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Report No. 6351

PROJECT COMPLETION REPORT

KOREA - LONG TERM CREDIT BANK PROJECT

(LOAN 1461-KO, 1635-KO AND 1932-KO)

July 15, 1986

IDF Division
East Asia and Pacific Regional Office

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CURRENCY EQUIVALENTS

Currency unit - Won (W)

FISCAL YEAR

January 1 - December 31

EXCHANGE RATES

1979	US\$1	=	W 485
1980	US\$1	=	W 660
1981	US\$1	=	W 703
1982	US\$1	=	W 749
1983	US\$1	=	W 796
1984	US\$1	=	W 830

ABBREVIATIONS

ADB	-	Asian Development Bank
BOK	-	Bank of Korea
DFC	-	Development Finance Company
ERR	-	Economic rate of return
FRR	-	Financial rate of return
IFC	-	International Finance Corporation
KAIST	-	Korea Advanced Institute of Science and Technology
KDB	-	Korea Development Bank
KDFC	-	Korea Development Finance Corporation
KDLC	-	Korea Development Leasing Corporation
KIFC	-	Korea Investment and Finance Corporation
KLB	-	Korea Long Term Credit Bank
KTAC	-	Korea Technology Advancement Corporation
LIBOR	-	London Interbank Offered Rate
LTCB	-	Long Term Credit Bank
MOF	-	Ministry of Finance
NIF	-	National Investment Fund
OED	-	Operations Evaluation Department
OLC	-	Orient Leasing Co., Ltd. of Japan
PCR	-	Project Completion Report
PICA	-	Private Investment Corporation of Asia
RCB	-	Regional Commercial Bank
SME	-	Small and Medium Enterprises
USAID	-	United States Agency for International Development

Office of Director-General
Operations Evaluation

July 15, 1986

MEMORANDUM TO THE EXECUTIVE DIRECTORS AND THE PRESIDENT

SUBJECT: Project Completion Report: Korea - Long Term Credit Bank Project
(Loans 1461-KO, 1635-KO and 1932-KO)

Attached, for information, is a copy of a report entitled "Project Completion Report: Korea - Long Term Credit Bank Project (Loans 1461-KO, 1635-KO and 1932-KO)" prepared by the East Asia and Pacific Regional Office. Under the modified system for project performance auditing, further evaluation of this project by the Operations Evaluation Department has not been made.

Attachment

A handwritten signature in black ink, appearing to be 'A. P. ...', is written over the word 'Attachment'.

PROJECT COMPLETION REPORT

KOREA - LONG TERM CREDIT BANK PROJECT
(LOANS 1461-KO, 1635-KO AND 1932-KO)

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PROJECT COMPLETION REPORT

KOREA - LONG TERM CREDIT BANK PROJECT
(LOANS 1461-KO, 1635-KO AND 1932-KO)

PREFACE

This is the third project completion report (PCR) on the Korea Long-Term Credit Bank (formerly, the Korea Development Finance Corporation). It covers the period 1980-84 and focuses on subprojects financed under Loans 1461-KO, 1635-KO and 1932-KO; final disbursements under these loans were made on February 13, 1981, March 11, 1983 and July 31, 1985. This PCR was prepared by the Bank's East Asia and Pacific Regional Office, based on an initial draft prepared and additional information furnished by KLB.

In accordance with the revised project performance reporting procedures this report has been read in the Operations Evaluation Department (OED) but the project was not audited by OED staff. The draft Completion Report was sent to the Borrower for comments. Comments received from KLB have been taken into account in finalizing the report and are reproduced as Attachment A to the PCR.

PROJECT COMPLETION REPORT
KOREA - LONG TERM CREDIT BANK PROJECT
(LOANS 1461-KO, 1635-KO AND 1932-KO)

BASIC DATA SHEETS

KOREA	KDPC VI	LN 1461-KO
(Country)	(Project Title)	(Ln/Cr No.)

KEY PROJECT DATA

Item	Appraisal expectation	Actual or current estimate
Total Project Cost (US\$ million)	n.a.	n.a.
Underrun or Overrun (%) -	n.a.	n.a.
Loan/Credit Amount (US\$ million)	70.0	70.0
Disbursed)	70.0	70.0
Cancelled)		-
Repaid to IBRD) as of January 31, 1986		38.4
Outstanding to) as of January 31, 1986		31.6
Date Physical Components Completed		n.a.
Proportion Completed by Above Date (%)		n.a.
Proportion of Time Underrun or Overrun (%)		n.a.
Economic Rate of Return (%)		n.a.
Financial Performance		Satisfactory
Institutional Performance		Satisfactory

OTHER PROJECT DATA

Item	Original Plan	Revisions	Actual or Est. Actual
First Mention in Files or Timetable	/ /	/ /	/ / /a
Government's Application	/ /	/ /	/ /
Negotiations	/ /	/ /	05/26/77
Board Approval	/ /	/ /	06/14/77
Loan/Credit Agreement Date	/ /	/ /	06/30/77
Effectiveness Date	/ /	/ /	09/15/77
Closing Date	12/31/81	/ /	02/17/81
Borrower	KDPC		
Executing Agency	KDPC		
Fiscal Year of Borrower	January 1-December 31		
Follow-on Project Name	KDPC VII		
Loan/Credit Number	1635-KO		
Amount (US\$ million)	100.0		
Loan/Credit Agreement Date	12/07/78		

MISSION DATA

Item	Sent by	Month, Year	No. of Weeks	No. of Persons	Man-weeks	Date of Report
Identification						/ /
Preparation						/ /
Preappraisal						/ /
Appraisal		02/77	2	?	4	05/26/77
Total					4	
Supervision I						(A) 10/16/78/b
Supervision II						/ /
Supervision III						/ /
Supervision IV						/ /
Supervision V						/ /
Completion						/ /
Total						

COUNTRY EXCHANGE RATES

Name of Currency (abbreviation)	Won	(W)
Year:		
Appraisal Year Average	1977	Exchange Rate: US\$1 = 485.0
Intervening Years Average	1978-80	US\$1 = 544.1
Completion year	1981	US\$1 = 702.7

/a KDPC VI (Loan 1461-KO) was a follow-on project to KDPC V (Loan 1145-KO) which was approved on July 15, 1975.
 /b Comprehensive review of KDPC's operations was presented in the Appraisal report of KDPC VII (Loan 1635-KO).

KOREA (Country) KLR (Project Title) LN 1932-KO (Ln/Cr No.)

KFY PROJECT DATA

Item	Appraisal expectation	Actual or current estimate
Total Project Cost (US\$ million)	n.a.	n.a.
Underrun or Overrun (%) -	n.a.	n.a.
Loan/Credit Amount (US\$ million)	90.0	90.0
Disbursed)	90.0	88.5
Cancelled)		1.5
Repaid to IBRD) as of January 31, 1986		12.2
Outstanding to) as of January 31, 1986		76.4
Date Physical Components Completed		n.a.
Proportion Completed by Above Date (%)		n.a.
Proportion of Time Underrun or Overrun (%)		n.a.
Economic Rate of Return (%)		n.a.
Financial Performance		Satisfactory
Institutional Performance		Satisfactory

OTHER PROJECT DATA

Item	Original Plan	Revisions	Actual or Est. Actual
First Mention in Files or Timetable	/ /	/ /	/ /
Government's Application	/ /	/ /	/ /
Negotiations	/ /	/ /	/ /
Board Approval	/ /	/ /	12/3/80
Loan/Credit Agreement Date	/ /	/ /	01/14/81
Effectiveness Date	/ /	/ /	03/19/81
Closing Date	06/30/85	/ /	07/31/85
Borrower	KLB		
Executing Agency	KLB		
Fiscal Year of Borrower	January 1-December 31		
Follow-on Project Name	Industrial Finance Project		
Loan/Credit Number	2309-2-KO		
Amount (US\$ million)	120.0		
Loan/Credit Agreement Date	06/29/83		

MISSION DATA

Item	Sent by	Month, Year	No. of Weeks	No. of Persons	Man-weeks	Date of Report
Identification						/ /
Preparation						/ /
Preappraisal						/ /
Appraisal		02/80	2	2	4	11/20/80
Postappraisal		04/80	2	1	3/a	11/20/80
Total					7	
Supervision I		05/82	2	2	1.3/b	08/12/82 (FS)
Supervision II		04/84	1	2	2/c	05/15/84 (n)
Supervision III						/ /
Supervision IV						/ /
Supervision V						/ /
Completion						/ /
Total					3.3	

COUNTRY EXCHANGE RATES

Name of Currency (abbreviation)	Won	(W)
Appraisal Year Average	1980	Exchange Rate: US\$1 = 662.3
Intervening Years Average	1981-84	US\$1 = 768.1
Completion year	1985	US\$1 = 890.0

/a Mission also involved postappraisal of Loan 1933-KO. Figure represents half of total mission time.
 /b Mission also included supervision of KDB and CNB. Figure represents third of total mission time.
 /c Primary purpose of mission was supervision of Loan 2309-KO which included credit lines to KDB and KLB, and a technical assistance component. Figure represents total time allocated to supervision of KLB.

PROJECT COMPLETION REPORT

KOREA - LONG TERM CREDIT BANK PROJECT
(LOANS 1461-KO, 1635-KO AND 1932-KO)

HIGHLIGHTS

1. This is the third project completion report (PCR) on the Korea Long Term Credit Bank, or KLB (formerly the Korea Development Finance Company, or KDFC). The second PCR covered KDFC's operations through 1979, reviewing Bank Loans 735-KO, 905-KO and 1145-KO. While this review focusses on developments and achievements experienced during the implementation of Bank Loans 1461-KO, 1635-KO and 1932-KO, the emphasis is on KLB's operations during the five-year period 1980-84.
2. The period 1980-84 was extremely difficult for the Korean economy. Serious inflationary pressures encountered in the late seventies carried over into 1980 and 1981. This situation was compounded by the second oil price shock of 1979 and the subsequent world recession. Capacity utilization in the manufacturing sector fell from 88% in 1978 to 73% in 1980. No significant improvements were achieved in 1981 and 1982, although the situation did improve in 1983 and 1984, helped by export demand in the electronic, machinery and transport sectors. The setbacks experienced by Korea during the late seventies led the Government to modify its interventionist approach to industrial development. During the period 1980-84 it initiated a policy to decentralize decision making in the real sector, and reduced government intervention in finance so that market prices would be able to play a greater role in resource mobilization and allocation (paras. 2.03-2.11).
3. The main objective of Loans 1461-KO, 1635-KO and 1932-KO was a continuation and expansion of the foreign exchange resource transfer and institution-building efforts addressed under the five previous Bank loans to KDFC. In addition, Loan 1932-KO (and Loan 1933-KO to KDB) was intended to serve as a vehicle for discussing with Government comprehensive reform of the Korean financial sector. Under these three Bank loans, 220 subloans (totaling \$258.5 million) were financed (paras. 4.01-4.03), which generated a total investment of almost \$1.0 billion equivalent (para. 4.05) and over 12,000 new jobs (para. 4.09). These subloans had a broad sectoral and geographical distribution, with 85% having a maturity of more than nine years (paras. 4.04-4.05). The financial and economic performance of both subborrowers and subprojects utilizing Bank loan proceeds is satisfactory, although somewhat below projections made at the time of the respective subproject approvals; this performance, however, was more a reflection of Korea's economic environment than of deficiencies in KLB's appraisal and supervision procedures (paras. 4.07-4.10).
4. During implementation of Bank Loans 1461-KO, 1635-KO, 1932-KO, KDFC was successfully transformed into a long-term credit bank under the LTCB Act of 1979 (para. 5.01). As a long-term credit bank, KLB greatly expanded:

lending and investment operations increased from W 66.0 billion in 1979 to W 340.4 billion in 1984 (para. 6.01), while total assets grew from W 209.2 billion to W 1.13 trillion over the same period (para. 6.06). With the authority to mobilize domestic currency resources, domestic currency lending has become an increasingly important part of KLB's total lending program. During the period 1980-84, it accounted for 53.6% of total term-lending operations compared to only 5% in 1979 (para. 6.02). KLB relies primarily on term-debentures (of one to five years maturity) for its domestic currency resource base -- 77% as of December 31, 1984 (para. 5.13). However, domestic currency has not been mobilized at the expense of foreign currency mobilization efforts. KLB has achieved some success in increasing the proportion of its foreign borrowings from commercial sources and in reducing its dependence on official funds: 45% of the \$655.0 million borrowed during the period 1980-84 represented commercial borrowings. While this proportion of commercial to official foreign resources is below appraisal expectations, IBRD's continued participation in KLB contributes to its excellent credit standing in the international money market (para. 5.14). Although its annual lending and investment operations, as well as its asset base, increased several-fold between 1979 and 1984, KLB experienced a decline in profitability. Return on average total assets declined from 3.5% in 1980 to 0.9% in 1983 and 1984. Its return on average equity between 1980 and 1983 fell from 28.2% to 11%, improving slightly in 1984 to 11.9% (in real terms, return on average equity improved from approximately 3.0% in 1980 to 8.0% and 7.0% in 1983 and 1984, respectively) (paras. 6.08-6.09). A significant factor contributing to the fall in profitability was the declining (including negative) spreads on loans made with debenture resources resulting from a combination of government regulations on interest rates and competition from other financial intermediaries (paras. 5.13 and 6.08). This situation illustrated KLB's vulnerability to conditions beyond its control and highlighted KLB's excessive dependence (and resulting consequences) on a single savings instrument to cover its domestic resource requirements.

5. Between 1967 and 1979, as described in the two previous PCRs, KDFC achieved a commendable developmental record (para. 1.02). Since 1980, this record has been enhanced. KLB continues to be a significant provider of term-financing (of both domestic and foreign currency) for private industrial development (para. 5.01). It maintains a strong commitment to small and medium enterprises (paras. 5.07-5.08). In addition, KLB remains the major shareholder in the Korea Development Leasing Corporation and the Korea Investment and Finance Corporation, both of which provide a range of services available to Korea industries (paras. 5.16-5.20). Finally, Loan 1932-KO (and Loan 1933-KO) served as the first step in an ongoing dialogue with the Korean Government in support of its financial sector reform which continued under SAL I and II and the First and Second Industrial Finance Projects (paras. 7.01-7.02).

6. The main conclusions emerging from the Bank's experience with KLB during the period under review are:

- (i) Overall, KLB has been and remains a well-organized, well-managed and sound financial institutions even in a period of considerable economic difficulty. The Bank's continued participation in

the financing of KLB helped to promote and sustain KLB's very good credit standing in the international capital market. On a macro-level, KLB represents a well-established conduit through which Bank resources can be productively channeled into the Korean economy, at the same time providing the basis for an ongoing dialogue on financial and industrial sector policy between the Bank and the Government.

(ii) KLB is directly and profoundly affected by changes in its environment, over which it has little, if any, control. The challenge facing KLB, especially since 1981, has been, and remains, to compete in an increasingly liberalized financial system. The conversion of KDFC in 1980 into a long-term credit bank, strongly supported by the Bank, represented a positive step, enabling KLB to adapt to the growing maturity of the Korean industrial sector and to a more competitive foreign currency relending market (which, essentially, had been KDFC's main business activity) in the country. However, as other financial institutions are being deregulated under the Government's financial sector reform, further diversification of KLB's activities may have been appropriate. KLB is currently dependent on a single type of savings instrument (term debentures) to meet its domestic resource requirements; moreover, the LTCB Act imposes a number of restrictions on KLB's credit operations which prevent it from diversifying and expanding services to clients. These constraints (in particular, those limiting working capital lending and deposit-taking activities) reduce KLB's flexibility and competitiveness vis-a-vis other financial institutions in a liberalized financial system. Thus, while Government and the Bank were concentrating their attention and actions on the broader issues of financial reform, the concern and needs of any particular financial intermediary (in this instance, KLB) may not have been duly addressed and adequately resolved. In future, more effort may be required to balance sectoral and specific institutional considerations.

(iii) At the time of appraising Loans 1461-KO, 1635-KO and 1932-KO, emphasis was placed on the mobilization of commercial foreign currency resources and a reduction in official foreign currency borrowings. While progress in this direction has been achieved, KLB fell short of the levels originally targetted. However, as long as the earnings margins provided by loans made with official foreign currency borrowings are higher than those permitted/realized from commercial foreign currency and domestic currency resources (which has been the case during the period under review), there is little incentive (and a real disincentive) to reduce the amount (or level) of such borrowings.^{1/} Again, where institutional and sectoral objectives come into conflict, Bank expectations and objectives may require corresponding modifications and/or revisions to reflect existing realities.

^{1/} KLB notes that, beginning in 1985, however, interest rates on commercial foreign exchange resources have become very competitive with those on IBRD funds. As a result, the minimum 2% spread required on IBRD funds has made them uncompetitive with other commercial resources. (Attachment A)

KOREA

KOREA LONG TERM CREDIT BANK (LOANS 1461-KO, 1635-KO and 1932-KO)

PROJECT COMPLETION REPORT

I. INTRODUCTION

1.01 This project completion report (PCR) reviews Loans 1461-KO, 1635-KO and 1932-KO (the sixth, seventh and eighth loan, respectively) made by the Bank to the Korea Development Finance Corporation (KDFC). Established in 1967 under the commercial code as a privately-owned development finance institution to provide term-financing for private industrial development, in June 1980 it became the Korea Long Term Credit Bank (KLB) under the Long-Term Credit Bank (LTCB) Act of 1979. To date, KLB has received eleven Bank loans amounting to \$667.4 million, including \$258.5 million under these three loans. Basic data on Loans 1461-KO, 1635-KO and 1932-KO is summarized below:

- (a) Loan 1461-KO, amounting to US\$70 million, was approved by the Board on June 14, 1977, signed on June 30, 1977, and became effective on September 15, 1977. The interest rate was 8.2% per annum and the free limit was \$2.5 million with no aggregate free limit. KDFC's maximum contractual long-term debt to equity ratio was raised from 7:1 to 10:1. The final date for subproject submission was December 31, 1979. Except for one subloan, the loan was fully committed by that date. The loan was fully disbursed, with the final disbursement made on February 13, 1981, ten months before the Closing Date of December 31, 1981.
- (b) Loan 1635-KO, amounting to US\$100 million, was approved by the Board on December 5, 1978, signed on December 7, 1978, and became effective on February 6, 1979. The interest rate was 7.35% per annum. The free limit was raised to US\$4.0 million with no aggregate free limit. KDFC's contractual long-term debt to equity limit was maintained at 10:1 as under the previous Bank Loan. The terminal date for subproject submission was extended by six months to December 31, 1981. The loan was fully disbursed, with the final disbursement made on March 11, 1983, almost four months before the Closing Date of June 30, 1983.
- (c) Loan 1932-KO, amounting to US\$90 million, was approved by the Board on December 23, 1980, signed on January 14, 1981, and became effective on March 19, 1981. The interest rate was 9.25% per annum. The free limit was again raised, to US\$5.0 million with no aggregate free limit. However, a ceiling of \$10.0 million was imposed on individual subloans. KLB's long-term debt to equity limit was maintained at 10:1. The final date for subproject submission was extended from June 30, 1983, to September 30, 1984. With a Closing Date of June 30, 1985, an uncommitted and undisbursed balance of

\$1,492,996.18 under the loan was cancelled (\$1.49 million on July 1, 1985, and \$2,996.18 on August 1, 1985).

1.02 Evaluation of Previous Bank Loans. Two Project Performance Audit Reports have been prepared by the Bank's Operations Evaluation Department (OED) on previous Bank loans to KDFC: (i) No. Sec M75-683 dated September 23, 1975, covering the second Bank loan (622-KO) on the basis of a PCR dated April 24, 1975; and (ii) No. Sec M81-446 dated May 26, 1981, covering the third, fourth and fifth Bank loans (735-KO, 905-KO and 1145-KO, respectively) on the basis of a PCR dated August 18, 1980. The principal conclusions were that KDFC's management and staff were competent and its standards of operations high. Loan objectives were met successfully from the institutional and developmental points of view, while KDFC's operational and financial performance had been more than satisfactory.

II. ENVIRONMENT

2.01 The Industrial Sector. Three features characterize Korea's industrial development since 1960: rapid growth, export orientation and successful diversification, and debt dependence. At 15%, Korea's manufacturing sector growth rate ranked among the highest in the world between 1960 and 1983. Korea's dynamic growth has been led by exports, especially by manufactured exports. In 1962, Korea's total commodity exports were US\$55 million, while in 1983 they reached US\$24.4 billion with manufactured exports accounting for over 93%. The structure of manufactured exports has changed substantially, from one based largely on light industrial goods (e.g., textiles and wood products) to a range of products including machinery, basic metals, and chemical products. For example, the share of machinery in total exports increased from 9% in 1970 to 32% in 1983 while that of wood products declined from 11% to 0.3%.

2.02 Industrial growth and diversification have been financed largely by debt. Korean corporations are highly leveraged. The average debt-to-equity ratio among manufacturing enterprises is high by international standards. Korea's external debt rose from \$22 million in 1960 to over \$43 billion in 1984, making it the fourth largest borrower among developing countries.

2.03 Korea's remarkable industrial development during the 1960s was associated with a generally dirigiste approach within which the Government maintained comprehensive export incentives, an extensive system of guided, concessional credit, and substantial investment in human and physical infrastructure. This approach was also considered appropriate for the next stage of industrial development, and beginning about 1974 the Government promoted a shift from light and simple industries to heavy and sophisticated industries (e.g., shipbuilding and chemicals) on the assumption that this anticipated the country's changing competitive advantage.

2.04 The interventionist approach did not meet with as much success after 1974, due partly to its inherent weaknesses and partly to the second oil shock in 1979 and the subsequent world recession. The economy encountered serious

inflationary pressures in the late 1970s, which continued into 1980 and 1981.^{2/} The promotion of heavy and chemical industries contributed to an increase in debt and excess capacity as Korea sought to maintain investment rates in priority sectors despite sharply higher oil prices and interest rates, and lower sales. Capacity utilization in the manufacturing sector fell from 88% in 1978 to 73% in 1980, with no significant improvement in 1981 and 1982. Light industries had difficulty obtaining funds and their development fell below planned targets; their products slipped in export competitiveness. Between mid-1979 and 1981, GNP was stagnant and real per capita income adjusted for terms of trade declined by about 10%. 1983 and 1984 saw a return to positive growth rates, helped by the export demand in the electronics, machinery and transport sectors. Real GNP increased by 9.5% in 1983 and 7.6% in 1984.

2.05 These circumstances caused the Government to begin to question the policy of choosing sectors to develop and of promoting them through large infusions of cheap credit. The Government recognized that the economy is too large and complex to be efficiently guided by direct controls. Consequently, direct intervention is being gradually reduced in favor of direction from incentives and market signals.

2.06 This change was reflected in the Fifth Five Year Plan (1982-86) and in agreements made with the World Bank under the structural adjustment loans of 1981 and 1983 and the Industrial Finance Projects of 1983 and 1985. Broadly speaking, Government is now committed to policies of industrial, trade and financial liberalization.

2.07 The Financial Sector. The Korean financial system has grown rapidly. Average consolidated assets of the system increased from W 9.6 trillion in 1975 to W 102.6 trillion in 1984. With this growth have come changes in structure. Financial development during the 1970s included the rapid growth of non-bank institutions and the emergence and spread of new types of financial instruments.

2.08 The financial sector in Korea consists of three tiers or systems differentiated largely by degree of government regulation: a heavily regulated primary system composed of the Bank of Korea (BOK), commercial and specialized banks that collect deposits and make loans, and development banks; a less regulated secondary system of insurance, investment, finance and securities companies; and an unregulated tertiary system of informal lenders and agents known as the curb market. However, the asset structure of the regulated financial system changed between 1975 and 1984. (Similar data are not available for the curb market.) The secondary system has grown rapidly and has an asset market share equal to 27% (as compared with only 10% less than a decade ago), while the market share of the BOK has slipped from 23% to 12% and that of commercial banks from 37% to 30%. This realignment in structure occurred because of the ability of most second tier institutions to raise

^{2/} Based on the GNP deflator: 1978 = 21.9%; 1979 = 21.2%; 1980 = 25.6%; 1981 = 15.9%; 1982 = 7.1%; 1983 = 2.9%; and 1984 = 4.0%.

deposits and lend at interest rates higher than those permitted banking institutions, and also because of the growing demand for financial services more flexible than those traditionally provided by commercial banks. Recognizing that this difference in regulatory treatment may penalize commercial banks, Government has moved recently towards greater parity of treatment.

2.09 The rapid development of the Korean economy was accompanied by highly interventionist government policies. Strict government control over resource allocation by the financial system was a major tool in development strategy. Controls included restrictions on the establishment of new financial institutions, Government ownership stakes in the banking sector and of development banks (excluding KLB), detailed regulation of bank management and staffing decisions, determination of interest rates, and selective credit controls. While industrial growth was reliant on the private sector, investment priorities were determined by the Government. The Government committed resources to fund priority investments, including financing on preferential terms channelled through development banks and deposit money banks.

2.10 Subsidization of lending rates in proportion to investment priority was widespread, created substantial price distortions and, to the extent that some lending rates were fixed below deposit rates, eroded the profitability of financial intermediaries. Narrow average margins between deposit and lending rates made intermediaries dependent on subsidies channelled primarily through the central bank. The two main programs of selective and subsidized lending in the 1970s were the Bank of Korea's rediscounting facility for short-term export credit, and the National Investment Fund (NIF) for long-term equipment financing. Interest subsidies attached to most programs not funded by the BOK were removed with the interest rate reform of June 1982. These programs, which were concentrated in the industrial sector, then accounted for about 20% of total private sector domestic credit outstanding. Controls have also covered resources mobilized independently by financial institutions, which have been directed to specific subsectors such as small industries and machinery manufacturing on terms and conditions specified by Government. In aggregate, the Government controlled approximately 50% to 60% of total banking resources.

2.11 The disadvantages of the dirigiste approach became apparent when the economy came under stress, largely from external economic developments (paras. 2.04-2.05). In response, the approach was modified. The policy of the Government is now to decentralize economic decision making in the real sector and to reduce government intervention in finance so that market forces are able to play a greater role in resource mobilization and allocation. The Government is phasing the reform, which began in 1981, so that changes in interest rates and policies do not have a destabilizing effect on the corporate sector, which is still heavily indebted, and on the commercial banks,

which have had low profits and weak portfolio performance emanating, in part, from past government policies.^{3/}

III. LOAN OBJECTIVES

3.01 The main objective of Loans 1461-KO and 1635-KO was a continuation and expansion of the foreign exchange resource transfer and institution building efforts, including enhancement of KDFC's developmental role, addressed under previous Bank loans to KDFC. At the time Loan 1635-KO was appraised, KDFC (in collaboration with the Bank and IFC) initiated a re-examination of its role as a financial institution in Korea's rapidly developing industrial economy with the view of gradually transforming KDFC from an institution concentrating largely on relending borrowed foreign exchange, into a more diversified, multi-purpose financial institution capable of (i) providing clients with a full spectrum of financial and advisory services, (ii) promoting enterprises as well as financing them, and (iii) acting flexibly to meet the changing requirements of the economy (para. 5.01). The objectives under Loan 1932-KO, however, took on a much broader sectoral context. In addition to assisting KDFC in the initial phase of its conversion (June 1980) into a larger, multipurpose financial institution, the loan (along with Loan 1933-KO to the Korean Development Bank - KDB) was intended to promote the framework for a continuing dialogue with the Government on reforming the financial system of Korea (paras. 7.01-7.02). As a basis for this dialogue, the Government agreed to conduct a series of studies on specific financial issues. These issues related to export financing, the future role of commercial banks, and liberalization of the capital market. An additional objective of Loan 1932-KO was to help reduce the high indebtedness of Korean industries (para. 2.02): KLB was required to make its financial assistance conditional upon adequate equity contributions by project sponsors and to assist in strengthening the financial structure of its borrowers - Bank funds were made available only to enterprises which had a debt to equity ratio (including proposed subloans) not in excess of 5:1.

3.02 KLB's performance in utilizing Loans 1461-KO, 1635-KO and 1932-KO is discussed in Chapter IV. KLB's institutional and operational development during the period 1980-84 is reviewed in Chapters V and VI. Chapter VII discusses the broader sectoral developments promoted under Loan 1932-KO.

^{3/} Five main issues comprise the core of the Government's financial reform program: (a) decontrol of interest rates, (b) reduction of directed credit, (c) commercial bank liberalization and supervision, (d) control of corporate indebtedness, and (e) equity market development. Progress made during the period 1981-84 is summarized in Staff Appraisal Report No. 5455-KO, "Korea - Second Industrial Finance Project," dated May 9, 1985, pp. 7-14.

IV. UTILIZATION OF LOANS 1461-KO, 1635-KO AND 1932-KO

Resource Transfer

4.01 Rate of Utilization. Total funds disbursed under loans 1461-KO, 1635-KO and 1932-KO amounted to \$258.5 million. Annex 2 compares actual and estimated disbursements for the three loans. It was estimated that funds under Loans 1461-KO and 1635-KO would be disbursed very quickly, within twenty-seven months of loan effectiveness; actual disbursements within that time period were 96.3% and 93.3% of loan proceeds, respectively. Both loans were fully disbursed almost eleven and four months prior to their respective closing dates stipulated in the Loan Agreements. Disbursements under Loan 1932-KO proceeded at a relatively slower pace, reflecting the general economic slowdown in the early 1980s (para. 2.04). While 86% of loan proceeds were disbursed within the three-year disbursement period (after loan effectiveness) originally estimated for the project, \$1.5 million of the loan was eventually cancelled due to several partial subloan cancellations near the Closing Date of June 30, 1985.

4.02 Fund Allocation. Under the three loans, KLB financed a total of 220 subprojects ^{4/} (Annexes 3a-c), most of which were undertaken by medium and large firms. Sixteen of these were "A" subloans (above the free limit of \$2.5 million under Loan 1461-KO, \$4.0 million under Loan 1635-KO and \$5.0 million under Loan 1932-KO) totaling \$72.1 million, representing almost 28% of total Bank loan proceeds - only slightly below the \$84.5 million (or 32.5%) estimated at appraisal. Individual subloan size ranged from \$47,569 to \$7.0 million, the average being slightly less than \$1.2 million.^{5/} In dollar terms, the average subloan size remained rather constant under the three loans: \$1.21 million under 1461-KO, \$1.06 under 1635-KO ^{6/} and \$1.30 under 1932-KO. This, however, is partially explained by the fact that other official and commercial foreign exchange sources were being increasingly used by KDFC/KLB in financing subprojects (para. 4.06). For example, only three of the 58 subloans under Loan 1461-KO were supplemented with additional foreign currency funds (of \$7.5 million). Under Loan 1635-KO, this had increased to 14 of 94 subloans (for \$32.9 million), and under 1932-KO, it was 28 of 68 subloans (for \$43.3 million).

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- ^{4/} Excluding five subloans which represented additional financing for the same subproject under a previously approved subloan and one subloan which was essentially a transfer of assets from one borrower to another, the total number of distinct and separate subprojects was actually 214.
- ^{5/} \$1.14 million, excluding the \$10.0 million specifically allocated to the Korea Development Leasing Corporation (KDLC) under Loan 1635-KO.
- ^{6/} \$0.98 million, excluding the \$10.0 million specifically allocated to KDLC.

4.03 220 subloans (representing 214 subprojects) were disbursed to 174 enterprises under the three Bank loans: 137 enterprises had one subloan each, 30 had two subloans each, five had three subloans each, and two enterprises accounted for four subloans each; average borrowings per subborrower was \$1.49 million. Excluding KDLC, the largest single borrower accounted for \$8.4 million, or 3.25% of total loan proceeds of \$258.5 million. This aggregate figure was well within the maximum subloan amount of \$10.0 million permitted under Loan 1932-KO.

Subproject Characteristics

4.04 The characteristics of subloans financed under the three Bank loans are summarized in Annex 6. As described below, KLB has been successful in maintaining sectoral and geographical diversification with respect to both its IBRD and overall lending programs (also see para. 6.05). Sixty-seven percent of Bank-funded subloans (by amount, in Won) represented expansion activities compared to 76% (including working capital lending) for KLB's overall lending program since 1967^{7/} (refer Annex 19). A greater percentage of Bank loan proceeds were comprised of subloans of W1.0 billion or more (75.4% versus 52.8%), while these subloans also had longer maturities - 84.9% (versus 33.4%) had terms extending beyond nine years, explained by the fact that 33% of KLB's overall lending is compared of working capital loans having maturities of one-to-five years. Bank loans proceeds showed a somewhat broader geographical distribution: 16% (versus 29.6%) went to the Seoul area, while 26.6% (versus 36.1%) went to the Kyunggi and Kyungsang Provinces. The manufacturing sector accounted for 63.2% of subproject financing (versus 68.7%). Excepting transportation services, which accounted for 19.3% of the loan (versus 11.6%) proceeds, diversification was broad with only one other subsector (chemicals, rubber, plastics, petroleum and coal, with 12.5%) accounting for more than 10% of Bank loan proceeds.

4.05 Total costs of subprojects under Loans 1461-KO, 1635-KO and 1932-KO were W153.2 billion (approximately US\$316 million equivalent),^{8/} W192.1 billion (approximately US\$335 million equivalent),^{9/} and W 236.5 billion (approximately US\$316 million equivalent),^{10/} respectively (Annexes 4a-c). Under all three Bank loans, actual total project costs were within 4% of estimated costs at the time of appraising the respective subprojects. Of the

^{7/} It should be noted that 86% of KLB's total lending operations since 1968 have been undertaken during the period 1979-84.

^{8/} Based on an average exchange rate of W 485.0 = US\$1.00 for the period 1978-79 during which 77% of all subprojects were completed.

^{9/} Based on an average exchange rate of W 573.6 = US\$1.00 for the period 1979-80 during which 75% of all subprojects were completed.

^{10/} Based on an average exchange rate of W 747.7 = US\$1.00 for the period 1981-83 during which 81% of all subprojects were completed (excluding the five subprojects not yet completed as of December 31, 1984).

211 subprojects financed, excluding the three to KDLC, only eight experienced cost overruns of 10% or more (ranging from 12% to 36%). Two factors contribute significantly to this small variance between actuals and estimates: (1) KLB's appraisal estimates are generally based on contracted and/or confirmed price quotations, and (2) most subprojects were completed within twelve months of being appraised. The fact that project details (especially costs and implementation schedules) as given in KLB's appraisal reports generally reflect firm and finalized arrangements also explains in large part the timely completion of subprojects: only fifteen subprojects (or 7%) experienced delays of six months or more (ranging from 7 to 25 months). As seen in Annex 5, changes and delays in procurement of equipment accounted for eleven of these slippages, while construction difficulties were the cause in three cases.

4.06 Under Loan 1461-KO, 26.8% of total subproject costs were financed with KLB funds. Under Loans 1635-KO and 1932-KO, this percentage increased considerably, to 41.2% and 47.4%, respectively. The proportion of total subproject costs financed with IBRD loan proceeds, however, remained relatively constant (22.2% under Loan 1461-KO, 28.3% under Loan 1635-KO and 21.6% under Loan 1932-KO), with commercial and other official foreign currency funds playing an increasingly important role in KLB's lending program (para. 5.14). KLB's domestic currency resources (used primarily to finance enterprises' working capital requirements not reflected in Bank-funded proposals) accounted for only a small part of these total subproject costs - 1.8% under Loan 1461-KO, increasing to 3.9% under Loan 1635-KO, and then dropping slightly to 3.5% under Loan 1932-KO.

Operational and Economic Performance^{11/}

4.07 Operational Performance of Subborrowers. The financial performance of subborrowers utilizing Loans 1461-KO, 1635-KO and 1932-KO is presented in Annexes 7a-c, while operational performance of the subprojects themselves is given in Annexes 8a-c. In aggregate, under all three Bank loans, actual total sales for subborrowers, in both the first and second year of full (subproject) operation, exceeded estimated total sales (at the time of appraisal). Aggregate actual profits, on the other hand, were (with one exception - the first year of full operation under Loan 1932-KO) only a fraction of appraisal estimates. For Loans 1461-KO and 1635-KO, the best profit performance was achieved in the second year under Loan 1635-KO with actual profits amounting to only 23.9% of estimates, while in the second year under Loan 1461-KO, a net loss of W 0.2 billion was actually incurred against an estimated profit of W 66.4 billion. However, these results appear to reflect Korea's national economic environment during the period 1978-84 in which subprojects under the three Bank loans were implemented. During the four-year period 1978-81, inflation increased at an average annual rate of 21%. Under Loan 1461-KO, 77%

^{11/} Subborrower and subproject data is monitored and compiled by KLB (paras. 5.09-5.10). Much of the subproject data is based on information and data provided by the subborrowers, and in most instances, actual figures reflect "best estimates."

of subprojects financed were completed in 1978 and 1979, while under Loan 1635-KO, 75% were completed in 1979 and 1980. Since the time lapse between project appraisal and the second year of full operation (an average of approximately three-to-four years), actual sales, quoted in current prices and reflecting inflation, are generally much higher than original estimates which were projected on the basis of constant prices at the time of appraisal. Profits, meanwhile, were much lower, reflecting not only lower profit margins which can be attributed to increasing debt financing and increasing market (especially export) competitiveness (para. 2.04), but also the general decline in capacity utilization experienced by borrowers during this period. The situation improved somewhat under Loan 1932-KO: 50% of subprojects financed were completed in 1981 and 1982, and came into operation at a time when the inflation rate dropped considerably - 7.1% in 1982, 2.9% in 1983 and 4.0% in 1984 - and Korea began to recover from the recession of 1980-82. In terms of net earnings as a percentage of average net worth, almost half of the subborrowers under the three Bank loans showed an improvement in their second year of full (subproject) operation; however, less than 40% of the enterprises showed returns of 10% or more, suggesting the difficulty faced by Korean industries in mobilizing financial resources through equity infusions (other investment opportunities provided higher and guaranteed returns) and the increasing dependency of Korean corporations on debt-financing in order to expand and diversify (para. 2.02). As of December 31, 1984, none of the subprojects financed under the three Bank loans was in arrears (Annex 10a-c), although seven of the 220 subloans had been rescheduled and one was prepaid.

4.08 Operational Performance of Subprojects. Annexes 8a-c give operational details of the subprojects financed with Bank loan proceeds. First and second year (incremental) sales directly attributed to these subprojects amounted to W 2.2 billion compared to W 2.1 billion estimated at the time of subproject appraisal. Actual subproject sales under Loan 1461-KO exceeded appraisal estimates by 24% (where actual capacity utilization equaled or exceeded appraisal projections in 76% of the cases). Under Loan 1635-KO, actual sales fell short of appraisal estimates by 10% (and actual capacity utilization equaled or exceeded appraisal estimates in 53% of the cases). Sales under Loan 1932-KO had mixed results: actual first year sales were 5% below estimates (and in 58% of the cases, capacity utilization equaled or exceeded appraisal estimates) while second year sales exceeded estimates by 10% (and capacity utilization equaled or exceeded original projections in 67% of the cases). In terms of aggregate sales, subprojects financed under Loan 1932-KO had a much higher export orientation compared to Loans 1461-KO and 1635-KO: over 50% of total sales compared to about 20%. In terms of the subprojects themselves, 47% of the subprojects financed under Loans 1461-KO and 1635-KO resulted in incremental production of which at least a portion was exported; under Loan 1932-KO, 62% of the subprojects financed resulted in direct export sales.

4.09 Economic Benefits. A total of 11,531 new jobs were created by the 207 subprojects ^{12/} financed under the three Bank loans, ^{13/} about 10% less than estimated at the time of subproject appraisal. The average investment cost per job is high - ranging from approximately \$106,000 under Loan 1461-KO to \$68,000 under Loan 1635-KO to \$85,000 under Loan 1932-KO, reflecting the disproportionate but nonetheless very capital intensive nature and high cost of a few subprojects. For example, the average investment cost per job for three subprojects under Loan 1461-KO, representing 55% of total subproject costs, was almost \$390,000. Corresponding figures for four subprojects under Loan 1635-KO, accounting for 33% of total subproject costs, and for four subprojects under Loan 1932-KO, accounting for 13% of total subproject costs, were approximately \$225,000 and \$390,000, respectively. Despite the relatively high overall average figures, 91 subprojects (or 44%) financed under these three Bank loans had an average investment cost per job of less than \$25,000.

4.10 Ex-post FRRs and ERRs were calculated for a sample of ten subprojects. With only one exception, ex-post returns were below appraisal estimates. Ex-post FRRs ranged from 10.2% to 22.5% with a median of 13% (compared to an ex ante range of 13% to 45%, and a median of 24%), while ex-post ERRs were generally higher, ranging from 10.4% to 37.8%, with a median of 20% (compared to an ex ante range of 11% to 50%, and a median of 26%). Rather than reflecting on the standard of appraisal efforts by KLB, however, the subproject performance mirrors, to a great degree, the effects of the second oil shock experienced by Korea in 1979 and subsequent (and lingering) world recession (para. 2.04). Higher oil prices, resulting in higher operating costs and narrower profit margins, compounded by increasing export competitiveness, had a negative impact on the financial and economic viability of both ongoing and new industrial activities undertaken in Korea during the late seventies and early eighties.

V. INSTITUTIONAL DEVELOPMENT

Institutional Aspects

5.01 KDFC was established in 1967 under the Korean commercial code as a privately owned development finance institution to provide term financing (almost exclusively foreign currency) for private industrial enterprises. It was sponsored by the Federation of Korean Industries with the active support of the World Bank Group as a joint venture between domestic and foreign investors, including the IFC and foreign commercial banks. However, KDFC's charter did not provide for the mobilization of domestic currency resources (except

^{12/} Excluding the five subprojects under Loan 1932-KO not yet completed as of December 31, 1984 (para. 4.02).

^{13/} Not including the 607 jobs generated by the \$10.0 million component to KDLC under Loan 1635-KO (para. 5.19).

for equity resources), a situation which KDFC management later felt seriously affected growth prospects. In 1977, KDFC instituted an internal study of alternative strategies aimed at better tailoring its financial services to the requirements of the industrial sector. Demand for domestic currency financing was expected to increase more rapidly as Korea became less dependent on foreign savings and the domestic machinery industry developed. In addition, the market for foreign currency lending was becoming extremely competitive with an increasing number of foreign bank branches operating in Korea and the more mature industrial firms increasingly able to mobilize overseas funding directly. The Bank and IFC assisted KDFC in this study which was finalized in mid-1978. As a result of this study, the Government enacted the Long Term Credit Bank (LTCB) Act of 1979, and in June 1980, KDFC became KLB - the first (and, to date, only) institution to operate under the new law with authority to issue long-term domestic currency debentures and to accept deposits from its corporate borrowers. The act also permitted KLB to undertake foreign exchange transactions such as opening letters of credit, and to enter the securities business through underwriting, selling and guaranteeing investments. Over the period 1980-84, KLB achieved an impressive record of operational growth (paras. 6.01 and 6.06). Despite this growth, though, KLB is still a relatively small institution with total assets of W1.1 trillion as of December 31, 1984, representing approximately 1% of the total assets of the Korean financial system (compared to 0.5%, as of December 31, 1979). However, KLB remains an important source of long-term credit for industry: as of year-end 1983, KLB held 6.6% of equipment loans outstanding to the manufacturing sector.

5.02 Capitalization and Ownership. Between December 31, 1979, and December 31, 1984, KLB's paid-in share capital increased from W 10.0 billion to W 50.0 billion. This W 40.0 billion increase was comprised of a 50% stock dividend (amounting to W 5.0 billion) announced in February 1980 and an additional W 35.0 billion subscribed by existing (W 13.4 billion) and new (W 21.6 billion) shareholders before KDFC's official conversion into a long-term credit bank on June 2, 1980. As shown in Annex 1, there have been two major shifts in the ownership of KLB since 1979: (1) a decrease in foreign shareholders - from 33.3% to 19.3%; and (2) an increase in shares held by private Korean corporations - from 18.4% to 35.1%. However, KLB has maintained a reasonable degree of ownership diversification: as of December 31, 1984, only three entities held 5% or more of KLB's total shares: Dong Bang Life Insurance Co., Ltd. (with 9.9%); Ssang Yong Cement Ind. Co., Ltd. (with 5%); and IFC (with 5%). KLB remains an autonomous institution, not unduly influenced by any individual or group of shareholders.

5.03 While KLB remains committed to strengthening its capital base through raising its paid-in share capital, declining profitability during the period 1980-84, with KLB shares trading at below par on the stock market, precluded the issuing of any new shares; it is highly unlikely that any increase will be achieved in the near future (para. 6.07-6.09). KLB's present strategy, as stated in its "Development Strategy 1985-86" and supported by the Bank, is to build up its reserves to a level approximating paid-in capital. As of December 31, 1984, reserves amounted to W 32.7 billion, giving a ratio of 60:40 compared to the targeted 50:50 relationship between paid-in capital and reserves.

5.04 Organization, Management and Staffing. KLB's organizational structure, as shown in Chart 1, has changed little since its conversion into a long-term credit bank in 1980. KLB is a well-managed and well-organized institution. Compared to KDFC's pre-conversion organizational structure, KLB basically has three new departments, i.e., International Business, Securities, and Bank Debentures, which were added to handle the additional operational activities provided under the LTCB Act of 1979 (para. 5.01). KLB's lending guidelines are established in its Statement of Investment and Operational Policies while the direction and emphasis of its operations are stated in its Development Strategy Statement (which is reviewed and revised periodically, the current one being for the period 1985-86). Overall policies and operational guidelines are established by the Board of Directors, presently comprised of twenty members (compared to thirteen prior to the conversion), while investment decisions are delegated to an Executive Committee (comprised of the President, Chairman of the Board, Deputy President and three Managing Directors).

5.05 Prior to the June 1980 conversion, KLB had one branch office - in Busan. By the end of 1984, it had opened two new (full service) branch offices (in Central Seoul and Daegu) and four subbranches (all located in Seoul and which essentially promote the sale of KLB debentures). In 1982, KLB established its first overseas representative office - in Hong Kong. Since 1983, KLB has opened two business promotion centers, one at its head office and the other in its Central City Branch Office, for the purpose of cultivating new clients as well as promoting the sale of debentures. To reinforce its role as a development bank, KLB has established an Investment Consulting Office for small and medium enterprises to identify potential clients and assist them in the areas of finance and management. It has also opened a Consulting Center for International Investment to provide consulting services for joint ventures and technology transfers between local and foreign companies. In 1984, KLB completed two major research projects regarding prospects for regional economic development on Cheju Island and in the Daegu area. These studies were used by the Government in establishing long-range development plans for these areas.

5.06 During the period 1980-84, KLB's staff doubled: from 163 (96 of whom were professionals) to 343 (196 of whom were professionals), as shown in Annex 12. The quality of KDFC's professional staff remains excellent at all levels. To complement the high quality of its human resources, KLB has also intensified efforts to enhance operational efficiency through computerization of activities. In 1983 it installed a main computer system and a personal computer system for office use. It has implemented an on-line process for debenture sale and redemption operations, and for lending operations. Plans are also underway to computerize KLB's entire management information system.

5.07 Promotion of Small and Medium Enterprises. In line with government priorities, KDFC/KLB has actively promoted small and medium enterprises

(SME)^{14/} through direct loans, and indirectly, through collaboration with some of the Regional Commercial Banks (RCB). Between 1975 and until its June 1980 conversion, KDFC collaborated with four of Korea's ten RCBs. Under this scheme, KDFC financed the foreign currency requirements of small industrial projects identified and appraised by the RCBs according to KDFC guidelines. The RCBs financed domestic currency requirements and assumed project supervision responsibilities. Under Loans 1461-KO and 1635-KO, it was expected that up to \$7.0 million and \$10.0 million, respectively, of loan proceeds would be utilized under the RCB scheme. However, only \$5.3 million was used to finance 22 subprojects, giving an average subloan size of \$276,000, significantly less than the \$1.2 million and \$1.1 million averages for all subprojects financed under Loans 1461-KO and 1635-KO, respectively (para. 4.02).

5.08 With the establishment of full-service branch offices in Busan (1979) and Daegu (1982), KLB has played an even more substantial role in SME lending. During the period 1980-84, KLB exceeded the targeted level of at least 20% of total incremental financing to SMEs as designated in its Development Strategies. As shown in Annex 18, financial assistance (i.e., loans, debentures and equity investments) to SMEs, as a percentage of total number of approvals, increased from 33.7% in 1980 to over 50% in 1984; by amount (in Won), SME assistance never fell below 22.6% of total approvals (compared to 16.5% in both 1978 and 1979).

5.09 Project Appraisal and Supervision. Until 1978, project appraisal and supervision were carried out by separate units. Since then, these functions have been combined but divided into two departments, specializing along industry lines: Projects Department I is responsible for chemical and heavy industry investments; Projects Department II is responsible for light industry. As was noted in the Bank Staff Appraisal Reports (SAR) for Loans 1461-KO, 1635-KO and 1932-KO, the procedures and quality of KDFC's appraisal work continue to be of a high standard. Appraisal covers management, technical, financial, marketing and economic aspects. The FRR is calculated for new and expansion projects involving total financing in excess of US\$1.0 million equivalent, while the ERR is calculated for those having foreign exchange financing in excess of US\$1.0 million equivalent. A technical suboffice (under Projects Department I) reviews the technical aspects of proposed projects and follows up on project implementation. Project supervision consists primarily of monitoring disbursements, confirming project completion (including on-site inspection) and reviewing financial reports which are periodically

^{14/} Until August 1983, included firms with total assets not exceeding W500 million or employing not more than 300 full-time employees, or not more than 500 employees in the case of firms engaged in activities described in Attachment I to Presidential Decree No. 9370 (such labor-intensive industries as automobile parts, electronics and other machinery parts, etc.) issued with respect to the Small and Medium Industries Promotion Act of Korea. Under Presidential Decree No. 11220, medium is defined as from 6 to 700 employees, depending upon the industry, with total assets not to exceed won 4 to 6 billion, depending upon the industry.

(generally, annually audited reports/statements) provided by the subborrowers. More intensive supervision, including visits to the project site, is undertaken only when these financial reports or repayment difficulties indicate problems.

5.10 KLB's appraisal and supervision procedures, as already noted in the previous PCR, are systematic, thorough and satisfactory. It should also be mentioned that during the period 1980-84, KLB has made much progress in computerizing its appraisal and supervision records. Data such as individual subborrower's sales trends and other operating results, for example, are stored and analyzed through use of the computer.

5.11 Procurement and Disbursement Procedures. KLB's procurement procedures conform to government guidelines and Bank requirements, generally following (a) limited competitive bidding, with at least three competitive quotations provided by potential suppliers, or (b) the proprietary method, where compatibility with existing equipment dictates a specific supplier. KLB's procurement procedures effectively encourage competition, and competition among prospective suppliers is keen in the well-developed Korean market. KLB's disbursements are authorized in accordance with progress in project implementation and against proper documentation.

Resource Mobilization

5.12 Since 1980, KLB has been very successful in mobilizing both foreign and domestic currency resources, although there has been a significant change in the composition of resources mobilized. As of December 31, 1979, KDFC had mobilized total resources of W 295.5 billion, of which 92.1% were foreign currency funds and only 7.9% were domestic currency resources; as of December 31, 1984, total resources mobilized by KLB amounted to W 1,584.4 billion, of which 64.5% were foreign currency funds and 35.5% were domestic currency resources (Annex 21).

5.13 Domestic Currency Resource Mobilization. Prior to its conversion into a long-term credit bank, KLB's domestic currency resource base was very small (W 21.7 billion in 1979), comprised entirely of a government loan and equity. Today, KLB relies primarily on the issuance of debentures (discount, coupon and compound) for its domestic currency requirements: as of December 31, 1984, debentures accounted for 77.4% of its domestic currency resource base. Equity and corporate deposits accounted for an additional 14.7% and 5.2%, respectively. Total debentures issued (net proceeds) during the period 1980-84 amounted to W 568.9 billion (Annex 13) with annual issuances growing at average rate of 47%, vastly exceeding the W 220.0 billion projected at the time of appraising the eighth Bank loan (Loan 1932-KO) to KDFC. Maturities ranged from one to five years, with 61.5% being of three-year maturity. During the third quarter of 1982, KLB had difficulty issuing new debentures due to the relatively low yield imposed by the Government on new issues compared to secondary market rates, and to a strong preference of savers for short-term instruments in anticipation of an increase in interest rates. While the issue of variable rate debentures, introduced in late 1982, was designed to alleviate the latter constraint, these problems highlighted

KLB's dependence on a single type of domestic currency savings instrument to cover its domestic requirements.

5.14 Foreign Currency Resource Mobilization. Until its first syndicated commercial borrowing in 1976 with IFC's assistance, KLB was entirely dependent on official sources, primarily IBRD and the Asian Development Bank (ADB), for foreign currency funds. Since then, KLB has successfully mobilized \$414.8 million from commercial sources, while official borrowings amounted to \$620.0 million (Annex 14). While the percentage of KLB's foreign commercial borrowings to total annual foreign currency borrowings has fluctuated from year-to-year (ranging from a low of 22.2% in 1977 to 100.0% in 1980 and 1984), the composite percentage for the eight-year period 1976-1984 is 40.1%; for the five-year period 1980-84, this increases to 45.0%. Thus, KLB has been successful in reducing its dependence on official foreign funds, although levels targeted at the time of appraising Loan 1932-KO were somewhat higher -- 48% for the period 1980-82, increasing to 66% in 1983-84. At the same time, the Bank's continued participation in KLB has helped to promote and sustain KLB's very good credit standing in the international capital market. In addition, a maturity of twelve-to-sixteen years for IBRD (as well as ADB) funds is substantially above the seven-to-ten years provided by foreign commercial funds; KLB continues to use official borrowings to fund its longer maturity equipment loans. Finally, to partially explain the less-than-projected reliance on foreign commercial borrowings, there is a financial incentive which actually encourages KLB to increase, rather than decrease, its foreign official borrowings: KLB's onlending rates for foreign official borrowings are fixed at 2.0% above borrowing costs, thus providing a larger earning margin than its foreign commercial resources which are limited by law to a maximum spread of 1.0%.^{15/}

5.15 Lending Rates. KDFC/KLB's onlending rates for proceeds under the sixth, seventh and eighth Bank loans were as follows: for Loan 1461-KO, 2.0-2.4% above the fixed borrowing cost of 8.2%; for Loan 1635-KO, 2.0% above the fixed borrowing cost of 7.35%; and for Loan 1932-KO, 2.0% above the fixed borrowing cost of 9.25%. These spreads compare to the maximum on foreign commercial borrowings, as authorized by the Government, of 1.1%. As shown in Annex 14, KLB's foreign commercial loans denominated in dollars were on-lent on a floating rate basis, at LIBOR plus, and Yen-denominated loans carried a floating rate based on the Japanese prime lending rate plus. During the period 1979-84, as summarized in Annex 16, rates on domestic currency loans ranged from a high of 26.8-28.5% in 1980 to a low of 14.5-15.8% in 1985; rates on foreign currency loans ranged from a high of 9.4-20.8% in 1980 to a low of 9.1-12.6% in 1984. While the differential in nominal interest rates appears to favor foreign currency loans, borrowers bear the exchange risk on all foreign currency borrowings. As such, the cost of this exchange risk has been substantial over the period 1979-84, with the Won depreciating against the US

^{15/} KLB notes that the less than anticipated level of commercial foreign currency borrowings can also be attributed to the larger market demand for official funds compared to commercial funds during the period under review (Attachment A).

dollar at an average annual rate of 10%, from W 485/\$1 to W 829.5/\$1. KLB has calculated the effective cost (in Won) to borrowers of funds under Loans 1461-KO and 1635-KO at 17.4% and 13.4%, respectively (Annexes 11a and 11b).^{16/} Although higher than nominal rates by approximately seven and four percent, respectively, the cost of Bank funds was comparable to interest rates charged on both commercial foreign currency resources and domestic currency resources during the period.

KLB's Development Role

5.16 In addition to its institutional commitment as a development bank, KLB has played a major role in the establishment of two specialized institutions to increase the range of services available to Korean industries.

5.17 The Korea Investment and Finance Corporation (KIFC). KIFC was established in 1971. It deals in short-term credit instruments of all kinds and issues its own short-term instruments. It also underwrites and distributes corporate securities and treasury bills. KLB is the major shareholder, holding 28.8% (or W 5.76 billion) of KIFC's shares. Between December 31, 1980, and December 31, 1984, KIFC's operations have grown steadily, with total assets increasing from W 121.2 billion to W 375.8 billion.

5.18 Korea Development Leasing Corporation (KDLC). KDFC/KLB promoted and is the largest shareholder (W 1.24 billion, or 31% of total paid-in capital), of KDLC, which was sponsored jointly with the Orient Leasing Company (OLC) of Japan and IFC. Established in 1975, KDLC met a growing demand by Korean enterprises, particularly small- and medium-sized firms which could not afford outright purchases of equipment. KDLC engages in directly financed leasing, the guarantee of leases, and the subleasing of industrial and business equipment, machinery and plant facilities. Special emphasis has been placed on the development of the domestic machinery industry by expanding the leasing of domestically-produced equipment. Under the fifth Bank loan to KDFC (Loan 1145-KO, approved July 15, 1975), \$5.0 million was made available to KDLC as a subloan.

5.19 Under the seventh Bank loan (Loan 1635-KO), KDFC was authorized to lend another \$10.0 million to KDLC. The purpose of these funds were two-fold: to assist KDLC in mobilizing foreign exchange resources and to assist small- and medium-sized enterprises in undertaking essentially labor-intensive subprojects. Details regarding the utilization of these funds are summarized in Annex 9. Disbursements amounted to \$9.997 million, financing 42 subprojects at an average subproject cost of \$240,000; however, six (or 14.3%) of the 42 subprojects accounted for almost 42% of total subloan proceeds. 607 new jobs were generated at an investment cost per job of approximately \$16,400. While 56.6% of subloan proceeds (16 subprojects) went to enterprise which were

^{16/} These effective interest rates represent the average annual borrowing cost to KLB subborrowers over a period starting with the first disbursement (assuming that the outstanding balance of the loans was repaid at end-1984).

not classified as small or medium (i.e., employing 300 or more persons, or having assets greater than W 500 million), there were no stipulation in the Loan Agreement prohibiting this; all subprojects were authorized by the Bank. Because repayments to KLB under the two KDLC subloans are on the basis of fixed amortization schedules agreed at the time of subloan approval, KDLC has been able to utilize payments received from lessees in excess of KDLC's repayment obligations to KLB as a revolving fund. KDLC estimates that, to date, funds totaling approximately \$1.1 million have been effectively "recycled" to finance an additional nine subprojects.

5.20 Since 1979, KDLC has grown substantially and has become very successful in its own resource mobilization efforts. Between December 31, 1979, and December 31, 1984, total assets grew at an average annual rate of almost 40% - from W 47.7 billion to W 252.1 billion. During this period, KDLC was one of three leasing companies and six merchant banks comprising Korea's leasing industry, and has accounted for 28.4% of Korea's total leasing market (in terms of contract amount) during the period January 1, 1980 - December 31, 1983.

VI. OPERATIONAL AND FINANCIAL PERFORMANCE

Operational Performance

6.01 Overall Operations. KLB's projected and actual lending and investment operations for the period 1979-84 are presented in Annexes 15 and 17. Except for 1982, at the height of the economic recession suffered by Korea (para. 2.04), actual operational performance, in terms of annual Won approvals, exceeded projections made at the time Loans 1461-KO, 1635-KO and 1932-KO were appraised. (However, adjusting for the depreciation of the Won between 1979 and 1984, from 485 to 829.5 per US dollar, actual annual approvals expressed in US dollars equivalent have been below Loan 1932-KO appraisal estimates - by 30% in 1982, 17% in 1983 and 22% in 1984.) In 1979, approvals totaled W 66.0 billion (US\$136.0 million equivalent); in 1984, total approvals amounted to W 340.4 billion (US\$410.3 million equivalent). Annual approvals (in Won) increased at an average rate of almost 39% during the period 1980-84, with greatest growth experienced during the first two years following KDLC's conversion into a long-term credit bank - 158% in 1980 and 52% in 1981, clearly reflecting the immediate impact of KLB's domestic resource mobilization efforts and its ability to expand domestic currency investment activities. Average growth for the three-year period 1982-84 registered a more moderate 9.5%, although in 1982 operations suffered a severe drop (of almost 33%) from the level achieved in 1981.

6.02 Lending. Term loans continue to constitute the bulk of KLB's annual lending and investment operations. As a percentage of total annual Won approvals, however, they declined from 96.5% in 1979 to 75.2% in 1984, illustrating KLB's continuing efforts to diversify. Domestic currency loans have become an increasingly important part of KLB's lending operations - in 1979 they represented 5% of total loan approvals; in 1984, that percentage had reached 48.6%. During the period 1980-84, domestic currency loans accounted for 53.6% of KLB's total term-lending operations.

6.03 Investments. Equity investments, on the other hand, have accounted for a much smaller and declining proportion of total operations (from 2.3% in 1979 to less than 0.1% in 1984), while purchases of bonds and convertible debentures have increased steadily over the period 1980-84 (from 1.2% in 1979 to 24.9% in 1984). While equity investments were considerably below appraisal estimates, this trend reflected the higher (and guaranteed) returns received on loans, bonds and convertible debentures in comparison to unguaranteed and generally lower returns offered by equity investments.

6.04 Guarantees. During the period 1980-84 there was a considerable expansion of KLB's guarantee operations. Term-guarantees outstanding (payment guarantees) increased from W 0.2 billion as of December 31, 1979, to W 19.0 billion as of December 31, 1984, most of which were in domestic currency - 92.6% of those outstanding as of December 31, 1984. During this period, total contingent liabilities outstanding (including lines of credit issued and outstanding) increased almost four-fold, from W 16.0 billion to W 58.0 billion.

6.05 Loan Characteristics. A detailed summary of the characteristics of term loans approved by KLB are provided in Annex 19. While there have been significant changes in the composition of KLB's term-lending operations since 1980 in terms of currency, purpose, maturity, and geographical distribution, sectoral distribution and loan size have remained relatively stable. Manufacturing continued to account for the largest share of loans - 69.5% (by approval amount, in Won) during the period 1980-84, slightly above the 65.1% for the period 1968-79. Diversification has also been maintained, with any one subsector rarely accounting for more than 20% of annual loan approvals. The most notable changes in sectoral distribution over the five year period compared to the previous twelve years were: (a) the share of food and beverage lending more than doubled - from 4.3% to 10.5%; (b) the share of marine transportation dropped from 15.1% to 10.8%; and (c) the share of fishing dropped from 4.8% to 2.4%. KLB's clientele remain concentrated in the medium to large industries: 53.6% of all financing approved during 1980-84 consisted of loans of W 1.0 billion or more, with average loan size being W 1.58 billion (compared to corresponding figures for 1968-79 of 49.7% and W 1.02 billion). Average loan size for the 2,226 loans approved during 1980-84 was W 474 million compared to an average loan size of W 397 million for the 624 loans approved 1968-79. The maturity structure of KLB loans has shortened, reflecting the growing importance of debentures in KLB's resource mobilization efforts against which domestic currency loans are matched and which have much shorter maturities than foreign currency resources: 56.8% of all funds approved since 1980 had maturities of 1 to 5 years, compared to 8.1% for the period 1968-79. Foreign currency loans, however, continued to have much longer maturities: since 1980, 57.4% of these loans had maturities of nine years or more (compared to 63.7% for the period 1968-79). Before 1980, 98% of KDFC's term-lending was for capital investment - 70% for expansion and rehabilitation projects with another 28.1% for new projects; only 2.0% was for working capital requirements. Since 1980, there has been a significant change in the nature of activities funded by KLB, with 41% of funds approved going for working capital, and only 40% and 19% for expansion/rehabilitation and new projects, respectively. This large increase in working capital financing reflects, in large part, the tight liquidity situation and the corporate

sector's efforts to utilize existing production capacity idled by the recession. (84.6% of total convertible bond and debenture purchases approved during this period were also for working capital requirements - Annex 20.) During the period 1980-84 there has been an increasing concentration of KLB lending in the Seoul area: 32.6% of total loan approvals compared to 16.5% for the period 1968-79. 18.8% of all lending went to Kyunggi-do Province, with another 9.3% going to Kyungsangbuk-do Province (compared to 18.3% and 10.9%, respectively, during 1968-79). Lending for deep-sea fishing and marine transportation (not classified by region), as a percentage of total approvals, declined significantly during the same period: 13.2% compared to 21.1% during 1968-79.

Financial Performance

6.06 Financial Position. KLB's projected and actual balance sheets for the period 1979-84 are presented in Annex 22. As a long-term credit bank, KLB achieved significant growth in total assets of 40% per annum for the five-year period 1980-84, slightly exceeding the 35% growth projected at the time Loan 1932-KO was appraised. Total assets as of December 31, 1984, stood at W 1.13 trillion (US\$1.4 billion equivalent), compared to W 209.2 billion (US\$431 million equivalent) as of December 31, 1979. Since 1980, KLB's domestic resource mobilization efforts have significantly changed the composition of its principal assets (para. 6.02) and liabilities (paras. 5.12-5.14). Its domestic currency portfolio^{17/} increased from W 15.2 billion (7.3% of total assets) as of December 31, 1979, to W 428.3 billion (38.0% of total assets) as of December 31, 1984. Foreign currency borrowings, 99.0% of KLB's long-term liabilities in 1979, declined to 53.7% as of December 31, 1984. Bank funds as a proportion of total foreign currency debt continues to decrease, reflecting the satisfactory progress being made by KLB in diversifying its foreign currency resources (para. 5.14): from 59.6% in 1979 to 38.7% in 1984.

6.07 KLB's net worth stood at W 82.7 billion (US\$99.7 million equivalent) as of December 31, 1984, a four-fold increase over the end-1979 level. While paid-in capital was increased by W 40.0 billion in 1980 (comprised of a 50% stock dividend of W 5.0 billion and W 35.0 billion raised from existing and new shareholders), from W 10.0 billion to W 50.0 billion, KLB's original expectations to increase its paid-in capital by W 15.0 billion in 1983 did not materialize. This was due primarily to a depressed stock market and the decline in KLB's profitability starting in 1980 in the wake of successive lending reductions (para. 6.08). It was further constrained by Government stock market regulations that until recently have limited new issues by permitting flotation only at par value. However, KLB has been successful in increasing its reserves and retained earnings from 28.7% of paid-in capital as of December 31, 1980, to 65.4% as of December 31, 1984. At the same time, KLB has also declared (and paid) annual dividends, ranging from 20% of par value in 1980 to 16.5% in 1981 to 8% in 1982 and 1983, to 10% in 1984. KLB has remained within the long-term debt to equity ratio of 10:1 covenanted under Loan 1932 (and increased to 12:1 under Loan 2309-KO which was approved on

^{17/} Term-loans, debentures purchased and equity investments.

June 8, 1983), and has experienced no difficulty in servicing its debt obligations (Annex 24).

6.08 Profitability. KLB's projected and actual income statements for the period 1979-84 are presented in Annex 23. Except for 1980 and 1981, net income (in absolute Won terms, as a percentage of average total assets and as a percentage of average net worth) has been below appraisal estimates. After a severe decline in effective interest spreads from 3.3% in 1980 to 0.27% in 1982, KLB showed improvement in 1983 and 1984 with spreads improving to 0.64% and 1.06%, respectively. The decline was largely attributable to KLB's loans made with debenture resources, resulting in negative spreads: while lending rates on these loans fell by 10.2 percentage points (from 34.0% to 23.9%) between June 1980 and June 1982, the weighted average cost of its debentures declined by only 6.3 percentage points (from 30.5% to 24.3%). At year-end 1982, three- and five-year debentures issued by KLB in 1980 were outstanding at a cost of 27% to 30%, while new debentures were being issued at a cost of 11.98% to 14.62%. In the meantime, KLB's lending rate had been lowered, not only for new loans but also for existing balances outstanding. (This reduction in lending rates on existing balance outstanding was required to maintain KLB's competitiveness (in order to avoid its loans being refinanced with less costly resources from other lenders) following the Government's decision in June 1982 to reduce interest rate ceilings.) As a consequence, KLB's weighted average effective spread on loans funded with debentures declined from 3.52% in June 1980 to 2.08% in June 1981 to -0.37% in June 1982. As the earlier and more expensive debenture issues were redeemed and interest rates stabilized, the weighted average effective spread on loans funded with debentures improved from 0.17% in June 1983 to 1.03% in December 1984.

6.09 The recent improvement in interest spreads on debenture-funded loans, along with KLB's successful efforts in controlling administrative and general expenses (in both Won terms and as a percentage of average total assets, approximately 30% below Loan 1932-KO appraisal estimates for 1983 and 1984), have had a positive impact on KLB's financial performance: 1984 net earnings of W 9.5 billion reversed a two-year decline in absolute Won income, while 1984's return on average equity of 11.9% reversed a four-year decline (from 28.2% in 1980 to 11.0% in 1983). In real terms, however, adjusting for inflation, return on average equity improved, from approximately 3.0% in 1980 to 8.0% and 7.0% in 1983 and 1984, respectively.

6.10 Portfolio Quality. The quality of KLB's loan portfolio remains excellent as indicated by its collection performance (Annex 25) and arrears position (Annex 26). Annual collection of amounts due never fell below 98% during the period 1980-84, reflecting KLB's sound project selection and supervision processes as well as the high level of discipline exercised by Korean borrowers. As of December 31, 1984, KLB's loan portfolio consisted of 2,049 loans totalling W 903.0 billion: 45 loans, or 2.2% of the total, were in arrears. Total arrears of principal and interest amounted to W 4.0 billion, or 0.4% of the outstanding portfolio. Provisions for possible losses of W 10.1 billion, equal to 1.1% of the outstanding portfolio, are considered adequate.

6.11 Audit. KLB's accounts for 1980-84 have been audited by the Samil Accounting Corporation, which is associated with Coopers and Lybrand (International). The accounts have always been certified without qualification and the reports have met the Bank's requirements. Since 1983, audit reports have contained an explicit confirmation by the auditors that provisions for losses were adequate.

VII. SECTORAL DEVELOPMENTS

7.01 The primary objectives of Bank Loans 1461-KO and 1635-KO (as well as the five previous loans) to KDFC were (a) transfer of foreign exchange to strengthen industrial investment; (b) improvement in the institutional efficiency of financial intermediaries; and (c) support of the industrial investment priorities of the Government viz. export promotion, regional development, employment generation and skill development. Loan 1932-KO, however, took on additional scope. Along with Loan 1933-KO to KDB (which was appraised at the same time), the Bank's lending operations to these two institutions were used as a vehicle for consultation with the Korean Government on general financial sector issues. The inefficiencies identified in the Bank's review ^{18/} of the industrial and financial sectors transcended individual financial institutions. While DFC lending had been efficient and had helped reach lending objectives, the changed circumstances facing the economy and the expanding demands placed on financial intermediaries suggested that the Bank's involvement in financial issues needed to be broadened from the narrow project focus of the past. It was felt that Bank lending for industry should be tailored to accommodate these broader sectoral objectives and be more responsive to the needs of a rapidly maturing industrial sector which operates in an increasingly competitive international environment. While the format of industrial lending would retain the DFC lending approach, these operations would be used as a springboard for reaching other important objectives beyond resource transfer and institution-building. Simultaneously replenishing the long-term foreign exchange resources of KDB and KDFC, the Bank invited the Government to negotiate both loans at the same time as a vehicle for discussing further the financial sector policy recommendations. A common understanding was reached at negotiations regarding Korea's strategy for improving efficiency in the financial sector. As a first step, a package of specific policy measures and supplementary studies to be implemented by the Government and KDB over an appropriate time frame was agreed upon, which provided a linkage between financial sector issues and the proposed KDB and KDFC operations. The proposed projects supported the first stage of a comprehensive reform of the financial sector. At negotiations, agreement was reached with the Government on a "Statement of Korea's Financial Sector Policy Improvements" expressing the broad objectives of the financial sector reform and outlining a number of policy measures to be implemented in an agreed time frame.

^{18/} "Current Developments and Policy Issues," dated May 20, 1980.

7.02 A detailed study of the National Investment Fund (NIF) was completed and submitted to the Bank in December 1981. Other studies to be undertaken included (a) export financing, (b) autonomy and future role of Korea's commercial banks, and (c) a long-term plan for the liberalization of capital markets. In lieu of formal studies on these topics, the Bank later agreed to a Government proposal that the MOF supply information on specific Bank concerns (in the form of a questionnaire) regarding these subjects. This substitute document "Questionnaire and Answers on Financial Sector Reforms" was presented to the Bank in February 1982. This document, as well as the NIF Study, served as the basis of financial sector reform discussions between the Bank and the Government which followed. Loans 1932-KO and 1933-KO were the beginning of the Bank's ongoing dialogue with the Government on financial sector issues and its commitment to liberalizing the financial system, and served as a prelude to Structural Adjustments Loans I (approved on December 17, 1981) and II (approved on November 8, 1983) and to the First and Second Industrial Finance Loans (approved on June 9, 1983, and June 6, 1985, respectively).

VIII. CONCLUSIONS

8.01 During the implementation of Loans 1461-KO and 1932-KO, KDFC was successfully transformed into a long-term credit bank under the LTCB Act of 1979. With its authority to mobilize domestic currency funds, KLB expanded rapidly: total assets increased fivefold during the period 1980-84; annual lending operations increased by 5.5 times. However, the implementation of three Bank loans also occurred during a period of considerable difficulty for the Korean economy. Serious inflationary pressures in the late 70s were compounded by the second oil price shock of 1979 and the subsequent world recession. The industrial sector experienced a large drop in capacity utilization, higher oil prices and interest rates, and lower sales. A major result of these developments was the Government's decision to modify its highly (and previously successful) interventionist approach to industrial growth and diversification. Government reforms to decentralize economic decision making in the real sector and to reduce government intervention in finance, so that market forces would be able to play a greater role in resource mobilization and allocation, began in 1981 and continue to this day.

8.02 The effect of these national economic and financial sector developments have had a mixed impact on KLB's financial and operational performance during the period in which Loans 1461-KO, 1635-KO and 1932-KO were implemented. Environmental conditions beyond KLB's control also affected the performance of a large number of its borrowers who, in turn, showed only marginal financial and economic benefits resulting from the subprojects financed under the three Bank loans. Thus, considering the environment in which KLB operated during this period, KLB's overall profitability performance was commendable given the constraints under which a very capable management and competent staff worked.

8.03 Three lessons emerge from KDFC/KLB's experience under Loans 1461-KO, 1635-KO and 1932-KO:

- (i) Overall, KLB has been and remains a well-organized, well-managed and sound financial institutions even in a period of considerable economic difficulty. The Bank's continued participation in the financing of KLB helped to promote and sustain KLB's very good credit standing in the international capital market. On a macro-level, KLB represents a well-established conduit through which Bank resources can be productively channeled into the Korean economy, at the same time providing the basis for an ongoing dialogue on financial and industrial sector policy between the Bank and the Government.
- (ii) KLB is directly and profoundly affected by changes in its environment, over which it has little, if any, control. The challenge facing KLB, especially since 1981, has been, and remains, to compete in an increasingly liberalized financial system. The conversion of KDFC in 1980 into a long-term credit bank, strongly supported by the Bank, represented a positive step, enabling KLB to adapt to the growing maturity of the Korean industrial sector and to a more competitive foreign currency relending market (which, essentially, had been KDFC's main business activity) in the country. However, as other financial institutions are being deregulated under the Government's financial sector reform, further diversification of KLB's activities may have been appropriate. KLB is currently dependent on a single type of savings instrument (term debentures) to meet its domestic resource requirements; moreover, the LTCB Act imposes a number of restrictions on KLB's credit operations which prevent it from diversifying and expanding services to clients. These constraints (in particular, those limiting working capital lending and deposit-taking activities) reduce KLB's flexibility and competitiveness vis-a-vis other financial institutions in a liberalized financial system. Thus, while Government and the Bank were concentrating their attention and actions on the broader issues of financial reform, the concern and needs of any particular financial intermediary (in this instance, KLB) may not have been duly addressed and adequately resolved. In future, more effort may be required to balance sectoral and specific institutional considerations.
- (iii) At the time of appraising Loans 1461-KO, 1635-KO and 1932-KO, emphasis was placed on the mobilization of commercial foreign currency resources and a reduction in official foreign currency borrowings. While progress in this direction has been achieved, KLB fell short of the levels originally targetted. However, as long as the earnings margins provided by loans made with official foreign currency borrowings are higher than those permitted/realized from commercial foreign currency and domestic currency resources (which has been the case during the period under review), there is little incentive (and a real disincentive) to reduce the amount (or level) of such borrowings.^{19/} Again, where institutional and sectoral objectives come into conflict, Bank expectations and objectives may require corresponding modifications and/or revisions to reflect existing realities.

^{19/} KLB notes that, beginning in 1985, however, interest rates on commercial foreign exchange resources have become very competitive with those on IBRD funds. As a result, the minimum 2% spread required on IBRD funds has made them uncompetitive with other commercial resources. (Attachment A)

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

List of Shareholders, as of December 31, 1980-84

	AS OF 31 MARCH 1980		AS OF 31 DEC. 1980		AS OF 31 DEC. 1982		AS OF 31 DEC. 1983		AS OF 31 DEC. 1984		
	NO. OF SH AREHELD *	% OF TOTAL	NO. OF SH AREHELD *	% OF TOTAL	NO. OF SH AREHELD *	% OF TOTAL	NO. OF SH AREHELD *	% OF TOTAL	NO. OF SH AREHOLDER	NO. OF SHARES	% OF TOTAL
A. DOMESTIC SHAREHOLDERS											
INSURANCE COMPANIES	1709280	11.39	3525842	7.05	6113059	12.23	6055934	12.11	7	6045057	12.09
COMMERCIAL BANKS	2195259	14.64	10805115	21.61	7175115	14.35	7175115	14.35	8	7496615	14.99
SECURITIES COMPANIES	889919	5.93	889919	1.78	6007467	12.02	5855291	11.71	24	6235094	12.47
PRIVATE CORPORATIONS	2760490	18.41	20483347	40.97	17055084	34.11	17155685	34.31	101	17568923	35.14
INDIVIDUALS	2443778	16.29	3504506	7.01	2858004	5.71	2966704	5.94	399	2997519	6
SUB-TOTAL	9998726	66.66	39208729	78.42	39208729	78.42	39208729	78.42	539	40343208	80.69
B. FOREIGN SHAREHOLDERS											
INT'L FINANCE CORP. DEUTSCHE GESELLSCHAFT FÜR WIRTSCHAFTLICHE ZUSAMMENARBEIT GBMH	1184150	7.88	2502150	5	2502150	5	2502150	5	1	2502150	5
THE BANK OF TOKYO, LTD. THE INDUSTRIAL BANK OF JAPAN	517659	3.45	1604742	3.21	1604742	3.21	1604742	3.21	1	1604742	3.21
UNION BANK OF SWI- TZER LAND	453840	3.03	1250000	2.5	1250000	2.5	1250000	2.5	1	1250000	2.5
CITI BANK OVERSEAS INVES- TMENT CORPORATION	453840	3.03	1250000	2.5	1250000	2.5	1250000	2.5	1	1250000	2.5
DEUTSCHE BANK A. B.	388050	2.59	1202955	2.4	1202955	2.4	1202955	2.4	1	1202955	2.4
FIRST INTERSTATE OVER- SEAS INVESTMENT CORP.	375378	2.5	375378	.75	375378	.75	375378	.75	1	375378	.75
THE CHARTERED BANK	376961	2.44	1134479	2.27	1134479	2.27	1134479	2.27	0	0	0
IRVING INT'L FINANCING CORPORATION	300291	2	300291	.6	300291	.6	300291	.6	1	300291	.6
BANK OF MONTREAL	292828	1.95	500000	1	500000	1	500000	1	1	500000	1
BANK OF AMERICA, WT&SA	268113	1.79	268113	.54	268113	.54	268113	.54	1	268113	.54
SUB-TOTAL	214532	1.43	214531	.43	214531	.43	214531	.43	1	214531	.43
TOTAL	188632	1.25	188632	.38	188632	.38	188632	.38	1	188632	.38
SUB-TOTAL	5691274	33.24	10791271	21.58	10791271	21.58	10791279	21.58	11	9656792	19.31
TOTAL	15000000	100	50000000	100	50000000	100	50000000	100	550	50000000	100

* AS THE PAR VALUE IS WON 1,000 PER SHARE, THE NUMBER OF SHARES IS EQUIVALENT TO VALUE EXPRESSED IN W 000S.

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Schedule of Estimated and Actual Disbursements
of Loans 1461-KO, 1635-KO and 1932-KO
(In US\$ Thousand)

	LOAN 1461-KO				LOAN 1635-KO				LOAN 1932-KO			
	ESTIMATED		ACTUAL		ESTIMATED		ACTUAL		ESTIMATED		ACTUAL	
	PER QUARTER	AMOUNT PER QUARTER	% OF CUMULATIVE	% OF TOTAL LOAN	PER QUARTER	AMOUNT PER QUARTER	% OF CUMULATIVE	% OF TOTAL LOAN	PER QUARTER	AMOUNT PER QUARTER	% OF CUMULATIVE	% OF TOTAL LOAN
1977												
3RD QUARTER												
4TH QUARTER	15000											
1978												
1ST QUARTER	15000	2113	2113	3								
2ND QUARTER	3300	16185	18298	31.9								
3RD QUARTER	13000	11177	29475	42.1								
4TH QUARTER	17500	7934	37409	53.4								
1979												
1ST QUARTER	3200	9136	46545	66.5								
2ND QUARTER	1100	7607	54152	77.4		7500	7500	7.6				
3RD QUARTER	800	11391	65543	93.6	5500	21911	29491	29.5				
4TH QUARTER	700	1851	67394	96.3	16500	20902	50393	50.4				
1980												
1ST QUARTER		425	57919	96.9	16800	19887	70280	70.7				
2ND QUARTER		784	68603	98	17600	12435	82715	82.7				
3RD QUARTER		879	69482	99.3	17300	3362	86077	86.1				
4TH QUARTER		176	69658	99.5	16500	3688	89765	88.8				
1981												
1ST QUARTER		382	70000	100	9800	3576	93341	97.3				
2ND QUARTER						760	94101	94.1				
3RD QUARTER						936	95037	95	9400	9399	9399	10.4
4TH QUARTER						160	95197	95.2	17700	17668	27067	30.1
1982												
1ST QUARTER						1777	96574	96.6	7000	6996	34063	37.8
2ND QUARTER						2159	98733	98.7	12100	8743	42806	47.6
3RD QUARTER						474	99207	99.2	10000	7875	50681	56.3
4TH QUARTER						426	99633	99.6	10000	2427	53104	59
1983												
1ST QUARTER							99633	99.6	6000	4019	57121	61.5
2ND QUARTER						367	100000	100	7000	2675	59798	66.4
3RD QUARTER									6000	5147	65145	72.4
4TH QUARTER									3000	8896	74041	82.0
1984												
1ST QUARTER									8000	1087	77424	86
2ND QUARTER									5000	5085	82309	91.9
3RD QUARTER									2000	2000	94309	94.2
4TH QUARTER									2500	8767	98000	98.2
1985												
1st QUARTER									736	87999	97.8	
2nd QUARTER									423	88422	98.2	
3rd QUARTER									85	88507	98.3	

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KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

List of Subprojects, Commitment Dates and Disbursements
Under Loan 1461-KO

<u>Subproject number</u>	<u>Subproject Name</u>	<u>Commitment date</u>	<u>Disbursement (US\$)</u>
<u>"A" Subprojects</u>			
A-1	Daehan Paper Board Co., Ltd.	77.11. 1.	3,285,104
A-2	Dong Yang General Industries Co.	77.12.28.	3,695,977
A-3	Kumho Chemicals Inc.	78. 2. 8.	6,773,628
A-4	Korea Synthetic Rubber Ind. Co., Ltd.	78. 2.28.	6,391,964
A-5	Sedae Paper Mfg. Co., Ltd.	78. 4.13.	6,999,000
A-6	Nam Yang Dairy Products Co., Ltd.	78. 7.14.	1,774,346
A-7	Hanil Express Co., Ltd.	78. 9. 8.	2,859,514
Subtotal "A" subprojects			<u>31,779,533</u>
<u>"B" Subprojects</u>			
B-1	Dong Woo Precision M/C Mfg. Co., Ltd.	77.10.31.	1,373,437
B-2	Sajo Ind. Co., Ltd.	77.10.13.	1,466,449
B-3	Han Yang Housing & Construction Co., Ltd.	77.11. 4.	2,418,672
B-4	Dong Won Ind. Co., Ltd.	77.11.24.	2,068,552
B-5	Hanil Cement Mfg. Co., Ltd.	77.11.28.	2,210,751
B-6	Gum Sung Chemical Co.	78. 1. 6.	185,000
B-7	Dae Won Sa Co., Ltd.	78. 3. 9.	845,654
B-8	Korea Iron & Steel Co., Ltd.	77.12.23.	283,668
B-9	Oyang Fisheries Co., Ltd.	77.12.20.	2,109,444
B-10	Shin Sung Engineering Co., Ltd.	77.12.28.	319,000
B-11	Youngnam Carbonic Co., Ltd.	77.12.30.	419,823
B-12	Sam Whan Corp.	78. 1. 9.	2,406,234
B-13	Chin Yang Machinery Co., Ltd.	78. 3.13.	1,948,582
B-14	Dae Ho Ind. Co., Ltd.	78. 2.21.	2,497,809
B-15	Int'l Transportation Co., Ltd.	78. 5.25.	230,000
B-16	Doo San Mfg. Co., Ltd.	78. 3.16.	391,000
B-17	Dae Sung Rope Mfg. Co., Ltd.	78. 5.20.	238,550
B-18	Cheju Livestock Development Co.	Cancelled	<u>a/</u>
B-19	Seong Shin Fisheries Co., Ltd.	78. 4.12.	187,800
B-20	Seyang Fisheries Co., Ltd.	78. 3.17.	1,226,413

B-21	Silla Ind. Co., Ltd.	78. 3.22	2,414,991
B-22	Dong Bang Forwarding Co., Ltd.	78. 5. 9	502,070
B-23	Lotte Aluminium Co., Ltd.	78. 5.17	331,146
B-24	Koum Chang Trading Co., Ltd.	Cancelled	<u>a/</u>
B-25	Tong Myung Metal Co., Ltd.	78. 6.16	823,241
B-26	Daewoo Telecom Co., Ltd.	78. 6. 8	735,883
B-27	Ihl Shin Heavy Equipment Co.	Cancelled	<u>a/</u>
B-28	Seshin Precision Ind. Co., Ltd.	78. 6. 8	361,858
B-29	Tae Yeon Mulsan Co., Ltd.	78. 9.11	92,000
B-30	Dong Yang Precision M/C Tool Co., Ltd.	78. 7.22	477,725
B-31	Dae Han Ink & Paint Mfg. Co., Ltd.	79. 2. 7	511,552
B-32	Jedong Industries Ltd.	78. 7. 7	869,500
B-33	Se Il Sa Co.	78.10.17	229,094
B-34	Ssang Yong Shipping Co., Ltd.	78. 7.28	1,000,000
B-35	Kyungbuck Livestock Co., Ltd.	78. 8.22	131,492
B-36	Sam Hae Ind. Co., Ltd.	78. 9.11	321,942
B-37	Kuk Bo Transportation Co., Ltd.	78. 9. 5	534,817
B-38	Seong Hwa Velvet Co., Ltd.	Cancelled	<u>a/</u>
B-39	Tae Yang Metal Ind. Co., Ltd.	78. 9.26	1,919,154
B-40	Dong Sung Textile Co	78.10.23	186,894
B-41	Pyung Hwa Ind. Co., Ltd.	78.10.17	88,131
B-42	Kolon Inc.	78.10. 5	498,045
B-43	Jung Lim Industrial Co., Ltd.	78.11.29	69,838
B-44	Sam Sung Optical Co., Ltd.	78.12.13	76,800
B-45	Poong Chin Products Co.	78.11.16	256,391
B-46	Dong Yang Textile Mfg. Co., Ltd.	78.11.10	162,750
B-47	Chungkang Farm	78.11.29	152,350
B-48	Song-Pa Farm	78.11.29	96,950
B-49	Dong San Construction Co., Ltd.	78.11.18	486,909
B-50	Tong Bang Tectronic Co., Ltd.	79. 2. 8	396,004
B-51	Youngnam Carbonic Co., Ltd.	79. 2.19	150,000
B-52	Dai Han Ink & Paint Mfg. Co., Ltd.	79. 1.16	384,407
B-53	Han Kuk Glass Ind. Co., Ltd.	79. 7.20	450,000
B-54	Sedae Paper Mfg. Co., Ltd.	79.11. 9	300,000 <u>b/</u>
B-55	Han Kook Tire Mfg. Co., Ltd.	81. 2.13	381,693

Subtotal "B" subprojects

38,220,467

Total Subprojects

70,000,000

a/ Cancelled due to changed market prospects.

b/ Represents additional financing for subproject No. A-5 above.

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KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

List of Subprojects, Commitment Dates and Disbursements
Under Loan 1635-KO

<u>Subproject number</u>	<u>Subproject Name</u>	<u>Commitment date</u>	<u>Disbursement (US\$)</u>
<u>"A" Subprojects</u>			
A-1	Korea Synthetic Rubber Ind. Co., Ltd.	79. 2.27	505,478
A-2	Nam Yang Dairy Products Co., Ltd.	79. 2.22	1,988,117
A-3	Korea Fine Chemical Co., Ltd.	79. 4.11	7,450,154
A-4 A-4-1	Korea Development Leasing Corp.	79. 2.27	5,142,082
A-4 A-4-2	Korea Development Leasing Corp.	79. 4.19	4,835,000
A-5	Dae Han City Gas Co., Ltd.	79. 5.24	4,472,213
A-6	Pan Ocean Shipping Co.	79. 6.22	5,000,000
Subtotal "A" subprojects			<u>29,393,044</u>
<u>"B" Subprojects</u>			
B-1	Doosan Glass Co., Ltd.	79. 2.12	450,000
B-2	Korea Iron & Steel Works Co., Ltd.	79. 6.30	3,959,366
B-3	Hanil Express Co., Ltd.	79. 2. 8	3,000,000
B-4	Kelim Ceramics Co., Ltd.	79. 1.15	818,880
B-5	Kuk Bo Transportation Co., Ltd.	79. 1.10	1,495,756
B-6	Cho Heung Textile Co., Ltd.	79. 2.19	367,500
B-7	Tong Hai Steel Co., Ltd.	79. 3. 2	3,648,072
B-8	Pan Ocean Shipping Co.,	79. 2.13	4,000,000
B-9	Yusung Woolen Textile Co., Ltd.	79. 2.19	792,000
B-10	Hankuk Glass Ind. Co., Ltd.	79. 3.20	2,300,000
B-11	Ilshin Ind. Co., Ltd.	79. 3.20	1,729,530
B-12	Yang Yang Transportation Co., Ltd.	79. 3.14	394,816
B-13	Dong Sun Co., Ltd.	79. 3. 7	499,700
B-14	Hee Sung Paper Mfg. Co., Ltd.	79. 4. 2	1,652,607
B-15	Eagon Ind. Co., Ltd.	79. 3.28	1,004,141
B-16	Dae Yang Co., Ltd.	79. 3.23	1,249,590
B-17	Cheil Synthetic Textile Co., Ltd.	79. 3.22	2,449,310
B-18	Samwhan Camus Ltd.	79. 5. 2	3,198,877
B-19	Chun Kee Steel Wire Rope Co., Ltd.	79. 5. 2	992,000
B-20	Seshin Commercial Co., Ltd.	79. 5. 3	992,000

B-21	Nam Hae Ceramics Co., Ltd.	79. 4.18	665,902
B-22	Dae Yang Co., Ltd.	79. 4.27	404,207
B-23	Lee Ku Ind. Co., Ltd.	79. 4.20	1,448,739
B-24	Dong Yang Steel Co., Ltd.	79. 6. 1	1,488,435
B-25	Hanil Cement Mfg. Co., Ltd.	79. 5.30	2,045,000
B-26	Kyung Bo Ltd.	79. 5.17	871,160
B-27	Dong Bang Oil and Flour Mills Co., Ltd.	79. 5.30	3,262,323
B-28	Young Chang Ind. Co.	79. 5.29	232,504
B-29	Korea Kwang Yang Sa Co., Ltd.	79. 5.16	310,175
B-30	Kia Machine Tool Co., Ltd.	81. 6.30	335,138
B-31	Han Seo Pastry Co., Ltd.	79. 6. 4	792,203
B-32	Sam Bo Synthetic Textile Co., Ltd.	79. 6. 8	1,019,246
B-33	Hyup Sung Textile Co., Ltd.	79. 6. 8	1,240,543
B-34	Sam Hwa Crown Cork Co., Ltd.	79. 6.13	968,521
B-35	Gee Gu Notebook Ind., Co.	Cancelled	a/
B-36	Sunglee Electronics Co., Ltd.	79. 6.23	47,569
B-37	Dong Yang Industries Co., Ltd.	79. 7. 9	549,881
B-38	Dong Jin Chemical	79. 7. 3	78,675
B-39	Hi Seong Metal Ind. Co., Ltd.	79. 6.26	338,598
B-40	Ponang Furnace Construction Co., Ltd.	79. 6.27	98,924
B-41	Lotte Aluminium Co., Ltd.	79. 7.20	297,353
B-42	Chin Yang Machinery Co., Ltd.	79. 7.28	300,000
B-43	Kia Honda Co., Ltd.	79. 7.31	298,381
B-44	Yulon Plastics Co., Ltd.	79. 8.21	250,000
B-45	Samwoo Special Metals Co., Ltd.	79.11. 5	247,697
B-46	Tae Joo Industrial Co., Ltd.	79. 9.10	698,764
B-47	Young Dong Chemical Co., Ltd.	79. 9. 6	849,998
B-48	Cheun Yang Transportation Co., Ltd.	79. 9.10	100,000
B-49	Sun Hak Aluminum Co., Ltd.	79.10.10	977,133
B-50	Chun Kyung Container Terminal Co., Ltd.	79.10. 4	457,006
B-51	Korea Iron & Steel Co., Ltd.	79.10. 4	1,017,750
B-52	Dae Dong Electric Wire Co.	79.10.10	189,272
B-53	Korea Atomizer Co., Ltd.	Cancelled	b/
B-54	Century Electric Co.	79.10.30	178,490
B-55	Doo San Farm Co., Ltd.	79. 8.21	57,567
B-56	Union Steel Mfg. Co., Ltd.	79.11.17	589,379
B-57	Dae Kwang Textile Co.	79.10.18	396,780
B-58	Dong In Livestock Farming Co., Ltd.	Cancelled	a/
B-59	Korea Hi-Dap Co., Ltd.	79.11.20	135,251
B-60	Chun Kang Farm	79.11.27	76,647
B-61	Daesung Mining Dev. Co., Ltd.	79.12. 9	453,011
B-62	SoongHwa Velvet Co., Ltd.	79.12.20	220,116
B-63	Bosung Special Fiber Co.	79.12.17	220,000

B-64	Cheil Organic Chemical Co., Ltd.	79.12.26	327,677
B-65	Dongkuk Steel Mill Co., Ltd.	80. 2. 8	1,422,657
B-66	Ssangyong Cement Ind. Co., Ltd.	79.12.28	320,000
B-67	Kum Kang Electronics Co.	80. 1.22	189,281
B-68	Kelim Ceramics Co., Ltd.	80. 1.21	298,962 ^{c/}
B-69	U-in Chemical Co., Ltd.	80. 2. 2.	366,509
B-70	Korea Development Leasing Corp.	80. 2.27.	373,183
B-71	Sam Hwa Freezing & Cold storage Co.	Cancelled	^{a/}
B-72	Korea K-Span Co., Ltd.	80. 3.24	138,953
B-73	Hanil Can Co., Ltd.	80. 5. 2	329,246
B-74	Poong Lim Ind. Co., Ltd.	80. 6.10	456,700
B-75	Samyang Ind. Co.	80. 6.30	243,212
B-76	Hankook Tire Mfg. Co., Ltd.	80. 7.10	594,907
B-77	Han Jin Transportation Co., Ltd.	80. 8.19	947,718
B-78	Dong Yang Elevator Co., Ltd.	80. 8.25	351,410
B-79	Kumho Chemicals Inc.	80. 8.16	247,295
B-80	Chon Bang Co., Ltd.	80.10.20	240,964
B-81	Sang Ji Food Co., Ltd.	80.10.28	70,000
B-82	Dong Il Ferro Alloy Co., Ltd.	Cancelled	^{a/}
B-83	Sam De Ind. Co.	81. 1.15	310,868
B-84	Heung-A Ind. Co., Ltd.	81. 2.20	451,646
B-85	Sung Chang Textile Co., Ltd.	81. 2.20	132,158
B-86	Daihan Color Ind. Co., Ltd.	81. 2.20	103,228
B-87	Korea Zinc Co., Ltd.	81. 5.13	465,758 -
B-88	Busan Cast Iron Co., Ltd.	81. 6. 4	116,218
B-89	Hankuk Glass Ind. Co., Ltd.	81. 7. 3	367,033
B-90	Sam Yang Co., Ltd.	81.12. 9	2,046,267
B-91	Gold Star Cable Co., Ltd.	82. 7.15	222,593 ^{d/}
B-92	Ssangyong Cement Ind. Co., Ltd.	83. 2. 7	366,533 ^{e/}

Subtotal "B" subprojects

70,606,956

Total Subprojects

100,000,000

^{a/} Cancelled due to changed market prospects.

^{b/} Project discontinued and loan prepaid.

^{c/} Represents additional financing for Subproject No. B-4 above.

^{d/} Represents assets (and equivalent subloan) originally financed under Subproject No. B-45 above and later transferred (sold) to Gold Star Cable

^{e/} See No. B-40 under Loan 1932-KO, which was partially financed with funds from Loan 1635-KO, i.e., No. B-92.

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)PROJECT COMPLETION REPORTList of Subprojects, Commitment Dates and Disbursements
Under Loan 1932-KO

<u>Subproject number</u>	<u>Subproject Name</u>	<u>Commitment date</u>	<u>Disbursement (US\$)</u>
<u>"A" Subprojects</u>			
A-1	Kukje Shipping Co., Ltd.	81. 4.23	6,048,381
A-2	Korea Shipping Co., Ltd.	81. 5.18	4,879,583
Subtotal "A" subprojects			<u>10,927,964</u>
<u>"B" Subprojects</u>			
B-1	Sam Yang Co., Ltd.	81. 6. 1	2,709,831 ^{a/}
B-2	Daesung Mining Development Co., Ltd.	81. 3.23	444,845
B-3	Hyup Sung Nongsan Co., Ltd.	81. 5. 8	235,837
B-4	Sam Bu Shipping Co., Ltd.	81. 4. 8	364,769
B-5	Sam Sung Electronic Parts Co., Ltd.	81. 5.13	928,500
B-6	Sam Sung Corning Co., Ltd.	81. 4.10	565,809
B-7	Taihan Bulk Terminal Co., Ltd.	81. 2. 5	2,889,862
B-8	Young Do Velvet Dyeing	81. 5. 6	233,942
B-9	Life Construction Co., Ltd.	81. 5.27	500,283
B-10	Korea Marvel Co., Ltd.	81. 5.14	325,273
B-11	Sam Yeong Wool Textile Idn. Co., Ltd.	81. 5.12	717,626
B-12	Kwang Jin Electronic Ind. Co., Ltd.	Cancelled	<u>b/</u>
B-13	Pusan Steel Pipe Ind. Co., Ltd.	81. 7.14	418,638
B-14	Hankuk Pair Glass Ind. Co., Ltd.	81. 7.31	324,519
B-15	Sam Sung Semiconductor & Telecommunica- tion Co., Ltd.	81. 7. 4	1,940,266
B-16	Dong Won Ind. Co., Ltd.	81. 8.21	2,593,505
B-17	Sung Chang Textile Co., Ltd.	81. 8.27	638,513
B-18	Heung-A Shipping Co., Ltd.	81. 9. 1	5,030,747
B-19	Dong Sun Co., Ltd.	81. 9.15	360,161
B-20	Doosan Grain Co., Ltd.	81.11. 4	2,888,951
B-21	Ho Nam Flour Mills Co., Ltd.	81. 9. 3	445,025
B-22	Joongang Development Co., Ltd.	81. 9.23	185,110
B-23	Heung-A Ind. Co., Ltd.	81.10. 5	708,538
B-24	Suh Kwang Ind. Co., Ltd.	81. 9.24	207,414

B-25	Pang Rim Shipping Co., Ltd.	81.10.16	981,153
B-26	Korea Vilene Co., Ltd.	81.11. 2	259,532
B-27	Lucky Ltd.	82. 2. 2	1,735,053
B-28	Busan City Gas Co., Ltd.	81.12.14	4,686,890
B-29	Sam Yang Co., Ltd.	81.11.11	2,346,893 ^{a/}
B-30	Samwhan Corp.	81.12.11	1,493,107
B-31	Anam Ind. Co., Ltd.	82. 1.14	2,178,307
B-32	Life Construction Co., Ltd.	82. 1.22	747,810
B-33	Hyundai Wood Ind. Co., Ltd.	81.12. 2	470,539
B-34	Sam Ik Shipping Co., Ltd.	82. 1.28	83,567
B-35	Dong Yang Textile Mfg. Co., Ltd.	82. 2.17	298,187
B-36	Han Kuk Diesel Kiki Co., Ltd.	82. 1.20	462,393
B-37	Poong Lim Ind. Co., Ltd.	82. 2. 9	636,447
B-38	Sung Chang Textile Co., Ltd.	82. 2. 9	417,205
B-39	Dong Yang Elanco Co., Ltd.	82. 2. 8	389,538
B-40	Ssang Yong Cement Ind. Co., Ltd.	82. 1.29	1,133,761
B-41	Korea Synthetic Rubber Ind. Co., Ltd.	82. 5. 3	2,008,351
B-42	Pusan Steel Pipe Ind. Co., Ltd.	82. 2. 9	575,851 ^{c/}
B-43	Nam Sun Textile Co., Ltd.	82. 6.11	2,093,476
B-44	Korea Zinc Co., Ltd.	82. 7. 3	579,289
B-45	Hanil Cement Mfg. Co., Ltd.	82. 9.27	791,273
B-46	Dr. Chung's Foods Co., Ltd.	82.12.24	215,796
B-47	Life Construction Co.		Cancelled ^{b/}
B-48	Hankuk Glass Ind. Co., Ltd.	83. 1.24.	1,701,556
B-49	Ssang Yong Cement Ind. Co., Ltd.	83. 2. 3	1,379,446
B-50	Kolon Inc.	83. 2.25	446,618
B-51	Hyun Dai Motor Co., Ltd.	82. 5.10	946,313
B-52	Cheil Sugar Co., Ltd.	83. 4.27	2,498,163
B-53	Ottogi Foods Co., Ltd.	83. 3.21	401,251
B-54	Jin Sung Remicon Co., Ltd.	83. 4.30	491,892
B-55	Korea Zinc Co., Ltd.	83. 5. 6	822,197
B-56	Sedae Paper Mfg. Co., Ltd.	83. 5. 2	1,402,309
B-57	Dae Ki Co., Ltd.	83. 6.30	488,944
B-58	Busan Cast Iron Co., Ltd.	83. 1.25	261,954
B-59	Dong Yang Express Ferry Co., Ltd.	83. 7. 9	2,753,957
B-60	Han Jin Transportation Co., Ltd.	83. 7. 5	1,286,920
B-61	Sam Sung Electronics Co., Ltd.	83. 7. 1	3,284,985
B-62	Dae Won Sa Co., Ltd.	83. 8.30	174,332
B-63	Han Kuk Diesel Kiki Co., Ltd.	Cancelled ^{c/}	
B-64	UnionSteel Mfg. Co., Ltd.	83. 8.30	588,210
B-65	Cheil Sugar Co., Ltd.	83. 9.14	1,117,481
B-66	Sam Sung Corning Co., Ltd.	83. 9.27	2,000,568

B-67	Sam Yang Co., Ltd.	84. 1.26	1,519,222
B-68	Cheil Sugar Co., Ltd.	84. 1.13	1,465,121
B-69	Anam Ind. Co., Ltd.	84. 7.12	1,765,216

Subtotal "B" subprojects

77,579,040

Total Subprojects

88,507,004

a/ Represents additional financing for subproject No. B-90 under Loan 1635-KO.

b/ Cancelled due to changed market prospects.

c/ KLB requested authorization of withdrawal from Loan 2215-2-KO, but the Bank authorized from Loan 1932-KO (B-63) by mistake.

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KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

ANNEX 4a
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PROJECT COMPLETION REPORT

Status of Implementation of Subprojects Approved

Under Loan 1461-KO

As of 12/31/87

Subproject No.	Borrower	Activity	Nature of Subproject	Amount		Project Cost		Cost Overrun (%)	KLB Financing (Million)			as % of Actual project cost	Project Completion Date		Delay (months)
				Disbursed	Est. Act.	Est. Act.	Foreign Currency (\$1,000)		Other Won Resources	Total	Est.		Act.		
A-1	Daehan Paper Board Co., Ltd.	Paper	E	1,533	3,754	3,750	-	1,533	-	200	1,733	46.2	78.9	78.9	-
A-2	Dong Yang General Industries Co.	Machinery	E	1,792	1,844	1,890	2.5	1,792	-	-	1,792	94.8	78.10	78.10	-
A-3	Kunho Chemicals Inc.	Chemicals	N	3,285	5,792	5,685	-	3,285	-	-	3,285	57.8	80.1	80.2	1
A-4	Korea Synthetic Rubber Ind. Co., Ltd.	Synthetic Rubber	E	3,100	27,644	27,502	-	3,100	-	1,455	4,555	16.6	80.4	80.4	-
A-5	Sedae Paper Mfg. Co., Ltd.	Paper	E	3,395	14,112	17,400	23.3	3,541 ^{a/}	-	-	3,541 ^{a/}	20.4	80.7	80.3	-
A-6	Nam Yang Dairy Products Co., Ltd.	Food	E	861	3,995	3,995	-	861	-	-	861	21.6	80.3	80.5	2
A-7	Hanil Express Co., Ltd.	Transportation	N	1,387	1,901	1,841	-	1,387	-	-	1,387	75.2	79.1	79.4	3
Subtotal "A" Projects					59,042	62,067		15,499	-	1,655	17,154	27.6			
"B" Subprojects															
B-1	Dong Woo Precision M/C Mfg. Co., Ltd.	Machinery	E & M	666	1,104	1,086	-	666	-	-	666	61.0	78.5	78.5	-
B-2	Sajo Ind. Co., Ltd.	Fishery	E	711	1,482	1,410	-	711	-	-	711	49.7	78.6	78.5	-
B-3	Han Yang Housing & Const. Co. Ltd.	Construction	F	1,173	2,589	2,537	-	1,173	-	-	1,173	45.3	78.5	80.9	16
B-4	Dong Won Inc. Co., Ltd.	Fishery	M	1,003	1,527	1,449	-	1,003	-	-	1,003	69.2	78.7	78.7	-
B-5	Hanil Cement Mfg. Co., Ltd.	Cement	E	1,072	1,411	1,372	-	1,072	-	70	1,142	83.2	77.4	78.6	14
B-6	Gun Sung Chemical Co.	Chemicals	N	90	284	284	-	90	-	62	129	42.0	78.4	78.4	-
B-7	Dae Won Sa Co., Ltd.	Steel product	E	406	1,261	1,539	1.7	406	-	100	506	33.0	78.7	78.9	2
B-8	Korea Iron & Steel Co., Ltd.	Basic Metal	E	138	4,944	4,890	-	138	3,130	100	1,756	35.9	79.12	79.12	-
B-9	Gyang Fisheries Co., Ltd.	Fishing	M	1,023	1,515	1,470	-	1,023	-	-	1,023	69.6	78.8	78.9	1
B-10	Shin Sung Engineering Co., Ltd.	Construction	F	399	950	931	-	399	-	-	399	42.9	79.5	79.5	-
B-11	Younnam Carbonic Co., Ltd.	Chemicals	N	204	497	495	-	204	-	30	234	47.2	78.6	78.7	1
B-12	Sam Whan Corp.	Construction	F	1,167	5,010	5,012	-	1,167	-	-	1,167	23.3	78.7	78.6	-
B-13	Chun Yang Machinery Co., Ltd.	Machinery	N	945	1,519	1,518	-	945	-	-	945	62.0	79.1	79.3	2
B-14	Dae Ho Ind. Co., Ltd.	Fishery	M	1,211	1,572	1,775	11.6	1,211	-	-	1,211	69.0	78.10	78.11	1
B-15	Int'l Transportation Co., Ltd.	Transportation	E	112	217	217	-	112	-	-	112	52.0	78.7	78.8	1
B-16	Doo San Mfg. Co., Ltd.	Machinery	E	190	359	270	-	190	-	-	190	51.4	78.8	78.9	1
B-17	Dae Sung Rope Mfg. Co., Ltd.	Plastics	E	116	212	209	-	116	-	-	116	56.0	78.10	78.10	-
B-18								CANCELLED							
B-19	Seong Sun Fisheries Co., Ltd.	Fishing	M	91	125	125	-	91	-	-	91	73.0	78.1	78.3	2
B-20	Seyang Fisheries Co., Ltd.	Fishing	M	595	786	792	0.9	595	-	-	595	75.0	78.11	79.3	4
B-21	Silla Ind. Co., Ltd.	Non-metallic mineral	N	1,171	2,456	2,824	15	1,171	620	-	1,471	52.1	79.4	80.7	15
B-22	Dong Haeng Forwarding Co., Ltd.	Transportation	F	244	472	474	0.4	244	-	-	244	51.4	78.5	78.5	-
B-23	Lotte Aluminium Co., Ltd.	Aluminium	E	151	247	236	-	151	-	-	151	65.6	78.8	78.11	3
B-24								CANCELLED							
B-25	Tong Myung Metal Co., Ltd.	Basic metal	E	399	950	931	-	399	-	-	399	42.9	79.5	79.5	-

B-26	Daewoo Telecom Co., Ltd.	Electronics	E	357	1,269	1,245	-	357	-	-	357	28.7	78.11	79.3	4
B-27								CANCELLED							
B-28	Seahin Precision Ind. Co., Ltd.	Machinery	E & M	176	427	418	-	176	-	62	228	56.9	78.10	78.9	-
B-29	Tae Yeon Mulsan Co., Ltd.	Textile	E	45	92	92	-	45	-	-	45	49.0	78.10	78.10	-
B-30	Dong Yang Precision M/C Tool Co., Ltd.	Machinery	E	232	537	527	-	232	-	-	232	44.0	79.1	79.1	-
B-31	Dae Han Ink & Paint Mfg. Co., Ltd.	Chemicals	E	248	392	401	2.2	248	-	80	348	86.7	79.1	79.1	-
B-32	Jedong Industries Ltd.	Farming	E	422	1,136	1,240	9.2	422	-	-	422	34.0	79.3	79.3	-
B-33	Se Il Sa Co.	Electronics	E	111	179	164	-	111	-	-	111	68.0	79.1	79.6	5
B-34	Seang Yong Shipping Co., Ltd.	Transportation	E	485	3,854	3,854	-	485	-	-	485	12.6	79.1	78.2	-
B-35	Kyungbuk Livestock Co., Ltd.	Livestock	E	64	138	134	-	64	-	-	64	48.0	79.1	79.6	5
B-36	Sam Hae Ind. Co., Ltd.	Fishing Rope	E	156	255	245	-	156	-	-	156	64.0	79.1	79.5	4
B-37	Kuk Bo Transportation	Transportation	M	259	340	308	-	259	-	-	259	84.0	78.11	80.1	-
B-38								CANCELLED							
B-39	Tae Yang Metal Ind. Co., Ltd.	Metal Product	E	999	1,555	1,523	-	999	-	-	999	65.6	80.2	80.3	1
B-40	Dong Sung Textile Co.	Textile	N	91	329	320	-	91	-	-	91	28.0	78.11	78.12	1
B-41	Pyung Hae Ind. Co., Ltd.	Rubber product	E	43	73	65	-	43	-	-	43	66.0	79.2	79.3	1
B-42	Kolon Inc.	Textile	E	241	650	649	-	241	-	-	241	37.0	79.2	79.3	1
B-43	Jung Lim Ind. Co., Ltd.	Wood	E	34	97	101	-	34	-	-	34	33.7	79.3	79.3	-
B-44	Sam Sung Potocall Co., Ltd.	Non-metallic mineral	N	37	53	50	-	37	-	-	37	74.0	79.3	79.3	-
B-45	Poong Chun Products Co.	Textile	E	124	202	195	-	124	-	-	124	63.0	69.4	79.5	1
B-46	Dong Yang Textile Mfg. Co., Ltd.	Textile	E	79	137	134	-	79	-	-	79	59	79.7	79.7	-
B-47	Chungkang Farm	Farming	E	74	77	78	-	74	-	-	74	97.4	79.5	79.6	1
B-48	Song-Pa Farm	Farming	E	47	51	50	-	47	-	-	47	94.0	79.5	79.6	1
B-49	Dong San Construction Co., Ltd.	Construction	E	236	405	399	-	236	-	-	236	59	79.3	79.6	3
B-50	Tong Bang Electronic Co., Ltd.	Electronics	N	37	522	510	-	37	-	-	37	7.3	79.6	79.10	4
B-51	Youngnam Carbonic Co., Ltd.	Chemical	E	73	129	131	-	73	-	-	73	55.7	79.5	79.5	-
B-52	Dae Han Ink & Paint Mfg. Co., Ltd.	Chemicals	E	186	317	310	-	186	-	-	186	60.0	80.3	80.3	-
B-53	Han Kuk Glass Ind. Co., Ltd.	Non-metallic mineral	M	218	36,950	38,798	5.0	218	-	-	218	0.6	81.3	81.3	-
B-54	Sedae Paper Mfg. Co., Ltd.	Paper	E	146	Same as No.	A-5.	Represents additional project financing.								
B-55	Han Kook Tire Mfg. Co., Ltd.	Rubber	E	229	9,523	7,281	-	229	3,738	600	3,200	44.0	81.2	81.4	2
Subtotal "B" subprojects					<u>91,178</u>	<u>91,131</u>		<u>18,580</u>	<u>7,488</u>	<u>1,104</u>	<u>23,851</u>	<u>26.2</u>			
Total Subprojects					<u>150,220</u>	<u>153,198</u>		<u>34,079</u>	<u>7,488</u>	<u>2,759</u>	<u>41,005</u>	<u>26.8</u>			

a/ Includes additional project financing of 146 provided under subloan No. B-54 below.

KORRA

KORRA LONG-TERM CREDIT BANK (LOANS 1461-KD, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

ANNEX 4b
Page 1 of 3

Status of Implementation of Subprojects Approved
Under Loan 1635KO
(W million)

Subproject No.	Borrower	Activity	Nature of project	Amount Disbursed	Project Cost		Cost Overrun (%)	KLB Financing (W million)			As % of Actual project cost	Project Completion Date		Delay (months)		
					Est.	Act.		IBRD	Foreign Currency (\$1,000)	Mon Resources		Total	Est.		Act.	
"A" Subprojects																
A-1	Korea Synthetic Rubber Ind. Co., Ltd.	Rubber	E	2,081	27,644	27,919	1.0	2,081	-	1,553	3,634	13.0	80.6	80.6	-	
A-2	New Yang Dairy Products Co., Ltd.	Food	E	624	1,116	686	-	624	-	-	624	90.9	80.8	80.10	2	
A-3	Korea Fine Chemical Co., Ltd.	Chemicals	E	3,613	11,189	11,053	-	3,613	-	1,470	5,083	46.0	81.6	81.6	-	
A-4-1	Korea Development Leasing Corp.	Leasing	E	2,494	2,505	2,494	-	2,494	-	-	2,494	100.0	80.9	80.9	-	
A-4-2	Korea Development Leasing Corp.	Leasing	E	2,345	2,345	2,345	-	2,345	-	-	2,345	100.0	80.6	80.6	-	
A-5	Dae Han City Gas Co., Ltd.	City Gas	N	2,168	9,559	10,002	4.6	2,168	-	-	2,168	22.0	80.3	80.8	5	
A-6	Pan Ocean Shipping Co.	Transportation	E	2,425	2,935	2,799	-	2,425	-	-	2,425	86.6	79.8	79.10	2	
Subtotal "A" subprojects					57,293	57,298		15,750	-	3,023	18,773	32.8				
"B" Subprojects																
B-1	Doosan Glass Co., Ltd.	Non-metallic mineral	E	218	2,290	2,300	0.4	218	1,100	-	752	32.7	79.5	79.6	1	
B-2	Korea Iron & Steel Works Co., Ltd.	Chemicals	E	1,872	5,598	5,595	-	1,872	-	191	2,063	37.0	81.4	81.4	-	
B-3	Hanal Co., Ltd.	Transportation	N	1,455	1,874	1,606	-	1,455	-	-	1,455	90.6	79.6	79.10	4	
B-4	Kelim Ceramics Co., Ltd.	Non-metallic mineral	E	397	1,402	1,607	14.6	542	a/	-	542	a/	33.7	79.7	80.2	7
B-5	Kuk Bo Transportation	Transportation	E	725	2,483	1,232	-	725	-	-	725	59.0	79.4	79.7	3	
B-6	Cho Heung Textile Co., Ltd.	Textile	E	178	275	269	-	178	-	-	178	64.7	79.10	79.10	-	
B-7	Tong Hai Steel Co., Ltd.	Basic Metal	N	1,769	3,066	3,500	14.2	1,769	500	200	2,212	63.0	79.12	80.8	8	
B-8	Pan Ocean Shipping Co.,	Transportation	E	1,940	2,179	2,169	-	1,940	-	-	1,940	89.4	79.3	79.3	-	
B-9	Yusung Woolen Textile Co., Ltd.	Textile	E	384	686	683	-	384	-	-	384	56.2	79.10	79.11	1	
B-10	Hankuk Glass Ind. Co., Ltd.	Non-metallic mineral	E	1,115	2,358	2,400	1.8	1,115	-	-	1,115	46.5	79.10	79.11	1	
B-11	Iishun Ind. Co., Ltd.	Basic Metal	E	839	2,283	2,200	-	839	-	-	839	38.1	79.9	80.2	5	
B-12	Yang Yang Transportation Co., Ltd.	Transportation	E	192	267	253	-	192	-	-	192	75.9	79.8	79.11	3	
B-13	Dong Sun Co., Ltd.	Textile	E	242	286	286	-	242	-	-	242	84.6	79.9	79.9	-	
B-14	Hee Sung Paper Mfg. Co., Ltd.	Paper	E	802	1,713	1,305	-	802	-	-	802	62.0	80.1	80.6	5	
B-15	Eagon Ind. Co., Ltd.	Wood	E	487	3,895	3,512	-	487	-	-	487	13.8	79.4	79.6	2	
B-16	Dae Yang Co., Ltd.	Shoes	N	606	2,531	2,562	1.2	606	1,000	-	1,091	43.0	80.1	80.2	1	
B-17	Cheil Synthetic Textile Co., Ltd.	Textile	E	1,140	2,472	2,400	-	1,140	-	-	1,140	47.5	80.1	80.2	1	
B-18	Samhan Canvas Ltd.	Chemicals	N	1,551	4,727	4,800	1.5	1,551	-	300	1,851	38.6	80.1	80.4	3	
B-19	Chun Kee Steel Wire Rope Co., Ltd.	Steel product	N	481	1,538	2,089	36.0	481	-	-	481	23.0	79.11	80.4	3	
B-20	Seshin Commercial Co., Ltd.	Trade	E	483	849	849	-	483	-	-	483	57.0	79.10	80.1	3	

B-21	Nam Hae Ceramics Co., Ltd.	Non-metallic mineral	N	323	832	766	-	323	-	-	323	42.2	80.1	80.4	5
B-22	Dae Yang Co., Ltd.	Shoes	E	196	527	540	2.5	196	-	80	2.6	51.1	79.11	79.11	-
B-23	Lee Ku Ind. Co., Ltd.	Metal product	E & M	702	2,445	2,643	8.1	702	-	150	852	32.2	80.3	80.5	2
B-24	Dong Yang Steel Co., Ltd.	Metal	N	436	2,390	2,390	-	436	-	291	727	24.8	80.1	80.5	4
B-25	Hanil Cement Mfg. Co., Ltd.	Cement	N	1,019	2,037	2,010	-	1,019	-	-	1,019	50.2	79.10	79.11	1
B-26	Kyung Bo Ltd.	Textile	E	422	1,006	992	-	422	-	150	572	57.6	80.1	80.2	1
B-27	Dong Bang Oil and Flour Mills Co., Ltd.	Food	E	1,582	5,813	5,813	-	1,582	-	-	1,582	27.2	81.12	82.3	3
B-28	Young Chang Ind. Co.	Transport equip.	E	113	516	453	-	113	-	-	113	24.9	79.10	80.1	3
B-29	Korea Kwang Yang Sa Co., Ltd.	Publishing	E	155	255	255	-	155	-	-	155	61.0	79.9	79.9	-
B-30	Kia Machine Tool Co., Ltd.	Machinery	E	163	205	163	-	163	-	-	163	80.0	81.2	81.2	-
B-31	Han Seo Dairy Co., Ltd.	Food	E	384	639	620	-	384	-	-	384	61.9	79.9	79.9	-
B-32	Sam Bo Synthetic Textile Co., Ltd.	Textile	N	494	1,466	1,512	3.1	494	-	-	494	33.0	80.9	80.5	-
B-33	Hyup Sung Textile Co., Ltd.	Textile	E	606	1,913	1,876	-	606	-	-	606	32.0	80.1	80.3	2
B-34	Sam Hwa Crown Cork Co., Ltd.	Metal product	E	470	2,421	2,010	-	470	1,000	100	1,055	44.0	80.5	80.4	-
B-35															
B-36	Sunglee Electronics Co., Ltd.	Electronics	E	23	32	31	-	23	-	-	23	74.1	80.7	80.7	-
B-37	Dong Yang Industries Co., Ltd.	Tile	N	267	705	705	-	267	-	-	267	38.0	79.12	80.4	4
B-38	Dong Jun Chemical	Chemical	E	38	100	100	-	38	-	-	38	38.0	79.7	79.8	1
B-39	Hi Seong Metal Ind. Co., Ltd.	Metal product	N	164	1,015	1,011	-	164	-	100	264	26.1	79.12	80.3	3
B-40	Pohang Furnace Construction Co., Ltd.	Service	M	48	68	70	2.9	48	-	-	48	68.6	79.8	79.11	3
B-41	Lotte Aluminium Co., Ltd.	Non-metallic mineral	E	145	3,397	3,200	-	145	4,000	-	1,940	61.0	80.1	80.4	3
B-42	Chun Yang Machinery Co., Ltd.	Machinery	E	112	346	312	-	112	-	-	112	36.0	79.11	79.12	1
B-43	Kia Honda Co., Ltd.	Transport equip.	E	145	145	145	-	145	-	-	145	100.0	79.10	79.10	-
B-44	Yulon Plastics Co., Ltd.	Plastic	E	121	520	520	-	121	-	-	121	23.3	79.12	79.12	-
B-45	Samwoo Special Metals Co., Ltd.	Metal product	N	120	575	520	-	285 ^{b/}	-	112	397 ^{b/}	76.4 ^{b/}	80.2	81.3	11
B-46	Tae Joo Industrial Co., Ltd.	Transport equip.	N	339	4,237	4,237	-	339	1,379	200	1,208	29.0	80.1	80.1	-
B-47	Young Dong Chemical Co., Ltd.	Chemical	N	412	838	837	-	412	-	-	412	49.1	80.6	80.1	-
B-48	Cheun Yang Transportation Co., Ltd.	Transportation	E	49	102	102	-	49	-	-	49	48.0	79.9	79.9	-
B-49	Sun Hak Alumium Co., Ltd.	Aluminium product.	E	474	1,478	196	-	474	-	-	474	52.0	79.7	79.11	4
B-50	Chun Kyung Container Terminal Co., Ltd.	Transportation	E	222	372	351	-	222	-	-	222	63.0	80.1	80.1	-
B-51	Korea Iron & Steel Co., Ltd.	Basic metal	N	494	3,447	3,395	-	494	2,798	534	1,358	40.0	80.9	80.10	1
B-52	Dae Dong Electric Wire Co.	Electric Product	E	92	413	410	-	92	-	-	92	22.4	80.4	80.3	-
B-53															
B-54	Century Electric Co.	Electric product	E & N	87	671	650	-	87	-	-	87	13.4	80.1	80.1	-
B-55	Doo San Farm Co., Ltd.	Agriculture	E	28	36	31	-	28	-	-	28	90.3	80.8	80.10	2
B-56	Union Steel Mfg. Co., Ltd.	Basic metal	N	286	2,186	2,186	-	286	910	346	1,073	49.0	80.12	81.5	5
B-57	Dae Kwang Textile Co.	Textile	M	192	336	324	-	192	-	-	192	59.3	80.2	80.4	2
B-58															
B-59	Korea Hi-Dap Co., Ltd.	Wood product	E	65	382	334	-	65	-	150	215	64.4	80.10	80.11	1
B-60	Chun Kang Farm	Agriculture	E	37	49	40	-	37	-	-	37	92.5	80.11	81.1	2
B-61	Daesung Mining Dev. Co., Ltd.	Mining	E	220	323	320	-	220	-	-	220	68.8	80.3	80.5	2
B-62	Sung Hwa Velvet Co., Ltd.	Textile	E	107	248	212	-	107	-	-	107	50.0	79.10	80.2	4
B-63	Bosung Special Fiber Co.	Metal product	E	107	1,070	1,010	-	107	-	-	107	10.5	80.7	80.7	-
B-64	Cheil Organic Chemical Co., Ltd.	Chemical	E	159	840	830	-	159	-	-	159	19.0	80.4	80.9	5
B-65	Dongkuk Steel Mill Co., Ltd.	Basic Metal	E	854	9,368	8,713	-	254	5,867	927	5,301	61.0	80.4	80.6	2
B-66	Ssangyong Cement Ind. Co., Ltd.	Cement	E	155	982	982	-	155	1,150	-	713	72.6	80.4	81.3	11

67	Kum Kang Electronics Co.	Electronics	E	92	154	137	-	92	-	-	92	67.0	80.3	80.6	3
68	Kelium Ceramics Co., Ltd.	Non-metallic mineral	E	145	Same as No. B-4. Represents additional project financing.										
69	U-in Chemical Co., Ltd.	Chemicals	N	178	467	179	-	178	-	-	178	38.4	80.5	80.4	-
70	Korea Development Leasing Corp.	Leasing	E	166	166	166	-	166	-	-	166	100.0	80.4	80.4	-
71					CANCELLED										
72	Korea K-Span Co., Ltd.	Steel product	N	81	197	197	-	81	-	-	81	41.0	80.2	80.2	-
73	Hanil Can Co., Ltd.	Metal product	N & E	192	4,046	4,034	-	192	-	-	192	5.0	80.7	80.7	-
74	Poong Lim Ind. Co., Ltd.	Construction	E	266	353	328	-	266	-	-	266	81.7	80.11	81.1	2
75	Samyang Ind. Co.	Textile	E	118	393	410	4.3	118	-	-	118	35.0	80.10	81.7	9
76	Hankook Tire Mfg. Co., Ltd.	Rubber	E	359	9,523	7,281	-	359	3,738	600	3,202	44.0	81.2	81.4	2
77	Han Jin Transportation Co., Ltd.	Transportation	E	568	2,606	2,288	-	568	1,029	-	1,185	51.8	81.11	81.4	5
78	Dong Yang Elevator Co., Ltd.	Elevator	N	211	456	412	-	211	-	-	211	51.2	81.3	81.3	-
79	Kumho Chemicals Inc.	Chemicals	E	146	1,715	2,302	34.2	146	3,121	-	2,021	8.8	80.1	80.10	9
80	Chon Bang Co., Ltd.	Textile	E	148	468	468	-	148	-	-	148	31.6	81.1	81.1	-
81	Sang Ji Food Co., Ltd.	Food	E	41	159	157	-	43	-	-	43	27.0	81.2	81.2	-
82					CANCELLED										
83	Sam Do Ind. Co.	Insulator	E	208	733	730	-	208	-	-	208	29.0	81.5	81.9	4
84	Heung-A Ind. Co., Ltd.	Tire	M	306	440	408	-	300	-	-	300	74.0	81.10	81.10	-
85	Sung Chang Textile Co., Ltd.	Textile	E	86	175	157	-	86	-	-	86	55.0	81.9	81.9	-
86	Daihan Color Ind. Co., Ltd.	Chemicals	M	68	170	100	-	68	-	-	68	68.0	81.8	81.8	-
87	Korea Zinc Co., Ltd.	Non-metallic mineral	M	312	1,166	1,326	13.7	312	-	-	312	23.5	81.12	82.3	3
88	Busan Cast Iron Co., Ltd.	Metal product	M	79	163	153	-	79	-	-	79	52.0	81.11	81.11	-
89	Hankook Glass Ind. Co., Ltd.	Non-metallic mineral	M	178	241	241	-	178	-	-	178	73.9	81.12	81.12	-
90	Sam Yang Co., Ltd.	Textile	E	1,488	18,153	17,898	-	5,045	5,300	-	8,520	47.6	82.12	82.12	-
91	Gold Star Cable Co., Ltd.	Electrical products	M	165	Represents partial project financing for No. B-40 under 1932-KO.										
92	Ssangyong Cement Ind. Co., Ltd.	Cement	E	251	Represents partial project financing for No. B-40 under 1932-KO.										
Total "B" subprojects					141,462	134,806		38,659	32,892	4,431	60,364	44.8			
Total Subprojects					198,755	192,104		54,409	32,892	7,454	79,137	41.2			

Assets of 165 originally financed under No. B-45 above and later transferred to Gold Star Cable Co.

- a/ Includes additional project financing of 145 provided under Subproject No. B-68 below.
b/ Includes 165 later transferred to Subproject No. B-91 below.
c/ Includes partial project financing of 1866 provided under B-1 under Loan 1932-KO and additional project financing of 1698 under B-29 under Loan 1932-KO.

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KOREA LONG-TERM CREDIT BANK (LOANS 146-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Status of Implementation of Subprojects Approved
Under Loan 1932K
₩ Million.

No.	Borrower	Activity	Nature of Subproject	Amount disbursed	Project Cost		Cost Overrun (%)	KLB Financing (₩ million)			As % of actual project cost	Project Completion date		Delay (months)	
					Est.	Act.		IBRD	Foreign Currency (\$1,000)	Other Resources		Total	Est.		Act.
"A" Subprojects															
A-1	Kukje Shipping Co., Ltd.	Transportation	E	4,070	6,639	6,604	-	4,070	2,600	-	5,820	88.1	81.7	81.7	-
A-2	Korea Shipping Co., Ltd.	Transportation	E	3,284	8,536	7,887	-	3,284	5,000	-	6,649	84.3	81.8	81.10	2
Subtotal "A" subprojects					15,175	14,491		7,354	7,600	-	12,469	86.0			
"B" Subprojects															
B-1	Sam Yang Co., Ltd.	Textile	E	1,866	Same as No. B-90 under Loan 1635-KO. Represents additional project financing.										
B-2	Daejung Mining Development Co., Ltd.	Mining	E	266	397	421	6.0	266	-	-	266	63.2	81.9	81.11	2
B-3	Hyup Sung Nonsan Co., Ltd.	Agriculture	N	156	509	515	1.2	156	-	-	156	30.0	81.4	81.7	3
B-4	Sam Bu Shipping Co., Ltd.	Transportation	E	224	472	374	-	224	-	-	224	60.0	81.9	81.6	-
B-5	Sam Sung Electronic Parts Co., Ltd.	Electronics	E	622	2,547	2,494	-	622	1,000	-	1,292	51.7	81.7	82.7	12
B-6	Sam Sung Clothing Co., Ltd.	Electronics	N	381	705	628	-	381	-	-	381	60.7	81.7	81.9	2
B-7	Taishan Bulk Terminal Co., Ltd.	Storage	N	1,982	16,500	16,320	-	1,982	2,900	240	3,712	22.7	82.3	82.5	2
B-8	Young Do Velvet Dyeing	Textile	M	157	260	226	-	157	-	-	157	70.0	81.12	81.10	-
B-9	Lafe Construction Co., Ltd.	Construction	E	339	424	424	-	339	-	-	339	80.0	81.9	81.10	1
B-10	Korea Marble Co., Ltd.	Electronics	N	219	987	937	-	219	-	600	819	87.4	82.1	82.1	-
B-11	Sam Yeong Wo Textile Ind. Co., Ltd.	Textile	E	483	1,482	1,480	-	483	278	-	670	45.2	82.1	82.2	1
B-12								CANCELLED							
B-13	Dusan Steel Pipe Ind. Co., Ltd.	Metal Product	E	286	442	441	-	286	-	-	286	37.0	83.1	82.10	-
B-14	Hankuk Pair Glass Ind. Co., Ltd.	Non-metallic mineral	E	195	303	288	-	195	-	-	195	67.7	82.2	82.2	-
B-15	Sam Sung Semiconductor & Telecommunication Co., Ltd.	Electronics	E	1,397	2,731	2,688	-	1,397	1,000	-	2,117	78.8	82.4	83.2	10
B-16	Dong Wo Ind. Co., Ltd.		E	1,782	2,919	3,002	2.8	1,782	1,000	-	2,469	82.2	81.10	81.10	-
B-17	Sung Chong Textile Co., Ltd.	Textile	E	438	949	976	2.8	438	200	292	776	80.0	82.2	82.2	-
B-18	Heung-A Shipping Co., Ltd.	Transportation	E	3,461	11,305	10,326	-	3,461	9,087	-	9,712	94.0	81.12	82.3	3
B-19	Dong Sun Co., Ltd.	Textile	E	248	566	470	-	248	-	-	248	52.7	82.1	82.2	1
B-20	Doozan Grain Co., Ltd.	Foods	N	1,711	16,303	15,856	-	1,711	-	2,000	3,711	23.9	82.7	84.8	25
B-21	Ho Nam Flour Mills Co., Ltd.	Foods	M	267	397	401	1.0	267	-	-	267	66.6	82.9	82.9	-
B-22	Jonggang Development Co., Ltd.	Mining	E	127	173	153	-	127	-	-	127	83.0	81.11	81.12	1
B-23	Heung-A Ind. Co., Ltd.	Tire	M	486	665	651	-	486	-	-	486	75.0	82.6	82.6	-
B-24	Suh Kwang Ind. Co., Ltd.	Textile	E	142	449	385	-	142	-	-	142	31.6	82.1	82.1	-
B-25	Pang Rim Shipping Co., Ltd.	Textile	E	675	1,853	1,840	-	675	645	-	1,118	70.7	82.3	82.5	2
B-26	Korea Wilene Co., Ltd.	Textile	E	184	660	660	-	184	120	-	261	39.5	82.2	82.2	-
B-27	Lucky Ltd.	Chemicals	E	1,149	2,772	2,549	-	1,149	1,650	-	2,283	30.2	82.7	82.11	4

28	Busan City Gas Co., Ltd.	City Gas	N	2,906	14,642	13,756	-	2,906	-	-	2,906	21.0	82.7	82.10	3
29	Sam Yang Co., Ltd.	Textile	E	1,698	Same as No. B-90 under Loan 1635-KO. Represents additional project financing.										
30	Saehan Corp.	Construction	E	1,027	3,578	3,573	-	1,027	1,000	-	1,715	48.0	82.6	82.11	5
31	Anam Ind. Co., Ltd.	Electronics	E	1,878	4,354	4,298	-	1,878	2,500	-	3,603	83.8	82.5	83.1	8
32	Life Construction Co., Ltd.	Construction	E	522	693	667	-	522	-	-	522	79.5	82.6	82.6	-
33	Hyundai Wood Ind. Co., Ltd.	Wood	M	272	3,660	3,146	-	272	480	300	857	25.5	82.5	82.7	2
34	Sam Ik Shipping Co., Ltd.	Transportation	E	61	140	108	-	61	-	-	61	57.0	82.3	82.8	5
35	Dong Yang Textile Co., Ltd.	Textile	E	208	349	327	-	208	-	-	208	94.1	82.2	82.2	-
36	Hankuk Diesel Kiki Co., Ltd.	Transport equip.	E	319	1,201	1,005	-	319	460	-	626	62.0	82.7	83.11	16
37	Poong Lim Ind. Co., Ltd.	Construction	E	444	570	595	4.4	444	-	-	444	74.6	82.7	82.7	-
38	Sung Chang Textile Co., Ltd.	Textiles	E	295	541	541	-	295	-	-	295	55.0	82.6	82.6	-
39	Dong Yang Elanco Co., Ltd.	Chemicals	N	271	2,599	2,590	-	271	-	500	771	29.7	82.7	83.1	5
40	Ssang Yong Cement Ind. Co., Ltd.	Cement	E	782	7,556	7,556	-	1,035 ^{a/}	1,600	-	2,139 ^{a/}	28.3	82.5	83.12	19
41	Korea Synthetic Rubber Ind. Co., Ltd.	Rubber	N	1,386	7,862	6,544	-	1,386	2,256	-	3,006	45.9	84.1	84.2	1
42	Pusan Steel Pipe Ind. Co., Ltd.	Steel product	E	397	12,764	11,487	-	397	2,760	-	2,300	27.5	83.1	83.2	1
43	Nam Sun Textile Co., Ltd.	Textile	N	1,498	28,758	28,794	0.1	1,498	3,849	1,000	5,254	18.3	83.1	83.6	5
44	Korea Zinc Co., Ltd.	Non-metallic mineral	M	347	753	546	-	347	-	-	347	63.6	82.9	83.2	5
45	Hanil Cement Mfg. Co., Ltd.	Cement	M	589	1,566	1,560	-	589	595	-	1,032	75.6	83.10	83.7	-
46	Dr. Chung's Foods Co., Ltd.	Food	E	161	227	227	-	161	-	-	161	70.9	82.11	82.11	-
47								CANCELLED							
48	Hankuk Glass Ind. Co., Ltd.	Non-metallic mineral	E	1,021	3,706	3,705	-	1,021	-	-	1,021	27.5	84.5	84.10	5
49	Ssang Yong Cement Ind. Co., Ltd.	Cement	N	1,035	9,966	9,876	-	1,035	900	3,000	4,710	50.0	83.6	84.5	11
50	Kolon Inc.	Textile	E	337	1,562	1,537	-	337	-	-	337	21.9	83.1	83.4	3
51	Hyun Dai Motor Co., Ltd.	Transport equip.	E	718	16,309	15,700	-	718	1,100	-	1,553	10.0	84.3	84.7	4
52	Cheil Sugar Co., Ltd.	Food	M	1,874	2,721	2,752	-	1,874	-	-	1,874	68.1	84.7	84.11	4
53	Ottogi Foods Co., Ltd.	Food	M	301	615	613	-	301	-	-	301	49.1	83.8	83.10	2
54	Jin Sung Ramicon Co., Ltd.	Ramicon	M	374	862	862	-	374	-	250	624	72.4	83.6	83.6	-
55	Korea Zinc Co., Ltd.	Non-metallic mineral	M	493	747	730	-	493	-	-	493	67.5	83.8	83.9	1
56	Sedae Paper Mfg. Co., Ltd.	Paper	E	1,051	4,623	4,800	3.8	1,051	-	-	1,051	21.9	83.9	83.12	3
57	Dae Ki Co., Ltd.	Textile	E	375	447	423	-	375	-	-	375	88.6	83.11	83.11	-
58	Busan Cast Iron Co., Ltd.	Metal product	E	203	445	438	-	203	-	-	203	46.0	83.10	83.10	-
59	Dong Yang Express Ferry Co., Ltd.	Transportation	E	2,151	2,400	2,310	-	2,151	-	-	2,151	93.1	83.10	83.9	-
60	Han Jin Transportation Co., Ltd.	Transportation	E	999	1,627	1,325	-	999	92	-	1,070	80.7	84.1	84.2	1
61	Sam Sung Electronics Co., Ltd.	Electronics	E	2,434	11,008	N.A.	N.A.	2,434	2,000	-	3,964	N.A.	84.2	N.A.	N.A.
62	Dae Mon San Co., Ltd.	Steel product	E	135	282	253	-	135	-	-	135	53.3	83.10	83.12	2
63								CANCELLED							
64	Union Steel Mfg. Co., Ltd.	Basic Metal	E	457	840	840	-	457	251	-	657	77.6	82.11	84.2	3
65	Cheil Sugar Co., Ltd.	Food	M	871	2,341	N.A.	N.A.	871	-	-	871	N.A.	75.2	N.A.	N.A.
66	Sam Sung Corning Co., Ltd.	Electronics	E	1,591	9,263	N.A.	N.A.	1,591	2,370	-	3,961	N.A.	84.7	N.A.	N.A.
67	Sam Yang Co., Ltd.	Textile	E	1,208	19,182	19,010	-	1,208	-	-	1,208	6.4	85.1	85.2	1
68	Cheil Sugar Co., Ltd.	Food	M	1,172	2,167	N.A.	N.A.	1,172	-	-	1,172	N.A.	85.4	N.A.	N.A.
69	Anam Ind. Co., Ltd.	Electronics	E	1,323	41,601	N.A.	N.A.	1,323	3,904	-	5,227	N.A.	85.1	N.A.	N.A.
Total "B" subprojects *					229,917	221,994		43,725	35,723	8,182	99,508	46.8			
Total Subprojects *					245,092	236,485		51,079	43,323	8,182	111,977	47.4			

A. = Not available; subprojects under implementation.

Excludes subprojects under implementation.

Includes 253 cancelled under No. B-90

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PROJECT COMPLETION REPORT

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Reasons for Delay (of More Than Six Months) in Completion of Subprojects Financed
Under Loans 1461-KO, 1635-KO and 1932-KO

Under Loan 1461-KO

Name of Subproject

Reasons for Delay

- B-3 Han Yang Housing & Construction Co., Ltd. (78. 5 - 80. 9) : Due to the delay of procurement contracts for imported equipment with suitable suppliers.
- B-5 Hanil Cement Mfg. Co., Ltd. (77. 4 - 78. 6) : Difficulties in maintaining the line balancing in the course of replacement.
- B-21 Silla Ind. Co., Ltd. (79. 4. - 80. 7) : Difficulties in securing the water resources and empty lot for storing raw material required for the manufacture of such proposed products as sand-lime bricks and auto claved light-weight concrete panels.

Under Loan 1635-KO

- B-4 Kalim Ceramics Co., Ltd. (79. 7 - 80. 2) : Due to the additional procurement.
- B-68
B- 7 Tong Hai Steel Co., Ltd. (79. 12 - 80. 8) : Due to the delay of equipment manufacturing for the supplier's internal reasons.
- B-45 Samwoo Special Metals Co., Ltd. (80. 2 - 81. 3) : Due to the change of equipment list to procure more advanced ones.
- B-66 Ssangyong Cement Ind. Co., Ltd. (80. 4 - 81. 3) : This project was to construct remicca plant and delayed due to the prolonged nearby construction works to which the applicant planned to provide proposed product.
- B-75 Samyang Ind. Co. (80. 10 - 81. 7) : Due to inability of suppliers to deliver the equipment on time.

Under Loan 1932-KO

- B-5 Sam Sung Electronic Parts Co., Ltd. (81. 7 - 82. 7) : Due to the revision of the project including (a) the change of equipment list and (b) the reduction of project scope resulting from unexpected market slump.
- B-15 Sam Sung Semiconductor & Telecommunication Co., Ltd. (82. 4 - 83. 2) : Due to the late execution of procurement contracts for imported equipment with suitable suppliers.
- B-20 Doosan Grain Co., Ltd. (82. 7 - 84. 8) : The company originally planned to construct new plant in E-chon area with its existing Seoul plant being unchanged. However, the company removed its existing Seoul plant equipment and installed them in the proposed E-chon plant together with the proposed equipment. As a result, the project was delayed.

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- B-31 Anam Ind. Co., Ltd. (82. 5 - 83. 1) : Due to the late arrival of the imported equipment and technical difficulties in installation of the equipment.
- B-36 Hankuk Diesel Kiki Co., Ltd. (82. 7 - 83. 11) : Due to the additional procurement of equipment required to produce such non-projected product as air conditioners and to install both projected and non-projected equipment simultaneously.
- B-40 Ssangyong Cement Ind. Co., Ltd. (82. 5 - 83. 12)
B-92 (under 1635-KO) : Due to late execution of procurement contracts for equipment with suitable suppliers.
- B-49 Ssang Yong Cement Ind. Co., Ltd. (83. 6 - 84. 5) : Due to late execution of procurement contracts for equipment with suitable suppliers.

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PROJECT COMPLETION REPORT

Summary Characteristics of Subprojects Financed Under Loans 1461-KO, 1435-KO and 1432-KO

	Number of subprojects				Amount (1987/000)					
	1461-KO	1435-KO	1432-KO	Total	%	1461-KO	1435-KO	1432-KO		Total
Type of Assistance										
Domestic currency	-	-	-	-	-	-	-	-	-	-
Foreign currency	58	94	68	220	100.0	69,876	99,872	88,510	258,258	100.0
Total	58	94	68	220	100.0	69,876	99,872	88,510	258,258	100.0
Nature of Project										
New	9	20	10	39	17.7	15,761	26,929	17,463	59,653	23.1
Expansion	40	43	44	127	57.7	43,405	68,766	61,072	173,593	67.2
Modernization	7	8	12	27	12.3	9,175	7,272	10,075	26,522	10.3
Working capital	-	-	-	-	-	-	-	-	-	-
Others	2	3	-	5	2.3	1,735	1,456	-	3,191	1.4
Total	58	94	68	220	100.0	69,876	99,872	88,510	258,258	100.0
Size of Loan (M million)										
Up to 100	5	10	1	16	7.3	424	861	84	1,369	0.5
100 - 200	11	11	4	26	11.8	1,090	2,100	1,252	4,442	1.7
200 - 400	14	29	14	57	25.9	26,444	53,340	28,090	107,874	41.8
400 - 600	3	7	11	21	9.5	1,090	4,104	6,470	11,664	4.5
600 - 800	4	6	5	15	6.8	3,774	5,072	4,764	13,610	5.3
800 - 1,000	1	7	2	10	4.5	1,000	6,974	2,116	10,090	3.9
1,000 - 2,000	10	12	15	37	16.8	18,503	19,995	24,812	63,310	24.5
2,000 - 3,000	5	4	8	17	7.7	11,376	11,910	22,454	45,740	17.7
3,000 and above	4	8	4	16	7.3	23,861	38,407	20,958	83,226	32.2
Total	58	94	68	220	100.0	69,876	99,872	88,510	258,258	100.0
Maturities										
Capital loans	-	1	-	1	0.5	-	792	-	792	0.3
Up to 5 years	7	5	7	19	8.6	3,857	1,401	7,315	12,573	4.9
5 - 7 years	11	16	4	31	14.1	9,467	9,629	4,966	24,062	9.3
7 - 9 years	38	21	54	113	51.4	48,613	81,050	63,329	192,992	74.7
9 - 12 years	2	1	3	6	2.7	2,000	5,000	12,800	19,800	
Over 12 years	-	-	-	-	-	-	-	-	-	-
Total	58	94	68	220	100.0	69,876	99,872	88,510	258,258	100.0
Sectoral Distribution										
Manufacturing										
Food, beverage & tobacco	3	2	8	13	5.9	2,058	3,332	10,790	16,180	6.3
Textile, wearing apparel & leather	7	13	14	34	15.5	13,757	11,930	11,753	37,440	14.5
Printing & publishing	-	1	-	1	0.5	-	310	-	310	0.1
Wood & wood products	1	2	1	4	1.8	70	1,139	470	1,679	0.6
Paper & paper products	3	1	1	5	2.3	10,584	1,653	1,402	13,639	5.3
Chemicals, rubber, plastics, petroleum & coal	8	13	5	26	11.8	15,198	11,818	5,767	32,783	12.7
Nonmetallic mineral products	5	11	6	22	10.0	5,639	11,381	5,822	22,842	8.8
Basic metal	4	7	6	17	7.7	2,784	5,580	3,774	11,138	4.3
Metal products	2	11	-	13	5.9	3,281	13,220	-	16,501	6.4
Machinery (excluding electrical)	3	4	-	7	3.2	2,922	1,176	-	4,098	1.6
Electrical & electronic products	2	2	8	12	5.5	1,132	2,063	12,473	15,668	6.1
Transport equipment	2	3	1	6	2.7	1,462	1,230	1,400	4,101	1.6
Miscellaneous manufacturing industries	-	-	-	-	-	-	-	-	-	-
Subtotal	40	25	50	115	52.3	45,387	64,832	53,160	163,379	63.3
Nonmanufacturing										
Agriculture, forestry & fishing	7	5	1	13	5.9	9,653	2,915	236	12,804	5.0
Mining & quarrying	1	2	1	4	1.8	870	2,183	445	3,498	1.4
Electricity & waterworks	-	1	1	2	0.9	-	4,472	5,000	9,472	3.7
Construction	3	2	5	10	4.5	5,144	556	3,563	9,263	3.6
Transportation	7	8	9	24	11.0	9,822	14,938	25,931	49,691	19.2
Banking & insurance	-	2	-	2	0.9	-	9,976	-	9,976	3.9
Hotel & tourism	-	-	-	-	-	-	-	-	-	-
Other services	-	-	1	1	0.5	-	-	175	175	0.1
Subtotal	18	19	18	55	25.0	24,489	35,040	35,350	94,879	36.7
Total	58	94	68	220	100.0	69,876	99,872	88,510	258,258	100.0
Geographical Distribution										
Seoul City	6	11	19	36	16.4	7,496	17,612	15,797	41,305	16.0
Busan City	10	15	9	34	15.5	5,680	6,514	12,405	24,604	9.5
Daejeon City	4	5	3	12	5.5	850	3,700	916	5,475	2.1
Incheon City	-	5	3	8	3.6	-	4,022	2,416	6,438	2.5
Kyunggi Province	8	15	17	40	18.2	8,552	13,417	13,008	34,977	13.5
South Chung-Cheong Province	1	2	-	3	1.4	1,774	2,583	-	4,357	1.7
North Chung-Cheong Province	1	3	2	6	2.7	2,311	3,028	1,736	7,075	2.7
Kang-Won Province	-	1	2	3	1.4	-	320	-	2,833	1.1
South Chun-Ra Province	2	6	4	12	5.5	13,165	11,144	2,237	26,546	10.3
North Chun-Ra Province	6	1	1	8	3.6	4,668	77	1,402	6,147	2.4
South Kyung-Sang Province	6	16	7	29	13.2	4,333	18,758	2,479	25,570	9.9
North Kyung-Sang Province	5	11	2	18	8.2	7,335	10,883	2,669	20,887	8.1
Chollido	-	-	-	-	-	-	-	-	-	-
Deep-sea fisheries	6	-	-	6	2.7	9,556	-	-	9,556	3.7
Marine transportation	3	4	9	16	7.3	7,556	12,100	25,932	45,588	17.6
Total	58	94	68	220	100.0	69,876	99,872	88,510	258,258	100.0

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KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

ANNEX 7a
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PROJECT COMPLETION REPORT

Financial Performance of Subborrowers Under Loan 1461-KO

(Unit : Million)

Subject No.	Borrower	Total Sales				Profit (loss)				Net earnings as % of average net worth				Profit before provisions as % of total average assets			
		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation	
		Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.
A-1	Daelan Paper Board Co., Ltd.	5,128	5,031	8,596	9,990	170	178	369	58	8.8	8.9	17.7	2.8	2.4	4.5	4.9	1.5
A-2	Dong Yang General Ind. Co.,	3,827	5,224	4,403	7,454	191	237	207	310	6.7	1.5	6.8	2.0	13.4	2.8	13.9	3.1
A-3	Kumho Chemicals Inc.	11,456	6,025	14,028	7,023	214	(7,640)	942	(13,546)	4.3	NEG.	14.5	NEG.	1.3	NEG.	5.1	NEG.
A-4	Korea Synthetic Rubber Ind. Co., Ltd.	47,557	52,380	58,139	6,313	5,981	209	6,936	532	36.3	4.6	34.5	4.7	15.2	1.0	17.5	0.8
A-5	Sekke Paper Mfg. Co., Ltd.	20,690	46,780	27,304	58,856	473	(2,447)	1,021	(2,289)	7.7	NEG.	14.3	NEG.	1.7	NEG.	3.6	NEG.
A-6	Nam Yang Dairy Products Co., Ltd.	30,262	45,837	35,759	56,019	205	297	592	601	31.8	10.4	33.3	17.4	9.1	6.4	10.4	8.1
A-7	Hanil Express Co., Ltd.	4,015	4,766	4,163	6,817	382	(632)	704	(1,091)	3.4	NEG.	6.2	NEG.	7.2	NEG.	10.7	3.4
Subtotal "A" Projects		<u>122,935</u>	<u>166,043</u>	<u>152,392</u>	<u>212,472</u>	<u>7,616</u>	<u>(9,798)</u>	<u>10,671</u>	<u>(15,425)</u>								
"B" Subprojects																	
B-1	Dong Won Precision Machine Mfg. Co., Ltd.	6,623	8,143	6,851	6,523	305	359	371	(294)	22.0	20.0	23.0	NEG.	13.0	10.0	15.0	NEG.
B-2	Sajo Industrial Co., Ltd.	7,277	7,464	7,975	9,121	892	(18)	1,339	614	3.3	NEG.	5.0	3.4	7.0	NEG.	10.7	3.4
B-3	Han Yang Dousing & Construction Co., Ltd.	51,355	90,800	72,557	168,439	1,750	2,147	3,869	5,394	45.6	42.9	53.6	71.8	7.9	5.7	15.5	4.8
B-4	Dong Won Industrial Co., Ltd.	9,855	9,741	10,153	13,811	2,382	763	2,515	1,129	8.7	3.4	9.6	5.2	18.5	6.2	20.4	7.5
B-5	Hanil Cement Mfg. Co., Ltd.	0,900	31,822	35,399	38,158	1,656	2,483	2,027	1,749	13.5	20.3	16.7	14.3	6.9	8.7	8.8	6.7
B-6	Gum Sung Chemical Co.	2,553	2,775	2,553	3,043	113	83	115	13	33.0	29.0	25.0	4.0	22.0	4.0	22.0	1.0
B-7	Dae Won Sa Co., Ltd.	21,529	25,834	25,027	28,781	314	376	488	561	2.8	3.3	4.3	4.9	4.0	4.8	6.7	7.7
B-8	Korea Iron & Steel Co., Ltd.	35,976	44,236	46,267	57,174	1,003	(3,810)	1,229	(4,949)	17.5	NEG.	17.6	NEG.	5.3	NEG.	6.5	NEG.
B-9	Oyang Fisheries Co., Ltd.	10,348	14,756	19,674	22,119	1,090	62	1,057	98	26.4	2.0	21.8	3.1	10.1	2.4	9.6	1.9
B-10	Sun Sang Engineering Co., Ltd.	15,902	18,605	19,282	25,067	1,320	1,557	1,651	2,768	42.1	40.9	36.4	31.3	20.6	19.8	20.7	16.7
B-11	Youngnam Carbonic Co., Ltd.	259	57	594	328	60	(44)	90	(78)	29.3	NEG.	33.8	NEG.	9.9	NEG.	14.2	NEG.
B-12	Sam Wan Corp.	106,581	80,682	143,243	135,127	10,648	9,546	16,190	10,440	53.5	41.1	46.9	31.8	19.3	11.2	22.3	7.5
B-13	Chin Yang Machinery Co., Ltd.	3,892	1,788	4,634	2,009	231	(89)	333	(427)	40	NEG.	42	NEG.	16	NEG.	20	NEG.
B-14	Dae Ho Industrial Co., Ltd.	4,469	5,312	4,810	7,468	65	76	133	167	0.7	0.5	1.5	1.0	1.4	1.1	3.0	2.0
B-15	International Transportation Co., Ltd.	2,470	5,535	2,530	7,201	241	(3)	323	99	28.0	NEG.	28.0	12.0	12.0	NEG.	17.0	1.0
B-16	Dae San Mfg. Co., Ltd.	7,042	19,892	8,225	15,198	430	799	653	287	26.7	24.5	29.7	8.8	13.9	3.5	20.6	1.4
B-17	Dae Sang Rope Manufacturing Co., Ltd.	5,304	6,422	5,364	8,669	169	28	187	51	20.0	5.0	18.0	12.0	13.0	2.0	13.0	2.0
B-18										CANCELLED							
B-19	Seong Shin Fisheries Co., Ltd.	838	1,190	903	2,404	19	11	33	136	22.0	9.0	28.0	10.5	5.0	2.0	8.0	2.2
B-20	Seyang Fisheries Co., Ltd.	1,964	2,523	2,065	2,336	66	75	130	141	14.8	16.7	23.0	19.2	1.7	1.1	7.6	3.7
B-21	Silla Ind. Co., Ltd.	3,512	17,796	4,025	24,118	222	1,982	408	2,466	29.7	0.3	38.4	0.3	7.1	0.3	12.6	1.4
B-22	Dong Rang Forwarding Co., Ltd.	5,927	7,331	6,805	11,845	434	208	862	188	6.3	0.9	11.3	0.8	12.6	1.8	23.5	1.4
B-23	Lotte Aluminum Co., Ltd.	7,733	9,532	8,027	10,115	584	210	634	255	19.1	5.8	18.5	6.5	20.5	3.7	22.4	4.5
B-24										CANCELLED							
B-25	Tong Myung Metal Co., Ltd.	2,725	3,543	3,709	4,525	107	92	182	191	3.3	3.0	2.3	2.7	13.0	11.7	20.6	21.5
B-26	Daewoo Telecom. Co., Ltd.	3,314	6,217	5,219	14,197	91	127	406	305	7.0	9.8	26.0	15.8	2.2	3.1	11.6	2.5
B-27										CANCELLED							

B-28	Seshin Precision Industrial Co., Ltd.	1,357	1,366	1,571	1,075	126	33	106	(79)	44.0	14.0	27.0	NEG.	13.0	2.0	15.0	NEG.	
B-29	Tae Yeon Mulsan Co., Ltd.	238	319	264	426	13	(88)	24	22	14.6	NEG.	22.4	7.9	24.6	1.3	26.5	1.6	
B-30	Dong Yang Precision Machine Tool Co., Ltd.	2,262	1,478	2,503	1,307	82	(158)	106	(358)	13.0	NEG.	14.0	NEG.	5.0	NEG.	8.0	NEG.	
B-31	Dai Han Ink & Paint Mfg. Co., Ltd.	13,999	20,380	14,473	25,057	1,079	900	1,185	470	21.6	15.0	20.4	7.8	11.1	7.9	11.2	4.3	
B-32	Jedong Industries Ltd.	3,460	3,393	3,921	4,636	255	329	309	397	17.2	0.8	20.3	0.2	6.2	0.2	7.0	0.1	
B-33	Se Il Sa Company	1,357	1,728	1,552	1,280	52	109	68	(35)	32.0	63.0	30.0	NEG.	26.0	19.0	29.0	NEG.	
B-34	Ssang Yong Shipping Co., Ltd.	9,303	10,138	9,437	15,004	371	426	812	202	1.6	1.5	3.7	0.4	2.2	1.5	4.9	0.4	
B-35	Kyungbuk Livestock Co., Ltd.	7,190	10,338	8,988	15,049	199	30	285	80	112.4	7.3	68.0	17.5	33.4	7.7	38.0	22.7	
B-36	Sam Hae Industrial Co., Ltd.	6,320	17,187	6,400	11,533	181	76	230	36	18.0	3.0	19.0	1.0	6.0	1.0	7.0	0.1	
B-37	Kuk Bo Transportation Co., Ltd.	1,804	3,651	1,820	4,527	72	25	127	(209)	23	4	28	NEG.	9	1	15	NEG.	
CANCELLED																		
B-38	Tae Yang Metal Ind. Co., Ltd.	8,693	7,823	10,410	9,369	833	785	806	801	29.9	24.2	34.8	21.6	11.4	9.2	13.7	10.4	
B-39	Dong Sung Textile Co.	408	216	442	233	39	4	43	5	11.6	5.4	11.4	6.4	24.6	1.3	26.5	1.6	
B-40	Pyung Hwa Ind. Co., Ltd.	3,965	4,554	4,002	7,187	160	(737)	181	102	28.2	NEG.	24.6	9.2	31.8	NEG.	36.0	1.6	
B-41	Kolon Inc.	45,020	54,024	50,576	58,162	1,360	1,632	1,722	1,980	2.2	2.1	2.9	3.3	3.5	4.2	4.5	5.1	
B-42	Jung Lim Ind. Co., Ltd.	1,491	1,821	2,010	2,544	68	177	109	215	37.9	29.7	37.1	28.5	32.1	11.4	39.0	17.0	
B-43	Sam Sung Optical Co., Ltd.	426	840	497	1,001	26	19	35	18	22.6	14.1	24.0	12.4	21.4	5.7	24.1	7.8	
B-44	Roong Chin Products Co.	977	1,274	1,081	1,741	24	95	27	59	15.0	56.0	14.0	36.0	18.0	21.0	23.0	7.0	
B-45	Dong Yang Textile Co., Ltd.	3,590	4,308	3,611	4,152	167	200	165	189	7.1	8.5	7.4	8.5	13.8	16.5	14.3	16.4	
B-46	Chungkang Farm	130	157	210	250	47	32	53	61	10.3	9.7	10.4	12.7	7.2	5.8	9.9	10.7	
B-47	Song-Pa Pram	109	125	125	170	33	30	42	49	10.9	10.0	12.5	13.1	7.7	7.1	9.5	11.2	
B-48	Dong San Construction Co., Ltd.	3,152	63,905	3,268	150,057	226	2,119	252	3,850	17.0	16.0	16.0	21.0	12.0	4.0	13.0	4.0	
B-49	Tong Bang Electronic Co., Ltd.	823	780	945	821	36	70	87	45	60.3	20.5	73.7	15.9	4.3	3.2	11.5	6.5	
B-50	Youngnam Carbonic Co., Ltd.	1,176	328	1,323	603	153	(44)	162	(78)	50.2	NEG.	34.7	NEG.	19.9	NEG.	18.3	NEG.	
B-51	Dai Han Ink & Paint Mfg. Co., Ltd.	13,999	20,380	14,473	25,057	1,179	900	1,185	470	21.6	15.0	20.4	7.8	11.1	7.9	11.2	4.3	
B-52	Hankuk Glass Ind. Co., Ltd.	56,733	71,882	56,165	96,960	7,592	1,974	9,114	(4,441)	21.3	0.1	21.3	NEG.	9.3	0.6	10.6	NEG.	
B-53	Sedae Paper Mfg. Co., Ltd.	Same as No. A-5 above. Represents additional project financing.																
B-54	Hankook Tire Mfg. Co., Ltd.	31,686	16,030	35,314	22,524	2,820	(9,521)	3,262	(9,056)	38.0	NEG.	35.0	NEG.	10.0	NEG.	20.8	NEG.	
B-55																		
Subtotal "B" projects		<u>570,036</u>	<u>740,422</u>	<u>682,274</u>		<u>41,387</u>	<u>16,407</u>	<u>55,732</u>	<u>15,241</u>									
Total Subprojects		<u>692,971</u>	<u>906,465</u>	<u>834,666</u>		<u>40,003</u>	<u>6,609</u>	<u>66,403</u>	<u>(184)</u>									
				<u>1,078,496</u>														
				<u>1,290,968</u>														

NEG. = Negative figure

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

ANNEX 7b

Page 1 of 3

Financial Performance of Subborrowers under Loan 1635KO

(Unit : W million)

Subproject No.	Borrower	Total Sales				Profit(loss)				Net earnings as % of average net worth				Profit before provisions as % of total average assets			
		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation	
		Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.
"A" Subprojects																	
A-1	Korea Synthetic Rubber Ind. Co., Ltd.	61,203	66,313	64,937	64,224	3,014	(24)	9,805	669	24.1	NEG.	23.3	4.6	8.1	NEG.	10.6	2.3
A-2	Nam Yang Dairy Products Co., Ltd.	45,500	45,837	59,400	56,019	301	297	847	799	12.5	10.4	18.3	29.4	1.9	1.4	3.1	3.6
A-3	Korae Fine Chemical Co., Ltd.	8,915	N.A.	9,907	1,201	878	N.A.	1,286	147	20.9	N.A.	10.2	5.9	15.0	N.A.	21.7	2.9
A-4-1	Korea Development Leasing Corp.	N.A.	10,873	N.A.	26,199	N.A.	500	N.A.	2,065	N.A.	5.9	17.3	17.3	N.A.	1.8	N.A.	2.3
A-4-2	Korea Development Leasing Corp.	N.A.	10,873	N.A.	26,199	N.A.	500	N.A.	2,065	N.A.	5.9	17.3	17.3	N.A.	1.8	N.A.	2.3
A-5	Dae Han City Gas Co., Ltd.	3,405	4,767	5,108	8,172	(116)	(183)	163	(583)	NEG.	NEG.	1.7	NEG.	NEG.	NEG.	3.0	NEG.
A-6	Pan Ocean Shipping Co.,	28,632	30,641	33,110	32,109	683	325	1,172	547	1.8	0.4	3.0	0.8	3.8	0.9	6.3	1.5
Subtotal "A" Subproject		<u>147,655</u>	<u>147,558</u>	<u>172,462</u>	<u>161,725</u>	<u>4,760</u>	<u>415</u>	<u>13,273</u>	<u>1,579</u>								
"B" Subprojects																	
B-1	Doosan Glass Co., Ltd.	24,798	30,365	32,019	37,125	1,222	1,523	1,715	(159)	16.9	19.1	20.7	NEG.	3.6	4.1	5.1	NEG.
B-2	Korea Iron & Steel Works Co., Ltd.	32,170	55,557	20,902	63,037	2,518	1,552	2,727	2,803	26.2	15.1	24.3	23.9	15.4	10.6	15.8	14.6
B-3	Hanil Co., Ltd.	4,550	4,766	5,086	6,816	473	(632)	815	(1,091)	3.1	NEG.	5.1	NEG.	6.4	NEG.	10.9	NEG.
B-4	Kelim Ceramics Co., Ltd.	3,948	4,321	4,204	5,370	491	316	562	321	39.4	12.4	33.6	12.6	23.9	5.8	23.8	5.8
B-5	Kuk Bo Transportation Co., Ltd.	3,955	4,527	4,166	6,547	297	(209)	371	98	35.0	NEG.	31.0	24.0	16.0	NEG.	19.0	2.0
B-6	Cho Heung Textile Co., Ltd.	318	365	353	399	7	8	19	21	1.2	1.4	3.6	4.1	1.2	1.4	10.3	11.6
B-7	Tong Hai Steel Co., Ltd.	12,751	3,411	13,474	77	655	(1,276)	839	(1,796)	32.4	NEG.	31.4	NEG.	7.8	NEG.	9.2	NEG.
B-8	Pan Ocean Shipping Co.	8,835	7,352	9,288	9,084	1,341	136	1,730	(251)	10.4	0.9	14.1	NEG.	11.5	1.7	15.6	NEG.
B-9	Yusung Woolen Textile Co., Ltd.	4,556	5,239	4,837	5,465	169	194	233	263	3.5	4.0	4.9	5.5	7.1	8.2	10.0	11.3
B-10	Hankuk Glass Ind. Co., Ltd.	35,377	43,836	42,705	56,513	6,826	5,159	7,568	4,637	29.6	25.6	26.4	19.2	12.6	18.8	10.0	10.6
B-11	Ilshin Ind. Co., Ltd.	10,259	15,285	10,408	20,284	656	201	758	(825)	26.5	8.0	24.9	NEG.	5.7	2.7	6.6	NEG.
B-12	Yang Yang Transportation Co., Ltd.	1,600	1,547	2,300	2,238	95	(230)	140	13	2.3	NEG.	3.2	0.6	4.5	NEG.	6.4	0.6
B-13	Dong Sun Co., Ltd.	564	468	673	760	41	47	45	51	8.1	9.3	8.3	9.4	10.5	12.0	10.8	12.2
B-14	Hee Sung Paper Manufacturing Co., Ltd.	6,618	5,991	7,943	11,173	19	11	132	8	3.0	1.0	16.0	1.0	1.0	1.0	6.0	0.1
B-15	Eagon Industrial Co., Ltd.	15,676	24,864	19,745	28,698	465	1,090	563	158	37.3	58.3	20.2	8.6	5.1	5.9	6.1	0.9
B-16	Dae Yang Co., Ltd.	1,936	870	2,388	804	20	(356)	128	(146)	3.8	NEG.	21.9	NEG.	1.3	NEG.	8.6	NEG.
B-17	Cheil Synthetic Textile Co., Ltd.	49,025	56,378	51,460	58,149	3,307	3,803	4,138	4,675	5.4	6.2	7.0	7.9	8.0	9.2	10.7	12.1
B-18	Samwhan Camus Ltd.	4,730	8,390	5,335	8,723	166	(529)	289	12	9.9	NEG.	14.8	0.6	3.1	NEG.	5.4	0.1
B-19	Chun Kee Steel Wire Rope Co., Ltd.	3,137	1,348	3,366	1,456	125	9	211	(189)	22.0	NEG.	28.0	NEG.	6.0	NEG.	10.0	NEG.
B-20	Seshin Commercial Co., Ltd.	21,338	26,461	23,570	33,848	982	513	1,354	925	34.0	18.0	36.0	19.0	8.0	4.0	10.0	5.0
B-21	Nam Hae Ceramics Co., Ltd.	2,526	1,941	2,791	3,209	316	22	361	167	30.1	2.6	28.4	17.1	12.9	0.9	14.1	24.9
B-22	Dae Yang Co., Ltd.	2,922	5,297	3,267	5,936	76	305	212	306	21.9	20.4	60.6	18.3	4.4	7.2	10.1	8.4
B-23	Lee Ku Industrial Co., Ltd.	2,401	5,127	3,905	6,148	90	(465)	402	(990)	10.5	NEG.	45.3	NEG.	1.8	NEG.	11.8	NEG.
B-24	Dong Yang Steel Co., Ltd.	31,860	24,698	38,483	38,141	3,504	800	4,088	3,600	37.4	19.5	35.3	22.1	10.1	1.7	12.0	2.3
B-25	Hanil Cement Mfg. Co., Ltd.	50,612	56,918	53,181	61,565	2,741	1,161	4,077	957	19.9	14.3	25.2	2.7	10.7	6.2	15.8	1.2

B-26	Kyung Bo Limited	7,315	8,412	7,904	8,931	439	504	511	577	8.7	10.0	10.7	12.1	17.8	20.4	21.8	24.6	
B-27	Dong Bang Oil and Flour Mills Co., Ltd.	91,066	95,910	94,495	102,570	8,084	7,798	8,418	7,858	43.5	33.6	44.5	32.5	8.9	6.3	11.5	7.18	
B-28	Young Chang Industrial Co.,	1,436	1,337	1,949	2,014	77	72	118	121	18.5	17.8	24.1	22.2	25.2	23.3	27.7	28.1	
B-29	Korea Kwang Yang Sa Co., Ltd.	812	681	962	882	43	28	77	67	21.1	18.1	28.4	38.1	7.9	4.1	12.5	6.7	
B-30	Kia Machine Tool Co., Ltd.	16,700	11,634	20,040	17,061	135	(2,403)	282	(1,476)	2.5	NEG.	3.9	NEG.	0.6	NEG.	1.7	NEG.	
B-31	Han Seo Dairy Co., Ltd.	3,873	4,531	5,102	6,072	119	127	279	301	27.1	29.2	32.0	30.7	14.7	15.0	17.9	16.7	
B-32	Sam Bo Synthetic Textile Co., Ltd.	2,124	2,392	2,376	3,639	75	101	136	(306)	11.1	48.3	16.3	NEG.	3.8	2.2	7.7	NEG.	
B-33	Hyup Sung Textile Co., Ltd.	958	1,399	1,064	1,495	74	67	130	73	16.2	18.6	23.3	19.3	7.1	3.9	13.3	3.4	
B-34	Sanhwa Crown Cork Co., Ltd.	19,483	19,691	22,084	23,514	1,244	341	1,669	656	29.5	6.4	30.3	11.7	13.0	2.6	16.7	4.8	
B-35						CANCELLED												
B-36	Sunglee Electronics Co., Ltd.	2,200	1,932	2,404	2,498	5	4	30	33	2.2	1.8	11.5	12.7	10.8	8.7	12.5	13.6	
B-37	Dong Yang Industries Co., Ltd.	599	856	666	1,409	50	7	75	25	27.0	5.0	30.0	11.0	16.0	1.0	22.0	2.0	
B-38	Dong Jin Chemical Co., Ltd.	498	256	535	224	103	51	140	49	20.0	9.4	25.0	7.9	12.0	4.1	13.0	2.7	
B-39	Hi-Seong Metal Ind. Co., Ltd.	7,235	7,038	9,879	5,885	1,232	1,016	1,875	187	22.7	20.1	23.2	17.5	16.8	15.1	20.4	12.5	
B-40	Pohang Furnace Construction Co., Ltd.	4,633	4,177	4,881	5,021	174	139	214	298	32.3	27.0	29.0	19.8	7.3	6.2	8.1	7.9	
B-41	Lotte Aluminium Co., Ltd.	16,447	23,310	18,949	30,465	1,067	236	1,293	1,369	16.6	4.4	16.8	20.2	13.9	1.6	17.9	10.2	
B-42	Chin Yang Machinery Co., Ltd.	3,973	2,009	4,680	1,845	127 ¹	(1,894)	209	(184)	9.0	NEG.	13.0	NEG.	3.0	NEG.	4.0	NEG.	
B-43	Kia Honda Co., Ltd.	11,750	12,770	16,750	18,262	567	823	987	1,503	16.7	18.7	20.4	27.3	7.1	3.4	10.4	8.3	
B-44	Yulon Plastic Co., Ltd.	1,920	178	2,160	919	490	(104)	622	(22)	35.9	NEG.	28.3	2.9	19.6	NEG.	18.8	2.6	
B-45	Samwoo Special Metals Co., Ltd.	684	164	846	277	61	(234)	78	(247)	19.5	NEG.	22.6	NEG.	9.0	NEG.	9.2	NEG.	
B-46	Tae Joo Industrial Co., Ltd.	3,881	937	5,527	2,759	52	(415)	338	(890)	4.2	NEG.	21.3	NEG.	1.2	NEG.	7.3	NEG.	
B-47	Young Dae Chemical Co., Ltd.	3,550	3,586	3,838	3,974	170	38	198	36	31.5	7.8	10.9	6.9	26.8	1.7	11.6	1.1	
B-48	Chun Yang Transportation Co., Ltd.	5,363	4,809	5,363	5,731	268	11	268	86	23.0	4.0	23.0	22.0	10.0	9.0	10.0	1.0	
B-49	Sun Hak Aluminum Co., Ltd.	15,845	9,264	17,428	12,575	1,308	(1,435)	1,487	(1,115)	49.2	NEG.	36.6	NEG.	29.9	NEG.	27.1	NEG.	
B-50	Chun Kyung Container Terminal Co., Ltd.	2,404	2,424	2,733	3,888	56	(320)	187	240	42.0	NEG.	58.0	9.0	3.0	NEG.	9.0	4.0	
B-51	Korea Iron & Steel Co., Ltd.	46,977	57,173	49,875	72,433	1,744	(4,447)	2,087	(1,239)	13.8	NEG.	14.2	NEG.	8.3	NEG.	9.9	NEG.	
B-52	Dae Dong Electric Wire Co.	2,326	526	634	2,472	13	32	20	44	8.8	17.4	17.2	8.9	4.3	1.6	8.8	17.1	
B-53						CANCELLED												
B-54	Century Electric Co.	3,584	2,434	3,853	2,694	144	15	229	17	36.8	4.6	7.9	0.6	39.2	6.3	17.5	0.8	
B-55	Doosan Farm Co., Ltd.	4,633	5,152	5,696	5,755	134	132	208	451	12.6	11.9	16.4	18.4	10.2	9.8	13.2	15.2	
B-56	Union Steel Co., Ltd.	224,061	212,164	245,089	262,197	6,092	(4,357)	8,208	1,875	25.0	NEG.	26.0	5.1	8.9	NEG.	12.7	4.3	
B-57	Dae Kwang Textile Co.,	339	471	480	650	7	11	32	59	4.4	7.2	15.3	9.9	1.5	3.7	5.8	4.9	
B-58						CANCELLED												
B-59	Korea Hi-Dap Co., Ltd.	2,280	2,137	2,442	2,643	95	87	108	117	29.8	25.9	28.6	29.4	11.5	10.7	17.0	17.4	
B-60	Chun Kang Farm	210	201	243	256	53	50	58	56	10.4	9.7	10.2	11.2	9.9	9.3	10.3	11.9	
B-61	Daesung Mining Development Co., Ltd.	1,402	2,198	2,032	3,577	168	155	305	134	23.0	19.7	27.0	0.09	12.7	7.2	15.1	0.04	
B-62	Sung Hwa Velvet Co., Ltd.*	1,642	N.A.	1,734	N.A.	85	N.A.	109	N.A.	23.7	N.A.	25.0	N.A.	13.9	N.A.	15.8	N.A.	
B-63	Bosung Special Fiber Co.	3,422	2,153	3,060	2,555	152	45	278	46	32.8	7.5	23.7	5.6	10.4	3.1	13.1	1.6	
B-64	Cheil Organic Chemical Co., Ltd.	3,673	3,179	4,180	3,276	59	49	75	21	11.0	8.0	11.0	3.0	23.0	4.0	27.0	1.0	
B-65	Dongkuk Steel Mill Co., Ltd.	137,467	155,407	140,671	181,987	8,287	(4,511)	9,636	86	18.0	NEG.	17.0	0.6	13.8	12.6	15.5	14.7	
B-66	Ssangyong Cement Ind. Co., Ltd.	274,685	285,414	305,642	362,999	10,581	4,579	4,910	(7,933)	20.0	4.1	19.2	NEG.	2.9	0.8	3.5	NEG.	
B-67	Kum Kang Electronics Co.,	1,025	793	1,127	900	22	35	27	70	26.0	44.0	23.0	47.0	4.0	3.0	4.0	8.0	
B-68	Kelim Ceramics Co., Ltd.	Same as No. B-4 above. Represents additional project financing.																
B-69	U-In Chemical Co., Ltd.	3,563	921	4,477	1,238	2,820	640	3,384	957	64	12.5	48	3.3	19.1	1.5	19.4	0.4	
B-70	Korea Development Leasing Co., Ltd.	N.A.	10,873	N.A.	26,199	N.A.	500	N.A.	2,065	N.A.	5.9	N.A.	17.3	N.A.	1.8	N.A.	2.3	
B-71						CANCELLED												
B-72	Korea K-Span Co., Ltd.	405	328	540	866	4	(39)	12	43	6.9	NEG.	15.3	NEG.	1.7	NEG.	3.8	NEG.	
B-73	Hanil Can Co., Ltd.	17,807	19,716	25,583	20,629	921	1,048	1,875	543	17.0	15.0	27.0	7.0	9.0	7.0	16.0	3.0	
B-74	Poong Lim Ind. Co., Ltd.	42,567	84,791	52,661	154,832	2,004	2,734	3,015	4,715	30.5	27.5	36.3	34.9	9.2	6.5	10.7	6.3	
B-75	Sanyang Ind. Co.,	987	177	1,097	502	33	(12)	37	24	10.1	NEG.	9.9	20.5	11.1	NEG.	13.5	6.7	

* Went bankrupt in January 1983.

B-76	Hankook Tire Mfg. Co., Ltd.	183,359	128,118	187,715	163,396	5,996	(4,599)	7,721	2,845	22.0	NEG.	22.0	9.6	7.7	NEG.	10.0	3.1
B-77	Han Jin Transportation Co., Ltd.	39,150	44,601	41,676	61,132	3,386	4,364	3,554	5,572	5.4	5.4	5.3	4.8	9.0	9.9	8.7	9.8
B-78	Dong Yang Elevator Co., Ltd.	5,033	4,802	5,416	6,266	140	113	197	205	12.1	10.5	14.5	16.5	2.8	2.5	2.8	3.7
B-79	Kumho Chemicals Co., Ltd.	31,686	16,030	35,344	22,524	2,820	(9,521)	3,262	(9,056)	38.0	NEG.	35.0	NEG.	10.0	NEG.	20.8	NEG.
B-80	Chon Bang Co., Ltd.	63,501	73,026	70,690	79,879	1,750	2,012	2,435	2,751	3.5	4	4.8	5.4	5.9	6.7	8.0	9.0
B-81	Sang-Ji Food Co., Ltd.	4,158	3,226	4,634	5,912	172	27	172	23	70.0	10.7	70.0	8.1	7.0	1.1	7.0	1.4
B-82																	
B-83	Sam Do Industrial Co.	759	1,056	1,167	912	8	68	31	(74)	2.0	37.0	5.0	NEG.	1.0	6.0	3.0	NEG.
B-84	Heung-A Industrial Co., Ltd.	31,591	23,801	31,730	28,081	2,076	513	2,189	440	26.0	6.0	21.0	5.0	11.0	6.0	11.0	6.0
B-85	Sung Chang Textile Co., Ltd.	6,632	7,808	7,038	12,020	67	74	67	318	7.0	4.0	7.0	16.0	1.0	1.0	1.0	4.0
B-86	Daihan Color Ind. Co., Ltd.	8,734	10,125	9,156	3,202	124	73	208	144	7.0	2.0	10.0	3.0	2.0	1.0	3.0	4.0
B-87	Korea Zinc Co., Ltd.	42,663	52,103	46,384	59,480	(1,640)	(141)	873	2,567	NEG.	NEG.	3.9	1.3	NEG.	NEG.	1.8	6.0
B-88	Busan Cast Iron Co., Ltd.	5,683	6,470	6,039	8,152	148	163	183	228	17.0	18.0	19.0	14.0	4.0	4.0	4.0	5.0
B-89	Hankuk Glass Ind. Co., Ltd.	67,409	66,442	80,465	81,921	4,740	1,974	5,422	(4,441)	16.6	7.6	17.1	NEG.	5.1	6.0	5.8	NEG.
B-90	Sam Yang Co., Ltd.	245,595	220,868	255,774	209,576	1,288	3,464	1,658	4,729	3.9	10.4	4.9	6.2	0.7	3.6	0.9	5.74
B-91	Gold Star Cable Co., Ltd.																
B-92	Ssangyong Cement Ind. Co., Ltd.																

CANCELLED

Took over equipment originally purchased by Samwoo Special Metal Co., Ltd. under No. B-45 above.
See No. B-40 under Loan 1932-KO. Partially financed with funds from Loan 1635-KO.

Subtotal "B" subprojects(excluding B-70)	<u>2,070,219</u>	<u>2,252,708</u>	<u>97,115</u>	<u>12,541</u>	<u>115,683</u>	<u>29,188</u>											
	<u>2,108,831</u>	<u>2,558,389</u>															
Total Subprojects(excluding A-4 and B-70)	<u>2,217,874</u>	<u>2,425,170</u>	<u>101,875</u>	<u>12,956</u>	<u>128,956</u>	<u>30,767</u>											
	<u>2,256,389</u>	<u>2,720,114</u>															

N.A. : Not Available
NEG. : Negative

PROJECT COMPLETION REPORT

ANNEX 7c
Page 1 of 2

Financial Performance of Subborrowers under Loan 1932KO

(Unit : W million)

No.	Borrower	Total Sales				Profit(loss)				Net earnings as % of average net worth				Profit before provisors as % of total average assets			
		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation		First year of full operation		Second year of full operation	
		Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.	Est.	Act.
"A" Subprojects																	
A-1	Kukje Shipping Co., Ltd.	22,459	22,076	24,753	26,229	(180)	(621)	329	(6,215)	NEG.	NEG.	0.8	NEG.	NEG.	NEG.	0.8	NEG.
A-2	Korea Shipping Co., Ltd.	29,326	31,972	31,190	39,706	(967)	310	601	(594)	NEG.	0.3	1.4	NEG.	NEG.	9.5	1.4	NEG.
Subtotal "A" subprojects		51,785	54,048	55,943	65,935	(1,147)	(311)	930	(6,809)								
"B" Subprojects																	
B-1	Sam Yang Co., Ltd.	Same as No. B-90 under Loan 1635-KO. Represents additional project financing.															
B-2	Daesung Milling Development Co., Ltd.	3,220	3,577	4,327	5,230	229	134	327	124	26.4	9.0	31.4	7.0	4.0	4	10.3	6.0
B-3	Hyup Sung Nongsan Co., Ltd.	8,681	7,465	8,681	10,274	170	77	195	839	27.4	12.6	24.3	67.1	12.2	2.6	12.7	24.3
B-4	Sam Bu Shipping Co., Ltd.	3,069	1,960	3,107	2,310	204	10	213	12	25.0	1.0	23.0	1.0	14.0	1.0	14.0	1.0
B-5	Samsung Electronic Parts Co., Ltd.	23,697	31,728	28,192	33,112	1,073	617	1,761	676	25.8	7.8	31.8	8.0	7.0	2.7	12.3	3.8
B-6	Samsung Corning Co., Ltd.	15,897	18,926	16,297	11,100	1,272	1,392	1,460	743	23.5	15.6	21.3	13.7	9.8	8.8	11.2	6.7
B-7	Taihan Bulk Terminal Co., Ltd.	4,896	?	5,450	3,210	2,314	(32)	2,591	(339)	10.2	NEG.	17.5	NEG.	3.7	NEG.	7.1	NEG.
B-8	Young Do Velvet Dyeing	1,033	1,945	1,076	4,439	27	64	35	119	4.8	9.2	5.9	13.9	3.2	3.6	4.3	4.2
B-9	Life Construction Co., Ltd.	105,250	102,047	115,775	162,928	3,663	3,066	4,959	1,843	13.5	8.0	16.5	4.2	3.1	2.8	4.4	0.9
B-10	Korea Marine Co., Ltd.	12,014	7,088	14,208	8,470	343	(627)	728	328	3.3	NEG.	24.0	15.8	7.0	NEG.	13.7	3.4
B-11	Sam Young Wool Textile Ind. Co., Ltd.	9,891	11,374	10,128	11,444	248	285	267	301	4.4	5.1	4.9	5.5	9.0	10.3	10.0	11.1
B-12		CANCELLED															
B-13	Pusan Steel Pipe Ind. Co., Ltd.	193,887	180,517	214,773	158,858	8,225	1,007	10,170	1,226	23.7	2.7	23.5	3.2	14.9	1.3	16.5	1.8
B-14	Han Kuk Pair Glass Ind. Co., Ltd.	1,610	1,749	2,953	2,350	64	43	176	31	17.2	12.0	32.0	8.0	5.4	3.0	10.9	2.0
B-15	Samsung Semiconductor & Telecommunication Co., Ltd.	N.A.	68,762	N.A.	105,020	N.A.	2,030	N.A.	2,112	N.A.	11.0	N.A.	6.9	N.A.	3.0	N.A.	13.2
B-16	Dong Wha Industrial Co., Ltd.	24,317	22,834	25,297	22,907	877	688	1,329	410	1.9	1.3	3.0	0.6	3.9	2.7	6.3	1.3
B-17	Sung Chang Textile Co., Ltd.	7,633	12,020	7,963	13,295	173	318	241	250	9.0	16.0	11.0	11.0	5.0	4.0	7.0	4.0
B-18	Heung-A Shipping Co., Ltd.	49,954	36,231	40,067	49,849	48	882	1,263	(3,534)	0.1	1.1	1.8	NEG.	0.1	1.6	2.2	NEG.
B-19	Dong Sun Co., Ltd.	3,268	3,758	3,388	3,828	166	191	178	201	8.6	9.8	8.9	10.0	16.2	18.6	17.9	20.3
B-20	Dosan Grain Co., Ltd.	60,508	54,164	N.A.	N.A.	1,079	89	N.A.	N.A.	13.0	1.4	N.A.	N.A.	5.5	0.6	N.A.	N.A.
B-21	Ho Nam Flour Mills Co., Ltd.	24,837	25,183	25,335	26,654	231	252	260	261	8.9	0.7	9.1	8.8	2.8	2.6	3.1	2.8
B-22	Jeongang Development Co., Ltd.	13,868	15,230	16,363	21,269	84	113	279	87	0.5	0.6	2.0	0.5	0.4	0.3	1.0	0.4
B-23	Heung-A Industrial Co., Ltd.	31,591	23,801	31,729	28,081	2,039	513	2,057	440	18.0	6.0	16.0	5.0	19.0	6.0	18.0	6.0
B-24	Suh Kwang Ind. Co., Ltd.	39,734	45,694	42,831	48,399	476	547	604	682	2.3	2.6	2.9	3.2	5.9	6.8	7.4	8.3
B-25	Dang Rim Spinning Co., Ltd.	120,306	138,351	123,372	139,410	3,784	4,351	4,003	4,523	3.1	3.5	3.3	3.7	6.7	7.7	7.1	8.0
B-26	Korea Vylene Co., Ltd.	7,020	7,737	8,059	10,233	876	821	1,193	1,417	29.8	29.3	25.9	31.6	6.1	10.6	6.3	14.4
B-27	Turky Ltd.	304,945	376,053	388,727	501,506	13,109	11,536	19,992	9,116	24.0	11.2	29.1	6.6	10.3	5.3	14.9	2.3
B-28	Busan City Gas Co., Ltd.	2,316	55	7,337	749	(906)	(471)	(364)	(771)	NEG.	NEG.	NEG.	NEG.	NEG.	NEG.	NEG.	NEG.
B-29	Sam Yang Co., Ltd.	Same as No. B-90 under Loan 1635-KO. Represents additional project financing.															

* Took over equipment originally purchased by Samsung Electronics Co., Ltd.

B-30	Samwhan Corporation	298,843	346,380	361,839	495,831	11,901	13,500	19,123	15,271	19.0	26.5	25.0	23.5	10.0	6.7	14.0	7.2
B-31	Anam Ind. Co., Ltd.	19,714	35,548	22,620	66,216	141	1,747	1,333	2,162	12.7	18.1	13.7	15.4	6.4	5.5	9.8	5.0
B-32	Life Construction Co., Ltd.	114,460	162,928	126,940	215,387	4,532	1,843	5,485	1,732	12.1	4.2	14.1	4.0	6.3	0.9	7.2	1.0
B-33	Hyundai Wood Ind. Co., Ltd.	59,358	65,644	65,174	76,043	1,305	1,543	1,513	1,938	13.9	14.2	13.9	14.3	4.0	4.4	4.3	4.9
B-34	Sam Ik Shipping Co., Ltd.	6,900	6,932	7,474	7,135	187	(220)	370	110	5.0	NEG.	10.0	3.0	3.0	NEG.	6.0	1.0
B-35	Dong Yang Textile Mfg. Co., Ltd.	8,023	9,226	8,242	9,318	302	347	354	400	8.1	9.3	9.9	11.1	16.8	19.3	20.4	23.1
B-36	Hankuk Diesel Kiki Co., Ltd.	8,430	8,801	N.A.	N.A.	657	33	N.A.	N.A.	48.7	1.3	N.A.	N.A.	17.0	0.4	N.A.	N.A.
B-37	Poong Lim Ind. Co., Ltd.	99,146	154,832	116,535	195,328	4,959	4,715	6,208	1,351	32.1	34.9	30.1	8.4	8.1	6.5	9.9	1.9
B-38	Sung Chang Textile Co., Ltd.	8,559	12,020	9,237	13,295	183	318	332	250	17.0	16.0	12.0	11.0	3.0	4.0	5.0	4.0
B-39	Dong Yang Elanco Co., Ltd.	5,682	3,300	6,493	6,209	299	589	477	1,237	23.8	33.2	32.8	56.7	6.1	8.6	9.2	26.2
B-40	Ssang Yong Cement Ind. Co., Ltd.	451,956	421,281	509,007	503,476	1,188	4,280	5,595	11,102	1.1	1.9	5.1	4.7	0.2	0.5	1.1	1.5
B-41	Korea Synthetic Rubber Ind. Co., Ltd.	111,593	97,585	N.A.	N.A.	5,302	5,302	2,006	N.A.	22.3	12.1	N.A.	N.A.	5.0	5.7	N.A.	N.A.
B-42	Pusan Steel Pipe Ind. Co., Ltd.					Same as B-13.											
B-43	Nam Sun Textile Co., Ltd.	14,641	16,837	16,732	18,907	(764)	(794)	(135)	(72)	NEG.	NEG.	NEG.	NEG.	NEG.	NEG.	NEG.	NEG.
B-44	Korea Zinc Co., Ltd.	47,301	59,400	51,516	67,338	1,522	2,567	48	7,377	0.1	13.0	0.3	27.0	0.1	6.0	0.1	16.0
B-45	Hanil Cement Mfg. Co., Ltd.	90,623	105,721	103,628	108,224	1,696	5,806	2,292	7,022	4.6	13.3	6.6	14.3	3.3	10.1	2.4	9.4
B-46	Dr. Chung's Foods Co., Ltd.	12,911	17,648	13,545	29,023	769	817	975	3,596	26.2	31.1	24.23	54.8	7.5	7.9	8.1	15.0
B-47	Life Construction Co.					CANCELLED											
B-48	Hankuk Glass Ind. Co., Ltd.	97,248	99,971	104,145	114,285	57	1,929	940	8,862	0.2	6.0	3.3	23.0	0.1	3.0	2.1	14.0
B-49	Ssang Yong Cement Ind. Co., Ltd.	508,597	503,476	552,695	511,148	9,400	11,102	12,084	11,648	4.0	4.7	5.0	4.7	1.9	1.5	2.4	2.1
B-50	Kolon Inc.	198,203	227,933	208,506	235,611	3,646	4,192	6,648	7,512	1.8	2.1	3.5	3.9	3.1	3.6	5.8	6.5
B-51	Hyundai Motor Co., Ltd.	1,034,116	N.A.	1,176,211	N.A.	54,848	N.A.	72,493	N.A.	25.8	N.A.	26.2	N.A.	9.7	N.A.	11.9	N.A.
B-52	Cheil Sugar Co., Ltd.	350,580	405,573	373,355	N.A.	2,697	2,396	3,146	N.A.	5.0	4.4	5.7	N.A.	1.8	2.7	2.1	N.A.
B-53	Ottogi Foods Co., Ltd.	31,135	35,478	35,025	38,930	922	1,102	1,040	1,238	21.6	20.4	19.6	20.2	9.3	9.8	9.4	9.9
B-54	Jin Sung Remicon Co., Ltd.	55,842	67,851	65,540	75,704	963	1,178	1,617	655	1.7	1.7	2.5	0.9	2.6	2.8	4.1	1.1
B-55	Korea Zinc Co., Ltd.	54,046	59,400	56,077	67,338	607	2,567	751	1,377	3.3	13.0	3.9	27.0	1.3	6.0	1.6	16.0
B-56	Sedae Paper Mfg. Co., Ltd.	65,748	63,364	68,606	80,166	(1,070)	247	(343)	1,970	NEG.	1.5	NEG.	0.11	NEG.	0.3	NEG.	0.03
B-57	Dae Ki Co., Ltd.	2,695	3,099	3,066	N.A.	134	153	168	N.A.	4.2	4.8	4.9	N.A.	6.6	7.6	7.7	N.A.
B-58	Busan Cast Iron Co., Ltd.	9,381	9,797	11,460	10,099	273	311	525	212	7.0	9.0	13.0	6.0	3.0	4.0	5.0	3.0
B-59	Dong Yang Express Ferry Co., Ltd.	7,071	6,459	8,105	7,063	529	476	631	298	2.8	2.9	3.6	2.0	5.0	4.2	6.4	2.7
B-60	Han Jin Transportation Co., Ltd.	115,647	107,928	127,213	118,677	17,109	15,609	18,888	12,505	10.3	8.8	10.7	5.9	17.2	16.4	17.8	10.3
B-61	Sam Sung Electronics Co., Ltd.	631,285	1,351,648	748,174	N.A.	12,167	25,126	18,584	N.A.	15.2	20.0	19.9	N.A.	4.5	5.5	6.3	N.A.
B-62	Dae Won Sa Co., Ltd.	48,811	56,132	53,278	N.A.	741	852	66	N.A.	3.3	3.7	3.7	N.A.	4.3	4.9	4.8	N.A.
B-63						CANCELLED											
B-64	Union Steel Mfg. Co., Ltd.	284,806	289,156	309,589	338,436	3,397	5,671	6,445	7,145	7.5	11.9	12.5	13.1	1.8	3.0	3.9	3.8
B-65	Cheil Sugar Co., Ltd.	373,355	N.A.	416,909	N.A.	3,146	N.A.	3,718	N.A.	5.7	N.A.	6.6	N.A.	2.1	N.A.	2.4	N.A.
B-66	Samsung Corning Co., Ltd.	43,013	62,891	55,638	N.A.	(2,043)	3,779	5,524	N.A.	NEG.	23.5	27.4	N.A.	NEG.	3.7	8.6	N.A.
B-67	Sam Yang Co., Ltd.	235,669	N.A.	255,872	N.A.	25,469	N.A.	29,207	N.A.	8.1	N.A.	10.1	N.A.	3.3	N.A.	4.6	N.A.
B-68	Cheil Sugar Co., Ltd.	373,355	N.A.	416,909	N.A.	3,146	N.A.	3,718	N.A.	5.7	N.A.	6.6	N.A.	2.1	N.A.	2.4	N.A.
B-69	Anam Ind. Co., Ltd.	121,266	N.A.	132,604	N.A.	4,002	N.A.	5,271	N.A.	12.8	N.A.	13.6	N.A.	6.3	N.A.	8.1	N.A.

Subtotal "B" subprojects*

	<u>4,919,794</u>	<u>4,111,378</u>	<u>121,263</u>	<u>149,405</u>
	<u>5,953,781</u>	<u>4,689,092</u>	<u>149,332</u>	<u>124,874</u>
Total Subprojects*	<u>4,971,579</u>	<u>4,167,321</u>	<u>120,116</u>	<u>150,335</u>
	<u>6,007,829</u>	<u>4,755,027</u>	<u>149,021</u>	<u>118,065</u>

* Excludes those subprojects for which corresponding estimate or actual figures are not available.

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1441-80, 1633-80 AND 1933-80)

ANNEX Bb

PROJECT COMPLETION SUMMARY

OPERATIONAL AND ECONOMIC PERFORMANCE OF SUBPROJECTS FINANCED UNDER LOANS 1441-80

SUBPROJECT NO.	CORPORATE	CAPACITY UTILIZATION (%)				SALES ('000 MILLION)				EXPORTS ('000 MILLION)				EXPORTS AS % OF				INCREMENTAL EMPLOYMENT				INVESTMENT PER WORKER ('000 MILLION)							
		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST AND 2ND YEARS		EST.		ACT.		EST.		ACT.		EST.		ACT.			
		EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.		
A SUBPROJECTS																													
B-1	KOREA SYNTHETIC FIBER IND. CO., LTD.	80	80	90	90	11106	12310	12339	12340	2887	2925	4319	4615	33	31.9	33	32.3	170	161	153	164	15.3	16.2	20.0	19.3				
B-2	DAE YANG BATTERY PRODUCTS CO., LTD.	70	70	90	86	2003	2923	2802	19940	0	0	0	0	0	0	0	0	20	20	37.2	38.1								
B-3	KORLA FINE CHEMICAL CO., LTD.	80	80	90	88	1214	0	1685	323	304	0	0	566	179	25	0	30	29.7	29	33	22	22	21.6	20.6	23.2	26.2			
B-4-1	KOREA DEVELOPMENT LEASING COMP.	S.A. CONSISTING OF 20 LEASING PROJECTS																											
B-4-2	KOREA DEVELOPMENT LEASING COMP.	S.A. CONSISTING OF 22 LEASING PROJECTS																											
B-5	DAE HAN CITY GAS CO., LTD.	100	70	100	85	3185	4767	5106	8172	0	0	1	0	0	0	0	0	85	83	112	120	16.0	15.4	11.0	11.0				
B-6	PAN OCEAN SHIPPING CO.	85	91	90	87	1572	1682	1682	1687	723	71	612	672	46	42	48.3	66	20	20	105	100	22.7							
SUBTOTAL *A* SUBPROJECTS																													
						25182	26692	29676	32412	6914	4629	5637	4786	106.6	12.8	13.0	14.8	392	393	133.8*	133.5*								
B SUBPROJECTS																													
B-1	BOONAH GLASS CO., LTD.	S.A. MILLION EXPANSION																											
B-2	KORLA IRON & STEEL WORKS P.L., LTD.	70	60	80	80	4991	3780	3562	5036	2010	1640	3131	3262	56.6	50	56.5	60	270	136	43	20	19.2							
B-3	DAE HAN CHEMICAL CO., LTD.	70	52	60	60	637	600	787	1070	0	0	0	0	2	5.4	2	5.1	436	290	4.8	3.6	27.1							
B-4	KELIN CHEMICALS CO., LTD.	70	90	100	100	1826	1723	1202	1628	21	41	26	84	0	0	0	0	114	110	11	11								
B-5	DAE HAN TRANSPORTATION CO., LTD.	90	90	100	100	1779	2020	1868	2935	0	0	0	0	29	31.1	26.1	29.3	10	10	27	27								
B-6	CHUN HONG TEXTILE CO., LTD.	100	100	100	100	97	181	183	116	27	33	31	36	10.1	15.0	10.1	0	213	210	14	17								
B-7	TONG HAI STEEL CO., LTD.	60	20	70	10	4081	1387	5476	77	492	435	573	0	0	0	0	0	0	45	46	0	0							
B-8	PAN OCEAN SHIPPING CO.	75	62	80	70	1110	930	1431	1060	503	372	472	510	43	40	47	37	20	70	77	38.6								
B-9	YUSUNG WOVEN TEXTILE CO., LTD.	100	100	100	100	704	699	747	854	421	493	442	513	59.0	46.9	59.2	49	43	43	44	14								
B-10	MAKHOON GLASS IND. CO., LTD.	70	75	75	80	2345	2464	4974	4781	351	320	450	756	13	13	13	13	150	153	16	15	45.2							
B-11	ILSHIN IND. CO., LTD.	90	100	95	100	614	801	1095	2912	0	0	0	0	0	0	0	0	0	0	5	5	53	51						
B-12	PAN OCEAN TRANSPORTATION CO., LTD.	75	72	80	73	231	233	368	337	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-13	HONG SAN CO., LTD.	100	100	100	100	140	140	140	140	417	670	417	470	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-14	HEE SANG PAPER MFG. CO., LTD.	90	90	100	100	1805	1787	2302	2323	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-15	UNION IND. CO., LTD.	90	90	95	95	7329	7823	11828	14716	4647	5137	7533	7774	61.5	52.2	62	52.4	450	471	5	2								
B-16	DAE HAN CO., LTD.	70	71	80	70	1936	871	3280	904	1936	870	2280	904	100	100	100	100	94	61	29.9	41.7	21.9							
B-17	CHIL HONG SYNTHETIC TEXTILE CO., LTD.	S.A. MILLION EXPANSION																											
B-18	SANGHWA CEMENT CO.	S.A. CONSTRUCTION EQUIP.																											
B-19	CHUN HONG STEEL WIRE ROPE CO., LTD.	70	70	80	75	878	351	679	444	649	272	782	328	73.9	79.5	71.9	56.4	56	23	27	64								
B-20	SEKHOON CHEMICAL CO., LTD.	90	110	100	142	2967	3764	7270	4772	1505	2548	1506	2126	50.4	48.0	48.1	48.2	50	50	15	14								
B-21	DAE HAN CHEMICAL CO., LTD.	70	90	95	95	814	971	911	1463	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-22	DAE HAN CO., LTD.	70	90	95	95	589	740	1370	1726	457	681	1120	672	77.7	65	84.9	73.7	170	109	3	3								
B-23	LEE HAN IND. CO., LTD.	60	62	70	91	366	1013	2470	7911	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-24	DAE HAN STEEL CO., LTD.	60	62	70	91	366	1013	2470	7911	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-25	DAE HAN CHEMICAL CO., LTD.	60	62	70	91	366	1013	2470	7911	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-26	YUSUNG IND. CO., LTD.	80	85	90	95	2144	2371	2371	2579	1870	2271	2128	2969	61.9	60	69.0	69.9	14	15	63	66	21.2	20.6	21.9	21.9				
B-27	HONG HANG OIL & FLOUR MILLS CO., LTD.	70	72	80	83	31081	32166	33273	29349	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-28	YOUNG CHANG IND. CO.	80	81	97	98	1234	1264	1420	1356	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-29	YEA INCHUO TOOL CO., LTD.	60	61	75	92	438	583	572	526	254	129	190	128	77.3	33.7	48.2	26.3	11	11	20	20								
B-30	YEA INCHUO TOOL CO., LTD.	S.A. MILLION REPLACEMENT																											
B-31	YEA INCHUO TOOL CO., LTD.	60	60	70	100	589	593	800	870	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-32	SAP HAN SYNTHETIC TEXTILE CO., LTD.	100	100	100	100	851	558	957	1666	493	290	324	999	57.9	52	55	62	87	75	16.9	20.2								
B-33	YUP SANG TEXTILE CO., LTD.	100	100	100	100	958	1399	1864	1395	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-34	SAP HAN CHEONG CO., LTD.	80	76	90	83	3206	4923	4242	5879	356	254	470	169	4.7	4.8	7.3	2.9	124	185	20	19	29.4							
B-35	SUNGJAE ELECTRONIC CO., LTD.	S.A. CHEMICAL EQUIP.																											
B-36	HONG HANG INDUSTRIES CO., LTD.	90	120	100	212	329	503	370	640	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-37	HONG HANG INDUSTRIES CO., LTD.	70	50	60	33	200	175	250	170	40	42	55	58	70	24	22	41.7	12	10	10	14								
B-38	YI SONG METAL IND. CO., LTD.	90	85	100	95	2056	1462	3644	4722	522	473	1274	870	26.8	28.7	34.7	21	24	17	10	14								
B-39	POHANG FABRICE CONSTRUCTION CO., LTD.	95	100	100	100	770	972	1618	1523	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-40	YEA INCHUO TOOL CO., LTD.	70	75	80	85	3479	3750	5483	5903	780	850	990	968	71.4	21.5	16.2	16	51	55	67	58	21.2							
B-41	YEA INCHUO TOOL CO., LTD.	70	40	50	35	478	241	563	228	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-42	YEA INCHUO TOOL CO., LTD.	80	75	90	85	11750	12776	16750	15262	3580	2305	1200	6825	29.1	18.1	25.1	25.5	15	15	10	11								
B-43	YEA INCHUO TOOL CO., LTD.	80	80	90	80	930	144	346	277	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-44	SANGHOON SPECIAL METAL CO., LTD.	70	70	80	80	148	167	167	215	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-45	THE JED IND. CO., LTD.	60	20	30	30	493	167	927	318	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
B-46	YOUNG HONG CHEMICAL CO., LTD.	70	23	30	40	1099	146	2441	1785	413	187	987	314	0	0	0	0	0</											

KOREA
KOREA LONG-TERM CREDIT BANK CLAIMS 1461-EO, 1432-EO AND 1932-EO

PROJECT COMPLETION REPORT

GENERAL AND FINANCIAL SUMMARY OF PROJECTS FINANCED UNDER LAM 1461-EO

ANNEX 2

SUBPROJECT NO.	SUMMARY	CAPACITY UTILIZATION (%)				SALES (M. MILLION)				EXPORTS (M. MILLION)				EXPORTS AS % OF 1ST AND 2ND YEARS				INCREMENTAL EMPLOYMENT		INVESTMENT PER WORKER (M. MILLION)		FRR (%)		ENR (%)		
		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		EST.		ACT.		EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	
		EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	
A-1	DAEWON PAPER BOARD CO., LTD.	70	70	80	80	1426	1583	4891	5239	499	481	1712	1728	35	30.4	35	33	120	130	31	29	20.8		41.4		
A-2	HOANG YANG GENERAL INDUSTRIES CO.	90	82	95	88	177	241	953	1274	0	0	0	0	0	0	0	22	22	84	84	22.0		27.4			
A-3	KYUNG CHEMICAL INC.	70	35	80	40	11956	6025	14028	7923	3020	1237	3356	1925	26.4	20.5	21.9	27.4	82	82	70	69	28		29		
A-4	KOREA SYNTHETIC RUBBER IND. CO., LTD.	70	75	80	83	11196	8330	12339	9871	4442	3325	4936	3949	40	39.9	40	40	170	165	163	167	18.8	12.2	29.8	21.1	
A-5	HEUNG PAPER MFG. CO., LTD.	70	45	80	70	4879	4880	11151	13712	0	0	0	0	0	0	0	190	280	74	62	23.8		16.8			
A-6	HOANG YANG DAIRY CO., LTD.	95	93	98	95	4072	4432	18132	23697	0	0	0	0	0	0	0	0	0	0	0	0					
A-7	HAIL EXPRESS CO., LTD.	85	90	90	96	400	712	126	1170	0	0	0	0	0	0	0	7	7	272	263	28.5		42			
SUBTOTAL "A" SUBPROJECTS						37719	26203	62434	61995	7961	5043	10004	7692	23.6	18.2	16.0	12.3	591	686	99.9	90.0					
"B" SUBPROJECTS																										
B-1	KONG WOO PRECISION M/C CO., LTD.	96	100	100	100	2848	3561	2946	2805	0	0	0	0	0	0	0	30	31	37	35	28		42			
B-2	DAE HO IND. CO., LTD.	80	82	90	95	235	257	259	598	684	253	259	598	100	100	100	100	56	56	26	25	19.7	10.2	17.9	11.8	
B-3	HAN YONG MACHINERY & CONSTRUCTION CO., LTD.	N.A.	N.A. (PURCHASE OF CONSTRUCTION EQUIP.)				219	215	257	756	216	215	557	756	100	100	100	100	56	56	27	26	18.8	10.4	16.8	12.0
B-4	HAIL CEMENT MFG. CO., LTD.	N.A.	N.A. (PURCHASE OF CONSTRUCTION & TRANSPORT EQUIP.)				229	250	279	236	0	46	0	58	0	18.4	0	24.4	0	64	67	4	5			
B-5	HAIL EXPRESS CO., LTD.	90	92	100	100	5137	6164	5401	6217	0	0	0	0	0	0	0	95	88	17	17						
B-6	DAE HO IND. CO., LTD.	90	90	90	100	12514	9876	15147	11469	0	0	0	0	0	0	0	0	0	0	0	0	47.3		35.4		
B-7	DAE HO IND. CO., LTD.	95	95	100	97	2419	3225	2888	4150	2269	3025	2672	3640	93.8	93.8	92.5	92.5	56	56	31	31	21.3		18.5		
B-8	KOREA IRON & STEEL CO., LTD.	100	100	100	100	667	714	1300	1115	0	0	0	0	0	0	0	46	36	19	15						
B-9	DYANG FISHERIES CO., LTD.	60	40	80	50	259	57	594	376	0	0	0	0	0	0	0	70	29	16	16	27.8		26.2			
B-10	SHIN SUNG ENGINEERING CO., LTD.	N.A.	N.A. (PURCHASE OF CONSTRUCTION EQUIP.)				319	1466	3800	1647	0	0	0	0	0	0	0	160	147	31	34					
B-11	SAP HAN CORP.	60	30	70	30	170	202	434	674	140	202	434	674	100	100	100	100	56	56	29	31	17		15		
B-12	CHIN YANG MACHINERY CO., LTD.	100	100	100	100	370	941	430	1224	0	0	0	0	0	0	0	0	0	0	0	0					
B-13	DAE HO IND. CO., LTD.	N.A.	N.A. (REPLACEMENT)				656	771	644	1040	516	630	521	827	81.1	81.7	80.9	79.5	20	20	11	10				
B-14	DAE HO IND. CO., LTD.	100	140	100	270	109	355	117	312	15	2	14	20	11.9	11.3	12	6.4	0	0	0	0					
B-15	INT'L TRANSPORTATION CO., LTD.	95	95	100	95	588	572	637	550	545	600	518	518	93.5	95.3	90	81.3	28	25	32	30	16.8		15.2		
B-16	OOO SAN MFG. CO., LTD.	70	60	80	80	5817	17796	4025	24118	0	0	0	0	0	0	0	0	7	7	67	67	29.5		39.4		
B-17	DAE HO IND. CO., LTD.	80	85	90	94	1897	2080	2004	3488	0	0	0	0	0	0	0	0	25	25	10	10					
B-18	LOTTE ALUMINUM CO., LTD.	70	80	80	90	322	644	597	682	0	0	0	0	0	0	0	0	96	92	18	10					
B-19	TONG YANG METAL CO., LTD.	68	70	70	86	1016	1257	1590	1870	77	114	119	173	7.6	9.1	7.5	9.3	200	150	5	8					
B-20	WONHO VELVET CO., LTD.	90	90	100	70	368	595	591	405	184	30	211	12	50.3	5.9	56.3	3	210	198	2	2					
B-21	SEBIN PRECISION IND. CO., LTD.	90	100	100	100	45	40	72	116	0	0	0	0	0	0	0	0	63	60	1.5	1.5					
B-22	THE YEON MUGGAN CO., LTD.	60	40	80	40	1086	709	1201	427	0	0	0	0	0	0	0	0	20	18	27	29					
B-23	KONG YANG PRECISION M/C TOOL CO., LTD.	60	60	90	100	1819	2255	2501	3136	0	0	0	0	0	0	0	0	48	45	8	9	25		23		
B-24	DAE HO IND. CO. & PAINT MFG. CO., LTD.	70	75	75	80	2194	2152	2940	2940	0	0	0	0	0	0	0	0	50	50	23	23					
B-25	JEKONG INDUSTRIES LTD.	80	100	100	80	1045	1348	1195	998	0	0	0	0	0	0	0	0	44	40	4	4					
B-26	BE IL SA CO.	90	91	90	95	1205	1513	1339	2128	0	0	0	0	0	0	0	0	27	27	143	142	18.5		27.1		
B-27	SSANG YONG SHIPPING CO., LTD.	80	100	100	100	3956	5712	5753	9632	0	0	0	0	0	0	0	0	0	0	0	0					
B-28	KYUNGBACK LIVESTOCK CO., LTD.	90	240	100	160	1674	2922	1988	1961	911	2470	971	1244	84.8	84.5	84.7	64.5	28	20	9	12					
B-29	SAH HAE IND. CO., LTD.	90	145	100	250	974	1572	983	2445	0	0	0	0	0	0	0	0	6	29	32	12	10				
B-30	KUK DO TRANSPORTATION CO., LTD.	94	94	100	94	6190	7134	7428	7567	273	477	327	341	4.4	6.7	4.4	6.5	0	0	0	0					
B-31	THE YANG METAL IND. CO., LTD.	70	37	80	42	273	144	308	162	273	144	308	162	100	100	100	100	70	70	4.7	4.6					
B-32	KONG SHANG TEXTILE CO., LTD.	60	49	80	100	78	90	146	262	7	81	10	25	89.9	87.4	86.8	92.4	35	27	19	24					
B-33	PYUNG HAN IND. CO., LTD.	100	100	100	100	7978	9724	9105	10759	7081	8497	8066	9937	100	100	100	100	10	9	9	8					
B-34	KOLON INC.	80	75	80	90	466	417	710	825	466	417	710	825	100	100	100	100	9	8	5.9	6.3					
B-35	KYUNG LIN IND. CO., LTD.	75	100	85	100	167	321	185	375	165	321	185	375	0	0	0	0	0	0	0	0					
B-36	SAH HAE IND. CO., LTD.	70	90	80	100	518	675	573	925	0	0	0	0	0	0	0	0	0	0	0	0					
B-37	KONG YANG TEXTILE MFG. CO., LTD.	100	100	100	100	402	517	433	498	388	465	389	448	96.5	89.9	89.8	90	2	5	22	27					
B-38	CHANGKANG FARM	N.A.	N.A. (PURCHASE OF DAIRY CATTLE)				853	8286	1093	10785	349	1823	547	3128	35	22	50	29	117	89	81	74	50.7		31.6	
B-39	SONG-PA FARM	N.A.	N.A. (181 CATTLE)				912	634	945	145	186	147	285	22.7	22.0	22.5	30.2	16	10	25	46					
B-40	SONG SAN CONSTRUCTION CO., LTD.	70	55	80	70	823	780	942	821	617	540	709	632	0	0	0	30	25	4	4	27.8		20.2			
B-41	TONG DANG ELECTRONIC CO., LTD.	80	40	90	50	1176	328	1523	603	0	0	0	0	0	0	0	0	48	40	8	25					
B-42	YONGHWA CARBONIC CO., LTD.	90	90	90	100	1454	1641	3136	0	0	0	0	0	0	0	0	0	0	0	0	0					
B-43	DAI HAN IND. & PAINT MFG. CO., LTD.	N.A.	N.A. (PAYMENT OF KRON-NON FEE)				1053	8286	1093	10785	349	1823	547	3128	35	22	50	29	117	89	81	74	50.7		31.6	
B-44	HAN KUK BLANK IND. CO., LTD.	70	75	80	85	1053	8286	1093	10785	349	1823	547	3128	35	22	50	29	117	89	81	74	50.7		31.6		
B-45	HEUNG PAPER MFG. CO., LTD.	70	75	80	85	1053	8286	1093	10785	349	1823	547	3128	35	2											

ANNEX Bc
KOREA JAPAN ECONOMIC COOPERATION FUND (KJECF) - 1983-84 AND 1984-85
FINANCIAL PERFORMANCE

ANNEX Bc

OPERATIONAL AND ECONOMIC PERFORMANCE OF SUBPROJECTS FINANCED UNDER LOAN 1932-KO

SUBPROJECT NO.	BORROWER	CAPACITY UTILIZATION(%)				SALES (IN MILLION)				EXPORTS (IN MILLION)				EXPORTS AS % OF SALES				INCREMENTAL NUMBERS		INVESTMENT PER NUMBER (IN MILLION)		FIRR(%)		EIRR(%)			
		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST YEAR OF FULL OPERATION		2ND YEAR OF FULL OPERATION		1ST AND 2ND YEARS		EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.		
		EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.	EST.	ACT.		
A SUBPROJECTS																											
A-1	KUNJE SHIPPING CO., LTD.	70	68	80	85	1246	1219	2817	2985	351	503	1252	1421	44.4	41.3	44.4	47.6	27	27	246	245	18.3		19.3			
A-2	KORER SHIPPING CO., LTD.	80	87	90	96	1028	1120	2892	3482	514	594	1475	2026	50	53	51	55	29	29	349	282	24		26.7			
SUBTOTAL *A* SUBPROJECTS						2266	2339	5709	6467	1965	1097	2727	3446	47.9	46.9	47.9	49.7	55	55	275.9	263.5						
B SUBPROJECTS																											
Same as B-90, 1635-KO.																											
B-1	SMI YANG CO., LTD.	N.A. (PURCHASE OF DRILLING MACHINE)																									
B-2	BAESUNG MINING DEVELOPMENT CO., LTD.	83	73	92	100	169	145	624	758	11	9	31	44	6.5	6.2	5	6	11	11	46.3	46.8						
B-3	KYUP SUNG NONFERRIC CO., LTD.	89	70	90	60	312	223	349	185	0	0	0	0	0	0	0	0	11	9	43	42						
B-4	SMI IN SHIPPING CO., LTD.	50	0	60	70	1961	0	6109	4920	1616	0	5193	4705	85		85	88	177	160	14.3	15.6	37		43			
B-5	SMI SUNG ELECTRONIC PARTS CO., LTD.	80	95	90	55	13797	15902	29054	34865	12210	12712	23153	28240	86.5	79.9	86.6	81	71	13	35.5	46.2						
B-6	SMI SUNG COBALT CO., LTD.	100	0	100	85	4896	0	5450	3210	0	0	0	0	0	0	0	0	270	77	14	50						
B-7	TAIHAN BULK TERMINAL CO., LTD.	90	100	100	100	104	195	210	866	88	133	178	528	84.6	88.2	84.8	61	0	0	0	0	0	0	0	0		
B-8	YOUNG DO VELVET DYING	N.A. (REPLACEMENT)																									
B-9	LIFE CONSTRUCTION CO., LTD.	N.A. (PURCHASE OF CONSTRUCTION EQUIP.)																									
B-10	KOREA MARVEL CO., LTD.	60	50	80	50	184	211	526	506	179	208	416	366	97.3	98.6	78.1	77.2	267	206	13.7	42.4						
B-11	SMI YONG MOOL TEXTILE IND. CO., LTD.	100	100	100	100	989	1137	1012	1144	756	856	777	857	76.4	75.3	76.8	74.9	20	22	74	64						
B-12	PUSAN STEEL PIPE IND. CO., LTD.	70	68	80	70	3978	2790	4292	3062	2392	1779	2389	1706	60	63.6	60	64.5	42	37	170	126						
B-13	MANUK PAIP GLASS IND. CO., LTD.	80	80	85	80	1975	1168	1972	1569	0	0	0	0	0	0	0	0	0	0	0	0						
B-14	SMI SUNG SEMICONDUCTOR & TELECOM. CO., LTD.	180	70	180	180	8264	5272	8264	10021	4958	7285	4958	5453	60	59.2	60	54.4	57.6	56.0	13.2	5.4	22.4		27			
B-15	DONG WON IND. CO., LTD.	70	66	80	72	369	346	1873	1694	215	237	1141	1101	88.5	67.1	81	65	24	26	122	115	33		36.8			
B-16	SUNG CHANG TEXTILE CO., LTD.	70	65	80	150	1261	1982	1546	2979	876	1465	1689	1829	69.5	70.9	70.4	70.9	27	30	35	33						
B-17	HEUNG-A SHIPPING CO., LTD.	70	65	80	31	4734	4465	5414	5726	1899	1642	2274	3167	42	37.2	42	35.2	58	57	195	181	27.9		24.6			
B-18	DONG SUN CO., LTD.	100	100	100	100	1762	1578	1423	1653	1194	1234	1232	1272	86.4	84.7	86.6	83	19	19	58	47	25.6	22.5	22.4	33.6		
B-19	DOSSAN GRAIN CO., LTD.	70	50	80	N.A.	34349	29462	37865	N.A.	0	0	0	0	N.A.	0	0	N.A.	0	0	0	0						
B-20	NO NAM FLOUR MILLS CO., LTD.	N.A. (REPLACEMENT)																									
B-21	JONGGANG DEVELOPMENT CO., LTD.	NOT APPLICABLE																									
B-22	HEUNG-A IND. CO., LTD.	99	70	100	99	2522	2622	3537	3136	2167	2695	3687	2414	78.0	75.5	87.3	77	0	0	0	0	18	15	17.3	16		
B-23	SMI KWANG IND. CO., LTD.	N.A. (WINDOR EXPANSION)																									
B-24	PANG RIN SPINNING CO., LTD.	84	90	86	95	1482	1442	11167	12546	6675	7782	7039	8180	61.7	62.5	62.4	63.2	36	32	51	57						
B-25	KOREA VILLEN CO., LTD.	50	80	76	59	3194	3295	2168	2540	650	631	1154	942	59.4	46.6	47.5	37.1	29	16	9	12						
B-26	LUCKY LTD.	105	100	100	100	1244	22074	28795	38977	21485	12519	10932	112339	35.6	50	35.1	28.8	85	75	97	94	32.8		29.8			
B-27	BUSAN CITY GAS CO., LTD.	70	N.A.	50	N.A.	1215	55	7227	746	0	0	0	0	0	0	0	0	130	91	113	N.A.	13		11			
B-28	SMI YANG CO., LTD.	Same as B-90, 1635-KO																									
B-29	SAMHAN CORP.	N.A. (PURCHASE OF CONSTRUCTION EQUIP.)																									
B-30	AMRI IND. CO., LTD.	60	100	100	100	2599	4195	2997	6767	1420	2942	2861	3287	96.1	94	86.9	92.4	285	280	17.1	16.5	28		48			
B-31	LIFE CONSTRUCTION CO., LTD.	NOT APPLICABLE																									
B-32	HUMGAT WOOD IND. CO., LTD.	70	78	85	82	5113	4959	5659	6111	5113	4959	5659	6111	100	100	100	100	0	0	0	0	0	0	0	0	17.8	
B-33	SMI IK SHIPPING CO., LTD.	74	90	100	90	280	616	546	619	0	0	0	0	0	0	0	0	0	0	0	0						
B-34	DONG YANG TEXTILE MFG. CO., LTD.	N.A. (WINDOR EXPANSION)																									
B-35	HAN KUM DIESEL KIKI CO., LTD.	80	90	100	N.A.	3192	2501	3591	N.A.	0	0	0	0	N.A.	0	0	0	32	25	38	40						
B-36	POONG JIN IND. CO., LTD.	N.A. (WINDOR EXPANSION)																									
B-37	SUNG CHANG TEXTILE CO., LTD.	80	114	90	130	981	1407	923	1470	624	890	798	967	72	67.2	78.7	65.5	13	11	49	47						
B-38	DONG WUN IND. CO., LTD.	70	75	80	70	1277	1505	5482	6209	0	0	0	0	0	0	0	0	11	10	62	62	18		26.9			
B-39	SSANG YONG CEMENT IND. CO., LTD.	70	6	80	10	16470	0	28234	271	0	0	0	0	0	0	0	0	144	166	52.5	47.2						
B-40	KOREA SYNTHETIC RUBBER IND. CO., LTD.	80	80	80	95	5244	5711	5572	5714	2760	2866	3507	3911	45	44.4	45	50.4	24	24	327	327						
B-41	PUSAN STEEL PIPE IND. CO., LTD.	Same as B-13 above.																									
B-42	MAN SUN TEXTILE CO., LTD.	70	85	80	80	1641	1687	1672	1890	1641	1687	1672	1890	100	100	100	100	74	69	38	42	14.6		20.6			
B-43	KOREA JINC CO., LTD.	50	50	80	26	286	299	1499	1959	0	0	0	0	0	0	0	0	0	0	0	0						
B-44	MANIL CEMENT MFG. CO., LTD.	N.A. (PURPOSE OF THE PROJECT WAS TO IMPROVE PRODUCT QUALITY)																									
B-45	DR. CHUNG'S FOODS CO., LTD.	70	80	80	95	775	943	2460	4274	0	0	0	0	0	0	0	0	25	28	30	26						
B-46	MANUK GLASS IND. CO., LTD.	70	75	80	80	14587	14996	15622	17147	0	0	0	0	0	0	0	0	0	0	0	0						
B-47	SSANG YONG CEMENT IND. CO., LTD.	70	0	80	80	18221	0	25678	26284	0	0	0	0	0	0	0	0	11	10	337	371						
B-48	FOLSON INC.	85	90	90	95	641	743	1512	1746	492	476	912	1347	61	67.1	60.4	61.7	54	52	29	29						
B-49	HYUN DAI MOTOR CO., LTD.	N.A. (BEGAN NORMAL OPERATION FROM 1985)																									
B-50	CHEIL SUGAR CO., LTD.	N.A. (REPLACEMENT)																									
B-51	OTTOGI FOODS CO., LTD.	N.A. (REPLACEMENT)																									
B-52	JIN SUNG PETCHON CO., LTD.	70	75	90	87	15287	15780	12754	12815	0	0	0	0	0	0	0	0	0	0	0	0						
B-53	KOREA ZINC CO., LTD.	N.A. (REPLACEMENT)																									
B-54	SEANG PAPER MFG. CO., LTD.	N.A. (REMODELLING OF FINISHING EQUIP.)																									
B-55	DRE KI CO., LTD.	55	60	65	N.A.	1189	1201	1216	N.A.	0	0	0	0	N.A.	0	0	0	0	0	0	0						
B-56	PUSAN CAST IRON CO., LTD.	80	85	90	90	1497	1499	1719	1894	476	711	674	725	29.1	26.9	26.9	25.1	26	26	22	22						
B-57	DONG YANG EXPRESS FERRY CO., LTD.	50	46	55	48	478	398	1965	1667	0	0	0	0	0	0	0	0	0	0	0	0						
B-58	HAN JIN TRANSPORTATION CO., LTD.	80	74	90	84	1154	1079	1272	1187	0	0	0	0	0	0	0	0	0	0	0	0						
B-59	YAR SUNG ELECTRONICS CO., LTD.	60	N.A.	60	N.A.	15668	N.A.	30973	N.A.	17766	N.A.	21652	N.A.	70	70	70	146	N.A.	99	N.A.							
B-60	DAE WON SA CO., LTD.	80	85	85	85	15378	155612	164343	174070	133468	132544	145246	167766	88.2	85.8	88.4	95.3	0	0	0	0	14.9		15.5			
B-61	UNION STEEL MFG. CO., LTD.	N.A. (REPLACEMENT)																									
B-62	CHEIL SUGAR CO., LTD.	60	N.A.	60	N.A.	1487	N.A.	1787	N.A.	0	0	0	0	0	0	0	0	118	N.A.	75	N.A.						
B-63	YAR SUNG COBALT CO., LTD.	N.A. (BEGAN OPERATION FROM 1985)																									
B-64	SMI YANG CO., LTD.	N.A. (REPLACEMENT)																									
B-65	CHEIL SUGAR CO., LTD.	85	N.A.	90	N.A.	22251	N.A.	31788	N.A.	22284	N.A.	17789	N.A.	106	116	865	N.A.	48.1	N.A.								
SUBTOTAL *B* SUBPROJECTS **						618673	385553	743236	885832	297635	339766	355444	395210	48.1	57.8	47.8	48.5	4234	3689	54.3	68.2						
TOTAL SUBPROJECTS **						620941	387802	746925	822299	297635	339766	35															

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Summarized Data on Leasing Projects
Financed by KDLC Under Loan 1635-KO

ANNEX 9
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Name of leasing project	Plant location	Industrial classification	Type of project	Characteristics of Enterprise undertaking project		KDLC Financing (US\$'000)	Amount outstanding ^{b/} (US\$'000)	No. of jobs generated	Investment cost per job (US\$'000)
				Asset size (M million)	No. of employees				
<u>Subproject A4-01</u>									
Cheil Photo Chemical Ind. Co.	Seoul	Photo engraving	Expansion	857	150	131	N.A.	5	26.2
Dong Seo Glass Ind. Co., Ltd.	Kyunggi	Glassware	"	13,553	444	568	"	10	56.8
Sam Yang Foods Ind. Co., Ltd.	Busan	Foods	"	20,415	5,400	811	"	20	40.5
Nam Yang Ind. Co., Ltd.	Seoul	Transport. equip.	"	474	100	103	"	5	20.6
Korea Agricultural Chemical Co., Ltd.	Seoul	Agricultural Medicine	"	12,360	887	844	"	6	140.6
Se Chang Pipe Mfg. Co., Ltd.	Kyunggi	Steel pipe	"	452	48	141	"	3	47.0
Nhong Shim Co., Ltd.	Kyunggi	Foods	"	24,900	4,200	262	"	20	13.1
Seoul Ind. Co.	Kyunggi	Transport. equip.	"	179	90	137	"	6	22.8
Christian Newspaper Co.	Seoul	Newspaper	"	123	100	172	"	9	19.1
Jin Moo Ind. Co., Ltd.	Kyunggi	P.E. film	New	1,269	120	58	"	8	7.2
Yon Sei Univ. Hospital	Seoul	Hospital	Expansion	6,847	1,663	235	"	20	11.7
Gold Star Co., Ltd.	North Kyung-sang	Electronics	"	161,594	13,500	154	"	7	22.0
Sam Hae Ind. Co., Ltd.	Busan	Fishing net	"	5,694	1,000	514	"	10	51.4
Korea Part Co.	Busan	Steel product	"	734	300	196	"	10	19.6
O Sung Co., Ltd.	South Kyung-sang	Electronic parts	"	924	300	73	"	5	14.6
Sam Woo Ind. Co., Ltd.	Busan	PVC film	"	367	103	208	"	5	41.6
Ko Sin Hospital	Busan	Hospital	"	314	450	242	"	10	24.2
Dong Lim Rope Mfg. Co., Ltd.	Busan	Steel Wire	New	320	100	60	"	30	2.0
Shinil Ind. Co.	Busan	Pump	Expansion	582	104	127	"	5	25.4
Kun San Paper Box Mfg. Co.	North Jeon-ra	Paper Box	"	136	50	106	"	5	21.2
Subtotal A4-01						5,142	2,839	199	88.8
<u>Subproject A4-02</u>									
Hai Tai Confectionery Co., Ltd.	Seoul	Confectionery	Expansion	64,641	7,000	130	N.A.	120	1.1
Boo Il Chemical Co., Ltd.	Seoul	Plastic product	"	328	50	154	"	5	30.8
Hanil Ind. Co.	Kyunggi	"	"	1,272	80	221	"	7	31.6
Shin Sung Color Co., Ltd.	Seoul	Photo engraving	New	857	150	221	"	13	17.0
Young Jin Electronic Components Co.	Kyunggi	Electronic parts	Expansion	309	50	135	"	4	33.7
Sophia Co., Ltd.	Kyunggi	Hygienic fabric	"	3,015	316	122	"	18	6.7
Korea Investment & Finance Co.	Seoul	Financing	"	140,200	115	407	"	11	37.0
Hyun Dai Trading Co., Ltd.	Seoul	Trading	"	3,860	550	697	"	21	33.2
Shin Young Jin Chemical Ind. Co.	Seoul	Hemp fabrics	"	301	71	57	"	5	11.4
Oriental Brewery Co., Ltd.	Seoul	Brewery	"	79,009	1,157	297	"	32	9.3
Sam Il Pharmaceutical Co., Ltd.	Seoul	Pharmacy	"	2,101	275	64	"	8	8.0
Han Sung Jung Pan Ind. Co., Ltd.	Seoul	Photo engraving	"	362	26	196	"	2	98.0

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Mhong Shim Co., Ltd.	Kyunggi	Food	Expansion	24,900	4,200	209	N.A.	68	3.0
Shin Sung Chemical Co., Ltd.	Kyunggi	Plastic product	-	411	65	57	"	2	28.5
Bokyoung Textile Co., Ltd.	Daegu	Textile	-	184	150	193	"	10	19.3
Choongwee Pharmaceutical Corp.	Seoul	Pharmacy	-	23,050	750	291	"	32	9.1
Hyun Dai Color Co., Ltd.	Seoul	Photo engraving	-	832	220	205	"	10	20.5
Sam Kyung & Sam Mha Co., Ltd.	Seoul	Printing	-	437	112	278	"	5	55.6
Sung Il Ind. Co., Ltd.	Busan	Textile	-	101	89	83	"	10	8.3
Dae Kyung Co., Ltd.	South Kyung-sang	Chemicals	-	231	150	728	"	10	72.8
Han Kok Ceramic Co., Ltd.	Busan	Ceramics	-	360	720	58	"	10	5.8
Sam Woo Ind. Co., Ltd.	Busan	PVC film	-	367	103	32	"	5	6.4
Subtotal A4-02						4,835	2,605	408	81.8
Total						<u>9,977</u>	<u>5,444</u>	<u>607</u>	<u>18.4</u>

a/ Before the project is implemented

b/ As of Dec. 31, 1984

KORSA

KORSA LONG-TERM CREDIT BANK (LOANS 1461-KD, 1635-KD AND 1932-KD)

PROJECT COMPLETION REPORT

ANNEX 10a
Page 1 of 2

Current Status of Subloans Financed Under Loan 1461-KD

Project No.	Borrower	KLB Financing		Amount Outstanding		Prepayment or Rescheduling	Present Arrears		Arrears as % of Loan Amount Outstanding	
		IBRD (\$'000)	(Million)	IBRD (\$'000)	Other Sources (Million)		IBRD (\$'000)	Other Sources (Million)	IBRD (\$'000)	Other Sources (Million)
<u>" A" Subproject</u>										
A-1	Daehan Paper Board Co., Ltd.	3,161	200	1,903	-	Rescheduling	-	-	-	-
A-2	Dong Yang General Industries Co.	3,696	-	2,252	-	-	-	-	-	-
A-3	Kumho Chemicals Inc.	6,774	-	3,811	-	-	-	-	-	-
A-4	Korea Synthetic Rubber Ind. Co., Ltd.	6,392	1,455	4,124	-	-	-	-	-	-
A-5	Sedae Paper Mfg. Co., Ltd.	6,999	-	5,946	-	Rescheduling	-	-	-	-
A-6	Nae Yang Dairy Products Co., Ltd.	1,774	-	1,339	-	-	-	-	-	-
A-7	Hanil Express Co., Ltd.	2,860	-	2,051	-	-	-	-	-	-
<u>Subtotal "A" subprojects</u>		<u>31,656</u>	<u>1,655</u>	<u>21,426</u>	<u>-</u>					
<u>" B" Subprojects</u>										
B-1	Dong Woo Precision M/C Mfg. Co., Ltd.	1,373	-	837	-	-	-	-	-	-
B-2	Sajo Ind. Co., Ltd.	1,466	-	918	-	-	-	-	-	-
B-3	Han Yang Housing & Construction Co., Ltd.	2,419	-	1,026	-	-	-	-	-	-
B-4	Dong Won Ind. Co., Ltd.	2,068	-	439	-	-	-	-	-	-
B-5	Hanil Cement Mfg. Co., Ltd.	2,211	-	444	-	-	-	-	-	-
B-6	Gum Sung Chemical Co.	185	30	84	-	-	-	-	-	-
B-7	Dae Won San Co., Ltd.	846	100	554	-	-	-	-	-	-
B-8	Korea Iron & Steel Co., Ltd.	283	1,618	210	1,201	-	-	-	-	-
B-9	Oyang Fisheries Co., Ltd.	2,109	-	1,321	-	-	-	-	-	-
B-10	Shin Sung Engineering Co., Ltd.	319	-	-	-	-	-	-	-	-
B-11	Youngnam Carbonic Co., Ltd.	420	30	196	-	-	-	-	-	-
B-12	Sam Whan Corp.	2,406	-	-	-	-	-	-	-	-
B-13	Chin Yang Machinery Co., Ltd.	1,949	-	1,187	-	-	-	-	-	-
B-14	Dae Ho Ind. Co., Ltd.	2,498	-	1,681	-	-	-	-	-	-
B-15	Int'l Transportation Co., Ltd.	230	-	-	-	-	-	-	-	-
B-16	Doo San Mfg. Co., Ltd.	391	-	-	-	-	-	-	-	-
B-17	Dae Sung Rope Mfg. Co., Ltd.	239	-	124	-	-	-	-	-	-
B-19	Seong Shin Fisheries Co., Ltd.	188	-	97	-	-	-	-	-	-
B-20	Seyang Fisheries Co., Ltd.	1,226	-	825	-	-	-	-	-	-
B-21	Silla Ind. Co., Ltd.	2,415	300	1,729	-	-	-	-	-	-
B-22	Dong Bang Forwarding Co., Ltd.	502	-	58	-	-	-	-	-	-
B-23	Lotte Aluminium Co., Ltd.	331	-	-	-	-	-	-	-	-
B-25	Tong Myung Metal Co., Ltd.	823	-	-	-	Prepayment	-	-	-	-

B-26	Daewoo Telecom. Co., Ltd.	736	-	397	-	-	-	-	-	-
B-28	Seshin Precision Ind. Co., Ltd.	362	-	235	-	-	-	-	-	-
B-29	Tae Yeon Mulsan Co., Ltd.	92	-	47	-	-	-	-	-	-
B-30	Dong Yang Precision M/C Tool Co., Ltd.	478	-	-	-	-	-	-	-	-
B-31	Dae Han Ink & Paint Mfg. Co., Ltd.	512	80	292	-	-	-	-	-	-
B-32	Jedong Industries Ltd.	870	-	332	-	-	-	-	-	-
B-33	Se Il Sa Co.	229	-	145	-	-	-	-	-	-
B-34	Ssang Yong Shipping Co., Ltd.	1,000	-	835	-	-	-	-	-	-
B-35	Kyungbuck Livestock Co., Ltd.	131	-	76	-	-	-	-	-	-
B-36	Sam Hae Ind. Co., Ltd.	322	-	223	-	-	-	-	-	-
B-37	Kuk Bo Transportation Co., Ltd.	535	-	203	-	-	-	-	-	-
B-39	Tae Yang Metal Ind. Co., Ltd.	1,919	-	1,339	-	-	-	-	-	-
B-40	Dong Sung Textile Co.	187	-	108	-	-	-	-	-	-
B-41	Pyung Hwa Ind. Co., Ltd.	88	-	51	-	-	-	-	-	-
B-42	Kolon Inc.	498	-	288	-	-	-	-	-	-
B-43	Jung Lim Ind. Co., Ltd.	70	-	-	-	-	-	-	-	-
B-44	Sam Sung Optical Co., Ltd.	77	-	44	-	-	-	-	-	-
B-45	Poong Chin Products Co.	256	-	97	-	-	-	-	-	-
B-46	Dong Yang Textile Mfg. Co., Ltd.	163	-	62	-	-	-	-	-	-
B-47	Chun Kang Farm Co.,	152	-	-	-	-	-	-	-	-
B-48	Song-Pa Farm Co.	97	-	-	-	-	-	-	-	-
B-49	Dong San Construction Co., Ltd.	487	-	280	-	-	-	-	-	-
B-50	Tong Bang Tectronic Co., Ltd.	396	-	-	-	-	-	-	-	-
B-51	Youngnam Carbonic Co., Ltd.	150	-	61	-	-	-	-	-	-
B-52	Dai Han Ink & Paint Mfg. Co., Ltd.	384	-	266	-	-	-	-	-	-
B-53	Han Kuk Glass Ind. Co., Ltd.	450	-	350	-	-	-	-	-	-
B-54	Sedae Paper Mfg. Co., Ltd.	300	-	257	-	-	-	-	-	-
B-55	Han Kook Tire Mfg. Co., Ltd.	382	2,971	302	2,955	Rescheduling	-	-	-	-
Subtotal "B" subprojects		38,220	5,129	18,020	4,156					
Total Subprojects		69,876	6,784	39,446	4,156					

IBRD

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

FINANCE COMPLIANCE REPORT

ANNEX 10b
Page 1 of 3

Current Status of Subloans Financed
Under Loan 1635-KO

Subproject No.	Subborrower	KLB Financing		Amount Outstanding		Prepayment or Rescheduling	Present Arrears		Arrears as % of Loan Amount Outstanding	
		IBRD (\$'000)	Other Sources (W million)	IBRD (\$'000)	Other Sources (W million)		IBRD (\$'000)	Other Sources (W million)	IBRD (\$'000)	Other Sources (W million)
"A" Subprojects										
A-1	Korea Synthetic Rubber Ind. Co., Ltd.	506	1,553	412	-	-	-	-	-	-
A-2	Nam Ynag Diary Products Co., Ltd.	1,988	-	1,497	-	-	-	-	-	-
A-3	Kora Fine Chemical Co., Ltd.	7,450	1,470	6,843	-	-	-	-	-	-
A-4	A-4-1 Korea Development Leasing Corp.	5,142	-	2,839	-	-	-	-	-	-
	A-4-2 Korea Development Leasing Corp.	4,835	-	2,605	-	-	-	-	-	-
A-5	Dae Han City Gas Co., Ltd.	4,472	-	3,642	-	-	-	-	-	-
A-6	Pan Ocean Shipping Co.	5,000	-	3,657	-	Rescheduling	-	-	-	-
Subtotal "A" subprojects		29,393	3,023	21,495	-					
"B" Subprojects										
B-1	Doosan Glass Co., Ltd.	450	-	358	-	-	-	-	-	-
B-2	Korea Iron & Steel Works Co., Ltd.	3,860	191	2,720	-	-	-	-	-	-
B-3	Hanil Co., Ltd.	3,000	-	2,243	-	-	-	-	-	-
B-4	Kelim Ceramics Co., Ltd.	819	-	489	-	-	-	-	-	-
B-5	Kuk Bo Transportation Co., Ltd.	1,496	-	558	-	-	-	-	-	-
B-6	Cho Heung Textile Co., Ltd.	367	-	208	-	-	-	-	-	-
B-7	Tong Hai Steel Co., Ltd.	3,648	443	683	-	-	-	-	-	-
B-8	Pan Ocean Shipping Co.,	4,000	-	2,926	-	Rescheduling	-	-	-	-
B-9	Yusung Woolen Textile Co., Ltd.	792	-	494	-	-	-	-	-	-
B-10	Hankuk Glass Ind. Co., Ltd.	2,300	-	1,720	-	-	-	-	-	-
B-11	Ilshin Ind. Co., Ltd.	1,729	-	1,067	-	-	-	-	-	-
B-12	Yang Yang Transportation Co., Ltd.	395	-	180	-	-	-	-	-	-
B-13	Dong Sun Co., Ltd.	500	-	312	-	-	-	-	-	-
B-14	Hee Sung Paper Mfg. Co., Ltd.	1,653	-	1,131	-	-	-	-	-	-
B-15	Eagon Ind. Co., Ltd.	1,004	-	569	-	-	-	-	-	-
B-16	Dae Yang Co., Ltd.	1,250	-	1,148	-	-	-	-	-	-
B-17	Cheil Synthetic Textile Co., Ltd.	2,352	-	1,529	-	-	-	-	-	-
B-18	Samwhan Camus Ltd.	3,199	300	2,322	-	-	-	-	-	-
B-19	Chun Kee Steel Wire Rope Co., Ltd.	992	-	411	-	-	-	-	-	-
B-20	Seshin Commercial Co., Ltd.	995	-	722	-	-	-	-	-	-
B-21	Nam Hae Ceramics Co., Ltd.	666	-	416	-	-	-	-	-	-
B-22	Dae Yang Co., Ltd.	404	80	184	-	-	-	-	-	-
B-23	Lee Ku Ind. Co., Ltd.	1,448	150	904	20	-	-	-	-	-

B-24	Dong Yang Steel Co., Ltd.	1,488	-	1,081	-	-	-	-	-
B-25	Hanil Cement Mfg. Co., Ltd.	2,045	-	933	-	-	-	-	-
B-26	Kyung Bo Ltd.	871	150	544	-	-	-	-	-
B-27	Dong Bang Oil and Flour Mills Co., Ltd.	3,262	-	2,121	-	-	-	-	-
B-28	Young Chang Ind. Co.	233	-	158	-	-	-	-	-
B-29	Korea Kwang Yang Sa Co., Ltd.	310	-	141	-	-	-	-	-
B-30	Kia Machine Tool Co., Ltd.	335	-	119	-	-	-	-	-
B-31	Han Seo Dairy Co., Ltd.	792	-	-	-	-	-	-	-
B-32	Sam Bo Synthetic Textile Co., Ltd.	1,019	-	465	-	-	-	-	-
B-33	Hyup Sung Textile Co., Ltd.	1,241	-	566	-	-	-	-	-
B-34	Sam Hwa Crown Cork Co., Ltd.	969	585	703	291	-	-	-	-
B-36	Sunglee Electronics Co., Ltd.	48	-	15	-	-	-	-	-
B-37	Dong Yang Industries Co., Ltd.	550	-	389	-	-	-	-	-
B-38	Dong Jin Chemical	80	-	20	-	-	-	-	-
B-39	Hi-Seong Metal Ind. Co., Ltd.	338	100	230	-	-	-	-	-
B-40	Pohang Furnace Construction Co., Ltd.	99	-	-	-	-	-	-	-
B-41	Lotte Aluminium Co., Ltd.	297	1,940	54	1,135	-	-	-	-
B-42	Chin Yang Machinery Co., Ltd.	300	-	230	-	-	-	-	-
B-43	Kia Honda Co., Ltd.	298	-	180	-	-	-	-	-
B-44	Yulon Plastics Co., Ltd.	250	-	133	-	-	-	-	-
B-45	Samwoo Special Metals Co., Ltd.	248	-	205	-	-	-	-	-
B-46	Tae Joo Industrial Co., Ltd.	699	868	546	401	-	-	-	-
B-47	Young Dong Chemical Co., Ltd.	850	-	-	-	-	-	-	-
B-48	Cheun Yang Transportation Co., Ltd.	100	-	62	-	-	-	-	-
B-49	Sun Hak Alumium Co., Ltd.	977	-	160	-	-	-	-	-
B-50	Chun Kyung Container Terminal Co., Ltd.	457	-	245	-	-	-	-	-
B-51	Korea Iron & Steel Co., Ltd.	1,018	864	435	-	-	-	-	-
B-52	Dae Dong Electronic Wire Co.	189	-	-	-	-	-	-	-
B-54	Century Electric Co.	178	-	-	-	-	-	-	-
B-55	Doo San Farm Co., Ltd.	58	-	26	-	-	-	-	-
B-56	Union Steel Mfg. Co., Ltd.	589	596	240	645	-	-	-	-
B-57	Dae Kwang Textile Co.	397	-	-	-	-	-	-	-
B-59	Korea Hi-Dap Co., Ltd.	135	150	92	-	-	-	-	-
B-60	Chun Kang Farm	77	-	20	-	-	-	-	-
B-61	Daesung Mining Dev. Co., Ltd.	453	-	192	-	-	-	-	-
B-62	Sung Hwa Velvet Co., Ltd.	220	-	-	-	-	-	-	-
B-63	Bosung Special Fiber Co.	220	-	-	-	-	-	-	-
B-64	Cheil Organic Chemical Co., Ltd.	328	-	242	-	-	-	-	-
B-65	Dongkuk Steel Mill Co., Ltd.	1,423	3,878	1,271	-	-	-	-	-
B-66	Ssangyong Cement Ind. Co., Ltd.	320	558	272	335	-	-	-	-
B-67	Kum Kang Electronics Co.	189	-	133	-	-	-	-	-
B-68	Kelim Ceramics Co., Ltd.	299	-	178	-	-	-	-	-
B-69	U-in Chemical Co., Ltd.	367	-	251	-	-	-	-	-
B-70	Korea Development Leasing Corp.	343	-	260	-	-	-	-	-

B-72	Korea K-Span Co., Ltd.	137	-	94	-	-	-	-	-
B-73	Hanil Can Co., Ltd.	329	-	241	-	-	-	-	-
B-74	Poong Lim Ind. Co., Ltd.	457	-	236	-	-	-	-	-
B-75	Samyang Ind. Co.	243	-	183	-	-	-	-	-
B-76	Hankook Tire Mfg. Co., Ltd.	595	2,605	232	1,482	-	-	-	-
B-77	Han Jin Transportation Co., Ltd.	948	854	579	466	-	-	-	-
B-78	Dong Yang Elevator Co., Ltd.	351	-	275	-	-	-	-	-
B-79	Kumho Chemicals Inc.	247	1,774	97	1,162	-	-	-	-
B-80	Chon Bang Co., Ltd.	241	-	188	-	-	-	-	-
B-81	Sang Ji Food Co., Ltd.	70	-	55	-	-	-	-	-
B-83	Sam Do Ind. Co.	311	-	243	-	-	-	-	-
B-84	Heung-A Ind. Co., Ltd.	452	-	395	-	-	-	-	-
B-85	Sung Chang Textile Co., Ltd.	132	-	106	-	-	-	-	-
B-86	Daihan Color Ind. Co., Ltd.	103	-	86	-	-	-	-	-
B-87	Korea Zinc Co., Ltd.	466	-	386	-	-	-	-	-
B-88	Busan Cast Iron Co., Ltd.	116	-	96	-	-	-	-	-
B-89	Hankuk Glass Ind. Co., Ltd.	367	-	334	-	-	-	-	-
B-90	Sam Yang Co., Ltd.	2,046	3,763	1,790	2,831	-	-	-	-
B-91	Gold Star Cable Co., Ltd.	223	-	185	-	-	-	-	-
B-92	Ssangyong Cemer. Ind. Co., Ltd.	367	-	284	-	-	-	-	-
<u>Subtotal "B" subprojects</u>		<u>70,479</u>	<u>19,849</u>	<u>42,291</u>	<u>8,768</u>	-	-	-	-
Total Subprojects		<u>99,872</u>	<u>22,872</u>	<u>63,876</u>	<u>8,768</u>	-	-	-	-

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

ANNEX 10c
Page 1 of 2

Current Status of Subloans Financed Under Loan 1932-KO

No.	Subborrower	KLB Financing		Amount Outstanding		Prepayment or Rescheduling	Present Arrears		Arrears as % of Loan Amount Outstanding	
		IBRD (\$'000)	Other Sources (W million)	IBRD (\$'000)	Other Sources (W million)		IBRD (\$'000)	Other Sources (W million)	IBRD (\$'000)	Other Sources (W million)
"A" Subprojects										
A-1	Kukje Shipping Co., Ltd.	6,048	2,159	5,084	1,178	-	-	-	-	-
A-2	Korea Shipping Co., Ltd.	4,879	4,152	4,168	3,020	-	-	-	-	-
Subtotal "A" subprojects		10,927	6,311	9,252	4,198					
"B" Subprojects										
B-1	Sam Yang Co., Ltd.	2,710	3,763	2,277	2,831	-	-	-	-	-
B-2	Daesung Mining Development Co., Ltd.	445	-	374	-	-	-	-	-	-
B-3	Hyup Sung Nongsan Co., Ltd.	236	-	198	-	-	-	-	-	-
B-4	Sam Bu Shipping Co., Ltd.	365	-	307	-	-	-	-	-	-
B-5	Sam Sung Electronic Parts Co., Ltd.	929	439	780	282	-	-	-	-	-
B-6	Sam Sung Corning Co., Ltd.	566	-	476	-	-	-	-	-	-
B-7	Taihan Bulk Terminal Co., Ltd.	2,889	2,299	2,889	1,725	Rescheduling	-	-	-	-
B-8	Young Do Velvet Dyeing	234	-	197	-	-	-	-	-	-
B-9	Life Construction Co., Ltd.	500	-	352	-	-	-	-	-	-
B-10	Korea Marvel Co., Ltd.	325	600	273	308	-	-	-	-	-
B-11	Sam Yeong Wool Textile Ind. Co., Ltd.	718	187	604	150	-	-	-	-	-
B-13	Pusan Steel Pipe Ind. Co., Ltd.	419	-	352	-	-	-	-	-	-
B-14	Hankuk Pair Glass Ind. Co., Ltd.	325	-	273	-	-	-	-	-	-
B-15	Sam Sung Semiconductor & Telecommunica- tion Co., Ltd.	1,940	639	1,715	424	-	-	-	-	-
B-16	Dong Won Ind. Co., Ltd.	2,594	831	1,981	604	-	-	-	-	-
B-17	Sung Chang Textile Co., Ltd.	639	409	564	209	-	-	-	-	-
B-18	Heung-A Shipping Co., Ltd.	5,031	7,547	5,031	5,881	Rescheduling	-	-	-	-
B-19	Dong Sun Co., Ltd.	360	-	318	-	-	-	-	-	-
B-20	Doosan Grain Co., Ltd.	2,889	2,000	2,889	1,750	-	-	-	-	-
B-21	Ho Nam Flour Mills Co., Ltd.	445	-	411	-	-	-	-	-	-
B-22	Joongang Development Co., Ltd.	185	-	145	-	-	-	-	-	-
B-23	Heung-A Ind. Co., Ltd.	709	-	626	-	-	-	-	-	-
B-24	Suh Kwang Ind. Co., Ltd.	207	-	183	-	-	-	-	-	-
B-25	Pang Rim Shipping Co., Ltd.	981	-	867	-	-	-	-	-	-
B-26	Korea Vilene Co., Ltd.	260	120	229	-	-	-	-	-	-
B-27	Lucky Ltd.	1,735	1,650	1,534	-	-	-	-	-	-
B-28	Busan City Gas Co., Ltd.	4,224	-	4,224	-	-	-	-	-	-
B-29	Sam Yang Co., Ltd.	2,347	3,763	2,074	2,831	-	-	-	-	-
B-30	Samwhan Corp.	1,493	686	1,171	641	-	-	-	-	-

B-31	Anam Ind. Co., Ltd.	2,718	1,725	2,131	1,610	-	-	-	-
B-32	Life Construction Co., Ltd.	748	-	586	-	-	-	-	-
B-33	Hyundai Wood Ind. Co., Ltd.	470	300	326	300	-	-	-	-
B-34	Sam Ik Shipping Co., Ltd.	84	-	74	-	-	-	-	-
B-35	Dong Yang Textile Mfg. Co., Ltd.	298	-	264	-	-	-	-	-
B-36	Han Kuk Diesel Kiki Co., Ltd.	462	317	428	230	-	-	-	-
B-37	Poong Lim Ind. Co., Ltd.	636	-	499	-	-	-	-	-
B-38	Sung Chang Textile Co., Ltd.	417	-	369	-	-	-	-	-
B-39	Dong Yang Elanco Co., Ltd.	390	-	323	-	-	-	-	-
B-40	Ssang Yong Cement Ind. Co., Ltd.	1,134	1,104	954	981	-	-	-	-
B-41	Korea Synthetic Rubber Ind. Co., Ltd.	2,008	1,296	-	-	-	-	-	-
B-42	Pusan Steel Pipe Ind. Co., Ltd.	576	2,760	509	2,443	-	-	-	-
B-43	Nam Sun Textile Co., Ltd.	2,093	1,000	1,936	750	-	-	-	-
B-44	Korea Zinc Co., Ltd.	579	-	548	-	-	-	-	-
B-45	Hanil Cement Mfg. Co., Ltd.	792	55	771	55	-	-	-	-
B-46	Dr. Chung's Foods Co., Ltd.	216	-	207	-	-	-	-	-
B-47	Life Construction Co.	Cancelled	-	-	-	-	-	-	-
B-48	Hankuk Glass Ind. Co., Ltd.	1,702	-	1,702	-	-	-	-	-
B-49	Ssang Yong Cement Ind. Co., Ltd.	1,379	3,848	1,379	2,515	-	-	-	-
B-50	Kolon Inc.	447	-	430	-	-	-	-	-
B-51	Hyun Dai Motor Co., Ltd.	946	835	496	835	-	-	-	-
B-52	Cheil Sugar Co., Ltd.	2,498	-	2,498	-	-	-	-	-
B-53	Ottogi Foods Co., Ltd.	401	-	401	-	-	-	-	-
B-54	Jin Sung Remicon Co., Ltd.	492	250	492	167	-	-	-	-
B-55	Korea Zinc Co., Ltd.	822	-	374	-	-	-	-	-
B-56	Sedae Paper Mfg. Co., Ltd.	1,402	-	1,402	-	-	-	-	-
B-57	Dae Ki Co., Ltd.	489	-	489	-	-	-	-	-
B-58	Busan Cast Iron Co., Ltd.	262	-	262	-	-	-	-	-
B-59	Dong Yang Express Ferry Co., Ltd.	2,754	-	2,754	-	-	-	-	-
B-60	Han Jin Transportation Co., Ltd.	1,287	72	1,287	72	-	-	-	-
B-61	Sam Sung Electronics Co., Ltd.	3,182	1,234	3,182	1,234	-	-	-	-
B-62	Dae Won Sa Co., Ltd.	174	-	175	-	-	-	-	-
B-64	Union Steel Mfg. Co., Ltd.	588	201	588	-	-	-	-	-
B-65	Cheil Sugar Co., Ltd.	1,117	-	991	-	-	-	-	-
B-66	Sam Sung Corning Co., Ltd.	2,001	2,344	2,001	2,344	-	-	-	-
B-67	Sam Yang Co., Ltd.	1,519	-	1,519	-	-	-	-	-
B-68	Cheil Sugar Co., Ltd.	1,465	-	1,465	-	-	-	-	-
B-69	Anam Ind. Co., Ltd.	1,654	1,232	1,654	1,232	-	-	-	-
Subtotal "B" subprojects		76,902	43,506	68,850	32,404				
Total Subprojects		87,829	49,817	78,102	36,602				

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

EFFETIVE INTEREST RATE FOR LOAN 1461-KO

(IN W'000)

DATE	TERM	DISBUR- SEMENT (A)	REPAYMENT (B)			DIFERENCE (A-B)	NET PRESENT VALUE	
			PRIN.	INT.	TOTAL		.1738	.1739
78. 11.1	12	18143553		743886	743886	17399667	47295084	47321199
79. 5.1	11	8120214		1076814	1076814	7043400	17614399	17623314
11.1	10	6422086	278996	1340120	1619116	4802970	11051106	11056191
80. 5.1	9	731686	906705	1629979	2536684	-1804998	-3821053	-3822635
11.1	8	672762	2082404	1858613	3941017	-3268255	-6365502	-6367848
81. 5.1	7	261611	1552067	1700792	3252859	-2991248	-5360182	-5361908
11.1	6		2437609	1679042	4116651	-4116651	-6787058	-6788932
82. 5.1	5		2030965	1589386	3620351	-3620351	-5491597	-5492860
11.1	4		2393366	1410476	3803842	-3803842	-5308610	-5309587
83. 5.1	3		2303805	1443593	3747398	-3747398	-4811700	-4812365
11.1	2		2036484	1359012	3395496	-3395496	-4011275	-4011644
84. 5.1	1		2171594	1271697	3443291	-3443291	-3742513	-3742685
11.1	0		29148965	1122824	30271789	-3.027E7	-3.027E7	-3.027E7
						- .295146	-10689.2	18455.23
						.1738367		

(A) Disbursement amount is based on the exchange rate at the date of disbursement.

(B) Assuming to total outstanding amount as of November 1, 1984 will be fully repaid on that day.

Note: Effective interest rate = 17.38%

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

EFFECTIVE INTEREST RATE FOR LOAN 1635-KO

(IN W'000)

E DATE	TERM	DISBUR- SEMENT (A)	REPAYMENT (B)			DIFFERENCE (A-B)	NET PRESENT VALUE	
			PRIN.	INT.	TOTAL		.1342	.1343
79.6.15	11	3676435		135109	135109	3541326	7234728.	7238458.
12.15	10	20764009		898186	898186	19865823	38032753	38050577
80.6.15	9	19561353		1673838	1673838	17887515	32091949	32105485
12.15	8	4669190	252085	2088196	2340281	2328909	3915556.	3917024.
81.6.15	7	2932415	1298045	2134978	3433023	-500608	-788740.	-788998.
12.15	6	930220	1952070	2224401	4176471	-3246251	-4793059	-4794407
82.6.15	5	2051370	2281781	2218214	4499995	-2448625	-3388035	-3388829
12.15	4	670035	2457749	2244405	4702154	-4032119	-5228220	-5229200
83.6.15	3	277209	3091866	2223427	5315293	-5038084	-6121823	-6122684
12.15	2		3246093	2152345	5398438	-5398438	-6147214	-6147790
84.6.15	1		2800774	2034757	4835531	-4835531	-5159995	-5160237
12.15	0		47761465	1890760	49652225	-4.965E7	-4.965E7	-4.965E7
						-1.319556	-4324.74	27174.73
						.1342137		

(A) Disbursement amount is based on the exchange rate at the date of disbursement.

(B) Assuming to total outstanding amount as of December 15, 1984 will be fully repaid on that day.

Note: Effective interest rate = 13.42%

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

STAFF POSITION, 1979-84

	1979			1980			1981			1982			1983			1984		
	HEAD OFFICE	BRANCH	TOTAL	HEAD OFFICE	BRANCH	TOTAL	HEAD OFFICE	BRANCH	TOTAL	HEAD OFFICE	BRANCH	TOTAL	HEAD OFFICE	BRANCH	TOTAL	HEAD OFFICE	BRANCH	TOTAL
EXECUTIVES	5		5	8		8	8		8	13		13	12		12	13		13
MANAGERS	7		7	7		7	7		7	7		7	8		8	7		7
SUB-TOTAL	12		12	15		15	15		15	20		20	20		20	20		20
PROFESSIONAL STAFF																		
ECONOMISTS	9		9	14		14	14		14	12		12	15		15	15		15
FINANCIAL ANALYSTS	14	2	16	23	4	27	26	4	30	27	6	33	23	8	31	24	8	32
MARKETING ANALYSTS	12	2	14	16	10	26	11	11	22	19	15	34	13	17	30	14	15	29
ENGINEERS	10		10	12		12	12		12	15		15	19		19	21		21
FINANCIAL ACCOUNTANTS	6		6	13		13	13		13	17		17	17		17	16		16
LOAN OFFICERS IN CHARGE OF FOLLOW-UP	11		11	15	4	19	16	4	20	15	6	21	16	8	24	16	9	25
OTHERS	18		18	26	2	28	34	2	36	52	4	56	29	4	33	34	4	38
SUB-TOTAL	80	4	84	113	20	133	126	21	147	157	31	188	132	37	169	140	36	176
NON-PROFESSIONAL STAFF	40	2	42	51	19	70	66	24	90	87	25	112	82	27	109	73	31	104
LOWER STAFF (DRIVERS, MESSENGERS, ETC.)	24	1	25	28	4	32	27	7	34	26	7	33	26	7	33	26	7	33
SUB-TOTAL	64	3	67	79	23	102	93	31	124	113	32	145	108	34	142	99	38	147
TOTAL	156	7	163	207	43	250	234	52	286	290	63	353	260	71	331	259	74	343

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KORMA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Summary of the Status of the Bank's
 During Implementation of Loans (1461-KO, 1635-KO, and 1932-KO)
 Loan 1461-KO, and Loan 1932-KO, as of
 December 31, 1979-84

(In US Million)

YEAR	SOURCE	AMOUNT	TERM (YEARS)	MATURITY	INTEREST RATE(S)		GUARANTEE	COMPLETION PERCENTAGE	CASH/IN- RECEIVED BY REPAIRED
					TO KLD	OUTSIDERS			
1978	SHARE CAPITAL	5000							
	RESERVES	1406							
		6406							
1979	SHARE CAPITAL	-							
	RESERVES	1727							
		1727							
1980	SHARE CAPITAL	20000							
	RESERVES	896							
	ISSUANCE OF DEBENTURES	41604		1-5	23.1-29.8	26.75-28.5			
	DEPOSITS RECEIVED	8999							
		89709							
1981	SHARE CAPITAL	-							
	RESERVES	3567							
	ISSUANCE OF DEBENTURES	86328		1-3	21.9-23.1	23.0-26.0			
	DEPOSITS RECEIVED	5105							
		97000							
1982	SHARE CAPITAL	-							
	RESERVES	6253							
	ISSUANCE OF DEBENTURES	99436		1-5	10.5-21.9	15.5-22.0			
	DEPOSITS RECEIVED	2214							
		107903							
1983	SHARE CAPITAL	-							
	RESERVES	8214							
	ISSUANCE OF DEBENTURES	147955		1-5	11.9-14.6	15.0-16.0			
	DEPOSITS RECEIVED	5732							
		161901							
1984	SHARE CAPITAL	-							
	RESERVES	5786							
	ISSUANCE OF DEBENTURES	193545		1-5	11.1-13.8	14.5-15.8			
	DEPOSITS RECEIVED	7067							
		206399							

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KORRA

KORRA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Foreign Currency Resource Mobilization as of
December 31, 1984

SOURCE OF FUNDS	DATE OF AGREEMENT	AMOUNT IN CURRENCY CONTRACTED (MILLION)	EQUIVALENT AMOUNT IN US\$ (MILLION)	TERM (YEARS)	MATURITY	INTEREST RATE (%)		GUARANTOR	AMOUNT (US\$ MILLION)		OUTSTANDING (NET OF REPAYMENT)	
						TO KLD	ON LENDING		COMMITTED	DISBURSED		
OFFICIAL												
USAID	31/01/68	EO 5	5	16	1984	6.0	10.0	GOVERNMENT	2.9	2.9	-	
IDB												
1ST LOAN	31/01/68	EO 5	5	12	1980	6.5-7.0	10.0	*	5	4.9	-	
2ND LOAN	26/06/69	EO 20	20	11	1980	6.5	10.0	*	19.7	19.7	-	
3RD LOAN	17/05/69	EO 30	30	15	1986	7.25	10.0	*	29.1	29.1	0.6	
4TH LOAN	13/06/73	EO 40	40	14	1987	7.25	10.0	*	39.6	39.6	3.2	
5TH LOAN	23/07/75	EO 55	55	13	1980	8.5	10.75-10.2	*	55.5	54.9	14.7	
6TH LOAN	30/06/77	EO 70	70	17	1994	8.2	10.6-10.2	*	70	70	39.8	
7TH LOAN	07/12/78	EO 100	100	17	1995	7.35	9.35	*	100	100	69.4	
8TH LOAN	14/01/81	EO 90	90	13	1994	9.25	11.25	*	87.9	87.9	80.9	
9TH LOAN	29/06/83	EO 120	120	15	1990	VARIABLE	BORROWING RATE+2.0	*	73.7	60.0	44.2	
SRI LOAN	20/12/82	EO 20	20	12	1994	VARIABLE	BORROWING RATE+2.0	*	5.7	3.0	2.4	
ADB												
1ST LOAN	02/09/74	EO 30	30	15	1989	7.5-8.75	10.0	*	29.9	29.9	4.4	
2ND LOAN	12/08/76	EO 40	40	15	1991	9.2	11.1-10.2	*	37.9	37.9	11.7	
3RD LOAN	13/12/79	EO 50	50	17	1996	7.6	9.6	*	49.8	49.8	42.0	
4TH LOAN	16/11/81	EO 60	60	13	1996	10.1	12.1	*	50.4	54.0	49.3	
5TH LOAN	02/12/82	EO 70	70	16	1999	10.5	12.57	*	27.0	17.2	7.4	
SUB-TOTAL (OFFICIAL)			805	805					692.1	660.8	370.0	
COMMERCIAL												
CATERPILLAR LOAN	15/03/69	\$ 5	5	10	1979	7.0	10.0	-	0.079	0.079	-	
IFC LOAN	25/05/76	\$16.6 ¥360.0	17.0	8	1984	A:10.75 B:LIBOR+2 C: 9.95	BORROWING RATE+1.25	-	17.0	17.0	-	
WEG LOAN	26/05/76	DM 5.2	2	10	1986	10.25	11.5	-	2.0	2.0	0.4	
APCO LOAN	13/09/77	\$ 20.0	20	7	1984	LIBOR+1.75	BORROWING RATE+1.25	-	20.0	20.0	-	
DEUTB LOAN	09/08/78	\$ 30.0	30	10	1988	LIBOR+0.875	BORROWING RATE+1.25	-	30.0	30.0	15.4	
IBJ LOAN	18/05/79	\$ 50.0	50	10	1989	LIBOR+0.75	BORROWING RATE+1.25	-	49.9	49.9	28.9	
KAF												
1ST LOAN	21/07/80	\$ 40.0	40	8	1988	LIBOR+0.9375	LIBOR+2.0	-	40.0	40.0	24.7	
2ND LOAN	09/07/81	\$ 30.0	30	8	1989	LIBOR+0.875	LIBOR+2.0	-	30.0	29.9	22.1	
3RD LOAN	28/12/81	\$ 70.0	70	8	1989	LIBOR+0.625	LIBOR+1.8	-	30.0	25.1	18.1	
ADB 1ST COFINANCING (BOT)	29/12/81	¥11,000	50	10	1991	LTPR+0.2	LTPR+1.4	-	50.0	50.0	46.3	
ADB 2ND COFINANCING (BOT)	22/07/82	¥ 6,000	25	10	1992	LTPR+0.3	LTPR+1.4	-	23.4	22.4	22.8	
ASUDA LOAN	12/09/82	¥ 5,000	20	10	1992	A. LTPR+0.2 B. LTPR+0.2	LTPR+1.322	-	17.4	17.4	18.2	
IBRD 1ST COFINANCING (APCO)	29/07/82	\$ 30.0	30	8	1991	A. LIBOR+0.75 B. PRIME+0.25	LIBOR+1.67	-	22.6	15.9	30.0	
ADB 3RD COFINANCING (IBJ-YASUDA)	28/03/84	¥10,000	40	10	1994	LTPR+0.25	LTPR+1.38	-	30.2	22.4	22.4	
ADB 4TH COFINANCING (BOT)	12/12/84	\$ DM SFR	20	9	1992	A. LIBOR+0.75 B. LIBOR+0.875	LIBOR+1.98	-	6.3	-	-	
SUBTOTAL COMMERCIAL			419.9						369.679	342.879	249.2	
TOTAL FOREIGN CURRENCY			1224.8						1,061.779	1,003.679	619.2	

IBRD 1982-1983 CREDIT RATE CHANGE 1982-83, 1983-84 AND 1984-85

PROJECT OPERATIONS SUMMARY

PROJECTED AND ACTUAL LENDING AND INVESTMENT OPERATIONS, 1979-84

(\$ IN MILLION)

	1979			1980			1981			1982			1983		1984			
	1461-80	1675-80	ACTUAL	1461-80	1675-80	1972-80	ACTUAL	1461-80	1675-80	1972-80	ACTUAL	1675-80	1972-80	ACTUAL	1972-80	ACTUAL		
APPROVALS																		
DOMESTIC CURRENCY LOANS	4910	5101	3200	5740	5200	32000	4994	8710	8400	44000	12896	13007	75100	112766	112000	170114	152107	124454
FOREIGN CURRENCY LOANS	42450	50922	39627	50922	40627	81120	86754	40622	19722	93280	96707	80025	89116	44722	113770	104760	117766	121766
EQUITY INVESTMENTS	812	700	1468	1010	850	4000	972	1420	1000	3500	2522	1250	9170	1500	14000	200	19100	1410
REVENUES	810	700	822	1010	850	4000	11067	1420	1000	3500	21890	1250	9500	11007	14000	2000	19100	1410
REVOLVING FUNDS			857				2872				6622			4022		5947		1579
TOTAL APPROVALS	50190	57425	65972	59682	47697	121620	170568	71765	80722	148280	259210	92535	194110	174227	220770	192547	217766	241766
COMMITMENTS																		
DOMESTIC CURRENCY LOANS	4800	5200	3300	6530	5200	28200	68293	8270	8000	44000	124529	13100	72000	112850	109000	124967	156000	127704
FOREIGN CURRENCY LOANS	42600	48766	60907	49955	60140	19227	62891	58885	69840	92114	92279	78570	97211	76262	113187	97076	117766	14327
EQUITY INVESTMENTS	720	745	1468	1050	815	3500	972	1360	980	3550	2522	1250	9175	1500	12675	200	17200	1410
REVENUES	810	745	760	910	815	3500	11882	1310	980	3550	22155	1250	9175	7077	12675	2070	17200	1410
REVOLVING FUNDS			857				2677				6646			4022		5146		1699
TOTAL COMMITMENTS	49310	55455	67292	58482	66970	114427	146645	69622	79870	147214	248191	91170	189710	211724	246527	150165	198766	241617
DISBURSEMENTS																		
DOMESTIC CURRENCY LOANS	4775	5410	3200	6700	5000	24780	68857	7850	7200	44000	119127	12700	72000	116310	106000	114567	145000	125427
FOREIGN CURRENCY LOANS	40740	38057	55174	46672	55290	9276	68222	58200	64505	86284	87897	78085	109021	99227	117272	14987	115474	115221
EQUITY INVESTMENTS	840	825	1530	920	765	3197	1115	1220	920	3600	2572	1250	8825	1000	12275	200	18100	95
REVENUES	790	825	460	980	765	3350	11182	1270	920	3600	20429	1250	8825	8455	12275	2020	18100	8477
REVOLVING FUNDS			857				2677				4978			3798		5549		1722
TOTAL DISBURSEMENTS	47145	45127	51657	54285	63920	103899	150037	68640	72545	141484	215217	90895	197210	219800	219822	227671	296674	221277
ISSUANCE OF GUARANTEES																		
DOMESTIC CURRENCY							270				2141			2201		757		1573
FOREIGN CURRENCY							4691				420			2041		454		244
SUB-TOTAL ISSUANCE OF GUARANTEES							4961				2561			4242		1211		1817

EXCHANGE RATE APPLIED FOR LOANS 1461-80, 1675-80 AND 1972-80 ARE #485=81, #485=81, AND #522=81, RESPECTIVELY.

EXCHANGE RATE APPLIED ARE \$1=#485.0 FOR 1979
 #462.7 FOR 1980
 #702.7 FOR 1981
 #744.3 FOR 1982
 #745.5 FOR 1983
 #829.5 FOR 1984

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Summary of Interest Rates Charged to KLB's Borrowers
Under Loans 1461-KO, 1635-KO and 1932-Ko, 1979-84

(% per annum)

<u>Year</u>	<u>Foreign Currency Loans</u>			<u>Domestic Currency Loans</u>		
	<u>Interest</u>	<u>Service Fee</u>	<u>Total</u>	<u>Interest</u>	<u>Service Fee</u>	<u>Total</u>
1979	9.35-16.52	-	9.35-16.52	-	-	-
1980	9.35-20.76	-	9.35-20.76	26.75-28.5	-	26.75-28.5
1982	9.6 -20.1	-	0.6 -20.1	23.0 -26.0	-	23.0 -26.0
1982	9.8 -17.55	-	9.8 -17.55	15.5 -22.0	-	15.5 -22.0
1983	9.52-12.97	-	9.52-12.97	15.0 -16.0	-	15.0 -16.0
1984	9.08-12.57	-	9.08-12.57	14.5 -15.8	-	14.5 -15.8

KORRA

KORRA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

SUMMARY OF OPERATIONS (1968-1984)

	1968-1979		1979		1980		1981		1982		1983		1984		1968-1984	
	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
MONETARY CURRENCY LOANS (IN MILLION)																
APPROVALS	151	14999	23	3260	273	60940	249	128869	245	112766	273	130184	422	124464	1613	380142
COMMITMENTS	147	14799	21	3300	268	60293	235	124529	244	112865	267	124963	427	125734	1600	371183
DISBURSEMENTS		14258		3392		60857		119137		116310		114560		125423		356537
REPAYMENTS		7438		1344		3196		22731		61789		64811		98837		257422
OUTSTANDING AT YEAR END	68	6812	68	6812	312	76473	483	166879	574	221480	794	271529	980	298915		
EQUITY INVESTMENT (IN MILLION)																
APPROVALS	68	7407	11	1468	3	972	4	2522	2	1500	1	300	1	-485	79	12296
COMMITMENTS	68	7407	11	1468	3	972	4	2522	2	1500	1	300	1	-485	79	12296
DISBURSEMENTS		7214		1350		1115		2572		1000		300		95		12296
CONVERTED FROM DEBTURE	8	899													8	899
SALES OF EQUITY (INCL. TRANSFERS)		465		49		4662				719		140		-491		4695
OUTSTANDING AT YEAR END	73	7657	73	7657	38	4781	43	7273	41	7554	39	7714	43	8500		
DEBTURES (IN MILLION)																
APPROVALS	27	3290	5	810	32	11067	42	21890	23	11627	61	38440	78	84812	263	171126
COMMITMENTS	26	3240	4	760	32	10852	43	22155	17	7077	63	39370	75	83922	256	166616
DISBURSEMENTS		2940		460		11152		29629		8495		37239		84637		163652
REPAYMENTS		1276		183		155		1741		11777		7881		20412		43242
CONVERTED INTO EQUITY	8	899													8	899
OUTSTANDING AT YEAR END	8	765	8	765	39	11762	72	38630	67	27328	114	56686	177	126911		
REVOLVING FUNDS (\$'000)																
APPROVALS	7	1767	7	1767	18	4281	27	9424	5	5400	13	8728	13	9282	83	38882
COMMITMENTS	7	1767	7	1767	15	3981	27	9438	6	5411	15	8983	13	9282	83	38882
DISBURSEMENTS		1767		1767		3981		7084		7785		8232		7707		36356
REPAYMENTS								4838		4448		5210		2310		16886
ADD: FLUCTUATION FROM FX EXCHANGE RATES		267	7	267		-148		-119		-200		-226		-2002		-2428
OUTSTANDING AT YEAR END	7	2034	7	2034	22	3867	32	7994	20	11131	24	13927	36	17322		
FOREIGN CURRENCY LOANS (\$'000)																
APPROVALS	466	497356	86	122962	117	130989	76	141322	142	60044	169	134205	184	149230	1096	1113148
COMMITMENTS	441	479461	80	125282	99	96469	107	131263	127	102393	159	113483	180	150633	1076	1073602
DISBURSEMENTS		416563		114174		103159		125085		131897		81695		139029		997428
REPAYMENTS		34814		23466		33071		47620		61124		74734		78754		378717
FLUCTUATIONS FROM FX RATE		31175		-10546		-12984		-20964		-14920		-9259		-26616		-53328
OUTSTANDING AT YEAR END	345	364324	345	364324	428	421668	510	477969	635	533822	742	531324	848	565183		
TOTAL (IN MILLION EQUIVALENT)																
APPROVALS +	719	258376	132	63972	443	170560	398	259210	417	175023	517	282547	698	346357	3192	1486481
COMMITMENTS +	689	250436	123	67147	417	146485	436	248891	396	202370	505	262055	704	341818	3147	1451415
DISBURSEMENTS +		219843		61633		156883		238213		230624		233636		331873		1401272
REPAYMENTS + TRANSFER +		48477		12967		29316		61334		123430		136127		185000		383684
FLUCTUATIONS FROM FX RATE		21543		-4985		56284		2450		11975		6868		-5194		93926
OUTSTANDING AT YEAR END	521	192918	521	192918	839	369960	1140	546289	1337	665438	1623	749933	2092	911514		
DOMESTIC CURRENCY GUARANTEES (IN M) (M)																
APPROVALS	3	454			1	270	2	3141	4	3001	6	3533	28	15676	44	26075
OUTSTANDING AT YEAR END	1	280	1	280	2	470	2	1446	5	3179	6	4775	32	17426		
FOREIGN CURRENCY GUARANTEES (\$'000)																
APPROVALS					2	7083	0	597	1	4083	0	571	0	307	3	12641
OUTSTANDING AT YEAR END					1	781	1	395	1	3369	1	2494	1	1662		
TOTAL GUARANTEES (IN M) (M EQUIVALENT)																
APPROVALS	3	454			3	4961	2	3561	5	6066	6	3987	28	15931	47	34960
OUTSTANDING AT YEAR END	1	280	1	280	3	987	3	1724	6	5708	7	6799	33	19085		

TRANSFERS TO THE MARKETABLE SECURITY ACCOUNT IN C/L % AT ASSET OF BALANCE SHEET

FOREIGN EXCHANGE RATE APPLIED: 4281.90 FOR 1968
 4309.20 FOR 1969
 4317.40 FOR 1970
 4374.10 FOR 1971
 4399.70 FOR 1972
 4392.30 FOR 1973
 4485.00 FOR 1974-79
 4662.30 FOR 1980
 4782.70 FOR 1981
 4744.00 FOR 1982
 4795.50 FOR 1983
 4829.30 FOR 1984

KOREA

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

KLB's Financial Assistance to Small and Medium Enterprises, 1979-84

(IN MILLION)

	1979		1980		1981		1982		1983		1984	
	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
A. TOTAL APPROVAL:												
LOANS	116	63694	408	159529	352	234799	392	161896	455	243807	619	255950
DEBENTURES	5	810	32	11067	42	21890	23	11627	61	38440	78	84812
EQUITY INVESTMENTS	11	1468	3	972	4	2522	2	1500	1	300	1	-405
TOTAL	132	65972	443	170568	398	259210	417	175023	517	282547	698	340357
B. SMI ENTERPRISES:												
LOANS	37	10599	159	54681	150	59912	190	37748	196	62012	384	83693
DEBENTURES	1	60	11	2935	16	3650	9	1406	18	6280	9	1241
EQUITY INVESTMENTS	3	205				200	1	500	1	300	1	-405
TOTAL	41	10864	170	57616	166	63762	199	39654	215	68592	394	84529
C. RATIO (B/A) % :												
LOANS	31.8	16.6	38.9	34.4	42.6	25.5	48.4	23.3	43	25.4	62	32.6
DEBENTURES	20	7.4	34.3	26.5	38	16.6	34.7	12	29.5	16.3	11.5	1.4
EQUITY INVESTMENTS	27.2	13.9	0	0	0	7.9	50	33.3	100	100	100	100
TOTAL	31	16.4	39.3	33.7	41.7	24.5	47.7	22.6	41.5	24.2	56.4	24.8

SECTORAL DISTRIBUTION:	1968-1979				1979				1980				1981				1982				1983				1984				1985-1989										
	AMOUNT				AMOUNT				AMOUNT				AMOUNT				AMOUNT				AMOUNT				AMOUNT				AMOUNT										
	NO.	M	\$	TOTAL EM	%	NO.	M	\$	TOTAL EM	%	NO.	M	\$	TOTAL EM	%	NO.	M	\$	TOTAL EM	%	NO.	M	\$	TOTAL EM	%	NO.	M	\$	TOTAL EM	%	NO.	M	\$	TOTAL EM	%				
AGRICULTURE	22	713	6957	3640	1.5	5	100	3125	1616	2.5	1	350	-2182	-495	-1.6	2	100	-8	94	1.1	4	1520	178	1654	1	7	2150	495	2512	1	6	1254	1818	2725	1.1	42	6287	6310	9760
FISHING	30		27884	12937	4.8						9	700	2835	2313	1.3	17	7947	3746	16579	4.3	13	3870	5866	7573	4.7	7	900	3621	3381	1.4	2	1451	-162	1317	1.5	78	14458	42290	37300
MINING & QUARRYING	15	320	3767	2167	.9	1		460	223	.4	7	1160	2600	2862	1.8	1	400	-2870	-1417	-4.0	3	800	-5	796	.3	4	1213	423	1549	.6	2	390	4336	3987	1.6	32	4463	8451	9944
FOREST & WOOD PRODUCTS	44	285	23899	10901	4.3	3		7290	3516	5.5	31	5622	7429	10542	6.6	21	14189	7693	19605	8.3	38	11735	2522	13628	8.4	60	23505	16172	36370	14.9	73	13358	21515	31039	12.1	267	68704	79030	122065
TEXTILE, WEAVING APPAREL & LEATHER	113	2480	70632	34321	13.9	19	380	16654	8457	13.3	79	11840	31537	32727	20.4	65	17322	14004	27163	11.6	65	11487	18561	23421	15.7	67	11173	28038	33477	13.7	110	9614	4112	13025	5.1	499	63916	166284	166364
IRON & STEEL PRODUCTS	8	310	1803	1159	.5	3	130	1854	853	1.3	4	200	-105	131	1.1	11	3950	1151	4759	2	4	1800	358	1269	.8	11	2040	190	2191	.9	17	3324	1719	4750	1.9	55	10824	5116	18229
PAPER & PAPER PRODUCTS	15	700	17945	9169	3.7	3	200	1828	1087	1.7	8	850	2774	2687	1.7	13	3460	-162	3346	1.4	15	3301	2444	5136	3.2	16	1570	7045	7174	2.9	33	4853	13229	13826	6.1	105	14434	43275	45038
CHEMICAL, PETROLEUM, JAIL, RUBBER & PLASTIC PRODUCTS	72	2311	49281	25788	10.4	10	750	12717	6918	10.9	59	11010	21201	25051	16.8	44	19741	8793	25920	11	44	14418	-1334	11919	7.4	55	20030	15150	32046	13.2	90	23463	17351	38822	14.8	364	90913	108892	138762
NONMETALLIC MINERAL PRODUCTS	54	1334	37785	19663	8	12	420	14580	7491	11.8	33	7256	4045	10248	6.6	20	11880	4820	15267	6.3	20	1890	9711	9090	5.6	26	6277	8500	13039	5.4	26	4837	9117	12400	4.8	179	33704	75918	79407
IRONIC METALS	48	950	31725	16756	6.8	4	500	17170	8828	13.9	30	3376	12756	11824	7.4	18	5279	1163	6096	2.6	24	5580	4276	8790	5.4	18	3108	4942	7914	3.3	23	4975	15898	17497	6.8	161	23268	73088	68877
METAL PRODUCTS, MACHINERY & EQUIPMENT	114	3013	84820	43350	17.5	28	500	24721	12489	19.6	86	13251	10109	21979	13.8	61	20631	14409	30897	13.2	78	30684	9628	37912	23.4	79	14417	40871	46730	19.2	104	16679	52962	64611	23.7	322	100675	213079	241677
HAZARD TRANSPORTATION SERVICE	38	400	80259	37531	15.1	4		15100	7324	11.5	17	2180	10887	9311	5.9	30	4929	8452	63810	28	31	4500	1747	5811	3.6	31	5947	8629	12811	5.3	10	3938	19600	28196	7.9	157	21805	207774	131470
OTHER SERVICES	51	2143	59416	30767	12.6	7	200	9670	4890	7.6	44	8745	31714	29749	18.8	49	18940	11325	26679	11.4	52	22071	14294	52801	20.3	74	38174	7817	44393	18.2	121	34628	-2173	34825	13.6	391	126601	122223	199214
TOTAL	624	4799	499123	247679	100	99	3298	124729	63694	100	408	48940	133270	158529	100	332	158869	150746	234780	100	392	112766	45446	161896	100	455	130104	142913	245807	100	619	124464	138512	253950	100	2850	580142	1182030	1390259

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Characteristics of Equity Investments Approved, 1979-84

(in W Million)

	1968-1979			1979			1980			1981			1982			1983			1984		
	NO.	AMOUNT	%	NO.	AMOUNT	%	NO.	AMOUNT	%	NO.	AMOUNT	%	NO.	AMOUNT	%	NO.	AMOUNT	%	NO.	AMOUNT	%
PURPOSE:																					
NEW ESTABLISHMENT	11	1934	26.1	2	112	7.6				-43	-1.7	1	1000	66.7					1	50	
EXPANSION:																					
RIGHT ISSUE	39	3728	50.3	9	1356	92.4	3	972	100	2	272	10.8							1	45	
NEW ACQUISITION	18	1745	23.6							2	2293	90.9	1	500	33.3	1	300	100	-1	-500	
TOTAL	68	7407	100	11	1468	100	3	972	100	4	2522	100	2	1500	100	1	300	100	1	-405	0
LOAN:																					
WITH LOAN APPROVAL (EQUITY+LOAN)	39	4133	55.8	3	472	32.2				2	272	10.8							1	50	
WITHOUT LOAN APPROVAL	29	3274	44.2	8	996	67.8	3	972	100	2	2250	89.2	2	1500	100	1	300	100		-455	
TOTAL	68	7407	100	11	1468	100	3	972	100	4	2522	100	2	1500	100	1	300	100	1	-405	0
SIZE DISTRIBUTION:																					
BELOW 100	48	1931	26.1	8	441	30				1	-21	-0.8							2	95	
100-199	10	1246	16.8	1	100	6.8	1	135	13.9												
200-299	2	589	7.7				1	277	28.5	1	250	9.9									
OVER 300	8	3661	49.4	2	927	63.2	1	560	57.6	2	2293	90.9	2	1500	100	1	300	100	-1	-500	
TOTAL	68	7407	100	11	1468	100	3	972	100	4	2522	100	2	1500	100	1	300	100	1	-405	0
LISTING:																					
LISTED	20	4047	54.6	6	903	61.5	3	972	100	2	2293	90.9									
UNLISTED	38	3360	45.4	5	565	38.5				2	229	9.1	2	1500	100	1	300	100	1	-405	
TOTAL	68	7407	100	11	1468	100	3	972	100	4	2522	100	2	1500	100	1	300	100	1	-405	0
GEOGRAPHICAL DISTRIBUTION:																					
SEOUL	14	3065	41.4	4	1032	70.3	1	277	28.5	2	2250	89.2	2	1500	100					-450	
BUSAN	6	1903	25.8																		
YUNGBE-DO	31	1433	19.3	6	396	27	1	135	13.9	2	272	10.8				1	300	100	1	45	
YUNGSAGW-DO	1	50	.7																		
KYUNGSAGW-DO	9	790	10.7	1	40	2.7	1	560	57.6												
CHUNGCHUNGBU-DO																					
CHUNGCHUNGNAM-DO																					
CHUNNAM-DO	3	191	2.6																		
CHUNNAM-DO	3	825	11.1																		
MARINE TRANSPORTATION	1	50	.7																		
TOTAL	68	7407	100	11	1468	100	3	972	100	4	2522	100	2	1500	100	1	300	100	1	-405	0
SECTORAL DISTRIBUTION:																					
MANUFACTURING INDUSTRIES:																					
CONSUMER GOODS INDUSTRIES:																					
FOOD, BEVERAGE & TOBACCO																					
TEXTILE, WEARING APPAREL & LEATHER																					
PRINTING & PUBLISHING																					
INTERMEDIATE GOODS INDUSTRIES																					
WOOD & WOOD PRODUCTS																					
PAPER & PAPER PRODUCTS																					
CHEMICAL, RUBBER, PLASTIC, PETROLEUM & COAL																					
NONMETALLIC MINERAL PRODUCTS																					
CAPITAL GOODS INDUSTRIES																					
BASIC METAL																					
METAL PRODUCTS																					
MACHINERY (EXCL. ELECTRICITY)																					
ELECTRICAL MACHINERY, APPARATUS, APPLIANCE & SUPPLIES																					
TRANSPORT EQUIPMENT																					
MISCELLANEOUS MANUFACTURING INDUSTRIES																					
SUB-TOTAL	53	4178	56.4	8	491	33.5	3	972	100	1	222	8.8	0	0	0	1	300	100	2	95	0
MANUFACTURING INDUSTRIES:																					
AGRICULTURE, FORESTRY, FISHERY																					
MINING & QUARRYING																					
ELECTRICITY & WATER WORK																					
CONSTRUCTION																					
MARINE TRANSPORTATION, STORAGE & WAREHOUSING																					
BANKING & INSURANCE																					
HOTEL & TOURISM																					
OTHER																					
SUB-TOTAL	15	3229	43.6	3	979	66.6	0	0	0	3	2300	91.2	2	1500	100	0	0	0	-1	-500	0
TOTAL	68	7407	100	11	1470	100	3	972	100	4	2522	100	2	1500	100	1	300	100	1	-405	0
CONSUMER GOODS INDUSTRIES:																					

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

ANNEX 23

PROJECTED AND ACTUAL SUMMARIZED INCOME STATEMENT, 1979-84

(IN \$ MILLION)

	1979			1980			1981			1982			1983		1984			
	1461-KO	1635-KO	ACTUAL	1461-KO	1635-KO	1932-KO	ACTUAL	1461-KO	1635-KO	1932-KO	ACTUAL	1635-KO	1932-KO	ACTUAL	1932-KO	ACTUAL		
INCOME																		
INTEREST INCOME FROM:	16269	17686	18485	20476	21969	24191	40572	25270	26004	33025	65268	32574	76029	89803	97253	90106	128041	94982
DOMESTIC CURRENCY LOANS			1132				8580				27466			42622		44123		45769
FOREIGN CURRENCY LOANS			17353				31992				38802			47181		45983		49213
COMMITMENT INCOME			690				754				561			1728		1661		1354
DEBENTURE INCOME			159			708	1052			1830	4460		3358	6762	5511	6504	8209	13102
DIVIDEND INCOME	581	773	730	748	889	2333	1361	883	1185	2751	1460	1340	3570	1885	5591	1117	8103	1364
INTEREST ON SECURITIES, PRINCIPALLY PUBLIC BONDS			1738				4886				7427			10478		12946		12344
INTEREST ON DEPOSITS & OTHER INCOME	1980	1299	513	1137	1241	7036	699	1276	1340	9035	5345	2018	8729	5140		9823		5241
DISPOSAL OF INVESTMENTS							1163							2719		4586		
TOTAL INCOME	17920	19758	22315	22361	24099	44208	50487	27429	29409	65651	84521	35732	89670	113375	119694	116920	154516	129387
EXPENSES																		
INTEREST AND CHARGES ON BORROWINGS:	11813	13049	14713	14980	15812	25572	30736	18225	19422	39058	58211	22909	58297	92478	81660	96825	105846	105358
DOMESTIC CURRENCY BORROWINGS	226	76	76	574	74	75	100	672	272	70	105	268	68	123	65	112	62	130
FOREIGN CURRENCY BORROWINGS	11290	12416	14028	14374	15195	24215	22485	17294	18557	31801	33613	22034	40399	41043	49401	38685	59903	46015
COMMITMENT CHARGES	197	557	609	232	543	552	460	259	593	710	544	607	583	1207	966	1532	1186	1711
LONG-TERM BANK DEBENTURE DEPOSITS AND OTHERS						600	3746			6000	23331		15600	48644	28800	54807	41400	54568
SALARIES AND OTHER PERSONAL EXPENSES	801	835	975	1041	1086	1677	1653	1353	1411	2251	2376	834	3049	2669	4146	3032	5743	3344
ADMINISTRATIVE AND GENERAL EXPENSES	1134	1038	590	1385	1234	1210	977	1718	1505	1624	1653	2840	2201	1642	2991	2039	4145	2289
DEPRECIATION			159			154	154				178			207		205		207
PROVISION FOR LOSSES	452	458	615	494	639	1954	985	577	677	1600	1810	804	2071	1298	2194	920	2454	1340
OTHER EXPENSES			69			572	349			1474	613		2569	2956	3569	2990	7317	3438
TOTAL EXPENSES	14200	15380	17121	17890	18771	30985	34854	21873	23015	46007	64841	27387	68190	101243	94560	106011	125505	116176
NET EARNINGS BEFORE TAX	3730	4378	5194	4471	5328	13223	15633	5556	6394	19644	19680	8345	21480	12132	25134	10909	29011	12211
PROVISION FOR INCOME TAX	828	858	1467	1000	1118	3967	3780	1202	1175	5893	5870	1511	6444	2070	7540	2700	8703	2700
NET INCOME	2902	3520	3727	3471	4210	9256	11853	4354	5219	13751	13810	6834	15036	19062	17594	8209	20308	9511
RETAINED EARNINGS BROUGHT FORWARD	6080	6017	6092	7282	7537	2819	2519	8883	9547	4676	6931	12149	7427	12681	10463	18748	14857	25232
TOTAL	8982	9537	9819	10753	11747	12075	14372	13237	14766	18427	20741	18983	22463	22743	28057	26957	35165	32743
APPROPRIATION																		
CASH DIVIDEND	850	1000	2300	935	1100	2000	7449	2124	2617	7399	8250	1800	11000	4000	12000	4000	13200	5000
STOCK DIVIDEND	850	1000		935	1100							1800						
LEGAL RESERVE			3300				300				1870			3840		5140		6640
BUSINESS RATIONALIZATION RESERVE	7282	7537	200	8883	9547	10075	900	11113	12149	11028	5050	15383	11463	8620	16057	10720	21965	10720
VOLUNTARY RESERVE			2500				1200									2400		5400
UNAPPROPRIATED			3819				11972				13821			10283		8697		9983
TOTAL	8982	9537	9819	10753	11747	12075	14372	13237	14766	18427	20741	18983	22463	22743	28057	26957	35165	32743

14 THE COMPANY HAS A POLICY OF NOT MAKING INVESTMENTS IN SECURITIES OF THE SAME CLASS AS THE SECURITIES OF THE COMPANY.
 15 THE COMPANY HAS A POLICY OF NOT MAKING INVESTMENTS IN SECURITIES OF THE SAME CLASS AS THE SECURITIES OF THE COMPANY.
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19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100																			
100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200

FINANCIAL STATEMENTS

STATE OF CALIFORNIA - DEPARTMENT OF REVENUE

STATE OF CALIFORNIA - DEPARTMENT OF REVENUE

STATE OF CALIFORNIA - DEPARTMENT OF REVENUE

STATE OF CALIFORNIA - DEPARTMENT OF REVENUE

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

ANNEX 24

PROJECT COMPLETION REPORT

PROJECTED AND ACTUAL INDICATORS OF FINANCIAL AND OPERATIONAL PERFORMANCE, 1979-84

	1979			1980			1981			1982			1983		1984			
	1461-KO	1635-KO	ACTUAL	1461-KO	1635-KO	1932-KO	ACTUAL	1461-KO	1635-KO	1932-KO	ACTUAL	1635-KO	1932-KO	ACTUAL	1932-KO	ACTUAL		
TOTAL ASSETS (IN MILLION)	176147	187896	209205	213276	232646	372621	425988	259707	284737	477575	612377	340235	623025	803817	788639	934865	954985	1128343
OF WHICH																		
LOAN PORTFOLIO #1	159619	170389	185261	195198	213942	315070	365258	236896	259742	416641	533398	313601	547019	657904	678282	762121	820629	963014
EQUITY INVESTMENTS	5098	5667	7657	6138	6447	9850	4701	7603	7534	14450	7273	8916	22275	7554	34550	7714	51650	8500
LONG-TERM LIABILITIES #2	153548	162585	179672	187611	203250	297942	330848	225779	244260	390221	489970	293334	518035	671040	650314	798787	794921	943075
OF WHICH																		
IN FOREIGN CURRENCY	158692	160728	177816	182822	200460	286153	284024	221058	241538	348500	341172	288879	426381	404693	498728	456761	573402	506439
IN DOMESTIC CURRENCY	2856	1857	1856	4789	2790	1789	1789	4721	2722	1721	1721	4655	1654	1654	1586	1586	1519	1519
DEBENTURES #3						10000	45035			40000	147077		90000	264693	150000	340440	220000	435097
CONTINGENT LIABILITIES	224	424	16036	224	424		14636	224	424		15807	424		18854		39914		57971
EQUITY	17482	19537	19819	20103	22747	62075	64373	27522	32766	68427	70740	36983	72463	72743	93057	76957	100165	82743

FINANCIAL PERFORMANCE

	PERCENTAGE OF AVERAGE TOTAL ASSETS																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1. GROSS INCOME	11.2	11.4	11.9	11.5	11.5	15.2	15.4	11.6	11.4	15.4	15.9	11.4	16.3	16	17	13.3	17.7	12.3
2. FINANCIAL EXPENSES	7.4	7.5	7.9	7.7	7.5	9	9.4	7.7	7.5	9.5	11	7.3	11.1	13.1	12.1	11.3	13	10.2
3. GROSS SPREAD (1-2)	3.8	3.9	4	3.8	4	6.2	6	3.9	3.9	5.9	4.9	4.1	5.2	2.9	4.9	2	4.7	2.1
4. ADMINISTRATIVE EXPENSES	1.2	1.1	1	1.2	1.1	1	1	1.3	1.1	.9	.9	1.2	1	1	1	.7	1.1	.8
5. PROVISION FOR DOUBTFUL LOANS	.3	.3	.3	.2	.3	.7	.3	.2	.3	.4	.3	.3	.4	.2	.3	.1	.3	.1
6. INCOME TAX	.5	.5	.8	.5	.5	1.4	1.2	.5	.5	1.4	1.1	.5	1.2	.3	1.1	.3	1	.3
7. PROFIT BEFORE PROVISION FOR INCOME TAX	2.3	2.5	2.2	2.4	2.5	4.6	4.7	2.4	2.5	4.6	3.7	2.7	3.9	1.7	3.6	1.2	3.3	1.2
8. NET PROFIT	1.8	2	1.9	1.9	2	3.2	3.5	1.9	2	3.2	2.6	2.2	2.7	1.4	2.5	.9	2.3	.9
NET PROFIT AS % OF AVERAGE NET WORTH	17.5	19.1	20.1	18.5	19.9	22.6	28.2	18.3	18.8	21.1	20.4	19.6	21.3	14	21.3	11	21	11.9

OTHER RATIO

1. PROVISIONS AS % OF TOTAL PORTFOLIO			1.4				1				1			1		1		1
2. PROVISIONS AND RESERVES AS % OF TOTAL PORTFOLIO			5.5				4.9				4.8			4.5		4.4		4.5
3. BOOK VALUE AS % OF PAR VALUE	206	195.4	172.9	215	206.8	124.2	128.7	193	182	136.9	141.5	205.5	144.9	145.5	143.2	153.9	154.1	165.5
4. DEBT SERVICE COVERAGE RATIO (TIMES)	1.2	1.2	1.3	1.3	1.2	1.55	1.5	1.3	1.2	1.59	2	1.3	1.64	3	1.66	1.2	1.57	1.2
5. INTEREST COVERAGE RATIO (TIMES)	1.3	1.4	1.4	1.3	1.4	1.53	1.5	1.3	1.4	1.51	1.3	1.4	1.36	1.1	1.32	1.1	1.28	1.1
6. EARNINGS PER SHARE (%)	34.1	35.2	37.3	37.1	38.3	25	39.5	30.5	29	27.5	27.6	38	39.1	20	32	16.9	31.2	19
7. DIVIDENDS (%)	10	10	23	10	10	20	20	20	20	22	16.5	10	24	8	24	8	24	10
8. STOCK DIVIDENDS PER SHARE (%)	10	10	10	10	10	50	50	50	50	50	50	50	50	50	50	50	50	50
9. PAYOUT RATIO	29.3	28.4	61.7	26.9	26.1	79.9	62.8	48.8	50.1	80	59.7	26.3	79.8	39.8	75	48.7	76.8	52.6
10. INCOME FROM LOANS AS % OF AVERAGE LOAN PORTFOLIO	11.2	11.4	11.7	11.4	11.4	13.7	15.34	11.6	11.4	14.2	15.39	11.3	15.4	15.93	16.2	13.58	17.1	12.81
11. COST OF TERM DEBT / AVERAGE TERM DEBT	8.5	8.7	9.2	8.8	8.6	10.7	12	8.8	8.7	11.2	14.3	8.5	12.5	15.7	13.6	12.9	14.6	11.73
12. SPREAD ON AVERAGE TOTAL LOAN PORTFOLIO			2.5			3	3.3			3	1.1		2.9	.3	2.6	.6	2.5	1.1
13. INCOME FROM TOTAL PORTFOLIO / TOTAL AVERAGE PORTFOLIO			11.7			13.9	15.5			14.5	15.8		15.6	16.2	16.5	13.5	17.5	12.9
14. FINANCIAL EXPENSES / AVERAGE TERM DEBT AND EQUITY			9.3			9.1	10.3			9.4	12.1		10.8	14	11.9	11.7	12.9	10.7
15. SPREAD ON AVERAGE TOTAL PORTFOLIO (%) #4			3.4			4.8	5.2			5.1	3.7		4.8	2.2	4.6	1.8	4.6	2.2
16. INCOME FROM FOREIGN CURRENCY LOANS / AVERAGE FOREIGN CURRENCY LOAN PORTFOLIO			11.4			13	14.2			12.2	12.61		12.6	12.73	12.7	11.03	13.2	10.83
17. COST OF FOREIGN CURRENCY TERM DEBT / AVERAGE FOREIGN CURRENCY TERM DEBT			9.3			10.7	11.5			10.2	10.93		10.6	11.33	10.9	9.34	11.4	9.91
18. SPREAD ON AVERAGE FOREIGN LOAN PORTFOLIO (%)			2.1			2.3	2.7			2	1.7		2	1.4	1.8	1.7	1.8	0.91
19. INCOME FROM TOTAL DOMESTIC CURRENCY PORTFOLIO / AVERAGE TOTAL DOMESTIC TERM DEBT AND EQUITY			15.2			20.7	21.4			25.1	21.46		25	21.55	25.4	16.87	25.5	15.39
20. DOMESTIC FINANCIAL EXPENSES / AVERAGE DOMESTIC TERM DEBT AND EQUITY			.4			1.4	5.9			6.6	14.29		11.4	17.44	14.1	14.72	15.7	11.92
21. SPREAD ON AVERAGE DOMESTIC LOAN PORTFOLIO (%)			14.8			19.3	15.5			18.5	8.1		13.6	4.1	11.3	1.7	9.8	3.5
22. LONG-TERM DEBT / EQUITY RATIO			9.1			5	5.5			7	7		9	10.1	10.1	10.1	8.9	8.9
23. TOTAL DEBT / EQUITY RATIO			9.6			5	5.9			6	7.7		7.6	10.1	7.5	11.4	8.5	12.6
24. CURRENT RATIO			1.5			2.2	1.7			2	1.5		1.8	1.2	1.6	1.6	1.5	1.6

#1 INCLUDING SHORT-TERM MATURITIES AND BEFORE PROVISION FOR DOUBTFUL ACCOUNTS.

#2 INCLUDING SHORT-TERM MATURITIES

#3 KLB DEBENTURE (FACE VALUE) PLUS ACCRUED INTEREST ON KLB DEBENTURES

#4 INCOME FROM TOTAL AVERAGE PORTFOLIO MINUS FINANCIAL EXPENSES OF TOTAL TERM DEBT AND EQUITY

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

COLLECTION PERFORMANCE (1979-1984)

in millions

	ARREARS AT BEGINNING OF THE YEAR (1)	AMOUNTS FALL- ING DUE DURING THE YEAR (2)	TOTAL AMOUNT FALLING DUE (3)	COLLECTIONS			COLLECTION RATE (7)			ARREARS AT END OF THE YEAR
				AGAINST ARREARS (4)	AGAINST NEW DUES (5)	TOTAL (6)	(4) AS % OF (1)	(5) AS % OF (2)	(6) AS % OF (3)	
1979										
PRINCIPAL	58	19023	19081	58	18986	19044	100	99.8	99.8	37
INTEREST	46	18327	18373	46	18298	18344	100	99.8	99.8	29
TOTAL	104	37350	37454	104	37284	37388	100	99.8	99.8	66
1980										
PRINCIPAL	37	28218	28255	37	28060	28097	100	99.4	99.4	158
INTEREST	29	43253	43282	29	42982	43011	100	99.4	99.4	271
TOTAL	66	71471	71537	66	71042	71108	100	99.4	99.4	429
1981										
PRINCIPAL	158	82247	82405	158	81901	82059	100	99.6	99.6	346
INTEREST	271	76627	76898	254	76147	76401	93.7	99.4	99.4	497
TOTAL	429	158874	159303	412	158048	158460	96	99.5	99.5	843
1982										
PRINCIPAL	346	111574	111920	235	110685	110920	67.9	99.2	99.1	1000
INTEREST	497	99573	100070	442	99234	99676	88.9	99.7	99.6	394
TOTAL	843	211147	211990	677	209919	210596	80.3	99.4	99.4	1394
1983										
PRINCIPAL	1000	133017	134017	430	131505	131935	43	98.9	98.4	2082
INTEREST	394	92554	92948	205	91518	91723	52	98.9	98.7	1225
TOTAL	1394	225571	226965	635	223023	223658	46.3	98.9	98.5	3307
1984										
PRINCIPAL	2082	178497	180579	664	177206	177870	31.9	99.3	98.5	2709
INTEREST	1225	105542	106767	926	104517	105443	75.6	99	98.8	1324
TOTAL	3307	284039	287346	1590	281723	283313	48.1	99.2	98.6	4033

KOREAKOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)PROJECT COMPLETION REPORTAnalysis of Loans in Arrears, 1979-84

(IN \$ MILLION)

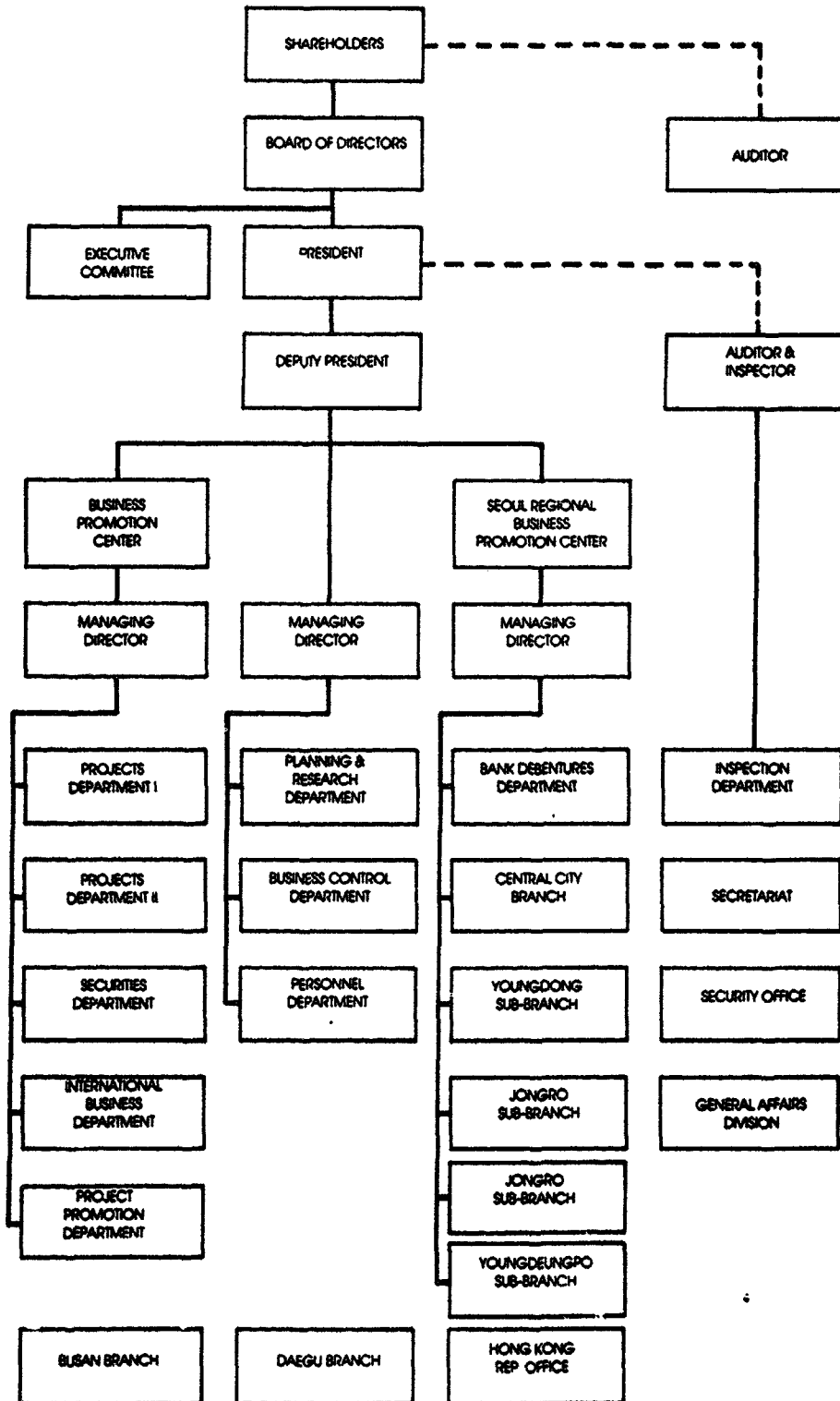
<u>LOAN IN ARREARS</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
TOTAL NUMBER OF LOANS IN PORTFOLIO	448	801	1097	1296	1584	2049
NUMBER OF LOANS IN ARREARS UNDER 3 MONTHS	1	12	17	12	31	23
AS % OF TOTAL LOAN PORTFOLIO	.2	1.5	1.5	.1	.2	1.1
NUMBER OF LOANS IN ARREARS OVER 3 MONTHS <u>/a</u>	1	3	9	3	12	22
AS % OF TOTAL LOAN PORTFOLIO	.2	.4	.8	.2	.7	1.1
TOTAL NUMBER OF LOANS IN ARREARS	2	15	26	15	43	45
AS % OF TOTAL LOAN PORTFOLIO	.4	1.9	2.3	1.2	2.7	2.2
<u>PRINCIPAL AFFECTED BY ARREARS</u>						
TOTAL PRINCIPAL OUTSTANDING	185261	365259	539016	657904	762121	903014
PRINCIPAL AFFECTED BY ARREARS UNDER 3 MONTHS	121	6272	4915	3452	14333	10705
AS % OF PRINCIPAL OUTSTANDING	.1	1.7	.9	.5	1.9	1.2
PRINCIPAL AFFECTED BY ARREARS FOR 3 TO 12 MONTHS <u>/a</u>	428	409	2081	387	7690	9455
AS % OF PRINCIPAL OUTSTANDING	.2	.1	.4	.1	.1	.1
PRINCIPAL AFFECTED BY ARREARS OVER 12 MONTHS <u>/a</u>	---	---	380	889	1076	1956
AS % OF PRINCIPAL OUTSTANDING	---	---	.1	.1	.1	.2
TOTAL PRINCIPAL AFFECTED BY ARREARS	549	6681	7376	4728	23099	22116
AS % OF TOTAL PRINCIPAL OUTSTANDING	.3	1.8	1.4	.7	.3	2.4
<u>ACTUAL AMOUNT IN ARREARS <u>/b</u></u>						
ARREARS UNDER 3 MONTHS	37	27	96	556	636	216
AS % OF PRINCIPAL OUTSTANDING	.02	.01	.02	.1	.1	.02
ARREARS BETWEEN 3-12 MONTHS <u>/a</u>	---	131	250	333	474	711
AS % OF PRINCIPAL OUTSTANDING	---	.03	.04	.1	.1	.08
ARREARS OVER 12 MONTHS <u>/a</u>	---	---	---	111	972	1782
AS % OF PRINCIPAL OUTSTANDING	---	---	---	---	.1	.2
TOTAL ARREARS	37	158	346	1000	2082	2709
AS % OF TOTAL PRINCIPAL OUTSTANDING	.02	.04	.06	.2	.3	.3

/a Including Accounts being foreclosed./b Of principal only.

KOREA LONG-TERM CREDIT BANK (LOANS 1461-KO, 1635-KO AND 1932-KO)

PROJECT COMPLETION REPORT

Organization Chart
(As of March 31, 1985)



COMMENTS RECEIVED FROM KLB

ZCZC RTB17730 J080879
OEDD2 DEAKO
REF : TCP1 MET

J080879 J080918 IN 23/02133 OUT 23/06111
KLBANK K26342

JUNE/23/1986

TO : IBRD
ATTN : OTTO MAISS
ACTING DIRECTOR
OPERATIONS EVALUATION DEPT.

RE : COMMENTS ON THE PCR FOR LOANS 1461-KO,
1635-KO AND 1932 KO

FURTHER TO OUR TLX OF 12 JUNE, THIS REFERS TO URLET OF 30 APR. 1986,
ADDRESSED TO OUR PRESIDENT T.Y. MAHM, REQUESTING OUR COMMENTS
ON THE PCR FOR LOANS 1461-KO, 1635-KO AND 1932 KO.

THE INSIGHTS OF THE REPORT WERE IMPRESSIVE AND THE ISSUES
RAISED WERE TO THE POINT. WE HAVE NO PARTICULAR COMMENTS ON THE
PCR EXCEPT FOR PARA. 5.14 AND PARA 8.03 (III), CONCERNING THE
SPREAD ON IBRD LOANS.

Reflected
on page 15,
footnote
15.

AS FOR COMMERCIAL LOANS, KLB HAS MADE ITS FUNDING TIMELY AND
PROMPTLY REGARDING DEMAND FOR SUCH RESOURCES AND, ACCORDINGLY,
THE SLOW INCREASE IN DEPENDENCE ON COMMERCIAL SOURCES REPRESENTS
SUCH MARKET TRENDS, NOT ONLY THE HIGH INCENTIVE OF LARGER SPREAD
ON OFFICIAL LOANS.

Reflected
on pages
vii and
23, foot-
notes 1
and 19

WITH THE SUBSTANTIAL DROP OF INTEREST RATES ON COMMERCIAL LOANS,
ESPECIALLY FROM 1985, HOWEVER, OFFICIAL RESOURCES SUFFER A
WEAKER POSITION IN COMPETING WITH COMMERCIAL RESOURCES, THUS KLB IS
NOW UNDER DISCUSSION WITH THE WORLD BANK ON THE WAY TO FLEXIBLY
APPLY THE RELENDING SPREAD SO AS TO IMPROVE THE COMPETITIVENESS
OF THE OFFICIAL RESOURCES.

WE HOPE OUR COMMENT WILL SERVE YOUR PURPOSE.

BEST REGARDS,

C. H. HONG
MANAGING DIRECTOR
KLBANK

KLBANK K26342

=06230642

ALT RTD FROM:0E2M

NNNN