : 2,626.9 KRW bn, down by 0.2% QoQ
- ※ Financial Group 3,328.7 KRW bn, Securities 541.1 KRW bn, Capital 1,479.9 KRW bn, MSB 596.4 KRW bn, Credit Information 5.7 KRW bn, Information System 3.8 KRW bn
- * Exclude unconsolidated portion : 3,352.0 KRW bn

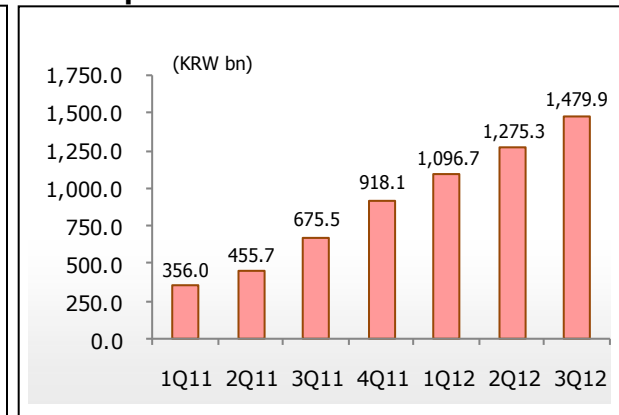
□ Bank KRW Credits



□ Bank KRW Deposits



□ BS Capital Total Assets



2. I/S Summary

□ 3Q12 Results by Business

	Group	Bank	Securities	Capital	MSB	Credit Information	Information System	Consolidation Change
(KRW bn)								
Net Interest Income	283.5	257.5	1.7	21.3	5.4	-	-	△2.4
Net Fee Income	29.1	20.8	2.3	6.1	△0.2	0.7	-	△0.6
Others	△1.7	4.5	5.2	0.3	△11.8	-	1.3	△1.2
SG&A(-)	132.7	111.9	7.5	8.7	2.6	0.5	1.2	0.3
Provision Expense(-)	29.7	30.9	-	12.0	△13.3	-	-	0.1
Earnings Before Income Tax	148.5	140.0	1.7	7.0	4.1	0.2	0.1	△4.6
Income Tax Expenses(-)	35.4	32.6	0.5	1.7	0.6	-	-	-
Net Income	113.1	107.4	1.2	5.3	3.5	0.2	0.1	△4.6

2. I/S Summary

□ Group Level Results

	2012				2011				QoQ	12.9 vs 11.9	
	2012.9	3Q	2Q	1Q	4Q	2011.9	3Q	2Q			1Q
(KRW bn, %)											
Net Interest Income	854.9	283.5	282.4	289.0	270.5	754.1	260.3	252.4	241.3	0.4	13.4
Net Fee Income	83.6	29.1	27.6	26.9	24.8	71.7	23.9	25.0	22.8	5.4	16.6
Others	0.8	△1.7	△2.6	5.1	7.6	32.4	△0.9	10.1	23.3	△34.6	△97.5
SG&A(-)	399.3	132.7	138.5	128.1	162.9	325.7	113.9	108.4	103.4	△4.2	22.6
Provision Expense(-)	129.3	29.7	52.8	46.8	32.4	107.3	44.1	47.8	15.4	△43.8	20.5
Earnings Before Income Tax	410.7	148.5	116.1	146.1	107.6	425.2	125.3	131.3	168.6	27.9	△3.4
Income Tax Expenses(-)	101.6	35.4	29.8	36.4	28.3	104.2	30.1	34.0	40.1	18.8	△2.5
Net Income	309.1	113.1	86.3	109.7	79.3	321.0	95.2	97.3	128.5	31.1	△3.7

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

□ Group Total Lending

(KRW bn, %)	3Q12	2Q12	QoQ
Cash and Dues	1,788.4	1,348.4	32.6
Securities	7,443.4	7,527.2	△1.1
Loans & Receivables	32,894.8	30,711.5	7.1
Derivative Assets	82.6	87.0	△5.1
Fixed Assets & Investment Assets	407.6	387.0	5.3
Intangible Assets	121.9	125.7	△3.0
Others	201.2	152.5	31.9
Total Assets	42,939.9	40,339.3	6.4

□ Asset Quality

(%, %p)	3Q12	2Q12	1Q12	4Q11	3Q11	2Q11	1Q12	QoQ
Substandard & Below Ratio	1.48	1.76	1.53	0.97	1.37	1.05	1.20	△0.28
Coverage Ratio	109.40	106.60	121.87	154.45	110.20	135.01	125.14	2.80
Delinquency Ratio	0.93	1.10	1.16	0.61	0.92	0.58	0.69	△0.17

□ Group Total Funding

(KRW bn, %)	3Q12	2Q12	QoQ
Deposits	27,234.4	26,631.2	2.3
Borrowings	8,654.7	8,291.8	4.4
Derivatives	45.1	35.6	26.7
Others	3,794.2	2,295.9	65.3
Total Liabilities	39,728.4	37,254.5	6.6
Shareholder's Equity	3,211.5	3,084.8	4.1
Total Liabilities & Shareholder's Equity	42,939.9	40,339.3	6.4

□ Capital Strength

(%, %p)	3Q12	2Q12	1Q12	4Q11	3Q11	2Q11	1Q12	QoQ
BIS Ratio	16.35	15.03	15.11	15.83	16.04	15.94	16.07	1.32
Tier I	10.99	10.95	10.98	11.42	11.87	11.81	11.80	0.04
Tier II	5.36	4.08	4.13	4.41	4.17	4.13	4.27	1.28
TCE	7.48	7.65	7.54	7.51	7.81	7.82	7.46	△0.17

4. Profitability / Dividend Payout

□ Profitability

(%, %p)	3Q12	2Q12	1Q12	4Q11	3Q11	2Q11	1Q11	QoQ
ROA	1.02	0.99	1.11	1.10	1.20	1.29	1.46	0.03
ROE	13.46	13.02	14.74	14.34	15.65	16.92	19.61	0.44
Cost Income Ratio	42.51	42.42	39.93	42.08	37.96	36.84	35.98	0.09

□ Dividend Payout

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

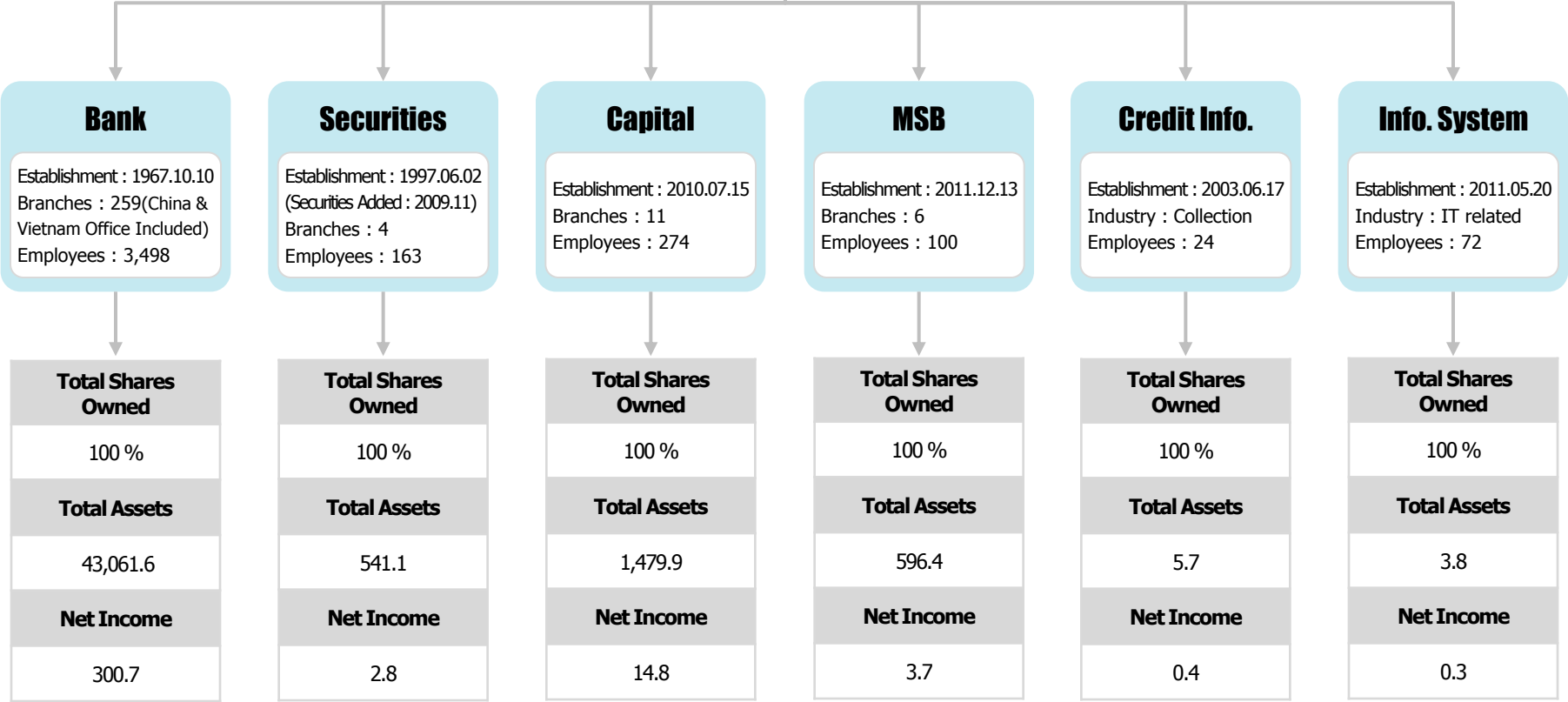
1) Calculated without deducting 'Reserve' from Net Income

5. Group Structure

(%, KRW bn)

BS Financial Group

Establishment : 2011.03.15
Total Assets : 45,665.2
Net Income : 309.1
Employees : 4,184



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1. Earnings Highlights

Growth

- ❖ **Total Credits : up by 2.2% (613.7 KRW bn) QoQ**
 - KRW Loans up by 2.4% (606.3 KRW bn) QoQ
- ❖ **Total Deposits : up by 2.4% (746.8 KRW bn) QoQ**
 - KRW Deposits up by 2.8% (714.3 KRW bn) QoQ
- ❖ **LDR : 97.79%, up by 0.60%p QoQ**

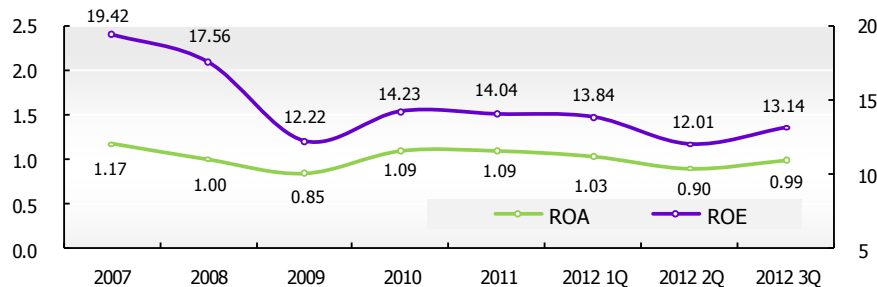
Asset Quality

- ❖ **S&B Loan Ratio : 1.38%, down by 0.03%p QoQ**
- ❖ **Delinquency Ratio : 0.75%, up by 0.03%p QoQ**
- ❖ **Real Estate PF Delinquency Ratio : 0.3%** (Issue resolved on Oct. 9th)
- ❖ **Real Estate PF S&B Loan Ratio : 0%**

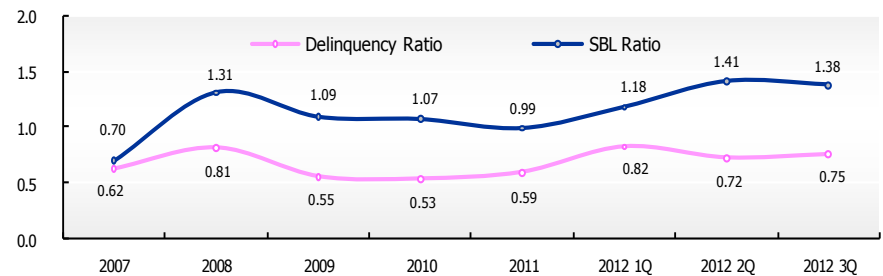
Profitability

- ❖ **Top Line**
 - ▶ **Net Interest Income : 3Q12 Net Interest Income 257.5 KRW bn, up by 0.8% QoQ, Accumulated Net Interest Income 770.6 KRW bn, up by 5.3% YoY**
 - ▶ **3Q NIM 2.70%, down by 0.09%p QoQ**
- ❖ **Bottom Line**
 - ▶ **Annualized Credit Cost : 0.47%, down by 0.03%p QoQ, down by 0.07%p YoY**
 - ▶ **Cost Income Ratio : 40.76%, down by 0.60%p QoQ, up by 5.16%p YoY**
 - ▶ **Quarterly Net Income : 107.4 KRW bn, up by 25.0%, up by 8.8% YoY**
 - ▶ **Accumulated Net Income : 300.7 KRW bn, down by 5.6% YoY**

□ ROA / ROE (%)



□ Asset Quality (%)



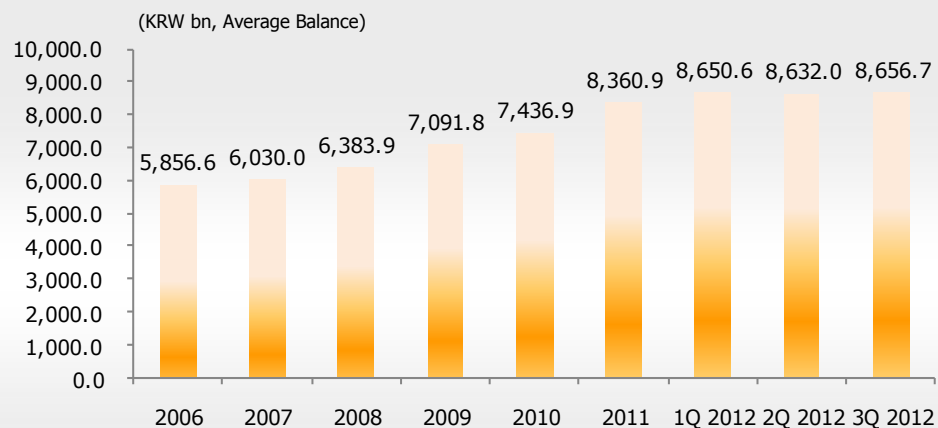
2. Assets & Deposits¹⁾

(KRW bn, %, Balance)	2012			2011			QoQ	YTD	
	3Q	2Q	1Q	4Q	3Q	2Q			1Q
Total Assets	43,061.6	40,611.9	39,971.5	40,594.4	38,358.4	36,703.8	37,323.8	6.0	6.1
Bank Account	40,336.2	37,727.7	37,224.6	37,988.7	36,083.3	34,561.7	35,131.0	6.9	6.2
Trust Account	2,725.4	2,884.2	2,746.9	2,605.7	2,275.1	2,142.1	2,192.8	△5.5	4.6
Total Deposits	31,367.5	30,620.7	30,018.7	29,762.2	28,085.6	27,212.2	26,037.3	2.4	5.4
Bank Account	28,922.3	28,108.7	27,648.8	27,540.8	25,980.1	25,236.5	24,069.5	2.9	5.0
Won Deposits	26,106.1	25,391.8	24,419.3	23,914.5	22,413.4	21,425.3	20,730.2	2.8	9.2
Demand	2,036.1	2,209.2	2,037.8	1,951.7	1,798.2	1,966.9	1,952.1	△7.8	4.3
Savings & Time	24,041.5	23,152.5	22,345.3	21,923.9	20,570.3	19,410.4	18,721.4	3.8	9.7
Installment	28.5	30.1	36.2	38.9	44.9	48.0	56.7	△5.3	△26.7
CD	197.6	328.3	547.3	852.0	770.4	1,368.1	1,035.5	△39.8	△76.8
Trust Account	2,445.2	2,512.0	2,369.9	2,221.4	2,105.5	1,975.7	1,967.8	△2.7	10.1
Total Credits	27,915.7	27,302.0	25,949.7	25,303.7	24,816.9	23,834.5	23,104.2	2.2	10.3
Total Loans	27,023.2	26,489.4	25,146.1	24,527.0	24,076.3	23,109.8	22,441.3	2.0	10.2
KRW Loans	25,499.7	24,893.4	23,664.0	22,866.5	22,380.0	21,582.2	20,887.0	2.4	11.5
SMEs	16,765.5	16,306.5	15,742.5	15,231.6	14,913.1	14,442.7	14,121.0	2.8	10.1
Households	5,959.1	5,732.6	5,636.7	5,541.0	5,331.8	5,021.6	4,811.5	4.0	7.5
Guarantees	892.5	812.6	803.6	776.7	740.6	724.7	662.9	9.8	14.9
Total Securities	8,400.9	8,417.3	8,368.7	8,314.4	7,803.4	7,675.3	7,678.6	△0.2	1.0
Bank Account	7,149.6	7,043.9	7,074.6	7,010.4	6,543.7	6,420.7	6,357.9	1.5	2.0
Trust Account	1,251.3	1,373.4	1,294.1	1,304.0	1,259.7	1,254.6	1,320.7	△8.9	△4.0
Shareholders' Equity	3,056.8	2,935.6	2,846.9	2,737.3	2,785.2	2,728.0	2,625.8	4.1	11.7

1) Based on the Bank's Unconsolidated Financial Statements

3. Low-Cost Deposits

□ Growth Records



□ Funding Costs

(%, Accumulated)	3Q12	2Q12	1Q12	4Q11
Demand Deposits	0.24	0.24	0.25	0.27
Savings Deposits	0.14	0.15	0.15	0.15
Corporate Savings Deposits	1.77	1.80	1.86	1.77
Total	0.68	0.68	0.71	0.69

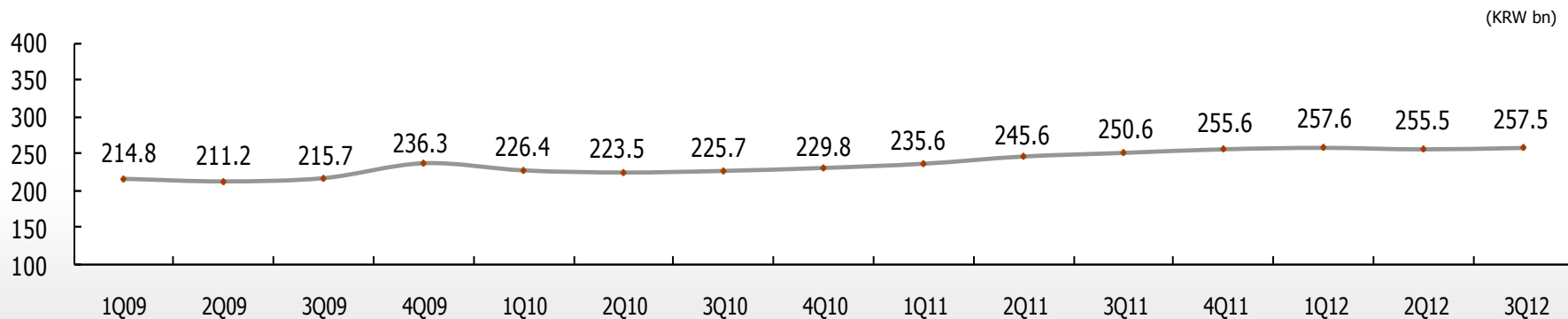
(KRW bn, %, %p, Average Balance)	2012			2011				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Low-Cost Deposits (A)	8,656.7	8,632.0	8,650.6	8,360.9	8,403.4	8,459.9	8,449.6	0.3	3.5
Demand Deposits	1,953.5	1,968.4	1,915.3	1,793.2	1,818.7	1,838.5	1,816.3	△0.8	8.9
Savings Deposits	3,980.0	3,973.4	3,978.5	3,906.7	3,907.2	3,909.0	3,882.9	0.2	1.9
Corporate Savings Deposits	2,723.2	2,690.2	2,756.8	2,661.0	2,677.5	2,712.4	2,750.4	1.2	2.3
Deposits in KRW (B)	24,797.4	24,326.5	23,789.5	21,556.4	21,100.4	20,776.3	20,369.4	1.9	15.0
Total Deposits (Bank Account) (C)	27,780.5	27,474.6	27,153.1	25,071.2	24,608.1	24,204.7	23,764.4	1.1	10.8
Total Deposits (Bank + Trust Account)(D)	30,157.0	29,825.7	29,426.6	27,122.2	26,626.6	26,179.0	25,738.7	1.1	11.2
Low-Cost Deposits/Won Deposits(A/B)	34.91	35.48	36.36	38.79	39.83	40.72	41.48	△0.57	△3.88
Low-Cost Deposits/Total Deposits (A/C)	31.16	31.42	31.86	33.35	34.15	34.95	35.56	△0.26	△2.19
Low-Cost Deposits/Total Deposits(A/D)	28.71	28.94	29.40	30.83	31.56	32.32	32.83	△0.23	△2.12

4. Earning Results

					2011		QoQ	12.9 vs 11.9	
	2012.9	3Q	2Q	1Q	4Q	2011.9			3Q
(KRW bn, %, %p)									
Net Interest Income	770.6	257.5	255.5	257.6	255.6	731.8	250.6	0.8	5.3
Net Fee Income	62.3	20.8	21.2	20.3	20.5	63.6	20.5	△1.9	△2.0
Fees from Trust Account	8.6	3.0	2.9	2.7	2.8	7.7	2.7	3.4	11.7
Others	△ 5.4	1.5	△7.1	0.2	1.2	22.9	△1.0	Net Gain	Net Loss
Provision Expense(-)	99.8	30.9	40.3	28.6	22.8	103.1	39.3	△23.3	△3.2
SG&A(-)	341.1	111.9	119.0	110.2	150.2	301.6	104.3	△6.0	13.1
Net Operating Income	395.2	140.0	113.2	142.0	107.1	421.3	129.2	23.7	△6.2
Non-Operating Income	-	-	-	-	-	-	-	-	-
Earnings Before Income Taxes	395.2	140.0	113.2	142.0	107.1	421.3	129.2	23.7	△6.2
Income Tax Expenses(-)	94.5	32.6	27.3	34.6	27.2	102.9	30.5	19.4	△8.2
Net Income	300.7	107.4	85.9	107.4	79.9	318.4	98.7	25.0	△5.6
ROA	0.99		0.90	1.03	1.09	1.25		0.09	△0.26
ROE	13.14		12.01	13.84	14.04	15.79		1.13	△2.65

5. Net Interest Income

Net Interest Income



(KRW bn, %)	2012				2011			QoQ	12.9 vs 11.9
	2012.9	3Q	2Q	1Q	4Q	2011.9	3Q		
Net Interest Income	770.6	257.5	255.5	257.6	255.6	731.8	250.6	0.8	5.3
Interest Revenues	1,462.9	489.8	488.1	485.0	479.7	1,316.5	461.3	0.4	11.1
Interest on Loans	1,228.7	416.2	410.2	402.3	401.2	1,098.6	386.4	1.5	11.8
Interest on Securities	210.9	68.8	70.7	71.4	68.8	194.9	66.5	△2.7	8.2
Others	23.3	4.8	7.2	11.3	9.7	23.0	8.4	△33.5	1.4
Interest Expenses	692.3	232.3	232.6	227.4	224.1	584.7	210.7	△0.1	18.4
Interest on Deposits	507.7	172.4	171.0	164.3	160.1	418.4	151.6	0.8	21.3
Interest on Debentures	103.2	32.6	34.6	36.0	35.8	99.7	34.2	△5.9	3.5
Others	81.4	27.3	27.0	27.1	28.2	66.6	24.9	1.1	22.2

6. NIM & NIS

	2012			2011				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
(KRW bn, %, %p)									
NIM(Quarterly)	2.70	2.79	2.84	2.88	2.98	3.06	3.07	△0.09	△0.18
NIS	3.25	3.41	3.55	3.53	3.58	3.66	3.66	△0.16	△0.28
Interest Rate on KRW Loans	6.07	6.31	6.42	6.39	6.40	6.37	6.26	△0.24	△0.32
Households	5.64	5.80	5.82	5.89	5.91	5.79	5.67	△0.16	△0.25
Corporate	5.83	6.05	6.13	6.24	6.13	6.13	5.92	△0.22	△0.41
Interest Rate paid on KRW Deposits	2.82	2.90	2.87	2.86	2.82	2.71	2.60	△0.08	△0.04
Average Interest Earning Assets	34,490.7	33,516.8	33,116.4	32,321.2	30,514.0	29,495.1	28,476.5	2.9	6.7
NIM(Accumulated)	2.77	2.82	2.84	2.99	3.03	3.06	3.07	△0.05	△0.22
NIS	3.40	3.48	3.55	3.61	3.63	3.67	3.66	△0.08	△0.21
Interest Rate on KRW Loans	6.26	6.37	6.42	6.36	6.34	6.32	6.26	△0.11	△0.10
Households	5.76	5.82	5.82	5.82	5.79	5.73	5.67	△0.06	△0.06
Corporate	6.01	6.10	6.13	6.11	6.07	6.03	5.92	△0.09	△0.10
Interest Rate paid on KRW Deposits	2.86	2.89	2.87	2.75	2.71	2.65	2.60	△0.03	0.11
Average Interest Earning Assets	33,710.8	33,316.6	33,116.4	30,213.1	29,502.6	28,988.6	28,476.5	1.2	11.6

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	12.9 vs 11.9
	2012.9	3Q	2Q	1Q	4Q	2011.9	3Q		
Noninterest Income	65.5	25.3	17.0	23.2	24.5	94.2	22.2	48.8	△30.5
Noninterest Revenues	564.5	△54.2	327.7	291.0	241.7	942.6	438.8	Net Loss	△40.1
Fee Income	99.9	33.0	33.8	33.1	33.6	99.5	32.9	△2.4	0.4
Fees from Trust Acct.	8.6	3.0	2.9	2.7	2.4	8.1	2.8	3.4	6.2
Others ¹⁾	456.0	△90.2	291.0	255.2	205.7	835.0	403.1	Net Loss	△45.4
Noninterest Expenses	499.0	△79.5	310.7	267.8	217.2	848.4	416.6	△125.6	△41.2
Commissions Paid	37.6	12.2	12.6	12.8	13.1	35.9	12.4	△3.2	4.7
Trust Acct. Losses	0.0	0.0	0.0	0.0	△0.4	0.4	0.1	-	△100.0
Others ²⁾	461.4	△91.7	298.1	255.0	204.5	812.1	404.1	△130.8	△43.2

1) Gains on Securities (18.2), Gain on FX Trading and Derivatives (△111.8), Gain on Fair Value Hedged Items (2.6), Rent (0.2), Others (0.6)

2) Losses from Securities (2.0), Losses from FX Trading and Derivatives (△118.6), Contribution to Guarantee Funds (13.0), Deposit Insurance (8.4), Others (3.5)

8. Provisioning

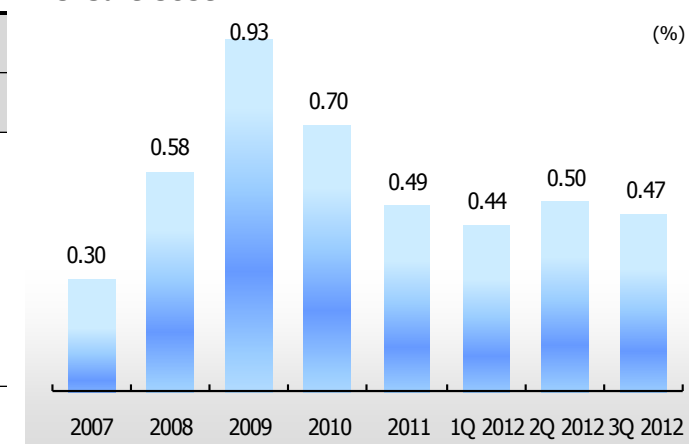
□ Provision Expense

(KRW bn, %)	2012				2011					
	2012.9	3Q	2Q	1Q	4Q	2011.9	3Q	2Q	1Q	
Corporate	86.4	27.0	35.9	23.5	115.4	18.7	96.7	35.4	38.3	23.0
Household	7.0	1.8	1.0	4.2	1.5	1.5	0	1.4	1.3	△2.7
Credit Card	6.2	2.4	2.6	1.2	3.2	1.1	2.1	0.6	0.7	0.8
Others	0.2	△0.3	0.8	△0.3	6.0	1.5	4.5	2.1	4.4	△2.0
Trust Account	0.0	0.0	0.0	0.0	△0.2	0.0	△0.2	△0.2	0.0	0.0
Total (A)	99.8	30.9	40.3	28.6	125.9	22.8	103.1	39.3	44.7	19.1
Total Credit (B)	28,421.3	28,421.3	27,835.6	26,420.2	25,868.1	25,868.1	25,360.1	25,360.1	24,323.6	23,581.3
Credit Cost (A/B)	0.47	0.43	0.58	0.44	0.49	0.35	0.54	0.61	0.74	0.33

□ Provision Balance¹⁾

(KRW bn)	2012			2011			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Corporate	319.9	319.5	296.3	283.6	290.9	257.6	276.5
Household	24.3	25.4	23.7	19.0	17.8	16.3	15.3
Credit Card	10.6	9.3	10.1	7.7	7.7	7.1	7.4
Trust	0	0.0	0.0	0.0	0.0	0.0	0.0
Total	354.8	354.2	330.1	310.3	316.4	281.0	299.2

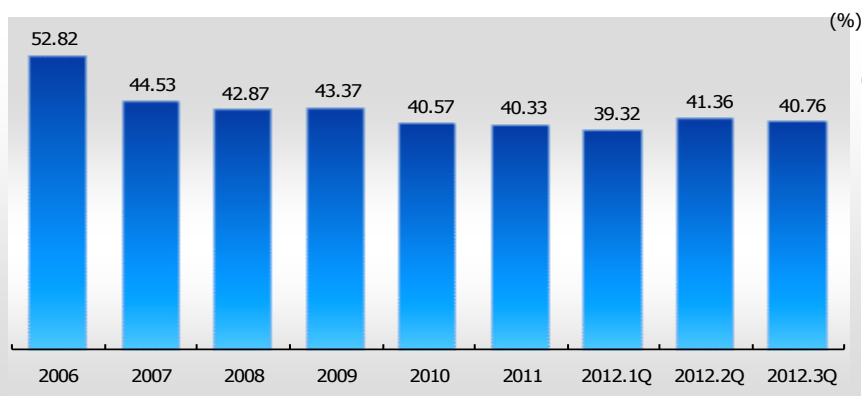
□ Credit Cost



Note 1). Unused Credit Line Provisions of 12.7 and Other Provisions of 15.1 not included

9. SG&A

☐ CIR Records¹⁾



☐ Summary

- 3Q12 SG&A(111.9 KRW bn) down by 7.1 KRW bn, 6.0% QoQ, up by 7.6 KRW bn, 7.2% YoY
 - Accumulated SG&A(341.1 KRW bn) up by 39.5 KRW bn, 13.1% YoY
- Accumulated CIR(40.76%) down by 0.60%p QoQ, up by 5.16%p YoY

Note 1). Accumulated, based on Unconsolidated Financial Statements

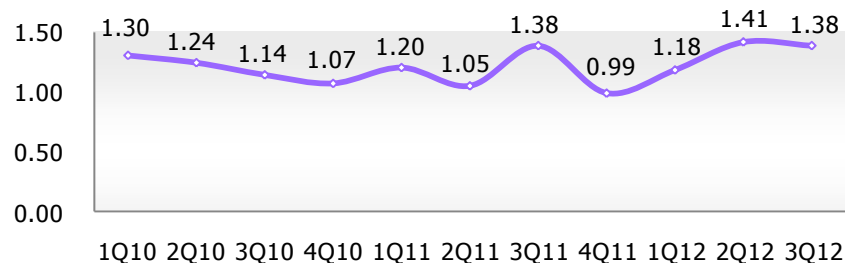
(KRW bn, %, %p)	2012				2011			QoQ	12.9 vs 11.9
	2012.9	3Q	2Q	1Q	4Q	2011.9	3Q		
Total SG&A	341.1	111.9	119.0	110.2	150.2	301.6	104.3	△6.0	13.1
Salaries and other expenses	268.8	87.0	94.6	87.2	108.9	247.7	85.3	△8.0	8.5
Depreciation	40.7	14.5	13.9	12.3	11.6	28.6	10.1	4.3	42.3
Taxes and dues	10.5	3.4	3.5	3.6	4.2	9.1	3.5	△2.9	15.4
Retirement Allowance	21.1	7.0	7.0	7.1	17.6	16.2	5.4	0.0	30.2
Honorary Retirement	0.0	0.0	0.0	0.0	7.9	0.0	0.0	-	-
CIR(Consolidated)	40.80	39.58	43.67	39.25	53.62	36.51	38.23	△4.09	4.29
CIR(Unconsolidated) ¹⁾	40.76	39.58	43.45	39.32	54.97	35.60	37.26	△3.87	5.16

Note 1). Based on FSS reporting standards

10. Asset Quality

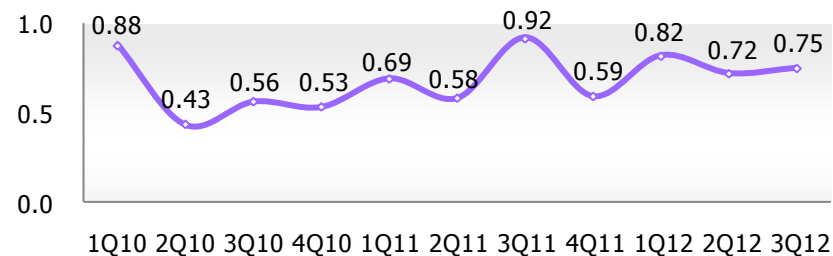
□ SBL(NPL) Ratio

(%)



□ Delinquency Ratio

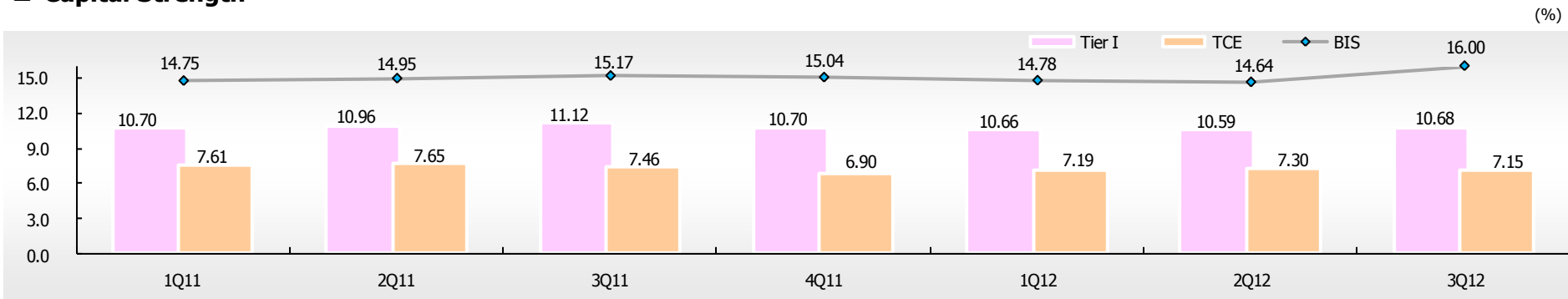
(%)



	2012			2011				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
(KRW bn, %, %p)									
Total Loans	28,421.3	27,835.6	26,420.2	25,868.1	25,360.1	24,323.6	23,581.3	2.1	9.9
Normal	27,476.0	26,808.1	25,569.1	25,100.0	24,478.1	23,569.4	22,723.0	2.5	9.5
Precautionary	554.4	635.0	538.7	511.4	530.9	498.2	574.2	△12.7	8.4
Substandard	319.0	314.9	244.9	212.1	281.9	224.8	250.5	1.3	50.4
Doubtful	38.2	28.0	26.1	20.4	45.6	16.1	13.5	36.4	87.3
Expected loss	33.7	49.6	41.4	24.2	23.6	15.1	20.1	△32.1	39.3
SBL(Substandard & Below Loans)	390.9	392.5	312.4	256.8	351.1	256.0	284.1	△0.4	52.2
(SBL Ratio (%))	(1.38)	(1.41)	(1.18)	(0.99)	(1.38)	(1.05)	(1.20)	△0.03	2.37
(SBL Coverage Ratio)	(113.58)	(114.53)	(135.78)	(152.22)	(109.11)	(133.75)	(128.48)	△0.95	△38.64
Loan Amount	27,528.8	27,023.0	25,616.7	25,091.4	24,619.5	23,598.9	22,918.4	1.9	9.7
Delinquent Amount	207.2	193.9	210.0	149.0	225.9	136.7	158.0	6.9	39.1
Delinquency Ratio	0.75	0.72	0.82	0.59	0.92	0.58	0.69	0.03	0.16

11. Capital Adequacy

Capital Strength



(KRW bn, %, Basel II)	2012			2011			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total Risk Adjusted Capital	4,569.1	4,047.7	3,961.3	3,953.1	3,931.0	3,718.3	3,620.9
Tier I Capital	3,048.1	2,928.4	2,857.7	2,811.2	2,881.6	2,726.9	2,629.8
Tier II Capital	1,521.0	1,119.3	1,103.6	1,141.9	1,049.4	991.4	991.1
Total Risk Weighted Assets	28,551.6	27,657.5	26,809.7	26,282.0	25,911.6	24,877.2	24,538.5
Credit Risk	26,524.7	25,645.1	24,805.8	24,321.1	23,878.6	22,798.0	22,375.2
Market Risk	62.2	68.1	75.3	49.9	123.7	195.8	282.9
Operational Risk	1,964.7	1,944.3	1,928.6	1,911.0	1,909.3	1,883.4	1,880.4
BIS Capital Ratio	16.00	14.64	14.78	15.04	15.17	14.95	14.75
Tier I	10.68	10.59	10.66	10.70	11.12	10.96	10.70
Tier II	5.32	4.05	4.12	4.34	4.05	3.99	4.05
²⁾ Tangible Common Equity	7.15	7.30	7.19	6.90	7.46	7.65	7.61

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

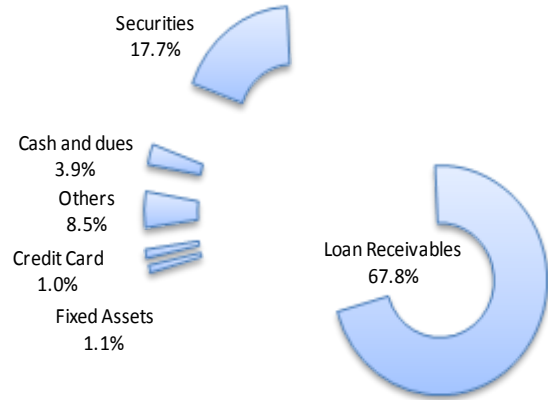
2) Basel III Core Tier I including RWA is 10.06% which exceeds the guideline of 9.5%

III. Appendix (Bank)

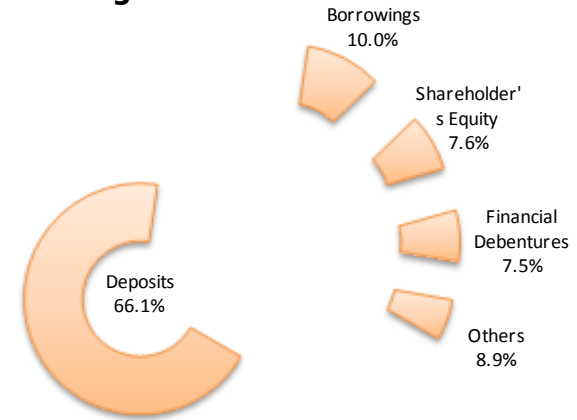
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1. B/S Summary

□ Lending



□ Funding



	2012			2011				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
(KRW bn, %, Balance)									
Assets	40,336.2	37,727.7	37,224.6	37,988.7	36,083.3	34,561.7	35,130.9	6.9	6.2
Cash and Dues	1,574.9	1,055.9	2,017.0	2,490.0	1,739.5	1,734.5	1,779.6	49.2	△36.8
Securities	7,149.6	7,043.9	7,074.6	7,010.4	6,543.7	6,420.7	6,357.9	1.5	2.0
Loans	27,332.0	26,922.6	25,484.4	24,883.0	24,327.0	23,329.9	22,744.9	1.5	9.8
Credit Card	388.7	386.8	378.8	383.2	383.1	390.6	379.2	0.5	1.4
Fixed Assets	440.2	428.0	426.3	453.0	427.4	410.7	393.4	2.9	△2.8
Other Assets	3,450.8	1,890.5	1,843.5	2,769.1	2,662.6	2,275.3	3,475.9	82.5	24.6
Liability & Shareholder's Equity	40,336.2	37,727.7	37,224.6	37,988.7	36,083.3	34,561.7	35,130.9	6.9	6.2
Deposits	26,663.6	26,039.2	25,226.7	25,024.2	23,431.5	23,060.1	22,013.3	2.4	6.6
Borrowings	4,023.8	3,947.5	3,982.8	4,315.7	3,931.2	3,344.5	3,644.4	1.9	△6.8
Financial Debentures	3,009.0	2,683.3	3,008.6	2,890.3	2,950.2	2,779.3	2,666.7	12.1	4.1
Other Liabilities	3,583.0	2,122.1	2,159.6	3,021.2	2,985.2	2,649.8	4,180.7	68.8	18.6
Shareholder's Equity	3,056.8	2,935.6	2,846.9	2,737.3	2,785.2	2,728.0	2,625.8	4.1	11.7

2. I/S Summary

(KRW bn, %)	2012				2011				QoQ	YoY
	2012.9	3Q	2Q	1Q	4Q	2011.9	3Q			
1. Operating Revenues	2,027.4	435.6	815.8	776.0	2,980.5	721.4	2,259.1	900.1	△46.6	△10.3
Interest Revenue	1,462.9	489.8	488.1	485.0	1,796.2	479.7	1,316.5	461.3	0.3	11.1
Fee & Commission Revenue	99.9	33.0	33.8	33.1	133.1	33.6	99.5	32.9	△2.4	0.4
Trust Account	8.6	3.0	2.9	2.7	10.5	2.4	8.1	2.8	3.4	6.2
Others	456.0	△ 90.2	291.0	255.2	1,040.7	205.7	835.0	403.1	Net Loss	△45.4
2. Operating Expenses	1,632.2	295.6	702.6	634.0	2,452.1	614.3	1,837.8	770.9	△57.9	△11.2
Interest Expense	692.3	232.3	232.6	227.4	808.8	224.1	584.7	210.7	△0.1	18.4
Fee & Commission Expense	37.6	12.2	12.6	12.8	49.0	13.1	35.9	12.4	△3.2	4.7
Trust Account	0.0	0.0	0.0	0.0	0.0	△0.4	0.4	0.1	-	△100.0
Others	461.4	△ 91.7	298.1	255.0	1,016.6	204.5	812.1	404.1	△130.8	△43.2
SG&A	341.1	111.9	119.0	110.2	451.8	150.2	301.6	104.3	△6.0	13.1
Provision Expense	99.8	30.9	40.3	28.6	125.9	22.8	103.1	39.3	△23.3	△3.2
3. Operating Income	395.2	140.0	113.2	142.0	528.4	107.1	421.3	129.2	23.7	△6.2
4. Non Operating Income	-	-	-	-	-	-	-	-	-	-
5. Earnings Before Income Taxes	395.2	140.0	113.2	142.0	528.4	107.1	421.3	129.2	23.7	△6.2
6. Income Taxes	94.5	32.6	27.3	34.6	130.1	27.2	102.9	30.5	19.4	△8.2
7. Net Income	300.7	107.4	85.9	107.4	398.3	79.9	318.4	98.7	25.0	△5.6

3. PPOP

(KRW bn, %)	2012				2011			QoQ	YoY
	2012.9	3Q	2Q	1Q	4Q	2011.9	3Q		
PPOP	516.1	177.9	160.5	177.7	147.5	540.6	174.0	10.8	△4.5
Provision Expenses	120.9	37.9	47.3	35.7	40.4	119.3	44.8	△19.9	1.3
Loans	99.0	30.7	39.9	28.4	21.6	98.1	37.1	△23.1	0.9
Payment Guarantees	0.6	0.5	△0.4	0.5	△0.3	0.5	0.2	△225.0	20.0
Retirement Allowance	21.1	7.0	7.0	7.1	17.6	16.2	5.4	0.0	30.2
Others	0.2	△0.3	0.8	△0.3	1.5	4.5	2.1	△137.5	△95.6
Income Taxes	94.5	32.6	27.3	34.6	27.2	102.9	30.5	19.4	△8.2
Net Income	300.7	107.4	85.9	107.4	79.9	318.4	98.7	25.0	△5.6

4. Securities

(KRW bn, %, Balance)	3Q 2012					2Q 2012		3Q 2011	
	Total	Trading Securities	Investment Securities			QoQ	YoY		
			Total	A.F.S. ¹⁾	H.T.M. ²⁾				
KRW Bonds	6,472.5	-	6,472.5	2,046.6	4,425.9	6,472.2	0.0	5,829.8	11.0
Government Bonds	1,028.6	-	1,028.6	239.1	789.5	1,051.0	△2.1	891.1	15.4
Financial Debentures	593.8	-	593.8	311.6	282.2	533.3	11.3	881.7	△32.7
Municipal Bonds	1,075.2	-	1,075.2	-	1,075.2	1,014.9	5.9	702.0	53.2
Govn't Corporate Bonds	3,059.4	-	3,059.4	856.2	2,203.2	3,226.5	△5.2	2,692.7	13.6
Corporate Bonds	715.5	-	715.5	639.7	75.8	646.5	10.7	662.4	8.0
Foreign Bonds	52.4	-	52.4	52.4	-	53.6	△2.2	53.8	△2.6
Stock	300.6	-	300.6	300.6	-	306.5	△1.9	293.8	2.3
Mutual Funds	313.9	5.5	308.4	308.4	-	211.6	48.3	268.0	17.1
Bonds	100.1	-	100.1	100.1	-	-	-	-	-
Stocks	64.3	-	64.3	64.3	-	59.5	8.1	65.8	△2.3
MMF	5.5	5.5	-	-	-	9.9	△44.4	10.1	△45.5
Others	144.0	-	144.0	144.0	-	142.2	1.3	192.0	△25.0
Others	10.2	-	10.2	10.2	-	-	-	98.3	△89.6
Total	7,149.6	5.5	7,144.1	2,718.2	4,425.9	7,043.9	1.5	6,543.7	9.3

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
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
KRW Deposits	26,106.1	25,391.8	24,419.3	23,914.5	22,413.4	21,425.3	20,730.2	2.8	9.2
Demand	2,036.1	2,209.2	2,037.8	1,951.7	1,798.2	1,966.9	1,952.1	△7.8	4.3
Savings	24,041.5	23,152.5	22,345.3	21,923.9	20,570.3	19,410.4	18,721.4	3.8	9.7
Installment	28.5	30.1	36.2	38.9	44.9	48.0	56.7	△5.3	△26.7
CD	197.6	328.3	547.3	852.0	770.4	1,368.1	1,035.5	△39.8	△76.8
Bills Sold	75.8	77.2	67.4	63.5	60.7	53.9	45.4	△1.8	19.4
R P	583.7	552.0	565.5	701.4	696.1	499.7	498.8	5.7	△16.8
Financial Debenture	1,959.1	1,759.4	2,049.3	2,009.4	2,039.4	1,889.5	1,759.6	11.4	△2.5
Trust Account	2,445.2	2,512.0	2,369.9	2,221.4	2,105.5	1,975.7	1,967.8	△2.7	10.1
Total Deposits	31,367.5	30,620.7	30,018.7	29,762.2	28,085.6	27,212.2	26,037.3	2.4	5.4

☐ Loans

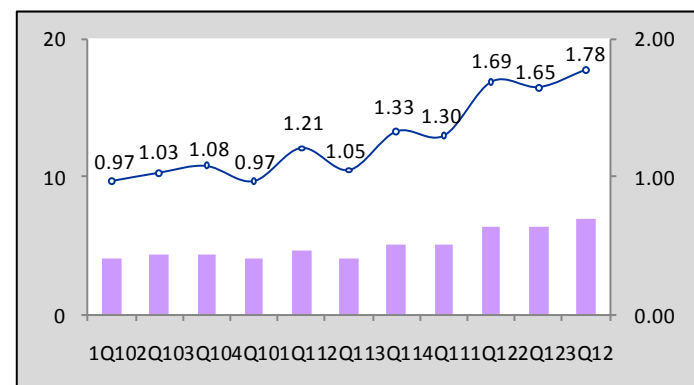
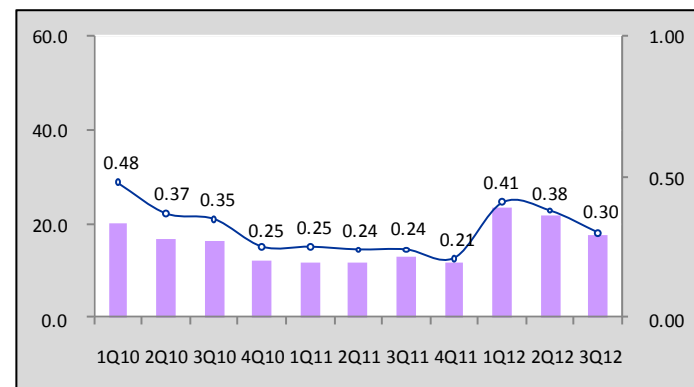
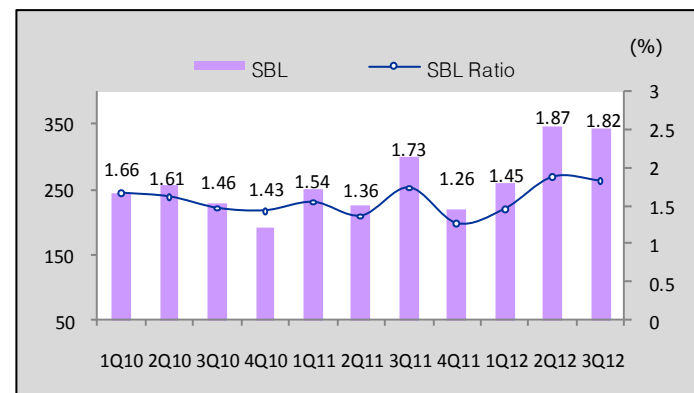
(KRW bn, %, Balance)	2012			2011				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
KRW Loans	25,499.7	24,893.4	23,664.0	22,866.5	22,380.0	21,582.2	20,887.0	2.4	11.5
Corporate	18,562.4	17,958.6	17,108.1	16,428.0	16,185.5	15,692.5	15,265.1	3.4	13.0
(SME)	16,765.5	16,306.5	15,742.5	15,231.6	14,913.1	14,442.7	14,121.0	2.8	10.1
(Large Corps)	1,796.9	1,652.1	1,365.6	1,196.4	1,272.4	1,249.8	1,144.1	8.8	50.2
Household	5,959.1	5,732.6	5,636.7	5,541.0	5,331.8	5,021.6	4,811.5	4.0	7.5
Public	978.2	1,202.2	919.2	897.5	862.7	868.1	810.4	△18.6	9.0
Foreign Currency Loans	941.8	978.6	949.4	1,044.3	1,081.3	989.3	1,059.3	△3.8	△9.8
Trust Account	19.4	20.0	19.4	23.1	21.2	19.4	19.2	△3.0	△16.0
Others	1,454.8	1,410.0	1,316.9	1,369.8	1,334.4	1,243.6	1,138.7	3.2	6.2
Total Loans	27,915.7	27,302.0	25,949.7	25,303.7	24,816.9	23,834.5	23,104.2	2.2	10.3

6. Corporate Loan Portfolio

(KRW bn, %, Balance)	3Q 2012			2Q 2012		4Q 2011	
	Amount	Ratio	QoQ	Amount	Ratio	Amount	Ratio
Manufacturing Sectors	8,597.5	44.0	4.9	8,198.3	42.8	7,619.9	44.0
Steel Metal Products	2,555.3	13.1	3.1	2,477.6	12.9	2,407.4	13.9
Automobile Parts	1,861.1	9.5	2.5	1,815.7	9.5	1,672.5	9.7
Machinery	1,080.1	5.5	5.6	1,022.9	5.3	952.2	5.5
Petroleum, Rubber, etc.	980.9	5.0	2.1	960.4	5.0	864.4	5.0
Fabric	259.0	1.3	8.9	237.9	1.2	243.4	1.4
Garment & Shoes	260.1	1.3	10.2	236.1	1.2	193.1	1.1
Kitchen Units	252.7	1.3	1.6	248.6	1.3	225.2	1.3
Electronics	507.3	2.6	5.0	483.2	2.5	450.3	2.6
Paper, Paper Mills	85.2	0.4	6.0	80.4	0.4	68.7	0.4
Others	755.8	3.9	18.9	635.5	3.5	542.7	3.1
Non-Manufacturing	10,943.1	56.0	△0.2	10,962.5	57.2	9,705.6	56.0
Wholesale & Retail	2,051.8	10.5	△2.9	2,112.2	11.0	1,936.9	11.2
Public	368.2	1.9	△33.9	556.7	2.9	278.3	1.6
Construction & Engineering	1,525.0	7.8	3.6	1,472.0	7.7	1,140.9	6.6
Real Estate & Lease	2,710.7	13.9	3.8	2,612.1	13.6	2,309.6	13.3
Insurance & Financing	479.4	2.5	△11.7	543.1	2.8	679.3	3.9
Transportation	1,439.4	7.4	15.5	1,246.7	6.5	1,163.1	6.7
Hotel & Food	423.9	2.2	4.7	404.8	2.1	383.5	2.2
Others	1,944.7	10.0	△3.5	2,014.9	10.6	1,814.0	10.5
Total	19,540.6	100.0	2.0	19,160.8	100.0	17,325.5	100.0

7. Asset Quality

		2012			2011			
		3Q	2Q	1Q	4Q	3Q	2Q	1Q
(KRW bn)								
SME	Normal	18,059.1	17,638.7	17,231.9	16,795.5	16,424.8	15,929.9	15,446.2
	Precautionary	493.0	574.5	476.3	453.2	472.5	422.5	515.3
	Substandard	286.1	286.0	212.8	190.4	258.6	202.0	223.8
	Doubtful	30.3	18.8	19.6	14.1	19.2	11.1	8.6
	Expected Loss	27.6	42.5	27.4	15.5	20.3	12.7	17.3
	Total	18,896.1	18,560.5	17,968.0	17,468.7	17,195.4	16,578.2	16,211.1
Household	Normal	5,936.6	5,712.4	5,609.8	5,536.0	5,323.8	4,998.9	4,787.5
	Precautionary	38.9	31.0	35.8	31.1	31.3	31.5	32.6
	Substandard	10.4	11.8	15.2	7.5	9.0	8.6	8.7
	Doubtful	5.0	5.9	4.0	3.1	2.6	2.2	1.8
	Expected Loss	2.3	4.3	4.1	1.0	1.5	1.1	1.4
	Total	5,993.2	5,765.4	5,668.9	5,578.7	5,368.2	5,042.3	4,832.1
Credit Card	Normal	374.8	373.4	364.4	372.1	372.1	381.3	369.2
	Precautionary	7.0	7.0	8.0	6.1	5.9	5.2	5.5
	Substandard	0.4	0.3	0.2	0.2	0.2	0.2	0.2
	Doubtful	2.9	3.3	2.5	3.2	3.1	2.7	3.0
	Expected Loss	3.6	2.8	3.7	1.6	1.8	1.2	1.4
	Total	388.7	386.8	378.8	383.2	383.1	390.6	379.2



8. Delinquency Ratio/Write-Offs & NPL Sales

□ Delinquency Ratio

(KRW bn, %)	2012			2011			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total Delinquency Ratio	0.75	0.72	0.82	0.59	0.92	0.58	0.69
Overdue Amount	207.2	193.9	210.0	149.0	225.9	136.7	158.0
Loan Amount	27,528.8	27,023.0	25,616.7	25,091.4	24,619.5	23,598.9	22,918.4
SMEs	0.92	0.87	1.00	0.69	1.17	0.75	0.89
Overdue Amount	167.4	156.5	171.7	115.9	194.1	119.2	139.4
Loan Amount	18,251.7	17,904.1	17,246.3	16,853.6	16,590.3	15,959.7	15,644.9
Households	0.51	0.43	0.52	0.25	0.24	0.24	0.23
Overdue Amount	30.6	24.6	29.4	14.2	12.8	12.3	11.3
Loan Amount	5,978.5	5,752.5	5,656.1	5,564.0	5,352.9	5,041.0	4,830.6
Credit Card	2.38	2.07	2.36	1.59	1.61	1.31	1.46
Overdue Amount	9.2	8.0	8.9	6.1	6.1	5.1	5.5
Loan Amount	388.7	386.8	378.8	383.2	383.1	390.5	379.2

□ Write-Offs & NPL Sales

(KRW bn, %)	2012.9	2012			2011		
		3Q	2Q	1Q	4Q	2011.9	3Q
Total Write-Offs	66.0	36.2	21.7	8.1	34.6	78.1	12.5
Corporate	54.3	29.3	17.0	8.0	30.6	69.4	10.1
Household	4.4	4.3	0.0	0.1	1.4	2.9	0.9
Credit Card	7.3	2.6	4.7	0.0	2.6	5.8	1.5
Total NPL Sales	26.8	0	26.8	0.0	92.9	69.9	0.0
(NPL Sales for SBL Loans)	(25.1)	(0.0)	(25.1)	(0.0)	(90.6)	(60.9)	(0.0)
Corporate	24.7	0	24.7	0.0	92.9	69.8	0.0
Household	2.1	0	2.1	0.0	0.0	0.0	0.0
Credit Card	0.0	0	0.0	0.0	0.0	0.1	0.0

9. SME Industry/Collateral Delinquency Ratio

□ Delinquency Ratio by Industry

(KRW bn, %, Balance)	3Q 2012		2Q 2012		1Q 2012		4Q 2011	
	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio
Manufacturing Sector	8,431.8	1.27	8,287.5	1.18	8,189.1	1.39	7,961.3	0.96
Non-Manufacturing Sector	9,819.9	0.61	9,616.6	0.61	9,057.2	0.64	8,892.3	0.44
Wholesale and Retail	2,254.5	0.95	2,302.5	0.81	2,193.8	0.38	2,163.8	0.31
Public & others	0.3	-	0.3	-	0.2	-	0.2	-
Construction	1,262.5	0.27	1,161.7	0.29	1,070.3	0.32	1,047.6	0.16
Real Estate & Lease	2,683.6	0.24	2,580.8	0.09	2,458.5	0.33	2,297.5	0.18
Finance and Insurance	234.9	-	297.2	-	283.5	-	341.7	-
Transportation & Communications	1,268.4	1.20	1,229.6	1.49	1,152.8	1.87	1,147.4	1.53
Hotel & Food	429.1	1.47	410.5	1.57	390.9	0.87	389.4	0.51
Others	1,686.6	0.45	1,634.0	0.57	1,507.2	0.88	1,504.7	0.49
Total	18,251.7	0.92	17,904.1	0.87	17,246.3	1.00	16,853.6	0.69

□ Delinquency Ratio by Types of Collateral

(KRW bn, %, Balance)	Total	Real Estate	Movable	Deposits	Guarantee	Unsecured
3Q 2012	0.92	1.49	0.12	0.03	0.55	0.49
Amount	(18,251.7)	(7,898.8)	(82.3)	(399.3)	(1,865.3)	(8,006.0)
2Q 2012	0.87	1.32	0.37	0.05	0.40	0.60
Amount	(17,904.1)	(7,691.9)	(81.2)	(435.6)	(1,736.5)	(7,958.9)
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)

10. Household Loans

(KRW bn, %, %p, Balance)	2012			2011				2010 4Q	QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q			
Household Loans – Retail (KRW)	5,959.1	5,732.6	5,636.7	5,541.0	5,331.8	5,021.6	4,811.5	4,753.7	4.0	7.5
Total Secured Loans	5,752.0	5,397.0	5,197.7	4,957.0	4,616.9	4,347.5	4,179.6	4,141.0	6.6	16.0
Mortgage / Home Equity	2,673.2	2,672.6	2,732.4	2,768.1	2,709.6	2,666.7	2,618.3	2,603.7	0.0	△3.4
(Avg. LTV)	(52.21)	(52.97)	(49.39)	(43.24)	(40.65)	(43.08)	(44.36)	(45.34)	△0.76	8.97
Others	1,483.5	1,351.9	1,273.7	1,238.8	1,099.2	1,061.9	1,031.6	1,055.8	9.7	19.8
Group Loans	1,466.2	1,231.9	1,052.2	805.9	670.4	491.7	412.4	361.4	19.0	81.9
Government Pension Backed	129.1	140.6	139.4	144.2	137.7	127.2	117.3	120.1	△8.2	△10.5
Non-Collateralized	207.1	335.6	439.0	584.0	714.9	674.1	631.9	612.7	△38.3	△64.5
Government Workers	98.4	107.0	106.4	111.6	112.0	91.2	90.1	92.5	△8.0	△11.8
Large Corp. Employees	56.0	57.8	57.5	59.3	60.1	48.5	45.8	45.8	△3.1	△5.6
Student Loans	0.5	0.6	0.7	0.9	1.1	1.4	1.7	2.1	△16.7	△44.4
Clean Credit	52.2	170.2	274.4	412.2	541.7	533.0	494.3	472.3	△69.3	△87.3

11. Credit Card Business

□ Asset Portfolio, Balance Sheet Summary & Source of Income

(KRW bn)

Portfolio	2012			2011				2010			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	966.4	966.3	946.3	920.8	898.3	878.0	836.6	834.5	805.9	820.9	811.7
Lump-sum	827.6	802.7	787.4	760.8	756.8	711.5	699.2	685.5	673.7	629.9	620.1
Installment	138.8	163.6	158.9	160.0	141.5	166.5	137.4	149.0	132.2	191.0	191.6
Cash Advance	103.9	109.1	103.0	110.3	108.6	110.6	111.8	119.2	119.2	123.4	123.1
Total	1,070.3	1,075.4	1,049.3	1,031.1	1,006.9	988.6	948.4	953.7	925.1	944.3	934.8
Balance	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	337.1	332.4	324.2	326.1	326.1	333.3	321.1	350.6	346.3	364.9	359.0
Cash Advance	50.3	53.1	53.4	56.0	55.9	56.2	57.0	59.5	59.5	62.1	62.9
Re-aged Loans	1.3	1.3	1.2	1.1	1.1	1.1	1.2	1.1	1.4	1.4	1.5
Total	388.7	386.8	378.8	383.2	383.1	390.6	379.3	411.2	407.2	428.4	423.4
Income(Fees)	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	18.7	18.6	21.0	19.1	18.5	18.9	19.1	19.2	18.4	20.6	20.8
Cash Advance	3.3	3.3	3.2	3.4	3.4	3.6	3.5	3.8	4.1	4.5	4.4
Re-aged Loans	0	0	0	0	0	0	0	0	0	0	0
Others	0.9	1.1	0.6	0.9	0.9	1.0	0.9	0.9	0.9	0.9	0.8
Total	22.9	23.0	24.8	23.4	22.8	23.5	23.6	23.9	23.4	26.0	26.0

VI. Appendix (Non Bank)

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1. B/S Summary / I/S Summary

□ BS Securities B/S Summary

(KRW bn, %, Balance)	12.3Q	12.2Q	12.1Q	11.4Q	11.3Q	11.2Q	11.1Q	QoQ	YoY
Assets	541.1	680.2	745.2	507.2	256.1	185.8	134.2	△20.4	111.3
Cash and Dues	131.5	78.8	213.4	75.0	98.7	59.6	75.4	66.9	33.2
Securities	283.8	472.1	448.3	330.9	82.4	54.1	37.4	△39.9	244.4
Loans	26.8	28.6	26.4	26.1	25.2	19.9	13.2	△6.3	6.3
Fixed Assets	5.1	5.2	5.3	4.7	2.2	1.6	1.3	△1.9	131.8
Other Assets	93.9	95.5	51.8	70.5	47.6	50.6	6.9	△1.7	97.3
Liability & Shareholder's Equity	541.1	680.2	745.2	507.2	256.1	185.8	134.2	△20.4	111.3
Deposits	135.7	78.6	91.2	77.6	103.0	60.2	65.8	72.6	31.7
Borrowings	196.1	419.9	497.1	263.5	0.0	0.0	10.0	△53.3	-
Other Liabilities	96.5	69.7	45.7	57.0	45.1	49.4	3.7	38.5	114.0
Shareholder's Equity	112.8	112.0	111.2	109.1	108.0	76.2	54.7	0.7	4.4

□ BS Securities I/S Summary

(KRW bn, %, Balance)	2012.9	12.3Q	12.2Q	12.1Q	2011	11.4Q	2011.9	11.3Q	QoQ	YoY
Operating Revenue	67.8	27.6	20.3	19.9	48.9	14.8	34.1	14.5	36.0	98.8
Interest Revenue	14.7	4.5	5.3	4.9	5.7	2.3	3.4	1.5	△15.1	332.4
Fee & Commission Revenue	16.0	4.3	6.2	5.5	15.3	4.5	10.8	4.6	△30.6	48.1
Others	37.1	18.8	8.8	9.5	27.9	8.0	19.9	8.4	113.6	86.4
Operating Expense	63.7	25.9	19.4	18.4	42.8	12.9	29.9	12.1	33.5	113.0
Interest Expense	8.5	2.8	3.2	2.5	1.6	1.0	0.6	0.4	△12.5	1,316.7
Fee & Commission Expense	6.1	2.0	2.1	2.0	4.6	1.0	3.6	1.6	△4.8	69.4
Others	27.4	13.5	7.0	6.9	16.4	4.6	11.8	4.7	92.9	132.2
SG&A	21.7	7.6	7.1	7.0	20.2	6.3	13.9	5.4	7.0	56.1
Provision Expense	-	-	-	-	-	-	-	-	-	-
Earnings Before Income Tax	4.1	1.7	0.9	1.5	6.1	1.9	4.2	2.4	88.9	△2.4
Income Tax Expenses	1.3	0.5	0.3	0.5	1.5	0.5	1.0	0.6	66.7	30.0
Net Income	2.8	1.2	0.6	1.0	4.6	1.4	3.2	1.8	100.0	△12.5

1. B/S Summary / I/S Summary

□ BS Capital B/S Summary

(KRW bn, %, Balance)	12.3Q	12.2Q	12.1Q	11.4Q	11.3Q	11.2Q	11.1Q	QoQ	YoY
Assets	1,479.9	1,275.3	1,096.7	918.1	675.5	455.7	356.0	16.0	119.1
Cash and Dues	6.8	61.6	23.2	27.4	46.4	18.8	87.6	-88.9	-85.3
Securities	0.0	0.0	0.0	0.01	0.01	0.01	0.01	0.0	0.0
Loans	549.2	452.1	460.8	426.6	290.1	173.6	98.2	21.5	89.3
Durables Installment Financing Assets	407.0	321.3	235.3	134.4	69.9	34.9	17.8	26.7	482.3
Leased Assets	485.8	413.3	350.8	308.2	253.7	216.5	144.0	17.5	91.5
Fixed Assets	3.4	3.1	3.1	2.0	1.9	1.3	1.3	9.7	78.9
Other Assets	27.7	23.9	23.5	19.5	13.5	10.6	7.0	15.9	105.2
Liability & Shareholder's Equity	1,479.9	1,275.3	1,096.7	918.1	675.5	455.7	356.0	16.0	119.1
Borrowings	1,165.8	988.8	889.0	729.4	510.0	355.0	300.0	17.9	128.6
Other Liabilities	141.6	119.3	95.2	80.8	61.2	49.5	36.3	18.7	131.4
Shareholder's Equity	172.5	167.2	112.5	107.9	104.2	51.2	19.7	3.2	65.5

□ BS Capital I/S Summary

(KRW bn, %, Balance)	2012.9	12.3Q	12.2Q	12.1Q	2011	11.4Q	2011.9	11.3Q	QoQ	YoY
Operating Revenue	108.9	41.8	36.2	30.9	62.3	25.8	36.5	17.6	15.5	198.4
Interest Revenue	94.0	35.1	31.3	27.6	59.9	24.7	35.2	16.9	12.1	167.0
Fee & Commission Revenue	14.3	6.4	4.6	3.3	2.3	1.1	1.2	0.6	39.1	1,091.7
Others	0.6	0.3	0.3	0	0	0	0	0	0.0	-
Operating Expense	89.0	34.8	29.3	24.9	44.9	20.6	29.3	13.8	18.8	203.8
Interest Expense	36.9	13.8	12.5	10.6	22.5	8.9	13.6	6.4	10.4	171.3
Fee & Commission Expense	1.5	0.3	0.5	0.7	0.6	0.2	0.4	0	△40.0	275.0
Others	0.8	0.2	0.4	0.2	2.5	1.7	0.8	0.5	△50.0	0.0
SG&A	20.5	8.5	7.0	5.0	9.8	3.4	6.4	2.7	21.4	220.3
Provision Expense	29.3	12.0	8.9	8.4	14.6	6.4	8.2	4.3	34.8	257.3
Earnings Before Income Tax	19.9	7.0	6.9	6.0	12.3	5.2	7.1	3.8	1.4	180.3
Income Tax Expenses	5.1	1.7	2.1	1.3	2.4	1.4	1.0	0.6	△19.0	410.0
Net Income	14.8	5.3	4.8	4.7	9.9	3.8	6.1	3.2	10.4	142.6

1. B/S Summary / I/S Summary

□ BS MSB B/S Summary

(KRW bn, %, Balance)	12 3Q	12 2Q	12 1Q	QoQ
Total Assets	596.4	668.3	671.5	△10.8
Total Deposits	453.1	526.9	518.7	△14.0
KRW Deposits	453.1	526.9	518.7	△14.0
Others	-	-	-	-
Total Credits	425.9	487.3	478.0	△12.6
Total Loans	425.9	487.3	478.0	△12.6
KRW Loans	411.4	470.2	459.4	△12.5
Others	14.5	17.1	18.6	△15.2
Guarantees	-	-	-	-
Total Securities	11.8	13.1	13.5	△9.9
Shareholder's Equity	118.4	114.8	114.6	3.1

□ BS MSB I/S Summary

(KRW bn, %, Balance)	2012.9	12 3Q	12 2Q	12 1Q	QoQ
Operating Revenue	47.8	11.3	14.6	21.9	△22.6
Interest Revenue	46.5	10.9	14.3	21.3	△23.8
Fee & Commission Revenue	0.4	0.1	0.0	0.3	-
Others	0.9	0.3	0.3	0.3	-
Operating Expense	43.4	7.2	14.3	21.9	△49.7
Interest Expense	19.7	5.6	6.3	7.8	△11.1
Fee & Commission Expense	0.6	0.3	0.2	0.1	50.0
Others	13.7	12.0	0.8	0.9	1,400.0
SG&A	9.9	2.6	3.6	3.7	△27.8
Provision Expense	△ 0.5	△ 13.3	3.4	9.4	△491.2
Earnings Before Income Tax	4.4	4.1	0.3	0.0	1,266.7
Income Tax Expenses	0.7	0.6	0.1	0.0	500.0
Net Income	3.7	3.5	0.2	0.0	1,650.0

1. B/S Summary / I/S Summary

□ BS Credit Information B/S Summary

(KRW bn, %, Balance)	12.3Q	12.2Q	12.1Q	11.4Q	11.3Q	11.2Q	11.1Q	QoQ	YoY
Assets	5.7	5.5	5.4	5.2	5.0	5.0	4.8	3.6	14.0
Cash and Dues	5.0	4.8	4.6	4.7	4.4	4.3	4.1	4.2	13.6
Securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-
Fixed Assets	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.0	-
Other Assets	0.6	0.6	0.7	0.4	0.6	0.7	0.6	0.0	0.0
Liability & Shareholder's Equity	5.7	5.5	5.4	5.2	5.0	5.0	4.8	3.6	14.0
Other Liabilities	0.3	0.3	0.3	0.2	0.2	0.3	0.2	0.0	50.0
Shareholder's Equity	5.4	5.2	5.1	5.0	4.8	4.7	4.6	3.8	12.5

□ BS Credit Information I/S Summary

(KRW bn, %, Balance)	2012.9	12.3Q	12.2Q	12.1Q	2011	11.4Q	2011.9	11.3Q	QoQ	YoY
Operating Revenue	1.92	0.67	0.67	0.58	2.40	0.66	1.74	0.58	0.0	10.3
Interest Revenue	0.14	0.05	0.05	0.04	0.17	0.05	0.12	0.04	0.0	16.7
Fee & Commission Revenue	1.78	0.62	0.62	0.54	2.23	0.61	1.62	0.54	0.0	9.9
Others	-	-	-	-	-	-	-	-	-	-
Operating Expense	1.41	0.49	0.49	0.43	1.74	0.47	1.27	0.42	0.0	11.0
Interest Expense	-	-	-	-	-	-	-	-	-	-
Fee & Commission Expense	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
SG&A	1.41	0.49	0.49	0.43	1.74	0.47	1.27	0.42	0.0	11.0
Provision Expense	-	-	-	-	-	-	-	-	-	-
Earnings Before Income Tax	0.51	0.18	0.18	0.15	0.66	0.19	0.47	0.16	0.0	8.5
Income Tax Expenses	0.13	0.05	0.05	0.03	0.13	0.04	0.09	0.04	0.0	44.4
Net Income	0.38	0.13	0.13	0.12	0.53	0.15	0.38	0.12	0.0	0.0

1. B/S Summary / I/S Summary

□ BS Information System I/S Summary

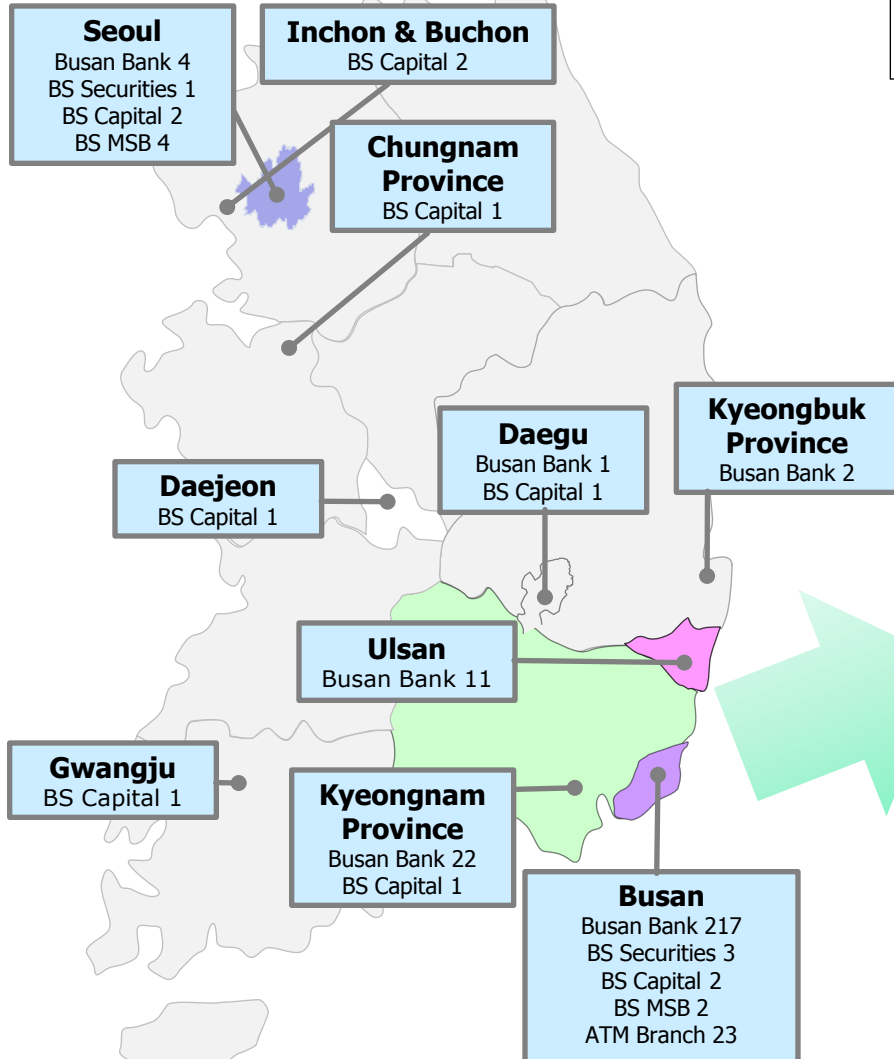
	2012.9	12.3Q	12.2Q	12.1Q	2011	11.4Q	11.3Q	11.2Q	QoQ
(KRW bn, %, Balance)									
Net Interest Income	3.7	1.5	1.3	0.9	0.9	0.7	0.2	0.0	15.4
Net Fee Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
SG&A(-)	3.7	1.5	1.3	0.9	0.9	0.7	0.2	0.0	15.4
Provision Expense(-)	3.3	1.4	1.1	0.8	0.9	0.6	0.3	0.0	27.3
Earnings Before Income Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Income Tax Expenses(-)	0.4	0.1	0.2	0.1	0.0	0.1	△0.1	0.0	△50.0
Net Income	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	△100.0

2. BS Capital Portfolio

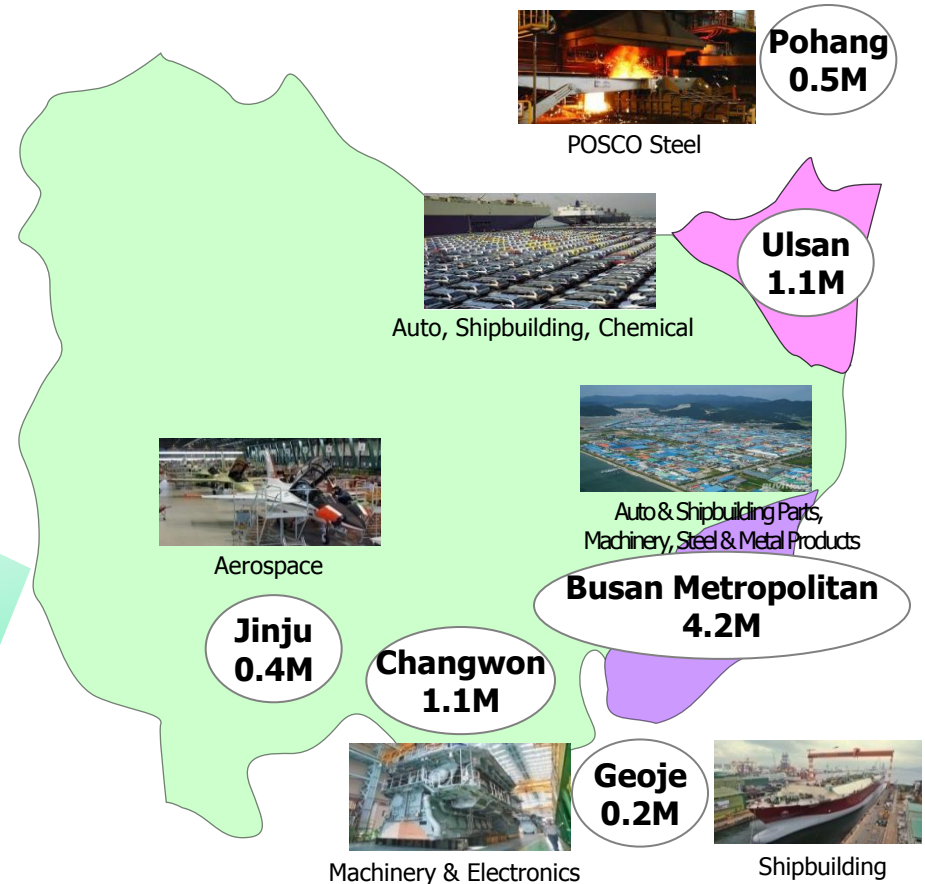
	3Q12	Portion	QoQ	2Q12	1Q12	4Q11	3Q11	2Q11	1Q11	4Q10
(KRW bn, %, Balance)										
Total	1,435.8	100.0%	21.7%	1,179.6	1,041.2	862.0	609.0	420.3	255.7	111.6
Loans	494.9	34.5%	24.9%	396.1	405.2	369.2	253.3	161.8	94.6	56.9
Household	205.1	14.3%	14.9%	178.5	155.6	140.5	112.1	78.4	54.3	28.4
Corporate	289.8	20.2%	33.2%	217.6	249.6	228.7	141.2	83.4	40.3	28.5
Auto Financing	499.1	34.8%	24.4%	401.3	293.4	193.0	107.2	43.8	20.1	4.1
Commercial Vehicle	243.7	17.0%	10.3%	220.9	175.8	112.8	64.1	23.1	12.2	3.7
Passenger Vehicle	255.4	17.8%	41.6%	180.4	117.6	80.2	43.1	20.7	7.9	0.4
Lease/Installments	441.8	30.7%	15.6%	382.2	342.6	299.8	248.5	214.7	141.0	50.6
Machine Tools	176.5	12.3%	15.5%	152.8	133.1	117.9	101.8	91.7	76.4	18.2
Medical Instruments	167.4	11.7%	14.1%	146.7	132.5	118.2	96.5	84.3	35.0	13.6
Others	97.9	6.7%	18.4%	82.7	77.0	63.7	50.2	38.7	29.6	18.8

3. Group Networks & Major Industries

- ❑ **Networks across Korea**(as of Sept. 2012)
 - **Busan Bank 259**(China, Vietnam Office included), **BS Securities 4, BS Capital 11, BS MSB 6**



- ❑ **Population & Major Industries**
 - **Southeastern Conurbation (7.5M, 15.4% of Total Population), making up 17.1% of GRDP**
 - **Exports : 182.5 USD bn(2011)**
 - **Imports : 132.9 USD bn(2011)**



1) Southeastern region includes Busan, Ulsan, and Kyeongnam

4. Busan Economy – At a Glance

□ Overview & Outlook

- Busan has shown continuous employment recovery under unstable economic conditions; however increasing export volatility etc. has slightly slowed down the economy recovery
- Compared to the slowdown in developed market economies, euro-zone uncertainties, unstable housing market in Seoul areas etc., Busan is showing a different economical situation
- The main industries including Auto Components, Shipbuilding Equipments, and Machinery maintaining operating ratios of 99~100%
- The Housing Purchase Price Index has shown slight weakening in the recent months; however, has been still maintained around 5% higher than the previous year

□ Recent Developments¹⁾

Indicators	12.07	Change(YoY) ²⁾	12.06	12.05	Details
Composite Leading Index ^{*3)}	131.3	0.1% ↑	131.2	131.0	Housing construction permit, amounts of capital goods import etc. are showing a steady rate while maintaining an upward trend
Industrial Production (2005=100)	124.7	△7.0% ↓	126.7	132.4	After 5 consecutive months of increase, the index is currently looking downward, due to the weak auto production rates(△49.7%)(Renault Samsung) Others are still showing an upward trend in Industrial Production
Unemployment Rate(%) (Based on August, July & June 2012)	3.7	0.2% ↑	3.5	3.7	Currently maintaining stable level of unemployment rate. Employment rate has increased by 2.9% compared to last July.
Consumer Prices (Based on August, July & June 2012)	107.0	1.4% ↑	106.5	106.8	Even with heat waves, typhoons etc., the consumer prices increased has slowed based on the drop in livestock product prices etc.
Export (USD mn)	1,192	6.5% ↑	1,178	1,217	Due to exports for automobile parts(+41%) etc., the export volume has turned around after 5 months
Sales at Large Retailers (KRW bn)	434	0.0% —	420	471	Even with the Large Retailer's mandatory closure effect, sales have been maintained at a similar level to the previous year
SMEs Operation Ratio (%)	88.9	△0.4% ↓	89.7	90.1	Particularly active in auto parts(100%), shipbuilding components(98.5%) & machinery(99.1%); Average Nationwide Operating Ratio at 70.3%
House Prices (2011.6=100) (Based on August, July & June 2012)	106.5	4.5% ↑	106.5	106.6	Housing Purchase Price Index, down by 0.1%p MoM up by 4.5%p YoY Jeonse(Korean housing rental system) Price Index, up by 4.7% YoY
Container Handling (1,000 TEU)	1,455	1.0% ↑	1,168	1,166	Even under global uncertainties etc., strong container traffic volumes has been maintained compared to the previous year

Note.

1) Data from Busan Economic Promotion Agency's September 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