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: 2005 3 31

: 2004 3 31

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The Hongkong and Shanghai Banking Corporation Limited Korea Branches

(Unit: Won)

(Description)	(March 31, 2005)		(March 31, 2004)	
	(Amount)		(Amount)	
(Assets)				
.		238,896,621,315		258,069,501,901
(Cash and Due from Bank)				
1.	59,659,920,940		219,277,937,995	
(Cash and Checks)				
2.	2,107,996,810		2,283,827,973	
(Foreign Currency)				
3.	154,235,917,375		14,341,743,329	
(Due from Banks in Won)				
4.	22,892,786,190		22,165,992,604	
(Due from Banks in Foreign Currency)				
.		909,265,084,181		638,748,343,723
(Trading Securities)				
1.	70,319,270,273		65,190,218,170	
(Government Bonds)				
2.	838,945,813,908		573,558,125,553	
(Finance Debentures)				
3.	0		0	
(Corporate Bonds)				
. 가		2,049,539,886,715		1,758,675,188,325
(Available-for-sale Securities)				
1.	104,187,941,285		104,985,521,455	
(Government Bonds)				
2.	1,724,111,670,348		1,362,847,171,375	
(Finance Debentures)				
3. 가	159,382,973,426		213,225,031,078	
(Investment Securities in Foreign Currency)				
4.	61,252,098,199		76,963,588,057	
(Corporate Bonds)				
5. 가	605,203,457		653,876,360	
(Other)				
IV.		0		0
(Investment Stock using the equity method)				
1.				
(Equity Investments)				
.		4,845,917,961,004		3,320,885,418,530
(Loans)				
()	(31,347,478,108)		(22,891,287,202)	
(Allowance for Possible Loan Losses)				
	1,545,765,459		0	
(Unamortised Costs/Fees/Interests)				
1.	2,561,454,642,550		2,107,384,302,204	
(Loans in Won)				
2.	814,881,923,984		501,739,266,470	
(Loans in Foreign Currency)				
3.	1,027,223,955,175		521,570,589,166	
(Bills Bought in Foreign Currency)				
4.	0		0	
(Advances for Customers)				
5.	443,280,500,000		148,879,200,000	
(Call Loans)				

6. (Privately Placed Bonds)	0		10,000,000,000	
7. (Domestic Import Usance Bill)	28,878,651,944		54,203,347,892	
. (Fixed Assets)		40,980,514,852		41,636,601,703
1. (Tangible Assets)	58,488,859,833		57,429,409,432	
(가) (Accumulated Depreciation)	(17,580,119,981)		(15,792,807,729)	
2. (Intangible Assets)	71,775,000		0	
. (Other Assets)		4,137,194,297,048		1,883,528,933,756
1. (Guarantee Deposits)	15,048,334,327		13,749,585,305	
2. (Accrued Incomes)	29,350,607,715		29,929,853,006	
3. (Prepaid Expenses)	6,865,924,641		6,387,300,736	
4. (Domestic Currency Denominated Receivables)	187,303,307,832		117,712,887,947	
5. (Deferred Income Tax Assets)	28,747,587,040		9,917,244,907	
6. (Derivatives instruments asset)	1,068,140,623,080		348,976,926,415	
7. (Account Receivable)	2,798,646,849,283		1,354,543,999,370	
8. 가 (Suspense Receivable)	1,379,937,292		1,057,642,258	
9. (Sundry Assets)	1,711,125,838		1,253,493,812	
. (Due from Head Office and Branches)		439,118,646		5,477,438,867
(Total Assets)		12,222,233,483,761		7,907,021,426,805
(Liabilities)				
. (Deposits)		3,695,038,744,944		2,753,847,471,396
1. (Deposits in Won)	2,071,405,701,661		1,952,457,116,467	
2. (Deposits in Foreign Currency)	548,138,722,348		388,967,552,016	
3. (Negotiable Certificates of Deposits)	1,075,494,320,935		412,422,802,913	
. (Borrowings)		1,779,688,988,710		1,196,344,865,549
1. (Borrowings in Won)	54,900,000,000		127,000,000,000	
2. (Borrowings in Foreign Currency)	303,941,012,374		309,042,537,805	
3. (Call Money)	1,420,847,976,336		760,302,327,744	
. (Other Liabilities)		4,391,591,555,133		2,084,057,758,935
1. (Accrued Severance Benefits)	14,345,172,502		11,560,262,914	
() (Deposit of Insurance for Severance and Retirement)	(13,126,437,128)		(10,157,789,994)	
() (Transfer to National Pension)	(178,205,700)		(202,942,500)	

2. (Other Allowance)	370,000,000		370,000,000
3. (Domestic Exchange Remittances Pending)	257,696,112,055		213,862,850,935
4. (Foreign Exchange Remittances Pending)	156,945,267		109,854,636
5. (Accounts Payable)	2,818,722,994,916		1,353,494,846,173
6. (Accrued Expenses)	51,361,962,578		22,398,945,694
7. (Income Tax Payable)	27,001,390,245		10,546,084,081
8. (Unearned Revenues)	7,292,153,621		2,501,380,143
9. (Borrowings from Trust Accounts)	49,862,983,335		798,244,191
10. (Deposits for Letter of Guarantees and Others)	325,588,887		50,970,000
11. (Withholding Taxes)	74,554,995,070		62,820,279,776
12. (Account for Agency Business)	205,601,080		170,223,240
13. (Derivatives Instrument Liability)	1,101,966,201,131		415,553,496,572
14.7† (Suspenses Payable)	1,034,097,274		181,053,074
15. (Deferred Income Tax Credits)	0		0
16. (Others)	0		0
. (Due to Head Office and Branches)		1,917,756,745,150	1,505,217,280,000
(Total Liabilities)		11,784,076,033,937	7,539,467,375,880
(Stockholders' Equity)			
. (Capital Stock)		51,000,000,000	51,000,000,000
1. (Common Stock)	51,000,000,000		51,000,000,000
. (Capital Surplus)		42,452,924	42,452,924
1. (Capital Reserve)	42,452,924		42,452,924
. (Retained Earnings)		383,324,295,301	301,226,754,062
1. (Legal Reserve)	53,991,627,443		45,831,627,443
2. (Voluntary Reserve)	18,605,466,523		10,445,466,523
3. (Unappropriated Retained Earnings)	310,727,201,335		244,949,660,096
((Net Income) : (Current Year) : 24,739,678,305 (Prior Year) : 24,156,199,813)			
. (Capital Adjustment)		3,790,701,599	15,284,843,939
(Total Stockholders' Equity)		438,157,449,824	367,554,050,925
(Total Liabilities and stockholders' Equity)		12,222,233,483,761	7,907,021,426,805

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: 2004 1 1 2004 3 31

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The Hongkong and Shanghai Banking Corporation Limited Korea Branches

(Unit: Won)

(Description)	(March 31, 2005)		(March 31, 2004)	
	(Amount)		(Amount)	
I.		925,593,474,165		574,083,926,703
(Operating Revenue)				
(1)		77,556,025,662		66,947,718,309
(Interest Income)				
1.	421,127,113		198,070,264	
(Interest on Due from Banks)				
2.	6,894,293,346		8,574,836,984	
(Interest on Trading Securities)				
3. 가	20,851,326,903		19,963,501,381	
(Interest on Available-for-sale Securities)				
4.	41,199,987,889		34,912,552,930	
(Interest on Loans)				
5.	273,117,459		226,339,126	
(Interest on Due from Head Office and Branches)				
6.	7,916,172,952		3,072,417,624	
(Other)				
(2)		10,999,789,371		10,405,244,039
(Commissions Income)				
1.	10,031,166,525		9,876,054,684	
(Commissions Received)				
2.	968,622,846		529,189,355	
(Guarantee Fees)				
(3)		0		0
(Transfer From Allowance)				
1.	0		0	
(Transfer From Allowance for Credit Losses)				
(4)		837,037,659,132		496,730,964,355
(Other Operating Income)				
1.	1,474,162,400		2,198,445,788	
(Gain on Disposition of Trading Securities)				
2. 가	1,446,746,507		2,420,422,664	
(Gain on Valuation of Trading Securities)				
3.	832,554,711,904		491,748,031,533	
(Gain on Derivatives Trading and Foreign Exchange)				
4. 가	1,462,108,613		345,576,843	
(Gain on Fair Value Hedged Item)				
5.	99,929,708		18,487,527	
(Trust Fees and Commissions Received from Trust Account)				
II.		893,095,171,550		543,560,039,961
(Operating Expenses)				
(1)		50,208,990,131		36,429,377,625
(Interest Expenses)				
1.	27,015,375,465		21,394,754,037	
(Interest on Deposits)				
2.	11,861,836,805		9,312,531,313	
(Interest on Borrowings)				
3.	10,633,685,690		4,685,450,329	
(Interest on Due to Head Office and Branches)				
4.	0		0	
(Interest Paid on Foreign Transaction)				
5.	349,065,820		1,029,397,015	
(Interest paid on Others in Won)				
6.	349,026,351		7,244,931	
(Interest on Borrowings from Trust Account)				
(2)		4,424,297,532		5,674,671,170
(Commission Expenses)				
1.	4,424,297,532		5,674,671,170	
(Commissions Paid)				

(3)		819,738,863,859		488,966,127,102
(Other Operating Expenses)				
1.	3,598,123,336		297,193,648	
(Loss on Disposition of Trading Securities)				
2. 가	691,015,064		109,067,297	
(Loss on Valuation of Trading Securities)				
3.	169,618,270		138,637,463	
(Contribution to Fund)				
4.	2,719,597,061		771,417,780	
(Bad Debt Expenses)				
5.	808,235,780,178		486,867,431,914	
(Loss on Derivatives Trading and Foreign Exchange)				
6. 가	3,499,981,950		0	
(Loss on Fair Value Hedged Item)				
7.	824,748,000		782,379,000	
(Other)				
(4)		18,723,020,028		12,489,864,064
(Selling and Administrative Expenses)				
1.	8,192,425,516		5,991,632,562	
(Salaries)				
2.	805,579,774		777,036,793	
(Retirement Allowance)				
3.	1,992,178,070		984,952,482	
(Other Employee Benefits)				
4.	829,030,697		642,893,441	
(Rent)				
5.	163,069,407		114,392,868	
(Entertainment)				
6. 가	504,866,287		789,131,475	
(Depreciation)				
7.	5,981,250		0	
(Amortization on Intangible Assets)				
8.	818,286,660		456,860,010	
(Taxes and Dues)				
9.	665,760,635		304,539,329	
(Advertising)				
10.	4,745,841,732		2,428,425,104	
(Other Selling and Administrative Expenses)				
III.		32,498,302,615		30,523,886,742
(Operating Income)				
IV.		1,196,308,750		1,096,234,506
(Non-Operating Income)				
1.	15,000,000		0	
(Gain on Disposition of Tangible Assets)				
2.	124,271,714		191,384,041	
(Rental Income)				
3. 가	976,166,954		183,403,642	
(Gain on Disposition of Available-for-sale Securities)				
4.	80,870,082		721,446,823	
(Other)				
V.		200,233,060		81,561,435
(Non-operating Expenses)				
1.	0		0	
(Loss on Disposition of Tangible Assets)				
2. 가	0		0	
(Loss on Disposition of Available-for-sale Securities)				
3.	200,233,060		81,561,435	
(Other)				
(Income Before Income Tax Expense)		33,494,378,305		31,538,559,813
.		8,754,700,000		7,382,360,000
(Income Tax Expense)				
.		24,739,678,305		24,156,199,813
(Net Income)				