SECTOR UPDATE

2026. 3. 3

Finance/Consumer Goods Team

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▶ AT A GLANCE

KB Financial Group (105560 KS, 159,000)		
Target price	KRW200,000	25.8%
BUY		
Shinhan Financial Group (055550 KS, 96,900)		
Target price	KRW128,000	32.1%
BUY		
Hana Financial Group (086790 KS, 121,800)		
Target price	KRW156,000	28.1%
BUY		
Woori Financial Group (316140 KS, 36,000)		
Target price	KRW44,000	22.2%
HOLD		
IBK (024110 KS, 25,750)		
Target price	KRW28,000	8.7%
HOLD		
BNK Financial Group (138930 KS, 19,930)		
Target price	KRW27,000	35.5%
BUY		
iM Financial Group (139130 KS, 18,390)		
Target price	KRW25,000	35.9%
BUY		
JB Financial Group (175330 KS, 31,750)		
Target price	KRW38,000	19.7%
HOLD		
Kakao Bank (323410 KS, 27,150)		
Target price	KRW33,000	21.5%
HOLD		

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Banking (OVERWEIGHT)

Exiting a long tunnel, moving toward 1x P/B

- The combined net profit of the banks under our coverage grew 10.1% y-y in 2025 and should pick up even more in 2026. A key area to watch is the recovery of operating results at non-banking operations, which have put in sluggish performances for several years.
- Supported by solid earnings, banks are likely to step up shareholder returns. In 2026, we expect to see the benefits of separate taxation of dividend income, the introduction of capital-reduction dividends, and further increases in total payout ratios.
- KB Financial Group stands out for its differentiated total payout ratio, while Shinhan Financial Group and Hana Financial Group are likely to narrow the gap quickly. BNK Financial Group and iM Financial Group also deserve attention as valuation gap plays.

WHAT'S THE STORY?

Net profit up 10.1% y-y in 2025, signifying enhanced earnings stability: The combined net profit of the banks under our coverage rose 10.1% y-y to KRW23.2t in 2025, a new all-time high. Despite macroeconomic headwinds (including slower GDP growth, heightened uncertainty over US tariffs, and provisioning related to real-estate project financing), banks delivered robust earnings, supported by resilient NIMs, stabilizing credit costs, and effective RWA management.

2025 earnings and positive signals: While the 10.1% y-y increase in net profit was meaningful, underlying trends point to more-sustainable earnings growth and stronger shareholder returns: 1) banks successfully defended NIMs despite falling interest rates; 2) delinquency rates at card companies began to decline in 2H25; and 3) CET-1 ratios were maintained despite sharp forex volatility.

2025 earnings season highlights—separate taxation of dividend income; capital-reduction dividends: The 2025 earnings season also marked a strengthening of shareholder return policies. Most banks are eligible for separate taxation of dividend income. In addition, Woori Financial Group (WFG) will begin paying capital-reduction dividends this year. KB Financial Group, Shinhan Financial Group, Hana Financial Group, and iM Financial Group (iMFG) have also announced plans to propose capital-reduction dividends at upcoming shareholder meetings. These measures should provide tax-efficient returns to shareholders while supporting the strategic expansion of non-bank operations.

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Increasingly confident about 2026 earnings improvement: We see greater visibility on earnings improvement in 2026, with banks providing positive guidance on key metrics, including NIM, loan growth, and credit costs. Plans to normalize non-bank earnings are particularly noteworthy, suggesting further ROE upside. For example, if non-bank ROE recovers to around 10%, we estimate overall ROE could improve by approximately 1.5%pts.

Corporate value enhancement plan updates—payout ratios above 50%: With WFG and JB Financial Group already announcing updates to their corporate value enhancement plans, other banks are expected to share revised plans with investors in the near term. Investor focus is likely to center on the potential for further increases in payout ratios or the establishment of new longer-term targets.

Raising target prices—moving beyond 1x P/B: We raise our 2026 earnings forecasts and target P/B multiples. The average target P/B multiple for the banks we cover now stands at 1x, based on end-2026 book value. We favor the three major financial groups, which should continue to lead in shareholder returns. We also like BNK Financial Group and iMFG, which offer compelling valuation upside.

2025 earnings and positive signals

Net profit up 10.1% y-y in 2025, revealing better earnings stability in challenging conditions

The combined net profit of the Korean banks under our coverage rose 10.1% y-y to KRW23.1t in 2025, a new all-time high. Despite macro headwinds (including slower economic growth and heightened uncertainty over US tariffs) and provisioning burden related to real estate finance, banks delivered solid earnings growth. This underscores improved earnings stability, a marked shift from the past when bank earnings were more sensitive to economic cycles.

A closer look at key business segments, however, shows that interest income and asset quality improved only modestly in 2025, reflecting the impact of the economic slowdown. That said, attention should focus on the recovery momentum that emerged in 2H25.

Banks: Annual net profit

(KRWb)	2023	2024	2025	Growth (% y-y)
KBFG	4,594.8	5,078.2	5,843.0	15.1
SFG	4,368.0	4,450.2	4,971.6	11.7
HFG	3,421.7	3,738.9	4,070.8	8.9
WFG	2,506.3	3,086.0	3,141.2	1.8
IBK	2,669.7	2,644.5	2,711.1	2.5
BNKFG	639.8	728.6	815.0	11.9
iMFG	387.8	214.9	443.9	106.6
JBFG	586.0	677.5	710.4	4.9
Kakao Bank	354.9	440.1	480.3	9.1
Total	19,529.0	21,058.8	23,187.4	10.1

Source: Company data, Samsung Securities

Interest income growth slow but steady in 2025, with improvement likely in 2026

Despite unfavorable conditions, interest income up 2% y-y in 2025, supporting earnings growth

With respect to the generation of interest income, the market environment was challenging at the start of 2025. Heightened macro uncertainty and a deepening economic slowdown weighed on loan growth, while the Bank of Korea's (BOK) rate cuts from 2H24 put downward pressure on NIMs.

Despite these headwinds, banks increased interest income by 2% y-y, albeit at a slower pace than the 2.6% growth recorded in 2024. This still contributed positively to overall operating results.

Annual interest income growth decelerates y-y, but strong recovery in 2H25 is notable

More importantly, the sharp recovery in interest income in 2H25 warrants greater attention than the y-y slowdown in full-year growth. Interest income declined 0.7% y-y in 2Q25 due to the weak macro environment but rebounded in 3Q25 (+2.4%) and accelerated further in 4Q25 (+4%).

This recovery is meaningful for two reasons.

- **Better visibility for 2026 interest income growth:** The rebound supports a stronger recovery in 2026, driven by an expected economic upturn and the end of the BOK's rate-cut cycle.
- **Faster ROE recovery:** Stronger interest income growth should also support a quicker ROE recovery. Since 2022, slowing interest income growth has weighed on ROE expectations. With annual growth bottoming at 2% in 2025 and likely to reaccelerate, its contribution to ROE should increase.

Banks: Annual interest income

(KRWb)	2021	2022	2023	2024	2025	Growth (% y-y)
KBFG	11,229.6	11,515.3	12,180.9	12,826.7	13,073.1	1.9
SFG	10,769.4	10,596.9	10,817.9	11,402.3	11,694.5	2.6
HFG	7,315.3	9,006.0	8,879.5	8,761.0	9,110.0	4.0
WFG	6,985.7	8,696.6	8,742.5	8,886.3	9,030.8	1.6
IBK	6,128.4	7,443.7	7,926.6	7,891.9	7,749.4	(1.8)
BNKFG	2,571.8	2,921.1	2,905.5	2,977.3	2,952.9	(0.8)
iMFG	1,601.2	1,655.4	1,635.7	1,686.0	1,656.0	(1.8)
JBFG	1,452.5	1,740.2	1,906.6	1,976.0	2,044.9	3.5
Kakao Bank	621.3	942.2	1,116.0	1,269.4	1,318.6	3.9
Total	48,675.2	54,517.3	56,111.0	57,676.9	58,630.0	1.7
Growth (% y-y)	13.4	12.0	2.9	2.8	1.7	

Source: Company data, Samsung Securities

Banks: Quarterly interest income

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
KBFG	3,169.9	3,226.4	3,187.6	3,242.9	3,262.2	3,106.5	3,336.2	3,368.2
SFG	2,815.9	2,821.9	2,855.0	2,909.6	2,854.9	2,864.0	2,947.6	3,028.1
HFG	2,220.6	2,161.0	2,195.8	2,183.6	2,272.8	2,216.3	2,291.2	2,383.1
WFG	2,198.2	2,196.9	2,219.5	2,271.7	2,252.0	2,261.8	2,216.8	2,300.2
IBK	1,977.6	1,975.3	1,956.6	1,982.4	1,920.9	1,882.7	1,952.8	1,993.0
BNKFG	740.0	739.1	749.4	748.8	735.5	708.5	740.5	768.4
iMFG	424.9	438.2	412.1	410.8	403.1	407.3	416.5	429.0
JBFG	496.6	489.8	495.4	494.2	491.4	501.6	517.8	534.1
Kakao Bank	301.1	314.7	327.0	326.6	323.4	318.6	320.4	356.3
Total	14,344.8	14,363.2	14,398.2	14,570.8	14,516.1	14,267.3	14,739.8	15,160.4
Growth (% y-y)	5.6	3.1	0.4	2.2	1.2	(0.7)	2.4	4.0

Source: Company data, Samsung Securities

Banks successfully defend NIM despite slowing loan growth—positive

Interest income growth was driven largely by banks' ability to defend NIMs despite a sharp slowdown in loan growth. Loan growth slowed to 3% in 2025, less than half the 6.1% recorded in 2024. Nevertheless, major financial groups maintained stable NIMs, supporting interest income growth.

Notably, some banks even reported NIM expansion despite the challenging environment, highlighting improved margin management. Given the BOK's four rate cuts since 2H24 and banks' strategic shift toward lower-risk, lower-yield assets amid the economic slowdown, a decline in NIMs would have been expected. Instead, banks continued to focus on RoRWA-driven growth, helping preserve margins. This ability to manage NIMs in a difficult environment strengthens confidence in their resilience.

Banks: NIM

(%)	2023	2024	2025	Chg (%pts y-y)
KBFG	2.08	2.03	1.97	(0.06)
SFG	1.97	1.93	1.90	(0.03)
HFG	1.82	1.69	1.73	0.04
WFG	1.82	1.70	1.73	0.03
IBK	1.79	1.70	1.58	(0.12)
BNKFG	1.90	1.88	1.83	(0.05)
iMFG	2.16	2.02	1.92	(0.10)
JBFG	3.21	3.13	3.02	(0.11)
Kakao Bank	2.38	2.16	1.94	(0.22)

Source: Company data, Samsung Securities

Banks*: Won-denominated loan balance

(KRWt)	2023	2024	2025	2024 growth (% y-y)	2025 growth (% y-y)
Kookmin Bank	341.6	363.6	377.5	6.4	3.8
Shinhan Bank	290.3	320.2	334.2	10.3	4.4
Hana Bank	290.4	302.2	303.6	4.0	0.5
Woori Bank	282.2	300.0	300.8	6.3	0.3
IBK	287.1	300.6	315.6	4.7	5.0
Busan Bank	58.8	59.6	61.7	1.3	3.6
Kyongnam Bank	39.7	41.1	43.2	3.6	5.1
iM Bank	54.1	57.3	57.9	6.0	1.0
Jeonbuk Bank	17.2	18.1	18.7	5.4	3.1
Gwangju Bank	22.7	23.5	25.9	3.7	9.9
Total	1,684.1	1,786.2	1,839.0	6.1	3.0

Note: *Financial groups' banking units
Source: Company data, Samsung Securities

Credit costs edge down: Concerns linger, but early signs are positive

Asset quality conditions quite challenging, even early in the year

With respect to asset quality, the operating environment was particularly difficult at the beginning of 2025, mirroring the pressure on interest income. Several factors compounded concerns: 1) domestic and global political instability early in the year weakened economic indicators rapidly; 2) the collapse of small and medium-sized construction firms—including Sambu Construction and Shindonga Construction—raised concerns about real estate-related exposures; and 3) Homeplus's filing for corporate rehabilitation in early March fueled concerns that the downturn could spread beyond construction to broader consumer-related sectors.

Credit costs improve modestly, supporting earnings growth

Despite these headwinds, credit costs declined slightly, contributing to earnings growth. Credit costs for the banks under our coverage averaged 0.47% in 2025, down 2bps y-y and continuing the improvement from 0.64% in 2023. In absolute terms, however, provisioning rose 0.9% y-y, largely reflecting conservative provisioning policy at KB Financial Group (KBFG) and Woori Financial Group (WFG), which focused on non-bank asset clean-up. This suggests provisioning pressure should ease in 2026.

Banks: Credit costs

(%)	2023	2024	2025	Chg (%pts y-y)
KBFG	0.72	0.44	0.49	0.05
SFG	0.57	0.49	0.45	(0.04)
HFG	0.44	0.31	0.30	(0.01)
WFG	0.52	0.44	0.52	0.08
IBK	0.81	0.54	0.52	(0.02)
BNKFG	0.84	0.77	0.64	(0.13)
iMFG	0.98	1.15	0.51	(0.64)
JBFG	0.91	0.93	0.87	(0.07)
Kakao Bank	0.64	0.63	0.52	(0.11)
Total	0.64	0.49	0.47	(0.02)

Source Company data, Samsung Securities

Banks: Loan loss provisioning

(KRWb)	2023	2024	2025	Growth (% y-y)
KBFG	3,146.4	2,044.3	2,363.0	15.6
SFG	2,251.2	2,099.4	2,012.8	(4.1)
HFG	1,750.1	1,301.5	1,338.2	2.8
WFG	1,894.9	1,716.3	2,086.2	21.6
IBK	2,457.4	1,726.5	1,727.3	0.0
BNKFG	952.6	891.2	777.6	(12.7)
iMFG	606.8	740.1	338.1	(54.3)
JBFG	442.4	478.6	479.0	0.1
Kakao Bank	248.3	270.5	243.8	(9.9)
Total	13,750.2	11,268.5	11,366.0	0.9

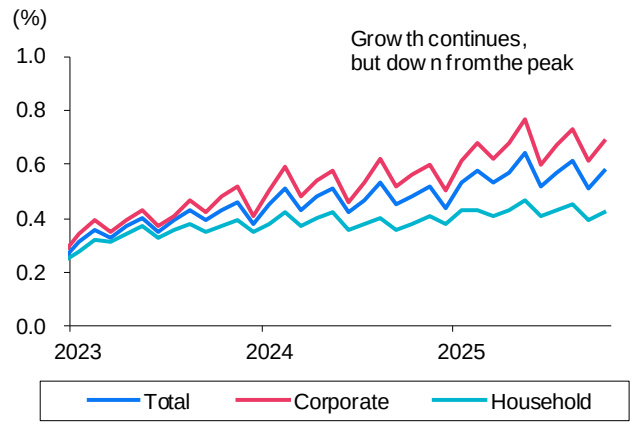
Source: Company data, Samsung Securities

Concerns lingering: Environment for asset quality remains fragile

That said, the asset quality backdrop remains weak. Uncertainty over US-Korea tariff negotiations persists, and Financial Supervisory Service (FSS) data show delinquency rates continued to rise through Nov 2025. Some analysts also note that improving macro indicators have yet to translate into a meaningful recovery in consumer sentiment.

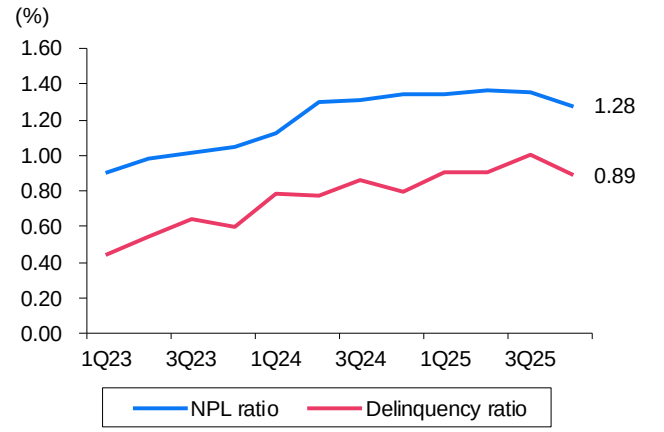
The situation at Industrial Bank of Korea (IBK), a proxy for SME lending, highlights the ongoing strain. While its NPL ratio improved by 7bps q-q to 1.28%, other indicators suggest asset quality remained under pressure in 4Q25: 1) NPL sales surged 55.9% q-q and 35.3% y-y; 2) its NPL write-off ratio reached 29%; and 3) delinquency rates remained elevated in sectors such as construction, wholesale/retail, and restaurant/accommodation.

Delinquency ratio



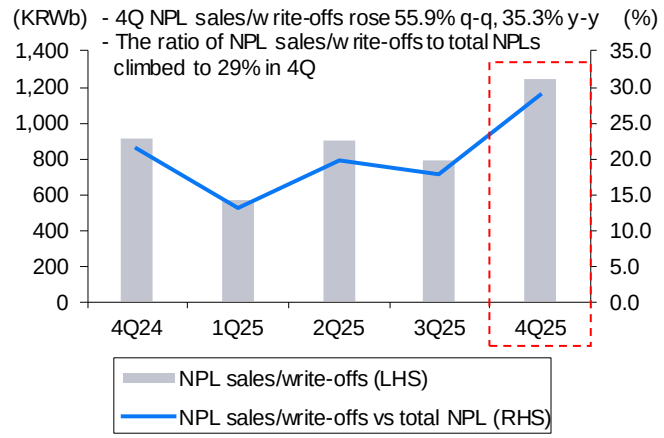
Source: FISIS, Samsung Securities

IBK: NPL ratio vs delinquency ratio



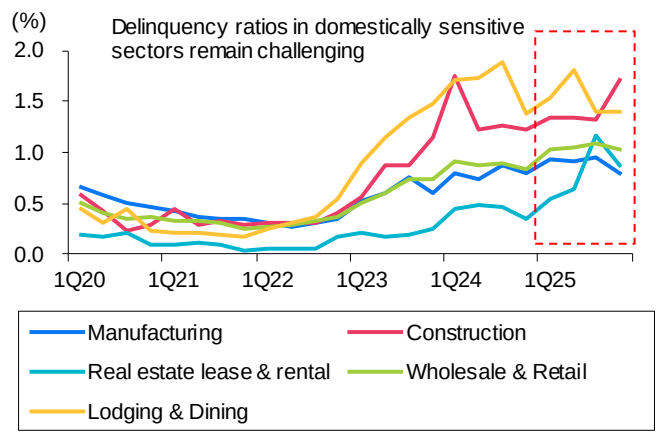
Source: Company data, Samsung Securities

IBK: NPL sales/write-offs



Source: Company data, Samsung Securities

IBK: Delinquency ratios in domestically sensitive sectors



Source: Company data, Samsung Securities

Positive signals emerging despite a challenging environment

Despite lingering concerns, several indicators point to improvement: 1) banks' delinquency and NPL ratios generally improved in 4Q25; 2) some banks reported better asset quality metrics even in 3Q25, when NPL write-offs were relatively modest (in size) compared with end-1H25 levels; and 3) delinquency rates at card companies—which are more sensitive to economic conditions and have greater exposure to lower-credit borrowers—peaked in 1Q25 and have since declined.

These trends suggest further stabilization in credit costs in 2026, supported by: 1) a stronger economic recovery this year; 2) banks' increased focus on productive finance, which should support liquidity and enhance asset quality; and 3) government measures to boost domestic consumption.

Banks*: Delinquency ratio

(%)	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	Chg (%pts q-q)	Chg (%pts y-y)
Kookmin Bank	0.25	0.22	0.25	0.28	0.28	0.29	0.35	0.31	0.34	0.28	(0.06)	(0.01)
Shinhan Bank	0.28	0.26	0.32	0.27	0.28	0.27	0.34	0.32	0.31	0.28	(0.03)	0.01
Hana Bank	0.29	0.26	0.29	0.27	0.32	0.30	0.32	0.35	0.36	0.32	(0.04)	0.02
Woori Bank	0.32	0.26	0.28	0.30	0.30	0.30	0.37	0.40	0.36	0.34	(0.02)	0.04
IBK	0.64	0.60	0.79	0.77	0.86	0.80	0.91	0.91	1.00	0.89	(0.11)	0.09
Busan Bank	0.44	0.48	0.62	0.67	0.67	0.62	0.73	0.94	0.93	0.87	(0.06)	0.25
Kyongnam Bank	0.32	0.34	0.45	0.45	0.39	0.45	0.68	1.02	0.96	0.28	(0.68)	(0.17)
iM Bank	0.54	0.61	0.64	0.71	0.73	0.62	1.09	0.93	0.82	0.83	0.01	0.21
Jeonbuk Bank	1.34	1.09	1.56	0.95	0.78	1.09	1.59	1.58	1.27	1.65	0.38	0.56
Gwangju Bank	0.69	0.61	0.67	0.63	0.58	0.70	0.97	0.76	0.86	1.02	0.16	0.32

Note: *Financial groups' banking units
Source: Company data, Samsung Securities

Banks*: NPL ratio

(%)	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	Chg (%pts q-q)	Chg (%pts y-y)
Kookmin Bank	0.26	0.31	0.33	0.37	0.37	0.32	0.40	0.35	0.35	0.28	(0.07)	(0.04)
Shinhan Bank	0.52	0.56	0.62	0.68	0.71	0.71	0.81	0.80	0.76	0.72	(0.04)	0.01
Hana Bank	0.23	0.26	0.24	0.23	0.27	0.29	0.29	0.35	0.35	0.35	(0.00)	0.06
Woori Bank	0.22	0.18	0.21	0.23	0.21	0.23	0.32	0.32	0.31	0.31	0.00	0.08
IBK	1.01	1.05	1.12	1.30	1.31	1.34	1.34	1.37	1.35	1.28	(0.07)	(0.06)
Busan Bank	0.27	0.42	0.44	0.74	0.73	0.88	1.10	1.04	0.95	0.95	0.00	0.07
Kyongnam Bank	0.37	0.39	0.46	0.43	0.39	0.47	0.82	0.91	0.86	0.76	(0.10)	0.29
iM Bank	0.56	0.65	0.72	0.76	0.65	0.74	0.82	0.94	0.84	0.90	0.06	0.16
Jeonbuk Bank	1.00	0.76	0.95	0.70	0.68	0.75	0.98	0.89	0.93	1.12	0.19	0.37
Gwangju Bank	0.54	0.49	0.54	0.59	0.56	0.53	0.79	0.68	0.76	0.89	0.13	0.36

Note: *Financial groups' banking units
Source: Company data, Samsung Securities

Card companies: Delinquency ratio

(%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
KB Kookmin Card	1.19	1.16	1.22	1.03	1.31	1.29	1.29	1.31	1.61	1.40	1.21	0.98
Shinhan Card	1.37	1.43	1.35	1.45	1.56	1.44	1.33	1.51	1.61	1.50	1.37	1.18
Hana Card	1.14	1.48	1.66	1.67	1.94	1.83	1.82	1.87	2.15	1.96	1.79	1.74
Woori Card	1.34	1.15	1.36	1.22	1.46	1.73	1.78	1.44	1.87	1.83	1.80	1.53

Source: Company data, Samsung Securities

CET-1 stability through RWA control strengthens confidence in shareholder returns

CET-1 ratios hold steady y-y despite forex pressures

Concerns over CET-1 ratios were elevated at end-2025 due to: 1) seasonality, as earnings are typically lower in 4Q; 2) the sharp depreciation of the won in 2H25; and 3) the likelihood that banks would increase 4Q dividends (relative to other quarters) to qualify for separate taxation of dividend income.

However, CET-1 ratios either improved or remained stable q-q. On a y-y basis, all banks reported increases, with the three major financial groups maintaining ratios comfortably above 13%. WFG approached 13%, achieving its target ahead of schedule. BNK Financial Group (BNKFG), JB Financial Group (JBFG), and iM Financial Group (iMFG) also kept their ratios within target ranges.

Banks: CET-1 ratio

(%)	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	Chg (%pts q-q)	Chg (%pts y-y)
KBFG	13.74	13.59	13.42	13.60	13.84	13.53	13.69	13.77	13.83	13.79	(0.04)	0.27
SFG	12.92	13.17	13.11	13.06	13.17	13.02	13.26	13.62	13.56	13.33	(0.22)	0.32
HFG	12.75	13.22	12.89	12.80	13.17	13.22	13.23	13.39	13.30	13.37	0.07	0.16
WFG	12.15	11.99	11.95	12.04	11.95	12.13	12.45	12.82	12.95	12.90	(0.05)	0.76
IBK	11.52	11.33	11.39	11.56	11.67	11.31	11.37	11.66	11.71	11.50	(0.21)	0.19
BNKFG	11.55	11.69	12.00	12.16	12.31	12.28	12.25	12.56	12.59	12.73	0.14	0.45
iMFG	11.10	11.23	11.12	11.22	11.77	11.72	12.03	12.15	12.09	12.11	0.02	0.39
JBFG	12.45	12.15	12.33	12.54	12.71	12.21	12.28	12.40	12.72	12.58	(0.14)	0.37

Source: Company data, Samsung Securities

RWA discipline key to CET-1 stability and management credibility

The resilience in CET-1 ratios reflects disciplined RWA management. In response to forex-driven capital pressure in 2H25, banks intensified their focus on RoRWA-based growth and, in 4Q25, allowed RWA growth to slow or even decline to preserve capital ratios. As a result, RWA growth for the banks under our coverage slowed to 2.9% in 2025, less than half the 7.3% recorded in 2024.

This disciplined capital management strengthens confidence in management, as it demonstrates that: 1) banks are increasingly prioritizing profitability-driven growth to support higher shareholder returns; and 2) effective capital management amid macro volatility reflects improved risk management capabilities.

Banks: RWA

(KRWt)	2023	2024	2025	2024 growth (% y-y)	2025 growth (% y-y)
KBFG	321.3	346.0	357.5	7.7	3.3
SFG	314.2	342.4	353.3	9.0	3.2
HFG	259.8	279.4	289.2	7.6	3.5
WFG	219.8	235.1	234.6	7.0	(0.2)
IBK	232.1	251.4	263.9	8.3	5.0
BNKFG	76.5	76.9	78.1	0.6	1.6
iMFG	44.0	43.1	43.2	(2.0)	0.3
JBFG	33.8	37.3	38.8	10.5	3.9
Total	1,501.4	1,611.7	1,658.6	7.3	2.9

Source: Company data, Samsung Securities

2025 earnings season highlights: Separate taxation of dividend income; capital-reduction dividend

The 2025 earnings season was marked not only by solid operating results but also by a strengthening of shareholder return policies.

Most banks qualify for separate taxation of dividend income

All banks under our coverage (with the exception of IBK) increased year-end dividends beyond initial expectations to meet the requirements for separate taxation of dividend income. The three major financial groups—KBFG, Shinhan Financial Group (SFG), and Hana Financial Group (HFG)—typically set an annual dividend at the start of the year and distribute it evenly across four quarters. In 4Q25, however, they raised year-end dividends to qualify for the tax benefit. KBFG went a step further by adding KRW190b that had been deferred from the previous year due to insufficient distributable profits. This lifted its dividend payout ratio to 27% and improved the attractiveness of its dividend yield.

Introduction of capital-reduction dividends

WFG will begin paying capital-reduction dividends this year, while KBFG, SFG, HFG, and iMFG have announced plans to propose such dividends at upcoming shareholder meetings. If approved in March, dividends paid from 2027 onward should be treated as non-taxable.

Tax-exempt dividends not only increase shareholders' net dividend income but also support stronger group fundamentals. Capital-reduction dividends allow financial groups to utilize capital surplus as distributable resources, reducing the need for holding companies to rely on upstream dividends from subsidiaries. This enables non-bank businesses to retain more earnings and focus on expansion. In the context of the ongoing "money move" trend—where financial groups are strengthening non-bank operations and group-wide synergies—capital-reduction dividends should serve as a strategic tool to support this transition.

For reference, WFG disclosed that: 1) the potential amount available for capital-reduction dividends has increased to KRW6.3t (from the initially announced KRW3t); and 2) after deducting the KRW558b year-end dividend (4Q25), the remaining amount stands at KRW5.7t.

Looking ahead, the scale of capital reduction will be another key consideration. For example, KBFG has a capital surplus of KRW11.6t, equivalent to more than 1.5x its capital. If the entire surplus were used for capital-reduction dividends, it could sustain its current dividend level for approximately 7.4 years.

Note: Key considerations for capital-reduction dividends

A common question regarding capital-reduction dividends is the appropriate scale of deployment. For example, KBFG currently has around KRW11.6t available, but there is no need to utilize the entire amount at once. A more effective approach may be to use only a portion initially and retain the remainder for future flexibility.

Four factors should be considered when determining the appropriate size: 1) the intended duration of the capital-reduction dividend program; 2) the long-term shift in the balance between cash dividends and share buybacks; 3) the time and capital required to strengthen subsidiaries by reducing their dividend burden to the holding company; and 4) the holding company's plan to accumulate distributable profits from subsidiaries and the time required to achieve this, independent of capital-reduction dividends.

For example, a financial group could set the program to run through 2029, one year after the separate taxation of dividend income expires in 2028. If the bank's P/B is meaningfully above 1x at the end of the program, the group could consider raising the payout ratio to offset the loss of tax benefits. Conversely, if the P/B remains low or subsidiaries still require capital to strengthen their capabilities, the program could be extended.

Ultimately, the objective is to balance shareholder returns with long-term fundamental strength, while clearly communicating the strategy to shareholders in order to enhance transparency and predictability.

Banks: Estimated capacity to pay capital reduction dividends

(KRWb)	WFG	KBFG	SFG	HFG	iMFG	IBK	BNKFG	JBFG	Kakao Bank
Paid-in capital	3,802.7	2,090.6	2,969.6	1,501.2	845.7	4,211.4	1,629.7	984.9	2,385.1
Paid-in capital x 1.5 (A)	5,704.1	3,135.9	4,454.5	2,251.8	1,268.6	6,317.1	2,444.5	1,477.4	3,577.6
Capital surplus (B)	11,120.2	14,754.5	11,350.7	8,310.6	1,560.6	1,161.6	2,256.4	476.7	2,988.2
Capacity (C = B-A)	5,416.2	11,618.6	6,896.2	6,058.8	292.1	(5,155.5)	(188.1)	(1,000.7)	(589.4)
FY25 annual dividends (D)	998.9	1,580.0	1,246.5	1,118.4	112.4				
C / D (x)	5.4	7.4	5.5	5.4	2.6				

Note: Based on end-2024; WFG disclosed KRW5.7t as its remaining capacity for capital reduction dividends
Source: Company data, Samsung Securities

Growing confidence in 2026 earnings: Non-bank turnaround key to further ROE gains

Since 4Q25 earnings season, bank share prices have rallied sharply, driven by: 1) stronger-than-expected 2025 earnings; 2) shareholder return policies that exceeded initial expectations; and 3) improved visibility on 2026 earnings.

Growing optimism for 2026: Loan growth recovery to drive rise in interest income

We are increasingly confident in the 2026 earnings outlook, with stronger interest income likely to be a key driver of improvement.

2026 loan growth guidance points to y-y recovery

Interest income growth in 2026 should be led by a rebound in loan growth. With the economy showing signs of recovery, government policy emphasizing productive finance, and corporates expected to increase capex, banks are likely to expand their loan portfolios more aggressively, particularly in corporate lending.

Banks have set 2026 loan growth targets at around 5%, higher than their 2025 targets. Last year, many banks—including HFG and WFG—recorded loan growth close to zero, which is well below historical levels. This year, however, banks have adopted more-ambitious growth plans, supported by improved macro conditions, stronger demand for productive finance, and the need to strengthen their interest income base.

NIM guidance for 2026: Stable or slightly higher

Given the current environment, banks will need to work hard to maintain or modestly improve NIMs in 2026. Corporate loan spreads have narrowed rapidly, and increased competition in corporate lending under productive finance initiatives could add further pressure to NIMs. In addition, the ongoing “money move” trend—shifting funds from bank deposits into higher-yield alternatives—could raise funding costs.

Despite these challenges, most banks are guiding for NIM to remain stable or improve slightly y-y in 2026. Key factors cited include: 1) the BOK is likely to keep its policy rate stable this year; 2) periodic fixed-rate and hybrid mortgages will be repriced; and 3) a higher share of corporate lending should improve overall portfolio yields.

Smaller, bank-centric financial groups are guiding for somewhat stronger NIM improvement than the major banks, reflecting greater flexibility in portfolio rebalancing.

JBFG is targeting a 9bp NIM increase, the most aggressive guidance among peers. Management expects improvement driven by stronger operations at JB Woori Capital, expanded joint lending between its banking subsidiaries and internet banks, and continued identification and development of niche markets.

Banks: Annual loan growth and 2026 guidance

(%)	2024	2025	2026 guidance
KBFG	6.4	3.8	Around 5%
SFG	10.3	4.4	4-5%
HFG	4.0	0.5	4-5%
WFG	6.3	0.3	Around 5%
BNKFG	2.2	4.2	Around 3%
iMFG	6.0	1.0	Around 5%
JBFG	4.4	6.9	7.8%

Source: Company data, Samsung Securities

Banks: Annual NIM and 2026 guidance

(%)	2024	2025	2026 guidance
KBFG	2.03	1.97	Low-to-mid single-digit decline
SFG	1.93	1.9	Maintenance target
HFG	1.69	1.73	Low single-digit improvement
WFG	1.70	1.73	Remain stable or improve slightly
BNKFG	1.88	1.83	5-7bp improvement
iMFG	2.02	1.92	2-5bp improvement
JBFG	3.13	3.02	9bp improvement

Source: Company data, Samsung Securities

Growing optimism for 2026: Further downward stabilization in credit costs

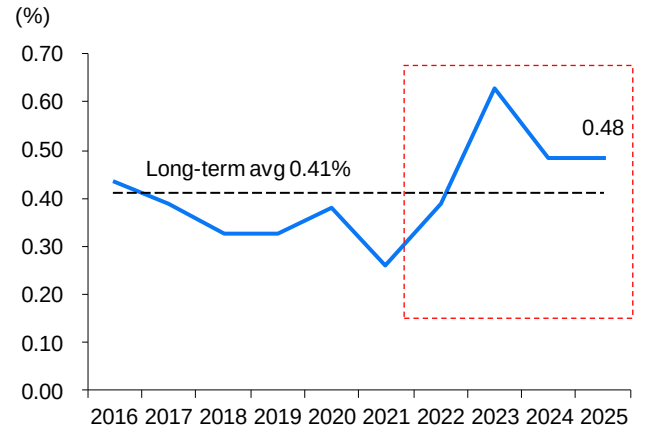
Credit costs expected to remain on downtrend

We expect credit costs to continue improving in 2026, supported by: 1) a favorable base effect from proactive provisioning and asset clean-up in 2025; 2) asset quality improvement as economic conditions recover and liquidity increases; and 3) credit costs that remain above normalized levels, leaving room for further decline.

Moreover, credit costs at non-bank affiliates (*eg*, credit card companies) are also stabilizing, suggesting additional room for improvement. Over 2022-2025, nearly 60% of total provisions set aside by bank-centric financial groups were for their non-bank subsidiaries. This reflected: 1) asset quality deterioration at card companies; and 2) real estate finance exposures at securities brokers, consumer finance companies, and real estate trust firms. However, the risk of further losses in this area has diminished, as: 1) delinquency rates at major bank-affiliated card companies began improving in 2H25; and 2) financial groups have already built substantial provisions over several years to address real estate finance risks.

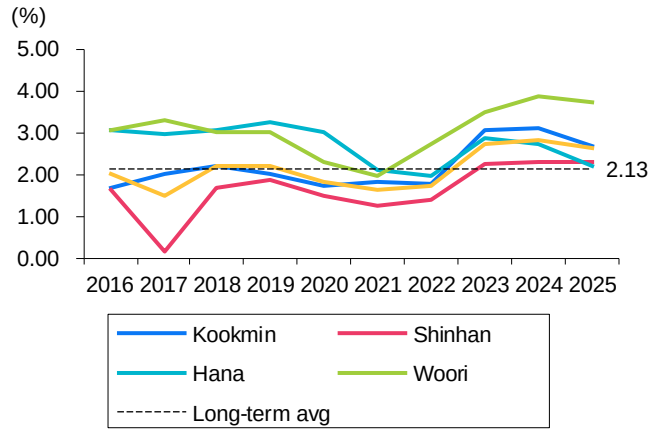
While some may question whether credit costs can decline further—given the improvement already seen at certain banks—the fact that nearly 60% of provisions over the past four years involved non-bank subsidiaries suggests meaningful room for further stabilization of financial groups' overall credit costs as these businesses improve their own credit costs.

Banks: Credit costs



Note: Based on weighted average of groups under coverage
Source: Company data, Samsung Securities

Card companies: Credit costs



Source: Company data, Samsung Securities

Banks: Banking and non-banking portions of provisioning expenses

	2022		2023		2024		2025	
(%)	Banking	Non-banking	Banking	Non-banking	Banking	Non-banking	Banking	Non-banking
KBFG	25.0	75.0	37.4	62.6	24.2	75.8	33.7	66.3
SFG	46.5	53.5	38.8	61.2	18.3	81.7	30.7	69.3
HFG	55.9	44.1	48.4	51.6	30.7	69.3	40.7	59.3
WFG	51.8	48.2	52.4	47.6	47.9	52.1	54.9	45.1
BNKFG	61.7	38.3	65.0	35.0	60.9	39.1	58.9	41.1
iMFG	58.0	42.0	57.4	42.6	46.9	53.1	87.2	12.8
JBFG	38.1	61.9	54.4	45.6	49.9	50.1	35.7	64.3
Total	44.4	55.6	46.5	53.5	35.2	64.8	42.8	57.2

Source: Company data, Samsung Securities

Credit cost guidance for 2026: Continued stabilization

During 4Q25 earnings calls, all banks indicated that credit costs should continue to stabilize at lower levels. On potential additional provisioning related to real estate finance—still a key area of concern—management commentary was generally reassuring:

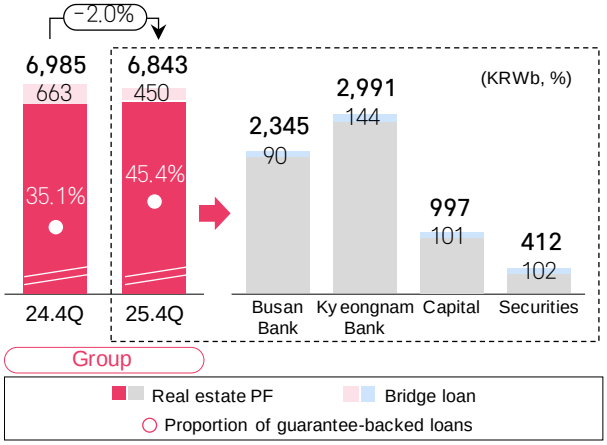
- HFG acknowledged that some non-bank affiliates may face residual pressure from overseas commercial real estate (CRE) exposure. However, given proactive asset clean-up and a sharp decline in maturing CRE loans, additional provisioning needs should be limited.
- BNKFG and iMFG stated that they have already built sufficient reserves and have shifted project finance (PF) exposure away from bridge loans toward assets backed by collateral or guarantees, significantly reducing risk. As a result, they expect only limited credit cost pressure going forward.

Banks: Annual credit costs and 2026 guidance

(%)	2023	2024	2025	2026 guidance
KBFG	0.72	0.44	0.46	Low-to-mid 40bp range
SFG	0.54	0.46	0.46	Low-to-mid 40bp range
HFG	0.45	0.30	0.28	Mid-30bp or below
WFG	0.50	0.44	0.52	40bp target
BNKFG	0.89	0.77	0.63	High-50bp range
iMFG	0.95	1.16	0.53	Mid-40bp or below
JBFG	1.02	0.94	0.87	0.86%

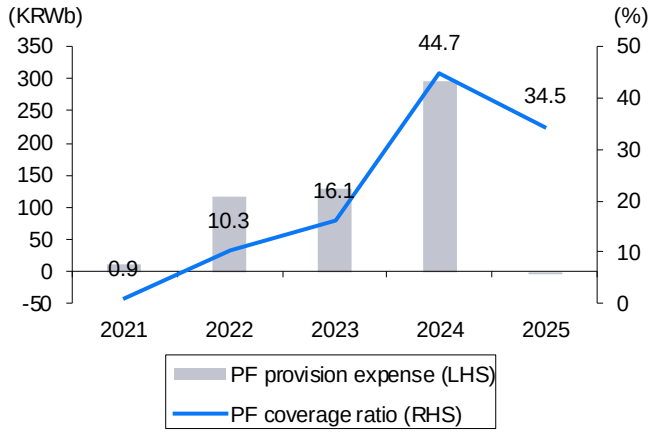
Source: Company data, Samsung Securities

BNK Securities: PF loan exposure



Source: BNK Financial Group, Samsung Securities

iM Securities: PF coverage ratio



Source: iM Financial Group, Samsung Securities

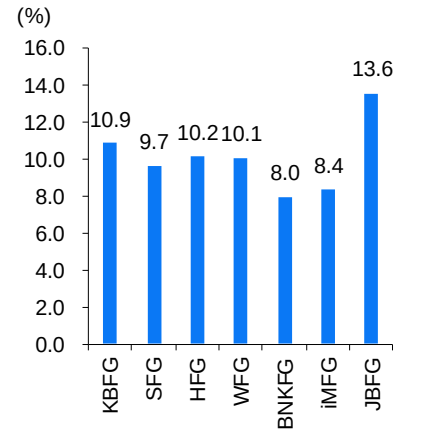
Growing optimism for 2026: Full-fledged turnaround in non-bank performance

Non-bank units weighed on group ROE in 2025

In 2025, ROE for the financial groups under our coverage improved y-y but remained around 10%. Notably, group ROE was lower than that of their respective banking units. For example, using total capital (rather than book value) as the denominator for consistency, all groups except JBFG recorded lower ROE at the group level than at the bank level.

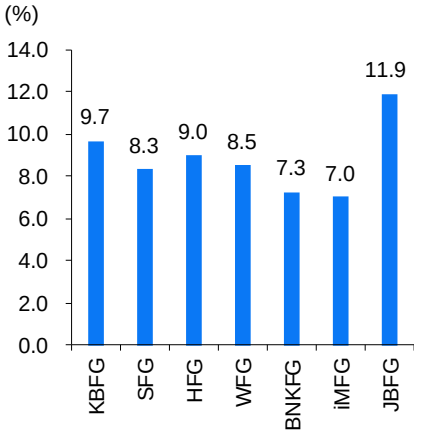
This implies that non-bank affiliates generated lower returns than core banking operations. In fact, most non-bank affiliates of financial groups reported ROE below 10%, and in many cases significantly below that level.

Banks: ROE (book-value basis)



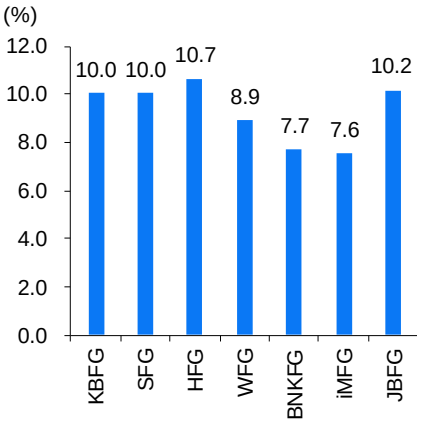
Note: ROE is calculated based on book value, excluding hybrid capital from total equity
Source: Samsung Securities estimates

Banks: ROE



Note: ROE is calculated based on total equity including hybrid capital, for ease of comparison across subsidiaries
Source: Samsung Securities estimates

Banks*: ROE



Note: ROE is calculated based on total equity including hybrid capital;
*Financial groups' banking units
Source: Samsung Securities estimates

Structurally, non-bank ROE should exceed bank ROE—but the trend has reversed recently

This outcome runs counter to the traditional structure of the financial sector. Banks typically focus on prime customers and emphasize stability, resulting in lower risk and a smaller share of non-interest income. Non-bank businesses, by contrast, generally operate with higher risk profiles and greater more fee-based income, and therefore should generate higher ROE.

The recent reversal largely reflects restructuring and balance-sheet clean-up at non-bank subsidiaries over the past several years. These efforts have required more-conservative business strategies, resulting in ROE falling below that of banking operations.

An eight-year review of ROE across major subsidiaries of financial groups shows that the crossover—where bank ROE exceeded non-bank ROE—began around 2022 or 2023.

JBFG remains the exception: its non-bank affiliates continue to generate higher ROE than its banking unit. Despite macro volatility (including the pandemic and aggressive US Fed tightening), the group's ability to sustain strong returns from non-bank businesses supports its differentiated valuation.

KBFG: ROE, by subsidiary

(%)	2018	2019	2020	2021	2022	2023	2024	2025
Bank	8.7	8.8	7.7	8.2	9.0	9.3	8.7	10.0
Card	7.2	7.9	7.8	9.5	8.2	7.4	8.0	6.0
Securities	4.0	5.6	8.7	11.3	3.3	6.4	8.9	9.8
Insurance	7.8	6.4	4.2	7.4	10.5	11.9	13.9	13.6
Life insurance	-	-	-	6.2	4.3	6.3	7.7	8.3
Capital	11.5	10.9	11.0	12.9	11.1	8.5	9.4	9.2
Asset management	26.1	28.6	27.4	34.0	23.1	23.0	23.6	34.9
Total	8.1	8.3	7.5	8.7	8.3	8.9	9.2	10.0

Note: Based on total equity
Source: Company data, Samsung Securities

SFG: ROE, by subsidiary

(%)	2018	2019	2020	2021	2022	2023	2024	2025
Bank	9.7	9.3	7.7	8.8	10.1	9.5	10.5	10.0
Card	8.5	8.4	9.7	10.3	9.0	8.0	7.0	5.7
Securities	7.6	5.8	3.6	6.8	8.0	1.9	3.3	6.8
Life insurance	-	-	-	-	5.5	5.7	6.8	7.7
Capital	14.2	14.8	15.0	18.8	16.3	14.4	5.2	4.7
Asset management	12.0	14.3	15.9	17.2	17.1	20.3	22.3	18.4
Asset trust	-	13.9	29.9	36.3	25.4	15.1	(93.6)	6.3
Total	9.4	8.9	7.9	9.3	10.1	8.3	8.2	8.7

Note: Based on total equity
Source: Company data, Samsung Securities

HFG: ROE, by subsidiary

(%)	2018	2019	2020	2021	2022	2023	2024	2025
Bank	8.7	8.6	7.7	9.3	10.5	11.2	10.1	10.7
Card	6.9	3.5	9.1	13.2	9.0	7.6	9.2	8.2
Securities	6.5	9.1	10.4	10.4	2.3	(4.8)	3.8	3.5
Insurance	-	-	(2.2)	7.2	(20.4)	(21.7)	(8.2)	(9.1)
Life insurance	-	14.0	15.8	12.9	4.9	2.6	(0.3)	5.1
Capital	15.6	11.6	15.1	18.1	15.8	9.8	4.9	(0.4)
Asset trust	-	-	22.5	23.7	18.7	15.9	10.5	4.2
Total	8.7	8.7	8.5	10.1	9.4	8.5	8.8	8.7

Note: Based on total equity
Source: Company data, Samsung Securities

WFG: ROE, by subsidiary

(%)	2018	2019	2020	2021	2022	2023	2024	2025
Bank	9.3	6.8	5.9	9.9	11.5	9.6	10.9	8.9
Card	7.5	6.6	6.3	9.3	8.7	4.4	5.4	5.3
Securities	10.6	15.6	14.0	14.2	14.4	(6.0)	0.2	2.3
Capital	12.1	13.0	7.2	14.0	13.4	8.1	8.5	8.3
Asset management	-	7.5	6.2	7.0	1.1	5.1	8.1	10.9
Total	18.5	7.1	6.1	10.0	11.4	8.6	10.0	8.4

Note: Based on total equity
Source: Company data, Samsung Securities

BNKFG: ROE, by subsidiary

(%)	2018	2019	2020	2021	2022	2023	2024	2025
Bank	6.6	6.7	5.4	6.8	8.3	6.9	7.7	7.7
Securities	-	-	-	11.4	5.5	1.1	1.0	2.0
Capital	-	-	-	13.7	15.7	8.9	8.3	9.0
Asset management	-	-	-	-	-	-	4.8	12.8
Total	7.6	7.9	12.5	8.8	8.7	6.6	7.1	7.4

Note: Based on total equity
Source: Company data, Samsung Securities

iMFG: ROE, by subsidiary

(%)	2018	2019	2020	2021	2022	2023	2024	2025
Bank	5.9	6.6	5.3	7.2	8.1	7.6	7.4	7.6
Securities	6.3	10.4	11.4	15.1	3.3	0.0	(13.0)	6.4
Capital	7.4	8.2	9.0	15.2	15.1	10.3	5.4	7.2
Life insurance	(9.0)	(17.4)	19.8	14.4	7.0	16.4	14.2	8.0
Asset management	19.6	10.7	6.6	13.3	8.9	9.7	13.0	11.7
Total	5.5	6.3	7.1	9.5	7.7	6.9	4.2	7.4

Note: Based on total equity
Source: Company data, Samsung Securities

JBFG: ROE, by subsidiary

(%)	2018	2019	2020	2021	2022	2023	2024	2025
Bank	8.3	8.4	8.7	10.5	11.2	10.3	10.1	8.9
Capital	10.1	10.9	12.5	17.9	16.7	15.8	15.3	16.0
Asset management	12.9	(13.1)	1.7	25.4	12.5	12.5	12.1	4.1
Total	8.4	8.5	8.9	10.9	11.5	10.6	10.4	9.4

Note: Based on total equity
Source: Company data, Samsung Securities

Improving non-bank earnings contribution is key to stronger group ROE

Ultimately, enhancing earnings from non-bank businesses is critical to improving group ROE. Accordingly, banks emphasized during earnings calls that improving non-bank performance will be a key focus this year. For example, HFG's CEO outlined plans to gradually increase the earnings contribution from non-bank businesses in line with capital allocation. Of HFG's total consolidated capital of KRW45.7t, some 79% (KRW36.1t) is allocated to the bank, and 32.4% (KRW14.8t) to subsidiaries. However, while the bank generates KRW3.7t in earnings, non-bank businesses contribute only KRW0.5t, or 10.8% of total earnings. The strategy is therefore to improve non-bank profitability to support growth in consolidated earnings and ROE, although this is bound to take time.

Sensitivity analysis confirms import of non-bank ROE improvement to consolidated earnings

We conducted a sensitivity analysis to assess the impact of higher non-bank ROE on consolidated earnings. The analysis: 1) uses 2025 non-bank earnings as the baseline; and 2) assumes a normalized non-bank ROE of 10% (for simplicity). For reference, FSS data for 2020-2024 show that most major non-bank affiliates have ROE clustered around 10%. Life insurers have generally underperformed this level, while non-life insurers and asset trust companies have often generated ROE well above 10% (except over 2023-2024).

Based on this framework, if non-bank ROE recovers to around 10%, we estimate consolidated ROE could improve by approximately 1.5%pts, with earnings rising by around 20% from end-2025 levels.

Non-bank earnings improvement likely to be gradual

While improving non-bank profitability is a key driver of ROE expansion, the process is unlikely to be rapid. Strengthening human and physical capital at non-bank businesses, and translating investment into sustainable earnings, requires time.

The key takeaways are twofold: 1) stronger non-bank performance can meaningfully enhance group ROE; and 2) the impact is likely to materialize gradually rather than immediately.

Non-banking financial sectors: Annual ROE and 5-year average

(%)	2020	2021	2022	2023	2024	5-yr average
Card	6.6	7.2	5.8	8.7	7.2	7.1
Securities	8.9	12.1	5.3	6.7	7.6	8.1
Capital	10.0	13.0	10.7	7.0	5.2	9.2
Insurance	5.9	9.2	12.7	16.2	13.8	11.6
Life insurance	3.8	4.1	5.4	6.6	6.0	5.2
Asset trust	19.0	18.0	13.0	1.0	-18.0	6.6
Asset management	15.0	20.0	22.0	11.0	13.0	16.2

Source: FISIS, Samsung Securities

KBFG: High subsidiary ROE reflects operational strength and economies of scale

Our analysis suggests KBFG would see a relatively modest earnings uplift from ROE normalization among non-bank affiliates currently seeing returns below 10%. This is largely because its non-bank businesses already deliver strong returns. For example, its non-life insurer reported an ROE of 13.6% in 2025, while its securities broker is approaching the 10% level.

This does not imply limited upside for KBFG's ROE. Rather, it reflects the capital strength, economies of scale, and operational capabilities of the group's non-bank affiliates. As a result, KBFG may be able to drive incremental earnings growth more efficiently by leveraging its existing subsidiary management expertise, increasing resource allocation to non-bank businesses, and enhancing intra-group synergies.

KBFG: Impact of non-banking earnings improvement on consolidated earnings

(KRWb)	Group consolidated	Bank	Card	Securities	Insurance	Life insurance	Capital	Asset management	Other	Non-banking total
2025 net profit	5,843.0	3,862.0	330.2	673.9	778.2	244.0	235.2	120.2	29.8	2,411.5
2024 total equity	59,815.2	38,027.3	5,304.8	6,886.0	5,794.0	3,063.2	2,461.3	294.7	973.8	24,777.8
2025 total equity	60,839.8	38,965.5	5,637.8	6,889.0	5,652.1	2,790.0	2,679.5	395.0	943.2	24,986.6
Non-banking ROE (%)	9.69	10.03	6.04	9.78	13.60	8.34	9.15	34.86	3.11	9.69
Non-banking ROE - 10% (A) (%)			(3.96)	(0.22)		(1.66)	(0.85)		(6.89)	
Non-banking book value (B)			5,637.8	6,889.0		2,790.0	2,679.5		943.2	
Earnings increase (A x B)			223.5	14.9	0.0	46.4	22.8	0.0	65.0	372.5
Group earnings growth vs 2025 (%)										6.4
Group ROE increase (%pts)										0.62

Note: Assumes recurring ROE of non-banking businesses at 10% or above (no additional upside assumed for entities already exceeding 10%)
Source: Company data, Samsung Securities

Other groups: Non-bank normalization could lift ROE by 1.5%pts, but execution may be difficult

For other financial groups with relatively low non-bank ROE, normalization alone could deliver meaningful improvements in consolidated returns. If non-bank subsidiaries achieve ROE of around 10%, consolidated ROE could rise by approximately 1.5%pts, with net profit increasing by about 20%. Among peers, HFG would likely see the largest benefit under this scenario, with potential ROE upside of around 2.3%pts.

However, normalization will not be straightforward. The primary reason for low non-bank ROE outside KBFG is insufficient economies of scale. Achieving normalized returns will therefore require: 1) additional capital investment to support business expansion and operating leverage; 2) sustained organic growth and the accumulation of operational expertise, which takes time; and 3) significant spending to acquire customers and lift market share, particularly given the mature and highly competitive domestic financial industry.

SFG: Impact of non-banking earnings improvement on consolidated earnings

(KRWb)	Group consolidated	Bank	Card	Securities	Life insurance	Capital	Asset management	Asset trust	Other	Non-banking total
2025 net profit	4,971.6	3,774.8	476.7	381.6	507.7	108.3	56.0	19.6	25.7	1,575.7
2024 total equity	58,821.0	36,764.7	8,276.9	5,561.1	7,041.0	2,252.4	316.3	316.0	795.9	24,559.6
2025 total equity	60,372.3	38,453.7	8,499.9	5,797.4	6,206.4	2,315.7	293.3	316.8	875.4	24,304.9
Non-banking ROE (%)	8.34	10.04	5.68	6.72	7.67	4.74	18.38	6.21	3.07	6.45
Non-banking ROE - 10% (A) (%)			(4.32)	(3.28)	(2.33)	(5.26)		(3.79)	(6.93)	
Non-banking book value (B)			8,499.9	5,797.4	6,206.4	2,315.7		316.8	875.4	24,011.6
Earnings increase (A x B)			366.9	190.2	144.9	121.8		12.0	60.7	896.5
Group earnings growth vs 2025 (%)										18.0
Group ROE increase (%pts)										1.50

Note: Assumes recurring ROE of non-banking businesses at 10% or above (no additional upside assumed for entities already exceeding 10%)

Source: Company data, Samsung Securities

HFG: Impact of non-banking earnings improvement on consolidated earnings

(KRWb)	Group consolidated	Bank	Card	Securities	Insurance	Life insurance	Capital	Asset trust	Others	Non-banking total
2025 net profit	4,002.9	3,747.5	217.7	212.0	(47.0)	15.2	(11.0)	24.8	41.1	452.8
2024 total equity	43,576.9	34,243.3	2,492.3	5,990.4	444.6	299.6	2,517.2	581.0	1,582.6	13,907.7
2025 total equity	45,645.6	36,073.4	2,809.6	6,112.1	589.7	299.6	2,759.9	600.8	1,610.7	14,782.4
Non-banking ROE (%)	8.97	10.66	8.21	3.50	(9.09)	5.09	(0.42)	4.20	2.57	3.16
Non-banking ROE - 10% (A) (%)			(1.79)	(6.50)	(19.09)	(4.91)	(10.42)	(5.80)	(7.43)	(6.84)
Non-banking book value (B)			2,809.6	6,112.1	589.7	299.6	2,759.9	600.8	1,610.7	
Earnings increase (A x B)			50.2	397.1	112.6	14.7	287.5	34.9	119.6	1,016.6
Group earnings growth vs 2025 (%)										25.4
Group ROE increase (%pts)										2.28

Note: Assumes recurring ROE of non-banking businesses at 10% or above (no additional upside assumed for entities already exceeding 10%)

Source: Company data, Samsung Securities

WFG: Impact of non-banking earnings improvement on consolidated earnings

(KRWb)	Group consolidated	Bank	Card	Securities	Life insurance	Capital	Asset management	Others	Non-banking total
2025 net profit	3,141.3	2,606.6	150.0	27.4	42.1	148.7	18.7	(166.8)	220.1
2024 total equity	35,895.3	28,944.9	2,784.7	1,145.0	-	1,725.0	164.0	1,538.0	7,356.7
2025 total equity	37,876.3	29,704.5	2,892.3	1,202.1	1,548.9	1,837.7	179.0	1,311.0	8,971.0
Non-banking ROE (%)	8.52	8.89	5.28	2.34	2.72	8.35	10.90	(11.71)	2.70
Non-banking ROE - 10% (A) (%)			(4.72)	(7.66)	(7.28)	(1.65)		(21.71)	
Non-banking book value (B)			2,892.3	1,202.1	1,548.9	1,837.7		1,311.0	8,792.0
Earnings increase (A x B)			136.4	92.1	112.8	30.4		284.6	656.3
Group earnings growth vs 2025 (%)									20.9
Group ROE increase (%pts)									1.78

Note: Assumes recurring ROE of non-banking businesses at 10% or above (no additional upside assumed for entities already exceeding 10%)

Source: Company data, Samsung Securities

BNKFG: Impact of non-banking earnings improvement on consolidated earnings

(KRWb)	Group consolidated	Bank	Securities	Capital	Asset management	Others	Non-banking total
2025 net profit	815.0	732.1	23.0	128.5	23.8	12.7	188.0
2024 total equity	11,147.6	9,535.3	1,184.4	1,388.8	174.0	360.1	3,107.3
2025 total equity	11,241.8	9,507.4	1,171.5	1,482.6	198.0	374.0	3,226.1
Non-banking ROE (%)	7.28	7.69	1.96	8.95	12.80	3.46	5.94
Non-banking ROE - 10% (A) (%)			(8.04)	(1.05)		(6.54)	
Non-banking book value (B)			1,171.5	1,482.6		374.0	
Earnings increase (A x B)			94.2	15.6		24.5	134.3
Group earnings growth vs 2025 (%)							16.5
Group ROE increase (%pts)							1.20

Note: Assumes recurring ROE of non-banking businesses at 10% or above (no additional upside assumed for entities already exceeding 10%)
Source: Company data, Samsung Securities

iMFG: Impact of non-banking earnings improvement on consolidated earnings

(KRWb)	Group consolidated	Bank	Securities	Capital	Life insurance	Asset management	Others	Non-banking total
2025 net profit	443.9	389.5	73.0	54.0	20.9	8.1	8.2	164.2
2024 total equity	6,205.7	5,047.6	1,162.9	634.1	281.3	67.2	62.6	2,208.1
2025 total equity	6,436.8	5,265.2	1,133.6	857.4	239.9	71.3	67.7	2,369.9
Non-banking ROE (%)	7.02	7.55	6.36	7.24	8.02	11.70	12.59	7.17
Non-banking ROE - 10% (A) (%)			(3.64)	(2.76)		1.70		
Non-banking book value (B)			1,133.6	857.4		71.3		
Earnings increase (A x B)			41.3	23.7		(1.2)	22.4	86.2
Group earnings growth vs 2025 (%)							5.1	19.4
Group ROE increase (%pts)							0.36	1.36

Note: Assumes recurring ROE of non-banking businesses at 10% or above (no additional upside assumed for entities already exceeding 10%)
Source: Company data, Samsung Securities

Growing optimism for 2026: Alpha—Corporate value enhancement plan updates, with payout ratios exceeding 50%

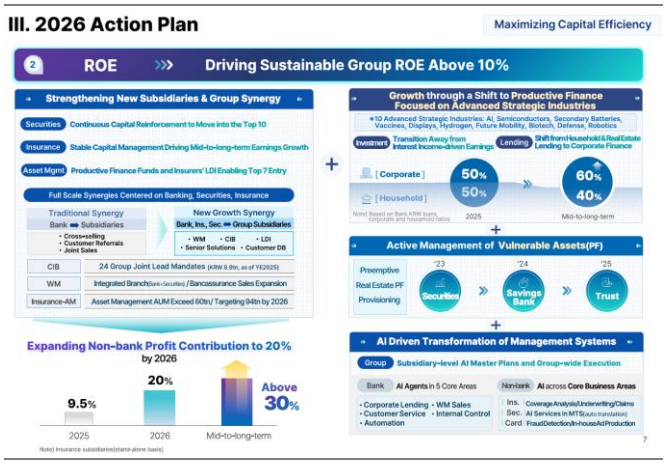
During 4Q25 earnings calls, WFG and JBFG announced updates to their corporate value enhancement plans, while peers indicated that revised plans will be shared with investors soon.

WFG signaling additional buybacks this year

WFG's 2026 corporate value enhancement plan reflects a more proactive approach to shareholder returns, supported by the early achievement of its CET-1 target. Key elements include: 1) achieving a CET-1 ratio of 13% this year—*ie*, ahead of schedule—and maintaining it above 13.2%; 2) increasing DPS by at least 10% annually; 3) conducting share buybacks twice a year (1H and 2H) when the CET-1 ratio exceeds 13%, with buybacks of up to 10% of net income; and 4) targeting group ROE above 10%, with non-bank profit contributions reaching 20% in 2026 and over 30% over the longer term.

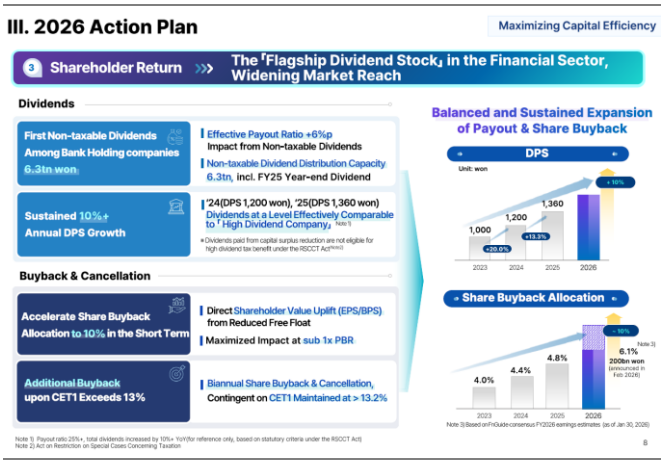
WFG has already announced a KRW200b buyback for 1H. Based on the updated plan, if the CET-1 ratio reaches 13% by end-1H, an additional buyback is likely in 2H. If total buybacks reach 10% of annual net income, the group could repurchase up to an additional KRW137.2b in shares (assuming 2026 net income of KRW3.37t).

WFG: Corporate value enhancement plan (ROE)



Source: Company data

WFG: Corporate value enhancement plan (Payouts)



Source: Company data

JBFG also signaling additional buybacks

JBFG has updated its corporate value enhancement plan, raising both ROE and payout ratio targets. Key points include: 1) increasing the ROE target from 13% to 15% (13%+ for 2026); 2) raising the payout ratio target from 45% to 50% in 2026; 3) considering a payout ratio above 50% if the CET-1 ratio exceeds 13%; 4) increasing dividends by 10% annually to qualify as a high-dividend company; and 5) allocating any remaining shareholder return capacity not used for dividends to share buybacks and cancellations.

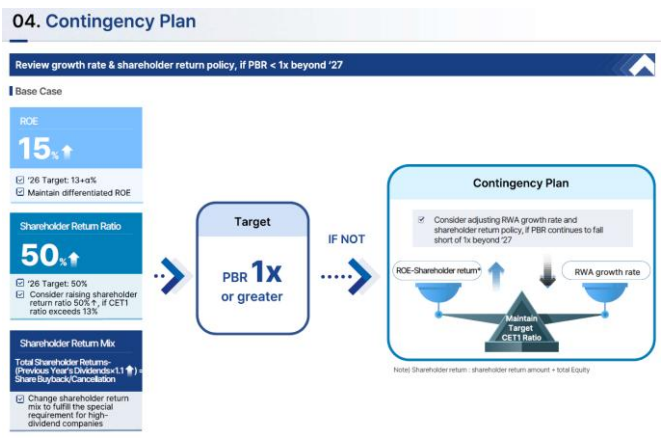
However, it may take time for JBFG's CET-1 ratio to exceed 13%. We note that: 1) the ratio stood at 12.58% at end-2025, slightly below the threshold; 2) given the 37bps y-y increase in 2025, the 13% level would be reached only in 2028 if a similar pace is maintained; and 3) a jump in RWA growth—which seems highly likely given industry-wide expectations of higher asset growth—could further push back the timeline.

Nevertheless, the market takes a positive view of the alignment of management and shareholder interests through the setting of clear CET-1 ratio and shareholder return targets tied to ROE improvement.

JBFG: Corporate value enhancement plan (P/E)

Source: Company data

JBFG: Corporate value enhancement plan (Payouts)



Source: Company data

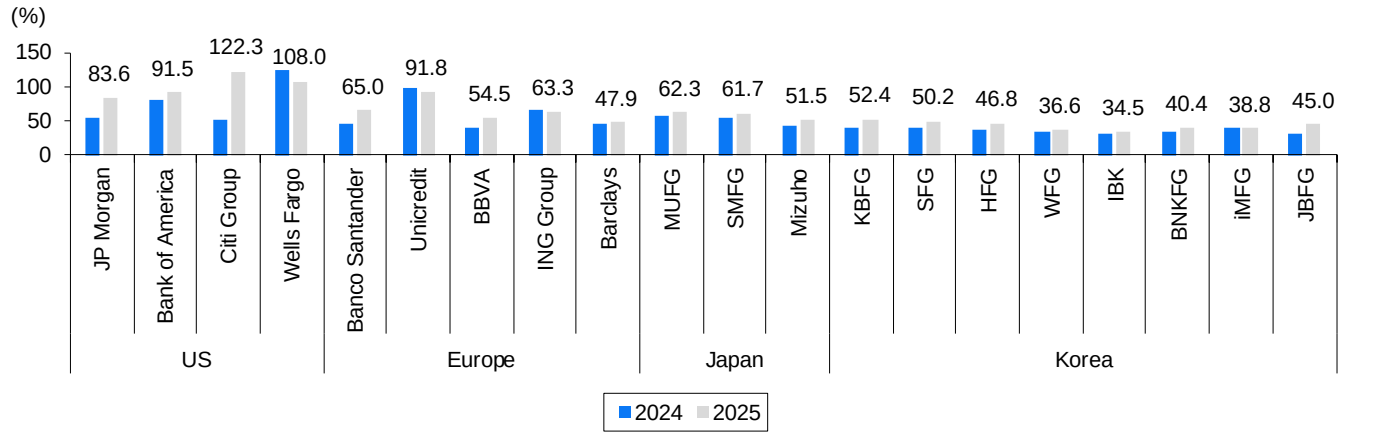
Investor focus: Scope to raise payout ratio targets

Following the recent updates, investor attention is likely to focus on the potential for further increases in payout ratios or the introduction of new longer-term targets (*eg*, three-year targets). In 2024, banks set a payout ratio target of 50% for 2027. However: 1) many banks are already approaching or exceeding this level; 2) major peers in the US and Europe delivered payout ratios of 80-100% in 2025, reducing the relative appeal of a 50% target; and 3) the average shareholder yield has declined to 5.7% due to share-price appreciation, increasing the need for higher payout targets.

In principle, the payout ratio is constrained by ROE and RWA growth. Assuming banks maintain current CET-1 ratios, the theoretical ceiling for payout ratios is the level at which growth and shareholder returns can be balanced without eroding capital. For example, with an ROE of 11% and RWA growth of 4.5%, the implied upper limit for the payout ratio is around 60%. If ROE improves to 12% through non-bank business expansion, the ratio could rise to a percentage in the mid-60s or higher, depending on the pace of RWA growth.

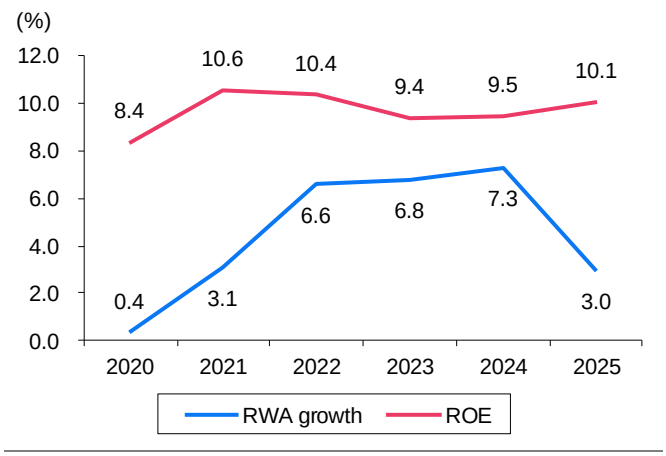
Given the importance of predictability in shareholder returns, the effectiveness of the latest corporate value enhancement plans will depend not only on higher payout ratios but also on how clearly banks address these investor expectations.

Global banks: Payout ratio



Source: Bloomberg, Company data, Samsung Securities

Banks: RWA growth vs ROE



Note: Based on banks under our coverage
Source: Company data, Samsung Securities

Theoretical total payout ratio, by RWA growth and ROE

(%)		ROE estimates				
		10.0	10.5	11.0	11.5	12.0
RWA growth estimates	3.5	65.0	66.7	68.2	69.6	70.8
	4.0	60.0	61.9	63.6	65.2	66.7
	4.5	55.0	57.1	59.1	60.9	62.5
	5.0	50.0	52.4	54.5	56.5	58.3
	5.5	45.0	47.6	50.0	52.2	54.2
	6.0	40.0	42.9	45.5	47.8	50.0

Source: Samsung Securities estimates

Resolution of ELS provisioning concerns—another positive factor

Concerns over potential penalties related to the sale of Hong Kong-linked ELS products, which weighed on bank stocks last year linger, but the related provisioning burden has eased significantly following particularly conservative provisioning in 4Q25. The three major financial groups were notified of preliminary penalty amounts in 2025 and set aside a combined KRW508b in provisions, equivalent to 25-50% of the notified amounts.

In addition, the combination of voluntary compensation paid in 2024 and provisions set aside in 2025 now covers approximately 93% of the notified fines, suggesting limited incremental financial exposure. For example, KBFG—which faces the largest potential penalty—has already recorded provisions and voluntary compensation totaling around KRW1t, broadly matching with the notified amount.

While the regulatory review remains ongoing, a final decision is expected by end-2026. This timeline suggests that both the financial burden and negative investor sentiment should largely dissipate by then. Moreover, the potential for leniency from the Financial Services Commission, recent court rulings favorable to banks in ELS-related disputes, and the substantial voluntary compensation already paid all point to a more favorable outcome than initially feared.

Banks: ELS penalty impact on earnings

(KRWb)	Penalties	Voluntary compensation	Provisioning expenses	Total	Provision expenses vs penalties (%)	Remaining burden	Remaining burden vs penalties (%)
KBFG	1,000.0	695.9	263.3	959.2	95.9	40.8	4.1
SFG	306.6	186.5	152.7	339.2	110.6	(32.6)	(10.6)
HFG	300.0	109.3	92.0	201.3	67.1	98.7	32.9
Total	1,606.6	991.7	508.0	1,499.7	93.3	106.9	6.7

Note: Voluntary compensation amounts are based on media reports from Jun 2025
Source: Samsung Securities estimates

Raising target prices: Moving beyond 1x P/B

Upgrading earnings outlook

We raise our 2026 earnings forecasts for the banks under our coverage by 2.5%, reflecting improved management guidance as well as the potential for stronger non-bank performance, supported by equity market strength and expectations of economic recovery.

Raising target prices—Target P/B multiples now at or above 1x

We also raise target prices based on: 1) upward revisions to our 2026 earnings forecasts; 2) the growing likelihood that total payout ratios will exceed 50%; and 3) separate taxation of dividend income and the introduction of non-taxable capital-reduction dividends, which enhance effective investor returns.

As a result, our average target P/B multiple now stands at 1x (based on end-2026 book value).

We apply the following target P/B multiples by bank:

KBFG—Target P/B multiple raised to 1.2x: We increase our target multiple from 1x to 1.2x (the joint-highest for any bank under our coverage), reflecting faster-than-expected ROE improvement (10.9% in 2025) and the strong sustainability of the firm's differentiated total payout ratio.

JBFG—Target P/B multiple raised to 1.2x: Similarly, we assign a sector-high target multiple of 1.2x to JBFG. While further increases in its payout ratio may be gradual after reaching 50% ahead of schedule, its industry-leading ROE supports a premium valuation.

SFG and HFG—Target P/B multiples raised to 1.1x and 1x, respectively, on expectations of 2026 total payout ratios exceeding 50%: We raise our target multiples for SFG and HFG to 1.1x and 1x, respectively, reflecting expectations that both will exceed a 50% total payout ratio in 2026. The valuation gap versus KBFG is driven primarily by differences in projected total payout ratios.

WFG—Target P/B multiple raised to 0.95x on early CET-1 target achievement and rising shareholder returns: We raise our target P/B multiple for WFG to 0.95x. Key factors to monitor include: 1) the pace of earnings growth at the insurance subsidiary it acquired in 2025 and at its securities broker, where capital strength needs to improve relative to peers—which would lift ROE; 2) whether a resulting improvement in the CET-1 ratio allows the group to achieve its 50% payout target ahead of schedule; and 3) the extent to which this supports valuation convergence with peers.

BNKFG and iMFG—Target P/B multiples raised based on ROE outlook and projected timeline to reach 50% total payout ratio: Lower target P/B multiples remain appropriate for BNKFG and iMFG, whose ROE and total payout ratios lag those of larger peers. Nevertheless, we have raised our target multiples, reflecting expectations that their total payout ratios will reach 50% and ROE will normalize to 9-10% within the next two to three years. Should these targets be met ahead of schedule, we would expect a faster rerating.

Kakao Bank—Target P/B multiple raised on easing growth concerns and structural valuation premium: We raise our target P/B multiple for Kakao Bank to 2.03x, reflecting: 1) alleviated concerns over loan growth, which proved resilient in 4Q25, supported by *bogeumjari* and SOHO loans; 2) potential for faster earnings recovery driven by a rebound in NIM; and 3) improved

G&A cost discipline in 2025. Globally, internet-primary banks typically trade at a P/B premium to traditional banks. For Kakao Bank, further P/B upside depends on its ability to sustain growth momentum or accelerate ROE improvement.

Banks: Full-year net profit forecasts

(KRWb)	2025P	2026E	Chg (% y-y)	Old	Diff (%)	2027E	Chg (% y-y)	Old	Diff (%)
KBFG	5,843.0	6,250.6	7.0	5,963.5	4.8	6,697.2	7.1	6,321.2	5.9
SFG	4,971.6	5,461.5	9.9	5,503.3	(0.8)	5,975.3	9.4	5,972.4	0.0
HFG	4,002.9	4,346.6	8.6	4,205.9	3.3	4,856.7	11.7	4,519.9	7.5
WFG	3,141.2	3,371.6	7.3	3,291.0	2.4	3,743.1	11.0	3,500.5	6.9
IBK	2,711.1	2,879.1	6.2	2,768.6	4.0	2,963.6	2.9	2,849.4	4.0
BNKFG	815.0	931.6	14.3	911.2	2.2	1,021.1	9.6	991.6	3.0
IMFG	443.9	496.0	11.7	507.6	(2.3)	560.1	12.9	562.8	(0.5)
JBFG	710.4	750.2	5.6	734.1	2.2	811.7	8.2	771.8	5.2
Kakao Bank	480.3	547.6	14.0	538.8	1.6	604.8	10.4	607.6	(0.5)
Total	**23,119.4**	**25,034.8**	**8.3**	**24,423.9**	**2.5**	**27,233.6**	**8.8**	**26,097.2**	**4.4**

Source: Company data, Samsung Securities estimates

Banks: 2026 net profit forecasts vs consensus

(KRWb)	Samsung	Consensus	Diff (%)
KBFG	6,250.6	6,178.2	1.2
SFG	5,461.5	5,369.9	1.7
HFG	4,346.6	4,235.2	2.6
WFG	3,371.6	3,290.6	2.5
IBK	2,879.1	2,800.8	2.8
BNKFG	931.6	872.7	6.7
iMFG	496.0	494.1	0.4
JBFG	750.2	750.4	(0.0)
Kakao Bank	547.6	570.4	(4.0)
Total	**25,034.8**	**24,562.3**	**1.9**

Source: QuantiWise, Samsung Securities estimates

Banks: Target-price changes

(KRW)	Recommendation	Old	New	Chg (%)	Current price	Upside (%)	2026 target P/B (x)
KBFG	BUY	165,000	200,000	21.2	166,700	20.0	1.20
SFG	BUY	105,000	128,000	21.9	100,900	26.9	1.10
HFG	BUY	128,000	156,000	21.9	126,100	23.7	1.00
WFG	HOLD	35,000	44,000	25.7	39,100	12.5	0.95
IBK	HOLD	24,600	28,000	13.8	26,350	6.3	0.72
BNKFG	BUY	20,000	27,000	35.0	21,800	23.9	0.75
IMFG	BUY	19,000	25,000	31.6	20,400	22.5	0.75
JBFG	HOLD	29,000	38,000	31.0	34,150	11.3	1.20
Kakao Bank	HOLD	29,000	33,000	13.8	28,450	16.0	2.16
Average							**1.03**

Note: As of Feb 24;
Average excludes Kakao Bank
Source: Company data, Samsung Securities estimates

Focus still on top-3 groups, but deeply discounted BNKFG and iMFG also merit attention

We continue to view the top three financial groups as the core investment focus within the sector. These banks are delivering solid earnings growth and are on track to reach a 50% total payout ratio ahead of peers, with scope for further increases that could reinforce their leadership. In addition, their valuations remain attractive relative to their market caps.

At the same time, the valuation appeal of BNKFG and iMFG should not be overlooked. Both are trading at 0.6x 2026 P/B and have yet to narrow the valuation gap with larger peers, despite a strong likelihood that their earnings improvement will become more evident this year.

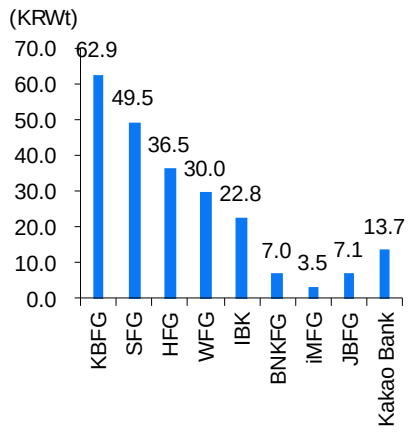
Kospi's top companies by market cap: Now vs Oct 2025 vs Jan 2025

Current				Oct 2025				Jan 2025			
Rank	Company	Mkt cap (KRWt)	vs Samsung Electronics (%)	Rank	Company	Mkt cap (KRWt)	vs Samsung Electronics (%)	Rank	Company	Mkt cap (KRWt)	vs Samsung Electronics (%)
1	Samsung Electronics	1,057.2	100.0	1	Samsung Electronics	636.4	100.0	1	Samsung Electronics	312.8	100.0
2	SK Hynix	646.5	61.1	2	SK Hynix	407.0	64.0	2	SK Hynix	145.0	46.4
3	Hyundai Motor	103.6	9.8	3	LG Energy Solution	110.7	17.4	3	Samsung Biologics	82.4	26.3
4	LG Energy Solution	95.9	9.1	4	Samsung Biologics	86.9	13.7	4	LG Energy Solution	76.9	24.6
5	Samsung Biologics	79.6	7.5	5	Hanwha Aerospace	59.4	9.3	5	Hyundai Motor	43.1	13.8
6	SK Square	75.3	7.1	6	HD Hyundai Heavy Industries	56.8	8.9	**6**	**KB Financial Group**	**40.6**	**13.0**
7	Kia	64.9	6.1	**7**	**KB Financial Group**	**53.3**	**8.4**	7	Naver	40.3	12.9
8	**KB Financial Group**	**62.8**	**5.9**	8	Hyundai Motor	50.5	7.9	8	Hanwha Aerospace	36.1	11.5
9	Doosan Enerbility	61.2	5.8	9	Doosan Enerbility	47.2	7.4	9	Doosan Enerbility	34.3	11.0
10	Hanwha Aerospace	58.3	5.5	10	Celltrion	44.5	7.0	10	Kia	27.6	8.8
11	Samsung C&T	56.8	5.4	11	Naver	42.2	6.6	11	HD Hyundai Heavy Industries	25.7	8.2
12	HD Hyundai Heavy Industries	56.6	5.4	12	Kia	42.0	6.6	12	Celltrion	24.5	7.8
13	Celltrion	55.1	5.2	**13**	**Shinhan Financial Group**	**40.6**	**6.4**	**13**	**Shinhan Financial Group**	**21.8**	**7.0**
14	**Shinhan Financial Group**	51.5	4.9	14	Hanwha Ocean	38.4	6.0	14	Samsung C&T	21.5	6.9
15	Samsung Life Insurance	41.0	3.9	15	Samsung C&T	35.6	5.6	15	Kakao	21.3	6.8

Note: As of Feb 12

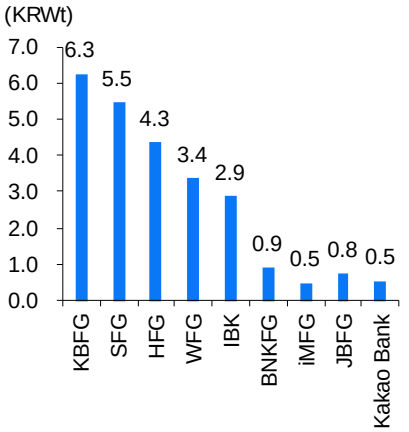
Source: QuantiWise, Samsung Securities

Banks: Market cap



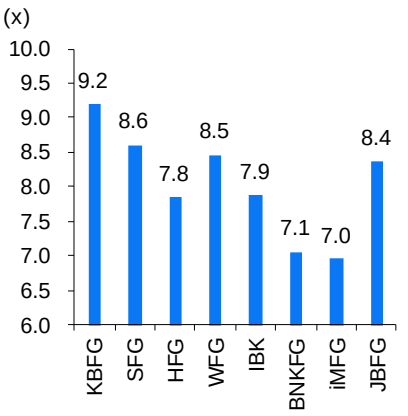
Note: As of Feb 24
Source: QuantiWise, Samsung Securities

Banks: 2026E net income



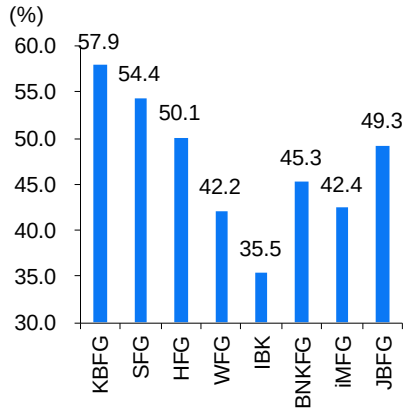
Source: Samsung Securities estimates

Banks: 2026E P/E



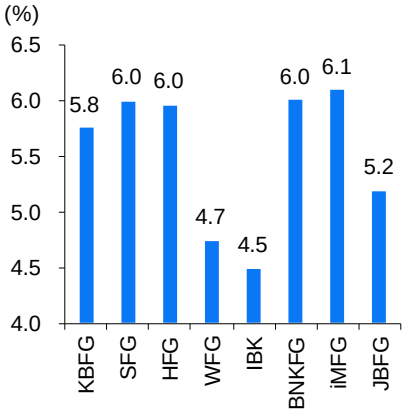
Note: As of Feb 24
Source: QuantiWise, Samsung Securities

Banks: 2026E total payout ratio*



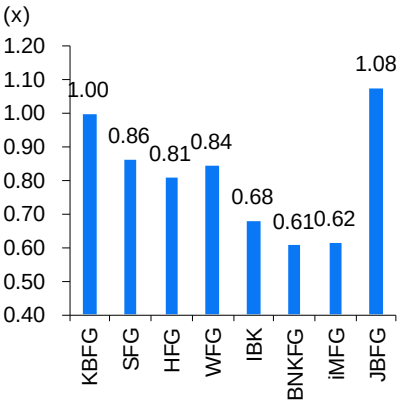
Note: *(Dividends + share buybacks) / net profit
Source: Samsung Securities estimates

Banks: 2026E total shareholder yield*



Note: As of Feb 24;
*(Dividends + share buybacks) / mkt cap
Source: QuantiWise, Samsung Securities estimates

Banks: 2026E P/B



Note: As of Feb 24
Source: QuantiWise, Samsung Securities

Valuation matrix

(KRW)		KBFG	SFG	HFG	WFG	IBK	BNKFG	iMFG	JBFG	Kakao Bank	Sector
Ticker		105560 KS	055550 KS	086790 KS	316140 KS	024110 KS	138930 KS	139130 KS	175330 KS	323410 KS	
Recommendation		BUY	BUY	BUY	HOLD	HOLD	BUY	BUY	HOLD	HOLD	OVERWEIGHT
Current price		159,000	96,900	121,800	36,000	25,750	19,930	18,390	31,750	27,150	
Target price		200,000	128,000	156,000	44,000	28,000	27,000	25,000	38,000	33,000	
Upside (%)		25.8	32.1	28.1	22.2	8.7	35.5	35.9	19.7	21.5	
Target P/B (x)		1.20	1.10	1.00	0.95	0.72	0.75	0.75	1.20	2.16	
Target P/E (x)		11.0	10.9	9.7	9.5	8.4	8.7	8.5	9.3	28.7	
Market cap (KRWt)		59.3	46.0	33.9	26.4	20.5	6.2	3.0	6.0	13.0	214.2
P/E (x)	2025P	7.7	7.5	6.5	6.6	6.6	6.1	5.9	6.8	21.5	7.4
	2026E	8.8	8.3	7.6	7.8	7.7	6.5	6.3	7.8	23.6	8.6
	2027E	7.8	7.2	6.5	6.8	7.5	5.6	5.6	7.0	21.4	7.9
P/B (x)	2025P	7.0	6.5	5.7	6.1	6.9	5.0	10.1	6.4	20.0	7.3
	2026E	0.8	0.7	0.7	0.6	0.6	0.5	0.5	0.9	1.5	0.7
	2027E	1.0	0.8	0.8	0.8	0.7	0.6	0.6	1.0	1.8	0.9
EPS	2025P	0.9	0.8	0.7	0.7	0.6	0.5	0.5	0.9	1.6	0.8
	2026E	0.8	0.7	0.6	0.6	0.6	0.5	0.8	0.8	1.5	0.8
	2027E	16,220	10,198	14,382	4,230	3,179	2,609	2,624	3,752	1,007	
BVPS	2025P	18,144	11,721	16,071	4,622	3,348	3,087	2,933	4,080	1,148	
	2026E	20,461	13,422	18,710	5,270	3,430	3,536	3,311	4,556	1,268	
	2027E	22,696	14,890	21,242	5,938	3,741	3,992	1,818	4,981	1,360	
ROA (%)	2025P	152,524	106,440	144,378	43,364	36,773	32,954	31,672	28,496	14,151	
	2026E	167,118	116,865	155,862	46,363	38,713	35,879	33,132	31,705	15,299	
	2027E	183,658	128,287	170,854	50,549	40,759	39,278	34,677	35,014	16,567	
ROE (%)	2025P	201,939	140,912	193,464	57,332	43,061	43,162	24,129	40,147	17,927	
	2026E	0.8	0.7	0.6	0.6	0.6	0.9	0.5	1.0	0.7	0.7
	2027E	0.8	0.7	0.6	0.6	0.6	1.0	0.5	1.0	0.7	0.7
DPS	2026E	0.8	0.7	0.7	0.6	0.5	1.1	0.5	1.0	0.7	0.7
Div. yield (%)	2026E	0.8	0.7	0.7	0.6	0.6	1.1	0.5	1.0	0.7	0.7
Total payout ratio (%)	2026E	10.9	9.7	10.2	10.1	8.9	8.0	8.4	13.6	7.2	9.9
Total shareholder yield (%)	2026E	11.1	10.3	10.5	10.3	8.9	8.8	9.1	13.4	7.8	10.2

Note: As of Feb 27

Source: QuantiWise, Samsung Securities estimates

KB Financial Group

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	29,930	25,648	26,937	28,299	29,740
Financial instruments	218,720	231,888	244,074	256,982	270,661
Net loans & credit	474,706	491,978	514,102	537,761	562,643
Interest earning assets	**723,356**	**749,209**	**784,783**	**822,684**	**862,657**
Tangible assets	10,516	5,199	5,456	5,728	6,015
Other assets	23,974	48,874	51,716	54,744	57,972
Total assets	**757,847**	**803,282**	**841,955**	**883,156**	**926,643**
Customer deposits	429,357	443,192	464,943	487,320	510,833
Borrowing	68,077	70,729	74,029	78,547	83,378
Debentures	76,171	80,049	82,075	86,260	90,707
Interest bearing liabilities	**635,856**	**661,755**	**691,584**	**725,528**	**761,299**
Other liabilities	62,175	80,245	86,451	91,162	96,304
Total liabilities	**698,031**	**742,001**	**778,036**	**816,690**	**857,604**
Paid-in capital	2,091	2,091	2,091	2,091	2,091
Hybrid securities	5,083	4,359	4,359	4,359	4,359
Capital surplus	17,124	17,101	17,101	17,101	17,101
Retained earnings	34,808	38,344	40,974	43,522	46,095
Capital adjustment	(1,713)	(1,944)	(1,944)	(1,944)	(1,944)
Other accumulated earnings and comprehensive income	497	(451)	(451)	(451)	(451)
Minority interest	1,926	1,782	1,789	1,789	1,789
Shareholder equity	**59,815**	**61,282**	**63,919**	**66,467**	**69,040**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	30,491	29,093	29,578	31,059	32,537
Interest expense	(17,665)	(16,050)	(15,762)	(16,665)	(17,676)
Net interest income before prov.	**12,827**	**13,043**	**13,815**	**14,394**	**14,861**
Loan-loss provisioning	(2,044)	(2,363)	(2,133)	(1,980)	(1,864)
Net interest income after prov.	**10,782**	**10,680**	**11,682**	**12,414**	**12,997**
Fee income	3,850	4,098	4,281	4,422	4,595
Other non-interest income	352	774	145	114	72
Gross income	**14,984**	**15,582**	**16,109**	**16,950**	**17,663**
G&A expenses	(6,939)	(7,051)	(7,375)	(7,593)	(7,819)
Operating profit	**8,045**	**8,531**	**8,734**	**9,357**	**9,844**
Other non-operating income	(1,060)	(335)	(348)	(375)	(404)
Pre-tax profit	**6,985**	**8,197**	**8,385**	**8,982**	**9,441**
Taxes	1,957	2,346	2,306	2,470	2,596
Net profit	**5,029**	**5,851**	**6,079**	**6,512**	**6,844**
Minority interest	(50)	8	(171)	(185)	(201)
Net profit (consolidated)	**5,078**	**5,843**	**6,251**	**6,697**	**7,045**
Pre-provisioning operating profit	10,301	11,121	11,101	11,583	11,965

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	0.6	0.6	0.8	0.8	0.8
NPL ratio (below precautionary)	1.6	1.5	1.8	1.8	1.8
NPL coverage ratio (below substandard)	174.3	169.1	140.5	136.5	131.6
NPL coverage ratio (below precautionary)	70.7	71.7	60.4	58.7	56.7
Cumulative provisioning / credit	1.1	1.1	1.1	1.1	1.0
Net write-offs / NPL (below substandard)	44.1	56.9	35.7	34.2	32.7
Net write-offs / credit	0.3	0.4	0.3	0.3	0.3
Loan loss provisioning charges / credit	0.44	0.49	0.42	0.37	0.34

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.7	0.8	0.8	0.8	0.8
Return on avg equity	9.8	10.9	11.1	11.4	11.5
Loan growth (bank basis)	6.4	3.8	4.8	4.7	4.7
Deposit growth (bank basis)	7.1	2.5	4.8	4.7	4.7
Asset growth (bank basis)	6.2	4.2	4.6	4.5	4.6
Loans-to-deposit (bank basis)	97.8	99.0	99.0	99.0	99.0
Net interest margin (bank basis)	1.78	1.74	1.72	1.68	1.64
Net interest spread (bank basis)	1.72	1.69	1.65	1.61	1.57
Cost-to-income	40.7	39.3	40.4	40.1	40.0
BIS CAR, total	16.4	16.2	16.6	16.7	16.7
BIS CAR, Tier 1	15.2	15.2	15.7	15.8	15.9
BIS CAR, Tier 2	1.3	1.0	0.9	0.9	0.8
BIS CAR, CET-1	13.5	13.8	13.8	13.8	13.7
Equity-to-assets	7.9	7.6	7.6	7.5	7.5

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	13,593	16,220	18,144	20,461	22,696
BVPS (KRW)	140,598	152,524	167,118	183,658	201,939
DPS (KRW)	3,174	4,367	4,634	5,243	5,894
Dividend payout ratio (%)	23.6	27.0	25.9	26.1	26.6
Total payout ratio (%)	39.8	52.4	57.9	62.0	63.5

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	10,301	5,078	13,593	12.0	140,598	6.1	0.6	0.7	9.8	13.5	3.8
2025P	11,121	5,843	16,220	19.3	152,524	7.7	0.8	0.8	10.9	13.8	3.5
2026E	11,101	6,251	18,144	11.9	167,118	8.8	1.0	0.8	11.1	13.8	2.9
2027E	11,583	6,697	20,461	12.8	183,658	7.8	0.9	0.8	11.4	13.8	3.3
2028E	11,965	7,045	22,696	10.9	201,939	7.0	0.8	0.8	11.5	13.7	3.7

Source: Company data, Samsung Securities estimates

Shinhan Financial Group

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	40,689	39,783	49,803	51,939	54,169
Financial instruments	206,801	218,913	224,209	234,246	244,747
Net loans & credit	450,560	466,189	485,754	510,058	535,649
Interest earning assets	**698,050**	**724,859**	**759,737**	**796,214**	**834,534**
Tangible assets	7,544	4,038	4,279	4,529	4,790
Other assets	34,170	59,927	62,183	64,530	66,972
Total assets	**739,764**	**786,013**	**826,199**	**865,273**	**906,297**
Customer deposits	423,378	447,649	463,105	484,682	507,301
Borrowing	49,920	55,395	53,644	55,041	56,488
Debentures	94,027	92,991	94,942	97,415	99,993
Interest bearing liabilities	**619,713**	**649,445**	**665,637**	**691,627**	**718,817**
Other liabilities	61,230	76,196	97,495	107,795	118,856
Total liabilities	**680,943**	**725,641**	**763,132**	**799,422**	**837,673**
Paid-in capital	2,970	2,970	2,970	2,970	2,970
Hybrid securities	4,600	4,750	4,750	4,750	4,750
Capital surplus	12,095	12,099	12,102	12,102	12,102
Retained earnings	39,021	41,796	44,281	46,948	49,604
Capital adjustment	(807)	(1,180)	(843)	(843)	(843)
Other accumulated earnings and comprehensive income	(1,824)	(2,475)	(2,723)	(2,723)	(2,723)
Minority interest	2,767	2,413	2,530	2,648	2,765
Shareholder equity	**58,821**	**60,372**	**63,066**	**65,851**	**68,624**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	29,209	27,884	28,690	29,902	30,999
Interest expense	(17,807)	(16,186)	(16,297)	(16,903)	(17,378)
Net interest income before prov.	**11,402**	**11,694**	**12,393**	**12,999**	**13,621**
Loan-loss provisioning	(1,960)	(2,076)	(1,840)	(1,611)	(1,580)
Net interest income after prov.	**9,442**	**9,619**	**10,553**	**11,389**	**12,041**
Fee income	2,715	2,921	2,962	3,056	3,154
Other non-interest income	418	1,394	596	610	575
Gross income	**12,575**	**13,355**	**14,111**	**15,055**	**15,770**
G&A expenses	(6,116)	(6,402)	(6,491)	(6,724)	(6,966)
Operating profit	**6,459**	**7,532**	**7,619**	**8,331**	**8,804**
Other non-operating income	(430)	(603)	75	72	68
Pre-tax profit	**6,029**	**6,929**	**7,695**	**8,404**	**8,872**
Taxes	(1,471)	(1,844)	(2,116)	(2,311)	(2,440)
Net profit	**4,558**	**5,085**	**5,579**	**6,093**	**6,432**
Minority interest	(108)	(113)	(117)	(117)	(117)
Net profit (consolidated)	**4,450**	**4,972**	**5,462**	**5,975**	**6,315**
Pre-provisioning operating profit	8,572	9,762	9,629	10,123	10,578

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	0.7	0.7	0.8	0.8	0.8
NPL ratio (below precautionary)	1.6	1.6	1.6	1.6	1.6
NPL coverage ratio (below substandard)	149.8	172.5	160.1	149.1	139.2
NPL coverage ratio (below precautionary)	65.9	79.3	74.8	69.7	65.1
Cumulative provisioning / credit	1.1	1.2	1.2	1.1	1.1
Net write-offs / NPL (below substandard)	56.6	34.7	50.1	45.9	42.3
Net write-offs / credit	1.1	1.2	1.2	1.1	1.1
Loan loss provisioning charges / credit	0.46	0.47	0.39	0.33	0.31

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.6	0.7	0.7	0.7	0.7
Return on avg equity	9.0	9.7	10.3	10.7	10.8
Loan growth (bank basis)	10.3	4.4	4.8	4.8	4.8
Deposit growth (bank basis)	11.1	4.2	4.8	4.8	4.8
Asset growth (bank basis)	6.9	6.3	5.1	4.7	4.7
Loans-to-deposit (bank basis)	118.2	117.6	117.6	117.6	117.6
Net interest margin (bank basis)	1.58	1.56	1.54	1.51	1.49
Net interest spread (bank basis)	1.88	1.77	1.73	1.70	1.68
Cost-to-income	41.7	39.5	41.0	41.3	41.4
BIS CAR, total	15.7	15.9	15.8	15.8	15.8
BIS CAR, Tier 1	14.7	15.0	14.9	15.0	15.0
BIS CAR, Tier 2	1.0	0.9	0.9	0.8	0.8
BIS CAR, CET-1	13.0	13.3	13.3	13.3	13.3
Equity-to-assets	8.0	7.7	7.6	7.6	7.6

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	8,816	10,198	11,721	13,422	14,890
BVPS (KRW)	99,328	106,440	116,865	128,287	140,912
DPS (KRW)	2,160	2,590	2,960	3,379	3,901
Dividend payout ratio (%)	24.5	25.1	25.1	25.2	26.3
Total payout ratio (%)	40.3	50.2	54.4	55.4	57.9

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	8,572	4,450	8,816	3.7	99,328	5.4	0.5	0.6	9.0	13.0	4.5
2025P	9,762	4,972	10,198	15.7	106,440	7.5	0.7	0.7	9.7	13.3	3.4
2026E	9,629	5,462	11,721	14.9	116,865	8.3	0.8	0.7	10.3	13.3	3.1
2027E	10,123	5,975	13,422	14.5	128,287	7.2	0.8	0.7	10.7	13.3	3.5
2028E	10,578	6,315	14,890	10.9	140,912	6.5	0.7	0.7	10.8	13.3	4.0

Source: Company data, Samsung Securities estimates

Hana Financial Group

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	40,405	35,649	37,096	38,602	40,170
Financial instruments	151,450	150,515	157,476	164,772	172,420
Net loans & credit	403,979	434,223	438,762	459,684	481,709
Interest earning assets	**596,148**	**620,706**	**633,689**	**663,452**	**694,733**
Tangible assets	11,503	12,481	12,988	13,515	14,064
Other assets	30,196	44,721	46,537	48,427	50,393
Total assets	**637,848**	**677,908**	**693,214**	**725,394**	**759,190**
Customer deposits	390,531	394,833	414,050	433,720	454,412
Borrowing	47,115	50,456	50,956	53,025	55,178
Debentures	64,880	72,813	75,322	78,380	81,562
Interest bearing liabilities	**513,637**	**530,334**	**553,056**	**578,370**	**604,935**
Other liabilities	80,634	88,161	90,253	92,242	94,174
Total liabilities	**594,271**	**632,248**	**645,393**	**675,333**	**705,465**
Paid-in capital	1,501	1,501	1,501	1,501	1,501
Hybrid securities	4,140	4,270	4,270	4,270	4,270
Capital surplus	10,579	10,577	10,577	10,577	10,577
Retained earnings	27,640	29,691	31,854	34,091	37,753
Capital adjustment	(325)	(427)	(427)	(427)	(427)
Other accumulated earnings and comprehensive income	(834)	(1,017)	(1,017)	(1,017)	(1,017)
Minority interest	876	1,066	1,064	1,066	1,068
Shareholder equity	**43,577**	**45,661**	**47,821**	**50,061**	**53,725**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	24,117	22,392	22,938	24,065	25,246
Interest expense	(15,356)	(13,282)	(13,231)	(13,736)	(14,295)
Net interest income before prov.	**8,761**	**9,110**	**9,707**	**10,329**	**10,951**
Loan-loss provisioning	(1,239)	(1,334)	(1,436)	(1,261)	(1,222)
Net interest income after prov.	**7,522**	**7,776**	**8,271**	**9,069**	**9,729**
Fee income	1,524	1,873	1,902	1,980	2,058
Other non-interest income	340	729	626	622	616
Gross income	**9,385**	**10,378**	**10,799**	**11,670**	**12,403**
G&A expenses	(4,530)	(4,651)	(4,798)	(4,964)	(5,136)
Operating profit	**4,855**	**5,728**	**6,001**	**6,706**	**7,267**
Other non-operating income	197	(201)	17	16	15
Pre-tax profit	**5,052**	**5,527**	**6,017**	**6,722**	**7,283**
Taxes	1,284	1,422	1,655	1,849	2,003
Net profit	**3,769**	**4,105**	**4,362**	**4,874**	**5,280**
Minority interest	30	34	16	17	18
Net profit (consolidated)	**3,739**	**4,003**	**4,347**	**4,857**	**5,262**
Pre-provisioning operating profit	6,272	7,260	7,642	8,181	8,711

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	0.6	0.7	0.4	0.4	0.4
NPL ratio (below precautionary)	2.1	2.1	1.5	1.5	1.5
NPL coverage ratio (below substandard)	119.8	124.2	223.2	227.9	232.2
NPL coverage ratio (below precautionary)	35.0	41.5	65.9	67.3	68.7
Cumulative provisioning / credit	0.7	0.9	1.0	1.0	1.0
Net write-offs / NPL (below substandard)	45.6	16.0	56.7	47.9	43.0
Net write-offs / credit	0.3	0.1	0.2	0.2	0.2
Loan loss provisioning charges / credit	0.30	0.30	0.33	0.27	0.25

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.6	0.6	0.6	0.7	0.7
Return on avg equity	10.1	10.2	10.5	11.2	11.3
Loan growth (bank basis)	4.0	5.1	4.8	4.7	4.7
Deposit growth (bank basis)	3.9	4.7	4.9	4.7	4.8
Asset growth (bank basis)	7.8	6.3	2.3	4.6	4.7
Loans-to-deposit (bank basis)	99.5	100.3	100.3	100.3	100.3
Net interest margin (bank basis)	1.47	1.50	1.53	1.54	1.54
Net interest spread (bank basis)	1.39	1.41	1.43	1.44	1.44
Cost-to-income	42.6	39.7	39.2	38.4	37.7
BIS CAR, total	15.6	15.6	15.1	15.1	15.5
BIS CAR, Tier 1	14.8	14.9	14.4	14.4	14.8
BIS CAR, Tier 2	0.8	0.7	0.7	0.7	0.7
BIS CAR, CET-1	13.2	13.4	13.7	13.7	14.2
Equity-to-assets	6.4	6.6	7.0	7.4	7.8

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	13,017	14,382	16,071	18,710	21,242
BVPS (KRW)	133,682	144,378	155,862	170,854	193,464
DPS (KRW)	3,400	4,000	4,500	5,000	5,500
Dividend payout ratio (%)	26.0	27.9	28.3	26.6	25.8
Total payout ratio (%)	38.0	46.8	50.1	53.4	56.2

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	6,272	3,739	13,017	11.2	133,682	4.4	0.4	0.6	10.1	13.2	6.0
2025P	7,260	4,003	14,382	10.5	144,378	6.5	0.7	0.6	10.2	13.4	4.3
2026E	7,642	4,347	16,071	11.7	155,862	7.6	0.8	0.6	10.5	13.7	3.7
2027E	8,181	4,857	18,710	16.4	170,854	6.5	0.7	0.7	11.2	13.7	4.1
2028E	8,711	5,262	21,242	13.5	193,464	5.7	0.6	0.7	11.3	14.2	4.5

Source: Company data, Samsung Securities estimates

Woori Financial Group

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	29,986	32,285	33,653	35,081	36,571
Financial instruments	88,025	125,826	132,925	140,477	148,513
Net loans & credit	385,235	395,082	417,281	438,945	462,344
Interest earning assets	**503,246**	**570,029**	**583,860**	**614,502**	**647,427**
Tangible assets	5,700	3,745	3,932	4,129	4,337
Other assets	16,807	32,432	34,131	35,931	37,838
Total assets	**525,753**	**601,473**	**621,922**	**654,562**	**689,602**
Customer deposits	367,423	371,187	391,263	410,551	431,334
Borrowing	30,117	29,138	30,484	31,897	33,383
Debentures	48,207	55,583	58,463	64,759	71,978
Interest bearing liabilities	**445,747**	**514,947**	**534,909**	**568,772**	**605,986**
Other liabilities	43,494	47,720	46,756	43,381	37,658
Total liabilities	**489,858**	**563,596**	**582,648**	**613,193**	**644,743**
Paid-in capital	3,803	3,803	3,803	3,803	3,803
Hybrid securities	3,810	3,710	3,511	3,511	3,511
Capital surplus	934	933	934	934	934
Retained earnings	26,951	28,807	30,757	32,842	36,322
Capital adjustment	(1,735)	(1,364)	(1,682)	(1,682)	(1,682)
Other accumulated earnings and comprehensive income	334	145	145	145	145
Minority interest	1,798	1,842	1,807	1,816	1,826
Shareholder equity	**35,895**	**37,876**	**39,275**	**41,370**	**44,859**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	22,013	21,499	23,717	25,137	26,560
Interest expense	(13,127)	(12,438)	(14,162)	(15,207)	(16,278)
Net interest income before prov.	**8,886**	**9,061**	**9,555**	**9,930**	**10,282**
Loan-loss provisioning	(1,715)	(2,090)	(1,518)	(1,334)	(1,179)
Net interest income after prov.	**7,171**	**6,971**	**8,036**	**8,596**	**9,103**
Fee income	1,833	1,955	2,004	2,083	2,166
Other non-interest income	(281)	(24)	10	46	86
Gross income	**8,724**	**8,871**	**10,050**	**10,724**	**11,355**
G&A expenses	(4,469)	(5,181)	(5,205)	(5,368)	(5,536)
Operating profit	**4,255**	**3,691**	**4,846**	**5,356**	**5,819**
Other non-operating income	(32)	425	53	54	55
Pre-tax profit	**4,223**	**4,116**	**4,898**	**5,410**	**5,874**
Taxes	1,051	871	1,347	1,488	1,615
Net profit	**3,171**	**3,244**	**3,551**	**3,922**	**4,259**
Minority interest	85	103	180	179	179
Net profit (consolidated)	**3,086**	**3,141**	**3,372**	**3,743**	**4,080**
Pre-provisioning operating profit	6,105	5,974	6,546	6,879	7,193

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	0.6	0.6	0.6	0.6	0.6
NPL ratio (below precautionary)	1.4	1.5	1.5	1.4	1.4
NPL coverage ratio (below substandard)	151.9	157.6	166.7	170.9	173.4
NPL coverage ratio (below precautionary)	63.1	65.9	69.2	71.1	72.2
Cumulative provisioning / credit	0.9	1.0	1.0	1.0	1.0
Net write-offs / NPL (below substandard)	31.5	22.5	25.3	25.2	21.2
Net write-offs / credit	0.2	0.1	0.2	0.2	0.1
Loan loss provisioning charges / credit	0.86	0.99	1.01	1.02	1.02

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.6	0.6	0.6	0.6	0.6
Return on avg equity	10.6	10.1	10.3	10.9	11.0
Loan growth (bank basis)	12.2	10.4	8.5	11.1	10.8
Deposit growth (bank basis)	7.4	3.7	6.5	10.6	10.2
Asset growth (bank basis)	9.4	20.8	18.3	8.8	10.9
Loans-to-deposit (bank basis)	100.4	99.5	99.5	99.5	99.5
Net interest margin (bank basis)	1.44	1.46	1.47	1.45	1.45
Net interest spread (bank basis)	1.42	1.45	1.45	1.44	1.44
Cost-to-income	42.8	47.3	45.0	44.5	44.2
BIS CAR, total	15.7	16.1	16.6	16.7	17.3
BIS CAR, Tier 1	14.2	14.8	15.3	15.5	16.2
BIS CAR, Tier 2	1.5	1.3	1.3	1.2	1.2
BIS CAR, CET-1	12.1	12.9	13.1	13.2	13.9
Equity-to-assets	6.8	6.3	6.3	6.3	6.5

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	4,156	4,230	4,622	5,270	5,938
BVPS (KRW)	40,680	43,364	46,363	50,549	57,332
DPS (KRW)	1,200	1,360	1,500	1,650	1,820
Dividend payout ratio (%)	28.9	31.8	32.1	30.9	30.3
Total payout ratio (%)	33.3	36.6	42.2	44.3	42.5

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	6,105	3,086	4,156	24.7	40,680	8.7	0.9	0.6	10.6	12.1	3.3
2025P	5,974	3,141	4,230	1.8	43,364	6.6	0.6	0.6	10.1	12.9	4.9
2026E	6,546	3,372	4,622	9.3	46,363	7.8	0.8	0.6	10.3	13.1	4.2
2027E	6,879	3,743	5,270	14.0	50,549	6.8	0.7	0.6	10.9	13.2	4.6
2028E	7,193	4,080	5,938	12.7	57,332	6.1	0.6	0.6	11.0	13.9	5.1

Source: Company data, Samsung Securities estimates

Industrial Bank of Korea

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	18,354	24,259	25,244	26,269	27,336
Financial instruments	93,265	101,226	105,336	109,613	114,064
Net loans & credit	344,387	357,806	377,435	399,723	423,464
Interest earning assets	**456,006**	**483,291**	**508,015**	**535,605**	**564,864**
Tangible assets	3,940	4,080	4,246	4,418	4,597
Other assets	12,274	16,515	17,186	17,884	18,610
Total assets	**472,220**	**500,725**	**529,446**	**557,907**	**588,071**
Customer deposits	158,256	168,163	178,170	188,696	199,895
Borrowing	44,777	48,551	50,523	52,574	54,709
Debentures	193,151	203,390	213,552	222,223	231,246
Interest bearing liabilities	**396,184**	**431,528**	**454,347**	**476,311**	**499,428**
Other liabilities	41,805	32,319	36,439	41,010	45,892
Total liabilities	**437,989**	**463,846**	**490,786**	**517,320**	**545,321**
Paid-in capital	4,211	4,211	4,211	4,211	4,211
Hybrid securities	4,313	4,683	4,683	4,683	4,683
Capital surplus	1,170	1,179	1,179	1,179	1,179
Retained earnings	23,593	25,396	27,313	29,239	31,403
Capital adjustment	(0)	(1)	(1)	(1)	(1)
Other accumulated earnings and comprehensive income	659	873	873	873	873
Minority interest	284	401	401	401	401
Shareholder equity	**34,231**	**36,879**	**38,660**	**40,586**	**42,751**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	18,955	17,822	18,563	19,568	20,634
Interest expense	(11,063)	(10,123)	(10,762)	(11,539)	(12,171)
Net interest income before prov.	**7,892**	**7,749**	**7,802**	**8,029**	**8,464**
Loan-loss provisioning	(1,832)	(1,890)	(1,463)	(1,413)	(1,356)
Net interest income after prov.	**6,059**	**5,860**	**6,339**	**6,616**	**7,108**
Fee income	472	479	529	550	572
Other non-interest income	(124)	448	349	281	275
Gross income	**6,407**	**6,787**	**7,217**	**7,447**	**7,955**
G&A expenses	(2,813)	(3,202)	(3,329)	(3,449)	(3,573)
Operating profit	**3,594**	**3,656**	**3,888**	**3,998**	**4,382**
Other non-operating income	(27)	78	64	69	74
Pre-tax profit	**3,568**	**3,665**	**3,952**	**4,067**	**4,457**
Taxes	913	946	1,087	1,118	1,226
Net profit	**2,654**	**2,719**	**2,865**	**2,949**	**3,231**
Minority interest	10	8	(14)	(15)	(16)
Net profit (consolidated)	**2,645**	**2,711**	**2,879**	**2,964**	**3,247**
Pre-provisioning operating profit	5,366	5,493	5,299	5,358	5,684

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	1.3	1.3	0.6	0.6	0.6
NPL ratio (below precautionary)	2.9	3.0	1.6	1.5	1.4
NPL coverage ratio (below substandard)	197.3	183.9	359.8	371.0	381.0
NPL coverage ratio (below precautionary)	90.1	79.2	145.0	149.5	153.6
Cumulative provisioning / credit	2.6	2.4	2.3	2.3	2.2
Net write-offs / NPL (below substandard)	28.6	29.1	51.5	49.6	47.4
Net write-offs / credit	0.4	0.4	0.3	0.3	0.3
Loan loss provisioning charges / credit	0.57	0.57	0.41	0.38	0.34

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.6	0.6	0.6	0.5	0.6
Return on avg equity	9.3	8.9	8.9	8.6	8.9
Loan growth (bank basis)	8.9	3.2	6.0	5.9	5.9
Deposit growth (bank basis)	2.7	6.3	6.0	5.9	5.9
Asset growth (bank basis)	5.3	6.0	5.7	5.4	5.4
Loans-to-deposit (bank basis)	2.4	2.5	2.5	2.5	2.5
Net interest margin (bank basis)	1.70	1.58	1.52	1.46	1.45
Net interest spread (bank basis)	1.61	1.52	1.46	1.40	1.39
Cost-to-income	34.1	36.9	38.3	38.9	38.4
BIS CAR, total	14.1	14.1	15.2	15.1	15.1
BIS CAR, Tier 1	12.9	13.0	13.0	13.0	13.0
BIS CAR, Tier 2	1.2	1.1	2.2	2.2	2.1
BIS CAR, CET-1	11.3	11.5	11.5	11.6	11.7
Equity-to-assets	7.2	7.4	7.3	7.3	7.3

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	3,106	3,179	3,348	3,430	3,741
BVPS (KRW)	34,537	36,773	38,713	40,759	43,061
DPS (KRW)	1,065	1,105	1,186	1,233	1,344
Dividend payout ratio (%)	32.1	35.0	35.5	36.0	36.0
Total payout ratio (%)	32.1	35.0	35.5	36.0	36.0

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	5,366	2,645	3,106	0.2	34,537	4.6	0.4	0.6	9.3	11.3	7.4
2025P	5,493	2,711	3,179	2.4	36,773	6.6	0.6	0.6	8.9	11.5	5.3
2026E	5,299	2,879	3,348	5.3	38,713	7.7	0.7	0.6	8.9	11.5	4.6
2027E	5,358	2,964	3,430	2.5	40,759	7.5	0.6	0.5	8.6	11.6	4.8
2028E	5,684	3,247	3,741	9.1	43,061	6.9	0.6	0.6	8.9	11.7	5.2

Source: Company data, Samsung Securities estimates

BNK Financial Group

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	5,818	5,647	5,947	6,263	6,596
Financial instruments	26,356	28,374	29,903	31,525	33,246
Net loans & credit	112,081	119,565	122,770	128,868	135,297
Interest earning assets	**144,256**	**156,353**	**158,620**	**166,655**	**175,139**
Tangible assets	2,127	1,386	1,461	1,542	1,627
Other assets	6,087	3,356	8,395	8,384	8,336
Total assets	**152,470**	**161,095**	**168,476**	**176,581**	**185,103**
Customer deposits	107,855	112,285	117,603	123,181	129,031
Borrowing	11,302	11,446	12,282	13,030	13,829
Debentures	14,122	16,445	17,173	18,327	19,566
Interest bearing liabilities	**133,279**	**141,368**	**147,058**	**154,538**	**162,425**
Other liabilities	125,526	9,398	9,525	9,630	9,736
Total liabilities	**141,323**	**149,854**	**156,700**	**164,291**	**172,291**
Paid-in capital	1,630	1,630	1,630	1,630	1,630
Hybrid securities	728	498	498	498	498
Capital surplus	791	790	791	791	791
Retained earnings	7,605	8,017	8,527	9,041	9,563
Capital adjustment	(20)	0	(37)	(37)	(37)
Other accumulated earnings and comprehensive income	(34)	(142)	(82)	(82)	(82)
Minority interest	449	449	449	449	449
Shareholder equity	**11,148**	**11,242**	**11,776**	**12,290**	**12,812**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	6,949	6,468	6,591	6,932	7,292
Interest expense	(3,972)	(3,531)	(3,450)	(3,635)	(3,877)
Net interest income before prov.	**2,977**	**2,953**	**3,141**	**3,297**	**3,414**
Loan-loss provisioning	(895)	(782)	(706)	(682)	(637)
Net interest income after prov.	**2,082**	**2,171**	**2,435**	**2,614**	**2,778**
Fee income	220	179	214	222	231
Other non-interest income	140	242	263	260	256
Gross income	**2,443**	**2,592**	**2,912**	**3,096**	**3,265**
G&A expenses	(1,567)	(1,689)	(1,672)	(1,733)	(1,797)
Operating profit	**876**	**903**	**1,240**	**1,363**	**1,469**
Other non-operating income	116	192	70	72	75
Pre-tax profit	**992**	**1,095**	**1,309**	**1,436**	**1,544**
Taxes	242	259	355	390	420
Net profit	**750**	**836**	**954**	**1,046**	**1,124**
Minority interest	21	21	23	25	27
Net profit (consolidated)	**729**	**815**	**932**	**1,021**	**1,097**
Pre-provisioning operating profit	1,826	1,747	2,006	2,109	2,172

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	0.7	1.2	1.0	1.0	0.9
NPL ratio (below precautionary)	1.7	2.3	2.6	2.5	2.4
NPL coverage ratio (below substandard)	218.5	112.5	131.5	135.5	143.4
NPL coverage ratio (below precautionary)	94.5	56.4	52.4	54.0	57.1
Cumulative provisioning / credit	1.6	1.3	1.3	1.4	1.4
Net write-offs / NPL (below substandard)	59.7	55.9	31.8	29.4	27.7
Net write-offs / credit	0.4	0.7	0.3	0.3	0.3
Loan loss provisioning charges / credit	0.43	0.65	0.32	0.29	0.26

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.8	0.9	1.0	1.1	1.1
Return on avg equity	7.5	8.0	8.8	9.2	9.5
Loan growth (bank basis)	2.1	3.2	4.6	4.6	4.6
Deposit growth (bank basis)	0.3	3.3	4.6	4.6	4.6
Asset growth (bank basis)	2.7	3.5	4.4	4.4	4.5
Loans-to-deposit (bank basis)	95.0	95.2	95.2	95.2	95.2
Net interest margin (bank basis)	1.89	1.85	1.86	1.84	1.80
Net interest spread (bank basis)	2.19	2.10	2.09	2.07	2.03
Cost-to-income	47.8	49.5	45.7	45.5	46.0
BIS CAR, total	14.1	15.2	15.8	15.7	15.5
BIS CAR, Tier 1	13.6	13.3	14.0	13.9	13.8
BIS CAR, Tier 2	0.6	1.9	1.9	1.8	1.7
BIS CAR, CET-1	12.3	12.7	12.8	12.8	12.8
Equity-to-assets	7.3	7.0	7.0	7.0	6.9

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	2,274	2,609	3,087	3,536	3,992
BVPS (KRW)	31,117	32,954	35,879	39,278	43,162
DPS (KRW)	650	735	830	960	1,110
Dividend payout ratio (%)	28.5	28.1	27.0	27.1	27.8
Total payout ratio (%)	33.0	40.4	45.3	49.7	52.4

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	1,826	729	2,274	14.5	31,117	4.5	0.3	0.8	7.5	12.3	6.3
2025P	1,747	815	2,609	14.7	32,954	6.1	0.5	0.9	8.0	12.7	4.6
2026E	2,006	932	3,087	18.3	35,879	6.5	0.6	1.0	8.8	12.8	4.2
2027E	2,109	1,021	3,536	14.6	39,278	5.6	0.5	1.1	9.2	12.8	4.8
2028E	2,172	1,097	3,992	12.9	43,162	5.0	0.5	1.1	9.5	12.8	5.6

Source: Company data, Samsung Securities estimates

iM Financial Group

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	4,473	5,354	5,680	6,028	6,399
Financial instruments	20,561	24,529	25,728	26,992	28,324
Net loans & credit	67,697	66,062	71,926	75,389	79,038
Interest earning assets	**92,786**	**94,831**	**103,394**	**108,474**	**113,832**
Tangible assets	1,405	1,422	1,497	1,576	1,659
Other assets	(43)	3,144	3,295	3,455	3,623
Total assets	**94,149**	**98,861**	**108,186**	**113,504**	**119,114**
Customer deposits	59,807	59,344	62,353	65,272	68,341
Borrowing	9,701	11,146	12,540	13,188	13,872
Debentures	7,827	9,825	10,392	10,972	11,586
Interest bearing liabilities	**83,410**	**86,757**	**91,989**	**96,409**	**101,058**
Other liabilities	4,533	5,667	9,513	10,150	10,854
Total liabilities	87,943	92,424	101,502	106,559	111,912
Paid-in capital	846	846	846	846	846
Hybrid securities	813	863	863	863	863
Capital surplus	1,563	1,563	1,563	1,563	1,563
Retained earnings	3,385	3,631	3,955	4,275	4,594
Capital adjustment	(20)	(1)	(19)	(19)	(19)
Other accumulated earnings and comprehensive income	(595)	(682)	(740)	(798)	(861)
Minority interest	215	217	217	217	217
Shareholder equity	**6,206**	**6,437**	**6,684**	**6,945**	**7,202**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	4,175	3,784	3,853	4,080	4,291
Interest expense	(2,489)	(2,136)	(2,057)	(2,148)	(2,253)
Net interest income before prov.	**1,686**	**1,656**	**1,797**	**1,932**	**2,038**
Loan-loss provisioning	(749)	(344)	(310)	(320)	(318)
Net interest income after prov.	**937**	**1,312**	**1,487**	**1,612**	**1,720**
Fee income	191	218	208	206	203
Other non-interest income	213	184	133	134	142
Gross income	**1,341**	**1,734**	**1,828**	**1,951**	**2,065**
G&A expenses	(1,078)	(1,130)	(1,139)	(1,175)	(1,213)
Operating profit	**263**	**583**	**689**	**777**	**852**
Other non-operating income	(11)	(2)	11	13	15
Pre-tax profit	**253**	**581**	**700**	**790**	**867**
Taxes	51	124	193	217	238
Net profit	**202**	**458**	**508**	**573**	**629**
Minority interest	(13)	14	12	13	14
Net profit (consolidated)	**215**	**444**	**496**	**560**	**615**
Pre-provisioning operating profit	1,048	966	1,039	1,137	1,211

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	0.7	0.9	0.8	0.8	0.8
NPL ratio (below precautionary)	1.8	1.8	1.8	1.8	1.7
NPL coverage ratio (below substandard)	222.8	189.3	206.4	210.8	214.6
NPL coverage ratio (below precautionary)	91.1	92.6	92.2	94.2	95.9
Cumulative provisioning / credit	1.6	1.7	1.7	1.7	1.7
Net write-offs / NPL (below substandard)	63.2	44.3	33.8	34.0	32.4
Net write-offs / credit	0.5	0.4	0.3	0.3	0.3
Loan loss provisioning charges / credit	0.6	0.5	0.3	0.3	0.3

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.2	0.5	0.5	0.5	0.5
Return on avg equity	4.1	8.4	9.1	9.8	10.3
Loan growth (bank basis)	6.0	1.0	4.8	4.7	4.7
Deposit growth (bank basis)	0.7	7.7	4.8	4.7	4.7
Asset growth (bank basis)	0.8	5.0	9.4	4.9	4.9
Loans-to-deposit (bank basis)	101.5	104.1	104.1	104.1	104.1
Net interest margin (bank basis)	1.91	1.80	1.86	1.87	1.87
Net interest spread (bank basis)	2.25	2.07	2.13	2.14	2.14
Cost-to-income	50.1	50.9	49.9	49.1	48.4
BIS CAR, total	16.6	17.6	17.9	18.3	18.7
BIS CAR, Tier 1	14.6	15.9	16.3	16.7	17.1
BIS CAR, Tier 2	2.0	1.6	1.6	1.6	1.6
BIS CAR, CET-1	11.7	12.1	12.3	12.4	12.5
Equity-to-assets	14.9	14.2	13.8	13.4	13.0

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	1,270	2,624	2,933	3,311	1,818
BVPS (KRW)	30,612	31,672	33,132	34,677	24,129
DPS (KRW)	500	700	770	860	950
Dividend payout ratio (%)	38.7	25.3	26.3	26.0	26.0
Total payout ratio (%)	38.7	38.8	42.4	47.4	52.0

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	1,048	215	1,270	(44.6)	30,612	6.4	0.3	0.2	4.1	11.7	6.1
2025P	966	444	2,624	106.6	31,672	5.9	0.5	0.5	8.4	12.1	4.5
2026E	1,039	496	3,001	14.4	33,132	6.1	0.6	0.5	9.1	12.3	4.2
2027E	1,137	560	3,311	10.3	34,677	5.6	0.5	0.5	9.8	12.4	4.7
2028E	1,211	615	1,818	(45.1)	24,129	10.1	0.8	0.5	10.3	12.5	5.2

Source: Company data, Samsung Securities estimates

JB Financial Group

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	1,622	1,810	1,920	2,035	2,157
Financial instruments	10,070	10,542	11,214	11,728	12,267
Net loans & credit	52,050	56,459	59,360	62,776	66,063
Interest earning assets	**63,741**	**68,811**	**72,493**	**76,539**	**80,487**
Tangible assets	1,350	1,390	1,471	1,558	1,651
Other assets	1,631	2,260	2,148	1,874	1,847
Total assets	**66,722**	**72,461**	**76,112**	**79,971**	**83,985**
Customer deposits	44,141	47,780	50,677	53,563	56,281
Borrowing	2,655	2,870	2,667	2,797	2,933
Debentures	12,213	14,183	14,646	15,695	16,824
Interest bearing liabilities	**59,008**	**64,833**	**67,991**	**72,055**	**76,039**
Other liabilities	1,989	2,116	1,510	897	230
Total liabilities	**60,997**	**66,949**	**69,501**	**72,952**	**76,269**
Paid-in capital	985	985	985	985	985
Hybrid securities	520	520	520	520	520
Capital surplus	703	709	709	709	709
Retained earnings	3,425	3,809	4,190	4,597	5,293
Capital adjustment	(56)	(68)	(66)	(66)	(66)
Other accumulated earnings and comprehensive income	4	(40)	12	13	14
Minority interest	144	261	261	261	261
Shareholder equity	**5,725**	**6,175**	**6,611**	**7,018**	**7,715**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Interest income	3,636	3,561	3,710	3,906	4,113
Interest expense	(1,660)	(1,524)	(1,520)	(1,609)	(1,716)
Net interest income before prov.	**1,976**	**2,045**	**2,191**	**2,297**	**2,396**
Loan-loss provisioning	(480)	(483)	(435)	(425)	(425)
Net interest income after prov.	**1,496**	**1,562**	**1,755**	**1,872**	**1,971**
Fee income	79	54	48	49	50
Other non-interest income	161	257	138	134	130
Gross income	1,736	1,809	1,941	2,055	2,152
G&A expenses	(830)	(908)	(893)	(922)	(952)
Operating profit	**906**	**952**	**1,048**	**1,133**	**1,200**
Other non-operating income	2	12	12	12	12
Pre-tax profit	**908**	**964**	**1,060**	**1,145**	**1,212**
Taxes	215	235	291	315	333
Net profit	**693**	**730**	**768**	**830**	**878**
Minority interest	15	20	18	18	18
Net profit (consolidated)	**677**	**710**	**750**	**812**	**860**
Pre-provisioning operating profit	1,386	1,435	1,483	1,558	1,625

Asset quality

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
NPL ratio (below substandard)	0.9	1.2	0.8	0.8	0.8
NPL ratio (below precautionary)	2.5	2.9	2.1	2.1	2.1
NPL coverage ratio (below substandard)	152.2	81.6	98.8	99.7	100.7
NPL coverage ratio (below precautionary)	40.9	27.7	29.1	29.3	29.6
Cumulative provisioning / credit	1.1	0.9	0.9	0.9	0.9
Net write-offs / NPL (below substandard)	96.8	54.0	58.8	55.1	52.4
Net write-offs / credit	0.7	0.6	0.5	0.5	0.5
Loan loss provisioning charges / credit	0.80	0.67	0.61	0.57	0.54

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	1.0	1.0	1.0	1.0	1.0
Return on avg equity	14.0	13.6	13.4	13.5	13.1
Loan growth (bank basis)	5.8	8.5	5.1	5.8	5.2
Deposit growth (bank basis)	2.8	8.2	6.1	5.7	5.1
Asset growth (bank basis)	5.2	8.6	5.0	5.1	5.0
Loans-to-deposit (bank basis)	101.0	98.5	98.5	98.5	98.5
Net interest margin (bank basis)	2.68	2.61	2.67	2.65	2.61
Net interest spread (bank basis)	3.15	3.04	3.09	3.07	3.03
Cost-to-income	37.5	39.6	37.6	37.2	36.9
BIS CAR, total	14.3	14.7	16.3	16.2	16.5
BIS CAR, Tier 1	13.6	14.1	14.3	14.2	14.8
BIS CAR, Tier 2	0.7	0.6	2.0	1.9	1.8
BIS CAR, CET-1	12.2	12.6	12.9	13.0	13.6
Equity-to-assets	8.6	8.5	8.7	8.8	9.2

Source: Company data, Samsung Securities estimates

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	3,483	3,752	4,080	4,556	4,981
BVPS (KRW)	26,019	28,496	31,705	35,014	40,147
DPS (KRW)	995	1,140	1,254	1,379	1,517
Dividend payout ratio (%)	28.0	30.0	30.6	30.2	30.4
Total payout ratio (%)	32.4	45.0	49.3	49.9	49.4

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	1,386	677	3,483	17.1	26,019	4.7	0.6	1.0	14.0	12.2	6.1
2025P	1,435	710	3,752	7.7	28,496	6.8	0.9	1.0	13.6	12.6	4.4
2026E	1,483	750	4,080	8.7	31,705	7.8	1.0	1.0	13.4	12.9	3.9
2027E	1,558	812	4,556	11.7	35,014	7.0	0.9	1.0	13.5	13.0	4.3
2028E	1,625	860	4,981	9.3	40,147	6.4	0.8	1.0	13.1	13.6	4.8

Source: Company data, Samsung Securities estimates

Kakao Bank

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Cash & dues	1,855.4	2,113.4	2,343.0	2,585.6	2,853.3
Financial instruments	15,277.8	20,802.3	23,062.6	25,450.3	28,085.3
Net loans	44,503.8	51,745.6	56,838.9	62,433.4	68,578.7
Interest earning assets	**61,636.9**	**74,661.3**	**82,244.5**	**90,469.3**	**99,517.2**
Other assets	1,168.4	1,748.4	1,792.0	1,836.6	1,882.4
Total assets	**62,805.3**	**76,409.8**	**84,036.5**	**92,306.0**	**101,399.6**
Deposits	54,971.0	68,323.6	75,048.6	82,435.5	90,549.5
Borrowings/debentures/other	0.0	0.0	0.0	0.0	0.0
Interest bearing liabilities	**54,971.0**	**68,323.6**	**75,048.6**	**82,435.5**	**90,549.5**
Other liabilities	1,294.1	1,336.3	1,690.4	1,968.2	2,299.2
Total liabilities	**56,265.2**	**69,659.9**	**76,739.0**	**84,403.7**	**92,848.6**
Paid-in capital	2,384.8	2,385.1	2,385.1	2,385.1	2,385.1
Capital surplus	2,988.2	2,958.9	2,958.9	2,958.9	2,958.9
Retained earnings	1,123.2	1,432.0	1,979.6	2,584.4	3,233.1
Capital adjustment	0.2	0.1	0.1	0.1	0.1
Other	43.7	(26.2)	(26.2)	(26.2)	(26.2)
Total shareholder equity	**6,540.1**	**6,749.9**	**7,297.5**	**7,902.3**	**8,551.0**

Income statement

Year-end Dec 31 (KRWb)	2024	2025P	2026E	2027E	2028E
Net interest income before prov.	**1,269.4**	**1,318.6**	**1,528.0**	**1,672.7**	**1,802.0**
Loan-loss provisioning	(270.5)	(243.8)	(289.2)	(326.6)	(358.7)
Net interest income after prov.	**998.9**	**1,074.8**	**1,238.8**	**1,346.2**	**1,443.3**
Fee income	22.6	24.3	21.7	25.7	30.0
Other non-interest income	78.6	67.7	62.7	72.9	80.4
Gross income	**1,100.1**	**1,166.8**	**1,323.1**	**1,444.7**	**1,553.7**
SG&A expenses	(493.2)	(517.5)	(569.5)	(615.0)	(664.2)
Operating profit	**606.9**	**649.4**	**753.7**	**829.7**	**889.5**
Other non-operating income	(18.0)	(9.3)	(9.6)	(7.9)	(8.2)
Pre-tax profit	**588.9**	**640.0**	**744.1**	**821.8**	**881.3**
Taxes	148.8	159.8	196.4	216.9	232.7
Net profit	**440.1**	**480.3**	**547.6**	**604.8**	**648.7**
Pre-provisioning operating profit	877.4	893.2	1,042.8	1,156.3	1,248.2

Per-share data

Year-end Dec 31 (KRW)	2024	2025P	2026E	2027E	2028E
EPS (KRW)	923	1,007	1,148	1,268	1,360
BVPS (KRW)	13,352	13,701	14,729	15,937	17,927
DPS (KRW)	360	450	570	630	680
Dividend payout ratio (%)	39.0	45.0	50.0	50.0	50.0
Total payout ratio (%)	39.0	45.0	50.0	50.0	50.0

Key ratios

Year-end Dec 31 (%)	2024	2025P	2026E	2027E	2028E
Return on avg assets	0.8	0.7	0.7	0.7	0.7
Return on avg equity	7.0	7.2	7.8	8.0	7.9
Loan growth	15.1	16.3	9.8	9.8	9.8
Deposit growth	16.6	24.3	9.8	9.8	9.8
Asset growth	15.3	21.7	10.0	9.8	9.9
Loans-to-deposit (KRW-denominated)	81.0	75.7	75.7	75.7	75.7
Net interest margin	2.2	1.9	1.9	1.9	1.9
Cost-to-income	56.2	57.9	54.6	53.2	53.2
BIS CAR, total	27.2	23.2	21.8	21.0	20.2
BIS CAR, Tier 1	26.1	22.0	20.8	20.1	19.4
BIS CAR, CET-1	26.1	22.0	20.8	20.1	19.4
Equity-to-assets	10.4	8.8	8.7	8.6	8.4

Source: Company data, Samsung Securities estimates

Year-end Dec 31	Pre-prov operating profit (KRWb)	Net profit (KRWb)	FD EPS (KRW)	Chg (%)	Adj. BVPS (KRW)	P/E (x)	P/B (x)	ROA (%)	ROE (%)	CET-1 (%)	Div. yield (%)
2024	877.4	440.1	923	24.0	13,352	22.8	1.6	0.8	7.0	26.1	1.7
2025P	893.2	480.3	1,007	9.1	13,701	21.5	1.6	0.7	7.2	22.0	2.1
2026E	1,042.8	547.6	1,148	14.0	14,729	23.6	1.8	0.7	7.8	20.8	2.1
2027E	1,156.3	604.8	1,268	10.4	15,937	21.4	1.7	0.7	8.0	20.1	2.3
2028E	1,248.2	648.7	1,360	7.2	17,927	20.0	1.5	0.7	7.9	19.4	2.5

Source: Company data, Samsung Securities estimates

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- As of 2/27 2026, iM Financial Group served as a trustee for the company covered in this report to acquire and dispose of its own shares.
- As of 2/27 2026, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 2/27 2026, Samsung Securities' holdings of shares and debt instruments convertible into shares of each company covered in this report would not, if such debt instruments were converted, exceed 1% of each company's outstanding shares.
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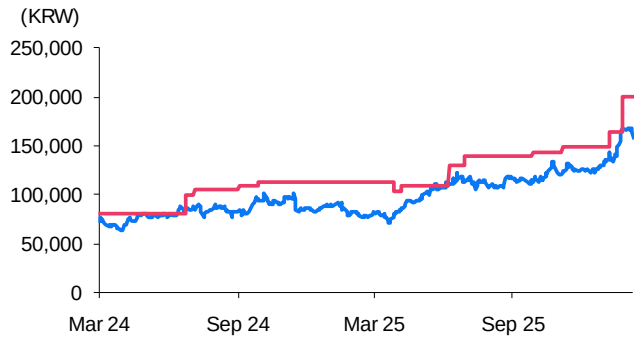
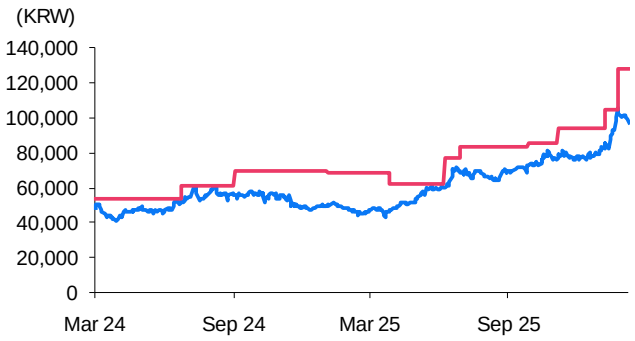
Target price changes in past two years

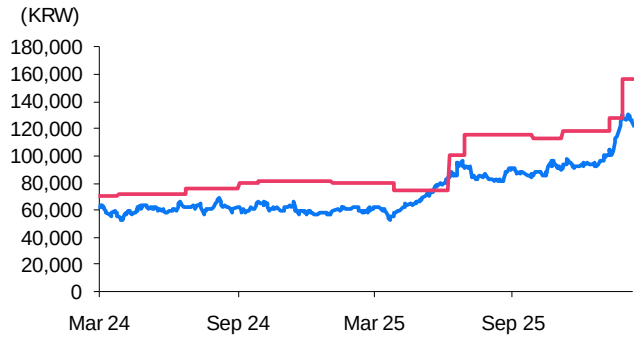
KB Financial Group



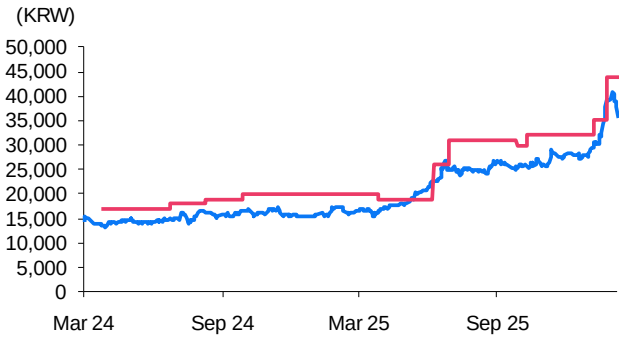
Shinhan Financial Group



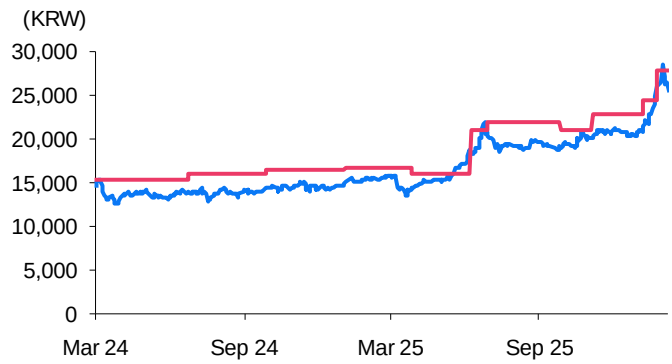
Hana Financial Group



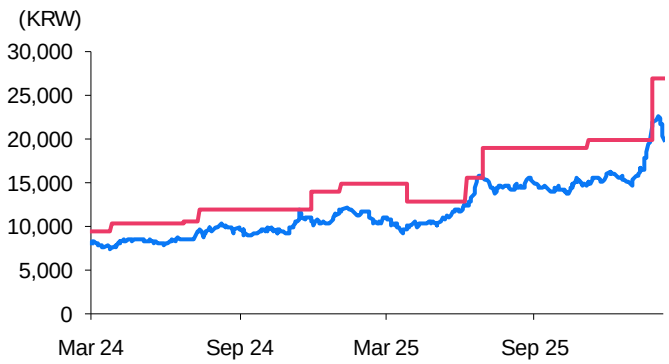
Woori Financial Group



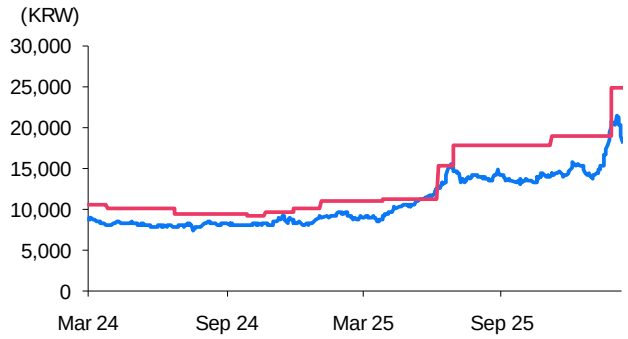
IBK



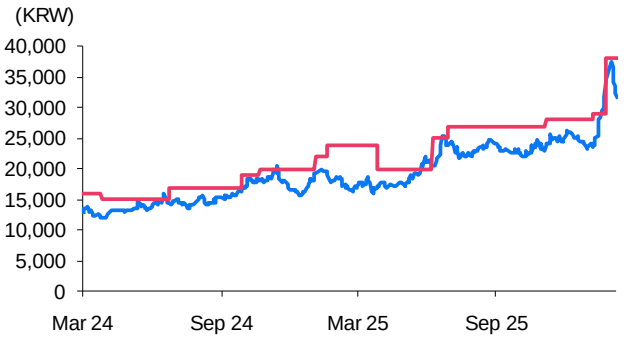
BNK Financial Group



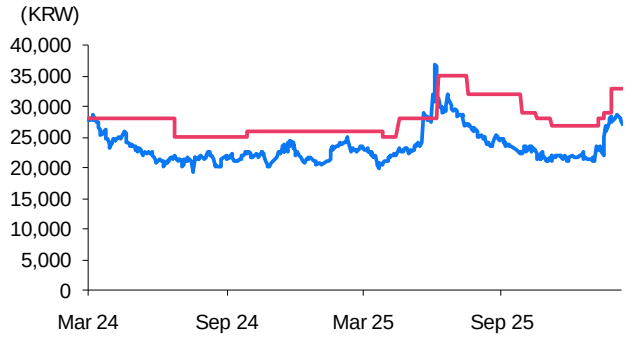
iM Financial Group



JB Financial Group



Kakao Bank



Rating changes over past two years (adjusted share prices)

KB Financial Group												
Date	2024/2/8	3/5	7/12	7/24	9/23	10/17	2025/4/15	4/25	6/27	7/18	10/17	11/25
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	70000	80000	100000	105000	110000	113000	104000	110000	130000	140000	143000	150000
Gap* (average)	-5.92	-5.45	-14.59	-19.39	-21.04	-23.75	-20.54	-8.40	-11.01	-19.36	-14.92	-14.99
(max or min)**	-0.43	10.25	-11.70	-13.52	-11.64	-10.44	-18.27	2.09	-6.15	-14.57	-5.80	-8.80
Date	2026/1/27	2/13										
Recommendation	BUY	BUY										
Target price (KRW)	165000	200000										
Gap* (average)	-11.40											
(max or min)**	2.12											
Shinhan Financial Group												
Date	2024/2/8	3/5	7/12	9/23	2025/1/23	4/15	6/27	7/18	10/17	11/25	2026/1/27	2/13
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	50000	54000	61000	70000	69000	62000	77000	83000	86000	94000	105000	128000
Gap* (average)	-13.28	-13.16	-7.88	-24.09	-31.23	-11.85	-12.80	-17.74	-11.41	-16.22	-12.96	
(max or min)**	-9.90	-0.93	0.66	-17.00	-25.94	-1.61	-6.75	-12.41	-5.35	-10.74	0.95	
Hana Financial Group												
Date	2024/1/31	3/5	4/15	7/12	9/23	10/17	2025/1/23	4/15	6/27	7/18	10/17	11/25
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	56000	70000	72000	76000	80000	81000	80000	74000	101000	115000	113000	119000
Gap* (average)	-0.29	-14.66	-16.33	-17.99	-23.57	-25.40	-24.86	-5.81	-10.23	-25.24	-20.20	-20.43
(max or min)**	7.50	-7.71	-8.06	-9.47	-17.75	-17.90	-21.75	12.84	-4.46	-19.57	-14.69	-14.96
Date	2026/1/27	2/13										
Recommendation	BUY	BUY										
Target price (KRW)	128000	156000										
Gap* (average)	-11.60											
(max or min)**	1.56											
Woori Financial Group												
Date	2024/4/15	7/12	8/29	10/17	2025/4/15	6/27	7/18	10/17	10/30	2026/1/27	2/13	
Recommendation	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	
Target price (KRW)	17000	18000	19000	20000	19000	26000	31000	30000	32000	35000	44000	
Gap* (average)	-15.86	-14.71	-16.59	-19.10	-0.72	-6.09	-18.43	-13.88	-14.42	-5.74		
(max or min)**	-12.47	-7.78	-12.79	-12.90	18.68	2.88	-13.39	-12.67	-7.66	11.86		
IBK												
Date	2024/2/8	3/5	7/12	10/17	2025/1/23	4/15	6/27	7/18	10/17	11/25	2026/1/27	2/13
Recommendation	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD
Target price (KRW)	14600	15400	16000	16500	16800	16000	21000	22000	21000	23000	24600	28000
Gap* (average)	-6.50	-10.19	-13.03	-11.68	-9.61	-0.86	-5.01	-11.84	-5.60	-9.51	-5.95	
(max or min)**	-3.84	1.95	-9.25	-8.06	-5.95	17.44	4.76	-7.95	-1.19	-7.17	6.30	
BNK Financial Group												
Date	2023/10/17	2024/3/5	4/15	7/12	7/31	12/18	2025/1/23	4/15	6/27	7/18	11/25	2026/2/13
Recommendation	HOLD	HOLD	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	8000	9400	10400	10500	12000	14000	15000	13000	15600	19000	20000	27000
Gap* (average)	-9.77	-15.65	-19.85	-16.59	-18.16	-22.55	-27.38	-16.06	-8.05	-22.78	-19.30	
(max or min)**	0.25	-11.06	-15.38	-9.43	-1.00	-14.57	-18.93	-2.23	2.24	-17.79	7.25	

iM Financial Group												
Date	2023/10/17	2024/3/5	4/15	7/12	10/17	11/11	12/18	2025/1/23	4/15	6/27	7/18	11/25
Recommendation	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	BUY	BUY	BUY
Target price (KRW)	10000	10700	10100	9500	9300	9800	10200	11000	11300	15400	18000	19000
Gap* (average)	-14.77	-18.37	-19.25	-14.48	-11.94	-12.15	-16.48	-16.85	-4.73	-7.91	-22.67	-20.20
(max or min)**	-2.00	-13.08	-14.46	-11.05	-11.08	-4.80	-10.29	-11.18	11.33	0.71	-17.44	6.58
Date	2026/2/13											
Recommendation	BUY											
Target price (KRW)	25000											
Gap* (average)												
(max or min)**												

JB Financial Group												
Date	2024/2/7	3/5	4/15	7/12	10/17	11/11	2025/1/23	2/7	4/15	6/27	7/18	11/25
Recommendation	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD
Target price (KRW)	13000	16000	15000	17000	19000	20000	22000	24000	20000	25000	27000	28000
Gap* (average)	-1.56	-18.57	-8.89	-12.61	-6.18	-10.99	-11.17	-27.13	-7.02	-7.20	-14.05	-11.68
(max or min)**	4.92	-12.44	5.73	-2.94	-2.74	2.25	-10.14	-22.04	9.50	1.40	-7.78	-6.07
Date	2026/1/27	2/13										
Recommendation	HOLD	HOLD										
Target price (KRW)	29000	38000										
Gap* (average)	-3.39											
(max or min)**	17.41											

Kakao Bank												
Date	2024/1/17	7/12	10/17	2025/4/15	5/7	6/27	8/6	10/17	11/5	11/25	2026/1/27	2/4
Recommendation	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD
Target price (KRW)	28000	25000	26000	25000	28000	35000	32000	29000	28000	27000	28000	29000
Gap* (average)	-9.02	-14.31	-14.15	-13.63	-6.99	-16.34	-23.19	-20.16	-22.51	-19.53	-17.71	-6.06
(max or min)**	-27.68	-9.40	-3.27	-10.80	32.14	-8.57	-15.00	-18.45	-19.46	-12.96	-15.71	-1.55
Date	2/13											
Recommendation	HOLD											
Target price (KRW)	33000											
Gap* (average)												
(max or min)**												

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

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Industry

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UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

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