

Income Statement (FY2004)

FY2004: April, 2004 ~ March, 2005 In KrW	1Q, FY2004	2Q, FY2004	3Q, FY2004	4Q, FY2004
Operating income	71,241,315,538	62,839,371,422	63,645,078,000	
1. Commissions received	25,421,858,144	21,533,547,017	24,647,709,891	
Brokerage commissions	18,968,075,312	15,138,676,825	17,977,839,186	22,412,354,818
KSE	15,590,766,568	12,958,488,035	15,162,037,561	16,150,277,835
KOSDAQ	3,159,211,158	2,093,283,986	2,520,044,707	6,136,692,956
KOFEX	21,868,700	10,788,120	5,127,870	4,939,040
Foreign currency securities transaction	166,565,642	60,226,564	270,314,068	97,476,547
Bond transaction (OTC)				
ECN	28,490,334	15,095,330	18,700,440	21,892,310
Others	1,172,910	794,790	1,614,540	1,076,130
Underwriting commissions	516,434,000	1,408,417,500	1,240,520,050	1,929,005,940
won denominated securities	516,434,000	1,408,417,500	1,240,520,050	1,929,005,940
foreign currency securities				
Underwriting commissions on debentures				
Brokerage commissions on beneficiary certificate	2,488,075,532	2,293,676,240	2,265,199,515	5,173,603,149
Management fee on wrap account and asset management	351,134,100	387,950,000	451,609,740	545,181,220
Others (*1)	3,098,139,200	2,304,826,452	2,712,541,400	4,517,428,233
2. Interest income	3,694,346,785	3,637,319,475	4,587,082,085	
Interest on margin loans	14,478,512	12,925,837	16,340,099	22,870,423
Interest on loans	515,469,909	568,869,718	811,519,733	1,624,157,011
Interest on bonds	1,565,493,690	1,879,930,663	1,976,689,104	1,959,707,235
Interest on securities loaned				
Interest on negotiable commercial papers	65,933	170,144	512,314	1,889,013
Interest on deposits with KSFC	16,208,218	6,526,026	213,033,421	511,591,779
Interest on certificate of deposits	16,234,629	14,971,889	2,244,316	29,194,359
Interest on deposits	165,895,972	164,780,985	265,022,106	460,340,677
Interest on call loans	83,588,472	48,366,008	149,561,466	67,119,708
Interest on bonds purchased				
Interest on bonds purchased under resale	17,316,116	5,971,229	17,753,892	11,774,660
Gain on transaction of certificate of de				
Others	1,299,595,334	934,806,976	1,134,405,634	2,576,142,381
3. Dividends income	188,745	16,543,387	37,305	
4. Distribution income	85,904,051	138,389,283		
5. Gain on sales of current securities	5,750,999,953	8,991,961,187	9,485,429,430	
Gain on sales of stock	87,144,689	1,198,978,994	1,688,519,023	2,521,478,772
Gain on sales of warrants				
Gain on sales of bonds	5,273,199,997	7,377,736,770	7,504,494,604	8,479,703,837
Gain on sales of beneficiary certificate	71,669,420	184,450,351	105,482,854	493,932,611
Gain on sales of negotiable commercial paper	318,985,847	215,893,082	185,767,560	364,038,718
Gain on redemption of current securities		14,901,990	1,165,389	77,688
Others				
Gain on sales of stock				
Gain on sales of stock warrants				
Gain on sales of bonds				
Gain on sales of beneficiary certificate				
Gain on sales of negotiable commercial paper				
Gain on redemption of trading securities				
6. Gain on valuation of current securities	572,885,086	903,668,314	(14,644,301)	
Gain on valuation of stock	235,827,174	533,891,631	(230,473,460)	214,842,168
Gain on valuation of warrants				
Gain on valuation of bonds	337,045,870	368,601,272	215,529,105	(273,709,598)
Gain on valuation of beneficiary certificate	12,042	1,175,411	300,054	118,732,504
Gain on valuation of negotiable commercial paper				
Others				
7. Gain on structured securities transaction				
1) Gain on sales of structured securities				
Equity linked securities				
Warrants				
2) Gain on valuation of structured securities				
Equity linked securities				
Warrants				
3) Gain on redemption of structured securities				
Equity linked securities				
Warrants				
8. Gain on valuation of trading securities				
9. Gain on structured securities sold transaction				
1) Gain on valuation of structured securities sold				
Equity linked securities				

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Warrants				
2) Gain on redemption of structured securities sold Equity linked securities Warrants				
10. Gain on valuation of Reserve for claims of custom	3,490,916,382	3,040,393,096	2,902,020,697	
11. Gain on derivatives transactions	32,224,216,392	24,577,529,663	22,037,302,893	
1) Gain on futures transactions	549,632,946	369,925,080	15,000,000	
Gain on sales of futures	549,632,946	369,925,080	15,000,000	
Gain on settlement of futures				
Gain on foreign futures transactions				
2) Gain on Exchange trading options transactions	31,358,116,234	24,181,037,916	21,833,327,778	16,847,757,237
Gain on sales of options	31,358,116,234	24,171,576,249	21,842,789,445	16,847,757,237
Gain on valuation of options		9,461,667	(9,461,667)	
Gain on foreign options transactions				
3) Gain on OTC derivatives transactions	316,467,212	26,566,667	188,975,115	1,093,472,515
Gain on sales of OTC derivatives	316,467,212	26,566,667	184,195,115	1,098,252,515
Gain on valuation of OTC derivatives			4,780,000	(4,780,000)
12. Other operating income		20,000	140,000	
Reversal of allowance for credit losses				
Reversal of allowance for guarantees				
Others		20,000	140,000	1,550,000
Operating expenses	61,885,706,957	52,158,685,679	49,720,246,706	
1. Commissions expense	6,157,234,733	4,939,269,627	2,742,977,875	
Trading commissions	5,604,401,315	4,616,118,722	2,305,243,064	5,816,713,168
Investment consultant fees	104,036,573	51,764,214	100,008,915	120,029,050
Other commissions	448,796,845	271,386,691	337,725,896	577,433,063
2. Interest expense	1,789,931,059	1,871,673,292	1,913,887,739	
Interest on borrowings from KSFC	24,238,356	26,528,765	318,356,159	778,245,201
Interest on bank borrowings	1,018,560	323,225	876,372	523,237
Interest on proceeds from customer's short sale				
Interest on customer's deposits	1,196,757,132	926,598,806	627,346,975	636,794,239
Interest on bonds sold under repurchase	449,569,089	628,845,172	660,331,564	678,645,362
Loss on transactions of certificate of deposits			10,907	22,317
Interest on call money	118,347,922	289,377,324	306,965,762	526,813,616
Interest on debentures				
Others				
3. Loss on sales of current securities	2,665,326,997	2,535,187,008	5,654,572,801	
Loss on sales of stock	49,299,654	130,501,313	409,670,215	1,794,053,271
Loss on sales of warrants				
Loss on sales of bond	2,508,981,381	2,299,791,405	5,138,226,037	6,509,935,487
Loss on sales of beneficiary certificate	106,660,595	104,208,439	9,678,056	38,909,623
Loss on sales of negotiable commercial papers	16,445	216,999	44,120,193	1,787,679
Loss on redemption of current securities	368,922	468,852	52,878,300	68,337,941
Others				
Loss on sales of stock				
Loss on sales of stock warrants				
Loss on sales of debentures				
Loss on sales of beneficiary certificate				
Loss on sales of negotiable commercial paper				
Loss on redemptions of trading securities				
4. Loss on valuation of trading securities	807,050,021	(361,233,969)	(136,396,626)	
Loss on valuation of stock	761,779,671	(498,371,858)	(91,758,497)	222,304,016
Loss on valuation of stock warrants				
Loss on valuation of debentures	45,270,350	89,957,150	2,483,120	76,383,901
Loss on valuation of beneficiary certificate		47,180,739	(47,121,249)	75,268,640
Loss on valuation of negotiable commercial paper				
Others				
5. Loss on structured securities transaction				
1) Loss on sales of structured securities Equity linked securities Warrants				
2) Loss on valuation of structured securities Equity linked securities Warrants				
3) Loss on redemption of structured securities Equity linked securities Warrants				
6. Loss on valuation of trading securities sold				

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7. Loss on structured securities sold transaction				
1) Loss on valuation of structured securities sold				
Equity linked securities				
Warrants				
2) Loss on redemption of structured securities sold				
Equity linked securities				
Warrants				
8. Loss on valuation of reserve for claim of customers' deposits(trust)				
9. Loss on derivatives transactions	24,200,983,392	19,563,003,663	16,735,148,893	
1) Loss on futures transactions	878,477,946	30,495,080	11,950,000	6,125,000
Loss on sales of futures	878,477,946	30,495,080	11,950,000	6,125,000
Loss on settlement of futures				
Loss on foreign futures transactions				
2) Loss on Exchange trading options transactions	22,932,888,234	18,847,551,916	16,184,443,778	11,845,712,237
Loss on sales of options	22,931,638,180	18,842,897,096	16,190,348,652	11,845,712,237
Loss on valuation of options	1,250,054	4,654,820	(5,904,874)	
Loss on foreign options transactions				
3) Loss on OTC derivatives transactions	389,617,212	684,956,667	538,755,115	281,962,515
Loss on sales of OTC derivatives	349,390,697	668,435,182	595,503,115	196,971,976
Loss on valuation of OTC derivatives	40,226,515	16,521,485	(56,748,000)	84,990,539
10. General and administrative expenses	26,265,180,755	23,610,786,058	22,810,056,024	
Salary	15,649,138,785	11,990,118,054	11,979,110,667	12,511,814,657
Severance pay	502,909,310	469,329,620	484,671,530	506,541,500
Other benefits for employees	1,057,704,142	980,294,981	978,277,364	1,445,220,907
Computer system operation expenses	1,395,638,945	1,417,087,932	1,435,150,080	1,637,528,845
Rental expenses	583,811,030	614,875,613	627,529,806	635,383,882
Miscellaneous commissions	1,039,853,232	1,349,512,316	1,311,720,706	1,302,910,758
Entertainment expenses	372,712,929	524,779,442	535,434,222	760,784,399
Advertising expenses (A)	1,179,406,627	1,520,857,338	1,495,939,315	3,397,065,642
Advertising expenses (B)				
Depreciation	1,199,405,548	1,216,406,119	880,989,252	1,142,597,704
Research and study expense				
Training expense	155,850,054	155,259,593	229,836,800	131,465,467
Credit loss expenses	298,761,388	560,266,482	1,943,641	30,805,147
Provision for allowances for guarantees				
Amortization of Intangible assets	562,837,555	557,267,053	552,158,346	574,186,259
Tax and dues	113,920,241	429,001,640	239,655,923	190,680,156
Others	2,153,230,969	1,825,729,875	2,057,638,372	2,266,795,657
Operating profit	9,355,608,581	10,680,685,743	13,924,831,294	
Non-operating income	13,274,510	1,114,329,731	164,090,102	
Gain on disposition of tangible assets	12,499,491	198,853	236,000	
Rental income				
Gain on disposition of securities available for sale				
Gain on disposition of investment securities			70,000,000	
Gain on disposition of securities held to maturity				
Reversal of securities reduction loss				
Reversal of Investment securities reduction loss				
Gain on equity method valuation		1,109,815,771		
Gain on foreign currency transactions				
Gain on foreign exchanges translation				
Gains on redemption of debentures				
Gains on recovery of write-offs				
Others	775,019	4,315,107	93,854,102	
Non-operating expenses	179,726	563,638,328	207,105,094	
Loss on disposition of tangible assets		51,202,185	127,849,834	
Loss on disposition of securities available for sale				
Loss on disposition of investment securities				
Loss disposition of securities held to maturity				
Securities reduction loss	60,420	47,913	7,665	
Investment securities reduction loss				
Loss on equity method valuation		490,534,441		
Loss on foreign currency transactions		1,745,626		
Loss on foreign exchanges translation				
Loss on redemption of debentures				
Donations	100,000	6,500,000	20,500,000	
Others	19,306	13,608,163	58,747,595	
Ordinary profit	9,368,703,365	11,231,377,146	13,881,816,302	
Extraordinary gain				

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Gain on assets contributed				
Gain on exemption of debts				
Gain on insurance settlement				
Others				
Extrarodinary loss				
Casualty loss				
Accidental loss				
Compensation loss				
Loss on payment others				
Loss on exemption of debts				
Others				
Net income(loss) before income tax	9,368,703,365	11,231,377,146	13,881,816,302	
Income tax expense	2,626,151,961	3,542,028,979	3,410,459,497	
Net income(loss) for the year	6,742,551,404	7,689,348,167	10,471,356,805	

1* "Others" for FY2004 accounting for 12,632,935,285 includes the followings;

(in million KrW)

Mutual Funds	11,417
Bancassurance	168
Real Estate Advising	570
M&A Advising	222