

Pusan Bank

3Q04 Earnings

October 27, 2004

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3Q04 Earnings

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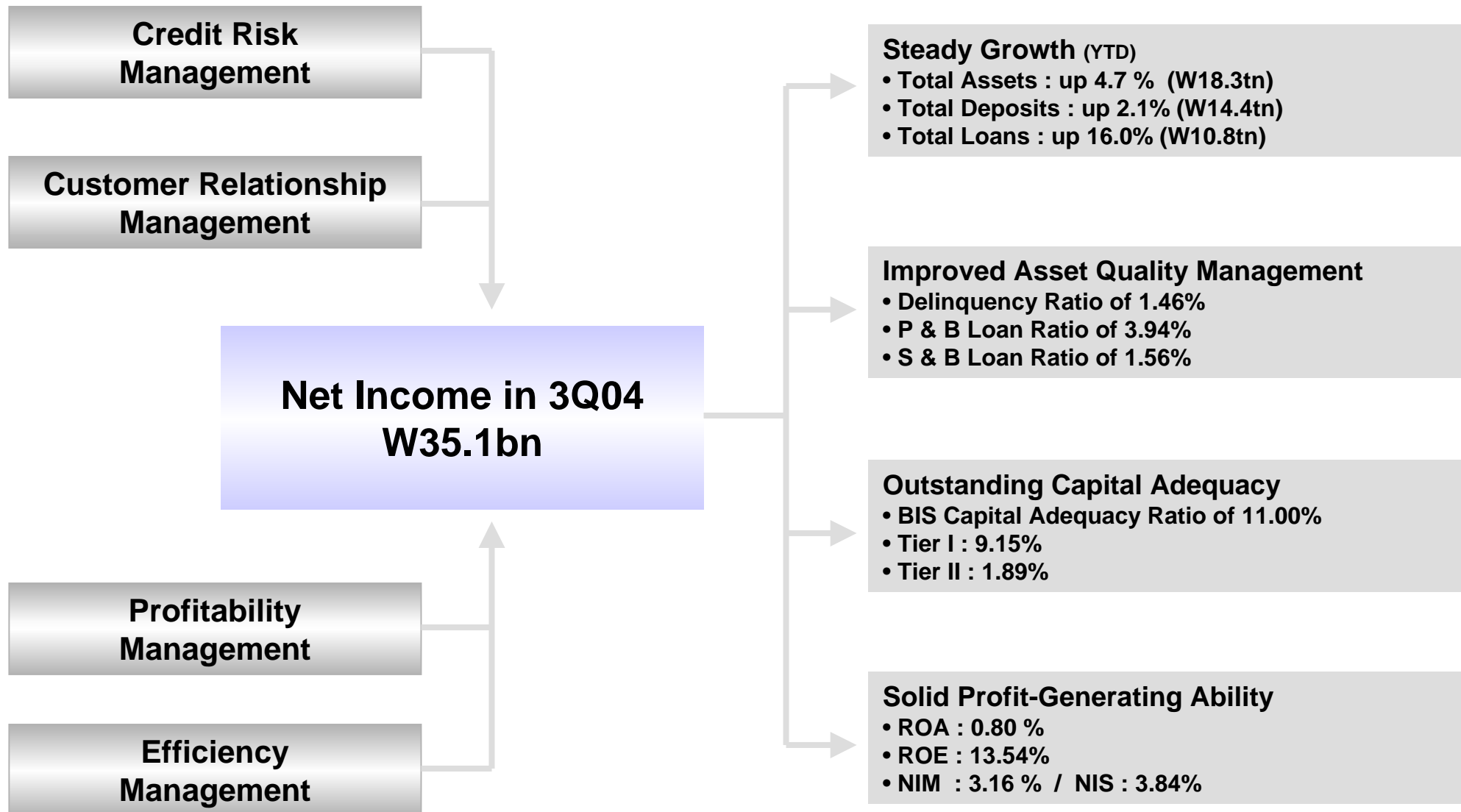
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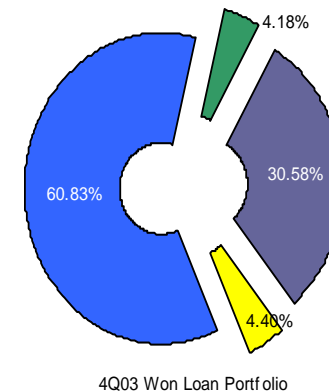
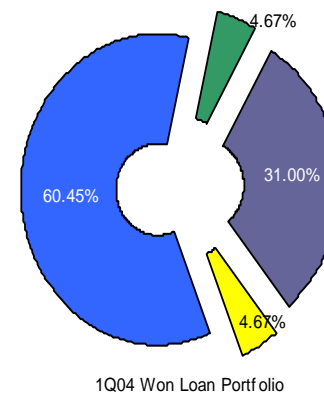
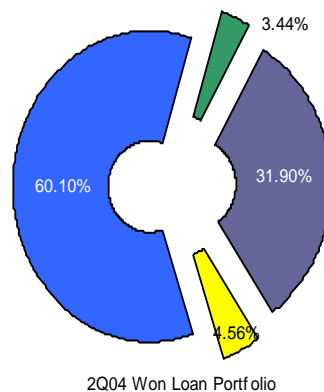
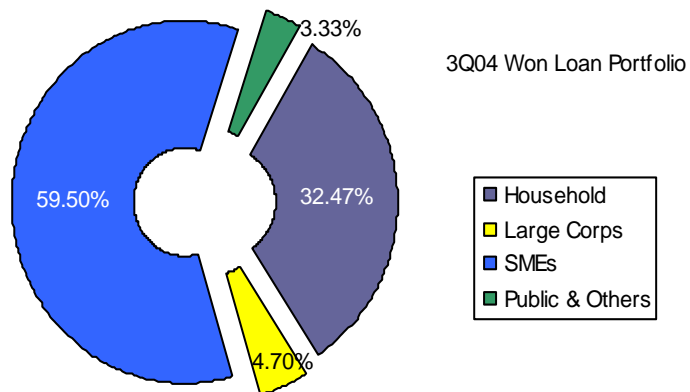
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Ending Balance	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Won Loans*	10,281.1	9,369.7	8,741.3	8,605.9	8,290.0	7,958.6	7,576.2	19.5%
Won Securities	4,230.0	4,451.9	4,582.5	4,591.2	4,389.8	4,558.6	4,443.7	-7.9%
Foreign Currency Assets	812.4	882.3	765.0	709.7	712.3	684.3	683.9	14.5%
Cash & Due from Banks	596.9	619.9	420.3	877.1	1,285.2	1,248.3	1,386.7	-31.9%
Credit Card Receivables	305.1	340.7	376.3	447.4	472.5	464.8	509.1	-31.8%
Fixed Assets	331.2	327.5	333.2	334.2	325.4	324.2	329.8	-0.9%
Other Assets	643.0	661.7	719.7	789.0	591.7	471.0	529.5	-18.5%
Assets	17,199.7	16,653.7	15,938.3	16,354.5	16,066.9	15,709.8	15,458.9	5.2%
Won Deposits & CD	12,551.7	12,650.8	12,129.3	12,258.5	11,817.2	11,596.2	11,588.6	2.4%
Won Borrowings	1,583.7	1,238.2	1,174.0	1,319.2	1,637.1	1,584.6	1,204.6	20.1%
Foreign Currency Liabilities	799.0	858.7	724.9	696.4	660.8	650.8	672.8	14.7%
Won Finance Debenture	200.0	200.0	200.0	200.0	200.0	200.0	200.0	-
Other Liabilities	1,063.8	750.9	789.2	943.5	846.3	814.8	972.2	12.7%
Shareholders' Equity	1,001.5	955.1	920.9	936.9	905.5	863.4	820.7	6.9%
Liabilities & Shareholders' Equity	17,199.7	16,653.7	15,938.3	16,354.5	16,066.9	15,709.8	15,458.9	5.2%

Note : Privately Placed Bonds & Call Loans included



Ending Balance	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Won Loans	9,900.7	9,343.4	8,708.0	8,566.2	8,285.2	7,962.4	7,568.9	6.0%
Household	3,214.7	2,980.8	2,699.1	2,619.7	2,459.2	2,375.1	2,203.7	7.8%
Large Corps	465.2	425.6	406.7	377.2	405.9	405.1	406.7	9.3%
SMEs	5,891.4	5,615.2	5,264.1	5,210.9	5,075.8	4,813.3	4,614.5	4.9%
Public & Others	329.4	321.8	338.1	358.4	344.3	368.9	344.0	2.4%
Foreign Currency Loans	299.5	301.6	291.7	289.1	260.4	231.0	251.3	-0.7%
Trust Lending	28.5	28.0	26.6	26.4	31.5	30.4	33.3	1.8%
Others*	557.3	585.9	470.1	414.2	471.1	478.9	446.3	-4.9%
Total	10,786.0	10,258.9	9,496.4	9,296.0	9,048.2	8,702.7	8,299.8	5.1%

Note

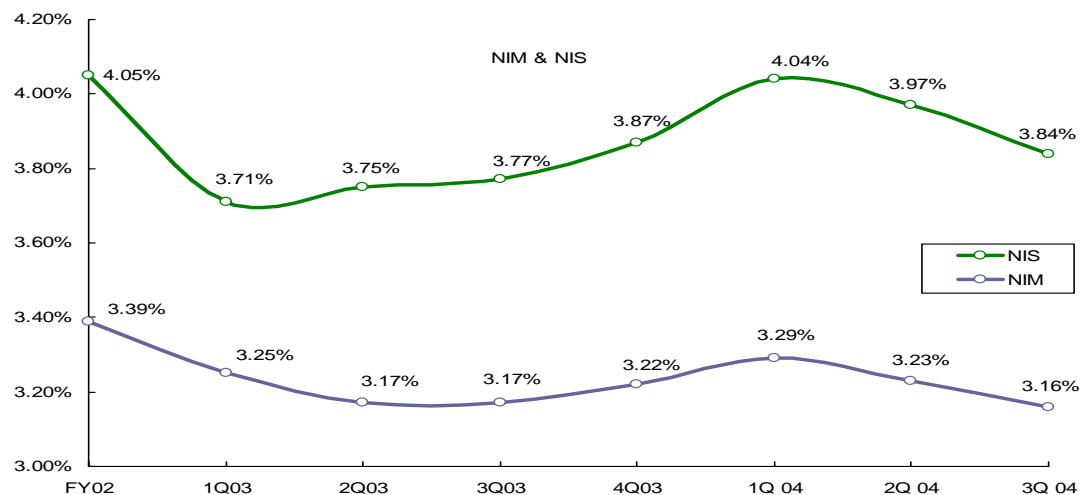
3Q04 : Domestic Import Usance Bill : 240.4, Customer Advance : 12.0, Off-Shore Foreign Loans : 17.1

2Q04 : Domestic Import Usance Bill : 289.0, Customer Advance : 11.9, Off-Shore Foreign Loans : 18.0

1Q04 : Domestic Import Usance Bill : 212.2, Customer Advance : 12.4, Off-Shore Foreign Loans : 18.6

Ending Balance	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Won Deposits	12,504.5	12,594.8	12,086.3	12,215.4	11,787.1	11,557.1	11,559.7	0.7%
Savings	11,069.6	11,232.7	10,784.6	10,871.2	10,425.2	10,186.6	10,203.4	-1.5%
Demand	1,215.5	1,144.6	1,084.9	1,124.9	1,139.5	1,146.2	1,106.9	6.2%
Mutual Installment	219.4	217.5	216.8	219.3	222.4	224.3	249.4	0.9%
Money In Trust	1,138.6	1,256.3	1,160.1	1,183.7	1,280.2	1,332.3	1,591.6	-9.4%
RP	473.0	333.8	307.6	425.6	473.6	336.5	143.2	41.7%
Finance Debentures Issued	200.0	200.0	200.0	200.0	200.0	200.0	200.0	0.0%
CD	47.2	56.0	42.9	43.0	30.1	39.1	28.9	-15.7%
Bills Sold	7.2	5.3	6.9	6.0	6.2	6.6	9.1	35.8%
Total	14,370.5	14,446.2	13,803.8	14,073.7	13,777.2	13,471.6	13,532.6	-0.5%

	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Operating Income	281.9	282.5	284.9	284.6	271.1	271.8	266.1	- 0.2%
Interest Income	227.8	227.9	227.9	234.6	231.9	225.8	222.3	0.0%
Fee & Commission Income	31.7	30.9	30.9	32.7	28.7	30.0	29.1	2.6%
Trust Related Income	3.8	3.5	4.3	1.3	1.4	6.0	5.8	8.6%
Others	18.6	20.2	21.8	16.0	9.1	10.0	8.9	- 7.9%
Operating Expenses	230.8	237.7	252.9	234.4	233.0	242.9	247.1	- 2.9%
Interest Expenses	105.5	103.7	103.3	106.5	107.1	112.0	111.0	1.7%
Fee & Commission Expenses	5.2	5.1	4.8	4.9	5.3	4.2	4.6	2.0%
G&A Expenses	68.3	68.3	74.8	70.5	65.7	59.8	70.1	0.0%
Provision for Loan Losses	29.1	34.5	45.0	34.7	38.8	53.6	47.3	- 15.7%
Others	22.7	26.1	25.0	17.8	16.1	13.3	14.1	-13.0%
Net Operating Income	51.1	44.8	32.0	50.2	38.1	28.9	19.0	14.1%
Non-Operating Income	-1.1	6.6	4.4	- 11.5	- 1.5	9.1	-6.0	-116.7%
Ordinary Income	50.0	51.4	36.4	38.7	36.6	38.0	13.0	-2.7%
Extraordinary Gain	0	0	0	0	0	0	0	0.0%
Income Before Income Taxes	50.0	51.4	36.4	38.7	36.6	38.0	13.0	-2.7%
Income Tax	14.9	15.2	10.5	5.0	0	0	0	-2.0%
Net Income	35.1	36.2	25.9	33.7	36.6	38.0	13.0	-3.0%

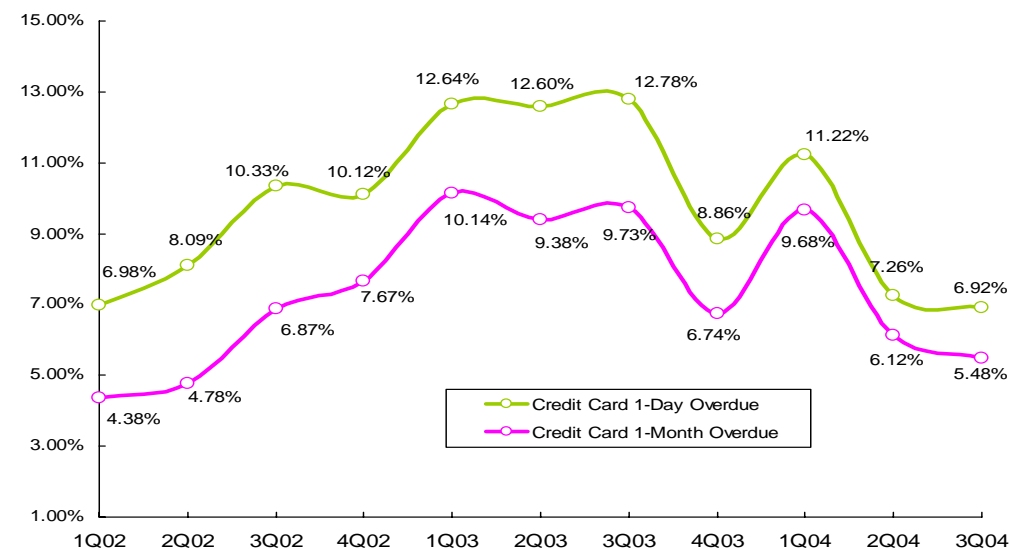
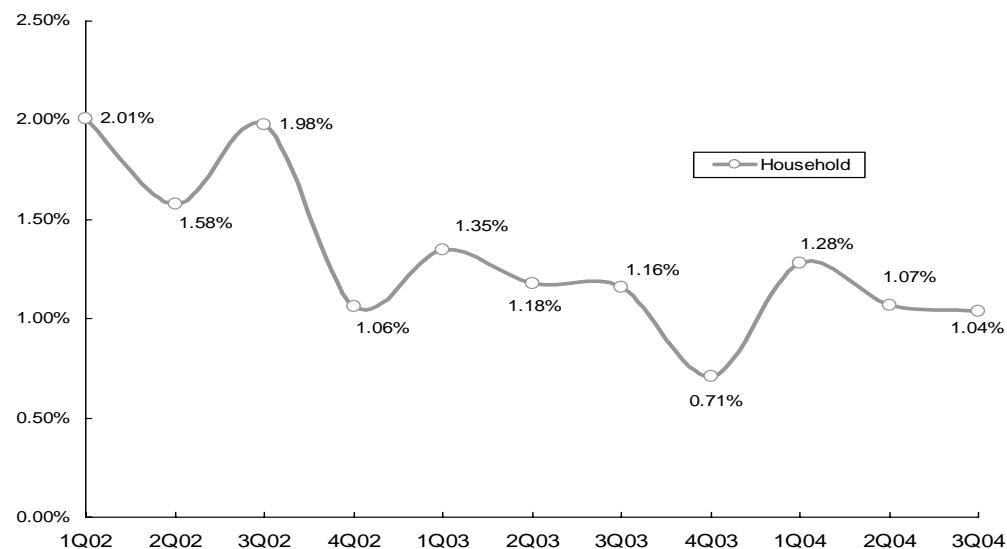
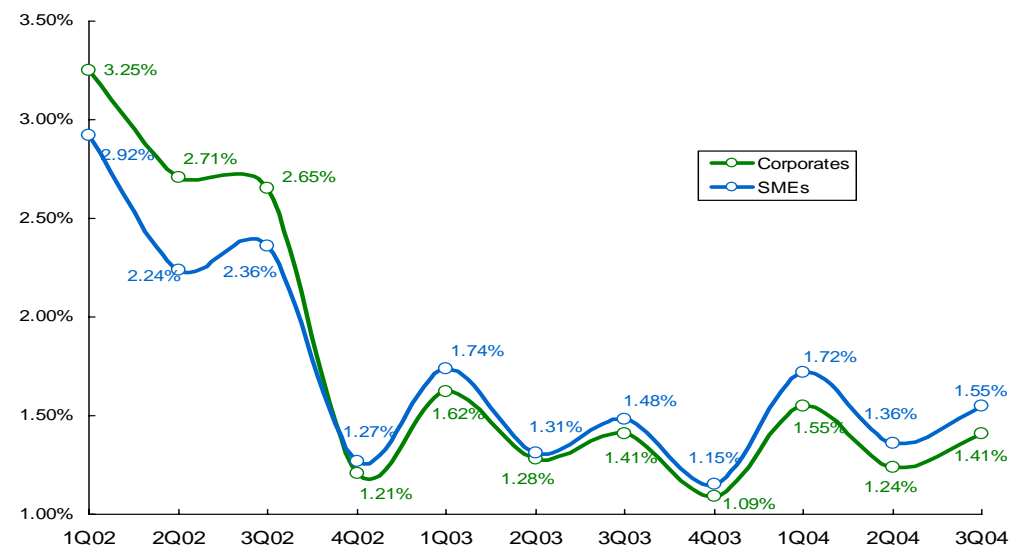
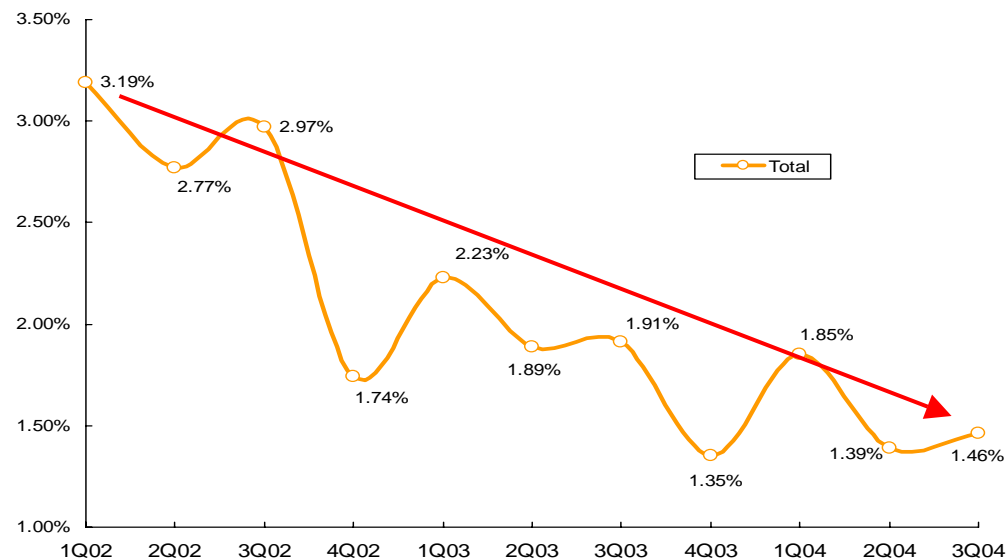


NIM Management

- Increase in low cost deposits
- Timely adjustment of securities portfolio
- Re-adjustment of interest rates
- Reduction of delinquency thru rigorous credit control measures

	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Net Interest Margin (NIM)	3.16%	3.23%	3.29%	3.22 %	3.17 %	3.17 %	3.25 %	- 0.07 %p

		2004			2003				Q-Q%
		3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Net Interest Spread (NIS)		3.84%	3.97%	4.04%	3.87%	3.77%	3.75%	3.71%	- 0.13%p
Average lending rate		6.83%	6.98%	7.07%	7.20%	7.18%	7.26%	7.36%	- 0.15%p
	Household	6.99%	7.15%	7.29%	7.46%	7.52%	7.63%	7.77%	- 0.16%p
	Corporates	6.42%	6.54%	6.56%	6.79%	6.39%	6.44%	6.54%	- 0.12%p
Average deposit rate		2.99%	3.01%	3.03%	3.33%	3.41%	3.51%	3.65%	- 0.02%p

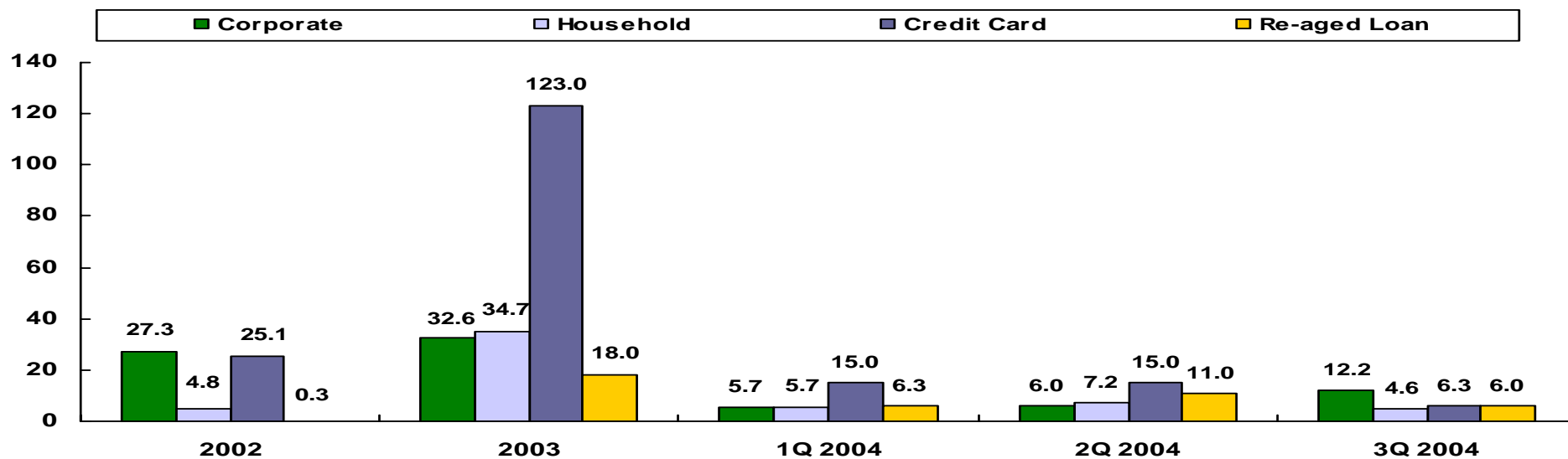


	2004			2003				2002	Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	
Total Loan Amount	11,122.2	10,643.7	9,876.6	9,747.9	9,670.3	9,282.5	8,954.6	8,685.4	4.5%
Normal (% to total)	10,683.6	10,272.1	9,470.8	9,379.1	9,193.6	8,820.5	8,464.2	8,277.5	4.0%
	(96.1%)	(96.5%)	(95.9%)	(96.2%)	(95.1%)	(95.0%)	(94.5%)	(95.3%)	
Precautionary	265.5	217.1	216.6	210.2	269.3	269.6	256.1	215.0	22.3%
	(2.4%)	(2.0%)	(2.2%)	(2.2%)	(2.8%)	(2.9%)	(2.9%)	(2.5%)	
Substandard	114.6	92.9	119.8	101.1	133.6	124.6	163.9	140.0	23.4%
	(1.0%)	(0.9%)	(1.2%)	(1.0%)	(1.4%)	(1.3%)	(1.8%)	(1.6%)	
Doubtful	39.4	43.4	48.9	43.0	55.5	46.1	48.0	35.2	-9.2%
	(0.4%)	(0.4%)	(0.5%)	(0.4%)	(0.6%)	(0.5%)	(0.5%)	(0.4%)	
Expected Loss	19.1	18.2	20.5	14.5	18.3	21.7	22.4	17.8	4.9%
	(0.2%)	(0.3%)	(0.2%)	(0.2%)	(0.2%)	(0.2%)	(0.3%)	(0.2%)	
Substandard & Below Loans	173.1	154.5	189.2	158.6	207.4	192.4	234.4	193.0	12.0%
S&B Loan Ratio	1.56%	1.45%	1.92%	1.63%	2.15%	2.07%	2.62%	2.22%	0.1%p
S&B Loan Coverage Ratio	89.41%	97.66%	82.93%	89.91%	80.52%	90.96%	77.01%	83.73%	-8.3%p
Precautionary & Below Loans	438.6	371.6	405.8	368.8	476.7	462.0	490.5	408.0	18.0%
P&B Loan Ratio	3.94%	3.49%	4.11%	3.78%	4.93%	4.98%	5.48%	4.70%	0.5%p
P&B Loan Coverage Ratio	35.29%	40.61%	38.66%	38.67%	35.03%	37.88%	36.80%	39.61%	-5.3%p
Write-offs	29.1	39.2	32.7	53.2	50.0	54.7	32.4	57.2	-25.8%
NPLs Sold	-	23.9	-	46.4	25.5	25.5	-	27.8	-
Provision for Loan Losses	154.8	150.9	156.9	142.6	167.0	175.0	180.5	161.6	2.6%

Provision Expenses (Bank Account Only)	2004			2003	2003				2002
	3Q	2Q	1Q		4Q	3Q	2Q	1Q	
Household	5.9	10.8	9.1	43.4	9.0	11.3	12.5	10.6	22.2
Credit Card (Re-aged Loans)	8.6 (4.1)	14.7 (6.7)	21.8 (9.2)	119.8 (32.5)	23.4 (9.5)	35.8 (13.4)	32.9 (6.3)	27.7 (3.3)	44.3 (n.a.)
Corporates	14.6	9.0	14.1	11.3	2.4	-8.3	8.2	9.0	46.1
Total	29.1	34.5	45.0	174.5	34.8	38.8	53.6	47.3	112.6

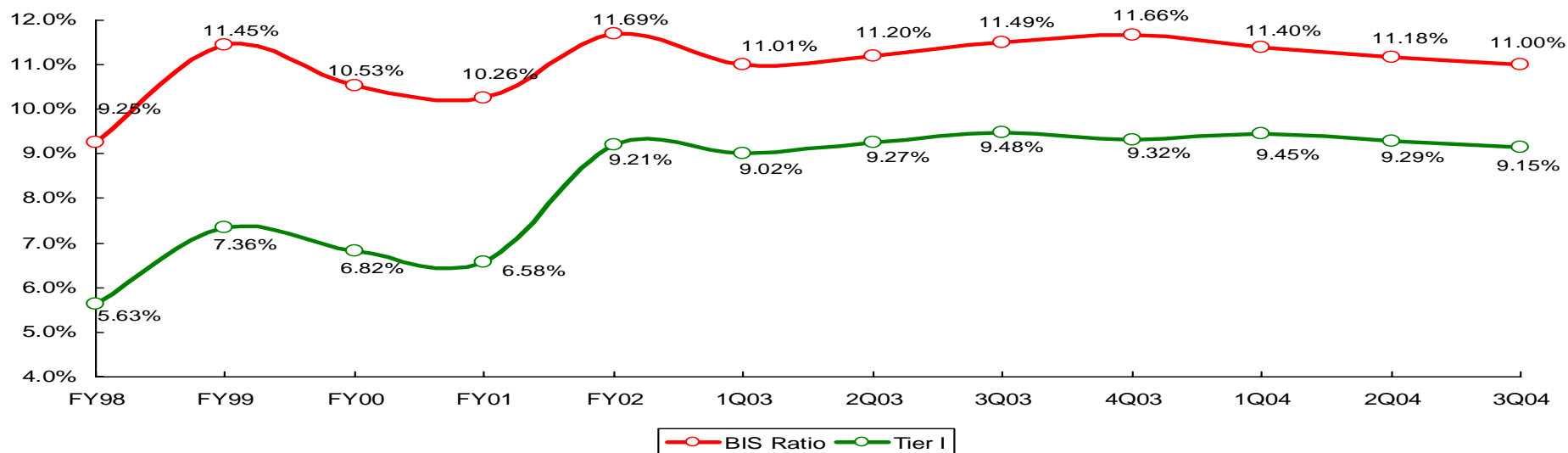
Provision for Loan Losses (ending balance)	2004			2003				2002
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Household	42.5	40.5	37.5	33.3	34.5	32.7	32.2	27.3
Credit Card (Re-aged Loans)	20.9 (15.0)	23.9 (16.0)	32.9 (19.6)	30.9 (16.1)	37.3 (15.4)	32.6 (7.4)	32.8 (4.8)	26.9 (-)
Corporates	90.9	86.0	86.0	77.8	90.8	105.4	110.7	100.1
Total	154.3	150.4	156.4	142.0	162.6	170.7	175.7	155.8

Write-Offs

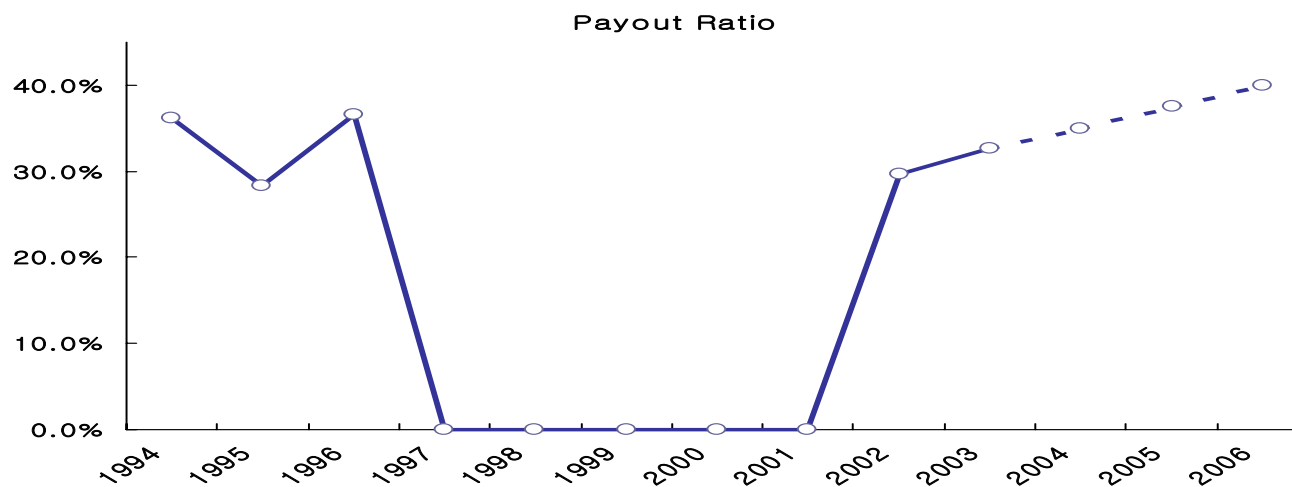


Write-Offs	2004			2003 Full Yr.	2003				2002	Q-Q%
	3Q	2Q	1Q		4Q	3Q	2Q	1Q		
Household	4.6	7.2	5.7	34.7	9.3	9.9	9.6	5.9	4.8	-36.1%
Credit Card (Re-aged Loans)	12.3 (6.0)	26.0 (11.0)	21.3 (6.3)	123.0 (18.0)	32.3 (8.9)	32.6 (5.4)	33.8 (3.7)	24.2 (0)	25.1 (0.3)	-52.7% -45.5%
Corporates	12.2	6.0	5.7	32.6	11.3	7.5	11.3	2.3	27.3	103.3%
Total	29.1	39.2	32.7	190.3	52.9	50.0	54.7	32.4	57.2	-25.8%

Capital Adequacy Ratio



	2004			2003				2002
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Tier 1 Capital	972.8	936.5	900.1	876.5	882.1	844.4	806.1	792.9
Tier 2 Capital	200.6	194.2	189.7	224.8	231.2	228.1	226.5	263.7
Contribution to Unconsolidated Subsidiaries	4.0	4.0	4.0	4.9	52.2	52.2	49.2	50.2
Total Risk-Adjusted Capital	1,169.4	1,126.7	1,085.8	1,096.3	1,061.1	1,020.3	983.4	1,006.4
Total Risk-Weighted Assets	10,630.2	10,076.9	9,526.6	9,406.4	9,300.0	9,107.3	8,932.7	8,609.7
On-Balance Sheet Assets	10,232.3	9,721.2	9,160.5	9,053.9	8,942.6	8,733.4	8,513.3	8,225.4
Off-Balance Sheet Assets	397.9	355.7	366.1	352.5	357.4	373.9	419.4	384.3



Dividend History	2003	2002	2001 ~ 1997	1996	1995
Net Income	121.3	148.0		41.9	30.2
Dividend Rate	5.4 %	6 %		8 %	5 %
Dividend per Share (W)	270	300	No Dividend	400	250
Payout Ratio	32.7 %	29.7 %		32.7 %	28.3 %
Type	Cash	Cash		Cash	Cash
Dividend Yield at Market Price	4.0%	5.9 %		5.8 %	

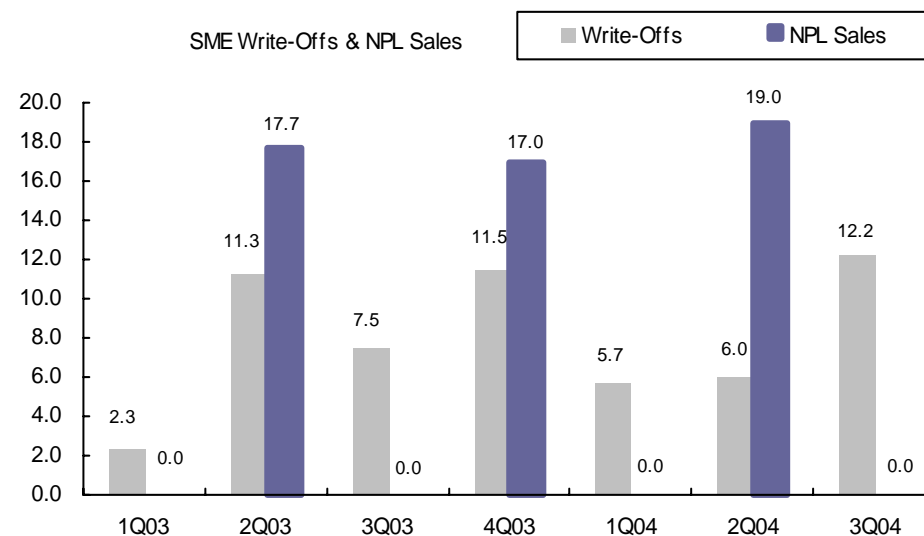
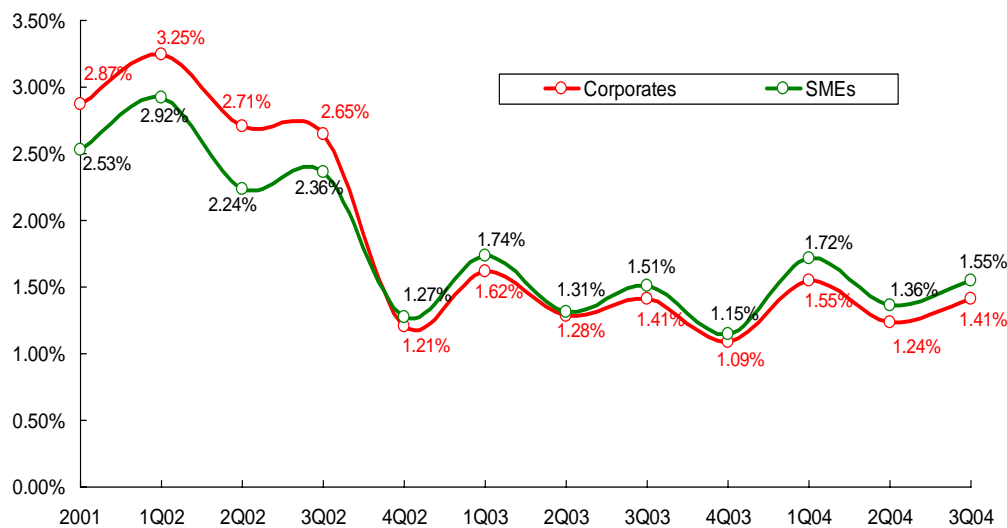
Ending Balance	2004			2003			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total Assets	18,334.1	17,886.4	17,109.1	17,506.7	17,341.7	17,004.4	17,015.9
Total Deposits	14,370.5	14,446.2	13,803.8	14,073.9	13,777.2	13,471.6	13,532.6
Total Loans	10,786.0	10,258.9	9,496.4	9,296.0	9,048.2	8,702.7	8,299.8
Paid-in Capital	733.4	733.4	733.4	733.4	733.4	733.4	733.4
Shareholders' Equity	1,001.5	955.1	920.9	936.9	905.4	863.4	820.7
Net Income	35.1	36.2	25.9	33.7	36.6	38.0	13.0
ROA	0.80 %	0.78 %	0.66 %	0.79 %	0.77 %	0.69 %	0.36 %
ROE	13.54 %	13.31 %	11.33 %	13.91 %	13.57 %	12.22 %	6.41 %
Cost Income Ratio	46.18%	46.18 %	49.4 %	45.46 %	43.25 %	41.94 %	51.58 %
BPS (W)	6,828	6,511	6,278	6,387	6,173	5,886	5,595
EPS (W)	884	847	707	827	798	701	359
Loan-to-Deposit Ratio	79.2 %	74.2 %	72.1 %	70.1 %	70.3 %	68.9 %	65.5 %

Corporates

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Loan Portfolio	3Q04		2Q04		1Q04		4Q 2003		Q-Q%	YTD
Manufacturing Sectors	3,076.0	46.0%	2,943.0	46.3%	2,756.6	45.9%	2,680.7	45.01%	4.5%	9.4%
Steel & Metal Products	812.4	12.2%	801.8	12.6%	709.8	11.8%	696.7	11.7%	1.3%	15.1%
Automobile Parts	401.6	6.0%	394.2	6.2%	375.7	6.3%	370.7	6.2%	1.9%	3.6%
Machinery	441.4	6.6%	404.1	6.4%	380.3	6.3%	358.8	6.0%	9.2%	12.6%
Petroleum, Rubber, etc.	427.7	6.4%	402.0	6.3%	386.7	6.4%	366.8	6.2%	6.4%	9.6%
Fabric	247.9	3.7%	234.4	3.7%	226.5	3.8%	239.0	4.0%	5.8%	-1.9%
Garment & Shoes	145.5	2.2%	139.9	2.2%	138.7	2.3%	136.1	2.3%	4.0%	2.8%
Kitchen Units	142.1	2.1%	130.1	2.0%	128.8	2.1%	128.1	2.6%	9.2%	1.6%
Electronics	132.4	2.0%	106.8	1.7%	98.9	1.6%	94.7	1.6%	23.9%	12.8%
Paper, Paper Mills	65.0	1.0%	71.5	1.1%	65.0	1.1%	59.9	1.0%	-9.1%	19.4%
Others	260.0	3.9%	258.2	4.1%	246.2	4.1%	229.9	3.9%	0.7%	12.3%
Non-Manufacturing Sectors	3,610.0	54.0%	3,419.6	53.7%	3,252.3	54.1%	3,265.9	54.9%	2.6%	7.8%
Wholesale & Retail	905.6	13.5%	857.2	13.5%	807.2	13.4%	769.1	12.9%	5.7%	11.4%
Real Estate & Lease	625.7	9.4%	599.3	9.4%	563.6	9.4%	553.2	9.3%	4.4%	8.3%
Construction & Engineering	545.6	8.2%	547.5	8.6%	520.4	8.7%	527.2	8.9%	-0.4%	3.8%
Insurance & Financing	341.2	5.1%	312.0	4.9%	316.5	5.3%	324.5	5.5%	9.4%	-3.9%
Transportation	300.2	4.5%	267.6	4.2%	249.2	4.1%	250.5	4.2%	12.2%	6.8%
Hotel & Foods	218.6	3.3%	217.2	3.4%	201.6	3.4%	204.0	3.4%	0.6%	6.5%
Public	80.5	1.2%	80.5	1.3%	101.2	1.7%	128.8	2.2%	-	-37.5%
Others	592.6	8.9%	538.3	8.5%	492.6	8.2%	508.6	8.6%	-7.2%	25.5%
Total Corporate Won Loans	6,686.0	100.00%	6,362.6	100.00%	6,008.9	100.00%	5,946.6	100.00%	3.6%	8.5%

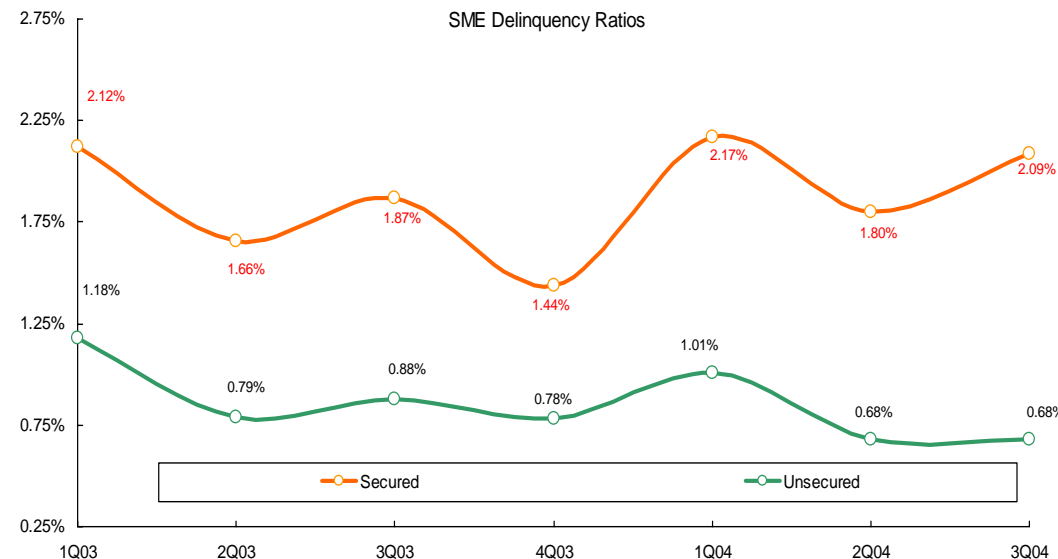
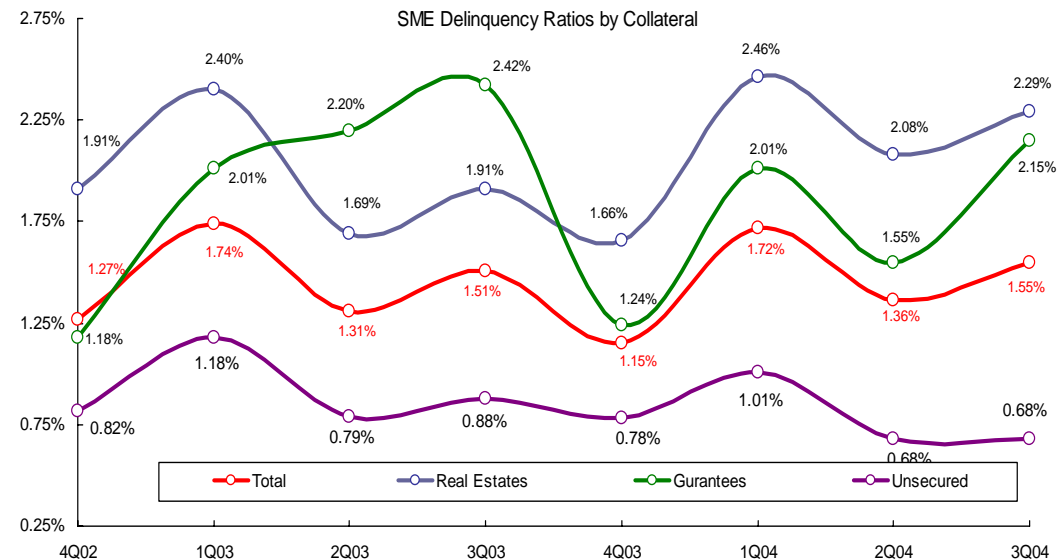


	2004			2003			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total Loans to Corporates	7,314.2	7,055.2	6,574.2	6,458.9	6,510.1	6,201.6	5,997.0
Delinquent Amount	103.2	87.4	102.1	70.3	91.6	79.4	97.0
Delinquency Ratio	1.41%	1.24%	1.55 %	1.09 %	1.41 %	1.28 %	1.62 %
Loans to SMEs	6,661.7	6,430.4	5,939.4	5,964.1	5,816.1	5,614.7	5,435.3
Delinquent Amount	103.2	87.4	102.1	68.7	87.6	73.6	94.4
Delinquency Ratio	1.55%	1.36%	1.72 %	1.15 %	1.51 %	1.31 %	1.74 %
Loans to Large Corporates	652.5	624.8	634.8	494.8	694.0	586.9	561.7
Delinquent Amount	0.0	0.0	0.0	1.6	4.0	5.8	2.6
Delinquency Ratio	0.0%	0.0%	0.0 %	0.32 %	0.58 %	0.99 %	0.46 %

SME Delinquency Ratio by Sector	2004						2003							
	3Q		2Q		1Q		4Q		3Q		2Q		1Q	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Manufacturing Sector	3,281.2	1.10%	3,178.2	1.02 %	2,925.2	1.16 %	2,883.2	0.68 %	2,899.5	1.27 %	2,807.0	0.86 %	2,721.3	1.45 %
Non-Manufacturing Sector	3,380.5	1.99%	3,252.2	1.57 %	3,014.2	2.27 %	3,080.9	1.60 %	2,916.6	1.74 %	2,807.7	1.55 %	2,714.0	1.68 %
Wholesale & Retail	943.1	2.30%	929.8	2.32 %	848.5	2.89 %	834.1	2.54 %	840.6	2.61 %	838.0	2.60 %	832.1	1.96 %
Real Estate & Lease	651.1	2.64%	624.0	2.23 %	578.2	2.28 %	564.4	1.92 %	514.3	1.85 %	426.9	2.20 %	378.5	2.77 %
Construction	542.6	0.66%	544.9	0.72 %	519.8	1.02 %	527.7	0.41 %	465.5	0.56 %	442.8	0.45 %	438.4	0.89 %
Transport. & Comms.	296.5	0.64%	264.8	0.34 %	236.7	0.59 %	238.5	0.62 %	221.3	1.04 %	230.7	0.56 %	219.9	0.95 %
Hotel & Foods	215.1	4.46%	214.1	2.43 %	201.1	3.58 %	206.6	0.86 %	210.2	1.76 %	203.7	1.37 %	206.8	0.87 %
Public	80.5	- %	80.5	- %	101.2	- %	128.8	- %	134.4	- %	167.8	- %	148.7	- %
Insurance & Financing	21.3	- %	21.8	- %	25.2	- %	37.3	- %	37.9	- %	45.8	- %	64.4	- %
Others	630.3	2.09%	572.3	1.64 %	503.5	3.32 %	543.5	2.15 %	492.4	2.17 %	442.0	1.36 %	426.1	2.56 %
Total	6,661.7	1.55%	6,430.4	1.36%	5,939.4	1.72 %	5,964.1	1.15 %	5,816.1	1.51 %	5,614.7	1.31 %	5,435.3	1.74 %

	2004			2003				2002
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q
Total	6,858.6	6,678.2	6,166.3	6,138.8	6,360.0	5,805.9	4,651.7	4,494.4
Normal	6,594.1	6,488.3	5,975.0	5,972.3	6,107.0	5,578.8	4,442.0	4,330.2
	(96.1%)	(97.2%)	(96.9%)	(97.3%)	(96.0%)	(96.1%)	(95.5%)	(96.4%)
Precautionary	154.1	99.5	75.4	65.5	120.5	106.8	76.6	56.9
	(2.3%)	(1.5%)	(1.2%)	(1.1%)	(1.9%)	(1.8%)	(1.3%)	(1.3%)
Substandard	92.8	72.6	97.5	88.5	111.6	103.5	116.4	99.4
	(1.4%)	(1.1%)	(1.6%)	(1.4%)	(1.8%)	(1.8%)	(2.5%)	(2.2%)
Doubtful	10.3	11.5	9.9	8.0	15.8	10.1	4.9	3.4
	(0.2%)	(0.2%)	(0.2%)	(0.1%)	(0.3%)	(0.2%)	(0.1%)	(0.1%)
Expected Loss	7.3	6.3	8.5	4.5	5.1	6.7	9.7	4.5
	(0.1%)	(0.1%)	(0.1%)	(0.1%)	(0.1%)	(0.1%)	(0.2%)	(0.1%)
Precautionary & Below Loans	264.5	189.9	191.3	166.5	235.0	227.1	207.6	164.2
P&B Loan Ratio	3.86	2.84	3.10	2.71	3.98	3.91	4.46	3.65
P&B Loan Coverage Ratio	31.83	42.07	42.34	44.02	32.89	36.15	35.55	-
Substandard & Below Loans	110.4	90.4	115.9	101.0	132.5	120.3	131.0	107.3
S&B Loan Ratio	1.61	1.35	1.88	1.65	2.08	2.07	2.81	2.39
S&B Loan Coverage Ratio	76.27	88.38	69.89	72.57	62.79	68.25	56.33	-
Write-offs	12.2	6.0	5.7	11.5	7.5	11.3	2.3	-
NPLs Sold	0	19.0	0	17.0	0	17.7	0	-
Provision for Loan Losses	84.2	79.9	81.0	73.3	83.2	82.1	73.8	-

SME Loans Defaulted	3Q04	2Q04	1Q04	2003
Agriculture, Fishery	0.0	0.0	0.0	7.2
Manufacturing	17.3	8.7	7.2	61.1
Chemicals	2.1	0.1	1.0	7.5
Metal Products	0.6	0.6	0.4	14.3
Transportation	1.9	0.0	0.5	2.5
Shoes	4.5	0.4	1.6	0.8
Furniture	5.7	0.0	1.6	0.5
Others	2.5	7.4	2.1	35.5
Construction	2.9	4.3	3.8	1.0
Wholesale & Retail	2.3	3.2	1.1	21.4
Real Estate	0.07	0.0	0.0	0.0
Others	3.4	0.2	0.7	5.4
Total Amount Defaulted	25.9	16.4	12.8	96.1
Recoverable Amount	21.8	13.3	11.3	81.3
NPLs	4.1	3.1	1.5	14.8
Recovery Rate	84.2 %	81.0 %	88.3 %	84.6 %

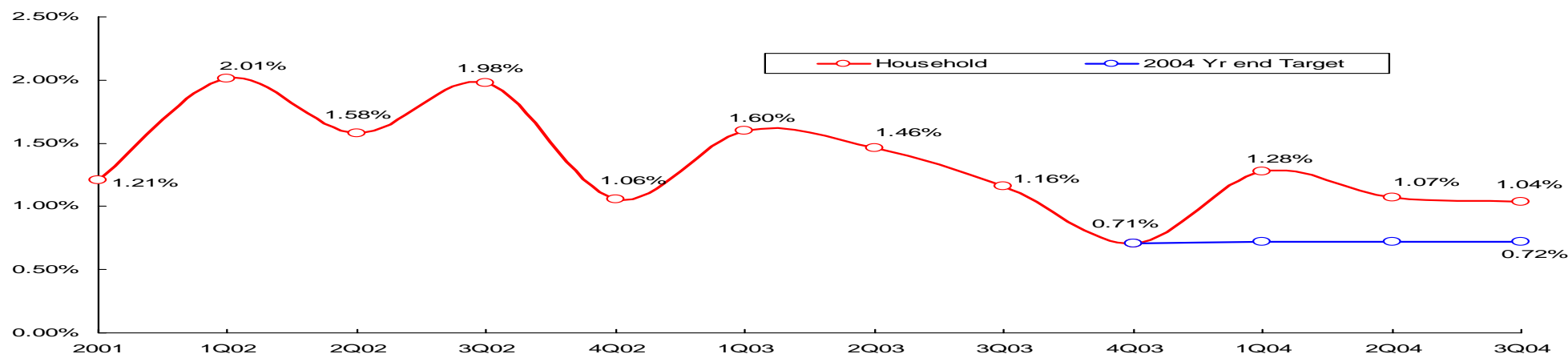


Household & Credit Card

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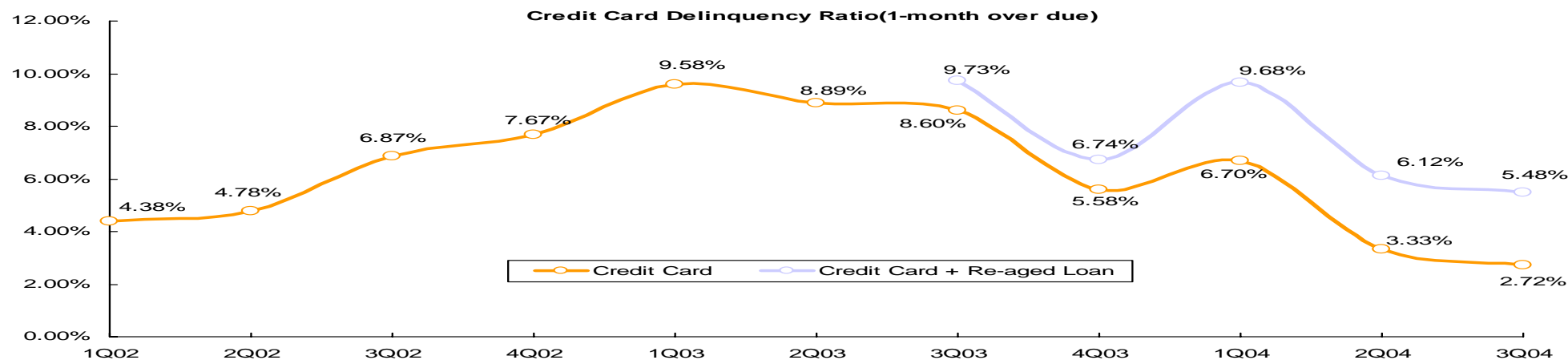


		2004			2003	Q-Q%
		3Q	2Q	1Q	4Q	
Household Loans – Retail		3,214.7	2,980.8	2,699.1	2,619.7	7.6 %
Secured Loans at 3Q04 W2,767.3bn (86.1%)	Total Secured Loans	2,767.3	2,543.1	2,242.8	2,153.8	8.8 %
	Mortgage / Home Equity	1,034.9	982.3	939.2	948.9	5.4 %
	Group Loans	985.6	833.8	627.3	535.6	18.2 %
	Other Collateralized Loans	693.6	676.0	630.3	623.1	2.6 %
	Govn't Workers' Pension Backed Loans	53.2	51.0	46.0	46.2	4.3 %
	Loan to Value Ratio	54.6%	54.7%	53.1%	51.0%	-0.2 %
Unsecured Loans at 3Q04 W447.4bn (13.9%)	Total Unsecured Loans	447.4	437.7	456.3	465.9	2.2 %
	Personal CSS Loans	222.4	230.0	234.1	245.0	-3.3 %
	Student Loans	40.6	39.0	38.6	29.4	4.1 %
	Govn't Workers' Loans	39.6	40.8	40.7	41.0	-2.9 %
	Others	144.8	127.9	142.9	150.5	13.2 %



Delinquency Ratio by Collateral type	Total	Real Estates	Movables	Deposits	Guarantees	Unsecured
3Q04	1.04%	1.46%	-	0.23%	1.5%	0.73%
(Loan Amount)	3,214.7	(1,452.5)	(26.4)	(169.2)	(32.6)	(1,534.0)
2Q04	1.07%	1.10%	-	0.1%	2.3%	1.2%
	(2,980.8)	(1,362.1)	(25.7)	(176.2)	(30.7)	(1,386.1)
1Q04	1.28 %	1.3 %	0.3%	1.7%	2.4%	1.17 %
	(2,699.1)	(1,284.3)	(21.8)	(171.5)	(28.7)	(1,192.8)
4Q03	0.71 %	0.6 %	0.1 %	- %	0.9 %	0.9 %
	(2,619.7)					
3Q03	1.16 %	0.9 %	0.1 %	0.1 %	4.0 %	1.5 %
	(2,515.1)					
2Q03	1.46 %	0.8 %	- %	0.1 %	3.5 %	1.7 %
	(2,375.2)					
1Q03	1.60 %	1.0 %	0.4 %	0.1 %	4.1 %	2.1 %
	(2,203.7)					

	2004			2003			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total	3,214.7	2,980.8	2,699.1	2,619.7	2,459.2	2,375.1	2,123.2
Normal	3,130.4	2,898.6	2,609.7	2,551.9	2,384.3	2,261.4	2,061.4
	(97.4%)	(97.2%)	(96.7 %)	(97.4 %)	(97.0 %)	(95.2 %)	(97.1 %)
Precautionary	48.1	47.9	55.7	45.1	45.9	81.1	40.4
	(1.5%)	(1.6%)	(2.1 %)	(1.7 %)	(1.9 %)	(3.4 %)	(1.9 %)
Substandard	21.3	19.7	21.1	12.0	15.7	13.4	10.0
	(0.7%)	(0.7%)	(0.8 %)	(0.5 %)	(0.6 %)	(0.6 %)	(0.5 %)
Doubtful	9.1	8.0	7.6	5.9	7.8	11.6	7.4
	(0.3%)	(0.3%)	(0.3 %)	(0.2 %)	(0.3 %)	(0.3 %)	(0.3 %)
Expected Loss	5.8	6.6	5.0	4.8	5.5	7.6	4.0
	(0.2%)	(0.2%)	(0.2 %)	(0.2 %)	(0.2 %)	(0.2 %)	(0.2 %)
Precautionary & Below Loans	84.3	82.2	89.4	67.8	74.9	113.7	61.8
P&B Loan Ratio	(2.62%)	(2.76%)	(3.3 %)	(2.6 %)	(3.1 %)	(4.8 %)	(2.9 %)
P&B Loan Coverage Ratio	50.42 %	49.27 %	41.8 %	49.1%	46.1	35.3	59.9
Substandard & Below Loans	36.2	34.3	33.7	22.8	29.0	32.6	21.4
S&B Loan Ratio	(1.13%)	(1.15%)	(1.2 %)	(0.87 %)	(1.18 %)	(1.37 %)	(1.01 %)
S&B Loan Coverage Ratio	117.40%	118.08%	111.3 %	146.7 %	119.0	123.0	172.9
Write-offs	4.6	7.2	5.7	9.3	9.9	9.6	5.9
NPLs Sold	0.0	4.8	0	3.9	0	7.2	0
Provision for Loan Losses	42.5	40.5	37.5	33.3	34.5	40.1	37.0



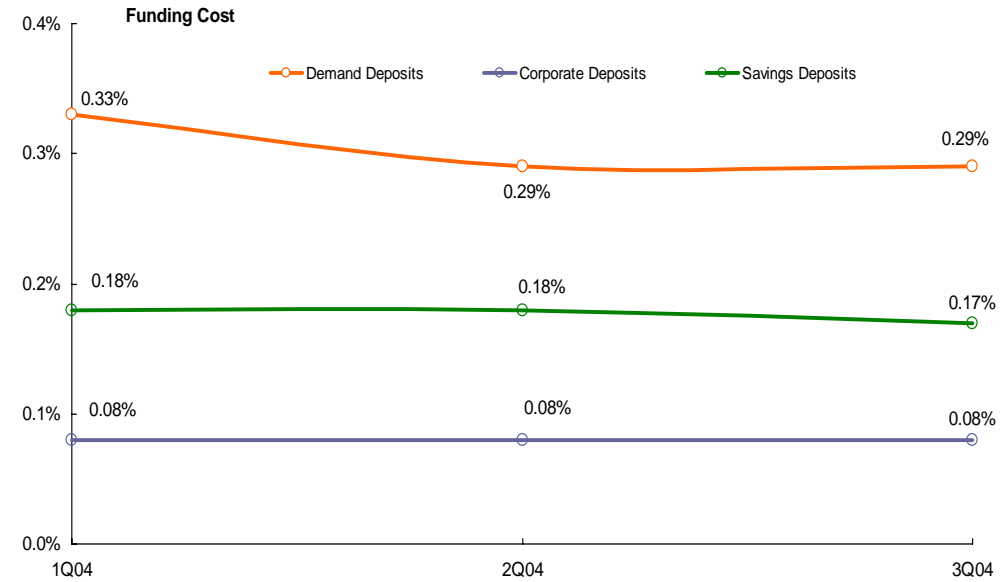
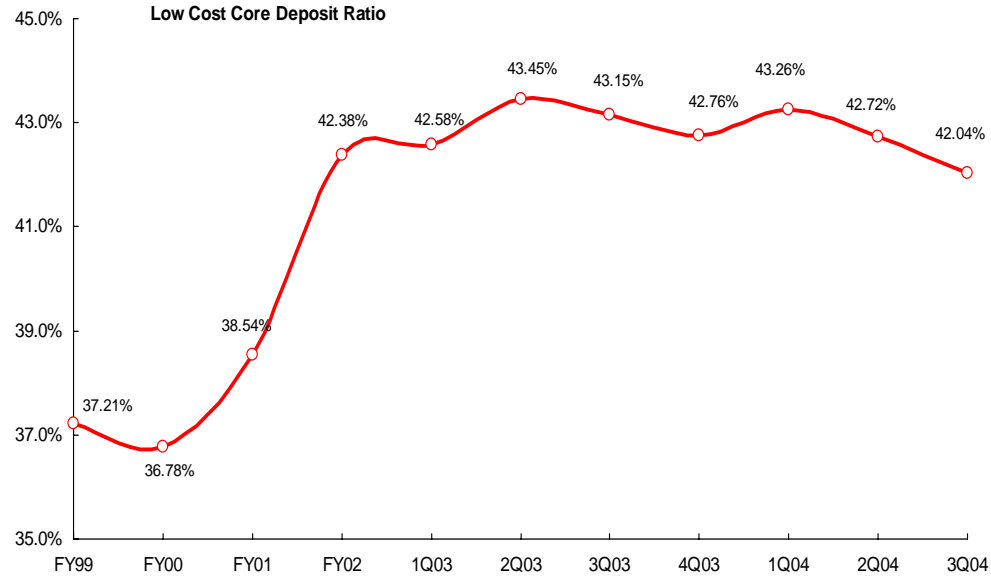
Credit Card Portfolio	3Q04	2Q04	1Q04	4Q03	3Q03	2Q03	1Q03	2002
Credit Card Receivables w/ Re-aged Loans	305.1	340.7	376.4	447.4	472.5	509.4	535.5	556.4
Credit Purchase	191.7	211.7	219.3	233.4	221.1	240.1	263.5	303.3
Cash Advances	67.8	75.4	92.5	149.6	194.9	224.6	245.5	238.0
Re-aged Loans	45.6	53.6	64.5	64.4	56.4	44.6	26.4	15.0
Overdue Amount	21.1	24.7	42.2	39.6	60.4	64.2	67.7	55.6
1-day overdue	6.91%	7.26%	11.22%	8.86%	12.78%	12.60%	12.64%	9.99%
1-month overdue	5.48%	6.12%	9.68%	6.74%	9.73%	9.38%	10.14%	7.58%
3-months overdue	2.58%	3.13%	5.09%	3.74%	5.05%	5.24%	5.37%	4.40%
Re-aged Loans	45.6	53.6	64.5	64.4	56.4	44.6	26.4	15.0
Overdue Amount	9.9	11.8	17.1	9.2	11.8	7.3	5.7	0.8
Less than 1 month overdue	0.2	0.5	1.5	0.4	1.6	0.8	0.2	0.1
1-day overdue	21.69%	21.94%	26.51%	14.30%	20.93%	16.41%	21.54%	5.32%
1-month overdue	21.19%	21.10%	24.11%	13.66%	18.01%	14.54%	20.78%	4.61%
3-months overdue	8.55%	8.24%	9.35%	4.36%	4.02%	4.91%	4.38%	1.96%

	Credit Card Only				Re-aged Loans				Credit Card + Re-aged Loans			
	3Q04	2Q04	1Q04	4Q03	3Q04	2Q04	1Q04	4Q03	3Q04	2Q04	1Q04	4Q03
Total	259.5	287.1	311.8	383.0	45.6	53.6	64.5	64.4	305.1	340.7	376.3	447.4
Normal	251.0	276.0	288.6	358.9	0.0	0.0	0.0	0.0	251.0	276.0	288.6	358.9
	(96.7%)	(96.1%)	(92.6%)	(93.7%)	(-)	(-)	(-)	(-)	(82.3%)	(81.0%)	(76.7%)	(80.2%)
Precautionary	4.0	4.1	8.8	9.0	29.7	36.7	43.1	48.4	33.7	40.8	51.9	57.4
	(1.5%)	(1.4%)	(2.8%)	(2.4%)	(65.1%)	(68.7%)	(66.8%)	(75.2%)	(11.1%)	(12.0%)	(13.8%)	(12.8%)
Substandard	0.1	0.2	0.4	0.2	0.4	0.4	0.8	0.4	0.5	0.6	1.2	0.6
	(0.04%)	(0.1%)	(0.1%)	(0.1%)	(0.9%)	(0.8%)	(1.2%)	(0.6%)	(0.2%)	(0.2%)	(0.3%)	(0.1%)
Doubtful	3.6	5.5	11.9	12.0	10.4	12.5	15.7	13.4	14.0	18.0	27.6	25.4
	(1.4%)	(1.9%)	(3.8%)	(3.1%)	(22.8%)	(23.3%)	(24.3%)	(20.8%)	(4.6%)	(5.3%)	(7.3%)	(5.7%)
Expected Loss	0.8	1.3	2.1	2.9	5.1	4.0	4.9	2.2	5.9	5.3	7.0	5.1
	(0.3%)	(0.5%)	(0.7%)	(0.8%)	(11.2%)	(7.5%)	(7.6%)	(3.4%)	(1.9%)	(1.6 %)	(1.9 %)	(1.1%)
P&B Loans	8.5	11.1	23.2	24.1	45.6	53.6	64.5	64.4	54.1	64.7	87.7	88.5
P&B Loan Ratio	(3.3%)	(3.9%)	(7.4 %)	(6.3%)	(100%)	(100%)	(100%)	(100%)	(17.7%)	(19.0%)	(23.3 %)	(19.8%)
P&B Loan Coverage Ratio	69.4%	71.2%	56.9 %	61.4%	32.9%	29.9%	30.4%	25.0%	38.6%	36.9%	37.5%	34.9%
S&B Loans	4.5	7.0	14.4	15.1	15.9	16.9	21.4	16.0	20.4	23.9	35.8	31.1
S&B Loan Ratio	(1.7%)	(2.4%)	(4.6%)	(3.9%)	(34.9%)	(34.5%)	(33.2%)	(24.8%)	6.7%	(7.0%)	(9.5%)	(7.0%)
S&B Loan Coverage Ratio	131.1%	112.9%	91.7%	98.0 %	94.3%	94.7%	91.6%	100.6%	102.5%	100%	91.9%	99.4%
Provision for Loan Losses	5.9	7.9	13.3	14.8	15.0	16.0	19.6	16.1	20.9	23.9	32.9	30.9

Appendix

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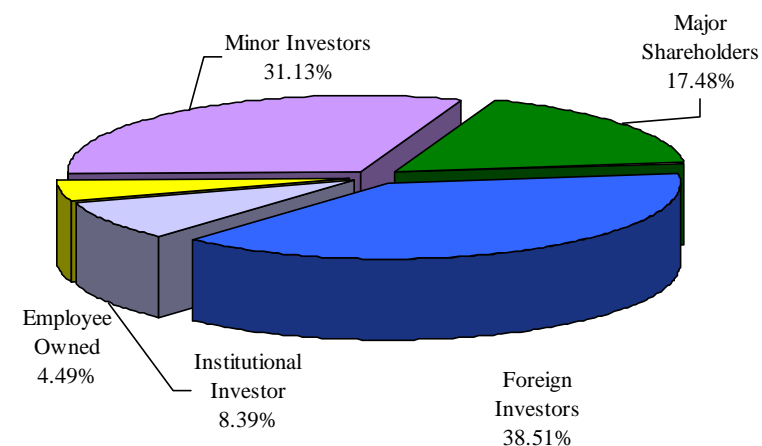


	2004			2003				2002
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Low Cost Core Deposits	5,444.2	5,482.6	5,516.9	5,206.4	5,185.7	5,162.1	4,889.1	4,622.9
Savings Deposits	3,032.4	3,034.2	3,051.2	3,001.0	2,992.2	2,978.5	2,975.5	2,837.9
Corporate Savings	1,396.7	1,426.1	1,433.7	1,206.9	1,195.4	1,178.9	934.0	847.9
Demand Deposits	1,015.1	1,022.3	1,032.0	998.4	998.1	1,004.7	979.6	937.1
Total Deposits in Bank Account	12,948.8	12,833.7	12,753.0	12,174.4	12,018.2	11,880.3	11,482.7	10,907.8
Low Cost Core Deposit Ratio	42.0%	42.7%	43.3%	42.8 %	43.2 %	43.5 %	42.6 %	42.4 %

	3Q04					2Q04	1Q04	2003
	Total	Marketable Securities	Investment Securities					
			Subtotal	Available for Sale	Held to Maturity			
Bonds in Won	3,906.5	0	3,906.5	1,179.1	2,727.4	4,188.7	4,312.2	4,319.1
Government Bonds	729.7	0	729.7	287.2	442.5	728.2	692.0	575.2
Financial Debentures	1,725.1	0	1,725.1	443.9	1,281.2	1,776.8	1,866.2	1,899.8
Local Gov't Bonds	275.3	0	275.3	60.0	215.3	279.5	281.6	359.6
Gov't Owned Corporate Bonds	836.8	0	836.8	180.2	656.6	1,030.6	1,078.1	1,053.0
Corporate Bonds	339.6	0	339.6	207.8	131.8	373.6	394.3	431.5
Bonds in Foreign Currency	34.9	0	34.9	0	34.9	36.6	42.0	43.0
Stocks	64.6	2.2	62.4	62.4	0	63.0	68.1	80.7
Beneficiary Certificates	174.1	0	174.1	174.1	0	160.8	162.7	166.9
Bond Type	153.4	0	153.4	153.4	0	150.6	162.7	166.9
Equity Type	20.7	0	20.7	20.7	0	10.2	0	0
Others	49.8	0	49.8	49.8	0	39.4	39.5	24.5
Total	4,230.0	2.2	4,227.7	1,465.4	2,762.3	4,488.5	4,624.5	4,634.2
Duration (years)	1.32			1.21	1.37			

Major Shareholders* (as of December 31, 2003)

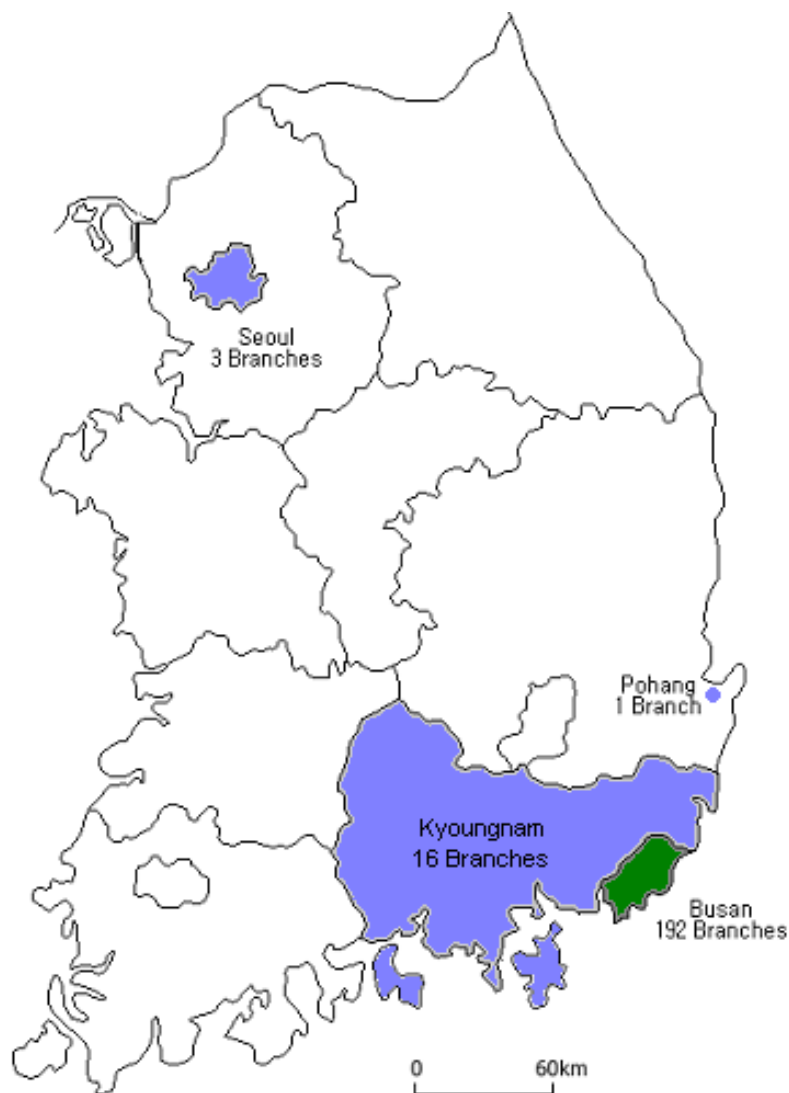
• Lotte Group	14.11 %
• Capital Research & Management Company	10.40 %
• Parkland Co., Ltd.	4.11 %
• Korea Iron & Steel Co., Ltd.	2.14 %
• Others	12.78 %
T o t a l	43.54 %



Foreign Investors

unit : thousand shares, %, %p	Dec 31, 2003	Sept 30, 2004	Change
Total Number of Shares Issued & Outstanding	146,683	146,683	-
Number of Shares held by Foreign Investors	56,488	83,475	26,987
Foreign Shareholders	38.51%	56.91%	18.40 %p

Note : Include those who hold more than 1%



► **Leading Regional Bank**

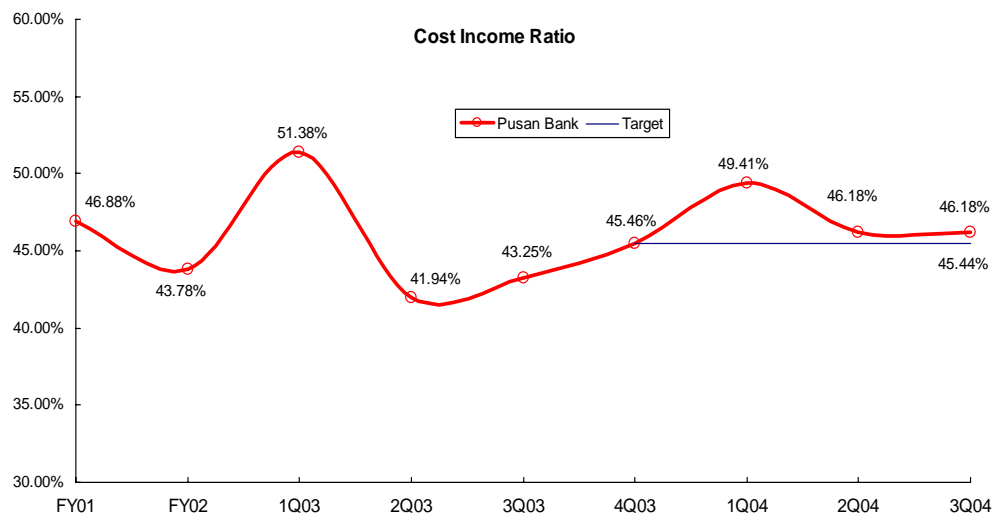
- Established : October 25, 1967 (36th Anniversary)
- Number of employees : 1,964
- Shares outstanding : 146.7m shares
- Market Cap : W1.0tn (as of September 30, 2004)
- 3.2mn customers (87.1% of 3.7mn Busan residents)
- 212 Branches
 - 192 in Busan, 3 in Seoul & 17 in the Southeast Industrial Belt
- 683 ATMs, 763 Cash Dispensers in 3Q04
- 10.1mn on-line transactions in 1Q04
9.0mn ATM transactions in 1Q04
- Busan City Government Budgetary Bank
 - W1.3tn in deposits (2001) W1.7tn in 2Q04

► **Southeastern Industrial Belt**

- Government-Supported Industrial Area
- Produces nearly 20% of Korea's GDP
- Major industries include automobile, electronics, shipbuilding, etc.

	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Interest Revenues	227.8	227.9	227.9	234.6	231.9	225.8	222.3	- %
Interest on Loans	172.3	167.1	165.5	169.4	157.8	151.2	148.3	3.1 %
Interest on Securities	53.2	58.6	59.4	61.0	67.5	65.7	66.7	- 9.2 %
Others	2.3	2.2	3.0	4.5	6.6	8.9	7.3	4.6 %
Interest Expenses	105.5	103.7	103.3	106.5	107.1	112.0	111.0	1.7 %
Interest on Deposits	85.5	84.8	84.2	85.8	86.7	91.4	93.0	0.8 %
Interest on Borrowings	13.9	13.3	13.0	14.5	13.9	13.5	11.5	4.5 %
Interest on Financial Debentures	4.2	4.1	4.2	4.1	4.1	4.0	4.0	2.4 %
Others	1.9	1.5	1.9	2.1	2.4	3.1	2.5	26.7 %
Net Interest Income	122.3	124.2	124.6	128.1	124.8	113.8	111.3	- 1.5 %

	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Fee & Commission Revenues	31.7	30.9	30.9	32.7	28.7	30.0	29.1	2.6 %
Commissions in Won	14.6	12.9	13.2	13.9	11.5	11.8	10.7	13.2 %
Commissions on Credit Cards	13.4	14.1	14.1	15.8	14.3	15.3	15.4	-4.9 %
Commissions in Foreign Currency	3.0	3.2	3.0	2.4	2.3	2.4	2.3	- 6.3 %
Guarantee Fees	0.7	0.7	0.6	0.6	0.6	0.5	0.7	- %
Fee & Commission Expenses	5.2	5.1	4.8	4.9	5.3	4.2	4.6	1.9 %
Commissions Paid on Credit Cards	3.0	3.0	3.0	3.0	3.2	2.7	3.2	- %
Commissions Paid	2.2	2.1	1.8	1.9	2.1	1.5	1.4	4.8 %
Net Fee & Commission Income	26.5	25.8	26.1	27.8	23.4	25.8	24.5	2.7 %



	2004 Target	2003	2002
G & A Expenses	303.0	266.1	241.4
Reserve for Retirement Allowance	21.0	30.0	26.4
Depreciation	36.0	30.4	26.7
Taxes & Dues	8.0	7.4	7.5
Salaries	103.5	93.2	81.1
Fringe Benefits, Premises, & Others	134.5	105.2	99.7

	2004			2003				2002
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Net Operating Income	51.1	44.8	32.0	50.2	38.1	28.9	19.0	200.6
G & A expenses	68.3	68.3	74.8	70.5	65.7	59.8	70.1	241.4
Salaries, Benefits & Others	53.7	55.9	53.6	57.2	48.8	45.8	46.6	180.8
Depreciation	9.4	6.9	6.0	7.3	7.3	6.3	5.7	23.0
Retirement Allowance	3.3	2.9	12.7	2.4	6.9	5.2	15.5	26.4
Taxes & Dues	1.9	1.7	1.6	2.6	1.8	1.5	1.4	7.5
Amortization on Intangible Assets	0.8	0.9	0.9	1.0	0.9	1.0	0.9	3.7
Provision for Loan Losses	28.5	34.8	44.5	35.5	39.1	53.6	47.4	110.7

	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Other Operating Revenues	18.6	20.2	21.8	16.0	9.1	10.0	8.9	- 7.3 %
Gains on Securities	0.4	0.4	1.4	0.3	0.9	0.9	1.0	- 71.4 %
Revenues on Foreign Exchange	5.7	5.7	4.7	7.6	4.5	4.4	4.2	21.3 %
Revenues on Derivatives	12.5	14.0	15.7	7.5	3.3	4.7	3.7	- 10.8 %
Others(provision write back)	0	0.1	0	0.6	0.4	0.04	0.05	-
Other Operating Expenses	51.8	60.5	70.0	55.5	51.9	66.9	61.4	- 13.6 %
Losses on Securities	0	0.9	0	0.3	0.2	-0.7	1.6	-
Losses on Foreign Exchange	1.9	1.8	1.5	1.2	0.3	0.9	0.6	20.0 %
Expenses on Derivatives	11.3	14.1	14.5	9.8	3.5	4.6	3.8	- 2.8 %
Contribution to Funds	4.3	4.1	4.0	3.9	3.8	3.6	3.4	2.5 %
Provision for Loan Losses	27.4	34.5	44.7	35.4	40.3	52.3	47.4	- 22.8 %
Others	6.9	5.1	5.3	4.9	3.8	6.2	4.6	- 3.8 %
Net Other Operating Income	- 33.2	- 40.3	-48.3	-39.5	-42.7	-57.0	-52.5	- 16.6 %

Non-Operating Income	2004			2003				Q-Q%
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	
Non-Operating Revenues	7.7	9.4	11.5	11.5	4.7	18.6	7.6	-18.1%
Gains on Investment Securities	1.8	3.9	10.0	4.5	4.1	11.6	6.2	-53.6%
Gains on Sales of NPLs	0.0	1.7	0.0	2.8	0.0	3.5	0.0	-
Gains on Sales of Tangible Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-
Others	5.9	3.8	1.4	4.2	0.6	3.5	1.4	55.3%
Non-Operating Expenses	8.8	2.8	7.0	23.0	6.2	9.5	13.6	214.3%
Losses on Investment Securities	0.0	1.9(gain)	3.1	15.8	2.3	2.6	4.4	-
Losses on Sales of NPLs	0.0	3.1	0.0	1.1	0.0	3.1	0.0	-
Losses on Sales of Tangible Assets	0.0	0.0	0.0	0.0	0.0	1.9	0.0	-
Retirement Allowance	0.0	0.1	2.1	0.0	1.6	0.5	0.0	-
Other Non-Operating Expenses	8.8	1.5	1.8	6.1	2.3	1.4	9.2	486.7%
Net Non-Operating Income	-1.1	6.6	4.4	-11.5	-1.5	9.1	-6.0	-116.7%

Thank you for your interest in Pusan Bank

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