

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

Statements of Cash Flows

For the years ended March 31, 2002 and 2001.

	Millions of Korean Won		Thousands of U.S. Dollars	
	FY2001	FY2000	FY2001	FY2000
I. Cash Flows from Operating Activities	395,530	139,665	298,288	105,328
1. Net Income	149,468	3,124	112,721	2,356
2. Additions to net income of non-cash expenses	379,104	309,771	285,900	233,613
Retirement and severance benefits	8,132	8,628	6,133	6,507
Depreciation expenses	14,052	15,549	10,597	11,726
Loss on valuation of trading securities	9,353	69,296	7,053	52,259
Loss on disposition of investment securities	1,033	846	779	638
Amortization expenses of intangible assets	1,358	587	1,024	442
Loss on disposition of trading securities	44,033	37,738	33,208	28,460
Amortization expenses of acquisition cost	6,921	4,064	5,219	3,065
Increase in policy reserve	273,885	161,139	206,549	121,523
Increase in catastrophe reserve	16,280	7,090	12,277	5,347
Other additions	4,058	4,835	3,060	3,646
3. Deductions to net income of non-cash revenues	(174,278)	(105,637)	(131,431)	(79,666)
Retirement and severance benefits paid	2,624	1,809	1,979	1,364
Gain on valuation of trading securities	54,291	12,467	40,944	9,402
Gain on equity method valuation	23,823	12,993	17,966	9,799
Gain on foreign currency translation	810	16,149	611	12,179
Gain on disposition of trading securities	75,017	52,341	56,574	39,473
Gain on disposition of investment securities	10,290	3,932	7,760	2,966
Gain on compensation receivables	4,254	3,026	3,208	2,282
Other deductions	3,167	2,919	2,388	2,201
4. Adjustments to changes in assets and liabilities from operating activities	41,236	(67,593)	31,098	(50,975)
Decrease (increase) in loans secured by securities	(1,300)	(2,000)	(980)	(1,508)
Decrease (increase) in loans secured by real estate	8,921	(1,354)	6,728	(1,021)
Decrease (increase) in unsecured loans	(37,530)	(57,376)	(28,303)	(43,270)
Decrease (increase) in loans secured by third party guarantee	4,326	11,885	3,262	8,963
Decrease (increase) in accrued income	(5,610)	21,644	(4,231)	16,323
Decrease (increase) in prepayments	1,881	(3,404)	1,418	(2,567)
Decrease (increase) in prepaid income taxes	3,414	(3,414)	2,574	(2,574)
Decrease (increase) in deferred income tax assets	12,246	(12,246)	9,235	(9,235)
Increase (decrease) in unpaid payables	(12,611)	30,891	(9,511)	23,297
Increase (decrease) in claims payables	5,361	(3,886)	4,043	(2,930)
Increase (decrease) in accrued expenses	14,789	1,424	11,153	1,074
Increase (decrease) in separate account assets	(9,109)	9,031	(6,869)	6,810
Increase (decrease) in deferred income tax liabilities	17,162	(12,825)	12,943	(9,672)
Increase (decrease) in advances from customers	(1,157)	1,835	(872)	1,384
Increase (decrease) in accrued income taxes	6,456	(4,359)	4,868	(3,288)
Decrease (increase) in policy loans	(18,018)	(1,641)	(13,588)	(1,238)
Decrease (increase) in other loans	35,497	(41,900)	26,770	(31,599)
Decrease (increase) premiums receivable	10,935	(16,745)	8,247	(12,628)
Decrease (increase) in accounts receivables	2,740	20,852	2,067	15,726
Decrease (increase) in deferred acquisition cost	(5,725)	(6,239)	(4,318)	(4,705)
Others, net	8,569	2,234	6,462	1,685
II. Cash Flows from Investing Activities	(422,942)	(294,857)	(318,961)	(222,365)
1. Cash inflows from investing activities	12,607,776	8,996,274	9,508,127	6,784,520
Decrease in short-term bills	4,995,630	2,443,257	3,767,444	1,842,577

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	FY2001	FY2000	FY2001	FY2000
Decrease in money in trust	7,000	15,090	5,279	11,380
Decrease in deposits for futures trading	100,018	41,431	75,428	31,245
Disposition of stocks	291,077	451,316	219,515	340,359
Disposition of bonds	3,289,759	4,065,877	2,480,964	3,066,272
Disposition of beneficiary certificates	2,947,091	1,028,663	2,222,542	775,764
Disposition of securities dominated in foreign currencies	33,407	95,625	25,194	72,115
Disposition of other securities	880,841	812,675	664,284	612,877
Disposition of land	8,719	90	6,575	68
Disposition of buildings	10,572	242	7,973	183
Decrease in security deposits	30,848	36,790	23,264	27,745
Decrease in deposit money	2,963	1,036	2,235	781
Increase in leasehold deposits	6,846	2,804	5,163	2,114
Other cash inflows	3,006	1,377	2,267	1,038
2. Cash outflows from investing activities	(13,030,718)	(9,291,130)	(9,827,087)	(7,006,886)
Increase in short-term bills	4,984,331	2,419,839	3,758,922	1,824,916
Increase in money in trust	732	7,523	552	5,673
Increase in deposits for futures trading	99,909	41,533	75,346	31,322
Purchase of stocks	314,422	508,511	237,121	383,492
Purchase of bonds	3,501,911	4,254,958	2,640,958	3,208,868
Purchase of beneficiary certificates	2,906,604	1,205,422	2,192,009	909,067
Purchase of securities dominated in foreign currencies	62,978	20,557	47,495	15,503
Purchase of other securities	959,802	725,595	723,832	547,206
Purchase of land	104,510	3,085	78,816	2,326
Increase in construction in progress	40,390	30,465	30,460	22,975
Purchase of furnitures and equipment	10,493	13,086	7,913	9,869
Purchase of softwares	4,636	904	3,497	682
Increase in security deposits	20,942	27,776	15,793	20,947
Increase in deposit money	1,665	4,678	1,256	3,528
Increase in severance insurance deposits	4,333	3,821	3,267	2,882
Other cash outflows	13,061	23,377	9,850	17,630
III. Cash Flows from Financing Activities	(3,012)	(41,665)	(2,271)	(31,422)
1. Cash inflows from financing activities	116	-	88	-
Proceeds from short-term borrowings	116	-	88	-
2. Cash outflows from financing activities	(3,128)	(41,665)	(2,359)	(31,422)
Dividends paid	3,128	4,927	2,359	3,716
Repayment of borrowings	-	30,000	-	22,624
Acquisition of treasury stocks	-	6,738	-	5,082
Net Increase in Cash (I + II + III)	(30,424)	(196,857)	(22,944)	(148,459)
Beginning of Year	269,037	465,894	202,894	351,353
End of Year	238,614	269,037	179,950	202,894