



3Q 2008 Financial Results

(2008. 10. 22)

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DISCLAIMER

The financial information presented herein is prepared on the basis of pre-audited financial statement of Pusan Bank and is based upon the plans, strategies and expectations of the bank'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 bank's operations or future developments. Readers are cautioned not to place undue reliance on these statements, which speak only as of the date of this presentation. Pusan Bank does not undertake any obligation to publicly release any revisions to these statements to reflect any future events.

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Growth

- ❖ Total Assets : Down by 158.3 billion KRW, 0.5% QoQ
- ❖ Total Deposits : Down by 80.4 billion KRW, 0.4% QoQ
- ❖ Total Loans : Up by 330.2 billion KRW, 1.7% QoQ

Asset Quality

- ❖ P&B Loan Ratio : 0.97%, Improved 0.02%P QoQ
- ❖ S&B Loan Ratio : 0.74%, Deteriorated 0.10%P QoQ
 - Coverage Ratio, 165.36%, Dropped by 20.04%P QoQ
- ❖ Delinquency Ratio : 0.79%, Deteriorated 0.15%P QoQ

Profitability

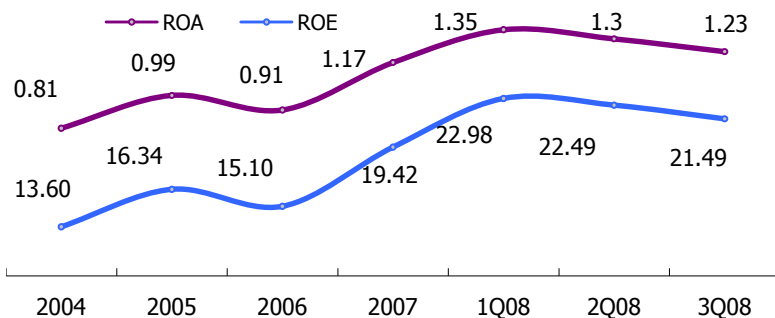
❖ Top Line

- **Net Interest Income increased by 12.6% YoY**
 - 3Q NIM up by 0.11%P to 3.03% QoQ
 - Low cost deposit, in terms of absolute amount, grew 7.8% YoY
- **Net Fee & Commission income increased by 15.5% YoY**

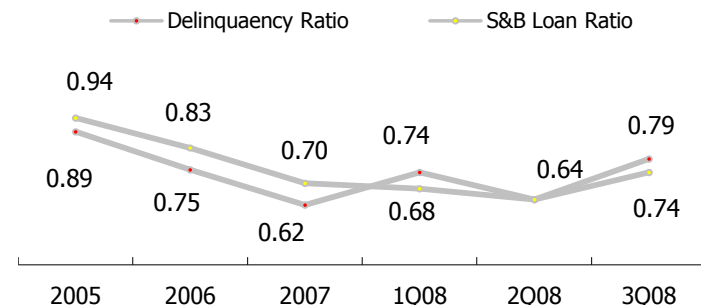
❖ Bottom Line

- **Credit cost : Managed at 33bp** (lower than Full Year target of 39bp)
- **SG&A : Increased by 7.3%, 18 billion KRW YoY**
 - However, Cost income ratio improved by 1.36%P to 33.95% YoY

ROA / ROE



Asset Quality



2. Key Financial Indicators

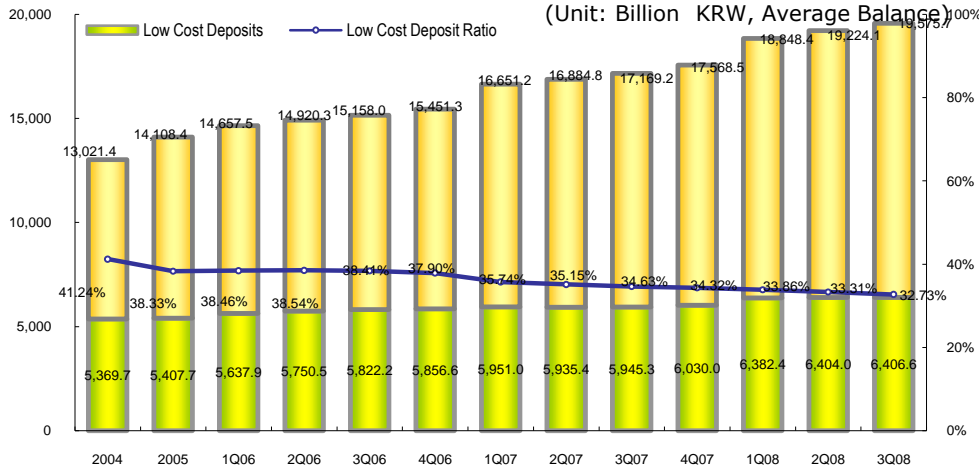


(Unit: Billion won, %, %p)

	2008			2007				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Total Assets	29,454.4	29,612.7	28,012.9	27,298.0	26,041.2	25,910.0	23,402.7	△0.5	7.9
Bank Account	27,929.2	28,173.0	26,795.9	25,990.6	24,500.5	24,434.2	22,149.9	△0.9	7.5
Trust Account	1,525.2	1,439.7	1,217.0	1,307.4	1,540.7	1,475.8	1,252.8	5.9	16.7
Total Deposits	21,637.7	21,718.0	20,220.9	20,474.4	19,586.8	19,170.2	17,958.6	△0.4	5.7
Bank Account	20,129.8	20,319.3	19,004.9	19,232.1	18,201.2	17,796.2	16,923.9	△0.9	4.7
Won Deposits	13,937.2	14,192.7	13,228.8	13,219.8	12,592.4	12,679.0	12,285.6	△1.8	5.4
Demand	1,496.7	1,527.4	1,572.8	1,561.9	1,540.6	1,546.2	1,370.5	△2.0	△4.2
Savings	12,332.5	12,553.5	11,547.4	11,548.6	10,931.5	11,006.1	10,782.0	△1.8	6.8
Installments	108.1	111.7	108.6	109.3	120.3	126.7	133.1	△3.2	△1.1
Trust Account	1,507.9	1,398.7	1,216.0	1,242.3	1,385.6	1,374.0	1,034.7	7.8	21.4
Total Loans	19,482.3	19,152.1	18,024.1	17,366.8	17,083.4	16,554.4	15,297.4	1.7	12.2
Total Loans	18,863.3	18,615.0	17,555.8	16,879.1	16,551.2	16,019.1	14,812.4	1.3	11.8
Won Loans	16,855.1	16,979.6	16,284.7	15,932.1	15,614.9	15,073.6	13,907.6	△0.7	5.8
SME	11,907.6	11,892.7	11,266.9	11,045.3	10,814.3	10,287.6	9,109.0	0.1	7.8
Household	3,812.7	3,886.9	3,830.4	3,801.2	3,764.6	3,709.6	3,687.8	△1.9	0.3
Advances for Customer	619.0	537.1	468.3	487.7	532.2	535.3	485.0	15.2	26.9
Total Securities	6,316.3	6,031.6	5,695.3	5,874.7	5,422.9	5,749.2	5,719.6	4.7	7.5
Bank Account	5,195.9	5,160.3	4,903.5	5,027.9	4,574.3	4,789.0	4,857.2	0.7	3.3
Trust Account	1,120.4	871.3	791.8	846.8	848.6	960.2	862.4	28.6	32.3
Shareholders' Equity	1,596.6	1,547.0	1,475.9	1,472.7	1,438.5	1,369.7	1,294.1	3.2	8.4
Loan to Deposit Ratio(%)	120.94	119.64	123.10	120.52	124.00	118.89	113.20	1.30	0.42



Low cost deposit growth



Low-cost deposit Funding Costs

(Unit: %, accumulated)

	3Q 08	2Q 08	4Q 07	4Q 06	4Q05
Demand	0.35	0.33	0.32	0.31	0.31
Savings	0.28	0.28	0.31	0.33	0.34
Installments	3.36	3.28	2.94	2.79	2.08
Total	1.26	1.22	1.00	0.92	0.69

(Unit: %, %p, Average Balance)

	2008			2007			QoQ	YTD	
	3Q	2Q	1Q	4Q	3Q	2Q			1Q
Low Cost Deposits	6,406.6	6,404.0	6,382.4	6,030.0	5,945.3	5,935.4	5,951.0	0.04	6.25
Demand	1,428.4	1,448.4	1,473.8	1,354.7	1,342.0	1,322.7	1,350.9	△1.38	5.44
Savings	2,970.8	2,983.6	3,003.8	3,093.6	3,124.4	3,167.2	3,203.0	△0.43	△3.97
Corporate Savings	2,007.4	1,972.0	1,904.8	1,581.7	1,478.9	1,445.5	1,397.1	1.80	26.91
Won Deposits	13,616.1	13,407.0	13,109.1	12,410.6	12,342.3	12,328.0	12,464.9	1.56	9.71
Total Deposits(Bank Account) (a)	19,575.7	19,224.1	18,848.4	17,568.5	17,169.2	16,884.8	16,651.2	1.83	11.42
Total Deposits(Bank + Trust Account) (b)	20,933.4	20,492.5	20,101.0	18,784.9	18,360.7	17,958.7	17,628.8	2.15	11.44
Low Cost Deposits / Won Deposits	47.05	47.77	48.69	48.59	48.17	48.15	47.74	△0.72	△1.54
Low Cost Deposits / Total Deposits(a)	32.73	33.31	33.86	34.32	34.63	35.15	35.74	△0.58	△1.60
Low Cost Deposits / Total Deposits(b)	30.60	31.25	31.75	32.10	32.38	33.05	33.76	△0.65	△1.50

4. Income Statement

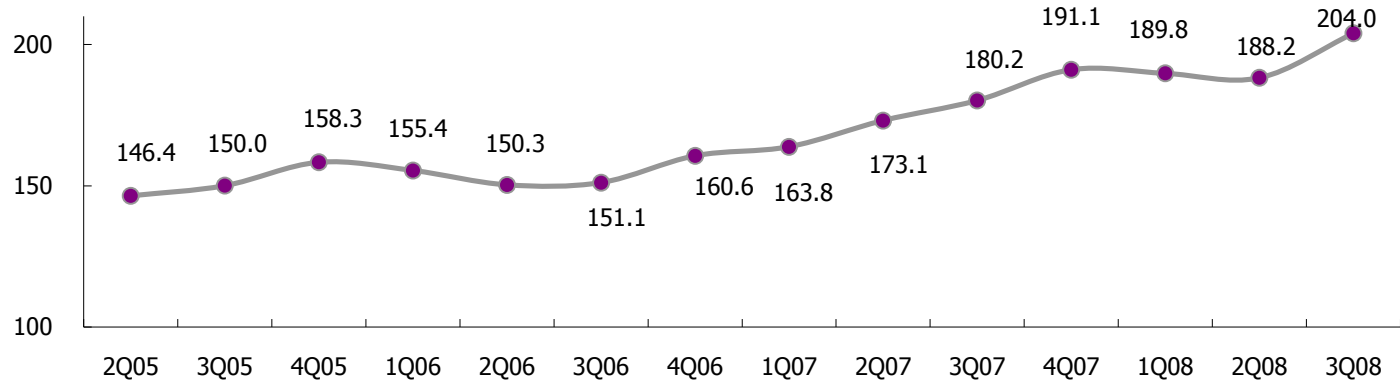


(Unit: Billion Won, %, %p)

	2008				2007			QoQ	08.9 vs. 07.9
	2008.9	3Q	2Q	1Q	4Q	2007.9	3Q		
Net Interest Income	582.0	204.0	188.2	189.8	191.1	517.1	180.2	8.4	12.6
Net Fee Income	78.1	26.7	27.1	24.3	26.9	67.6	22.7	△1.5	15.6
Fees from Trust Account	9.0	2.4	2.8	3.8	3.0	8.4	2.5	△14.3	7.1
Others	△10.3	△14.9	3.1	1.5	-7.8	0.4	0.7	Net loss	Net loss
Provision Expense	49.0	15.2	14.9	18.9	35.9	17.3	6.7	2.0	183.2
SG&A	263.2	88.8	91.0	83.4	114.1	245.2	87.0	△2.4	7.3
Net Operating Income	346.6	114.2	115.3	117.1	63.2	331	112.4	△1.0	4.7
Non-Operating Income	△3.4	△4.8	2.0	-0.6	-10.5	-9.2	-5.4	Net loss	64.1
Income before Income Taxes	343.2	109.4	117.3	116.5	52.7	321.8	107.0	△6.7	6.7
Income Taxes	95.5	30.7	32.6	32.2	14.1	89.7	30.0	△5.8	6.4
Net Income	247.7	78.7	84.7	84.3	38.6	232.1	77.0	△7.1	6.7
ROA	1.23		1.30	1.35	1.17	1.37		△0.1	△0.1
ROE	21.49		22.49	22.98	19.42	22.69		△1.0	△1.2



Interest Income

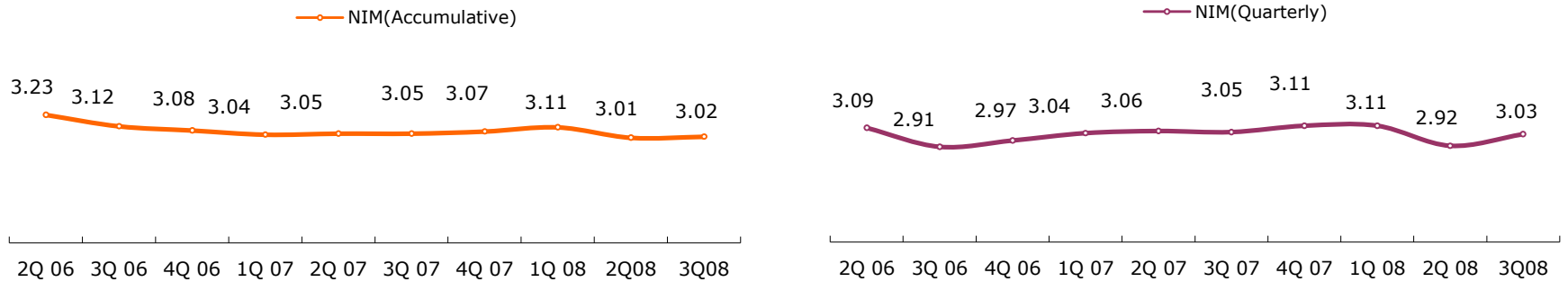


(Unit: Billion won, %)

	2008				2007			QoQ	08.9 vs. 07.9
	2008.9	3Q	2Q	1Q	4Q	2007.9	3Q		
Net Interest Income	582.0	204.0	188.2	189.8	191.1	517.1	180.2	8.4	12.6
Interest Revenues	1280.2	452.0	418.0	410.2	399.2	1038.5	367.3	8.1	23.3
Interest on Loans	1064.4	375.9	349.0	339.5	331.2	855.5	305.7	7.7	24.4
Interest on Securities	184.8	65.1	59.8	59.9	60.0	167.6	55.9	8.9	10.3
Others	31.0	11.0	9.2	10.8	8.0	15.4	5.7	19.6	101.3
Interest Expenses	698.2	248.0	229.8	220.4	208.1	521.4	187.1	7.9	33.9
Interest on Deposits	460.3	165.0	152.1	143.2	127.0	321	114.0	8.5	43.4
Interest on Debentures	122.1	44.2	40.3	37.6	34.3	59	22.7	9.7	106.9
Others	115.8	38.8	37.4	39.6	46.8	141.4	50.4	3.7	△18.1



NIM Trend



(Unit : Billion KRW, %, %p, Accumulated)

	2008			2007				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
NIM	3.02	3.01	3.11	3.07	3.05	3.05	3.04	0.01	△0.05
NIS	3.86	3.84	3.94	3.94	3.92	3.93	3.91	0.02	△0.08
Average Lending Rates	7.81	7.73	7.80	7.24	7.15	7.12	7.09	0.08	0.57
Household	7.73	7.60	7.64	7.18	7.09	7.03	6.97	0.13	0.55
Corporates	7.30	7.19	7.20	6.65	6.53	6.47	6.43	0.11	0.65
Average Deposit Rates	3.95	3.89	3.86	3.30	3.23	3.19	3.18	0.06	0.65
Avg. Interest Earning Assets	23,968.2	23,461.5	22,908.2	21,347.2	20,869.2	20,443.1	20,042.7	2.16	12.28
Avg. Interest Earning Assets (Quarterly)	24,970.5	24,014.8	22,908.2	22,765.7	21,707.4	20,839.2	20,042.7	3.98	9.68

7. Non-Interest Income



(Unit: Billion won, %)

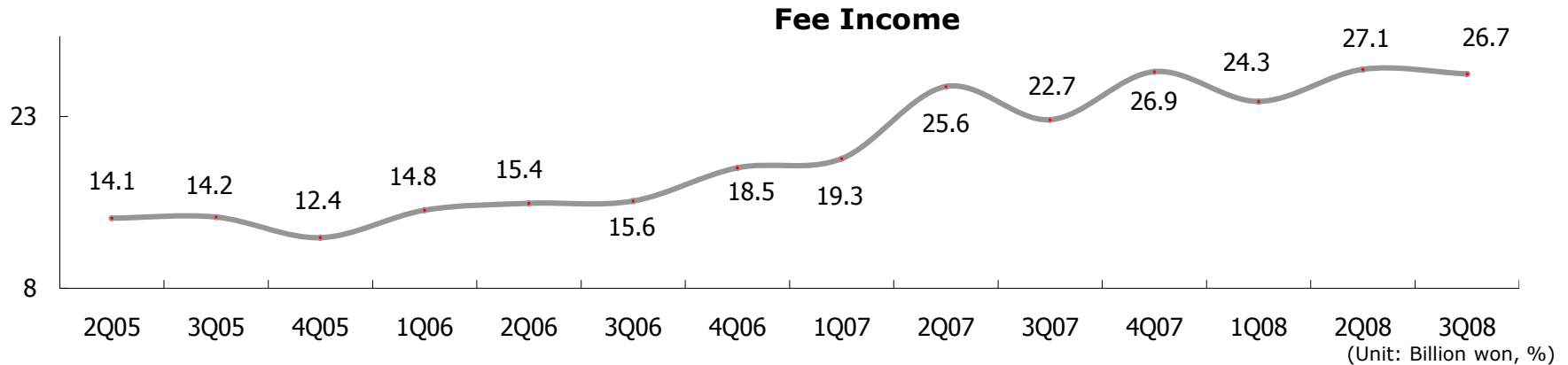
	2008				2007			QoQ	08.9 vs. 07.9
	2008.9	3Q	2Q	1Q	4Q	2007.9	3Q		
Non-Interest Income	76.8	14.2	33.0	29.6	22.1	76.4	25.9	△57.0	0.5
Non-Interest Revenues	1045.3	500.4	257.8	287.0	143.9	265.5	110.8	93.8	293.4
Fee Income	109.0	37.5	37.5	33.9	36.6	90.1	31.4	0.1	20.9
Fees from Trust Acct.	9.0	2.4	2.8	3.8	3.0	8.4	2.5	△14.3	7.1
Others*	927.3	¹⁾ 460.5	217.5	249.3	104.3	167.0	76.9	111.3	454.7
Non Interest Expenses	968.6	486.2	224.8	257.4	121.8	189.2	84.9	115.9	411.4
Commissions Paid	30.9	10.8	10.4	9.6	9.7	22.5	8.7	3.8	37.3
Others*	937.6	²⁾ 475.4	214.4	247.8	112.1	166.6	76.2	121.3	462.2

Note)

1. Non interest other revenues : Security investment related gains(3.4),FX related gains(37.7), Gains from NPL Sales(1.2), Derivative Related(419.0)

2. Non interest other expenses : Security investment related losses(1.4), FX related losses(119.7), Fund contribution(8.6), Losses from NPL sales(4.1), Derivative related losses(328.4), Deposit guarantee insurance(5.3)

8. Fee & Commission Income



	2008				2007			QoQ	08.9 vs. 07.9
	2008.9	3Q	2Q	1Q	4Q	2007.9	3Q		
Fee & Commission Income	78.1	26.7	27.1	24.3	26.9	67.6	22.7	△1.5	15.5
Fee & Commission Revenues	109.0	37.6	37.5	33.9	36.6	90.1	31.4	0.3	21.0
Commissions in Won	84.0	29.2	28.3	26.5	30.0	71.9	25.1	3.2	16.8
Bancassurance	18.9	7.4	6.2	5.3	4.6	10.4	3.7	19.4	81.7
Mutual Fund Sales	18.0	5.3	6.6	6.1	8.5	14.3	6.2	△19.7	25.9
Commissions in FC	17.5	5.6	6.7	5.2	4.4	12.2	4.2	△16.4	43.4
Commissions on Credit Card	2.8	1.0	0.9	0.9	0.8	2.5	0.8	11.1	12.0
Guarantee Fees	4.7	1.8	1.6	1.3	1.4	3.5	1.3	12.5	34.3
Fee & Commission Paid	30.9	10.9	10.4	9.6	9.7	22.5	8.7	4.8	37.3
Commission Paid in Won	9.9	4.2	3.1	2.6	3.7	7.3	3.3	35.5	35.6
Commission Paid in FC	3.7	1.3	1.3	1.1	0.7	2.0	0.7	0	85.0
Commission Paid on Credit Card	17.3	5.4	6.0	5.9	5.3	13.2	4.7	△10.0	31.1



Provision Expenses

(Unit: Billion won)

	2008				Full Year	2007			
	2008.9	3Q	2Q	1Q		4Q	3Q	2Q	1Q
Corporate	43.1	16.3	15.9	10.9	41.1	31.5	4.4	6.9	△1.7
Household	1.9	△1.1	△2.0	5.0	3.8	△0.5	1.6	△0.1	2.6
Credit Card	2.0	0.1	0.6	1.3	1.7	1.1	△0.2	0.5	0.3
Others	2.0	△0.1	0.4	1.7	6.8	3.8	0.9	△1.5	3.6
Trust Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	49.0	15.2	14.9	18.9	53.4	35.9	6.7	5.8	4.8

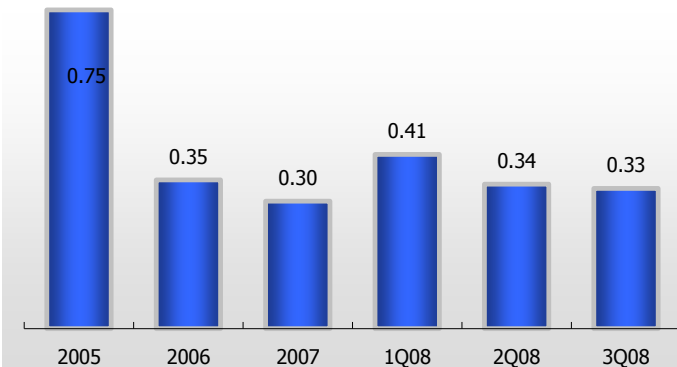
Provision Balances

(Unit: Billion won)

	2008			2007			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Corporate	184.4	172.2	163.7	163.1	145.6	144.5	148.1
Households	49.1	50.3	52.8	49.4	50.8	51.1	53.5
Credit Card	11.2	11.4	11.4	11.7	11.3	12.3	12.9
Trust	0.5	0.5	0.5	0.5	0.4	0.4	0.4
Total	245.2	234.4	228.4	224.7	208.1	208.3	214.9

Credit Costs

(Unit: %)





Summary of SG&A

❖ Changes in SG&A

- SG&A increased by 7.3% YoY
 - Wage inflation and other expenses increased by 16.0 billion won YoY
- Cost Income Ratio until 3Q decreased by 1.36%p to 39.95% YoY

(Unit: Billion won, %, %p)

	2008				2007			QoQ	08.9 vs. 07.9
	2008.9	3Q	2Q	1Q	4Q	2007.9	3Q		
Total SG&A	263.2	88.8	91.0	83.4	114.1	245.2	87.0	△2.4	7.3
Wages	215.1	71.0	75.8	68.2	90.3	199.2	68.0	△6.3	8.0
Amortization	28.1	9.4	8.9	9.8	10.0	23.9	9.5	5.6	17.6
Taxes and bills	9.1	3.7	2.8	2.7	3.7	6.8	2.5	32.1	33.8
Retirement Allowance	10.6	4.7	3.2	2.7	5.7	14.2	5.7	46.88	△17.54
ERP related Expenses	0.3	0.0	0.3	0.0	4.4	1.1	1.1	△100	△72.7
Cost Income Ratio	39.95	40.71	41.18	38.01	53.52	41.31	42.21	△0.44	△1.36

11. Non-Operating Income



(Unit: Billion won, %)

	2008				2007			QoQ	08.9 vs. 07.9
	2008.9	3Q	2Q	1Q	4Q	2007.9	3Q		
Non-Operating Income	△3.4	△4.8	2.0	△0.6	△10.5	△9.2	△5.4	Net loss	63.0
Non-Operating Revenues	10.3	1.8	4.7	3.8	5.0	6.8	1.2	△61.7	51.5
Gains from Sales of Tangible Assets	0.1	0.0	0.1	0.0	0.0	0.1	0.0	△100.0	-
Gains from Equity Investment	2.2	0.0	0.5	1.7	0.8	0.2	0.0	△100.0	1000.0
Others	8.0	¹⁾ 1.8	4.1	2.1	4.2	6.5	1.2	△56.1	23.1
Non Operating Expenses	13.7	6.6	2.7	4.4	15.5	16.0	6.6	144.4	△14.4
Losses from Sales of Tangible Assets	0	0.0	0.0	0.0	0.5	0.0	0.0	-	-
Losses from Equity Investment	0.8	0.0	0.0	0.8	0.0	0.0	0.0	-	-
Others	12.9	²⁾ 6.6	2.7	3.6	15.0	16.0	6.6	144.4	△19.4

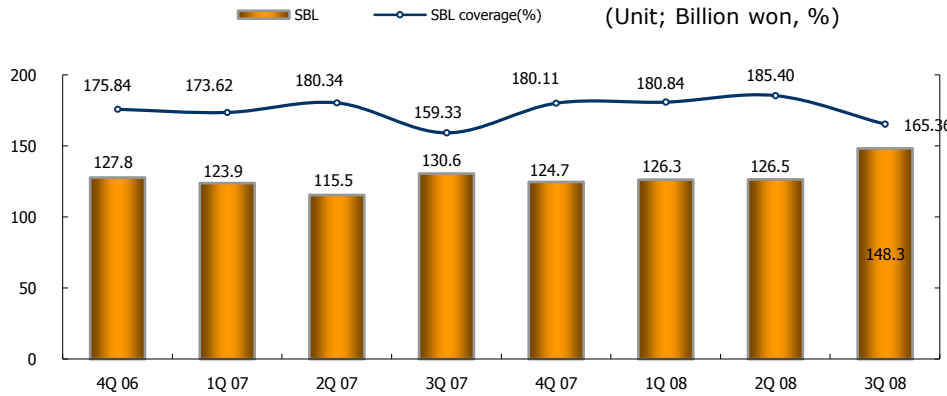
Note)

1. Other non operating revenues : Gains on Bad Debt Collections (0.5), Others(1.3)

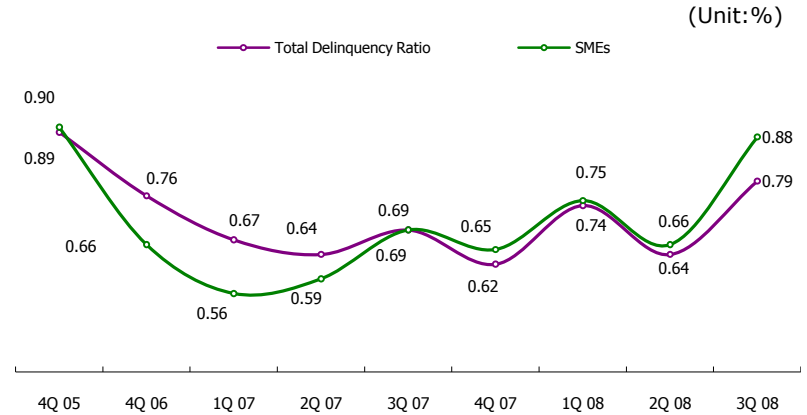
2. Other non operating expenses : Losses on Bad Debt Collections (0.3), Contributions(6.0), Other(0.3)



Asset Quality Trend



Delinquency Ratio Trend



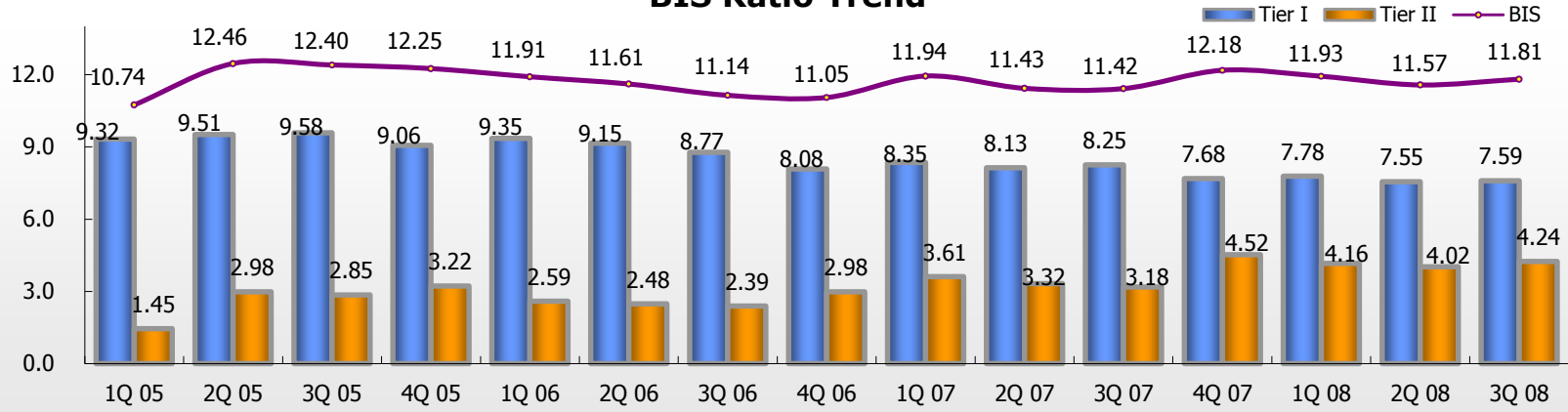
(Unit: Billion won, %, %p)

	2008			2007				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Total Loans	20,136.2	19,739.7	18,571.3	17,848.5	17,537.6	17,062.3	15,745.9	2.0	12.8
Normal	19,793.1	19,417.7	18,243.5	17,454.9	17,228.3	16,750.1	15,345.7	1.9	13.4
Precautionary	194.8	195.5	201.5	268.9	178.7	196.7	276.3	△0.4	△27.6
Substandard	114.2	96.2	84.4	85.5	90.2	76.5	72.2	18.7	33.6
Doubtful	16.9	18.5	28.6	25.4	22.7	24.0	25.4	△8.6	△33.5
Expected Loss	17.2	11.8	13.3	13.8	17.7	15.0	26.3	45.8	24.6
Substandard & Below Loans	148.3	126.5	126.3	124.7	130.6	115.5	123.9	17.2	18.9
S & B Loan Ratio(%)	(0.74)	(0.64)	(0.68)	(0.70)	(0.74)	(0.68)	(0.79)	(0.10)	(0.04)
S & B Coverage Ratio(%)	(165.36)	(185.40)	(180.82)	(180.11)	(159.34)	(180.34)	(173.62)	(△20.0)	(△14.8)
Total Loan	19,517.2	19,202.6	18,103.0	17,360.8	17,005.4	16,527.0	15,260.8	1.6	12.4
Delinquent amount	153.8	122.2	134.3	1080	117.7	106.2	102.0	25.9	42.4
Delinquency ratio	0.79	0.64	0.74	0.62	0.69	0.64	0.67	0.15	0.17

13. Capital Adequacy



BIS Ratio Trend

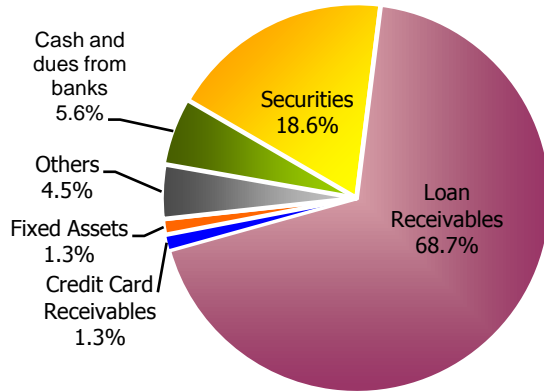


(Unit: Billion won, %)

	2008						2007
	3Q		2Q		1Q		4Q
	Basle II	Basle I	Basle II	Basle I	Basle II	Basle I	Basle I
Total Risk Adjusted Capital	2,468.1	2,468.1	2,347.9	2,347.9	2,247.3	2,247.3	2,186.7
Tier I Capital	1,585.4	1,585.4	1,532.7	1,532.7	1,465.9	1,465.9	1,378.5
Tier II Capital	885.7	885.7	818.2	818.2	784.4	784.4	811.2
Contribution to Unconsolidated Subsidiaries(-)	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total Risk Weighted Assets	22,443.7	20,894.7	21,849.1	20,358.2	20,378.4	18,833.8	17,953.5
Credit Risk	20,472.5	20,344.8	19,816.2	19,919.9	19,032.7	18,833.8	17,953.5
Market Risk	549.9	549.9	511.0	366.3	-	-	-
Operational Risk	1,421.3	0	1,378.9	-	1,345.7	-	-
BIS Capital Ratio	11.0	11.81	10.75	11.57	11.03	11.93	12.18
Tier I	7.06	7.59	7.01	7.53	7.19	7.78	7.68
Tier II	3.94	4.24	3.74	4.02	3.85	4.16	4.52

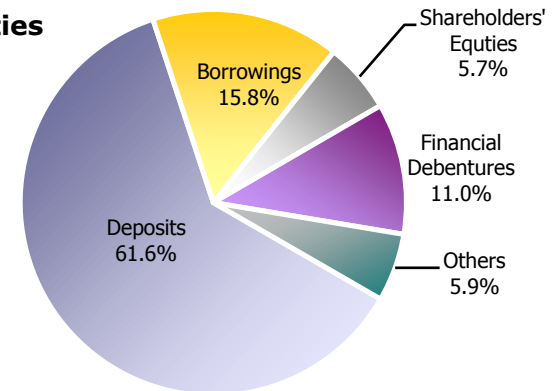
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Assets

Liabilities



Liabilities & Shareholders' Equity

(Unit: Billion won, %, Balance)

	2008			2007				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Assets	27,929.2	28,173.0	26,795.9	25,990.6	24,500.5	24,434.2	22,149.9	△0.9	7.5
Cash and Dues	1,584.9	1,812.1	1,506.4	1,327.0	1,647.8	1,593.0	1,089.4	△12.5	19.4
Securities	5,195.9	5,160.3	4,903.5	5,027.9	4,574.3	4,789.0	4,857.2	0.7	3.3
Loans	19,171.3	18,813.5	17,937.5	17,573.8	16,834.5	16,425.1	15,016.3	1.9	9.1
Credit Card	358.8	387.9	386.8	331.8	318.8	333.0	301.6	△7.5	8.1
Fixed Assets	356.8	358.7	359.4	362.7	359.0	352.1	352.4	△0.5	△1.6
Other Assets	1,261.5	1,640.5	1,702.4	1,367.4	766.1	942.0	533.0	△23.1	△7.7
Liabilities & Shareholders' Equity	27,929.2	28,173.0	26,795.9	25,990.6	24,500.5	24,434.2	22,149.9	△0.9	7.5
Deposits	17,205.2	17,301.5	16,171.4	16,212.9	15,106.6	14,988.5	14,116.4	△0.6	6.1
Borrowings	4,403.8	4,230.7	4,077.2	3,833.4	4,765.5	5,071.3	4,187.3	4.1	14.9
Financial Debentures	3,081.6	3,000.0	2,802.8	2,597.0	1,846.2	1,549.8	1,556.0	2.7	18.7
Other Liabilities	1,642.0	2,093.8	2,268.6	1,874.6	1,343.7	1,454.9	996.1	△21.6	△12.4
Shareholders' Equity	1,596.6	1,547.0	1,475.9	1,472.7	1,438.5	1,369.7	1,294.1	3.2	8.4

2. I/S Summary

(Unit: Billion won, %)

	2008				2007			QoQ	08.9 vs. 07.9
	2008.9	3Q	2Q	1Q	4Q	2007.9	3Q		
Operating Revenues	2325.5	952.5	675.8	697.2	543.1	1304.0	478.1	40.9	78.3
Interest Revenue	1280.2	452.0	418.0	410.2	399.2	1038.5	367.3	8.1	23.3
Fee & Commission Revenue	109.0	37.6	37.5	33.9	36.6	90.1	31.4	0.0	20.9
Trust Account	9.0	2.4	2.8	3.8	3.0	8.4	2.5	△14.3	7.1
Others	927.3	460.5	217.5	249.3	104.3	167.0	76.9	111.7	455.3
Operating Expenses	1978.9	838.3	560.5	580.1	479.9	973.0	365.7	49.6	103.4
Interest Expense	698.2	248.0	229.8	220.4	208.1	521.4	187.1	7.9	33.9
Fee & Commission Expense	30.9	10.9	10.4	9.6	9.7	22.5	8.7	4.8	37.3
Trust Account	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	937.6	475.5	214.4	247.8	112.1	166.6	76.2	121.7	462.8
SG&A	263.2	88.8	91.0	83.4	114.1	245.2	87.0	△2.4	7.3
Provision Expense	49.0	15.2	14.9	18.9	35.9	17.3	6.7	2.0	182.7
Operating Income	346.6	114.2	115.3	117.1	63.2	331.0	112.4	△1.0	4.7
Non Operating Income	△ 3.4	△ 4.8	2.0	-0.6	-10.5	-9.2	-5.4	Net loss	63.6
Income Before Income Taxes	343.2	109.4	117.3	116.5	52.7	321.8	107.0	△6.7	6.7
Income Taxes	95.5	30.7	32.6	32.2	14.1	89.7	30.0	△5.8	6.5
Net Income	247.7	78.7	84.7	84.3	38.6	232.1	77.0	△7.1	6.7

(Unit: Billion won, %)

	2008.9	2008			2007			QoQ	08.9 vs. 07.9
		3Q	2Q	1Q	4Q	2007.9	3Q		
PPOP	402.7	129.1	135.5	138.1	94.3	353.3	119.4	△4.7	14.0
Provision Expenses	59.5	19.7	18.2	21.6	41.6	31.5	12.4	8.2	88.9
Loans	45.5	15.0	13.6	16.9	30.7	13.8	5.9	10.3	229.7
Payment Guarantees	1.4	0.2	0.9	0.3	1.4	0.5	-0.1	△77.8	180.0
Retirement Allowance	10.6	4.6	3.3	2.7	5.7	14.2	5.7	39.4	△25.4
Others	2.0	△ 0.1	0.4	1.7	3.8	3.0	0.9	Net loss	△33.3
Income Taxes	95.5	30.7	32.6	32.2	14.1	89.7	30.0	△5.8	6.5
Net Income	247.7	78.7	84.7	84.3	38.6	232.1	77.0	△7.1	6.7

4. Security Investment



(Unit: Billion won, %, Balance)

	3Q 2008					2Q 2008		3Q 2007	
	Total	Trading Securities	Investment Securities			QoQ	YoY		
			Total	A.F.S*	H.T.M.*				
Bonds (Won)	4,546.6	0.0	4,546.6	1,601.2	2,945.4	4,498.2	1.1	4,150.9	9.5
Government Bonds	381.8	0.0	381.8	205.4	176.4	529.9	△27.9	669.0	△42.9
Financial Debentures	2,877.4	0.0	2,877.4	744.0	2,133.4	2,568.9	12.0	2,145.3	34.1
Municipal Bonds	157.6	0.0	157.6	0	157.6	162.6	△3.1	138.3	14.0
Govn't Corporate Bonds	573.9	0.0	573.9	105.9	468.0	664.6	△13.6	677.5	△15.3
Corporate Bonds	555.9	0.0	555.9	545.9	10.0	572.2	△2.8	520.8	6.7
Bonds (Foreign Currency)	101.2	0.0	101.2	62.0	39.2	107.2	△5.6	128.5	△21.2
Stocks	250.8	8.9	241.9	241.9	0.0	238.1	5.3	150.8	66.3
Mutual Funds	283.9	8.6	275.3	275.3	0.0	303.4	△6.4	122.0	132.7
Bonds	0.0	0.0	0.0	0.0	0.0	0	0	0	0
Stocks	226.3	0.0	226.3	226.3	0.0	244.0	△7.3	92.4	144.9
MMF	8.6	8.6	0.0	0.0	0.0	17.8	△51.7	9.4	△8.5
Others	49.0	0.0	49.0	49.0	0.0	41.6	17.8	20.2	142.6
Others	13.4	0.0	13.4	13.4	0.0	13.4	0	22.1	△39.4
Total	5,195.9	17.5	5,178.4	2,193.8	2,984.6	5,160.3	0.7	4,574.3	13.6

Note) A.F.S. : Available for Sales, H.T.M. : Held to Maturity

5. Total Deposits / Loans



(Unit: Billion won, %, balance)

Total Deposits	2008			2007				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Due from banks	13,937.2	14,192.7	13,228.8	13,219.8	12,592.4	12,679.0	12,285.6	△1.8	5.4
Demand	1,496.7	1,527.4	1,572.8	1,561.9	1,540.6	1,546.2	1,370.5	△2.0	△4.2
Saving	12,332.5	12,553.5	11,547.4	11,548.6	10,931.5	11,006.1	10,782.0	△1.8	6.8
Installment	108.1	111.8	108.6	109.3	120.3	126.7	133.1	△3.3	△1.1
C D	3,044.0	2,932.1	2,774.4	2,839.5	2,315.5	2,117.4	1,669.8	3.8	7.2
Bills sold	21.9	19.4	17.1	170.3	271.3	271.0	246.0	12.9	△87.1
R P	650.0	650.0	650.0	832.5	1,357.4	1,359.9	1,352.9	0.0	△21.9
Financial Debentures	2,476.7	2,525.2	2,334.6	2,170.0	1,664.6	1,368.9	1,369.6	△1.9	14.1
Trust account	1,507.9	1,398.7	1,216.0	1,242.3	1,385.6	1,374.0	1,034.7	7.8	21.4
Total Deposits	21,637.7	21,718.0	20,220.9	20,474.4	19,586.8	19,170.2	17,958.6	△0.4	5.7

Total Loans	2008			2007				QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Won Loans	16,855.1	16,979.6	16,284.7	15,932.1	15,614.9	15,073.6	13,907.6	△0.7	5.8
Corporate	12,474.3	12,463.7	11,807.6	11,481.2	11,200.0	10,688.7	9,538.5	0.1	8.6
(SMEs)	(11,907.6)	(11,892.7)	(11,807.6)	(11,045.3)	(10,814.3)	(10,287.6)	(9,109.0)	(0.1)	(7.8)
(Large Corps)	(566.7)	(571.0)	(540.7)	(435.9)	(385.7)	(401.1)	(429.5)	(△0.8)	(30.0)
Household	3,812.7	3,886.9	3,830.4	3,801.2	3,764.6	3,709.6	3,687.8	△1.9	0.3
Public	568.2	629.0	646.7	649.7	650.3	675.3	681.3	△9.7	△12.5
Foreign Currency Loans	1,152.8	962.7	750.6	531.0	534.9	541.2	557.0	19.7	117.1
Trust Account	37.0	36.0	33.5	41.5	38.4	39.3	34.8	2.8	△10.8
Others	1,437.4	1,173.9	955.3	862.2	895.2	900.3	798.0	22.4	66.7
Total Loans	19,482.3	19,152.1	18,024.1	17,366.8	17,083.4	16,554.4	15,297.4	1.7	12.2

6. Corporate Loan Portfolio

(Unit: Billion won, %, balance)

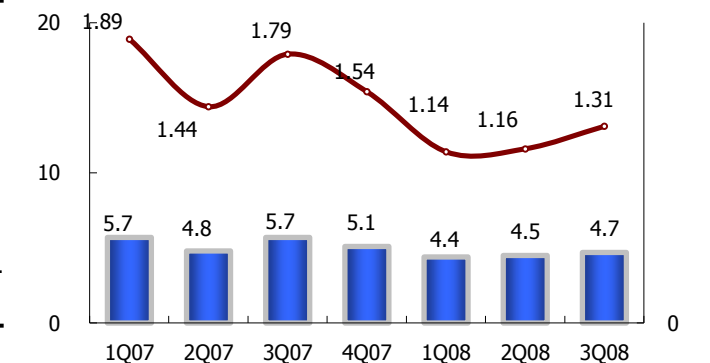
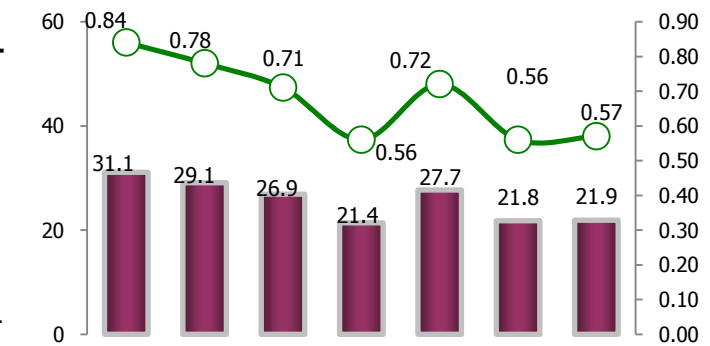
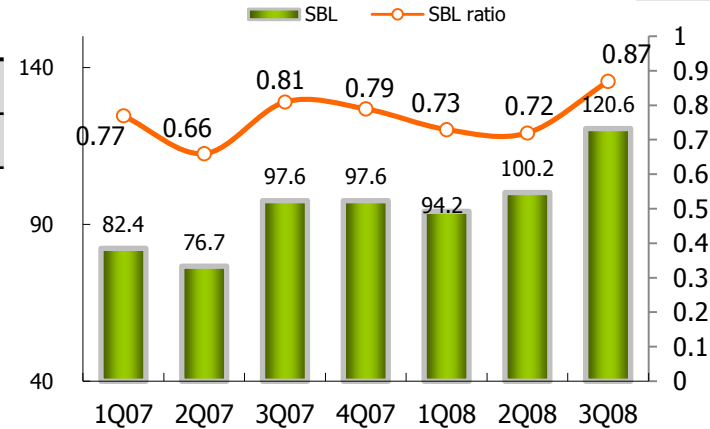
	3Q 2008		2Q 2008		4Q 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Manufacturing Sectors	6,491.8	49.8	6,314.6	48.2	5,887.9	48.5
Steel Metal Products	1,857.4	14.2	1,801.8	13.8	1,634.7	13.5
Automobile Parts	1,366.8	10.5	1,304.4	10.0	1,152.4	9.5
Machinery	1,001.1	7.7	1,024.1	7.8	948.4	7.8
Petroleum, Rubber, etc	689.2	5.3	589.3	5.3	639.4	5.3
Fabric	228.1	1.7	220.6	1.7	231.3	1.9
Garment & Shoes	192.4	1.5	163.4	1.2	152.1	1.3
Kitchen Units	262.5	2.0	262.1	2.0	249.8	2.1
Electronics	350.5	2.7	339.4	2.6	284.9	2.3
Paper, Paper Mills	117.2	0.9	116.6	0.9	104.1	0.9
Others	426.6	3.3	392.9	3.0	490.8	4.0
Non-Manufacturing	6,550.6	50.2	6,778.1	51.8	6,243.0	51.5
Wholesale & Retail	1,650.2	12.7	1,704.8	13.0	1,505.7	12.4
Public	41.3	0.3	101.2	0.8	144.4	1.2
Construction & Eng.	564.3	4.3	649.8	5.0	710.3	5.9
Real Estate & Lease	1,412.4	10.8	1,451.1	11.1	1,443.2	11.9
Insurance & Financing	451.7	3.5	444.1	3.4	342.9	2.8
Transportation	810.1	6.2	770.7	5.9	684.9	5.6
Hotel & Food	325.5	2.5	328.1	2.5	329.4	2.7
Others	1,295.1	9.9	1,328.3	10.1	1,082.2	8.9
Total	13,042.4	100.0	13,092.7	100.0	12,130.9	100.0

7. Asset Quality



(Unit: Billion won, %)

	2008			2007		
	3Q	2Q	1Q	4Q	3Q	2Q
SME						
Normal	13,569.2	13,680.4	12,617.8	11,994.9	11,898.0	11,389.2
Precautionary	139.5	136.7	140.7	206.1	113.4	1,357
Substandard	98.1	80.6	67.6	69.7	68.8	52.9
Doubtful	9.8	10.9	17.0	18.1	15.3	13.5
Expected loss	12.7	8.7	9.6	9.8	13.5	10.3
Total	13,829.3	13,917.3	12,852.7	12,298.6	12,109.0	11,601.6
House hold						
Normal	3,776.2	3,844.2	3,779.4	3764.5	3,716.3	3,663.8
Precautionary	44.4	48.8	50.2	50.1	52.9	49.2
Substandard	16.0	15.5	16.7	15.7	20.4	21.4
Doubtful	4.3	4.8	9.0	3.8	4.2	4.8
Expected Loss	1.6	1.5	2.0	1.9	2.3	2.9
Total	3,842.5	3,914.8	3,857.3	3,836.0	3,796.1	3,742.1
Credit Card						
Normal	348.0	377.3	375.4	320.1	305.6	319.6
Precautionary	6.1	6.1	7.0	6.6	7.5	8.6
Substandard	0.1	0.1	0.1	0.1	0.1	0.5
Doubtful	2.8	2.8	2.6	3.0	3.2	3.0
Expected Loss	1.8	1.6	1.7	2.0	2.0	1.8
Total	358.8	387.9	386.8	331.8	318.8	333.0



8. Delinquency ratio / write-offs and NPL sales



(Unit: Billion won, %, %p)

	2008			2007				2006			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Total Delinquency Ratio	0.79	0.64	0.74	0.62	0.69	0.64	0.67	0.75	0.79	0.88	1.11
Overdue Amount	153.8	122.2	134.3	108.0	117.7	106.2	102.0	112.2	111.2	116.0	136.5
Loan Amount	19,517.2	19,202.6	18,103.0	17,360.8	17,005.4	16,527.0	15,260.8	14,897.8	14,089.8	13,131.5	12,276.2
SMEs	0.88	0.66	0.75	0.65	0.69	0.59	0.56	0.66	0.73	0.89	1.11
Overdue Amount	122.0	88.9	93.2	77.2	81.0	65.8	55.7	63.1	65.0	72.9	82.6
Loan Amount	13,829.1	13,420.2	12,429.8	11,913.2	11,680.5	11,184.2	9,938.2	9,493.5	8,964.2	8,167.2	7,425.2
Households	0.65	0.69	0.89	0.61	0.77	0.78	0.91	0.88	0.95	0.91	1.22
Overdue Amount	24.9	26.9	34.4	23.4	29.2	29.1	33.9	32.5	34.4	31.9	42.6
Loan Amount	3,842.5	3,914.8	3,857.3	3,836.0	3,796.1	3,742.1	3,715.6	3,705.7	3,626.6	3,495.2	3,492.3
Credit Card	1.92	1.63	1.71	2.04	2.16	1.95	2.55	2.43	2.76	2.57	2.86
Overdue Amount	6.9	6.3	6.6	6.8	6.9	6.5	7.7	7.7	8.4	8.0	8.7
Loan Amount	358.8	387.9	386.8	331.8	318.8	333.0	301.6	317.2	302.6	313.7	303.2
Total Write-offs	16.8	15.5	16.8	26.5	13.8	22.7	14.9	8.1	9.2	11.7	10.1
Corporate	13.1	11.3	11.8	21.4	8.6	16.1	9.3	2.5	3.3	4.9	4.2
Household	1.3	1.9	1.9	2.7	2.8	3.4	2.6	2.2	2.2	2.2	2.7
Credit Card	2.4	2.3	3.1	2.4	2.4	3.2	3.0	3.4	3.7	3.7	3.2
Total NPL sales	12.6	7.7	24.3	11.4	0.0	0.0	0.0	0.0	0.0	6.9	0.0
Corporate	12.0	4.6	19.2	9.3	0.0	0.0	0.0	0.0	0.0	3.5	0.0
Household	0.6	3.1	5.0	2.1	0.0	0.0	0.0	0.0	0.0	3.3	0.0
Credit Card	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

9. SMEs' Delinquency Ratios



Delinquency ratios by Industries

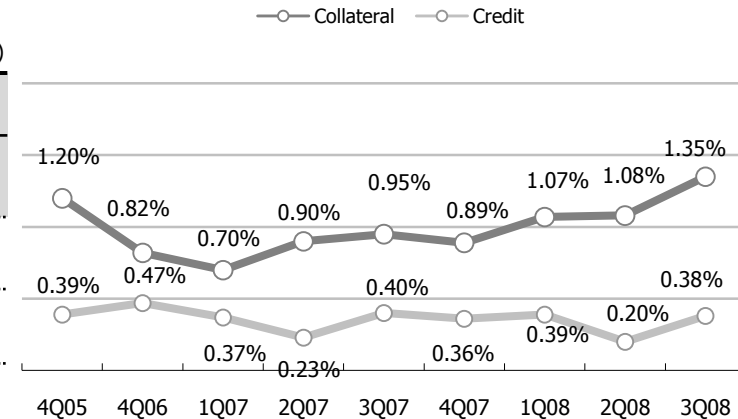
(Unit: Billion won, %)

	3Q 2008		2Q 2008		3Q 2007	
	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio	Loan Amount	Delinquency Ratio
Manufacturing Sector	7,440.8	1.07	7,022.9	0.79	6,174.1	0.73
Non-manufacturing Sector	6,388.3	0.66	6,397.3	0.52	5,506.4	0.65
Wholesale and Retail	1,982.3	0.52	1,957.9	0.49	1,645.5	0.93
Public & others	0.1	-	0.1	-	-	-
Construction	598.6	0.82	678.7	0.49	673.7	0.60
Real estate & Lease	1,346.7	0.49	1,378.1	0.31	1,281.8	0.27
Finance and insurance	144.6	-	136.5	-	58.1	0.01
Transportation & Communications	949.7	0.50	866.0	0.34	677.2	0.16
Hotel & Food	329.8	0.33	331.9	0.28	337.0	1.05
Others	1,036.5	1.40	1,048.1	1.19	833.1	0.99
Total	13,829.1	0.88	13,420.2	0.66	11,680.5	0.69

Delinquency Ratios by Collaterals

(Unit: Billion won, %)

	Total	Real estate	Movable	Deposit	Guarantee	Credit
3Q 2008	0.88	1.53	1.42	0.03	0.74	0.38
Amount	(13,829.1)	(5,881.3)	(35.3)	(384.0)	(882.2)	(6,646.3)
2Q 2008	0.66	1.18	4.63	-	0.80	0.20
Amount	(13,242.0)	(5,724.5)	(43.2)	(375.5)	(875.2)	(6,401.8)
1Q 2007	0.75	1.12	6.86	-	0.89	0.39
Amount	(12,429.8)	(5,337.0)	(40.8)	(325.9)	(891.6)	(5,834.5)
4Q 2007	0.65	0.98	7.75	-	0.38	0.36
Amount	(11,913.2)	(5,207.7)	(37.4)	(308.7)	(876.2)	(5,483.2)



10. Household Loans



(Unit: Billion won, %, %p, balance)

	2008			2007			2006 4Q	QoQ	YTD
	3Q	2Q	1Q	4Q	3Q	2Q			
Household Loans – Retail	3,812.7	3,886.9	3,830.4	3,801.2	3,764.6	3,709.6	3,676.0	△1.9	0.3
Total Secured Loans	3,010.6	3,065.3	3,039.7	3,070.3	3,037.1	3,042.7	3,040.4	△1.8	△0.9
Mortgage / Home Equity	1,700.8	1,697.8	1,512.1	1,551.9	1,448.7	1,402.8	1,293.1	0.18	9.6
(Avg. LTV)	(54.97)	(53.61)	(53.58)	(53.26)	(51.60)	(51.66)	(51.78)	2.54	3.2
Others	971.2	966.9	941.8	958.2	919.2	892.3	863.0	0.44	1.4
Group loans	240.6	303.1	389.4	461.2	576.6	655.6	800.5	△20.6	△47.8
Gov't Pension Backed	98.0	97.5	96.4	99.0	92.6	92.0	83.8	0.51	△1.0
Non-Collateralized	802.1	821.6	790.7	730.9	727.5	666.9	635.6	△2.37	9.7
Government Workers	81.1	81.9	79.7	77.6	69.0	64.6	57.7	△0.98	4.5
Large Corp. Employees	43.1	41.7	38.4	36.5	29.3	26.2	20.2	3.36	18.1
Student loans	50.0	57.0	58.5	14.5	41.2	18.2	22.6	△12.3	244.8
Clean Credit	247.5	242.5	243.9	246.7	239.8	237.5	240.1	2.1	0.3
Others	380.4	398.5	370.2	355.6	348.2	320.4	295.0	△4.5	7.0

Delinquency Ratio by Collateral (excluding Trust account)

(Unit: Billion won, %)

	Total	Real Estate	Home Equity	Movable	Deposits	Guarantees	Credit
3Q 2008	0.67	0.86	0.73	0.62	0.03	0	0.43
(Loan Amount)	(3,812.7)	(2,304.5)	(1,577.1)	(54.3)	(189.1)	(0.4)	(1,264.3)
2Q 2008	0.71	0.91	0.76	0.29	0.04	11.35	0.47
(Loan Amount)	(3,886.9)	(2,315.4)	(1,582.6)	(54.0)	(179.7)	(5.1)	(1,332.7)
4Q 2007	0.64	0.88	0.71	0.02	0.07	1.72	0.37
(Loan Amount)	(3,801.2)	(2,169.6)	(1,452.4)	(58.3)	(179.3)	(3.3)	(1,390.7)

11. Credit Card Business



(Unit: Billion won)

Amount	2008			2007				2006			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit Purchase	650.4	640.9	671.7	604.8	554.0	560.8	506.9	489.4	459.5	442.7	434.2
Lump-sum	537.7	496.3	481.8	478.9	446.9	404.1	388.1	363.7	347.7	326.7	321.0
Installment	112.7	144.6	189.9	125.9	107.1	156.7	118.8	125.7	111.8	116.0	113.2
Cash advance	156.9	156.9	155.1	163.2	157.9	159.5	157.8	165.6	166.2	165.1	161.3
Total	807.3	797.8	826.8	768.0	711.9	720.3	664.7	655.0	625.7	607.8	595.5
Balance	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit purchase	280.9	309.2	307.7	249.7	241.1	252.9	219.1	232.1	214.8	224.0	212.7
Cash advance	75.9	76.3	76.2	78.5	73.2	74.9	76.4	77.9	79.3	79.8	78.2
Re-aged loans	2.0	2.4	2.9	3.6	4.5	5.2	6.1	7.2	8.5	9.9	12.3
Total	358.8	387.9	386.8	331.8	318.8	333.0	301.6	317.2	302.6	313.7	303.2
Income (Fees)	3Q	2Q	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Credit purchase	15.9	17.2	18.7	16.3	14.7	16.2	14.7	14.5	13.7	14.1	13.9
Cash advance	5.3	4.1	5.5	5.5	5.2	5.1	5.4	4.9	5.0	4.8	4.7
Re-aged loans	1.1	2.0	1.0	0.8	0.9	1.1	0.9	1.5	1.6	1.6	1.6
Total	22.4	23.3	25.3	22.8	21.0	22.6	21.2	21.2	20.6	20.9	20.6



Dividend Policy

(Unit : %, won, Billion won)

Year	2002	2003	2004	2005	2006	2007
Dividend Yield(FV)	6.0	5.4	6.0	8.1	8.4	11.4
Dividend Yield(MV)	5.9	4.0	3.8	3.0	3.5	3.6
Dividend per share	300	270	300	405	420	570
Total dividend Paid	44.0	39.6	44.0	59.4	61.6	83.6
Payout Ratio(%)	29.7	32.7	33.2	33.2	33.5	30.9

* F.V. : Face value, M.V. : Market Value

Credit Ratings

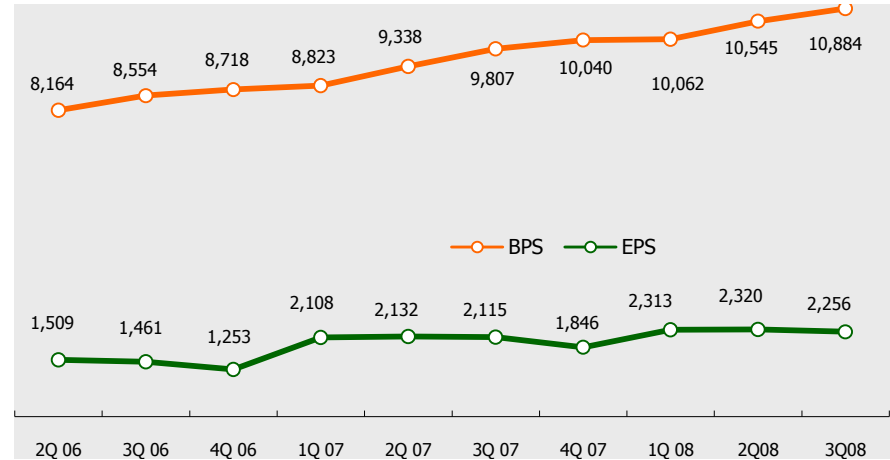
	Long Term	Short Term	BFSR	Outlook
Moody's*	A3 → A2	P2 → P1	C-	Stable
Fitch**	BBB+	F2	B/C	Stable

* Upgraded on July 25, 2007 ** Rated on Dec. 20, 2005

Sep 2007	Issuer Rating	Subordinate bonds
Korea Ratings	AA+	AA
KIS	AA+	AA
NICE	N/A	AA

EPS / BPS

(Unit:won)



Major Shareholders (End of March 2008)*

Shareholders	Ratio (%)
Aberdeen Asset Management Asia Ltd	13.53
Capital Research & Global Investors	12.51
Templeton Investment Counsel, LLC	5.07
Sub Total	31.11

* Based on the most recent fair disclosures