2015 2Q Financial Results

(August 4, 2015)

Beyond No.1 in Korea

BNK

Contents

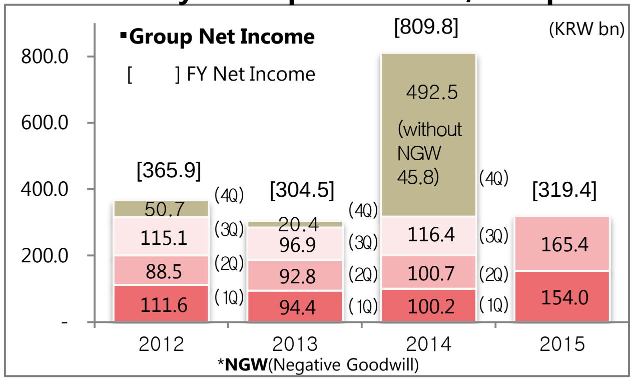
・Kyongnam Bank has been added October 10, 2014, and earnings will be consolidated starting from the 4Q of 2014

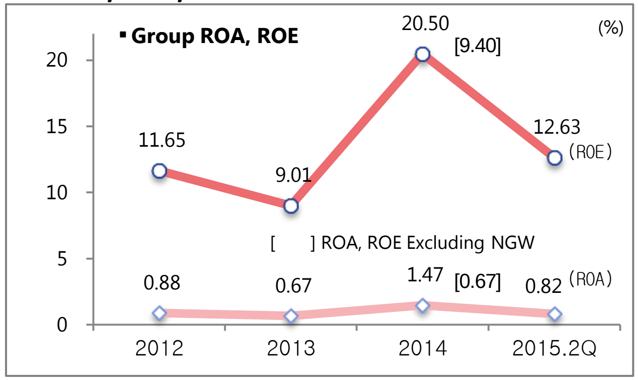
・Fiscal Year End for BNK MSB is June 30

Ⅰ. 2Q 2015 Group Highlights

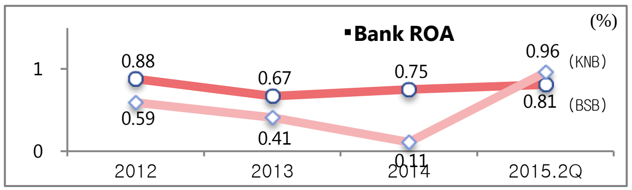
1. Highlights – Profitability, Growth

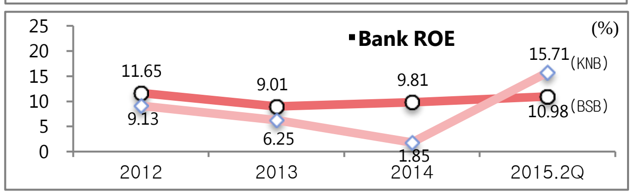
❑ Profitability – Group Net Income, Group & Banks ROA, ROE, NIM

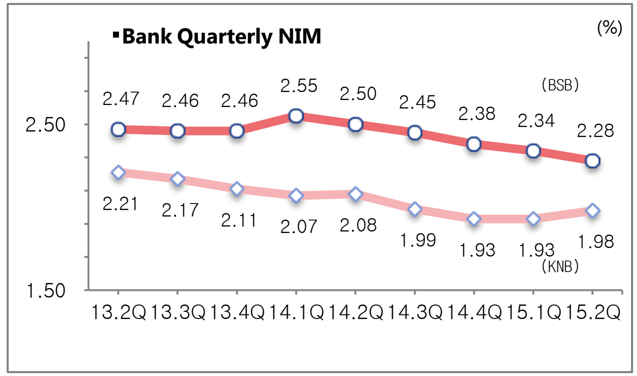




- ❖ Group 15.1H Net Income 319.4 KRW bn, up by 59.0% YoY
- ❖ Busan Bank 15.1H Net Income 204.2 KRW bn, up by 6.0% YoY
- ❖ Kyongnam Bank 15.1H Net Income 141.8 KRW bn, up by 204.3% YoY

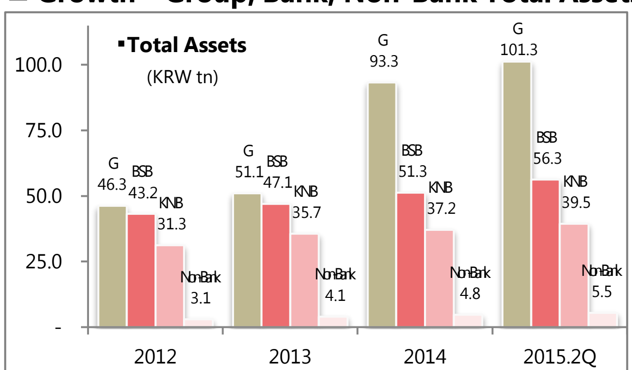


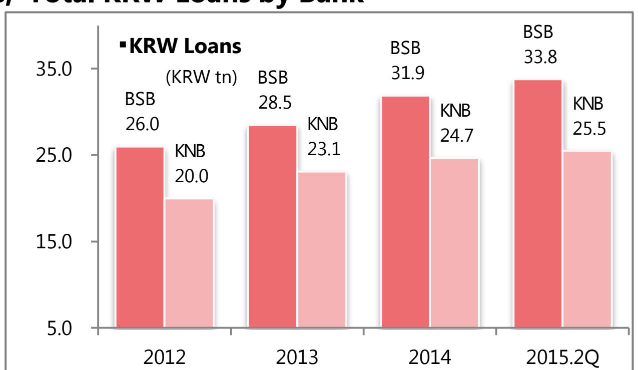




- ❖ Group ROA, ROE 0.82%, 12.63%
- ❖ Busan Bank ROA, ROE 0.81%, 10.98%
- ❖ Kyongnam Bank ROA, ROE 0.96%, 15.71%
- ❖ Busan Bank 2Q NIM 2.28%
- ❖ Kyongnam Bank 2Q NIM 1.98%

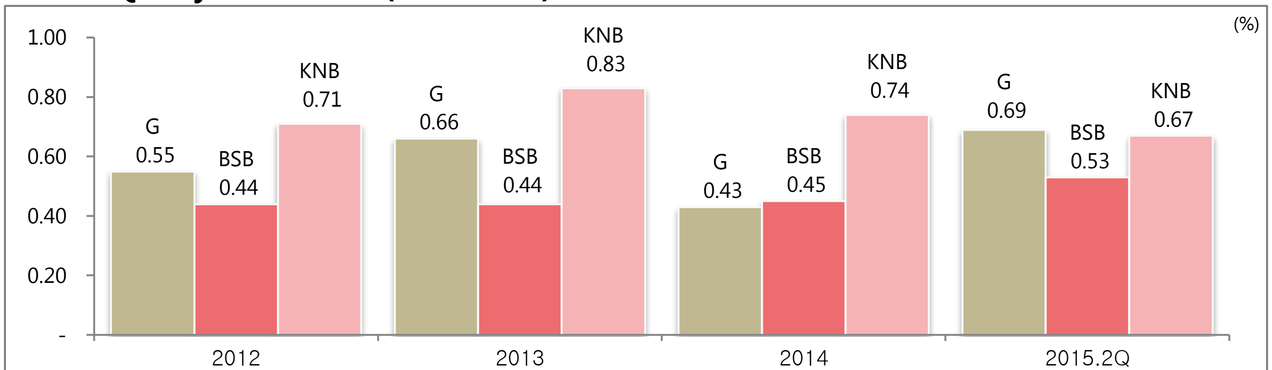
❑ Growth – Group, Bank, Non-Bank Total Assets, Total KRW Loans by Bank





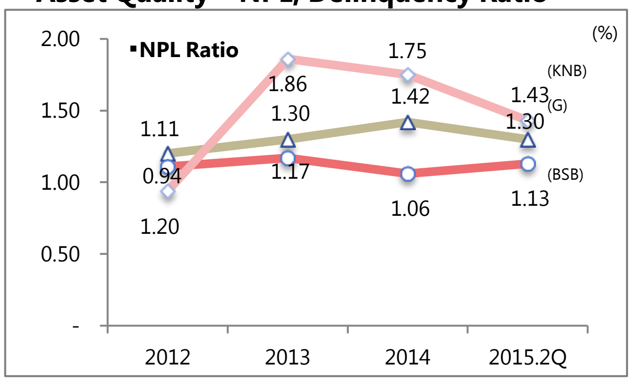
- ❖ 15.1H Group Total Assets 101.3 KRW tn, up by 8.6% YTD
- ❖ 15.1H Busan Bank Total Assets 56.3 KRW tn, up by 9.8% YTD
- ❖ 15.1H Kyongnam Bank Total Assets 39.5 KRW tn, up by 6.2% YTD

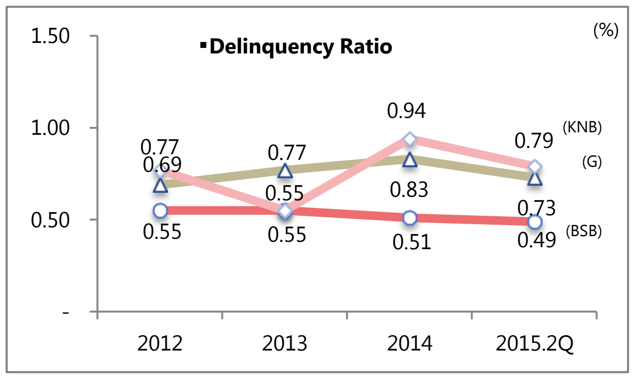
❑ Asset Quality – Credit Cost(Annualized)



- ❖ **Group Credit Cost 69bp**
- ❖ **Busan Bank Credit Cost 53bp**
- ❖ **Kyongnam Bank Credit Cost 67bp**

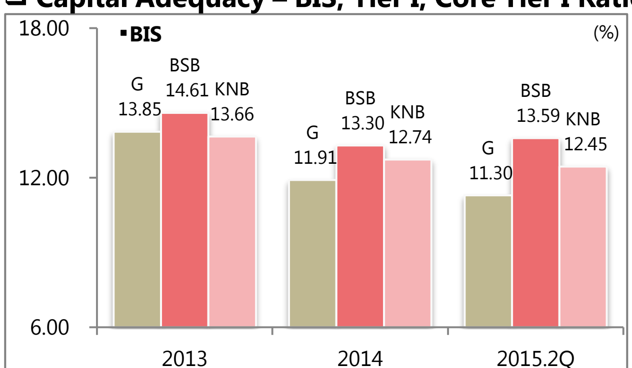
❑ Asset Quality – NPL, Delinquency Ratio

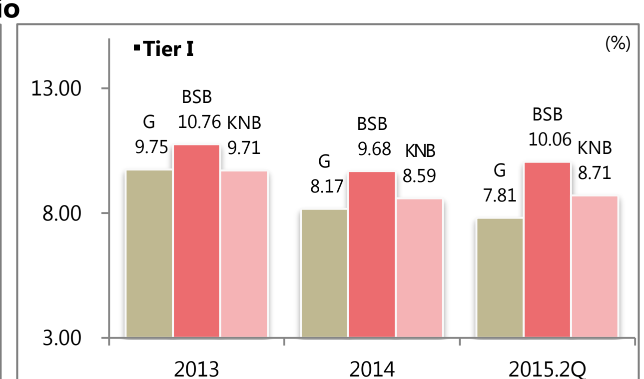


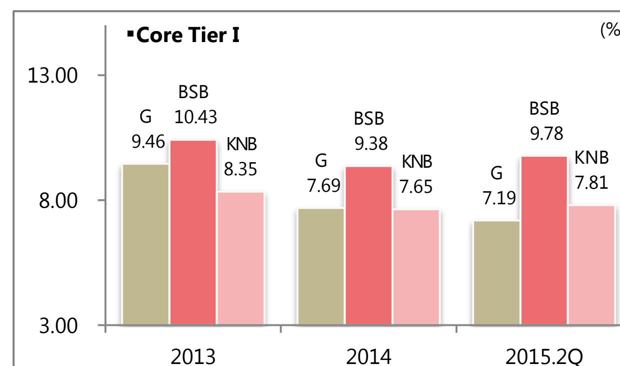


- ❖ **Group NPL Ratio 1.30%**
- ❖ **Group Delinquency Ratio 0.73%**
- ❖ **Busan Bank NPL Ratio 1.13%**
- ❖ **Busan Bank Delinquency Ratio 0.49%**
- ❖ **Kyongnam Bank NPL Ratio 1.43%**
- ❖ **Kyongnam Bank Delinquency Ratio 0.79%**

❑ Capital Adequacy – BIS, Tier I, Core Tier I Ratio







3. Group Structure

(%, KRW bn, Accumulated)

BNK Financial Group

Establishment : 2011.03.15
Total Assets : 101,335.9
Net Income : 319.4
Employees : 8,032

	Busan Bank	Kyongnam Bank	Securities	Capital	MSB	Credit Info.	System
	Establishment : 1967.10.10 Branches : 273(China & Vietnam Office Included) Employees : 3,903	Establishment : 1970.05.22 Bank Added : 2014.10.10 Branches : 191 Employees : 3,024	Establishment : 1997.06.02 [Securities Added : 2009.11] Branches : 4 Employees : 169	Establishment : 2010.07.15 Branches : 23 Employees : 563	Establishment : 2011.12.13 Branches : 7 Employees : 120	Establishment : 2003.06.17 Industry : Collection Employees : 59	Establishment : 2011.05.20 Industry : IT related Employees : 134
Total Shares Owned	100%	100%	100%	100%	100%	100%	100%
Total Assets	56,316.6	39,540.7	637.3	4,091.4	782.6	7.5	7.8
Net Income	204.2	141.8(109.3[1])	3.2	25.5	2.5	0.3	0.1

1) Net Income inside the bracket is Net Income in Controlling Interest

Capital subsidiaries:

Cambodia Subsidiary	Myanmar Subsidiary	Laos Subsidiary
Establishment : 2014.03.07 Employees : 18 Total Shares Owned : 100% Total Assets : 5.3 2015.06 Start Operations	Establishment : 2014.03.21 Employees : 36 Total Shares Owned : 99.9% Total Assets : 5.4 2014.12 Start Operations	Establishment : 2014.04.24 Employees : 16 Total Shares Owned : 90.0% Total Assets : 5.9 2015.07 Start Operations

Ⅱ. Profitability

1. Group Earning Results

(KRW bn, %)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**997.2**	618.6	61.2	503.0	494.2	1.8
Net Fee Income	**106.8**	56.2	90.0	60.0	46.8	28.2
Others[2)]	**74.4**	△6.0	Net Gain	63.1	11.3	458.4
SG&A(-)	**502.0**	283.5	77.1	258.2	243.8	5.9
Provision Expense(-)	**233.9**	115.2	103.0	163.1	70.8	130.4
Non-Operating Income	**14.2**	△4.2	Net Gain	△1.9	16.1	Net Loss
Earnings Before Income Tax	**456.7**	265.9	71.8	202.9	253.8	△20.1
Income Tax Expense(-)	**100.3**	62.2	61.3	39.9	60.4	△33.9
Net Income(A)	**356.4**	203.7	75.0	163.0	193.4	△15.7
Net Income in Non-Controlling Interest(B)	**37.0**	2.8	1,221.4	△2.3	39.4	Net Loss
Net Income in Controlling Interest(C) (C) = (A) - (B)	**319.4**	200.9	59.0	165.4	154.0	7.4

2. Subsidiaries Earning Results

(KRW bn, %)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Bank(A)	**346.0**	192.7	79.6	157.9	188.1	△16.1
Busan	**204.2**	192.7	6.0	97.6	106.6	△8.4
Kyongnam	**141.8**	46.6	204.3	60.3	81.5	△26.0
Non-Bank(B)	**31.6**	28.1	12.5	18.1	13.5	34.1
Securities	**3.2**	0.9	255.6	1.2	2.0	△40.0
Capital	**25.5**	18.0	41.7	14.1	11.4	23.7
MSB	**2.5**	8.5	△70.6	2.7	△0.2	Net Gain
Credit Information	**0.3**	0.3	0.0	0.1	0.2	△50.0
Information Systems	**0.1**	0.4	△75.0	0.0	0.1	-
Financial Group & Unconsolidated Portion(C)	**21.2**	17.1	24.0	13.0	8.2	58.5
Negative Goodwill (D)	**0.0**	0.0	-	0.0	0.0	-
Net Income in Non-Controlling Interest (E)	**37.0**	2.8	1,221.4	2.3	39.4	△106.1
Net Income in Controlling Interest(F) (F=A+B-C+D-E)	**319.4**	200.9	59.0	165.4	154.0	7.4

3. Banks Earning Results

❑ Busan

(KRW bn, %, %p)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**539.6**	538.4	0.2	271.6	268.0	1.3
Net Fee Income	**60.8**	42.5	43.1	34.7	26.1	33.0
Fees from Trust Account	**6.6**	7.9	△16.5	3.3	3.3	0.0
Others	**6.5**	△20.5	Net Gain	△2.0	8.5	Net Loss
Provision Expense(-)	**94.7**	76.8	23.3	52.5	42.2	24.4
SG&A(-)	**261.3**	237.9	9.8	135.9	125.4	8.4
Net Operating Income	**257.5**	253.6	1.5	119.2	138.3	△13.8
Non-Operating Income	**△1.6**	△4.9	-	△1.0	△0.6	-
Earnings Before Income Taxes	**255.9**	248.7	2.9	118.2	137.7	△14.2
Income Tax Expenses(-)	**51.7**	56.0	△7.7	20.6	31.1	△33.8
Net Income	**204.2**	192.7	6.0	97.6	106.6	△8.4
ROA	**0.81**	0.92	△0.11	0.81	0.82	△0.01
ROE	**10.98**	11.31	△0.33	10.98	11.45	△0.47

❑ Kyongnam

(KRW bn, %, %p)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**348.5**	347.4	0.3	178.5	170.0	5.0
Net Fee Income	**27.5**	21.0	31.0	16.0	11.5	39.1
Fees from Trust Account	**2.7**	3.0	△10.0	1.3	1.4	△7.1
Others	**54.4**	△28.4	Net Gain	57.8	△3.4	Net Gain
Provision Expense(-)	**90.8**	118.5	△23.4	87.4	3.4	2,470.6
SG&A(-)	**177.0**	162.3	9.1	89.8	87.2	3.0
Net Operating Income	**165.3**	62.2	165.8	76.4	88.9	△14.1
Non-Operating Income	**15.4**	△3.5	Net Gain	△1.1	16.5	Net Loss
Earnings Before Income Taxes	**180.7**	58.7	207.8	75.3	105.4	△28.6
Income Tax Expenses(-)	**38.9**	12.1	221.5	15.0	23.9	△37.2
Net Income	**141.8**	46.6	204.3	60.3	81.5	△26.0
ROA	**0.96**	0.25	0.71	0.96	1.10	△0.14
ROE	**15.71**	4.06	11.65	15.71	18.41	△2.70

4. Banks NIM & NIS

❑ Busan

(KRW bn, %, %p)	15.2Q	14.4Q	YoY	15.1Q	QoQ
NIM(Quarterly)	**2.28**	2.38	△0.10	2.34	△0.06
NIS	**2.56**	2.66	△0.10	2.61	△0.05
Interest Rate on KRW Loans	**4.23**	4.64	△0.41	4.46	△0.23
Households	**3.52**	3.98	△0.46	3.81	△0.29
Corporate	**4.13**	4.53	△0.40	4.33	△0.20
Interest Rate paid on KRW Deposits	**1.67**	1.98	△0.31	1.85	△0.18
Average Interest Earning Assets	**42,451.2**	40,585.0	4.6	41,428.2	2.5

NIM(Accumulated)	**2.31**	2.47	△0.16	2.34	△0.03
NIS	**2.58**	2.76	△0.18	2.61	△0.03
Interest Rate on KRW Loans	**4.34**	4.85	△0.51	4.46	△0.12
Households	**3.66**	4.20	△0.54	3.81	△0.15
Corporate	**4.22**	4.72	△0.50	4.33	△0.11
Interest Rate paid on KRW Deposits	**1.76**	2.09	△0.33	1.85	△0.09
Average Interest Earning Assets	**41,942.5**	39,460.6	6.3	41,428.2	1.2

❑ Kyongnam

(KRW bn, %, %p)	15.2Q	14.4Q	YoY	15.1Q	QoQ
NIM(Quarterly)	**1.98**	1.93	0.05	1.93	0.05
NIS	**2.17**	2.10	0.07	2.11	0.06
Interest Rate on KRW Loans	**4.02**	4.28	△0.26	4.16	△0.14
Households	**3.38**	3.72	△0.34	3.59	△0.21
Corporate	**3.99**	4.23	△0.24	4.10	△0.11
Interest Rate paid on KRW Deposits	**1.85**	2.18	△0.33	2.05	△0.20
Average Interest Earning Assets	**31,183.2**	30,171.4	3.4	30,453.8	2.4

NIM(Accumulated)	**1.96**	2.01	△0.05	1.93	0.03
NIS	**2.14**	2.20	△0.06	2.11	0.03
Interest Rate on KRW Loans	**4.09**	4.50	△0.41	4.16	△0.07
Households	**3.48**	3.94	△0.46	3.59	△0.11
Corporate	**4.04**	4.42	△0.38	4.10	△0.06
Interest Rate paid on KRW Deposits	**1.95**	2.30	△0.35	2.05	△0.10
Average Interest Earning Assets	**30,820.5**	29,644.0	4.0	30,453.8	1.2

Note. Table on the top is based on quarterly numbers
Table on the bottom is based on accumulated numbers

5. SG&A

❑ Group

(KRW bn, %, %p)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
SG&A	**502.0**	283.6	77.0	258.2	243.8	5.9
Cost Income Ratio	**42.60**	42.40	0.20	41.24	44.15	△2.91

❑ Busan

(KRW bn, %, %p)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Total SG&A	**261.3**	237.9	9.8	135.9	125.4	8.4
Salaries and other expenses	**207.5**	192.4	7.8	108.9	98.6	10.4
Depreciation	**33.8**	28.3	19.4	16.9	16.9	0.0
Taxes and dues	**6.2**	6.3	△1.6	3.2	3.0	6.7
Retirement Allowance	**13.8**	10.9	26.6	6.9	6.9	0.0
Honorary Retirement	**0.0**	0.0	-	0.0	0.0	-
Cost Income Ratio	**42.61**	41.89	0.72	44.19	41.01	3.18

❑ Kyongnam

(KRW bn, %, %p)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Total SG&A	**177.0**	162.3	9.1	89.8	87.2	3.0
Salaries and other expenses	**143.6**	143.0	0.4	72.4	71.2	1.7
Depreciation	**18.5**	7.6	143.4	9.4	9.1	3.3
Taxes and dues	**5.4**	4.7	14.9	3.3	2.1	57.1
Retirement Allowance	**9.3**	7.0	32.9	4.7	4.6	2.2
Honorary Retirement	**0.2**	0.0	-	0.0	0.2	-
Cost Income Ratio	**40.87**	47.32	△6.45	35.41	48.58	△13.17

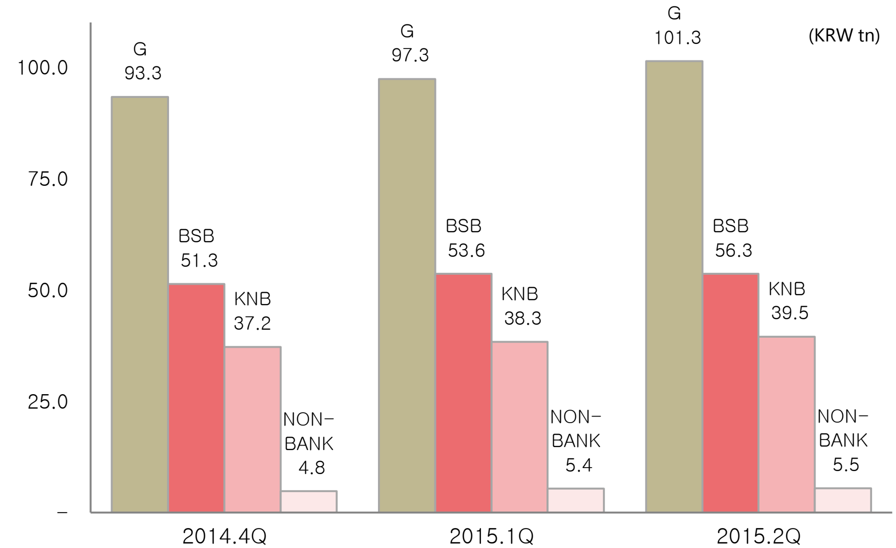
Ⅲ. Growth

1. Group Asset, B/S Summary

❑ Group Total Assets

(KRW bn, %)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Bank	**95,857.3**	88,525.7	8.3	91,889.9	4.3
Busan	**56,316.6**	51,281.9	9.8	53,587.8	5.1
Kyongnam	**39,540.7**	37,243.8	6.2	38,302.1	3.2
Non-Bank	**5,526.6**	4,845.3	14.1	5,361.0	3.1
Securities	**637.3**	512.0	24.5	701.5	△9.2
Capital	**4,091.4**	3,583.3	14.2	3,870.8	5.7
MSB	**782.6**	736.1	6.3	775.5	0.9
Credit Information	**7.5**	7.1	5.6	7.3	2.7
Information Systems	**7.8**	6.8	14.7	5.9	32.2
Financial Group & Unconsolidated Portion	**△48.0**	△48.5	-	4.2	-
Group Total Assets	**101,335.9**	93,322.5	8.6	97,255.1	4.2

❑ Group Total Assets



❑ Group Total Lending

1) Kyongnam Bank was added to the Group from the 4Q of 2014

(KRW bn, %)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Cash and Dues	**3,562.1**	3,206.3	11.1	2,830.3	25.9
Securities	**12,602.4**	12,226.4	3.1	12,429.8	1.4
Loans & Receivables	**72,668.6**	66,555.9	9.2	69,796.3	4.1
Derivative Assets	**382.9**	338.5	13.1	338.5	13.1
Fixed Assets & Investment Assets	**788.5**	793.4	△0.6	787.0	0.2
Intangible Assets	**391.7**	412.2	△5.0	405.2	△3.3
Others	**579.7**	517.4	12.0	524.3	10.6
Total Assets	**90,975.9**	84,050.1	8.2	87,111.4	4.4

1) Based on the Bank's Unconsolidated Financial Statements

❑ Group Total Funding

(KRW bn, %)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Deposits	**63,262.5**	59,906.5	5.6	61,545.2	2.8
Borrowings	**6,680.5**	6,664.3	0.2	6,879.6	△2.9
Derivatives	**7,875.9**	7,299.5	7.9	7,571.3	4.0
Others	**7,327.3**	4,715.9	55.4	5,501.7	33.2
Total Liabilities	**85,146.2**	78,586.2	8.3	81,497.8	4.5
Shareholder's Equity	**5,829.7**	5,463.9	6.7	5,613.6	3.8
Total Liabilities & Shareholder's Equity	**90,975.9**	84,050.1	8.2	87,111.4	4.4

2. Banks B/S – Busan[1)]

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Total Assets	**56,316.6**	51,281.9	9.8	53,587.8	5.1
Bank Account	**50,179.4**	46,082.2	8.9	47,728.4	5.1
Trust Account	**6,137.2**	5,199.7	18.0	5,859.4	4.7
Total Deposits	**40,909.5**	39,057.0	4.7	40,069.2	2.1
Bank Account	**37,156.5**	35,477.4	4.7	36,500.7	1.8
KRW Deposits	**34,446.7**	33,320.9	3.4	33,773.7	2.0
Demand	**3,183.7**	2,563.6	24.2	3,164.9	0.6
Savings & Time	**31,246.3**	30,739.7	1.6	30,592.0	2.1
Installment	**16.7**	17.6	△5.1	16.8	△0.6
CD	**456.9**	100.6	354.2	460.2	△0.7
Trust Account	**3,753.0**	3,579.6	4.8	3,568.5	5.2
Total Credits	**35,758.5**	33,844.4	5.7	35,325.2	1.2
Total Loans	**34,854.0**	32,949.1	5.8	34,417.5	1.3
KRW Loans	**33,827.9**	31,869.2	6.1	33,369.7	1.4
SMEs	**21,308.5**	20,222.5	5.4	20,892.4	2.0
Households	**8,219.2**	7,817.6	5.1	8,127.1	1.1
Guarantees	**904.5**	895.3	1.0	907.7	△0.4
Total Securities	**8,819.9**	8,777.1	0.5	8,736.5	1.0
Bank Account	**7,279.1**	7,192.9	1.2	7,213.0	0.9
Trust Account	**1,540.8**	1,584.2	△2.7	1,523.5	1.1
Shareholders' Equity	**3,724.1**	3,421.7	8.8	3,528.4	5.5

1) Based on the Bank's Unconsolidated Financial Statements

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
KRW Deposits	**34,446.7**	33,320.9	3.4	33,773.7	2.0
Demand	**3,183.7**	2,563.6	24.2	3,164.9	0.6
Savings	**31,246.3**	30,739.7	1.6	30,592.0	2.1
Installment	**16.7**	17.6	△5.1	16.8	△0.6
CD	**456.9**	100.6	354.2	460.2	△0.7
Bills Sold	**50.2**	40.5	24.0	44.6	12.6
R P	**353.8**	216.4	63.5	373.3	△5.2
Financial Debenture	**1,848.9**	1,799.0	2.8	1,848.9	0.0
Trust Account	**3,753.0**	3,579.6	4.8	3,568.5	5.2
Total Deposits	**40,909.5**	39,057.0	4.7	40,069.2	2.1

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
KRW Loans	**33,827.9**	31,869.2	6.1	33,369.7	1.4
Corporate	**24,099.1**	22,674.5	6.3	23,920.3	0.7
(SME)	**21,308.5**	20,222.5	5.4	20,892.4	2.0
(Large Corps)	**2,790.6**	2,452.0	13.8	3,027.9	△7.8
Household	**8,219.2**	7,817.6	5.1	8,127.1	1.1
Public	**1,509.6**	1,377.1	9.6	1,322.3	14.2
Foreign Currency	**559.7**	565.7	△1.1	580.6	△3.6
Trust Account	**13.2**	13.8	△4.3	12.7	3.9
Others	**1,357.7**	1,395.7	△2.7	1,362.2	△0.3
Total Credits	**35,758.5**	33,844.4	5.7	35,325.2	1.2
LDR (Monthly Avg. Balance, %)	**95.34**	96.56	△1.22	95.55	△0.21

2. Banks B/S – Kyongnam[1)]

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Total Assets	**39,540.7**	37,243.8	6.2	38,302.1	3.2
Bank Account	**34,969.4**	32,806.7	6.6	33,661.3	3.9
Trust Account	**4,571.3**	4,437.1	3.0	4,640.8	△1.5
Total Deposits	**30,126.6**	28,285.5	6.5	29,047.9	3.7
Bank Account	**28,168.2**	26,431.1	6.6	27,177.3	3.6
KRW Deposits	**26,359.5**	24,725.1	6.6	25,502.7	3.4
Demand	**2,915.8**	2,244.8	29.9	2,427.6	20.1
Savings & Time	**23,430.4**	22,467.3	4.3	23,061.9	1.6
Installment	**13.3**	13.0	2.3	13.2	0.8
CD	**228.2**	112.3	103.2	192.2	18.7
Trust Account	**1,958.4**	1,854.4	5.6	1,870.6	4.7
Total Credits	**26,228.1**	25,638.1	2.3	26,243.5	△0.1
Total Loans	**25,902.8**	25,225.5	2.7	25,864.7	0.1
KRW Loans	**25,461.7**	24,755.5	2.9	25,389.2	0.3
SMEs	**15,477.4**	14,762.3	4.8	15,272.6	1.3
Households	**7,494.7**	7,666.6	△2.2	7,751.8	△3.3
Guarantees	**325.3**	412.6	△21.2	378.8	△14.1
Total Securities	**4,970.2**	4,745.5	4.7	4,834.4	2.8
Bank Account	**4,589.9**	4,321.5	6.2	4,436.1	3.5
Trust Account	**380.3**	424.0	△10.3	398.3	△4.5
Shareholders' Equity	**2,246.7**	2,146.8	4.7	2,230.6	0.7

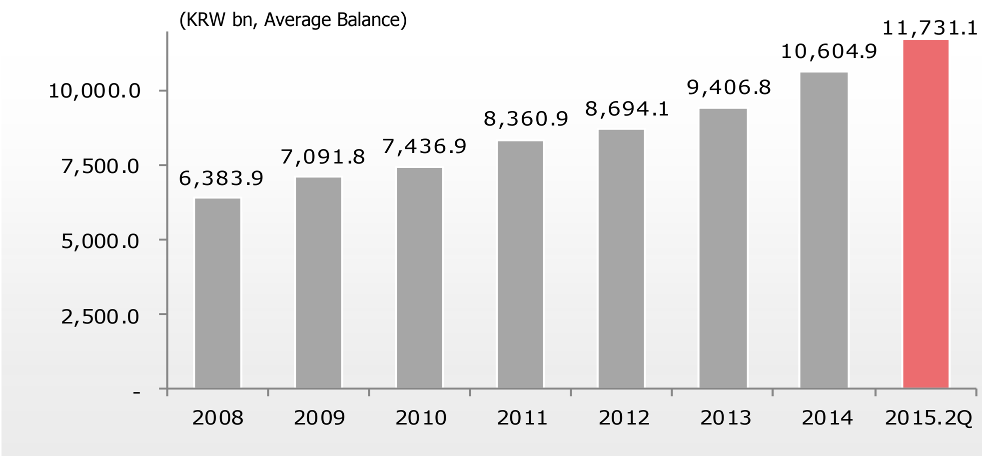
1) Based on the Bank's Unconsolidated Financial Statements

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
KRW Deposits	**26,359.5**	24,725.1	6.6	25,502.7	3.4
Demand	**2,915.8**	2,244.8	29.9	2,427.6	20.1
Savings	**23,430.4**	22,467.3	4.3	23,061.9	1.6
Installment	**13.3**	13.0	2.3	13.2	0.8
CD	**228.2**	112.3	103.2	192.2	18.7
Bills Sold	**20.1**	21.3	△5.6	22.0	△8.6
R P	**161.3**	7.3	2,109.6	11.3	1,327.4
Financial Debenture	**1,399.1**	1,565.0	△10.6	1,449.1	△3.5
Trust Account	**1,958.4**	1,854.5	5.6	1,870.6	4.7
Total Deposits	**30,126.6**	28,285.5	6.5	29,047.9	3.7

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
KRW Loans	**25,461.7**	24,755.5	2.9	25,389.2	0.3
Corporate	**17,597.6**	16,718.6	5.3	17,292.2	1.8
(SME)	**15,477.4**	14,762.3	4.8	15,272.6	1.3
(Large Corps)	**2,120.2**	1,956.3	8.4	2,019.6	5.0
Household	**7,494.7**	7,666.6	△2.2	7,751.8	△3.3
Public	**369.4**	370.3	△0.2	345.2	7.0
Foreign Currency	**148.4**	183.2	△19.0	171.2	△13.3
Trust Account	**0.4**	0.3	33.3	0.4	-
Others	**617.6**	699.1	△11.7	682.7	△9.5
Total Credits	**26,228.1**	25,638.1	2.3	26,243.5	△0.1
LDR (Monthly Avg. Balance, %)	**97.34**	97.90	△0.56	97.85	△0.51

3. Banks Low-Cost Deposits - Busan

❑ Growth Records



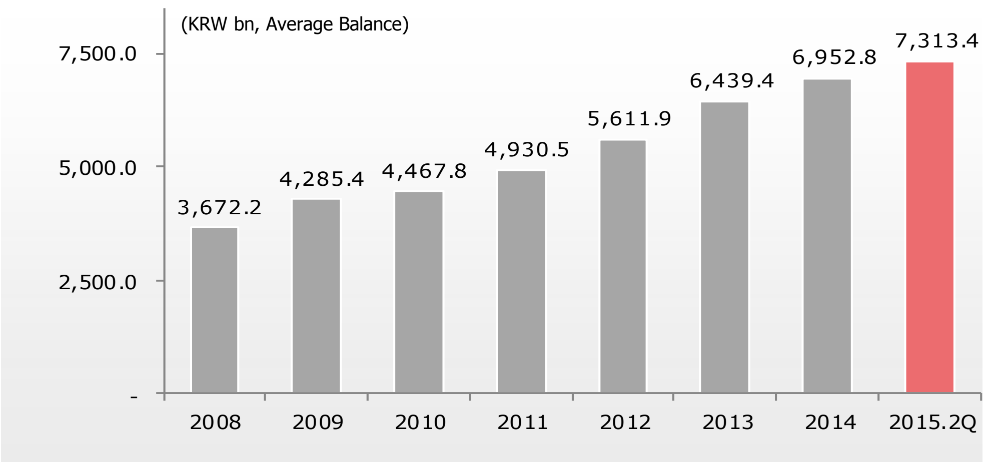
❑ Funding Costs

(%, Accumulated)	15.2Q	15.1Q	14.4Q
Demand Deposits	**0.24**	0.26	0.20
Savings Deposits	**0.12**	0.13	0.14
Corporate Savings Deposits	**0.93**	1.03	1.32
Total	**0.38**	0.43	0.52

(KRW bn, %, %p, Average Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Low-Cost Deposits (A)	**11,731.1**	10,604.9	10.6	11,565.2	1.4
Demand Deposits	**2,981.3**	2,450.2	21.7	2,862.9	4.1
Savings Deposits	**5,473.4**	4,888.0	12.0	5,339.3	2.5
Corporate Savings Deposits	**3,276.4**	3,266.7	0.3	3,363.0	△2.6
Deposits in KRW (B)	**33,862.0**	31,576.3	7.2	33,584.2	0.8
Total Deposits (Bank Account) (C)	**36,459.0**	33,493.7	8.9	36,013.6	1.2
Total Deposits (Bank + Trust Account)**(D)**	**40,121.0**	36,926.7	8.7	39,661.7	1.2
Low-Cost Deposits/Won Deposits**(A/B)**	**34.64**	33.58	1.06	34.44	0.20
Low-Cost Deposits/Total Deposits (A/C)	**32.18**	31.66	0.52	32.11	0.07
Low-Cost Deposits/Total Deposits**(A/D)**	**29.24**	28.72	0.52	29.16	0.08

3. Banks Low-Cost Deposits - Kyongnam

❑ Growth Records



❑ Funding Costs

(%, Accumulated)	15.2Q	15.1Q	14.4Q
Demand Deposits	**0.26**	0.28	0.31
Savings Deposits	**0.14**	0.15	0.16
Corporate Savings Deposits	**1.19**	1.30	1.67
Total	**0.46**	0.51	0.68

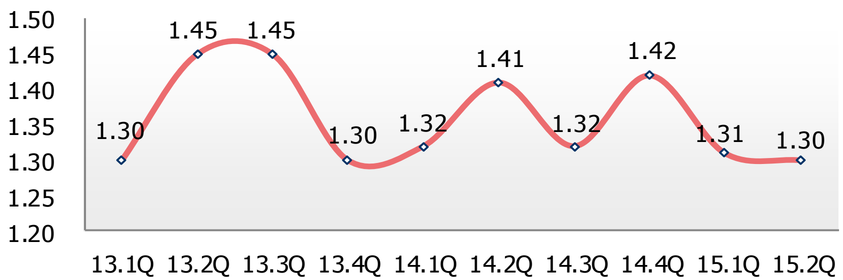
(KRW bn, %, %p, Average Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Low-Cost Deposits (A)	**7,313.4**	6,952.8	5.2	7,161.7	2.1
Demand Deposits	**2,510.7**	2,111.7	18.9	2,362.0	6.3
Savings Deposits	**2,886.0**	2,654.6	8.7	2,835.0	1.8
Corporate Savings Deposits	**1,916.7**	2,186.5	△12.3	1,964.7	△2.4
Deposits in KRW (B)	**25,471.6**	24,510.1	3.9	25,163.7	1.2
Total Deposits (Bank Account) (C)	**27,175.1**	26,028.6	4.4	26,865.0	1.2
Total Deposits (Bank + Trust Account)**(D)**	**29,098.3**	27,806.3	4.6	28,790.0	1.1
Low-Cost Deposits/Won Deposits**(A/B)**	**28.71**	28.37	0.34	28.46	0.25
Low-Cost Deposits/Total Deposits (A/C)	**26.91**	26.71	0.20	26.66	0.25
Low-Cost Deposits/Total Deposits**(A/D)**	**25.13**	25.00	0.13	24.88	0.25

Ⅳ. Asset Quality

1. Group Asset Quality

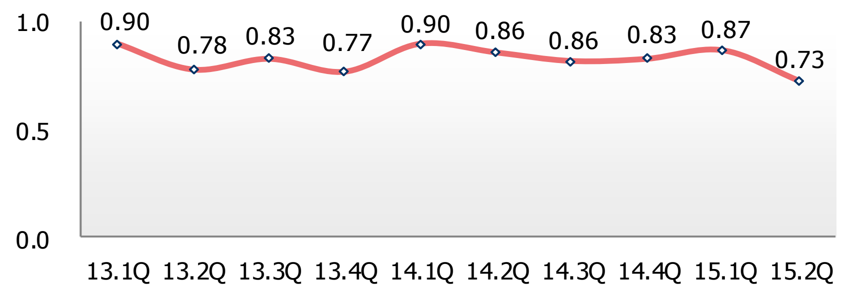
❑ SBL(NPL) Ratio

(%)



❑ Delinquency Ratio

(%)

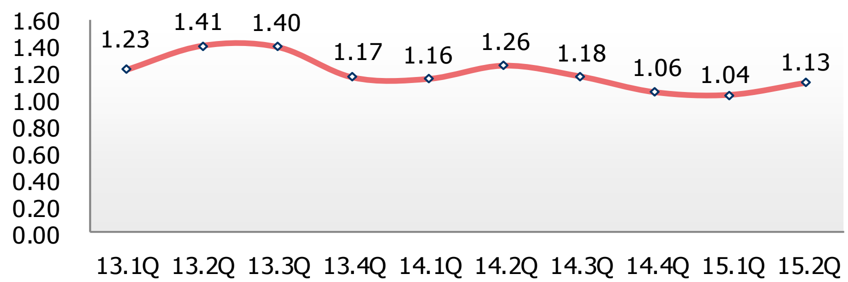


(KRW bn, %, %p)		15.2Q	14.4Q	YTD	15.1Q	QoQ
Total Loans		**68,177.1**	65,274.1	4.4	67,509.1	1.0
	Normal	**66,198.2**	63,409.4	4.4	65,687.6	0.8
	Precautionary	**1,091.4**	939.2	16.2	934.3	16.8
	Substandard	**493.4**	585.2	△15.7	531.9	△7.2
	Doubtful	**198.4**	153.3	29.4	174.0	14.0
	Expected Loss	**195.7**	187.0	4.7	181.3	7.9
SBL(Substandard & Below Loans)		**887.5**	925.5	△4.1	887.2	0.0
(SBL Ratio (%))		**(1.30)**	(1.42)	△0.12	(1.31)	△0.01
(SBL Coverage Ratio)		**(122.42)**	(111.08)	11.34	(116.84)	5.58
Loan Amount		**66,947.4**	63,966.2	4.7	66,222.6	1.1
Delinquent Amount		**486.2**	531.6	△8.5	577.8	△15.9
Delinquency Ratio		**0.73**	0.83	△0.10	0.87	△0.14

2. Banks Asset Quality – Busan

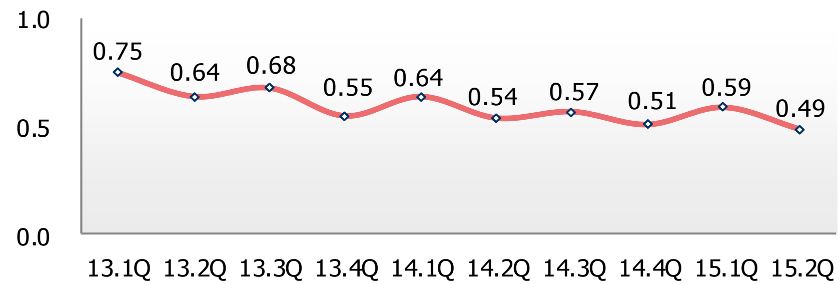
❑ SBL(NPL) Ratio

(%)



❑ Delinquency Ratio

(%)

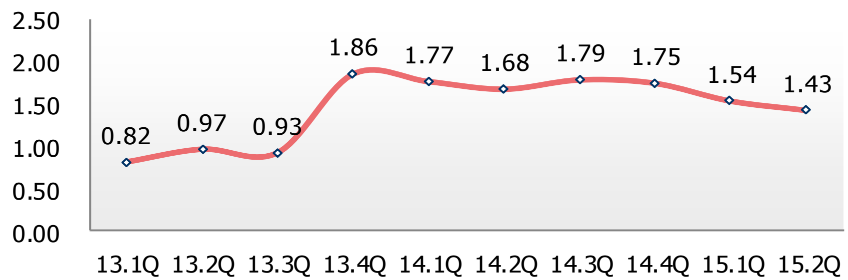


(KRW bn, %, %p)		15.2Q	14.4Q	YTD	15.1Q	QoQ
Total Loans		**36,304.4**	34,500.7	5.2	35,884.3	1.2
	Normal	**35,460.0**	33,758.2	5.0	35,141.2	0.9
	Precautionary	**432.5**	376.6	14.8	370.4	16.8
	Substandard	**231.9**	247.8	△6.4	214.0	8.4
	Doubtful	**97.8**	41.4	136.2	53.0	84.5
	Expected Loss	**82.2**	76.7	7.2	105.7	△22.2
SBL(Substandard & Below Loans)		**411.9**	365.9	12.6	372.7	10.5
(SBL Ratio (%))		**(1.13)**	(1.06)	0.07	(1.04)	0.09
(SBL Coverage Ratio)		**(133.16)**	(132.70)	0.46	(140.96)	△7.80
Loan Amount		**35,400.0**	33,605.4	5.3	34,976.5	1.2
Delinquent Amount		**172.4**	170.3	1.2	206.2	△16.4
Delinquency Ratio		**0.49**	0.51	△0.02	0.59	△0.10

2. Banks Asset Quality – Kyongnam

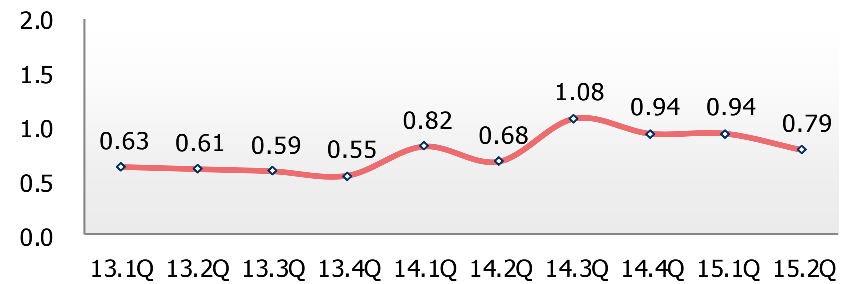
❑ SBL(NPL) Ratio

(%)



❑ Delinquency Ratio

(%)



(KRW bn, %, %p)		15.2Q	14.4Q	YTD	15.1Q	QoQ
Total Loans		**27,155.8**	26,605.3	2.1	27,129.9	0.1
	Normal	**26,476.6**	25,964.9	2.0	26,501.8	△0.1
	Precautionary	**290.0**	173.6	67.1	209.0	38.8
	Substandard	**232.5**	301.2	△22.8	282.7	△17.8
	Doubtful	**47.0**	63.5	△26.0	63.1	△25.5
	Expected Loss	**109.7**	102.1	7.4	73.3	49.7
SBL(Substandard & Below Loans)		**389.2**	466.7	△16.6	419.1	△7.1
(SBL Ratio (%))		**(1.43)**	(1.75)	△0.32	(1.54)	△0.11
(SBL Coverage Ratio)		**(117.04)**	(97.06)	19.98	(102.26)	14.78
Loan Amount		**26,830.5**	26,192.7	2.4	26,751.1	0.3
Delinquent Amount		**212.6**	245.0	△13.2	251.2	△15.4
Delinquency Ratio		**0.79**	0.94	△0.15	0.94	△0.15

3. Provisioning

❑ Group Provision Expense

(KRW bn, %)	2015 1H	2015 2Q	2015 1Q	2014	2014 4Q	2014 3Q	2014 1H	2014 2Q	2014 1Q
Total Provisions(A)	**233.9**	163.1	70.8	279.5	113.1	51.2	115.2	53.6	61.6
Total Credits(B)	**68,177.1**	68,177.1	67,509.1	65,274.1	65,274.1	38,190.9	37,197.7	37,197.7	35,960.6
1)Credit Cost(A/B)	**0.69**	0.96	0.43	0.43	0.69	0.53	0.62	0.58	0.69

Note 1). Accumulated

❑ Busan Bank Provision Expense

(KRW bn, %)	2015 1H	2015 2Q	2015 1Q	2014	2014 4Q	2014 3Q	2014 1H	2014 2Q	2014 1Q
Corporate	**103.6**	**51.6**	52.0	132.8	24.4	30.3	78.1	43.3	34.8
Household	**2.9**	**2.2**	0.7	2.3	1.0	△1.6	2.9	1.7	1.2
Credit Card	**4.5**	**2.6**	1.9	8.7	2.7	1.3	4.7	2.0	2.7
Others	**△16.3**	**△3.9**	△12.4	10.0	21.1	△2.2	△8.9	△10.3	1.4
Total(A)	**94.7**	**52.5**	42.2	153.8	49.2	27.8	76.8	36.7	40.1
Total Credits(B)	**36,304.4**	**36,304.4**	35,884.3	34,500.7	34,500.7	34,244.6	33,464.6	33,464.6	32,419.8
1)Credit Cost(A/B)	**0.53**	**0.58**	0.48	0.45	0.57	0.32	0.46	0.44	0.50

❑ Kyongnam Bank Provision Expense

(KRW bn, %)	2015 1H	2015 2Q	2015 1Q	2014	2014 4Q	2014 3Q	2014 1H	2014 2Q	2014 1Q
Corporate	**88.1**	**81.4**	6.7	146.3	29.3	32.7	84.3	65.5	18.8
Household	**6.4**	**3.2**	3.2	14.0	3.2	3.3	7.5	4.3	3.2
Credit Card	**2.7**	**2.5**	0.2	5.7	0.9	0.7	4.1	1.8	2.3
Others	**△6.4**	**0.3**	△6.7	31.7	3.9	5.1	22.7	1.0	21.7
Total(A)	**90.8**	**87.4**	3.4	197.7	37.3	41.8	118.6	72.6	46.0
Total Credits(B)	**27,155.8**	**27,155.8**	27,129.9	26,605.3	26,605.3	26,263.1	25,805.4	25,805.4	25,368.8
1)Credit Cost(A/B)	**0.67**	**1.29**	0.05	0.74	0.55	0.63	0.93	1.13	0.74

4. Banks Write-Offs and NPL Sales

❑ Busan Bank Write-Offs & NPL Sales

(KRW bn, %)	15.1H	15.2Q	15.1Q	14.4Q	14.3Q	14.1H	14.2Q	14.1Q
Total Write-Offs	**76.8**	**47.8**	29.0	40.4	70.9	40.2	17.9	22.3
Corporate	**66.7**	**42.9**	23.8	33.6	65.3	31.2	13.2	18.0
Household	**4.1**	**1.9**	2.2	3.0	2.6	4.0	2.2	1.8
Credit Card	**6.0**	**3.0**	3.0	3.8	3.0	5.0	2.5	2.5
Total NPL Sales	**67.9**	**40.7**	27.2	0.0	0.0	64.2	36.7	27.5
(NPL Sales for SBL Loans)	**(66.6)**	**(39.4)**	(27.2)	(0.0)	(0.0)	(60.8)	(36.4)	(24.4)
Corporate	**65.4**	**38.3**	27.1	0.0	0.0	62.1	35.7	26.4
Household	**1.2**	**1.1**	0.1	0.0	0.0	1.4	0.6	0.8
Credit Card	**0.0**	**0.0**	0.0	0.0	0.0	0.7	0.4	0.3

❑ Kyongnam Bank Write-Offs & NPL Sales

(KRW bn, %)	15.1H	15.2Q	15.1Q	14.4Q	14.3Q	14.1H	14.2Q	14.1Q
Total Write-Offs	**71.7**	**37.9**	33.8	87.5	44.8	90.7	19.7	71.0
Corporate	**59.9**	**31.2**	28.7	82.7	40.8	85.2	16.8	68.4
Household	**7.4**	**3.8**	3.6	2.6	2.2	2.1	1.0	1.1
Credit Card	**4.4**	**2.9**	1.5	2.2	1.8	3.4	1.9	1.5
Total NPL Sales	**125.6**	**106.7**	18.9	53.5	0.0	54.3	54.3	0.0
(NPL Sales for SBL Loans)	**(100.8)**	**(91.6)**	(9.2)	(51.4)	(0.0)	(51.4)	(51.4)	(0.0)
Corporate	**124.9**	**106.0**	18.9	49.2	0.0	52.8	52.8	0.0
Household	**0.6**	**0.6**	0.0	4.2	0.0	1.5	1.5	0.0
Credit Card	**0.1**	**0.1**	0.0	0.1	0.0	0.0	0.0	0.0

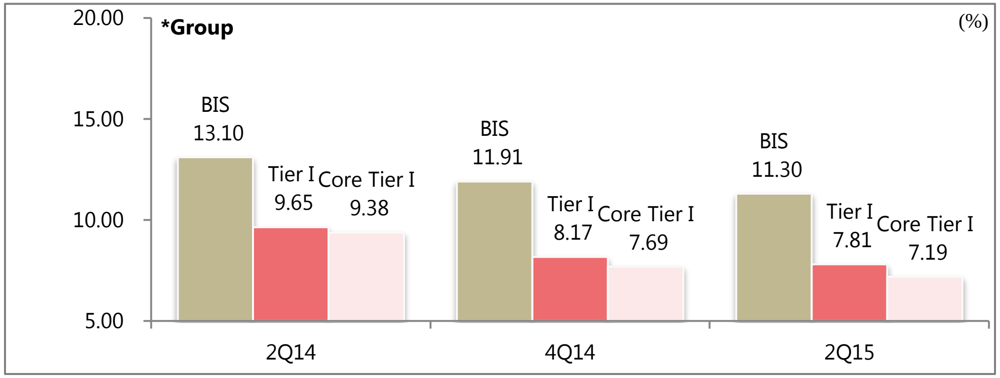
Ⅴ. Capital Adequacy

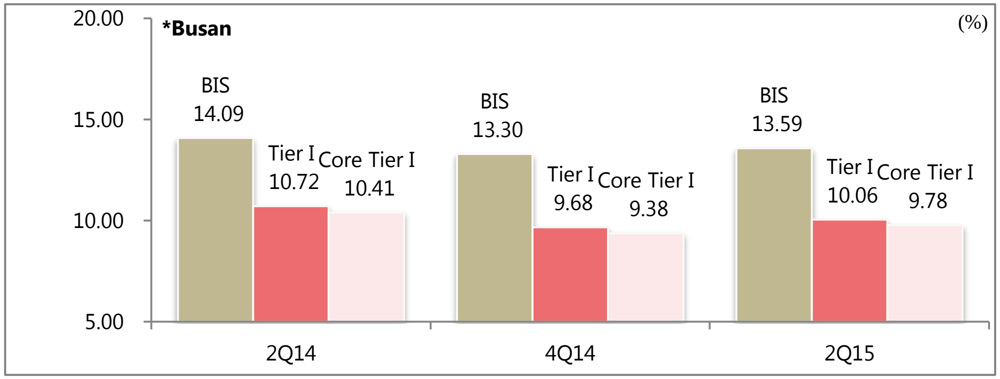
1. Group Capital Adequacy

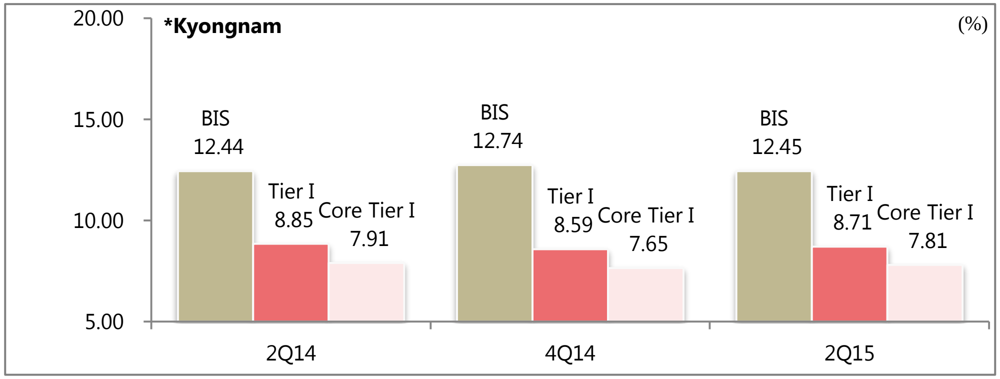
❑ Group

(KRW bn,%, Basel III Standard)	2015 2Q	2014 4Q	2014 2Q
Total Risk Adjusted Capital	**7,319.3**	7,337.5	4,765.2
Tier I Capital	**5,055.5**	5,033.2	3,510.0
(Core Tier I Capital)	**(4,652.5)**	(4,736.0)	(3,414.3)
Tier II Capital	**2,263.8**	2,304.3	1,255.2
Total Risk Weighted Assets	**64,746.9**	61,614.1	36,380.5
Credit Risk	**60,575.6**	57,607.9	33,750.6
Market Risk	**318.9**	232.8	305.9
Operational Risk	**3,852.4**	3,773.4	2,324.0
BIS Capital Ratio	**11.30**	11.91	13.10
Tier I	**7.81**	8.17	9.65
(Core Tier I)	**(7.19)**	(7.69)	(9.38)

❑ Group, Busan, Kyongnam Bank Capital Adequacy







2. Banks Capital Adequacy

❑ Busan Bank

(KRW bn,%, Basel III Standard)	2015 2Q	2014	
		4Q	2Q
Total Risk Adjusted Capital	**4,728.7**	4,405.6	4,586.5
Tier I Capital	**3,501.4**	3,205.2	3,488.5
(Core Tier I Capital)	**(3,401.5)**	(3,105.4)	(3,388.7)
Tier II Capital	**1,227.3**	1,200.4	1,098.0
Total Risk Weighted Assets	**34,796.2**	33,123.3	32,547.5
Credit Risk	**32,678.2**	31,011.8	30,398.1
Market Risk	**124.7**	134.2	193.4
Operational Risk	**1,993.3**	1,977.3	1,956.0
BIS Capital Ratio	**13.59**	13.30	14.09
Tier I	**10.06**	9.68	10.72
(Core Tier I)	**(9.78)**	(9.38)	(10.41)

❑ Kyongnam Bank

(KRW bn,%, Basel III Internal Rating Based)	2015 2Q	2014	
		4Q	2Q
Total Risk Adjusted Capital	**2,776.3**	2,706.5	2,636.3
Tier I Capital	**1,942.7**	1,825.2	1,875.8
(Core Tier I Capital)	**(1,743.0)**	(1,625.5)	(1,676.1)
Tier II Capital	**833.6**	881.4	760.5
Total Risk Weighted Assets	**22,303.6**	21,251.0	21,191.2
Credit Risk	**20,835.4**	19,824.3	19,784.2
Market Risk	**97.6**	59.0	97.3
Operational Risk	**1,370.6**	1,367.8	1,309.7
BIS Capital Ratio	**12.45**	12.74	12.44
Tier I	**8.71**	8.59	8.85
(Core Tier I)	**(7.81)**	(7.65)	(7.91)

Ⅵ. Appendix

1. Banks Corporate Loan Portfolio

❑ Busan Bank

(KRW bn, %, Balance)	2015 2Q			
	Amount	Ratio	QoQ	YoY
Manufacturing Sectors	**9,722.5**	**38.0**	1.5	△1.2
Steel Metal Products	**2,894.3**	**11.3**	0.8	△1.8
Automobile Parts	**2,217.1**	**8.7**	1.6	△2.1
Machinery	**1,404.8**	**5.5**	3.2	△0.5
Petroleum, Rubber, etc.	**1,050.5**	**4.1**	0.4	△3.2
Fabric	**212.2**	**0.8**	0.2	0.5
Garment & Shoes	**293.9**	**1.1**	17.0	12.1
Kitchen Units	**286.8**	**1.1**	△0.9	△0.7
Electronics	**651.7**	**2.5**	2.6	1.9
Paper, Paper Mills	**105.0**	**0.4**	△0.9	△4.2
Others	**606.2**	**2.4**	△2.6	△1.4
Non-Manufacturing	**15,886.1**	**62.0**	9.7	3.1
Wholesale & Retail	**2,485.4**	**9.7**	5.6	2.9
Public	**656.5**	**2.6**	21.5	37.3
Construction & Engineering	**2,085.6**	**8.1**	3.0	△6.8
Real Estate & Lease	**5,032.1**	**19.7**	21.1	5.5
Insurance & Financing	**502.2**	**2.0**	△2.6	△0.1
Transportation	**1,379.5**	**5.4**	△2.9	△4.6
Hotel & Food	**886.9**	**3.5**	18.9	12.8
Others	**2,857.9**	**11.2**	5.1	3.3
Total	**25,608.6**	**100.0**	6.5	1.4

❑ Kyongnam Bank

(KRW bn, %, Balance)	2015 2Q			
	Amount	Ratio	QoQ	YoY
Manufacturing Sectors	**10,637.2**	**60.4**	3.2	△0.4
Steel Metal Products	**2,648.9**	**15.1**	1.9	△3.6
Automobile Parts	**2,876.1**	**16.3**	3.3	0.4
Machinery	**2,902.8**	**16.5**	2.1	△1.2
Petroleum, Rubber, etc.	**274.8**	**1.6**	△1.9	0.2
Fabric	**76.8**	**0.4**	△23.6	1.5
Garment & Shoes	**35.7**	**0.2**	△7.6	5.0
Kitchen Units	**164.9**	**0.9**	△1.0	0.2
Electronics	**700.5**	**4.0**	4.9	△0.2
Paper, Paper Mills	**94.0**	**0.5**	27.0	4.9
Others	**862.7**	**4.9**	15.3	9.2
Non-Manufacturing	**6,960.4**	**39.6**	12.5	5.3
Wholesale & Retail	**1,402.5**	**8.0**	10.9	6.6
Public	**0.0**	**0.0**	-	-
Construction & Engineering	**474.3**	**2.7**	9.2	1.5
Real Estate & Lease	**2,341.3**	**13.3**	27.0	8.7
Insurance & Financing	**241.3**	**1.4**	54.9	40.8
Transportation	**391.2**	**2.2**	△20.3	△8.1
Hotel & Food	**384.8**	**2.2**	19.3	6.8
Others	**1,725.0**	**9.8**	3.0	0.5
Total	**17,597.6**	**100.0**	6.7	1.8

2. Non-Bank Summary - Securities

❑ Securities B/S Summary

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Assets	**637.3**	512.0	24.5	701.4	△9.1
Cash and Dues	**35.7**	75.7	△52.8	31.9	11.9
Securities	**381.7**	362.7	5.2	403.0	△5.3
Loans	**69.4**	43.1	61.0	58.9	17.8
Fixed Assets	**1.5**	1.8	△16.7	1.6	△6.3
Other Assets	**149.0**	28.7	419.2	206.0	△27.7
Liability & Shareholder's Equity	**637.3**	512.0	24.5	701.4	△9.1
Deposits	**84.0**	84.7	△0.8	46.4	81.0
Borrowings	**269.0**	287.3	△6.4	355.6	△24.4
Other Liabilities	**133.7**	22.4	496.9	180.1	△25.8
Shareholder's Equity	**150.6**	117.6	28.1	119.3	26.2

❑ Securities I/S Summary

(KRW bn, %, Balance)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**2.5**	2.6	△3.8	1.4	1.1	27.3
Fee Income	**10.2**	7.5	36.0	5.4	4.8	12.5
Others	**7.3**	4.8	52.1	2.4	4.9	△51.0
SG&A(-)	**15.5**	13.6	14.0	7.5	8.0	△6.3
Provision Expense(-)	**0.0**	0.0	-	0.0	0.0	-
Non-Operating Income	**0.0**	0.0	-	0.0	0.0	-
Earnings Before Income Tax	**4.5**	1.3	246.2	1.7	2.8	△39.3
Income Tax Expenses(-)	**1.3**	0.4	225.0	0.5	0.8	△37.5
Net Income	**3.2**	0.9	255.6	1.2	2.0	△40.0

2. Non-Bank Summary - Capital

❑ Capital B/S Summary

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Assets	**4,091.4**	3,583.3	14.2	3,873.0	5.6
Cash and Dues	**67.9**	47.8	42.1	62.4	8.8
Securities	**0.0**	0.0	-	0.0	-
Loans	**2,294.2**	1,854.6	23.7	2,132.7	7.6
Venture Capital Business	**2.0**	2.0	0.0	2.0	-
Durables Installment Financing Assets	**773.4**	744.8	3.8	746.9	3.5
Leased Assets	**896.3**	878.6	2.0	870.3	3.0
Fixed Assets	**5.1**	4.6	10.9	4.9	4.1
Other Assets	**52.5**	50.9	3.1	53.8	△2.4
Liability & Shareholder's Equity	**4,091.4**	3,583.3	14.2	3,873.0	5.6
Borrowings	**3,346.4**	2,871.7	16.5	3,145.4	6.4
Other Liabilities	**296.8**	288.9	2.7	294.1	0.9
Shareholder's Equity	**448.2**	422.7	6.0	433.5	3.4

❑ Capital I/S Summary

(KRW bn, %, Balance)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**94.1**	74.5	26.3	47.9	46.2	3.7
Fee Income	**8.7**	6.4	35.9	4.5	4.2	7.1
Others	**△1.6**	2.3	Net Loss	△0.1	△1.5	-
SG&A(-)	**25.3**	19.5	29.7	13.4	11.9	12.6
Provision Expense(-)	**43.0**	40.2	7.0	20.7	22.3	△7.2
Non-Operating Income	**0.0**	0.0	-	0.0	0.0	-
Earnings Before Income Tax	**32.9**	23.5	40.0	18.2	14.7	23.8
Income Tax Expenses(-)	**7.4**	5.5	34.5	4.1	3.3	24.2
Net Income	**25.5**	18.0	41.7	14.1	11.4	23.7

2. Non-Bank Summary - Capital Portfolio

(KRW bn, %, Balance)	15.2Q	Portion	QoQ	15.1Q	14.4Q	14.3Q	14.2Q	14.1Q	13.4Q
Total	**4,045.9**	**100.0**	**5.8**	3,824.0	3,536.0	3,380.8	3,172.7	2,966.1	2,730.5
Loans	**1,162.8**	**28.7**	**5.9**	1,097.7	914.9	880.5	820.6	782.9	711.8
Household	695.6	17.2	17.1	594.0	515.7	492.6	452.2	429.8	399.1
Corporate	467.2	11.5	△7.2	503.7	399.2	387.9	368.4	353.1	312.7
Auto Financing	**2,070.8**	**51.2**	**7.8**	1,920.9	1,800.7	1,687.1	1,566.4	1,426.5	1,284.5
Commercial Vehicle	661.9	16.4	8.0	612.6	581.1	560.7	548.0	529.6	490.5
Passenger Vehicle	1,408.9	34.8	7.7	1,308.3	1,219.6	1,126.4	1,018.4	896.9	794.0
Lease/Installments	**810.3**	**20.0**	**0.9**	803.4	818.4	811.2	783.7	756.7	734.2
Machine Tools	233.6	5.8	△6.0	248.6	259.0	272.3	282.0	281.6	271.6
Medical Instruments	167.4	4.1	3.2	162.2	170.7	177.9	193.4	199.7	203.0
Others	409.3	10.1	4.3	392.6	388.7	361.0	308.3	275.4	259.6
Venture Capital Business	**2.0**	**0.0**	**0.0**	2.0	2.0	2.0	2.0	-	-

2. Non-Bank Summary - MSB

❑ MSB B/S Summary

(KRW bn, %, Balance)	15.2Q	14.4Q	YTD	15.1Q	QoQ
Total Assets	**782.6**	736.1	6.3	775.5	0.9
Total Deposits	**636.1**	588.7	8.1	633.3	0.4
KRW Deposits	**636.1**	588.7	8.1	633.3	0.4
Others	**0.0**	0.0	-	0.0	-
Total Credits	**596.8**	584.0	2.2	601.2	△0.7
Total Loans	**596.8**	584.0	2.2	601.2	△0.7
KRW Loans	**594.3**	567.0	4.8	590.7	0.6
Others	**2.5**	17.0	△85.3	10.5	△76.2
Guarantees	**0.0**	0.0	-	0.0	-
Total Securities	**4.5**	4.5	-	4.4	2.3
Shareholder's Equity	**121.3**	118.7	2.2	118.5	2.4

❑ MSB I/S Summary

(KRW bn, %, Balance)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**14.2**	15.0	△5.3	7.2	7.0	2.9
Fee Income	**△0.3**	△0.2	-	△0.2	△0.1	-
Others	**0.4**	△1.4	Net Gain	1.1	△0.7	Net Gain
SG&A(-)	**6.5**	6.1	6.6	3.1	3.4	△8.8
Provision Expense(-)	**5.4**	△1.8	Net Gain	2.6	2.8	△7.1
Non-Operating Income	**0.0**	△0.5	-	0.0	0.0	-
Earnings Before Income Tax	**2.4**	8.6	△72.1	2.4	0.0	-
Income Tax Expenses(-)	**△0.1**	0.1	-	△0.3	0.2	-
Net Income	**2.5**	8.5	△70.6	2.7	△0.2	Net Gain

2. Non-Bank Summary – Credit Info., System

❑ Credit Information I/S Summary

(KRW bn, %, Balance)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**0.1**	0.1	-	0.1	0.0	-
Fee Income	**1.6**	1.4	14.3	0.8	0.8	-
Others	**0.0**	0.0	-	0.0	0.0	-
SG&A(-)	**1.3**	1.1	18.2	0.7	0.6	16.7
Provision Expense(-)	**0.0**	0.0	-	0.0	0.0	-
Non-Operating Income	**0.0**	0.0	-	0.0	0.0	-
Earnings Before Income Tax	**0.4**	0.4	-	0.2	0.2	-
Income Tax Expenses(-)	**0.1**	0.1	-	0.1	0.0	-
Net Income	**0.3**	0.3	-	0.1	0.2	△50.0

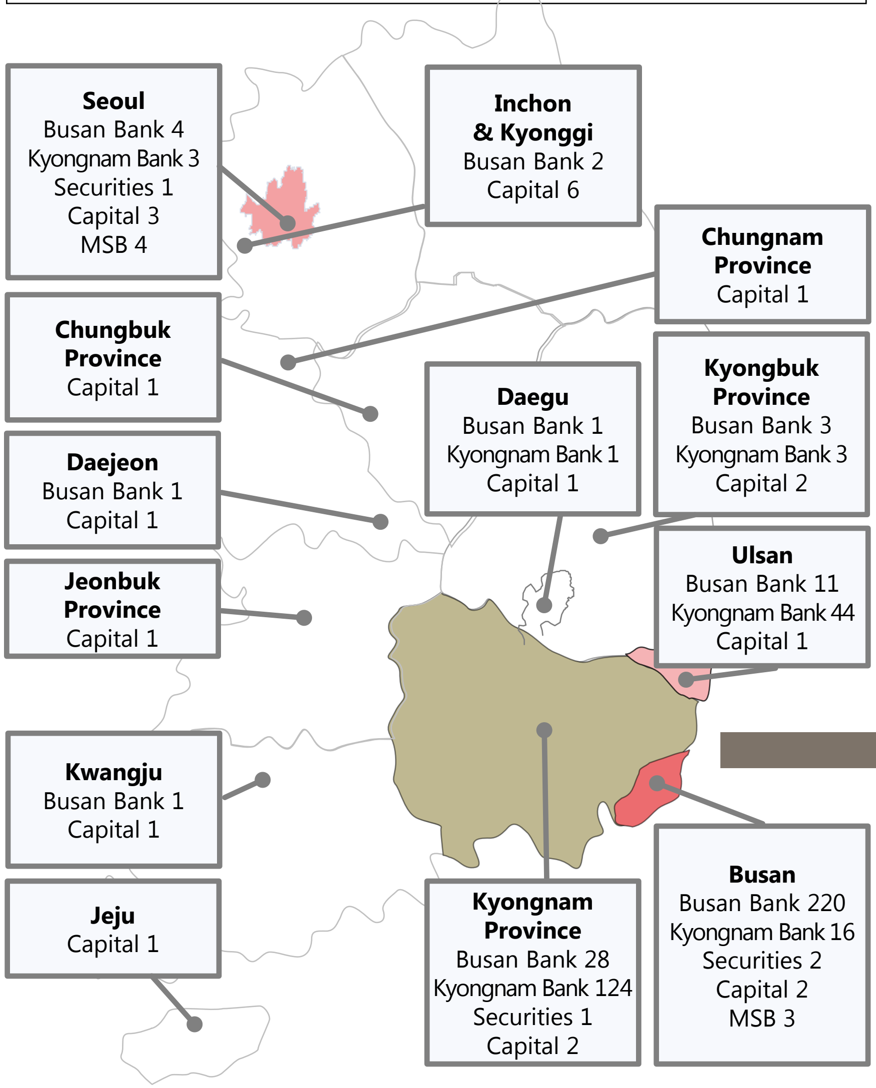
❑ System I/S Summary

(KRW bn, %, Balance)	15.1H	14.1H	YoY	15.2Q	15.1Q	QoQ
Net Interest Income	**0.0**	0.1	-	0.0	0.0	-
Fee Income	**0.0**	0.0	-	0.0	0.0	-
Others	**3.9**	3.8	2.6	2.0	1.9	5.3
SG&A(-)	**3.7**	3.4	8.8	1.9	1.8	5.6
Provision Expense(-)	**0.0**	0.0	-	0.0	0.0	-
Non-Operating Income	**0.0**	0.0	-	0.0	0.0	-
Earnings Before Income Tax	**0.2**	0.5	△60.0	0.1	0.1	-
Income Tax Expenses(-)	**0.1**	0.1	-	0.1	0.0	-
Net Income	**0.1**	0.4	△75.0	0.0	0.1	-

3. Group Networks & Major Industries

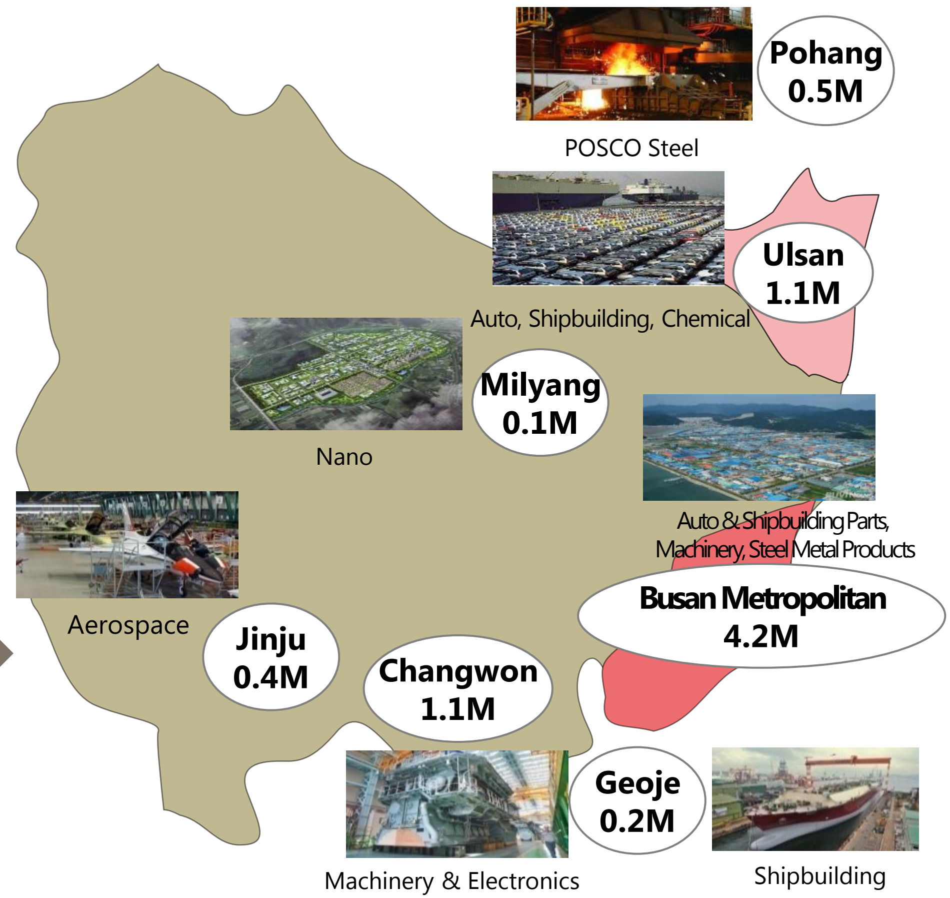
❑ **Networks across Korea**(as of June 2015) **: 498 Locations**

- **Busan Bank 273(Qingdao Branch, Vietnam Office included), Kyongnam Bank 191, Securities 4, Capital 23, MSB 7**



❑ **Population & Major Industries**

- **Southeastern Conurbation (7.6M, 15.6% of Total Population), making up 16.7% of GRDP(2013)**
- **Exports : 158.5 USD bn(2014)**
- **Imports : 121.5 USD bn(2014)**



1) Southeastern region includes Busan, Ulsan, and Kyongnam