

# Financial Statements : *with Independent Auditor's Report thereon*

## Balance Sheets

March 31, 2002 and 2001

ASSETS	Millions of Korean Won		Thousands of U.S. Dollars (*)	
	FY2001	FY2000	FY2001	FY2000
<b>Cash and Deposits</b>	248,399	296,498	187,329	223,603
1. Cash and deposits	245,842	287,564	185,401	216,866
(1) Cash (Note 8, 10)	70	100	53	75
(2) Deposits (Note 3, 10)	238,543	268,938	179,897	202,819
(3) Short-term bills	7,228	18,527	5,451	13,972
2. Money in trust	2,545	8,813	1,919	6,647
3. Deposits for futures trading	12	120	9	91
<b>Trading Securities (Note 4, 5, 8)</b>	775,835	940,549	585,094	709,313
1. Stocks	150,480	59,365	113,484	44,770
2. Government and public bonds	6,218	116,933	4,689	88,185
3. Special bonds	201,106	162,546	151,664	122,584
4. Corporate bonds	54,391	257,954	41,019	194,535
5. Beneficiary certificates	277,716	251,922	209,439	189,987
6. Securities dominated in foreign currencies (Note 10, 22)	12,177	81,647	9,183	61,574
7. Other securities (Note 22)	73,747	10,181	55,616	7,678
<b>Investment Securities (Note 5)</b>	1,125,574	496,542	848,849	374,466
1. Stocks	152,055	78,750	114,672	59,389
2. Invested fund	5,696	2,592	4,296	1,955
3. Government and public bonds	164,034	69,479	123,706	52,397
4. Special bonds	295,776	91,109	223,059	68,710
5. Corporate bonds	372,474	181,612	280,900	136,962
6. Beneficiary certificates	31,540	72,999	23,785	55,052
7. Securities dominated in foreign currencies (Note 10)	103,073	-	77,733	-
8. Other securities	925	-	698	-
<b>Loans (Note 2, 6)</b>	296,152	288,261	223,342	217,391
(Present value discount)	(813)	-	(613)	-
(Reserve for loan losses)	(6,292)	(6,892)	(4,745)	(5,198)
1. Policy loans	97,217	79,199	73,316	59,728
2. Loans secured by securities	8,300	7,000	6,259	5,279
3. Loans secured by real estate	63,943	72,864	48,223	54,950
4. Unsecured loans	98,240	60,710	74,087	45,784
5. Loans secured by third party guarantee	6,261	10,587	4,722	7,984
6. Other loans	29,296	64,793	22,093	48,863
<b>Property, Plant and Equipment</b>	387,145	264,553	291,965	199,512
1. Assets used for investment purpose	97,976	-	73,889	-

(\*) Korean won in these financial statements are converted into US dollars at the rate of ₩1,326 per U.S. \$1, the exchange rate effective as of March 31, 2002

ASSETS	Millions of Korean Won		Thousands of U.S. Dollars	
	FY2001	FY2000	FY2001	FY2000
(1) Land (Note 7)	97,976	-	73,889	-
2. Tangible assets	284,156	262,818	214,296	198,204
(1) Land (Note 7)	136,781	113,544	103,153	85,629
(2) Buildings (Note 8)	136,551	66,440	102,980	50,106
(Accumulated depreciation)	(3,590)	(1,518)	(2,707)	(1,145)
(3) Structures	2,529	2,544	1,907	1,918
(Accumulated depreciation)	(202)	(119)	(152)	(90)
(4) Construction in progress	324	66,988	245	50,519
(5) Furnitures and equipment	74,911	77,467	56,494	58,421
(Accumulated depreciation)	(63,180)	(62,602)	(47,647)	(47,211)
3. Intangible assets	5,013	1,734	3,781	1,308
(1) Computer softwares	5,013	1,734	3,781	1,308
<b>Other Assets</b>	399,194	400,442	301,052	301,992
1. Insurance receivables (Note 2,9,10)	64,826	75,749	48,888	57,126
(Allowance for doubtful accounts)	(1,251)	(2,181)	(943)	(1,645)
2. Accounts receivables (Note 2)	43,533	47,584	32,830	35,886
(Allowance for doubtful accounts)	(1,602)	(2,788)	(1,208)	(2,102)
3. Security deposits	84,566	94,472	63,775	71,246
(1) Leasehold deposits received (Note 10)	73,061	82,934	55,099	62,545
(2) Guarantee deposits	10,095	9,987	7,613	7,531
(3) Telex and telephone subscription rights	1,409	1,551	1,063	1,170
4. Accrued income (Note 2)	54,165	48,786	40,848	36,792
(Allowance for doubtful accounts)	(29)	(11)	(22)	(8)
5. Prepaid expenses	322	379	243	286
6. Compensation receivables	20,719	16,465	15,625	12,417
7. Separate account assets (Note 21)	114,715	82,119	86,512	61,930
8. Deferred acquisition cost (Note 2)	11,537	12,732	8,701	9,602
9. Notes receivables (Note 2)	1,108	1,464	836	1,104
(Allowance for doubtful accounts)	(6)	(7)	(4)	(6)
10. Prepayments	2,149	4,030	1,621	3,039
11. Deferred income tax assets	-	12,246	-	9,235
12. Prepaid income taxes	-	3,414	-	2,574
13. Prepaid value-added taxes	-	248	-	187
14. Security deposits	4,442	5,740	3,350	4,329
15. Dishonored bills	-	2	-	1
(Allowance for doubtful accounts)	-	(2)	-	(1)
<b>Total Assets</b>	<b>3,232,299</b>	<b>2,686,844</b>	<b>2,437,631</b>	<b>2,026,278</b>

# Financial Statements : *with Independent Auditor's Report thereon*

## Balance Sheets : *continued*

March 31, 2002 and 2001

LIABILITIES	Millions of Korean Won		Thousands of U.S. Dollars	
	FY2001	FY2000	FY2001	FY2000
<b>Policy Reserves (Note 11)</b>	2,357,873	2,083,988	1,778,184	1,571,635
(Reserve for R/I)	(117,801)	(94,848)	(88,839)	(71,530)
(1) Reserve for long-term insurance	1,572,769	1,360,374	1,186,100	1,025,923
(2) Reserve for outstanding claims	368,161	349,234	277,648	263,374
(3) Reserve for unearned premiums	527,377	463,875	397,720	349,831
(4) Reserve for participating policyholders' dividend	3,508	1,852	2,646	1,396
(5) Reserve for policyholders' dividend on profit	3,858	3,501	2,910	2,640
<b>Catastrophe Reserve (Note 2)</b>	180,344	164,064	136,006	123,729
<b>Other Liabilities</b>	384,821	317,850	290,212	239,706
1. Claims payables (Note 9,10,11)	158,541	171,104	119,563	129,038
2. Accounts payables	9,221	3,861	6,954	2,912
3. Accrued expenese	35,522	20,732	26,788	15,635
4. Accrued dividends (Note 16)	9,408	3,128	7,095	2,359
5. Separate account assets (Note 21)	2,019	11,128	1,523	8,392
6. Separate account liabilities (Note 21)	114,715	82,119	86,512	61,930
7. Deferred income tax liabilities (Note 19)	17,162	-	12,943	-
8. Reserve for severance benefits (Note 12)	22,514	17,006	16,979	12,825
(National pension fund benefits)	(1,076)	(1,214)	(812)	(916)
(Severance insurance deposits) - (Note 2)	(12,514)	(9,407)	(9,437)	(7,094)
9. Premiims received in suspense	3,919	1,937	2,955	1,461
10. Overdraft	116	-	88	-
11. Advances	2,306	3,463	1,739	2,611
12. Withholdings	4,695	2,019	3,540	1,523
13. Unearned income	1,022	487	771	367
14. Income tax payables	8,462	2,007	6,382	1,513
15. Value-added tax payables	441	-	332	-
16. Leasehold deposits	6,214	9,480	4,686	7,149
17. Other liabilities (Note 22)	2,134	-	1,609	-
<b>Total Liabilities</b>	<b>2,923,038</b>	<b>2,565,903</b>	<b>2,204,403</b>	<b>1,935,070</b>

STOCKHOLDERS EQUITY	Millions of Korean Won		Thousands of U.S. Dollars	
	FY2001	FY2000	FY2001	FY2000
<b>Paid-in Capital (Note 1)</b>	35,400	35,400	26,697	26,697
1. Common stocks	35,400	35,400	26,697	26,697
<b>Capital Surplus</b>	37,913	37,913	28,592	28,592
1. Additional paid-in capital in excess of par value	25,978	25,978	19,591	19,591
2. Reserve for asset revaluation (Note 7)	11,935	11,935	9,000	9,000
<b>Retained Earnings (Note 14)</b>	213,068	74,674	160,684	56,315
1. Legal reserve	1,961	1,020	1,479	769
2. Reserve for business rationalization	2,880	2,880	2,172	2,172
3. Voluntary reserves	208,215	120,144	157,025	90,606
4. Unappropriated retained earnings to be carried forward	12	(49,369)	9	(37,232)
<b>Net income:</b>				
FY2001: ₩ 149,468,407,116				
FY2000: ₩ 3,124,037,835				
<b>Capital Adjustment</b>	22,881	(27,045)	17,255	(20,396)
1. Treasury stocks (Note 5,15)	(31,229)	(30,455)	(23,551)	(22,967)
2. Gains from valuation of investment securities (Note 5)	54,110	3,409	40,807	2,571
<b>Total Stockholders' Equity</b>	<b>309,261</b>	<b>120,941</b>	<b>233,229</b>	<b>91,208</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>3,232,299</b>	<b>2,686,844</b>	<b>2,437,631</b>	<b>2,026,278</b>

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