Kiwoom Securities

Investor Relation

FY2006

Corporate Profile & Revenue Breakdown

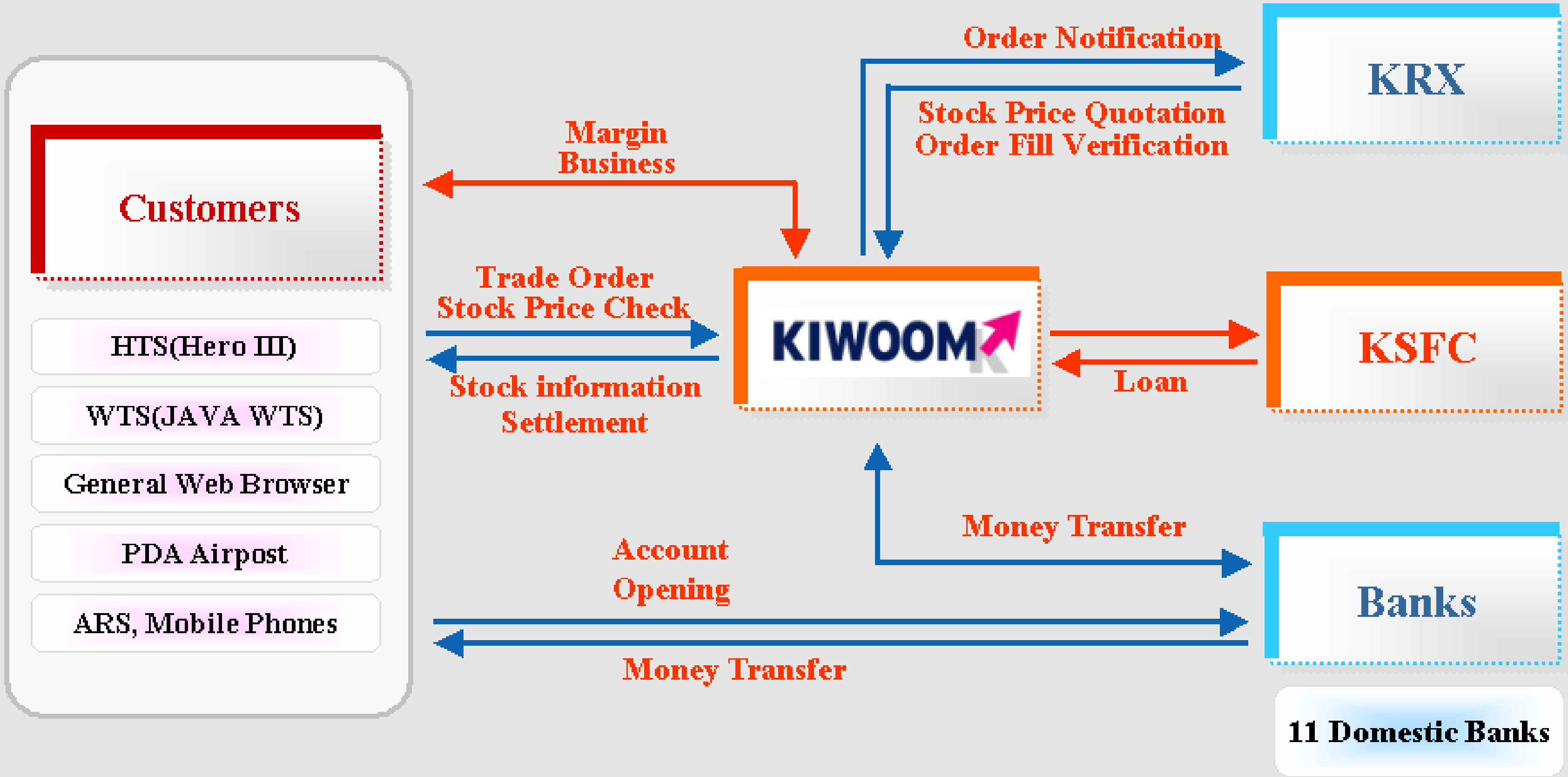
(as of Mar 06)

Paid-in Capital	KRW 61.3 billion
Total Assets	KRW 833.0 billion
Shareholders' Equity	KRW 125.8 billion
Net Profit	KRW 48.0 billion
Number of Employees	221
Major Shareholder	Daou Tech (59.7%)
CEO	Kim, Bong Soo
Established	January 2000
Listing Date	April 2004

(KRW in millions)

	FY05	YoY	(%)	FY04	FY03	FY02
Commission Revenue	60,326	98.3%	52.3%	30,422	31,355	32,645
Interest Revenue	39,651	120.5%	34.4%	17,986	13,330	11,247
Gains on Securities Trading	6,694	104.0%	5.8%	3,282	4,637	-1,022
Gains on Derivatives Trading	8,670	316.4%	7.5%	2,082	702	5,068
Total Net Revenues	115,340	114.5%	100.0%	53,773	50,025	47,938

Business Flow



Position and Status

Retail Trading Market Leader

No. 1 Broker
Strong Brand Power &
Dominant Online Broker

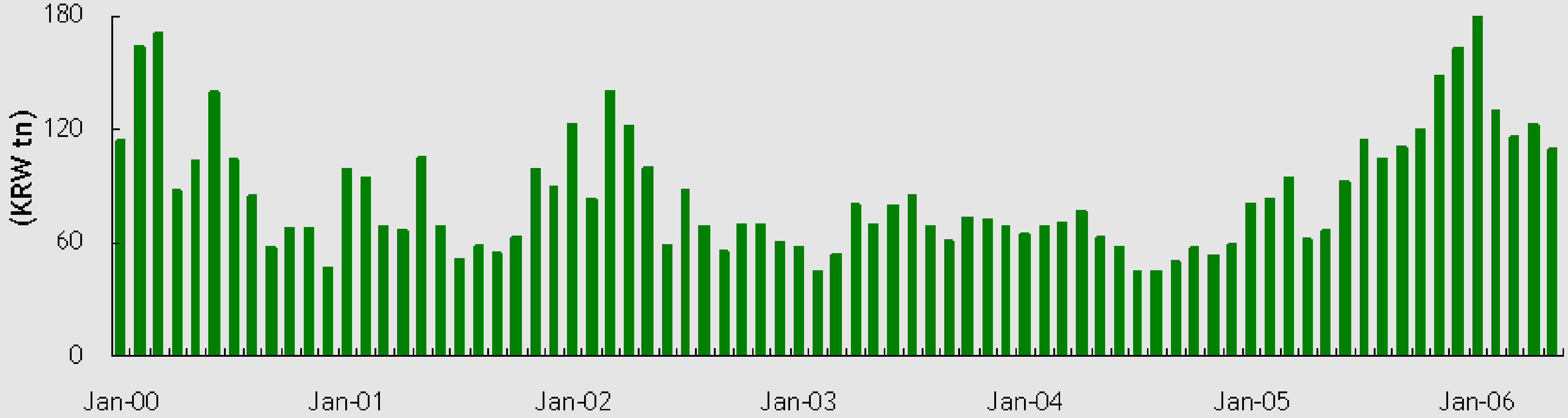
High ROE
Record High ROE & Growth

Business Model
Low Cost & High Return

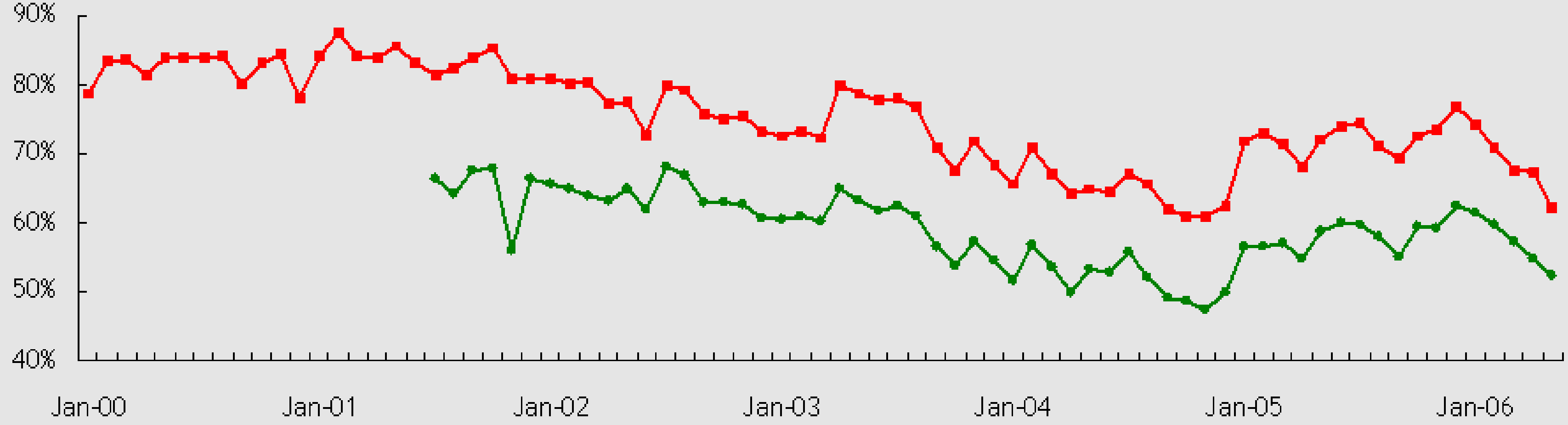
Individual Investors in the Equity Market

- **Proportion of individual investors trading value in the market between 60% and 90%**
- **Proportion of online trading value in the market between 40% and 70%**

Market Trading Value (KOSPI+KOSDAQ)



Proportion of Individuals Investors Trading Value & Online Trading Value



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Market Share and Trading Value

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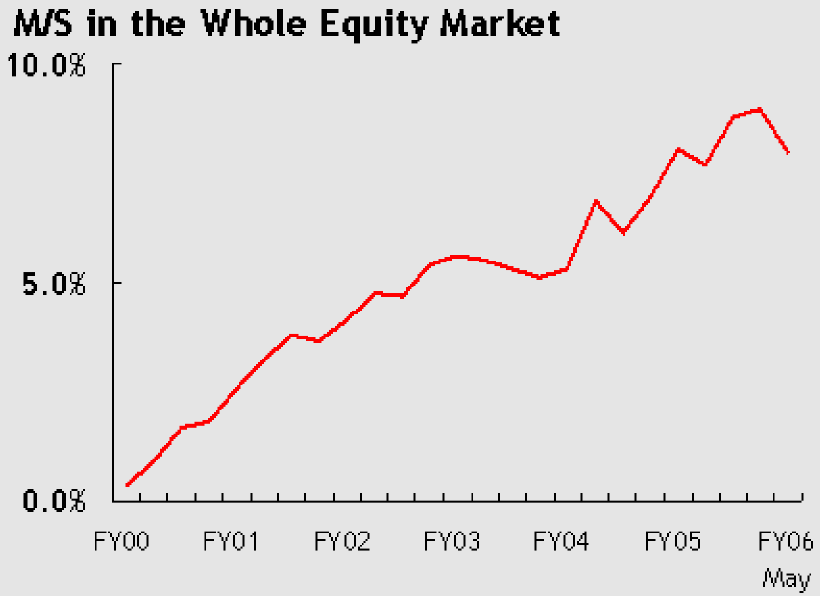
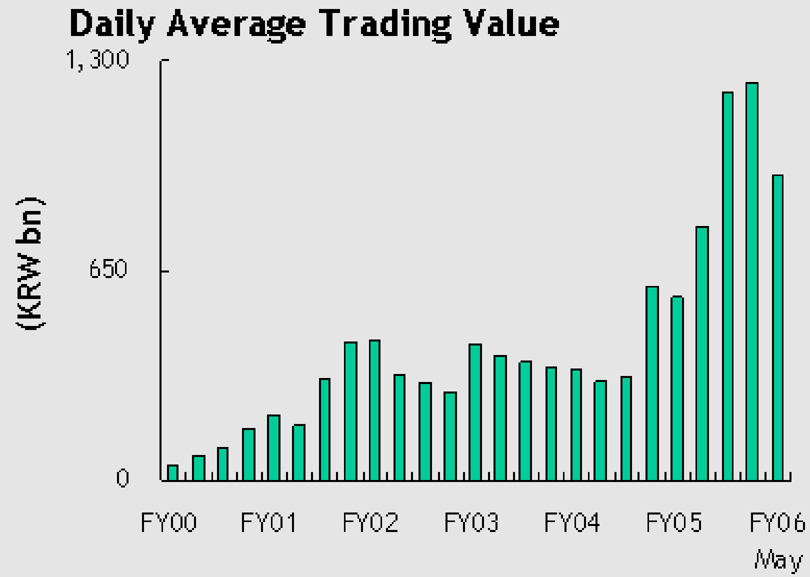
◆ M/S # 1 since Oct 05 (company estimates)

◆ Trading value depends on market condition





(%, KRW in billions)

	FY06 May	FY05 4Q	FY05 3Q	FY05 2Q	FY05 1Q	FY04 4Q	FY04 3Q	FY04 2Q
M/S	7.99	8.98	8.79	7.68	8.04	6.99	6.14	6.88
Daily Average Trading Value	946	1,230	1,198	784	569	599	320	308
Total Trading Value	37,874	77,520	75,463	50,168	35,296	35,959	20,791	19,397

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Status in the Retail & Online Market

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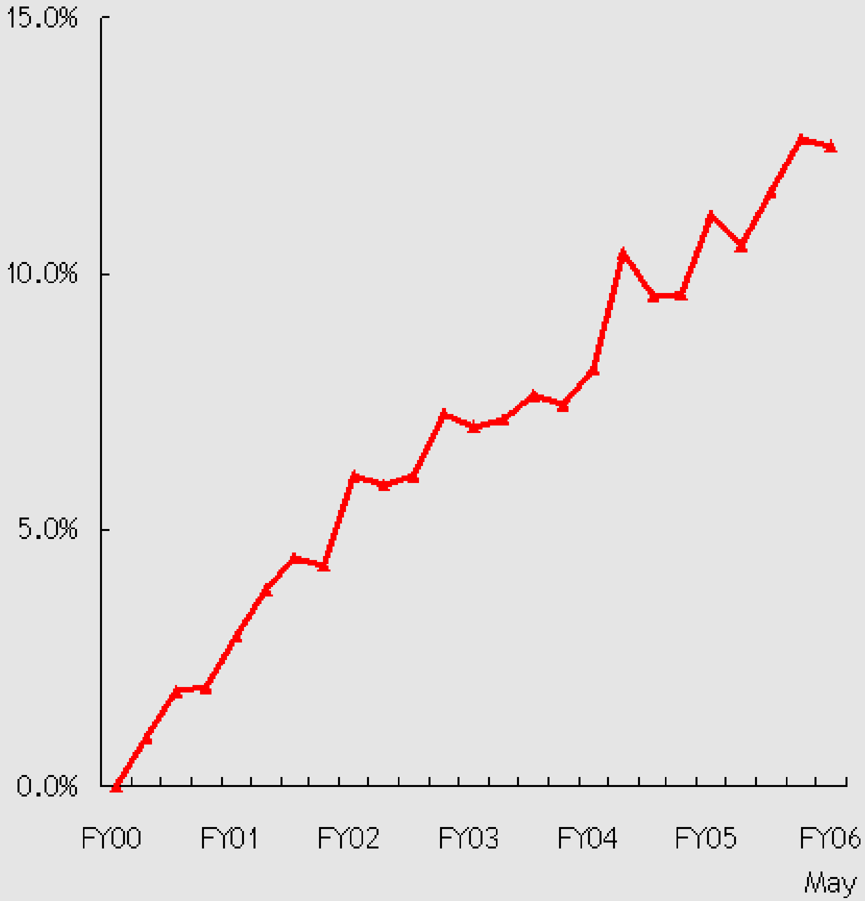
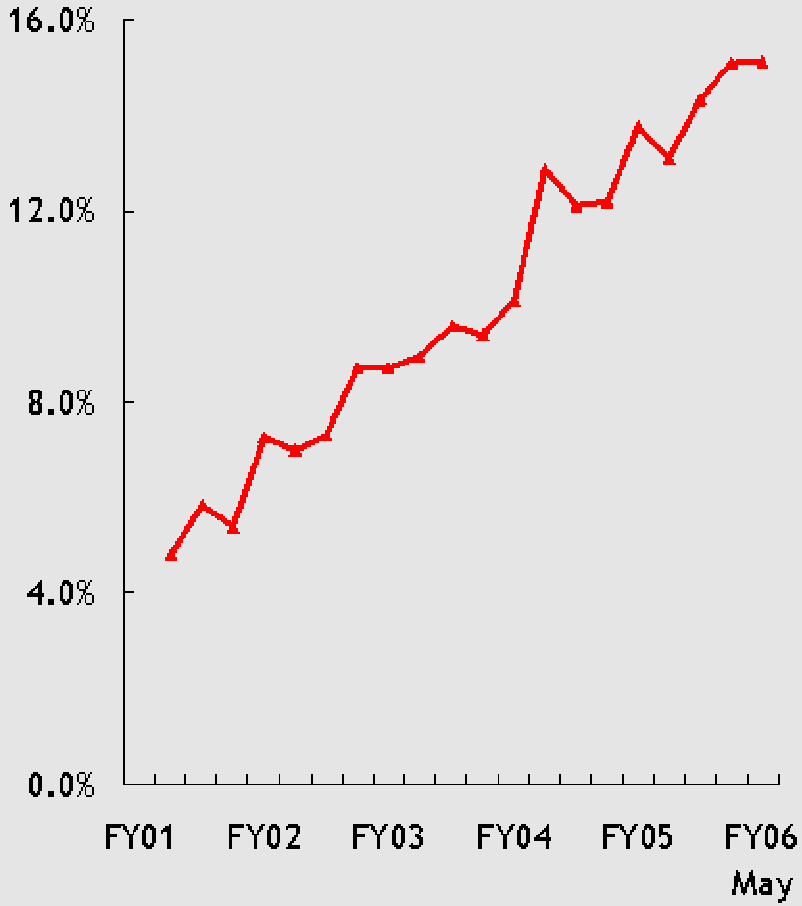
- **Kiwoom retail M/S over 12% despite of proportion decrease in the market**
- **Kiwoom online M/S getting higher than 15%**

Kiwoom Retail M/S



Kiwoom Online M/S



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Status of Margin Business

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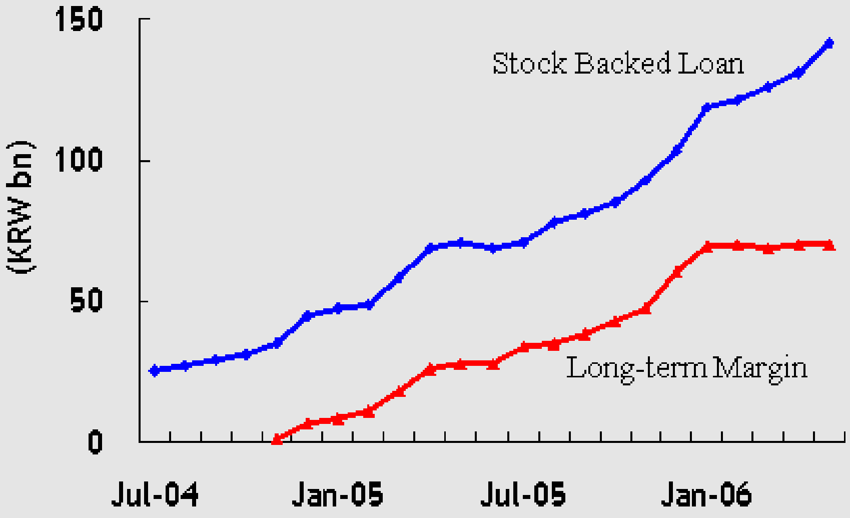
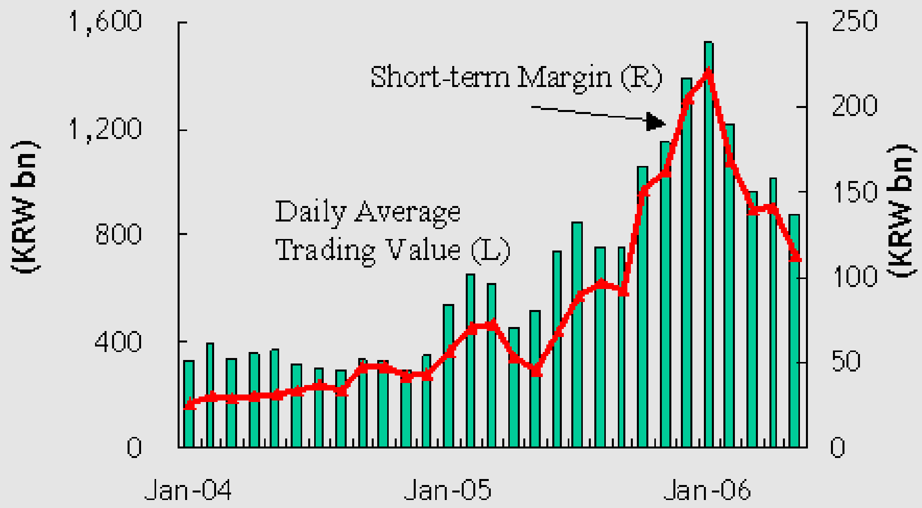
◆ **Margin business growing with interest revenue**

◆ **Short-term margin balance has much relation to trading value**

Balance of Long-term Margin & Loan



Balance of Short-term Margin & Daily Average Trading Value



(KRW bn)

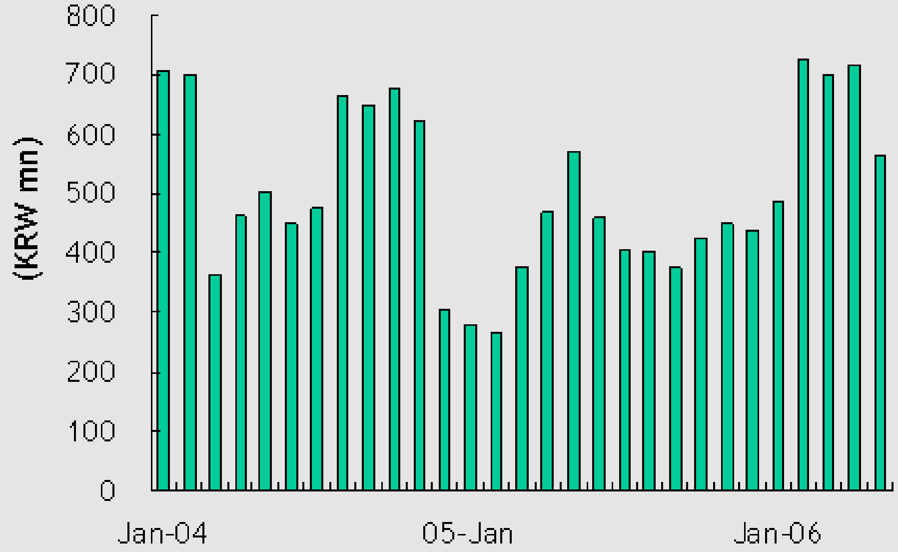
	FY06 May	FY05 4Q	FY05 3Q	FY05 2Q	FY05 1Q	FY04 4Q	FY04 3Q	FY04 2Q
Short-term Margin*	113	141	206	92	68	73	44	48
Long-term Margin*	70	69	60	38	28	18	6	-
Stock Backed Loan*	142	126	103	81	69	68	45	29
Total Balance	325	336	369	211	165	159	95	77

* Average balance

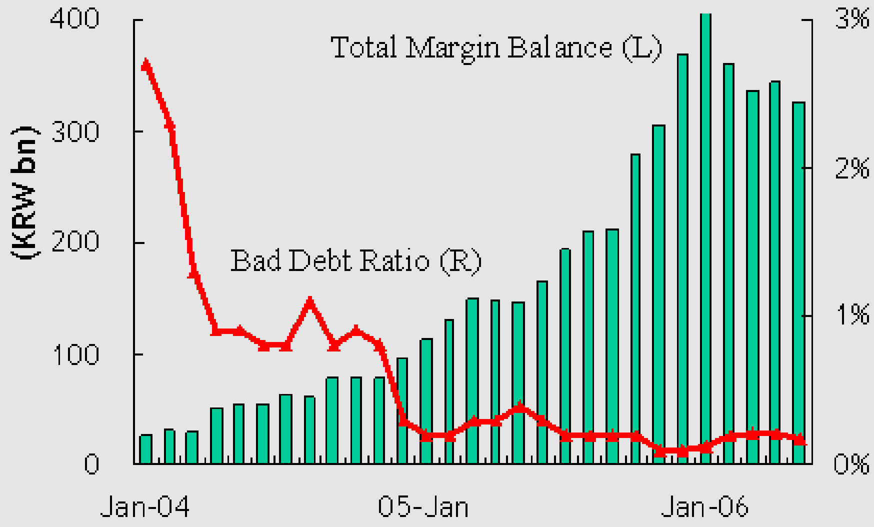
Status of Bad Debt

◆ **Size and ratio of bad debt from margin business on the low level**

Balance of Bad Debt



Bad Debt Ratio & Average Balance of Total Margin



(KRW in millions,%)

	FY06 May	FY05 4Q	FY05 3Q	FY05 2Q	FY05 1Q	FY04 4Q	FY04 3Q	FY04 2Q
Balance of Bad Debt	565	699	438	376	459	376	303	649
Bad Debt Ratio	0.17	0.21	0.12	0.18	0.28	0.25	0.32	0.84

of Accounts and Clients Assets

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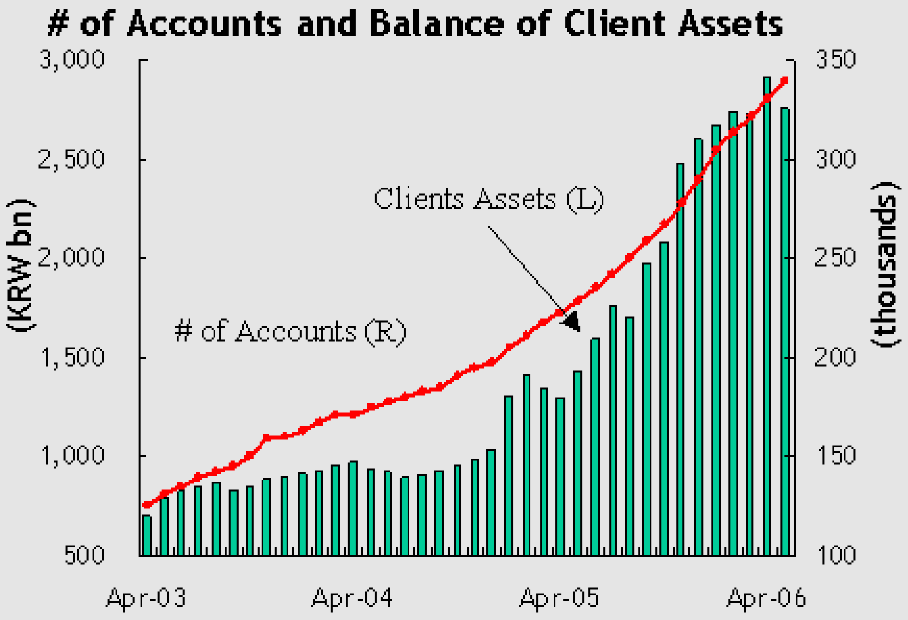
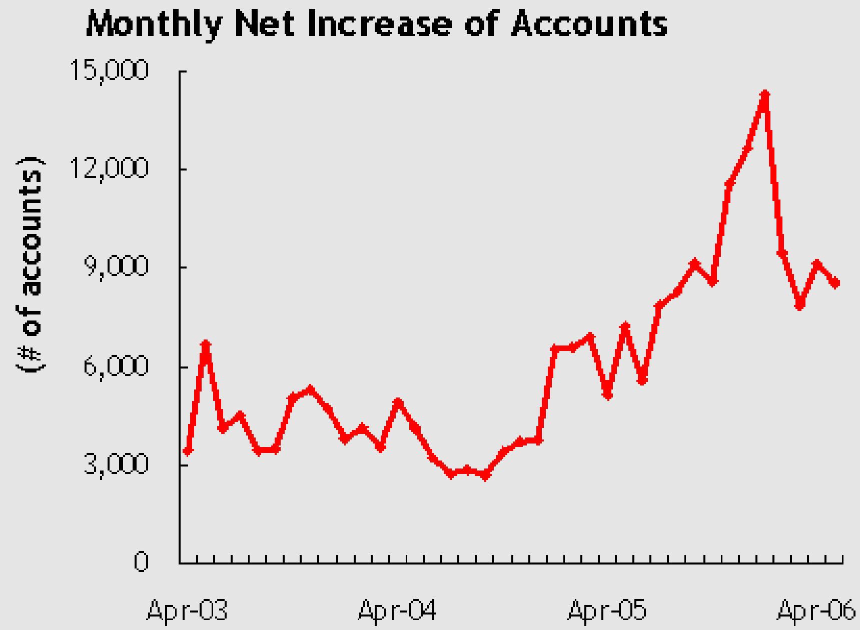
- # of accounts and client assets keeping growth
- # of monthly net increase of accounts is on the higher level since Sep 05





(# of accounts(thousands), KRW in billions)

	FY06 May	FY05 4Q	FY05 3Q	FY05 2Q	FY05 1Q	FY04 4Q	FY04 3Q	FY04 2Q
# of Accounts	340	322	290	259	235	218	198	185
Net Increase of Accounts	18	32	31	24	17	20	13	7
Clients Assets	2,758	2,737	2,602	1,970	1,596	1,342	1,035	927

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Net Inflow of Clients Assets

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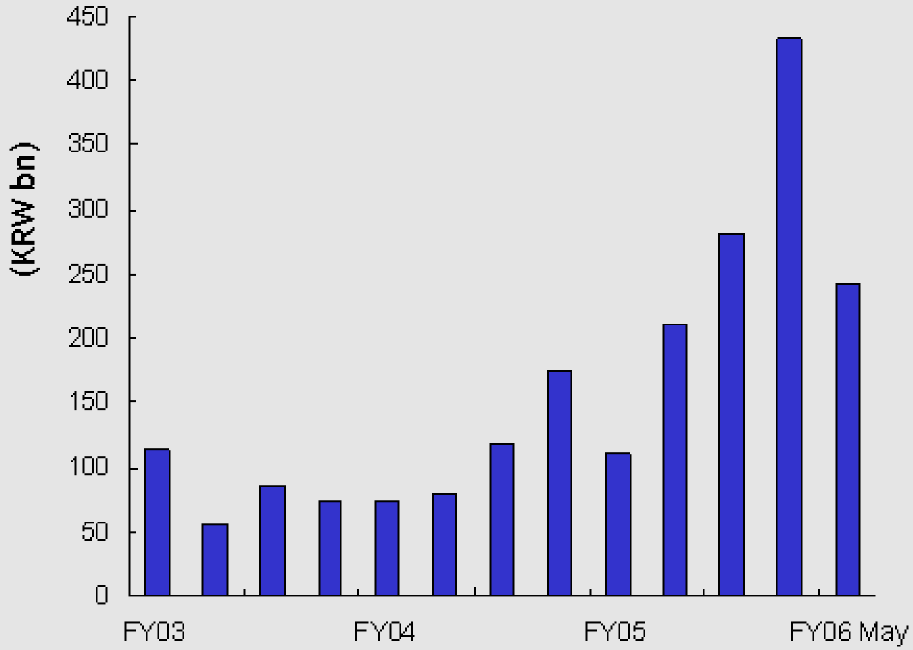
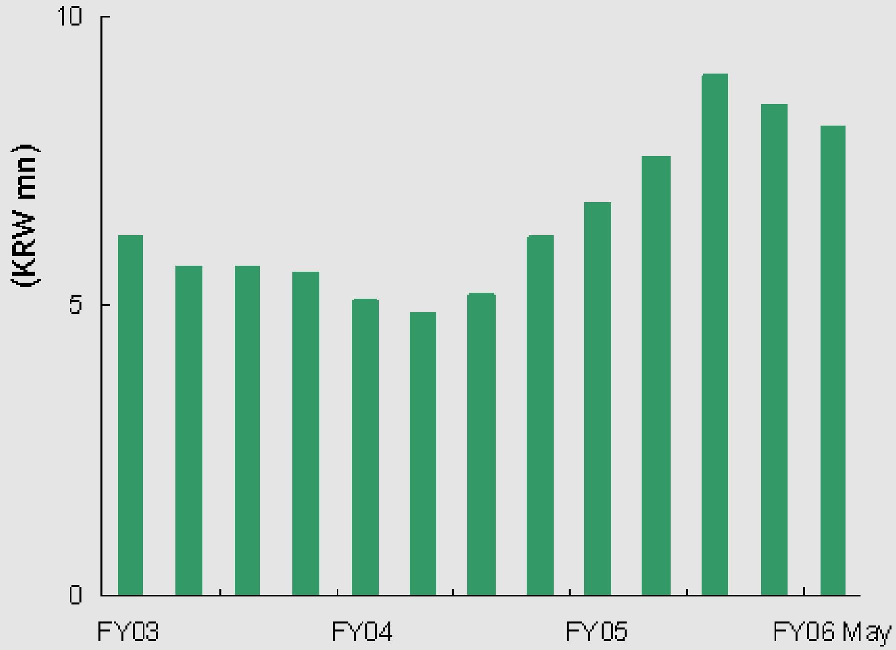
- **Inflow of clients assets is more than outflow in each quarter**
- **The balance of clients assets depends on the size of net inflow and the market condition**

Total Net Inflow



Average Balance of Clients Assets per Account



(KRW in billions)

	FY06 May	FY05 4Q	FY05 3Q	FY05 2Q	FY05 1Q	FY04 4Q	FY04 3Q	FY04 2Q
Net Inflow of Cash	233	395	343	224	76	196	107	48
Net Inflow of Stock	94	38	-62	-12	34	-21	10	31
Total Net Inflow	327	433	281	212	110	175	117	79

Trend of Commission & Interest Revenue

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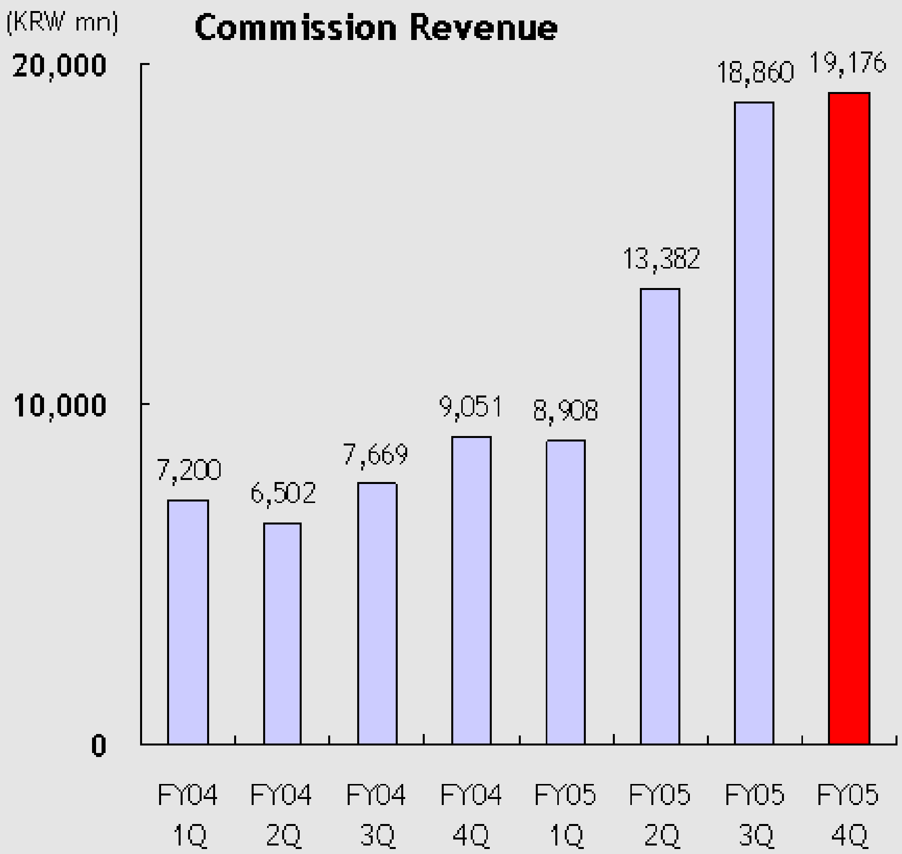
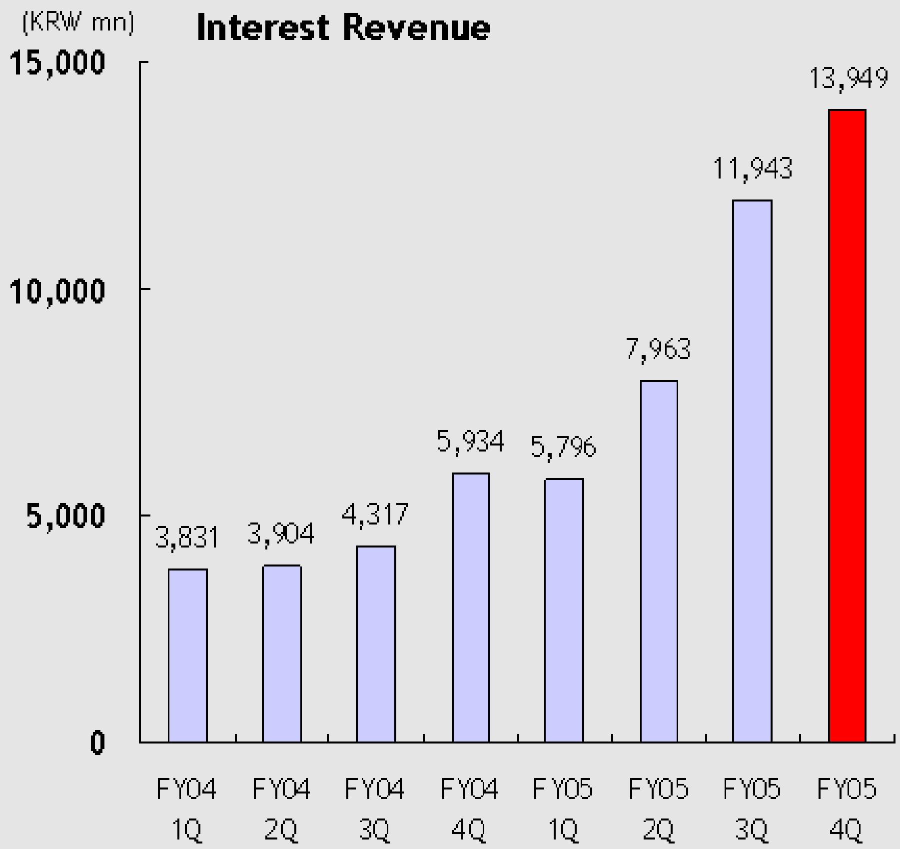
◆ Big Growth of commission revenue and interest revenue on FY05 3Q & 4Q





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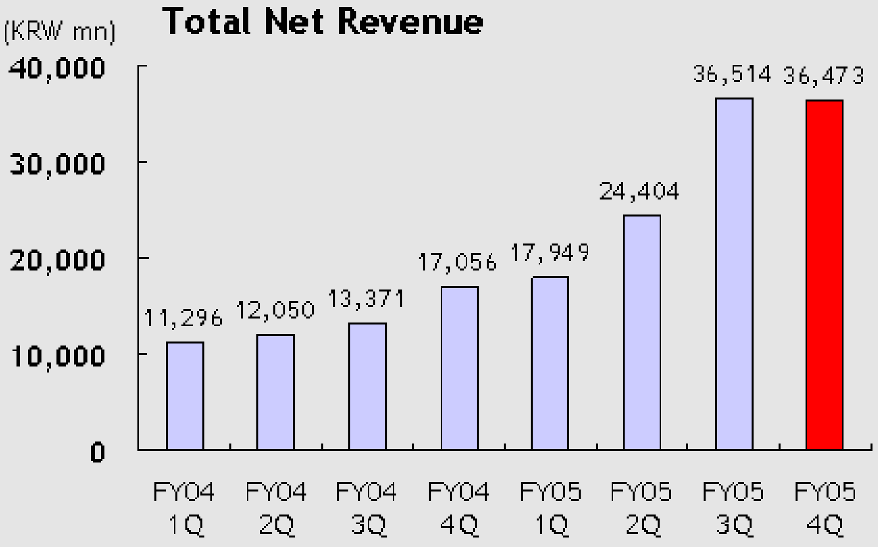
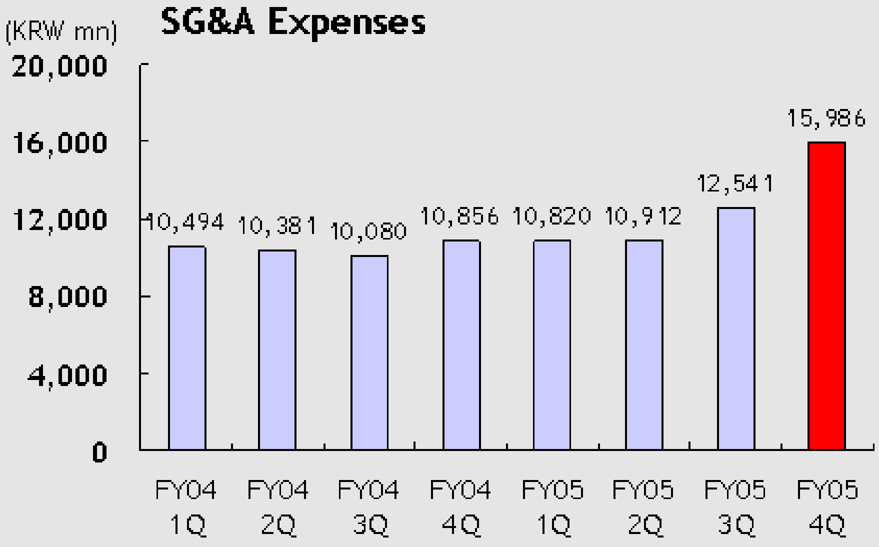
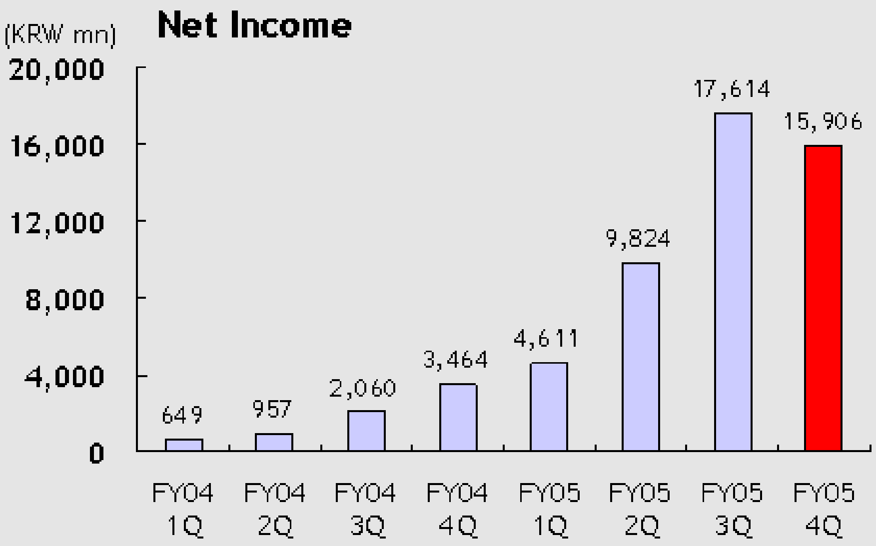
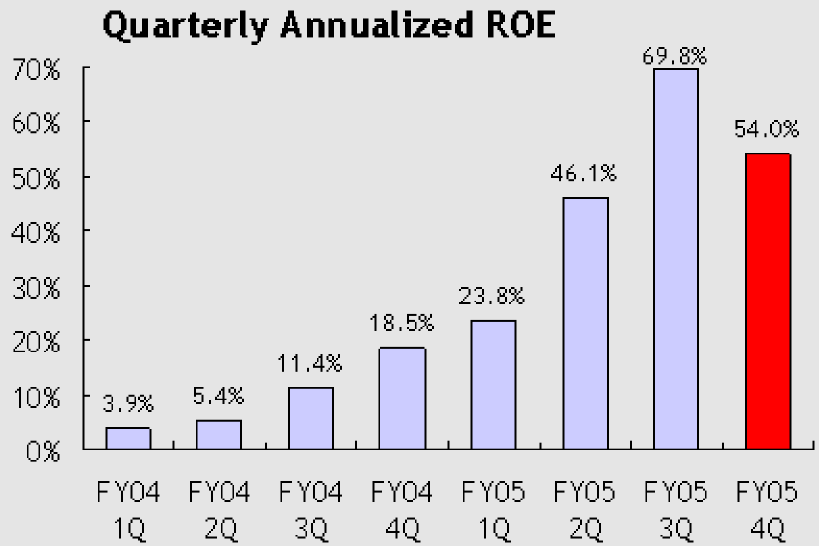
Highlights of Financial Result









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Summary of Financial Results

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◆ **Total net revenues increased 114.5% from FY2004**

(KRW in millions)

	FY2005	YoY	FY2004	FY2003
Commission Revenue	60,326	98.3%	30,422	31,355
Interest Revenue	39,651	120.5%	17,986	13,330
Gains on Securities Trading	6,694	104.0%	3,282	4,637
Gains on Derivatives Trading	8,670	316.4%	2,082	702
Total Net Revenues	115,340	114.5%	53,773	49,585
SG&A Expenses	50,258	20.2 %	41,811	36,986
Operating Profit	65,082	444.1%	11,962	12,599
Non-operating Income & Expenses	1,602	-	-1,501	-1,741
Ordinary Profit	66,145	532.3%	10,461	10,858
Net Income	47,956	572.5%	7,131	7,488

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Breakdown of SG&A Expenses

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- **Salary & Compensation and IT expenses are the biggest part in SG&A**
- **Incentive compensation getting Salary & compensation much higher**

(KRW in millions)

	FY 2005		YoY	FY 2004	
Salary & Compensation	19,205	(38.2%)	18.9%	16,148	(38.6%)
IT Expenses	10,245	(20.4%)	27.2%	8,057	(19.3%)
Miscellaneous Commissions	3,991	(7.9%)	-1.6%	4,056	(9.7%)
Advertising	3,611	(7.2%)	35.7%	2,661	(6.4%)
Depreciation	5,476	(10.9%)	19.8%	4,570	(10.9%)
Provision for Loan Losses	1,130	(2.2%)	38.7%	815	(2.0%)
Others	6,602	(13.1%)	19.9%	5,504	(13.2%)
Total	50,258	(100.0%)	21.2%	41,811	(100.0%)

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Balance Sheet

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(KRW in millions)

	FY2005	FY2004	FY2003	FY2002
Current Assets	787,501	457,995	295,419	274,844
Fixed Assets	45,518	34,016	22,784	20,771
Total Assets	**833,019**	**492,012**	**318,203**	**295,616**
Current Liabilities	706,172	415,117	255,418	237,330
Fixed Liabilities	992	219	447	204
Total Liabilities	**707,165**	**415,336**	**255,866**	**237,534**
Common Stock	61,309	57,500	50,000	50,000
Additional Paid in Capital	2,134	2,139	-	-
Retained Earnings	62,260	17,179	12,549	8,082
Capital Adjustments	151	-142	-211	-
Total Shareholder's Equity	**125,854**	**76,676**	**62,337**	**50,082**

Income Statement

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(KRW in millions)

	FY2005	FY2004	FY2003	FY2002
Commission Revenue	60,326	30,422	31,355	32,645
Interest Revenue	39,651	17,986	13,330	11,247
Gains on Securities Trading	6,694	3,282	4,637	-1,022
Gains on Derivatives Trading	8,670	2,082	702	5,068
Total Revenues	**115,340**	**53,773**	**50,025**	**47,938**
SG&A	**50,258**	**41,811**	**37,426**	**37,609**
Salary & Compensation	19,205	16,148	13,204	14,162
IT Expenses	10,245	8,057	7,421	7,056
Miscellaneous Commissions	3,991	4,056	3,941	3,722
Advertising Expenses	3,611	2,661	2,561	2,154
Depreciation	5,476	4,570	4,114	3,727
Provision for Loan Losses	1,130	815	234	2,018
Others	6,602	5,504	5,950	4,770
Operating Profit	**65,082**	**11,962**	**12,599**	**10,329**
Ordinary Profit	**66,145**	**10,461**	**10,858**	**9,729**
Net Income	**47,956**	**7,131**	**7,488**	**6,606**

http://www.kiwoom.com

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