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# Press Release

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## Preliminary BIS Capital Adequacy Ratio of Domestic Banks As of the End of March 2005

Preliminary figures compiled by the FSS show that as of the end of March this year, the BIS capital adequacy ratio averaged 12.05%, 0.03 percentage points down from 12.08% at the end of 2004 but 0.56 percentage points up from a year earlier.

### BIS Bank Capital Adequacy Ratio: End-2000 ~ March 2005

End-2000	End-2001	End-2002	End-2003	Mar 2004	Dec 2004	Mar 2005
10.59%	11.68%	11.33%	11.16%	11.49%	12.08%	12.05%

With domestic banks posting a net income of KRW2.8 trillion in the first quarter of 2005, Tier-1 capital increased by KRW3.7 trillion, but a 1.3% increase in risk-weighted assets coupled with a KRW2.8 trillion reduction in Tier-2 capital pushed the ratio slightly lower. Domestic banks, however, continue to have a good capital base: they achieved a qualitative improvement in their capital base with the Tier-1 capital ratio rising by 0.34 percentage points from a year earlier.

With the ratios of Chohung Bank and Korea Exchange Bank rising steadily, it is forecast that all BIS capital adequacy ratios of domestic banks will be higher than 10% at the end of this year.

Attached: Table of BIS Capital Adequacy Ratios by Bank



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**Table of BIS Capital Adequacy Ratios by Bank**

(In percent, percentage point)

	End-2002	End-2003	2004		2005	Change From	
			Mar 2004	Dec 2004		Mar 2004	Dec 2004
Chohung	8.66	8.87	9.10	9.40	9.71	0.61	0.31
Woori	11.59	11.23	11.40	12.20	12.27	0.88	0.07
Korea First Bank	11.55	12.00	13.12	11.91	11.73	-1.39	-0.18
Hana	10.30	11.17	11.13	11.83	11.83	0.70	-0.004
Korea Exchange Bank	9.31	9.32	9.09	9.47	9.85	0.76	0.38
Shinhan	10.92	10.49	11.57	11.94	12.30	0.72	0.36
Citibank Korea	12.11	10.98	10.76	12.42	12.42	1.66	-
Kookmin	10.41	9.81	10.36	11.14	10.85	0.50	-0.28
<b>Nationwide Banks</b>	<b>10.46</b>	<b>10.34</b>	<b>10.71</b>	<b>11.31</b>	<b>11.34</b>	<b>0.64</b>	<b>0.03</b>
Daegu	10.85	10.58	10.57	10.66	10.30	-0.28	-0.36
Busan	11.69	11.66	11.40	10.84	10.74	-0.66	-0.09
Kwangju	11.03	10.72	11.39	11.81	10.92	-0.47	-0.88
Jeju	11.71	10.96	10.56	10.91	10.37	-0.18	-0.53
Jeonbuk	11.35	10.79	10.32	10.72	10.80	0.48	0.08
Kyongnam	11.34	11.69	12.11	11.34	11.48	-0.63	0.14
<b>Regional Banks</b>	<b>11.26</b>	<b>11.13</b>	<b>11.17</b>	<b>11.02</b>	<b>10.76</b>	<b>-0.41</b>	<b>-0.25</b>
<b>Commercial Banks</b>	<b>10.52</b>	<b>10.40</b>	<b>10.74</b>	<b>11.29</b>	<b>11.30</b>	<b>0.56</b>	<b>0.01</b>
Korea Development Bank	16.81	16.22	17.23	18.08	17.95	0.72	-0.13
Industrial Bank of Korea	10.43	9.88	10.84	11.17	11.31	0.47	0.14
Export-Import Bank of Korea	14.97	14.41	13.79	12.86	12.48	-1.31	-0.38
National Agricultural Cooperative Federation	10.77	10.66	10.25	11.43	11.05	0.80	-0.38
National Federation of Fisheries Cooperatives	10.61	11.71	11.56	11.21	13.73	2.18	2.52
<b>Specialized Banks</b>	<b>13.22</b>	<b>12.77</b>	<b>13.06</b>	<b>13.71</b>	<b>13.58</b>	<b>0.52</b>	<b>-0.12</b>
Total	11.33	11.16	11.49	12.08	12.05	0.56	-0.03

Note: Currently, there are eight nationwide and six regional banks (collectively referred to as commercial banks) and five specialized banks in business.

Please forward questions or comments regarding this press release to the Bank Supervision Department (Tel: +82-2-3786-8066), Financial Supervisory Service.