



# Financial Results for 2006 & Outlook for 2007

The bank where “I”  
come first, **IBK**

# Disclaimer

- ❖ The operating results presented herewith have not yet received a complete and full review by external auditor and Board of Directors, which may be subject to change in the due course of further process.
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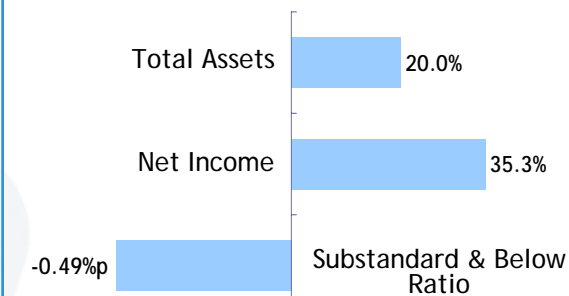
# . Review of Operating Results for 2006

- ✓ Financial Highlights
- ✓ Income Statement
- ✓ Balance Sheet
- ✓ Asset Quality

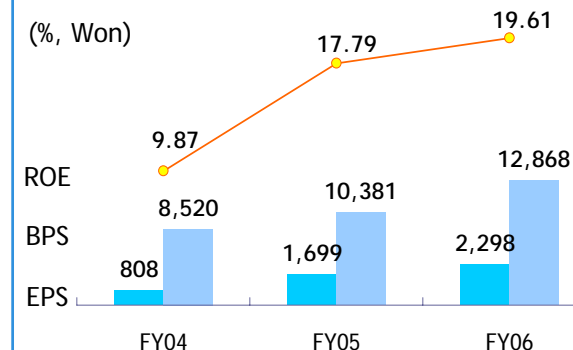
# Financial Highlights

| (W bn)                               | FY06     | YoY     | FY05   | 3Q06    | QoQ     |
|--------------------------------------|----------|---------|--------|---------|---------|
| Total Assets <sup>1)</sup>           | 106,114  | 20.0%   | 88,415 | 105,284 | 0.8%    |
| Total Loans <sup>2)</sup>            | 75,603   | 22.4%   | 61,753 | 73,123  | 3.4%    |
| Total Deposits <sup>3)</sup>         | 72,817   | 23.9%   | 58,778 | 71,846  | 1.4%    |
| Net Income                           | 1,053    | 35.3%   | 779    | 788     | -1.6%   |
| Pre-provision Income                 | 1,939    | 19.9%   | 1,617  | 1,436   | -5.6%   |
| ROA (%)                              | 1.10     | 0.11%p  | 0.99   | 1.13    | -0.03%p |
| ROE (%)                              | 19.61    | 1.82%p  | 17.79  | 20.27   | -0.66%p |
| EPS (Won)                            | 2,298    | 35.3%   | 1,699  | 2,297   | 0.04%   |
| BPS (Won)                            | 12,868   | 24.0%   | 10,381 | 11,964  | 7.56%   |
| BIS CAR (%)                          | 11.72(p) | 0.61%p  | 11.11  | 11.09   | 0.63%p  |
| Substandard & Below (%)              | 0.68     | -0.49%p | 1.17   | 0.94    | -0.26%p |
| NPL Coverage Ratio (%)               | 179.12   | 56.93%p | 122.19 | 135.45  | 43.67%P |
| Cost/ Income Ratio (%) <sup>4)</sup> | 37.41    | -0.35%p | 37.76  | 36.87   | -0.54%P |
| NIM(%)                               | 2.66     | -0.31%p | 2.97   | 2.66    | -       |

## Superb Growth, Profitability, AQ



## Increasing Shareholder Value



1) Total assets include KRW2.68tr from trust account

2) Total loans = loans (excluding offshore foreign currency loans & card loans) + advantages for guarantees + USANCE for local imports + loans in trust account

3) Total deposits = deposits in KRW + CD + SMIF bonds + deposits in foreign currencies (excluding offshore FX deposits) + money trust

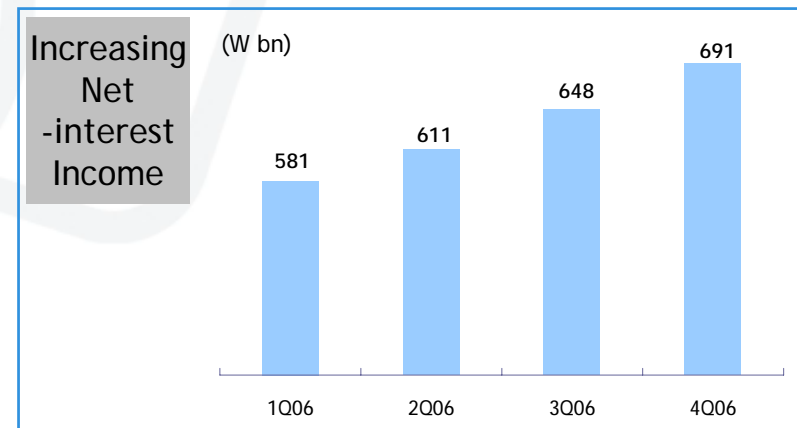
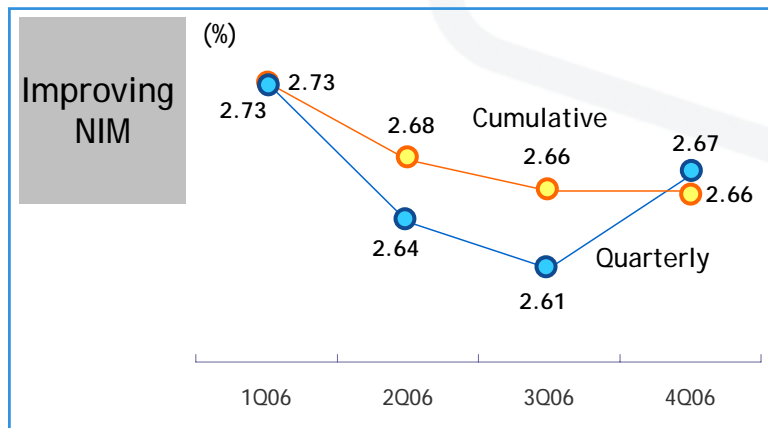
4) Cost/income ratio = SG&A/ (SG&A + operating income + net provisioning + net provisioning for bond valuation)

# Income Statement

| (W bn)                         | FY06  | YoY    | FY05  | 4Q06 | QoQ    | 3Q06 |
|--------------------------------|-------|--------|-------|------|--------|------|
| Net Interest Income            | 2,531 | 9.2%   | 2,318 | 691  | 6.5%   | 648  |
| Net Non-interest Income        | 291   | 10.8%  | 263   | 88   | 47.7%  | 59   |
| SG&A Expenses                  | 1,055 | 8.2%   | 975   | 302  | 22.7%  | 246  |
| Pre-provision Operating Income | 1,767 | 10.0%  | 1,607 | 476  | 3.2%   | 461  |
| Net Provisioning               | 439   | -13.1% | 506   | 121  | -18.4% | 148  |
| Operating Income               | 1,327 | 20.6%  | 1,101 | 356  | 13.4%  | 314  |
| Non-operating Income           | 114   | -      | -43   | 1    | -98.4% | 58   |
| Pre-tax Profit                 | 1,441 | 36.3%  | 1,058 | 357  | -4.1%  | 372  |
| Income Tax                     | 388   | 39.1%  | 279   | 91   | -10.9% | 102  |
| Net Income                     | 1,053 | 35.3%  | 779   | 266  | -1.6%  | 270  |

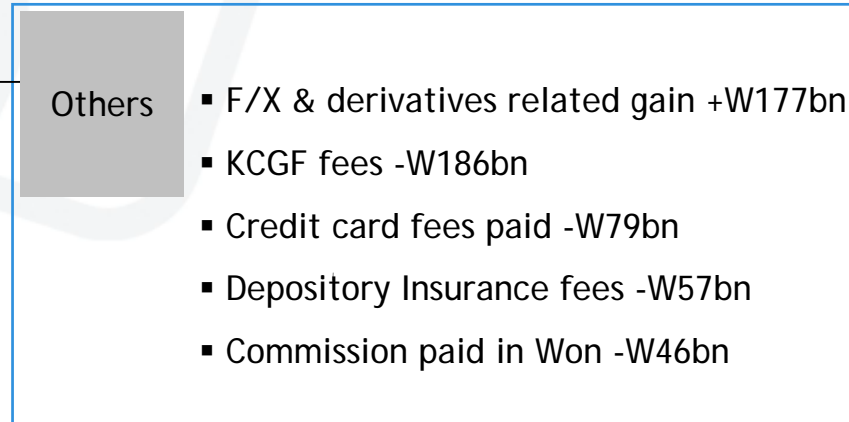
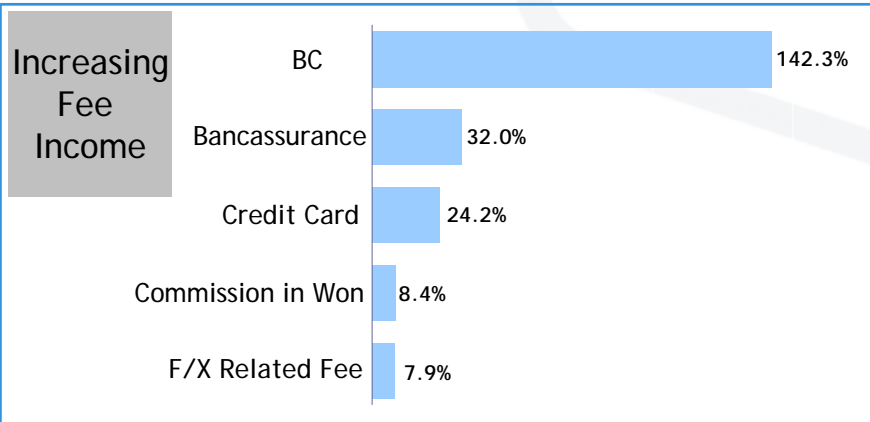
# Net-interest Income

| (W bn)                         | FY06         | YoY          | FY05         | 4Q06         | QoQ         | 3Q06         |
|--------------------------------|--------------|--------------|--------------|--------------|-------------|--------------|
| <b>Total Interest Income</b>   | <b>5,560</b> | <b>24.1%</b> | <b>4,479</b> | <b>1,550</b> | <b>6.3%</b> | <b>1,459</b> |
| Loans                          | 4,233        | 25.4%        | 3,376        | 1,184        | 7.0%        | 1,106        |
| Credit Card Receivables        | 372          | 1.6%         | 366          | 97           | 3.5%        | 93           |
| (Credit Purchase)              | (268)        | 12.6%        | (238)        | (71)         | 4.3%        | (68)         |
| Securities                     | 744          | 29.9%        | 573          | 211          | 4.4%        | 202          |
| Other Loans, Dues & etc.       | 211          | 28.6%        | 164          | 59           | 2.0%        | 58           |
| <b>Total Interest Expenses</b> | <b>3,029</b> | <b>40.2%</b> | <b>2,160</b> | <b>859</b>   | <b>6.0%</b> | <b>810</b>   |
| Deposits                       | 1,006        | -8.0%        | 1,093        | 245          | 0.4%        | 244          |
| SMIF Bonds & etc.              | 2,023        | 89.6%        | 1,067        | 614          | 8.5%        | 566          |
| <b>Net-interest Income</b>     | <b>2,531</b> | <b>9.2%</b>  | <b>2,318</b> | <b>691</b>   | <b>6.5%</b> | <b>648</b>   |



# Net Non-interest Income

| (W bn)                  | FY06 | YoY    | FY05 | 4Q06 | QoQ    | 3Q06 |
|-------------------------|------|--------|------|------|--------|------|
| Fee Income              | 404  | 17.2%  | 345  | 98   | -7.4%  | 106  |
| Commission in Won       | 171  | 8.4%   | 158  | 37   | -22.5% | 47   |
| F/X Related Fee         | 94   | 7.9%   | 87   | 24   | 0.4%   | 24   |
| Bancassurance Fee       | 74   | 32.0%  | 56   | 20   | 4.7%   | 19   |
| Credit Card Fee         | 43   | 24.2%  | 34   | 11   | -0.5%  | 11   |
| BC Sales Fee            | 22   | 142.3% | 9    | 7    | 34.5%  | 5    |
| Securities Related Gain | 50   | 233.2% | 15   | 27   | 417.6% | 5    |
| Others                  | -190 | -      | -143 | -49  | -      | -59  |
| Trust Income            | 26   | -43.0% | 46   | 11   | 65.7%  | 7    |
| Net Non-interest Income | 291  | 10.8%  | 263  | 88   | 47.7%  | 59   |

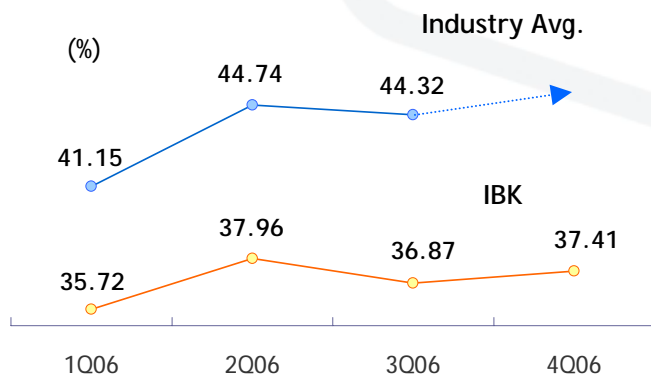




# SG&A Expenses & Non-operating Income

| (W bn)                                  | FY06  | YoY     | FY05  | 4Q06 | QoQ     | 3Q06 |
|---|-------|---------|-------|------|---------|------|
| SG&A Expenses                           | 1,055 | 8.2%    | 975   | 302  | 22.7%   | 246  |
| Salaries                                | 527   | 6.6%    | 494   | 129  | 12.5%   | 114  |
| Administrative Cost                     | 470   | 10.1%   | 427   | 149  | 24.3%   | 120  |
| (Depreciation)                          | (96)  | (-8.0%) | (104) | (24) | (-7.3%) | (26) |
| Provision for Severance Pay             | 58    | 8.4%    | 53    | 25   | 100.0%  | 13   |
| Non-operating Income                    | 114   | -       | -43   | 1    | -99.1%  | 58   |
| Loan Sale                               | -67   | -       | -103  | -46  | -       | 0    |
| Investment Securities<br>Related Income | 212   | 393.8%  | 43    | 34   | -47.5%  | 65   |
| Equity Method Gain                      | 33    | 152.6%  | 13    | 8    | 21.8%   | 7    |
| Valuation & Trading Gain•Loss           | 179   | 497.3%  | 30    | 26   | -55.8%  | 58   |
| Other Non-operating Income              | -31   | -       | 16    | 13   | -       | -7   |

Stable  
Cost to  
Income  
Ratio



Breakdown  
of Non-  
Operating  
Income

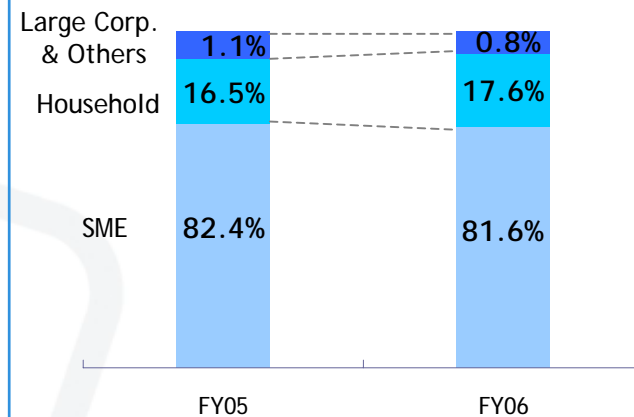
- ABS related loan sale loss -W67bn
- Disposal gain from ELS & BC +W102bn
- Valuation gain from ABS related subordinated bonds +W44bn
- Special retirement allowance paid -W26bn

# Loan Portfolio

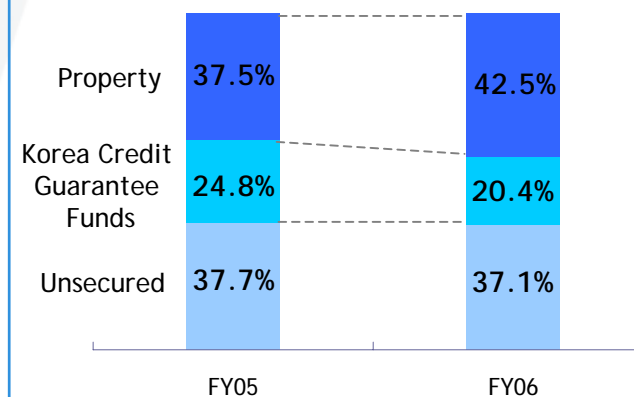
| (W bn)       | 06.12         | YoY          | 05.12         | 06.09         | QoQ         |
|--------------|---------------|--------------|---------------|---------------|-------------|
| SME          | 59,852        | 21.5%        | 49,261        | 58,403        | 2.5%        |
| Household    | 12,898        | 30.3%        | 9,901         | 11,915        | 8.2%        |
| Large Corp.  | 330           | -19.5%       | 410           | 345           | -4.6%       |
| Others       | 278           | 28.6%        | 216           | 310           | -10.1%      |
| <b>Total</b> | <b>73,358</b> | <b>22.7%</b> | <b>59,788</b> | <b>70,973</b> | <b>3.4%</b> |

• Total loans in bank account (including both KRW and foreign currency) and household loans include card loans

## Increased Household Loan Portion



## Stable Collateral Status (SME Loans)



# Deposit Structure

| (W bn)                         | 06.12         | YoY           | 05.12         | 06.09         | QoQ         |
|--------------------------------|---------------|---------------|---------------|---------------|-------------|
| Demand Deposits                | 6,793         | 23.4%         | 5,506         | 6,152         | 10.4%       |
| Savings Deposits               | 22,305        | -21.2%        | 28,309        | 22,463        | -0.7%       |
| <b>Demand+Savings Deposits</b> | <b>29,098</b> | <b>-13.9%</b> | <b>33,815</b> | <b>28,615</b> | <b>1.7%</b> |
| CD, Paper Notes, RP            | 11,099        | 18.4%         | 9,375         | 10,445        | 6.3%        |
| SMIF Bonds                     | 30,003        | 107.2%        | 14,480        | 29,931        | 0.2%        |
| <b>Sub-Total</b>               | <b>70,200</b> | <b>21.7%</b>  | <b>57,670</b> | <b>68,991</b> | <b>1.8%</b> |
| Trust <sup>1)</sup>            | 3,615         | 36.2%         | 2,654         | 3,250         | 11.2%       |
| <b>Total Deposits</b>          | <b>73,815</b> | <b>22.4%</b>  | <b>60,324</b> | <b>72,241</b> | <b>2.2%</b> |

• Based on monthly average balance of KRW denominated deposits.

1) Money trust (excluding beneficiary certificates)

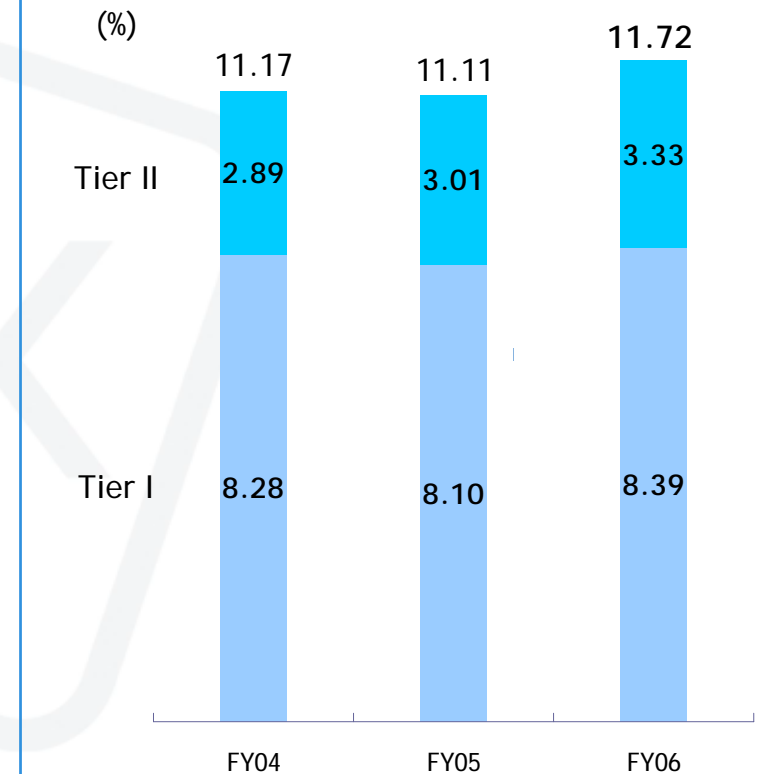
## BIS Breakdown

| (W bn)                      | 06. 12        | 05. 12        |
|-----------------------------|---------------|---------------|
| <b>Tier I</b>               | <b>5,734</b>  | <b>4,299</b>  |
| Paid-in Capital             | 2,291         | 2,291         |
| Capital Surplus             | 7             | 7             |
| Retained Earnings           | 3,020         | 2,162         |
| Hybrid Capital              | 600           | -             |
| Minority Interest           | 90            | 27            |
| <b>Tier II</b>              | <b>2,283</b>  | <b>1,594</b>  |
| Reserve for Loan Losses     | 858           | 668           |
| Others <sup>1)</sup>        | 261           | 143           |
| Subordinated Debts          | 1,288         | 1,114         |
| <b>Total</b>                | <b>8,017</b>  | <b>5,892</b>  |
| <b>Risk-weighted Assets</b> | <b>68,379</b> | <b>53,042</b> |
| <b>BIS CAR (%)</b>          | <b>11.72</b>  | <b>11.11</b>  |
| Tier I Ratio (%)            | 8.39          | 8.10          |
| Tier II Ratio (%)           | 3.33          | 3.01          |

• 06. 12 numbers are all preliminary figures

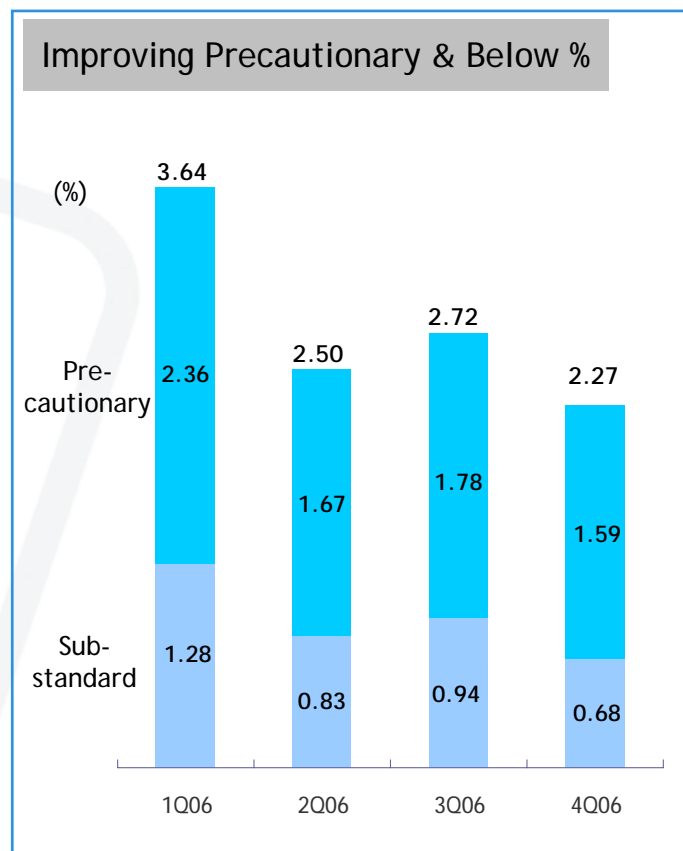
1) Valuation gain from hold to maturity and available for sale securities

## BIS Trend



# Asset Quality

| (W bn)                  | 06.12         | YoY          | 05.12         | 06.09         | QoQ         |
|-------------------------|---------------|--------------|---------------|---------------|-------------|
| Normal                  | 77,377        | 24.9%        | 61,963        | 74,341        | 4.1%        |
| Precautionary           | 1,261         | -28.9%       | 1,774         | 1,357         | -7.1%       |
| Substandard             | 361           | -28.9%       | 508           | 482           | -25.1%      |
| Doubtful                | 91            | -28.0%       | 126           | 97            | -6.3%       |
| Estimated Loss          | 90            | -23.5%       | 118           | 138           | -34.4%      |
| <b>Total</b>            | <b>79,180</b> | <b>22.8%</b> | <b>64,489</b> | <b>76,415</b> | <b>3.6%</b> |
| Substandard & Below     | 542           | -27.9%       | 752           | 717           | -24.4%      |
| Substandard & Below (%) | 0.68%         | -0.49%p      | 1.17%         | 0.94%         | -0.26%p     |
| Loan Loss Reserve       | 1,108         | 9.1%         | 1,015         | 1,082         | 2.4%        |
| NPL Coverage Ratio      | 179.12%       | 56.93%p      | 122.19%       | 135.45%       | 43.67%p     |
| Write-offs (Cumulative) | 293           | -38.9%       | 481           | 221           | -           |



# Provisioning

|   |            |           |            |            | FY06       |              | FY05       |              |
|---|------------|-----------|------------|------------|------------|--------------|------------|--------------|
| (W bn)  | 1Q         | 2Q        | 3Q         | 4Q         | Total      | Balance      | Total      | Balance      |
| <b>Corporate</b>                                | <b>118</b> | <b>76</b> | <b>129</b> | <b>107</b> | <b>429</b> | <b>815</b>   | <b>557</b> | <b>797</b>   |
| Provisions                                      | 119        | 71        | 123        | 102        | 415        | 756          | 512        | 752          |
| Others (Unused Credit)                          | -1         | 5         | 6          | 6          | 14         | 59           | 45         | 45           |
| <b>Household</b>                                | <b>12</b>  | <b>8</b>  | <b>8</b>   | <b>38</b>  | <b>65</b>  | <b>163</b>   | <b>47</b>  | <b>118</b>   |
| Provisions                                      | 11         | 8         | 7          | 38         | 65         | 156          | 41         | 111          |
| Others (Unused Credit)                          | 0          | 0         | 0          | -0         | 1          | 7            | 7          | 7            |
| <b>Credit Card</b>                              | <b>5</b>   | <b>7</b>  | <b>9</b>   | <b>42</b>  | <b>63</b>  | <b>129</b>   | <b>67</b>  | <b>100</b>   |
| Provisions                                      | 6          | 5         | 7          | 19         | 36         | 67           | 38         | 66           |
| Others (Unused Credit)                          | -1         | 2         | 3          | 23         | 27         | 62           | 29         | 35           |
| <b>Sub-total</b>                                | <b>134</b> | <b>91</b> | <b>146</b> | <b>187</b> | <b>558</b> | <b>1,108</b> | <b>672</b> | <b>1,015</b> |
| Recoveries Related to ABS<br>& Other Provisions | 2          | -56       | 2          | -66        | -118       | -            | -166       | -            |
| <b>Total</b>                                    | <b>136</b> | <b>35</b> | <b>148</b> | <b>121</b> | <b>439</b> | <b>1,108</b> | <b>506</b> | <b>1,015</b> |

# Delinquencies by Segment

| (%)                     |            | 4Q04 | 1Q05 | 2Q05 | 3Q05 | 4Q05 | 1Q06 | 2Q06 | 3Q06 | 4Q06 |
|-------------------------|------------|------|------|------|------|------|------|------|------|------|
| Corporate               | Reported   | 1.42 | 2.04 | 1.17 | 1.67 | 0.85 | 1.25 | 0.69 | 0.93 | 0.51 |
|                         | (Adjusted) | 3.59 | 2.14 | 2.17 | 2.69 | 2.41 | 1.35 | 1.31 | 1.54 | 1.44 |
| Household               | Reported   | 1.08 | 1.26 | 0.62 | 0.71 | 0.35 | 0.53 | 0.28 | 0.35 | 0.18 |
|                         | (Adjusted) | 2.54 | 1.33 | 1.15 | 1.22 | 1.07 | 0.56 | 0.50 | 0.56 | 0.45 |
| Credit Cards (+1 month) |            | 3.68 | 3.32 | 2.61 | 2.42 | 2.00 | 1.87 | 1.49 | 1.54 | 1.23 |

• Adjusted delinquencies include write-offs and NPL sales



# ABS Details

## Details on 9th ABS Issue (Dec. 2006)

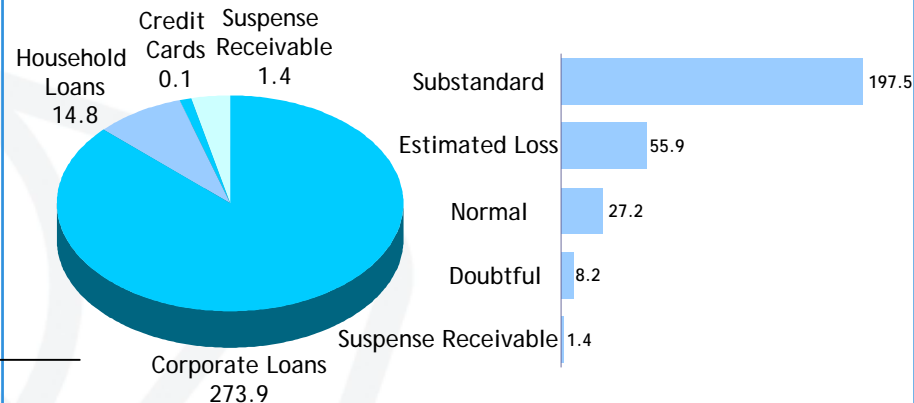
(W bn) Gain from ABS Issue

|  |     |
|--|-----|
| Size of loans sale (A)                         |     |
| Revenue from loan sale (B)                     | 220 |
| Senior bond (Cash)                             | 144 |
| Subordinated bond                              | 76  |
| Provisioning (C) <sup>1)</sup>                 | 24  |
| Gain from loan sales (D=B+C-A)                 | -46 |
| Recoveries from Provisioning (E) <sup>2)</sup> | 79  |
| Valuation loss from sub-bond (F)               | -28 |
| Gain/Loss to PL (G = D+E+F)                    | 5   |

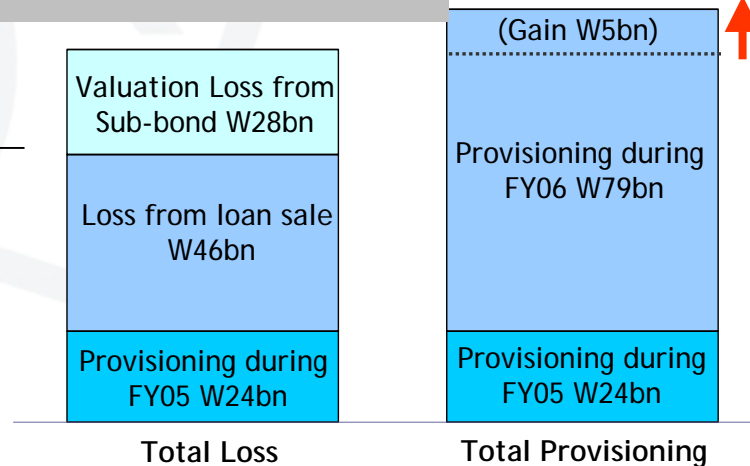
1) Provisioning (C) = Provisioning as of end-2005 related to loan sale

2) Recoveries from provisioning (E) = Provisioning as of end-2006 related to loan sale

## Loan Sale Breakdown



## Gain from ABS Issue W5bn





# New Provisioning Guideline

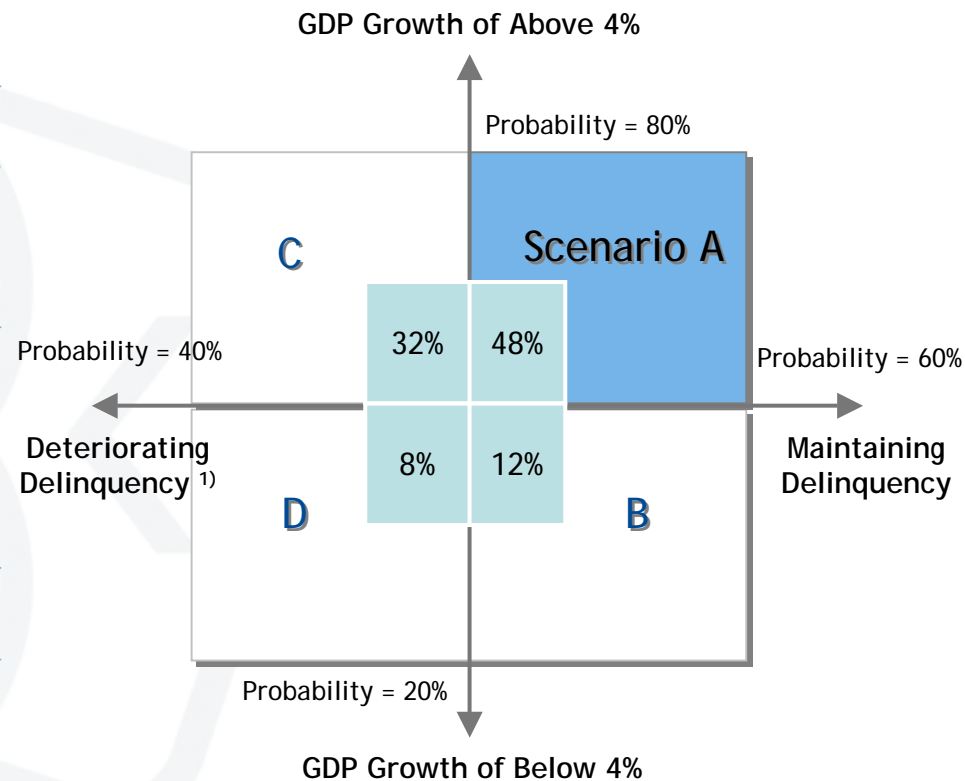
|   |               | IBK (%)                                | FSS (%) | Added Provision (W bn) |
|---|---------------|--|---------|------------------------|
| Provisioning                                    |               |  |         | 73                     |
| Corporate                                       | Normal        | 0.70                                   | 0.70    | -                      |
|   | Precautionary | 4.00                                   | 7.00    | 31                     |
| Household                                       | Normal        | 0.75                                   | 1.00    | 32                     |
|   | Precautionary | 8.00                                   | 10.00   | 0                      |
| Credit Card                                     | Normal        | 1.00                                   | 1.50    | 10                     |
|   | Precautionary | 19.00                                  | 15.00   | -                      |
| For Unused Credit Line                          |               |  |         | 21                     |
| Corporate                                       |               | 0.70                                   | 0.70    | -                      |
| Household                                       |               | 0.75                                   | 1.00    | 2                      |
| Credit Card                                     |               | 1.00                                   | 1.50    | 19                     |
| Extended to All Accounts for Unused Credit Line |               |  |         | 20                     |
| Corporate, Household, Credit Card               |               | <i>(Applies to All Accounts)</i>       |         | 15                     |
| Credit Card                                     |               | <i>(Includes Inactive Cardholders)</i> |         | 6                      |
| Total   |               |  |         | 114                    |

## II. Major Areas of Interest

- ✓ Earnings Outlook for 2007
- ✓ 2007 Outlook by Segment

# Earnings Outlook for 2007

|                 | 2007 Outlook | YoY     | 2006 Results | Remarks                  |
|-----------------|--------------|---------|--------------|--------------------------|
| Net Income      | W1.2tr       | 13.9%   | W1.1tr       |                          |
| ROA             | 1.08 %       | -0.02%p | 1.10 %       |                          |
| ROE             | 20.0 %       | 0.39%p  | 19.61 %      |                          |
| Total Asset     | W125tr       | 17.8%   | W106tr       | Assumption :             |
| SME Loans       | W70tr        | 16.7%   | W60tr        | 1) GDP +4%               |
| Household Loans | W16tr        | 23.3%   | W13tr        | 2) Delinquency maintains |
| BIS CAR         | + 11.0%      | -       | 11.72%(p)    |                          |
| NPL Ratio       | 0.75 %       | 0.07%p  | 0.68 %       |                          |
| Coverage Ratio  | 168.0 %      | 11.1%p  | 179.1 %      |                          |



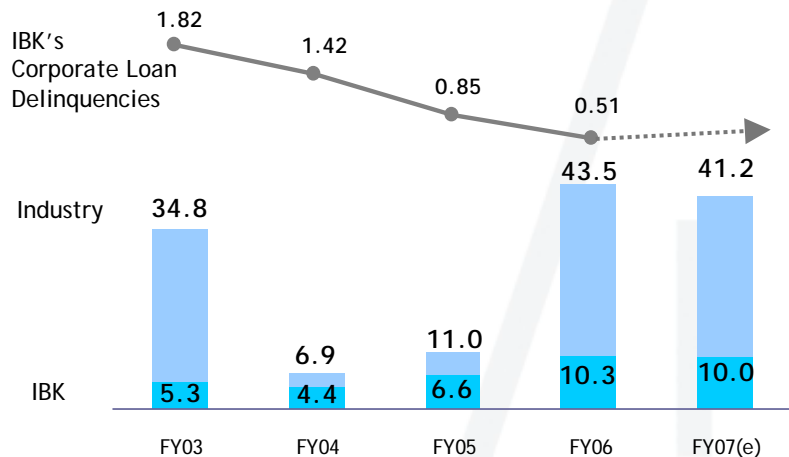
• This slide only includes forecasts and therefore actual results may differ

1) Monthly increment in adjusted delinquencies exceed certain level

# 2007 Outlook for SME Loans

## Industry

Net Amount in SME Loans(Industry vs. IBK)



- Competition eases, but competition surrounding quality SMEs should continue
- Deposit rates should lag loan rates
- Interest rate differential should widen depending upon credit standings in preparation of BASEL II
- Delinquencies may display limited upturn

## IBK

### Solidify Leading Bank Status in SME Lending

| Loan Breakdown      | 2007 Outlook |        |
|---------------------|--------------|--------|
|                     | Amount       | (%)    |
| Working Capital     | W6.5tr       | 65.0%  |
| Facility Investment | W3.5tr       | 35.0%  |
| Total               | W10.0tr      | 100.0% |

- Focus on quality SMEs
- Prioritize on securing margin
- Preemptive move to lure SMEs with growth potential, improve market share for core SMEs
- Selective marketing towards high-yield SMEs via stringent credit assessment

**Provide first-class service with sharpened non-pricing competitive edge**

**Gain momentum in introducing market leading new loan products**

# 2007 Outlook for Household Loans

## Industry

### Household Loans

- Easing competition and interest rate hike should improve spread
- Expected interest rate hike, stabilizing housing prices and tightened property measures should slowdown household loans
- Individual credit-based loans should be sought alternative to housing loans

### Deposits

- Deposits should slowdown due to low savings as a result of decreasing household disposable income
- Pricing competition should shift to product competition
- New products and marketing power should win out

## IBK

### Further Expansion into Household in Pursuit of Balanced Growth

- Create new demand and take strategic stance to expand deposit base
- Outlook : Net increment of W3.0tr (similar to 2006)

### Expand Retail Deposit Base

| Breakdown | 2007 Outlook |        |
|-----------|--------------|--------|
|           | Amount       | (%)    |
| Retail    | W6.5tr       | 65.0%  |
| Corporate | W3.5tr       | 35.0%  |
| Total     | W10.0tr      | 100.0% |

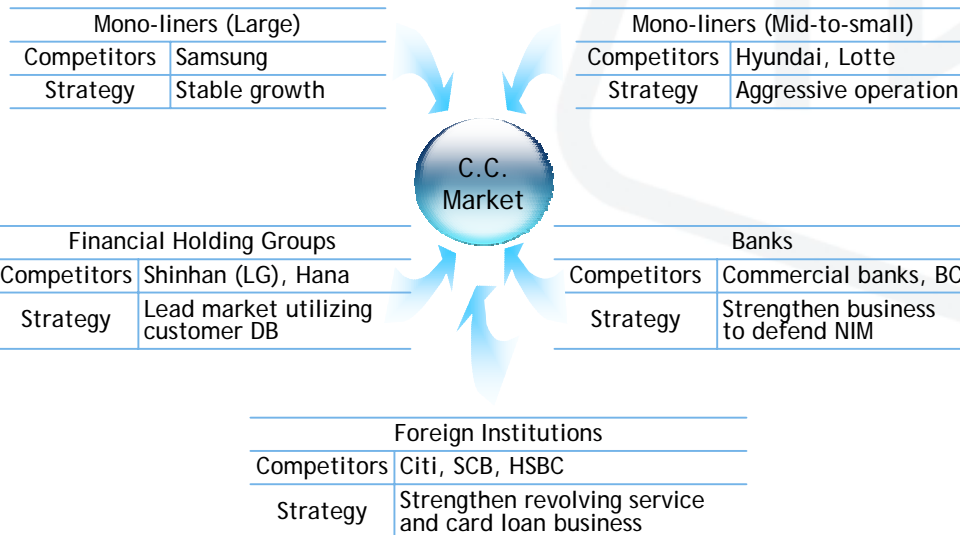
- Expand sales channel focusing on households by establishing 30 new mini-branch network
- Captivate salary accounts of SME customers
- Attract target customers by utilizing CRM
- More weight allocated to attracting retail deposits in performance evaluation

# 2007 Outlook for Credit Cards

## Industry

- Competition for hegemony between mono-liners and banks is expected
- Tightened property measure should boost more demand for card loans and cash advances
- Pressure to lower merchant fees dwell
- Tightening policy measures are expected for the sake of risk management
- Intense competition revolving high net worth customers expected

### Competitive Landscape for Credit Card Industry



## IBK

### Build Lucrative Credit Card Business Unit

|              | 2006 Results | 2007 Outlook |
|--------------|--------------|--------------|
| Card Holders | 3.8mn        | 5.0mn        |
| Billing      | W12tr        | W15tr        |
| M/S          | 3.9%         | 4.7%         |

### Concentration Areas

- Pioneer in new credit card market such as R&D card, government sponsorship card and welfare card
- Develop new products and diversify subscription channel to beef up quality card members
- Expand corporate cards by identifying affiliate merchants to better service customers
- Reinforce customer loyalty and improve M/S

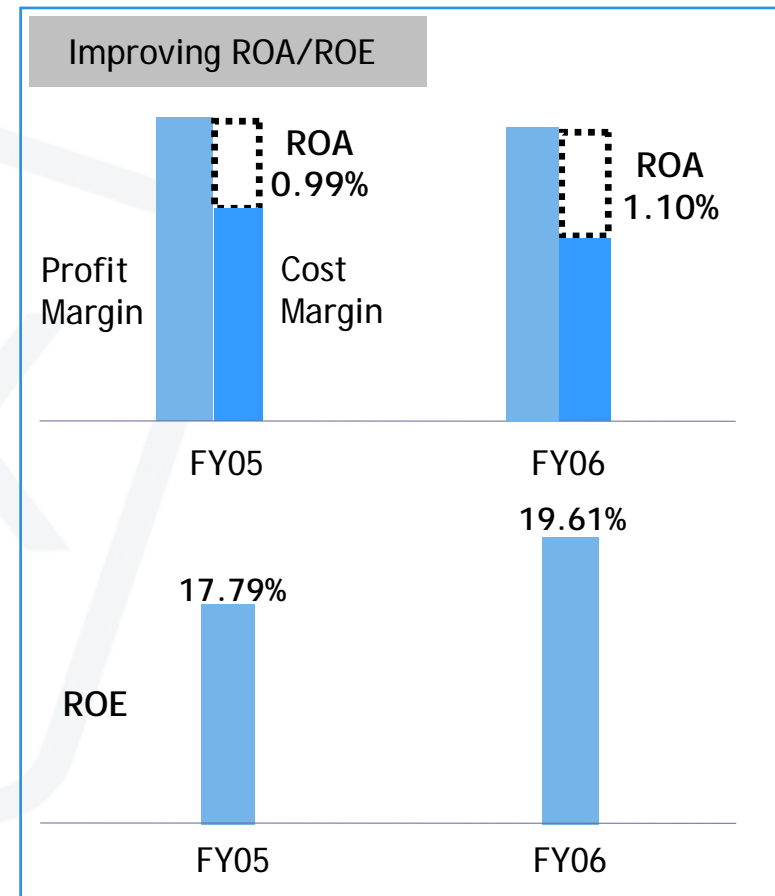
# . Appendix

- ✓ ROA & ROE
- ✓ Funding & Operations
- ✓ Loans by Industry
- ✓ Household Loans

# ROA/ROE

| (%)                  |                         | FY06   | YoY(%p) | FY05   |
|----------------------|-------------------------|--------|---------|--------|
| ROA = (a-b)          | Net Income/Asset        | 1.10   | 0.11    | 0.99   |
| Profit Margin (a)    | Net Interest Income     | 2.64   | -0.30   | 2.94   |
|                      | Net Non-interest Income | 0.30   | -0.03   | 0.33   |
|                      | (Trust Income)          | (0.03) | (-0.03) | (0.06) |
|                      | Non-operating Income    | 0.12   | 0.12    | -      |
|                      | Total                   | 3.07   | -0.20   | 3.27   |
| Cost Margin (b)      | SG&A Expenses           | 1.10   | -0.14   | 1.24   |
|                      | Net Provisioning        | 0.46   | -0.18   | 0.64   |
|                      | Non-operating expense   | -      | -0.05   | 0.05   |
|                      | Income Tax              | 0.41   | 0.06    | 0.35   |
|                      | Total                   | 1.97   | -0.31   | 2.28   |
| Leverage (x)         | Asset/Equity            | 17.82  | -       | 18.02  |
| ROE = ROA x Leverage | Net Income/Equity       | 19.61  | 1.82    | 17.79  |

• Based on average balance of total assets

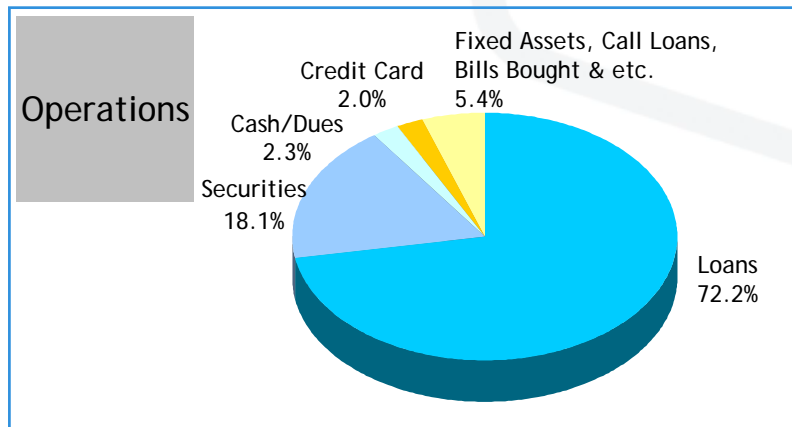




# Funding & Operations

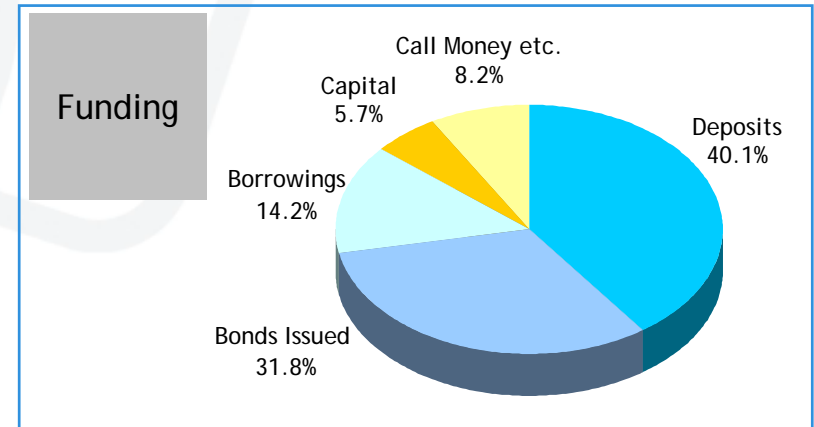
| (W bn)  | FY06            | FY05           |
|---|-----------------|----------------|
| Loans <sup>1)</sup>                           | 74,652(72.2%)   | 60,948(71.3%)  |
| Securities                                    | 18,762(18.1%)   | 15,069(17.6%)  |
| Cash & Dues                                   | 2,369( 2.3%)    | 2,282( 2.7%)   |
| Credit Card (Card Loans)                      | 2,114( 2.0%)    | 1,693( 2.0%)   |
| Fixed Assets, Call Loans, Bills Bought & etc. | 5,538( 5.4%)    | 5,527( 6.4%)   |
| Total   | 103,435(100.0%) | 85,519(100.0%) |

1) Loans in KRW & F/C + inter-bank loans + advances for customers



| (W bn)                          | FY06            | FY05           |
|---------------------------------|-----------------|----------------|
| Deposits <sup>1)</sup>          | 41,476(40.1%)   | 43,272(50.6%)  |
| Bonds Issued                    | 32,885(31.8%)   | 16,818(19.7%)  |
| SMIF Bonds                      | 30,816(29.8%)   | 14,837(17.3%)  |
| (Sold Over Counter)             | 9,078( 8.8%)    | 3,992( 4.7%)   |
| Borrowings                      | 14,724(14.2%)   | 13,548(15.8%)  |
| BOK Borrowings                  | 2,226( 2.1%)    | 1,987( 2.3%)   |
| Gov. Borrowings                 | 9,945( 9.6%)    | 8,792(10.3%)   |
| F/C Borrowings                  | 2,553( 2.5%)    | 2,770( 3.2%)   |
| Capital                         | 5,897( 5.7%)    | 4,758( 5.6%)   |
| Call Money, F/C Deposits & etc. | 8,454( 8.2%)    | 7,123( 8.3%)   |
| Total                           | 103,435(100.0%) | 85,519(100.0%) |

1) Deposits in KRW + CD + paper notes + RP



# Loans by Industry

| (W bn)                              | 2006. 12      |               |              |             | 2005.12       |              |
|-------------------------------------|---------------|---------------|--------------|-------------|---------------|--------------|
|                                     | Amount        | (YTD)         | (%)          | Change (%p) | Amount        | (%)          |
| <b>Manufacturing</b>                | <b>38,243</b> | <b>5,970</b>  | <b>63.9</b>  | <b>-1.6</b> | <b>32,273</b> | <b>65.5</b>  |
| Textile                             | 2,415         | -151          | 4.0          | -1.2        | 2,566         | 5.2          |
| Apparel & Leather                   | 1,050         | 106           | 1.8          | -0.1        | 945           | 1.9          |
| Chemical Products                   | 2,083         | 351           | 3.5          | 0.0         | 1,732         | 3.5          |
| Rubber, Plastic Products            | 3,121         | 368           | 5.2          | -0.4        | 2,753         | 5.6          |
| Basic Metals                        | 2,309         | 292           | 3.9          | -0.2        | 2,017         | 4.1          |
| Fabricated Metals                   | 4,715         | 1,049         | 7.9          | 0.5         | 3,666         | 7.4          |
| Other Machinery                     | 6,580         | 1,779         | 11.0         | 1.3         | 4,801         | 9.7          |
| Electrical Machinery                | 1,764         | 305           | 3.0          | 0.0         | 1,459         | 3.0          |
| Communication Equipment             | 3,120         | 473           | 5.2          | -0.2        | 2,647         | 5.4          |
| Automobiles                         | 2,987         | 436           | 5.0          | -0.2        | 2,552         | 5.2          |
| Other Manufacturing                 | 8,099         | 963           | 13.4         | -1.1        | 7,136         | 14.5         |
| <b>Construction</b>                 | <b>3,923</b>  | <b>1,270</b>  | <b>6.5</b>   | <b>1.1</b>  | <b>2,653</b>  | <b>5.4</b>   |
| (Project Financing)                 | (1,073)       | (726)         | (1.8)        | (1.1)       | (347)         | (0.7)        |
| <b>Wholesale &amp; Retail Trade</b> | <b>9,272</b>  | <b>1,648</b>  | <b>15.5</b>  | <b>0.0</b>  | <b>7,624</b>  | <b>15.5</b>  |
| <b>Lease &amp; Rental Service</b>   | <b>3,593</b>  | <b>628</b>    | <b>6.0</b>   | <b>0.0</b>  | <b>2,965</b>  | <b>6.0</b>   |
| <b>Others</b>                       | <b>4,822</b>  | <b>1,075</b>  | <b>8.1</b>   | <b>0.5</b>  | <b>3,746</b>  | <b>7.6</b>   |
| Lodging & Dining                    | 591           | 29            | 1.0          | -0.1        | 562           | 1.1          |
| Transportation                      | 680           | 159           | 1.2          | 0.1         | 521           | 1.1          |
| Other Services <sup>1)</sup>        | 3,551         | 888           | 5.9          | 0.5         | 2,663         | 5.4          |
| <b>Total</b>                        | <b>59,852</b> | <b>10,591</b> | <b>100.0</b> | <b>-</b>    | <b>49,261</b> | <b>100.0</b> |

• SME loans (including F/X loans)

1) Agriculture, forestry, fishery, mining, electricity/gas/water, education, government services, financing/insurance, etc.

# Household Loans

| (W bn)                              | 06. 12 | YoY    | 05. 12 | 06. 09 | QoQ    |
|-------------------------------------|--------|--------|--------|--------|--------|
| General Household Loans (A)         | 11,965 | 30.6%  | 9,164  | 11,093 | 7.9%   |
| Home Equity Loans <sup>1)</sup> (B) | 6,321  | 23.8%  | 5,107  | 5,911  | 6.9%   |
| Housing Loans <sup>2)</sup> (C)     | 803    | 45.3%  | 553    | 680    | 18.1%  |
| Total (D=A+C)                       | 12,768 | 31.4%  | 9,717  | 11,773 | 8.5%   |
| Housing-related Loan % (B+C)/D      | 55.8%  | -2.4%p | 58.2%  | 56.0%  | -0.2%p |

- Excluding card loans

- Weighted average home-equity loans and housing loans LTV as of December 2006 is 49.9%

1) Loans collateralized by borrowers' housing and not limited to mortgage related payments

2) Loans made for mortgage related payments



# Thank you

The bank where “I”  
come first, **IBK**