

2020 1Q **Financial Results**

2020.04.28



BNK Financial Group

Contents

I. 2020 1Q Group Highlights

1. Highlights – Profitability	3
2. Highlights – Profitability, Growth	4
3. Highlights – Asset Quality, Capital Adequacy	5
4. Group Structure	6

II. Profitability

1. Group Earning Results	8
2. Subsidiaries Earning Results	9
3. Banks Earning Results	10
4. Banks NIM	12
5. SG&A	13

III. Growth

1. Group Assets	15
2. Banks Loans / Deposits	16

IV. Asset Quality

1. Group Asset Quality	19
2. Banks Asset Quality	20
3. Group Provisioning	22
4. Banks Provisioning / Write-offs & NPL Sales	23

V. Capital Adequacy

1. Capital Adequacy	26
---------------------	----

VI. Appendix

1. Banks KRW Loan Portfolio	28
2. Cyclical Sector	29
3. BNK Capital	30
4. Group Networks & Major Industries	32

DISCLAIMER

The financial information presented herein is prepared on the basis of pre-audited financial of BNK Financial Group and is based upon the plans, strategies and expectations of the FG's management. All information described in this presentation should be treated as forward looking statements that are subject to risks and uncertainties. Actual results could vary materially from the expectations reflected in this presentation, thus the statements presented herein do not purport to be a complete description of the group's operations or future developments. Readers are cautioned not to place under reliance on these statements, which speak only as of the date of this presentation BNK Financial Group does not undertake any obligation to publicly release any revisions to these statements to reflect any future events.

- KNB has been added October 10, 2014, with earnings consolidated starting from 4Q of 2014. As of June 4, 2015, KNB has become a 100% subsidiary of BNK Financial Group
- AM has been added July 28, 2015, and earnings will be consolidated starting from August 2015

I . 2020 1Q Group Highlights

- | | |
|--|----------|
| 1. Highlights – Profitability | 3 |
| 2. Highlights – Profitability, Growth | 4 |
| 3. Highlights – Asset Quality, Capital Adequacy | 5 |
| 4. Group Structure | 6 |

1. Highlights – Profitability

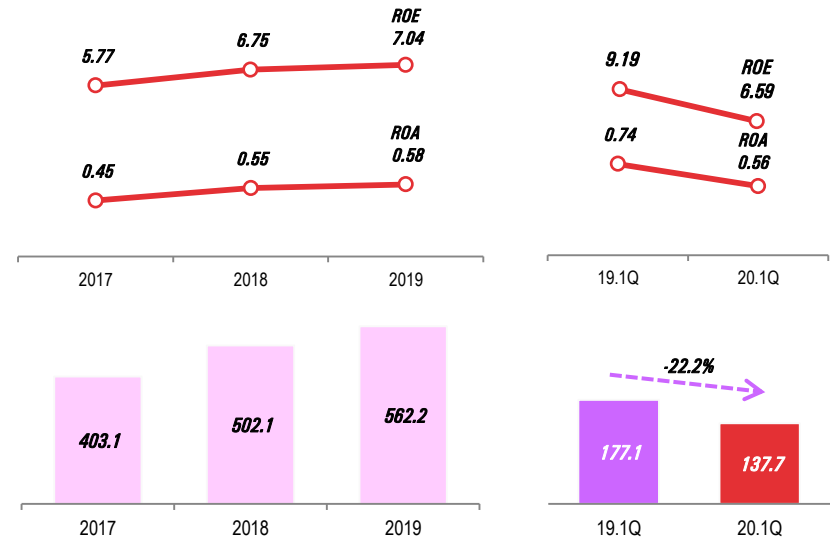
Profitability – Group Net Income

(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Net Interest Income	536.5	557.9	-3.8	528.7	1.5
Net Fee Income	68.6	53.9	27.3	49.9	37.5
Others	11.7	36.9	-68.3	-22.2	Net Gain
SG&A(-)	327.6	308.1	6.3	336.2	-2.6
Provision Expense(-)	83.2	92.8	-10.3	152.1	-45.3
Net Income	148.5	187.0	-20.6	38.4	285.7
Net Income in Controlling Interest	137.7	177.1	-22.2	33.0	317.3

- 2020 1Q Group NI 137.7 KRW bn, down by 22.2% YoY**
 - Even with lower provision expense based on slower NPL formation, decrease in interest income & gains on securities, exclusion of BSB's large one-off provision writeback(-32.2 KRW bn) led to decreased earnings
- Group Fee Income 68.6 KRW bn, up by 27.3% YoY**
 - Growth in Subsidiaries' PF Fee Income
- Group Other Income 11.7 KRW bn, down by 68.3 YoY**
 - Decrease in gains on securities & Capital's NPL Sale gains
- Group SG&A 327.6 KRW bn, up by 6.3% YoY**
- Group Provision Expense 83.2 KRW bn, down by 10.3% YoY**
 - Stricter control over AQ while slower NPL formation continuing etc.

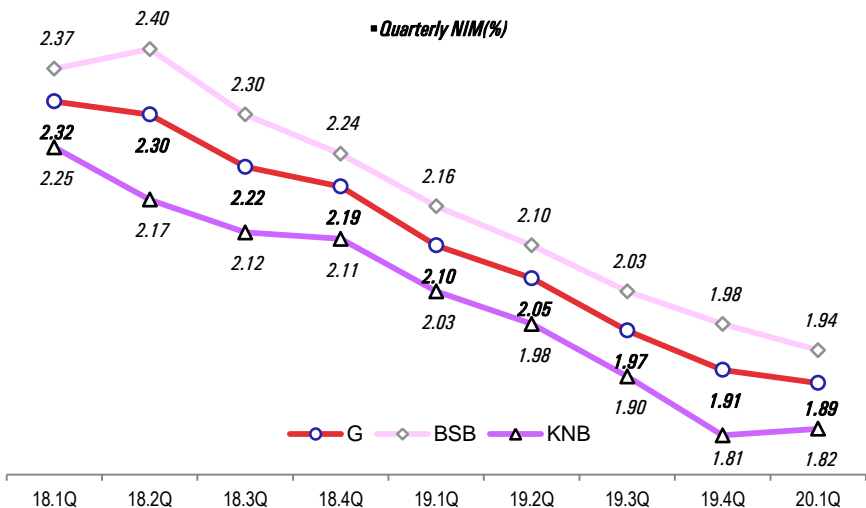
Profitability – Group Subsidiaries Net Income, Group ROA, ROE, Group Net Income Trend

(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
BSB	87.4	113.1	-22.7	18.9	362.4
KNB	47.4	62.5	-24.2	19.1	148.2
Capital	19.2	15.4	24.7	19.5	-1.5
Securities	6.8	7.0	-2.9	1.9	257.9
MSB	4.2	5.7	-26.3	4.5	-6.7
AM	-4.0	0.4	Net Loss	1.2	Net Loss



2. Highlights – Profitability, Growth

Profitability, Growth – Quarterly NIM, Total Assets, Banks KRW Loans



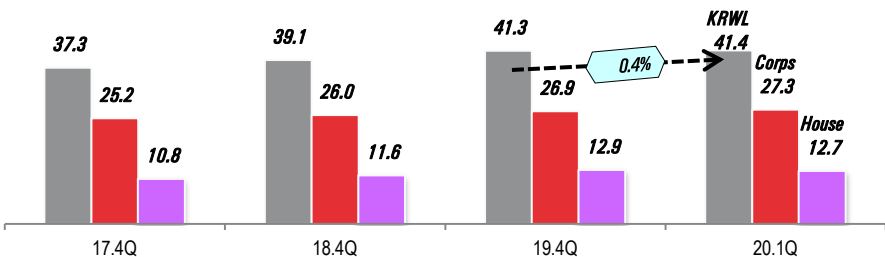
20.1Q Group NIM 1.89%, dropped by 2bps QoQ

- Even with continued decrease in loan yields, growth in core deposits / reductions in funding costs have led to improving NIS, resulting in a limited NIM decrease
- Banks NIM : BSB 1.94%(QoQ ↓ 4bps), KNB 1.82%(QoQ ↑ 1bps)

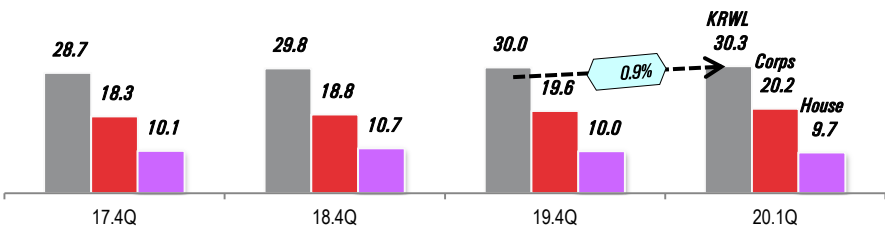
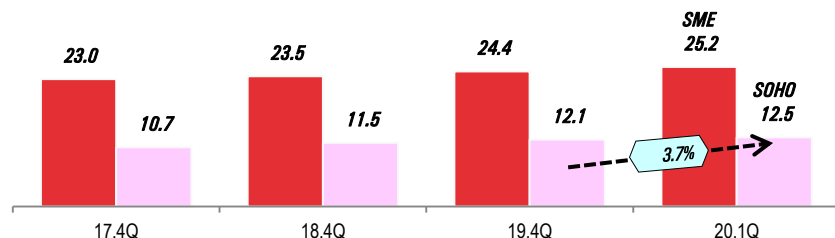
Corporate loan growth continues, while maturing group loans limit KRW loan growth

- BSB KRW Loan Growth +0.4% YTD
⇒ Maturing group loans & PF Loan repayments (Corporate +1.6%, Household -1.8% YTD)
- KNB KRW Loan Growth +0.9% YTD
⇒ SME loan led the growth, even with maturing group loans (Corporate +2.9%, Household -2.9% YTD)

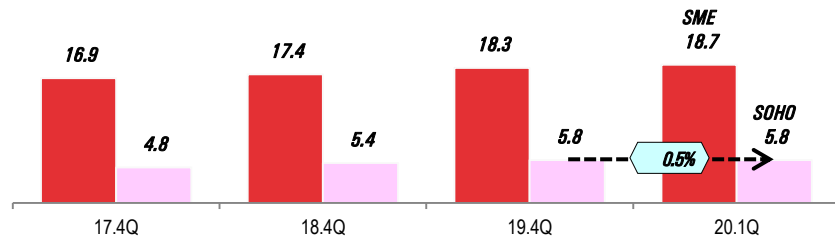
Banks KRW Loans & Breakdown (KRW tn)



BSB

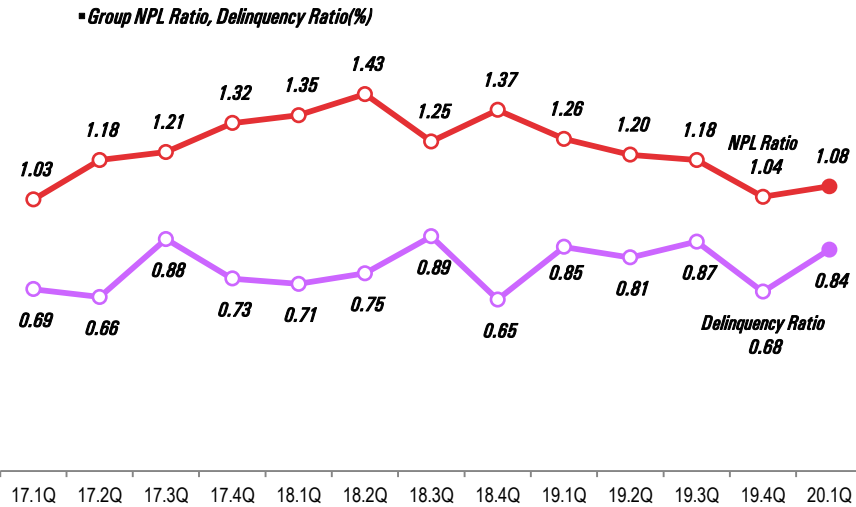


KNB



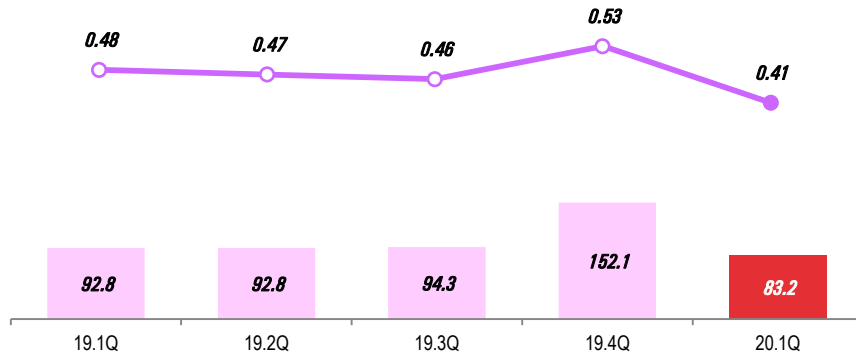
3. Highlights – Asset Quality, Capital Adequacy

Asset Quality, Capital Adequacy – NPL & Delinquency Ratio, Group Capital Adequacy

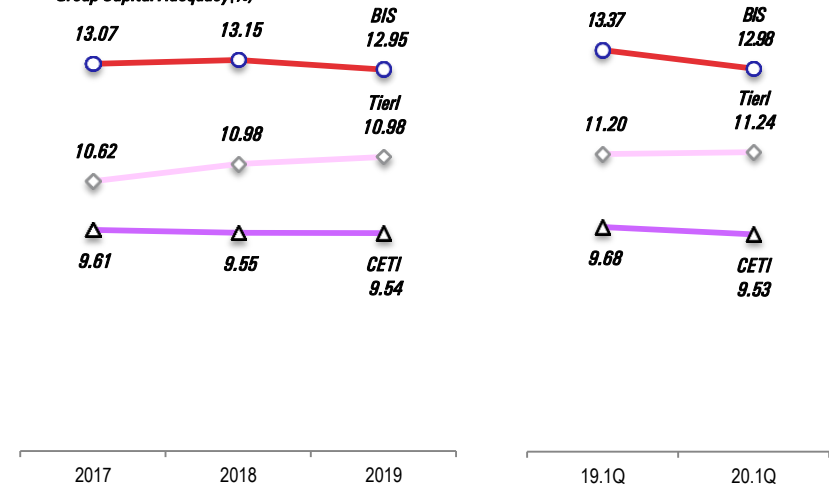


- Group NPL & Delinquency Ratio 1.08%, 0.84% each, up by 4 bps, 16bps YTD
 - While stricter control over AQ with slower NPL formation continued, the absence of NPL Sales & newly formed NPLs led the slight increase
 - NPL Ratio : BSB 0.87%(QoQ 0bps), KNB 1.10%(QoQ + 14bps)
 - Delinquency Ratio : BSB 0.66%(QoQ + 23bps), KNB 0.84%(QoQ + 15bps)
- Group Credit Cost 41bps, down by 7bps YoY
 - Slower NPL formation etc.
- Group CET1 9.53%
 - RWA growth with KRW Loan growth led the minimal decrease YTD

Group Provision Expense(KRW bn), Group Credit Cost(Accumulated, %)



Group Capital Adequacy(%)



4. Group Structure

BNKFG

Establishment : 2011.03.15

Total Assets : 129,994.6

Net Income : 137.7

Employees : 8,257

(%, KRW bn, Accumulated)

BSB

Est : 1967.10.10
Branches : 257
Employees : 3,884

Share's Owned

100%

Tot. Assets

71,257.5

Net Income

87.4

KNB

Est : 1970.05.22
Add : 2014.10.10
Branches : 184
Employees : 2,902

Share's Owned

100%

Tot. Assets

49,114.3

Net Income

47.4

Capital

Est : 2010.07.15
Branches : 19
Employees : 568

Share's Owned

100%

Tot. Assets

5,766.3

Net Income

19.2

Securities

Est : 1997.06.02
Sec. Add : 2009.11
Branches : 4
Employees : 273

Share's Owned

100%

Tot. Assets

2,728.0

Net Income

6.8

MSB

Est : 2011.12.13
Branches : 7
Employees : 131

Share's Owned

100%

Tot. Assets

1,057.8

Net Income

4.2

AM

Est : 2008.07.15
Add : 2015.07.28
Employees : 62

Share's Owned

100%

Tot. AUM

6,117.8

Net Income

-4.0

Credit Info.

Est : 2003.06.17
Indus. : Collection
Employees : 95

Share's Owned

100%

Tot. Assets

11.6

Net Income

0.3

System

Est : 2011.05.20
Indus. : IT
Employees : 215

Share's Owned

100%

Tot. Assets

19.0

Net Income

0.3

Venture Capital

Est : 2009.03.24
Add : 2019.11.05
Employees : 9

Share's Owned

100%

Tot. Assets

18.7

Net Income

-0.1

Affiliates

Cambodia

Est : 14.03.07
Employees : 194
Share's Owned : 100%
Assets : 36.5 KRW bn
2015.06 Start

Myanmar

Est : 14.03.21
Employees : 574
Share's Owned : 99.9%
Assets : 59.2 KRW bn
2014.12 Start

Lao PDR

Est : 15.04.24
Employees : 33
Share's Owned : 97%
Assets : 29.9 KRW bn
2015.07 Start

Kazakhstan

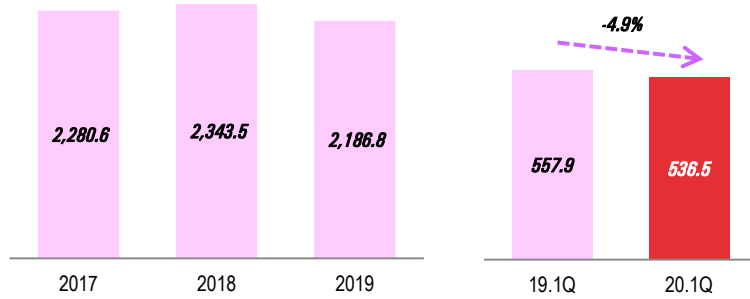
Est : 18.06.01
Employees : 28
Share's Owned : 100%
Assets : 11.0 KRW bn
2018.11 Start

II . Profitability

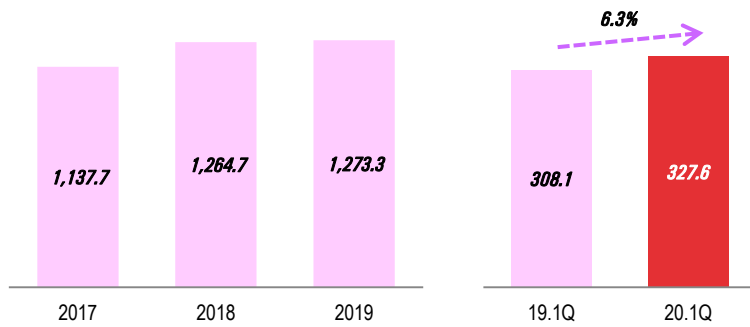
<i>1. Group Earning Results</i>	<i>8</i>
<i>2. Subsidiaries Earning Results</i>	<i>9</i>
<i>3. Banks Earning Results</i>	<i>10</i>
<i>4. Banks NIM</i>	<i>12</i>
<i>5. SG&A</i>	<i>13</i>

1. Group Earning Results

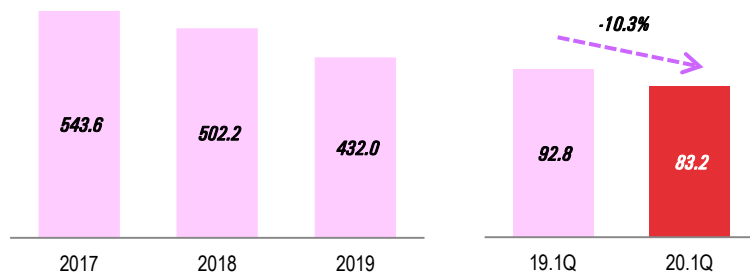
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



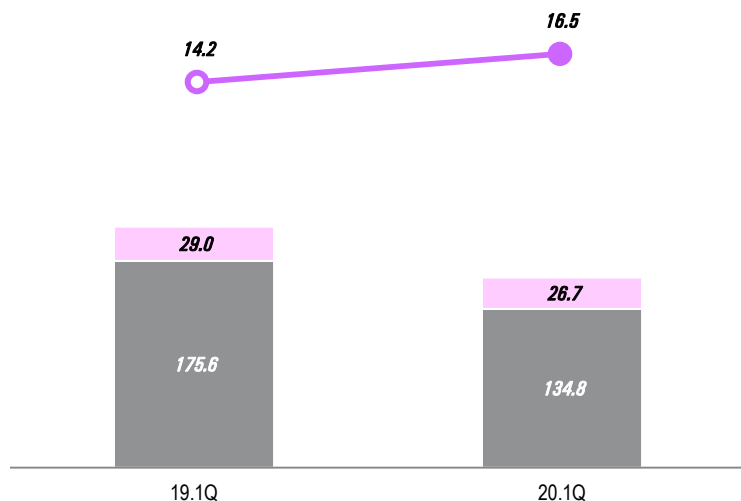
Provisioning(% , KRW bn)



(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Net Interest Income	536.5	557.9	-3.8	528.7	1.5
Net Fee Income	68.6	53.9	27.3	49.9	37.5
Others	11.7	36.9	-68.3	-22.2	Net Gain
SG&A(-)	327.6	308.1	6.3	336.2	-2.6
Provision Expense(-)	83.2	92.8	-10.3	152.1	-45.3
Non-Operating Income	-11.0	0.8	Net Loss	-12.3	-
Earnings Before Income Tax	195.0	248.6	-21.6	55.8	249.5
Income Tax Expense(-)	46.5	61.6	-24.5	17.3	168.8
Net Income(A)	148.5	187.0	-20.6	38.5	285.7
Net Income in Non-Controlling Interest(B)	10.8	9.9	9.1	5.5	96.4
Net Income in Controlling Interest(C) (C) = (A) - (B)	137.7	177.1	-22.2	33.0	317.3

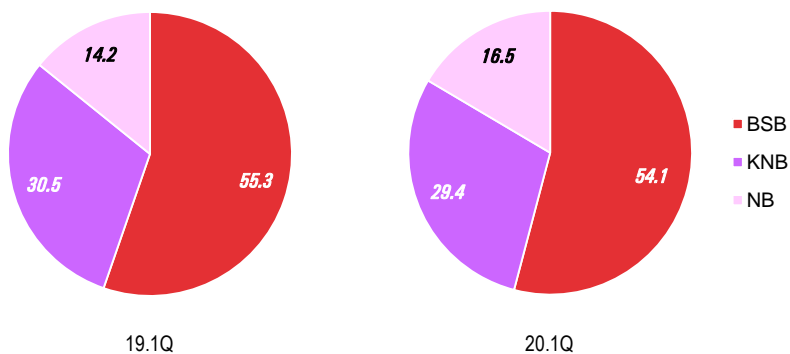
2. Subsidiaries Earning Results

Non-Bank Net Income Contribution(% , KRW bn)



- 1) Exclude Holding Corps. & Unconsolidated Portion
- 2) Include Non-Controlling Interest

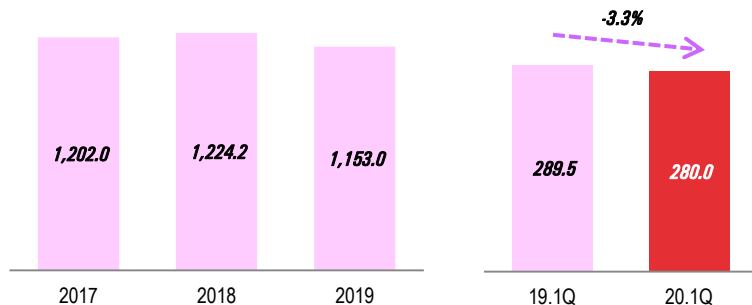
Banks & Non-Bank Net Income Portion(%)



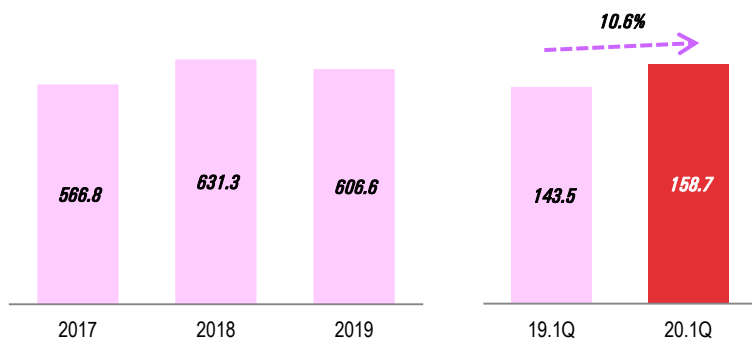
(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Bank(A)	134.8	175.6	-23.2	38.0	254.7
BSB	87.4	113.1	-22.7	18.9	362.4
KNB	47.4	62.5	-24.2	19.1	148.2
Non-Bank(B)	26.7	29.0	-7.9	28.2	-5.3
Capital	19.2	15.4	24.7	19.5	-1.5
Securities	6.8	7.0	-2.9	1.9	257.9
MSB	4.2	5.7	-26.3	4.5	-6.7
AM	-4.0	0.4	Net Loss	1.2	Net Loss
Credit Info	0.3	0.2	50.0	0.4	-25.0
System	0.3	0.3	0.0	0.2	50.0
Venture Capital	-0.1	-	-	0.5	Net Loss
Financial Group & Unconsolidated Portion(C)	-13.0	-17.6	-	-27.7	-
Net Income in Non-Controlling Interest(D)	10.8	9.9	9.1	5.5	96.4
Net Income in Controlling Interest(E) (E = A + B + C - D)	137.7	177.1	-22.2	33.0	317.3

3. Banks Earning Results - BSB

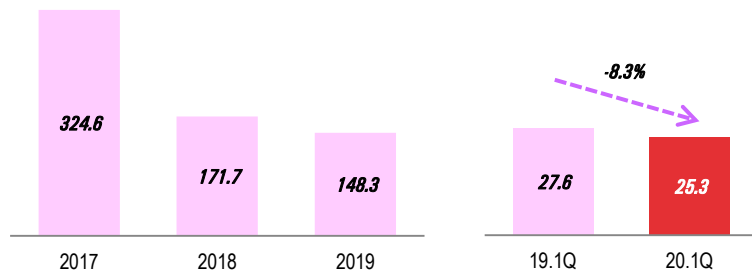
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



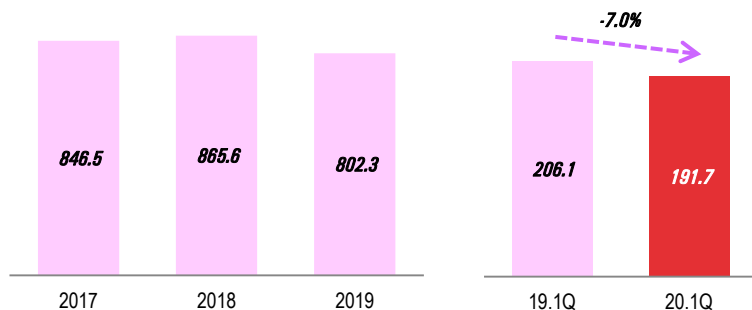
Provision Expense(% , KRW bn)



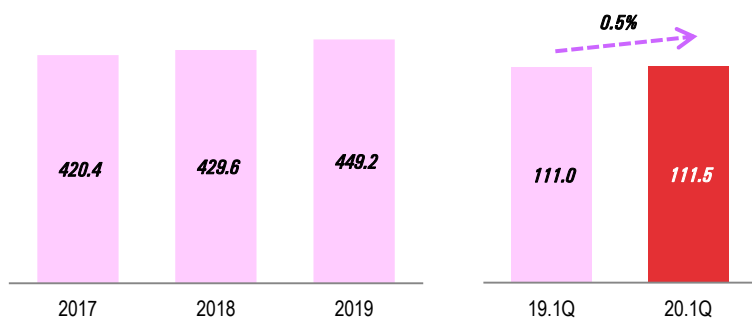
(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Net Interest Income	280.0	289.5	-3.3	286.6	-2.3
Net Fee Income	17.0	18.5	-8.1	14.5	17.2
Fees from Trust Account	4.2	5.6	-25.0	4.4	-4.5
Others	6.3	10.8	-41.7	-29.5	Net Gain
SG&A(-)	158.7	143.5	10.6	162.3	-2.2
Provision Expense(-)	25.3	27.6	-8.3	80.1	-68.4
Net Operating Income	123.5	153.3	-19.4	33.6	267.6
Non-Operating Income	-10.7	-4.8	-	-5.2	-
Earnings Before Income Taxes	112.8	148.5	-24.0	28.4	297.2
Income Tax Expenses(-)	25.4	35.4	-28.2	9.5	167.4
Net Income	87.4	113.1	-22.7	18.9	362.4

3. Banks Earning Results - KNB

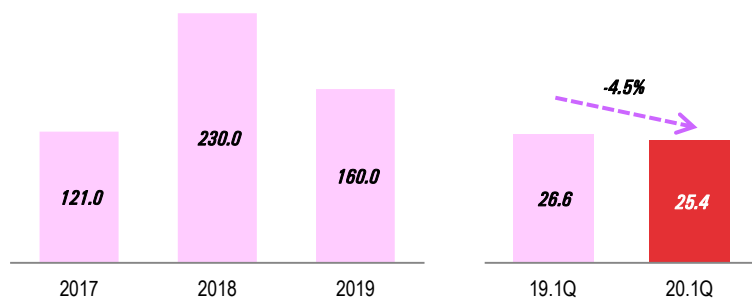
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



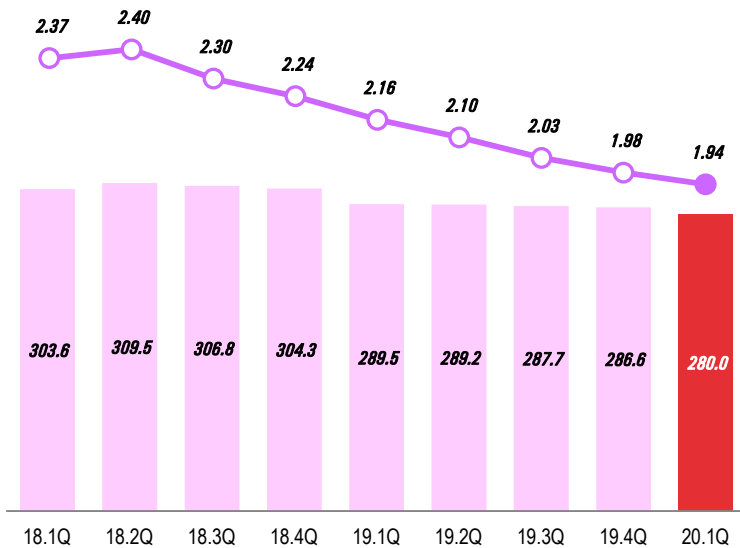
Provision Expense(% , KRW bn)



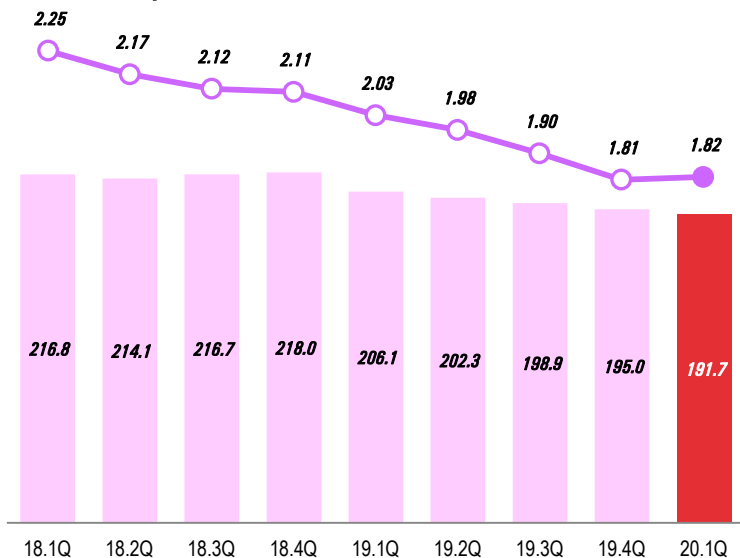
(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Net Interest Income	191.7	206.1	-7.0	195.0	-1.7
Net Fee Income	16.6	14.2	16.9	10.5	58.1
Fees from Trust Account	2.3	2.1	9.5	2.1	9.5
Others	-12.4	-8.4	-	-16.4	-
SG&A(-)	111.5	111.0	0.5	118.9	-6.2
Provision Expense(-)	25.4	26.6	-4.5	44.8	-43.3
Net Operating Income	61.3	76.4	-19.8	27.5	122.9
Non-Operating Income	-0.4	4.4	Net Loss	-4.1	-
Earnings Before Income Taxes	60.9	80.8	-24.6	23.4	160.3
Income Tax Expenses(-)	13.5	18.3	-26.2	4.3	214.0
Net Income	47.4	62.5	-24.2	19.1	148.2

4. Banks NIM

BSB Quarterly Interest Income & NIM (% , KRW bn)



KNB Quarterly Interest Income & NIM(% , KRW bn)



BSB

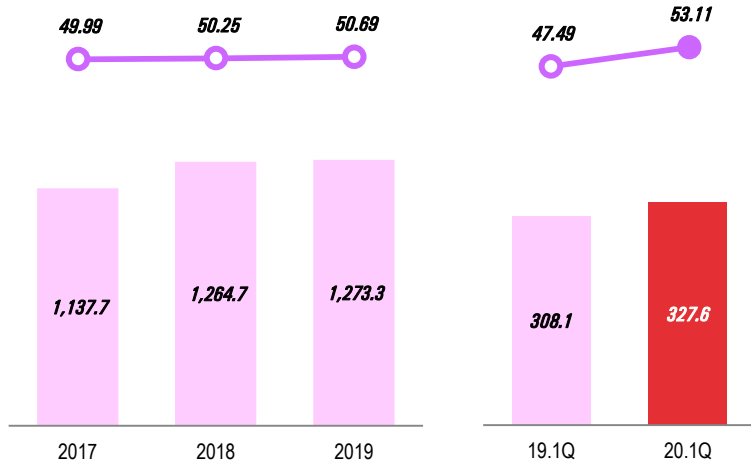
(% , KRW tn)	20.1Q	19.4Q	19.3Q	19.2Q	19.1Q
Quarterly NIM	1.94	1.98	2.03	2.10	2.16
Quarterly NIS	2.20	2.23	2.31	2.38	2.46
Interest Rate on KRW Loans	3.47	3.60	3.76	3.91	4.00
Interest Rate paid on KRW Deposits	1.27	1.37	1.45	1.53	1.54
Average Interest Earning Assets	51.1	50.9	50.2	49.6	48.7
Accumulated NIM	1.94	2.06	2.09	2.13	2.16

KNB

(% , KRW tn)	20.1Q	19.4Q	19.3Q	19.2Q	19.1Q
Quarterly NIM	1.82	1.81	1.90	1.98	2.03
Quarterly NIS	2.07	2.02	2.12	2.22	2.26
Interest Rate on KRW Loans	3.51	3.57	3.76	3.93	3.97
Interest Rate paid on KRW Deposits	1.45	1.55	1.64	1.71	1.71
Average Interest Earning Assets	36.5	36.8	36.1	35.7	35.9
Accumulated NIM	1.82	1.93	1.97	2.01	2.03

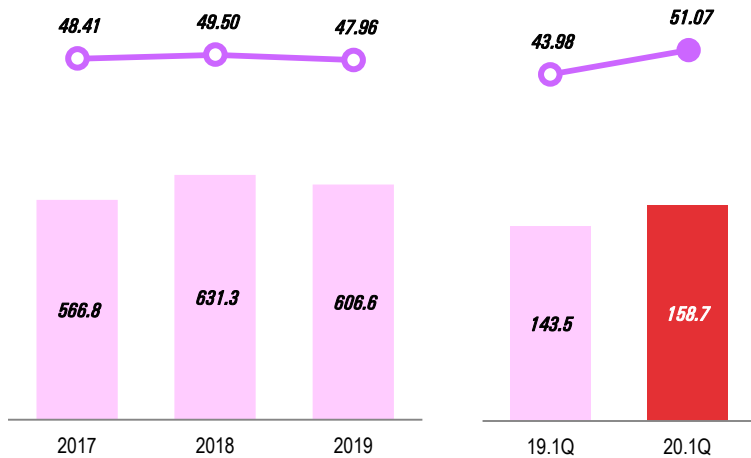
5. SG&A

□ Group SG&A & CIR (% , KRW bn)

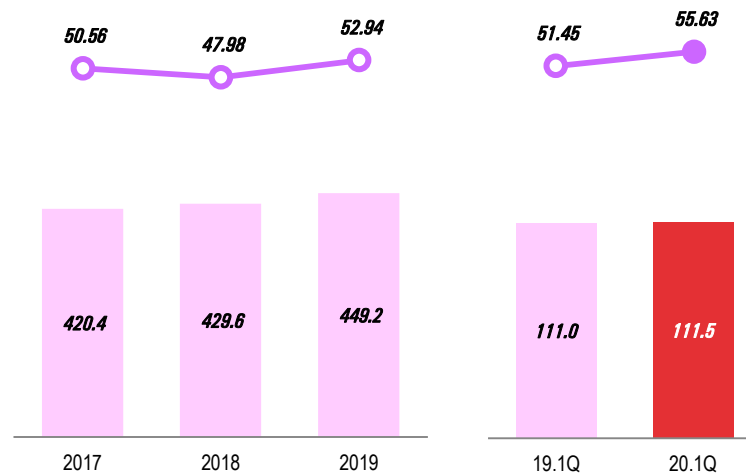


(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
SG&A	327.6	308.1	6.3	336.2	2.6
CIR	53.11	47.49	5.62		

□ BSB SG&A & CIR (% , KRW bn)



□ KNB SG&A & CIR (% , KRW bn)

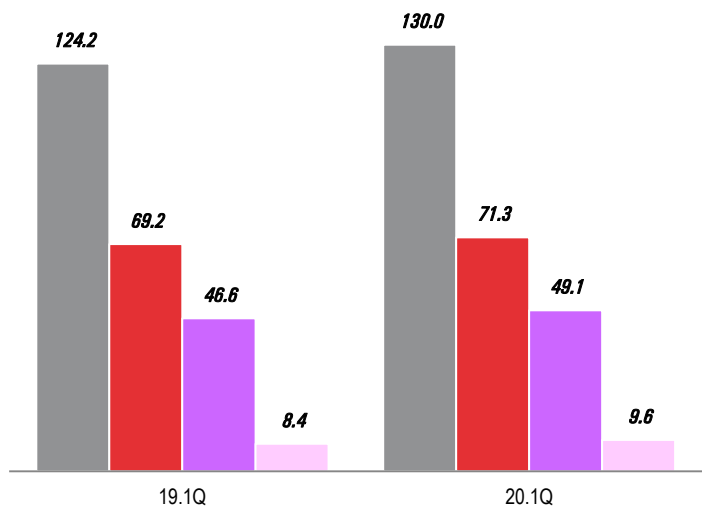


III. *Growth*

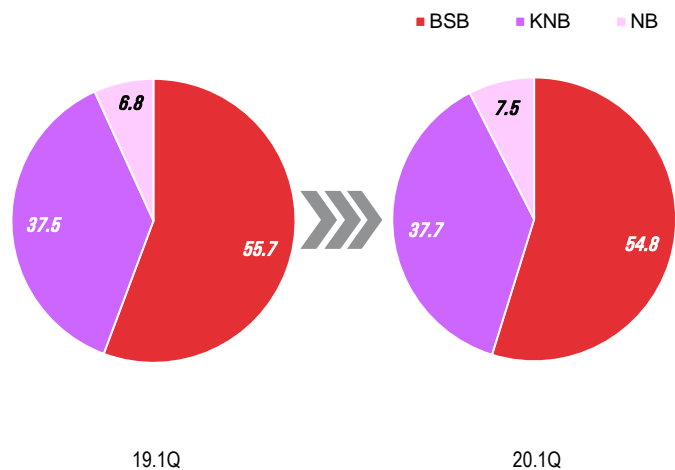
- | | |
|---|-----------|
| 1. <i>Group Assets</i> | 15 |
| 2. <i>Banks Loans / Deposits</i> | 16 |

1. Group Assets

☐ Total Assets(KRW tn)



☐ Banks & Non-Banks Portion(%)

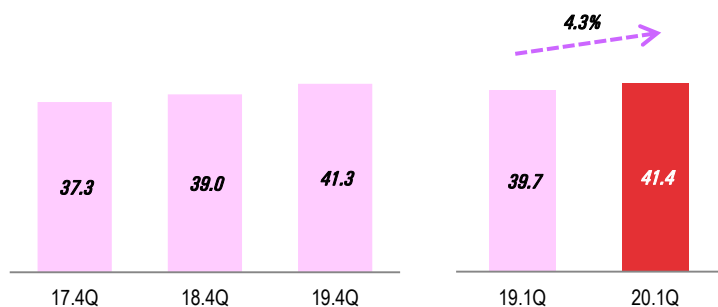


☐ Group Total Assets

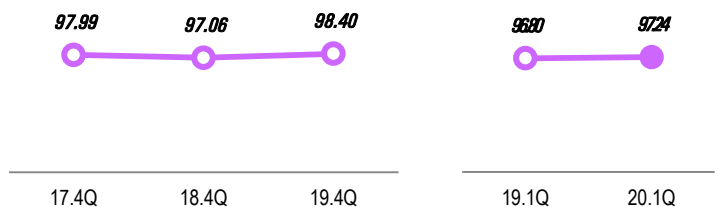
(KRW bn, %)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Bank	120,371.8	11,5742.2	4.0	118,918.8	1.2
BSB	71,257.5	69,169.7	3.0	70,591.4	0.9
KNB	49,114.3	46,572.5	5.5	48,327.4	1.6
Non-Bank	9,680.1	8,489.3	14.0	9,005.1	7.5
Capital	5,766.3	4,933.4	16.9	5,425.3	6.3
Securities	2,728.0	2,400.0	13.7	2,372.1	15.0
MSB	1,057.8	1,057.2	0.1	1,084.7	-2.5
Asset Mgt.	78.7	73.9	6.5	77.8	1.2
Credit Info	11.6	10.5	10.5	11.5	0.9
System	19.0	14.3	32.9	15.0	26.7
Venture Capital	18.7	-	-	18.7	0.0
Financial Group & Unconsolidated Portion	-57.3	-30.5	-	-26.0	-
Group Total Assets	129,994.6	124,201.0	4.7	127,897.9	1.6

2. Banks Loans / Deposits - BSB

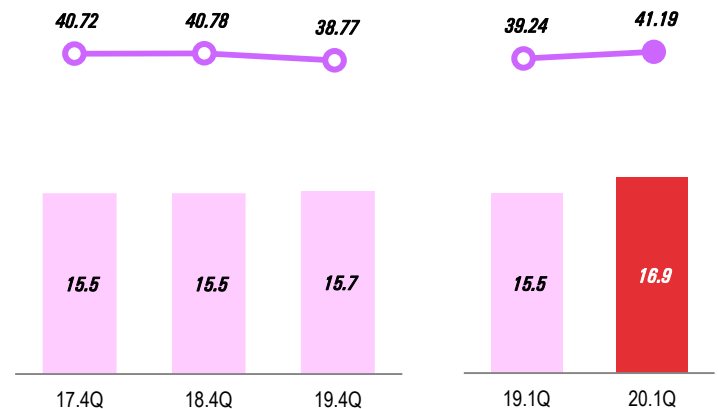
□ KRW Loans(% , KRW tn)



□ LDR(%)



□ Low Cost Deposits & Ratio(% , KRW tn)



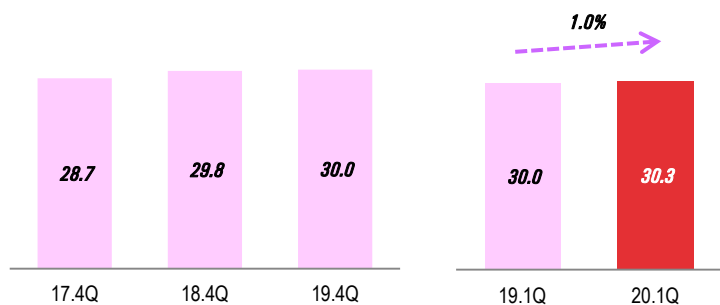
(KRW bn, %, Balance)	20.1Q	19.1Q	YoY	19.4Q	QoQ
KRW Loans¹⁾	41,435.6	39,743.3	4.3	41,275.5	0.4
Corporate	27,283.3	26,625.3	2.5	26,855.2	1.6
SME	25,198.8	23,963.9	5.2	24,364.4	3.4
(SOHO) ²⁾	12,526.9	11,866.8	5.6	12,083.5	3.7
Large Corps.	2,084.5	2,661.4	-21.7	2,490.8	-16.3
Household	12,712.6	11,646.1	9.2	12,941.1	-1.8
Mortgage	8,959.2	7,938.4	12.9	9,003.6	-0.5
Public	1,439.7	1,471.9	-2.2	1,479.2	-2.7
Foreign Currency Loans¹⁾	759.4	614.3	23.6	731.5	3.8
KRW Deposits¹⁾	40,221.0	40,215.5	0.0	41,205.7	-2.4
Low Cost Deposits	17,189.2	15,828.4	8.6	16,233.5	5.9
Core Deposits	13,827.6	12,461.6	11.0	13,077.1	5.7
MMDA	3,361.6	3,366.8	-0.2	3,156.4	6.5

(KRW bn, %, %p, Average Balance)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Low-Cost Deposits(A)	16,912.2	15,479.9	9.3	15,651.1	8.1
Core Deposits ²⁾	13,272.5	12,003.3	10.6	12,238.2	8.5
MMDA	3,639.7	3,476.6	4.7	3,412.9	6.6
KRW Deposits(B)	41,061.8	39,449.0	4.1	40,365.7	1.7
A / B	41.19	39.24	1.95	38.77	2.42

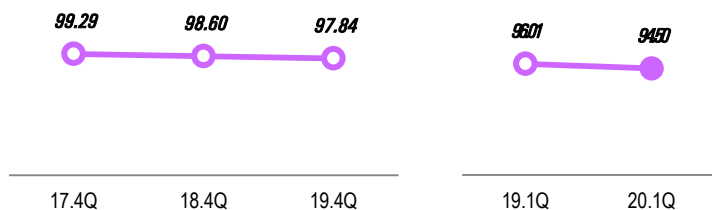
1) Unconsolidated FS, 2) SOHO(≤3 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

2. Banks Loans / Deposits - KNB

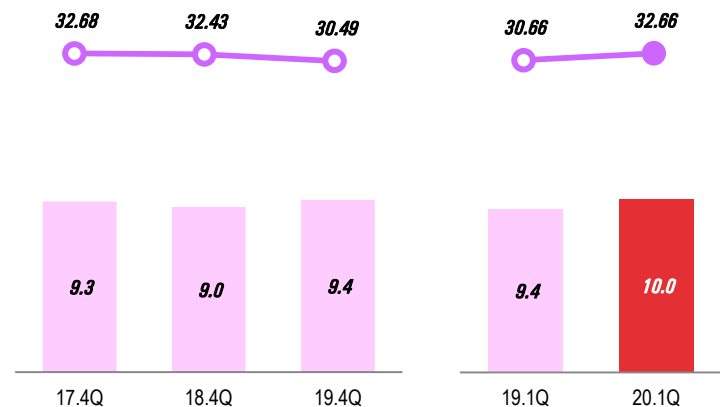
□ KRW Loans(% , KRW tn)



□ LDR(%)



□ Low-Cost Deposits & Ratio(% , KRW tn)



(KRW bn, %, Balance)	20.1Q	19.1Q	YoY	19.4Q	QoQ
KRW Loans¹⁾	30,286.3	29,992.1	1.0	30,011.7	0.9
Corporate	20,189.8	19,020.7	6.1	19,628.0	2.9
SME	18,745.8	17,614.8	6.4	18,264.1	2.6
(SOHO) ²⁾	5,840.5	5,616.1	4.0	5,810.1	0.5
Large Corps.	1,444.0	1,405.9	2.7	1,363.9	5.9
Household	9,701.6	10,616.1	-8.6	9,995.4	-2.9
Mortgage	7,957.0	8,882.1	-10.4	8,243.1	-3.5
Public	394.9	355.3	11.1	388.3	1.7
Foreign Currency Loans¹⁾	153.4	104.5	46.8	112.6	36.2
KRW Deposits¹⁾	30,801.2	30,294.1	1.7	30,522.5	0.9
Low Cost Deposits	10,463.7	9,488.0	10.3	9,509.0	10.0
Core Deposits	8,611.8	7,602.2	13.3	8,214.7	4.8
MMDA	1,851.9	1,885.8	-1.8	1,294.3	43.1

(KRW bn, %, %p, Average Balance)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Low-Cost Deposits(A)	10,036.4	9,357.7	7.3	9,371.0	7.1
Core Deposits ²⁾	8,535.0	7,876.5	8.4	7,913.7	7.9
MMDA	1,501.4	1,481.2	1.4	1,457.3	3.0
KRW Deposits(B)	30,732.2	30,520.3	0.7	30,354.7	1.2
A / B	32.66	30.66	2.00	30.87	1.79

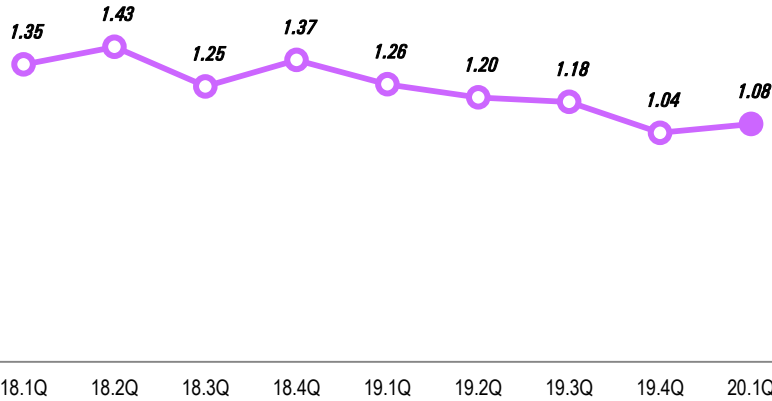
1) Unconsolidated FS, 2) SOHO(≤2 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

IV. Asset Quality

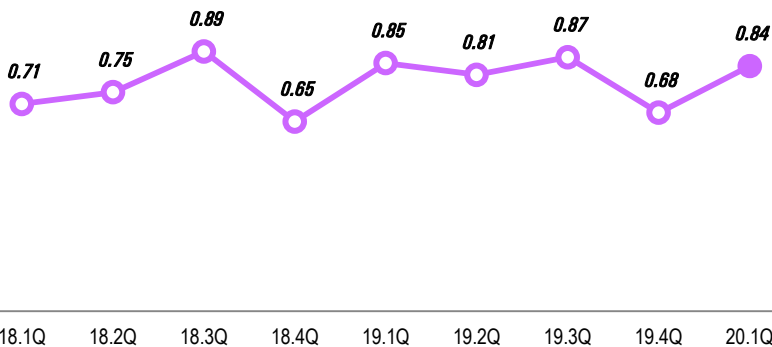
<i>1. Group Asset Quality</i>	<i>19</i>
<i>2. Banks Asset Quality</i>	<i>20</i>
<i>3. Group Provisioning</i>	<i>22</i>
<i>4. Banks Provisioning / Write-offs & NPL Sales</i>	<i>23</i>

1. Group Asset Quality

□ SBL(NPL) Ratio(%)



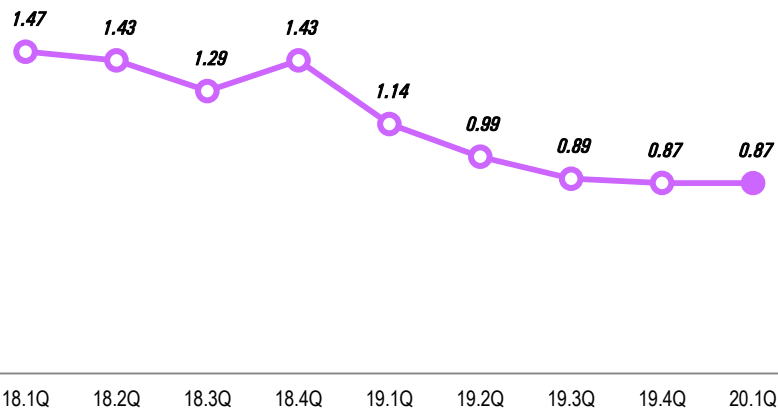
□ Delinquency Ratio(%)



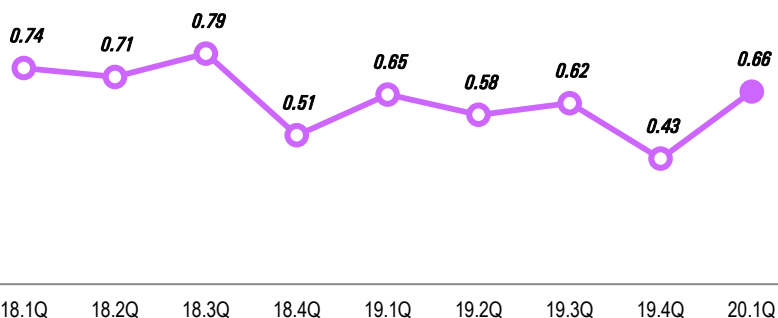
(KRW bn, %, %p)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Total Credits	82,053.0	78,970.4	3.9	81,126.7	1.1
<i>Normal</i>	80,067.4	76,751.8	4.3	79,059.8	1.3
<i>Precautionary</i>	1,099.9	1,220.9	-9.9	1,222.7	-10.0
<i>Substandard</i>	518.4	537.5	-3.6	486.2	6.6
<i>Doubtful</i>	143.5	176.2	-18.6	140.2	2.4
<i>Expected Loss</i>	223.8	284.0	-21.2	217.8	2.8
<i>SBL(Substandard & Below Loans)</i>	885.7	997.7	-11.2	844.2	4.9
SBL Ratio	1.08	1.26	-0.18	1.04	0.04
<i>SBL Coverage Ratio (Ratio before Reserve deduction)</i>	94.00 (159.04)	98.40 (148.45)	-4.40 (10.59)	99.12 (163.55)	-5.12 (-4.51)
Delinquency Ratio	0.84	0.85	-0.01	0.68	0.16
<i>Loan Amount</i>	81,036.2	78,035.2	3.8	80,234.2	1.0
<i>Delinquent Amount</i>	683.1	659.9	3.5	543.9	25.6

2. Banks Asset Quality - BSB

□ SBL(NPL) Ratio(%)



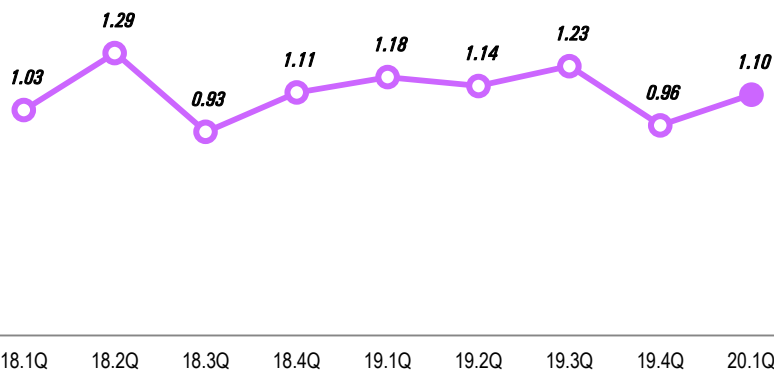
□ Delinquency Ratio(%)



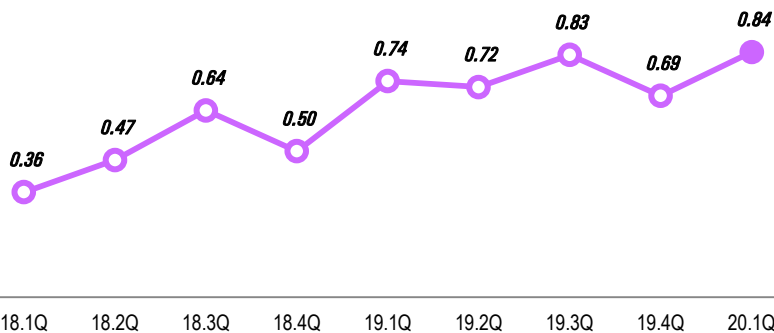
(KRW bn, %, %p)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Total Credits	43,961.9	42,020.6	4.6	43,658.8	0.7
<i>Normal</i>	43,076.4	40,979.6	5.1	42,654.5	1.0
<i>Precautionary</i>	504.7	563.1	-10.4	623.5	-19.1
<i>Substandard</i>	222.1	272.1	-18.4	220.1	0.9
<i>Doubtful</i>	41.5	33.7	23.1	35.2	17.9
<i>Expected Loss</i>	117.2	172.1	-31.9	125.5	-6.6
SBL(Substandard & Below Loans)	380.8	477.9	-20.3	380.8	0.0
SBL Ratio	0.87	1.14	-0.27	0.87	0.00
<i>SBL Coverage Ratio (Ratio before Reserve deduction)</i>	111.09 (182.48)	106.63 (148.80)	4.46 (33.68)	113.57 (179.66)	-2.48 (2.82)
Delinquency Ratio	0.66	0.65	0.01	0.43	0.23
Loan Amount	43,160.1	41,318.7	4.5	42,980.2	0.4
Delinquent Amount	282.8	269.1	5.1	186.4	51.7

2. Banks Asset Quality - KNB

□ SBL(NPL) Ratio(%)



□ Delinquency Ratio(%)



(KRW bn, %, %p)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Total Credits	31,378.9	30,923.2	1.5	30,969.1	1.3
<i>Normal</i>	30,797.8	30,273.4	1.7	30,418.1	1.2
<i>Precautionary</i>	236.3	285.2	-17.1	253.6	-6.8
<i>Substandard</i>	220.9	206.1	7.2	191.4	15.4
<i>Doubtful</i>	36.5	71.0	-48.6	32.2	13.4
<i>Expected Loss</i>	87.4	87.5	-0.1	73.8	18.4
SBL(Substandard & Below Loans)	344.8	364.6	-5.4	297.4	15.9
SBL Ratio	1.10	1.18	-0.08	0.96	0.14
<i>SBL Coverage Ratio (Ratio before Reserve deduction)</i>	74.12 (139.50)	80.67 (143.47)	-6.55 (-3.97)	81.03 (154.19)	-6.91 (-14.69)
Delinquency Ratio	0.84	0.74	0.10	0.69	0.15
Loan Amount	31,163.9	30,689.9	1.5	30,755.1	1.3
Delinquent Amount	262.6	226.9	15.7	213.1	23.2

3. Group Provisioning

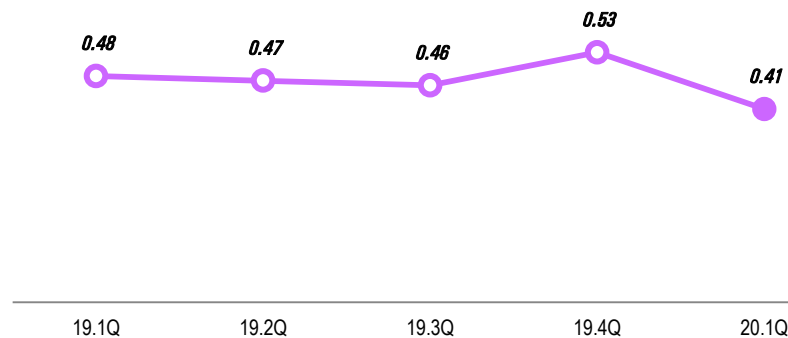
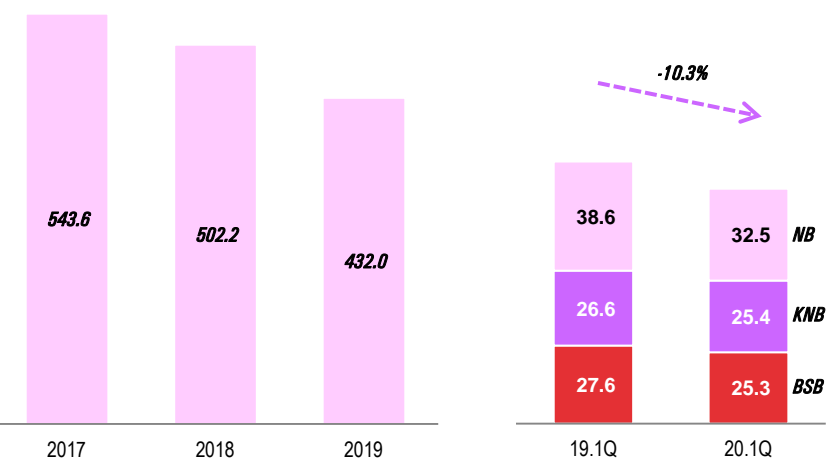
□ Provision Expense

(KRW bn, %)	2020 1Q	2019					2018				
		4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Total Provisions(A)	83.2	432.0	152.1	94.3	92.8	92.8	502.2	182.6	105.4	109.9	104.3
Total Credits(B)	82,053.0	81,126.7	81,126.7	80,839.7	79,731.7	78,970.4	78,059.2	78,059.2	77,962.0	76,491.5	75,289.5
¹⁾ Credit Cost(A/B)	0.41	0.53	0.74	0.46	0.47	0.48	0.64	0.93	0.54	0.58	0.56

1) Accumulated

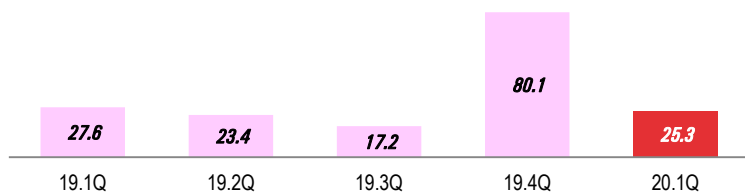
□ Banks & Non-Bank Provision Breakdown(KRW bn)

□ Credit Cost(%)

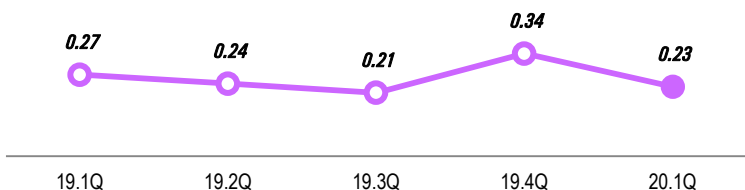


4. Provisioning / Write-offs & NPL Sales – BSB

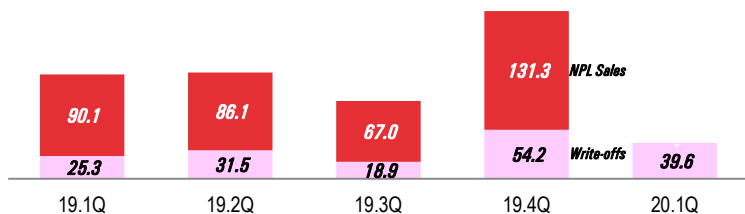
□ Provision Expense(KRW bn)



□ Credit Cost(%)



□ Write-offs & NPL Sales(KRW bn)

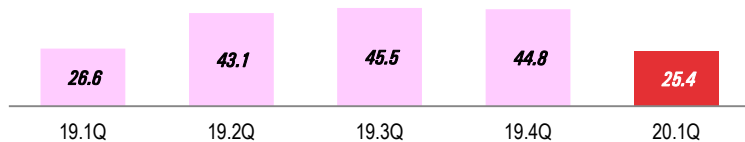


□ Provision Expense / Write-offs & NPL Sales

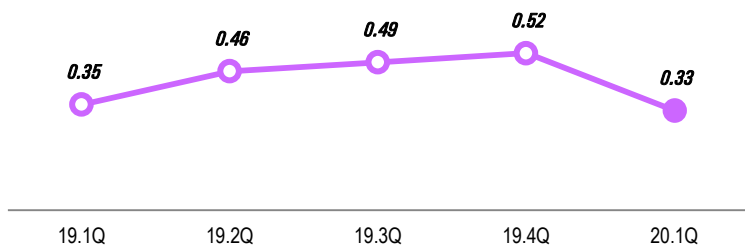
(KRW bn, %)	20.1Q	19.4Q	19.3Q	19.2Q	19.1Q
Corporate	20.9	68.2	7.3	13.9	21.2
Household	3.5	6.3	5.4	3.9	4.6
Credit Card	2.0	4.6	4.2	5.0	3.6
Others	-1.1	1.0	0.3	0.6	-1.8
Total(A)	25.3	80.1	17.2	23.4	27.6
Total Credits(B)	43,961.9	43,658.8	43,260.7	42,672.8	42,020.6
Credit Cost(A/B)	0.23	0.73	0.16	0.22	0.27
Total Write-Offs	39.6	54.2	18.9	31.5	25.3
Corporate	28.5	34.0	18.5	21.4	15.1
Household	5.1	8.2	0.3	4.1	4.0
Credit Card	6.0	12.0	0.1	6.0	6.2
Total NPL Sales	0.0	131.3	67.0	86.1	90.1
(NPL Sales for SBL Loans)	0.0	127.3	61.5	81.1	87.1
Corporate	0.0	126.0	63.2	70.5	87.5
Household	0.0	4.7	3.2	14.7	2.1
Credit Card	0.0	0.6	0.6	0.9	0.5

4. Provisioning / Write-offs & NPL Sales - KNB

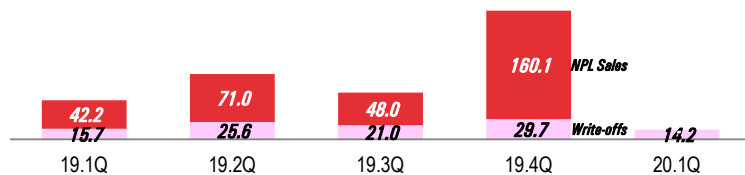
Provision Expense(KRW bn)



Credit Cost(%)



Write-offs & NPL Sales(KRW bn)



Provision Expense / Write-offs & NPL Sales

(KRW bn, %)	20.1Q	19.4Q	19.3Q	19.2Q	19.1Q
Corporate	22.8	33.4	34.8	32.7	19.1
Household	-0.2	4.2	5.1	5.2	4.2
Credit Card	2.8	6.1	3.5	5.1	3.7
Others	0.0	1.1	2.1	0.1	-0.4
Total(A)	25.4	44.8	45.5	43.1	26.6
Total Credits(B)	31,378.9	30,969.1	31,195.2	30,778.7	30,923.3
Credit Cost(A/B)	0.33	0.57	0.58	0.56	0.35
Total Write-Offs	14.2	29.7	21.0	25.6	15.7
Corporate	6.4	18.1	16.5	16.8	9.9
Household	4.0	4.0	3.6	4.3	2.0
Credit Card	3.8	7.6	0.9	4.5	3.8
Total NPL Sales	0.0	160.1	48.0	71.0	42.2
(NPL Sales for SBL Loans)	0.0	150.6	43.9	69.7	40.0
Corporate	0.0	159.0	45.1	64.8	42.1
Household	0.0	1.1	2.9	6.1	0.1
Credit Card	0.0	0.0	0.0	0.1	0.0

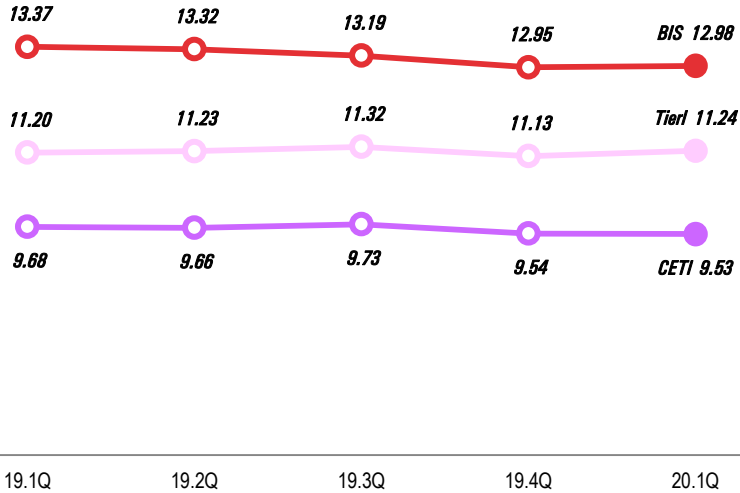
V . Capital Adequacy

1. Capital Adequacy

26

1. Capital Adequacy

Group Capital Adequacy(%)



Group

(KRW bn, %, %p, Base/III Standard)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Tot. Risk Adjusted Capital	9,959.0	9,562.2	4.1	9,762.9	2.0
Tier I	8,627.1	8,011.0	7.7	8,397.0	2.7
(CETI)	7,312.0	6,921.3	5.6	7,192.1	1.7
Tot. R.W.A.	76,750.8	71,496.7	7.3	75,413.2	1.8
BIS Capital Ratio	12.98	13.37	-0.39	12.95	0.03
Tier I	11.24	11.20	0.04	11.13	0.11
(CETI)	9.53	9.68	-0.15	9.54	-0.01

BSB

(KRW bn, %, %p, Base/III I.R.B.)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Tot. Risk Adjusted Capital	5,658.1	5,516.0	2.6	5,667.9	-0.2
Tier I	4,964.2	4,733.7	4.9	4,951.0	0.3
(CETI)	4,549.5	4,385.6	3.7	4,503.2	1.0
Tot. R.W.A.	35,070.2	34,321.8	2.2	35,169.1	-0.3
BIS Capital Ratio	16.13	16.07	0.06	16.12	0.01
Tier I	14.16	13.79	0.37	14.08	0.08
(CETI)	12.97	12.78	0.19	12.80	0.17

KNB

(KRW bn, %, %p, Base/III I.R.B.)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Tot. Risk Adjusted Capital	3,642.6	3,758.0	-3.1	3,670.6	-0.8
Tier I	3,079.3	3,044.1	1.2	3,086.2	-0.2
(CETI)	2,767.0	2,700.2	2.5	2,742.3	0.9
Tot. R.W.A.	24,205.2	22,648.9	6.9	23,930.1	1.1
BIS Capital Ratio	15.05	16.59	-1.54	15.34	-0.29
Tier I	12.72	13.44	-0.72	12.90	-0.18
(CETI)	11.43	11.92	-0.49	11.46	-0.03

VI. Appendix

<i>1. Banks KRW Loan Portfolio</i>	<i>28</i>
<i>2. Cyclical Sector</i>	<i>29</i>
<i>3. BNK Capital</i>	<i>30</i>
<i>4. Group Networks & Major Industries</i>	<i>32</i>

1. Banks KRW Loan Portfolio

	2020 1Q			
	Amount	Ratio	YoY	QoQ
Manufacturing	8,665.3	20.9	-3.8	0.1
Steel Metal Products	2,498.9	6.0	-8.5	0.1
Automobile Parts	1,790.2	4.3	-2.8	0.3
Machinery	1,286.3	3.1	4.3	0.2
Petroleum, Rubber, etc.	908.5	2.2	-6.0	-1.8
Fabric	292.1	0.7	6.1	-4.9
Garment & Shoes	325.6	0.8	4.0	0.6
Kitchen Units	343.4	0.8	5.0	2.2
Electronics	407.2	1.0	-9.2	4.0
Paper, Paper Mills	115.2	0.3	-4.2	-0.6
Others	697.9	1.7	-7.0	0.6
Non-Manufacturing	20,057.7	48.4	5.1	1.9
Wholesale & Retail	3,553.0	8.6	8.4	3.0
Public	29.7	0.1	-78.8	-24.0
Construction & Engineering	1,408.6	3.4	10.2	12.3
Real Estate	7,909.8	19.1	1.5	-2.1
Insurance & Financing	547.8	1.3	11.5	40.7
Transportation	1,111.5	2.7	-7.3	-0.2
Hotel & Food	1,420.8	3.4	20.1	4.8
Others	4,076.5	9.8	9.4	2.0
Households	12,712.6	30.7	9.2	-1.8
KRW Loans	41,435.6	100.0	4.3	0.4

	2020 1Q			
	Amount	Ratio	YoY	QoQ
Manufacturing	9,347.3	30.9	2.2	2.4
Steel Metal Products	2,227.6	7.4	-0.2	1.3
Automobile Parts	2,717.6	9.0	4.2	1.6
Machinery	2,282.6	7.5	1.4	0.9
Petroleum, Rubber, etc.	295.1	1.0	3.6	8.3
Fabric	87.0	0.3	20.8	11.5
Garment & Shoes	9.5	0.0	3.3	6.7
Kitchen Units	218.2	0.7	4.9	1.3
Electronics	596.1	2.0	-3.1	5.3
Paper, Paper Mills	80.3	0.3	-2.7	2.7
Others	833.3	2.8	7.0	7.3
Non-Manufacturing	11,237.4	37.1	9.8	3.2
Wholesale & Retail	2,262.5	7.5	15.0	3.4
Public	2.1	0.0	40.0	5.0
Construction & Engineering	746.5	2.5	9.1	1.8
Real Estate	3,759.1	12.4	-0.9	-0.3
Insurance & Financing	246.2	0.8	116.2	71.0
Transportation	392.6	1.3	18.7	7.2
Hotel & Food	899.5	3.0	22.2	4.3
Others	2,928.9	9.7	12.5	4.0
Households	9,701.6	32.0	-8.6	-2.9
KRW Loans	30,286.3	100.0	1.0	0.9

*Sectors are based on FSS Business Report

※ KSIC(Korea Standard Industry Classification) Change(July 1,2017) applied

2. Cyclical Sector

	2020.10					
	Steel	Auto	Construction	Shipbuilding	Shipping	Chemical
<i>(KRW bn, %)</i>						
Exposure	3,492.2	2,964.9	2,223.1	1,426.2	490.9	723.1
(% of Total Credits)	4.7	4.0	3.0	1.9	0.7	1.0
Collateral & Provision	2,492.4	1,831.3	1,246.8	988.5	250.1	417.4
Collateral & Provision Coverage	71.4	61.8	56.1	69.3	50.9	57.1
No# of Creditors	2,459	1,794	4,133	1,122	207	606

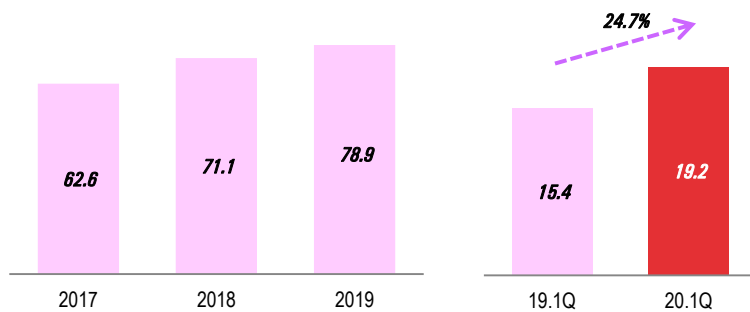
Note 1) Exposure & Total Credits are the sum of BSB & KNB

Note 2) Sectors are based on FSS Business Report

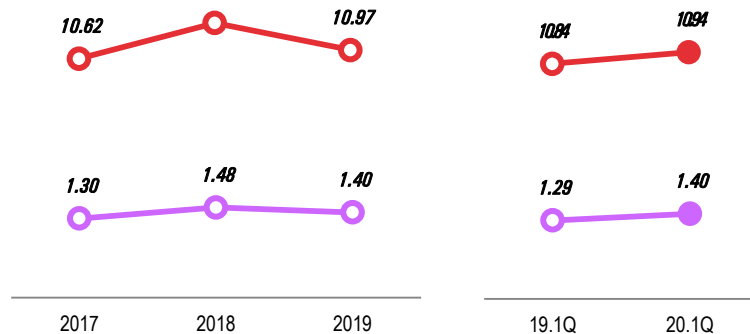
Note 3) Construction includes Real Estate PF(Ref. Collateral for Real Estate PFs are evaluated based on future cash flow that does not include land, buildings under construction etc. hence the overall low construction coverage)

3. BNK Capital - 1

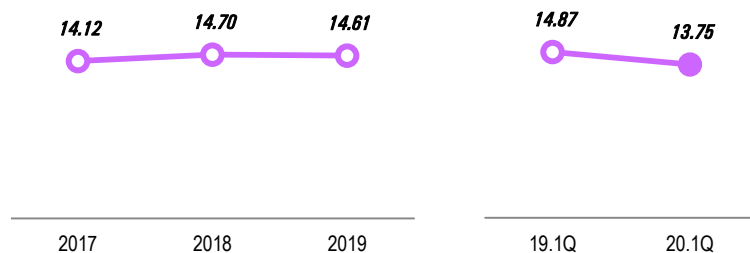
Net Income(% , KRW bn)



ROA, ROE(%)



Adjusted Capital Ratio(%)



(KRW bn, %, Balance)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Net Interest Income	56.1	57.4	-2.3	55.9	0.4
Fee Income	11.7	5.6	108.9	8.3	41.0
Others	11.4	15.8	-27.8	9.7	17.5
SG&A(-)	20.4	17.8	14.6	21.8	-6.4
Provision Expense(-)	31.9	40.0	-20.3	26.4	20.8
Non-Operating Income	-1.6	-0.2	-	-0.6	-
Earnings Before Income Tax	25.3	20.8	21.6	25.1	0.8
Income Tax Expenses(-)	6.1	5.4	13.0	5.6	8.9
Net Income	19.2	15.4	24.7	19.5	-1.5

(KRW bn, %, Balance)	20.1Q	19.1Q	YoY	19.4Q	QoQ
Assets	5,766.3	4,933.4	16.9	5,425.3	6.3
Cash and Dues	18.1	29.8	-39.3	25.1	-27.9
Securities	117.7	0.2	-	-	-
Loans	3,485.8	2,984.5	16.8	3,172.3	9.9
Venture Capital Business	2.1	4.0	-47.5	61.9	-96.6
Durables Installment Financing Assets	349.7	463.6	-24.6	379.1	-7.8
Leased Assets	1,680.4	1,354.9	24.0	1,669.9	0.6
Fixed Assets	12.8	10.5	21.9	10.9	17.4
Other Assets	99.7	85.9	16.1	106.1	-6.0
Liability & Shareholder's Equity	5,766.3	4,933.4	16.9	5,425.3	6.3
Borrowings	4,669.8	3,957.6	18.0	4,354.2	7.2
Other Liabilities	373.6	324.9	15.0	354.8	5.3
Shareholder's Equity	722.9	650.9	11.1	716.3	0.9

3. BNK Capital - 2

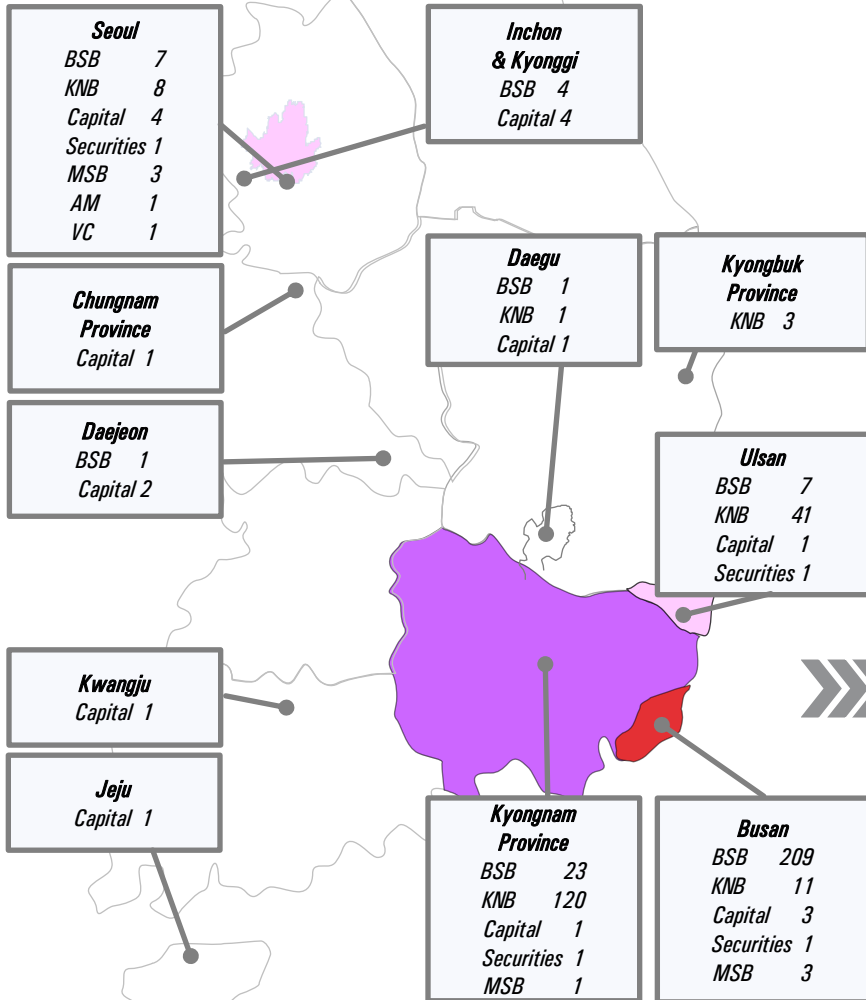
Loan Portfolio

<i>(KRW bn, %, Balance)</i>	20.1Q	Portion	19.4Q	QoQ	19.3Q	19.2Q	19.1Q	18.4Q	18.3Q	18.2Q	18.1Q
Total	5,887.1	100.0	5,538.7	6.3	5,430.6	5,295.0	5,050.8	5,053.2	5,039.2	4,986.0	4,783.5
Loans	2,467.9	41.9	2,136.4	15.5	2,122.0	2,005.7	1,841.3	1,843.3	1,837.3	1,813.9	1,636.7
Household	809.6	13.8	816.2	-0.8	859.2	935.5	905.2	947.5	927.2	905.1	874.0
Corporate	1,658.3	28.2	1,320.2	25.6	1,262.8	1,070.2	936.1	895.8	910.1	908.8	762.7
Auto Financing	2,559.5	43.5	2,539.8	0.8	2,477.0	2,492.9	2,515.1	2,542.6	2,588.8	2,565.7	2,561.2
Commercial Vehicle	285.5	4.8	328.3	-13.0	380.7	427.8	482.6	548.5	616.6	674.4	712.0
Passenger Vehicle	2274.0	38.6	2,211.5	2.8	2,096.3	2,065.1	2,032.5	1,994.1	1,972.2	1,891.3	1,849.2
Lease/Installments	728.7	12.4	790.2	-7.8	797.0	771.2	690.4	665.7	610.6	603.9	583.1
Machine Tools	115.4	2.0	126.6	-8.8	133.9	138.9	140.8	141.4	135.1	132.0	124.4
Medical Instruments	304.3	5.2	319.9	-4.9	314.8	297.4	226.0	211.4	198.7	191.8	174.9
Others	309.0	5.2	343.7	-10.1	348.3	334.9	323.6	312.9	276.8	280.1	283.8
VC Business	131.0	2.2	72.3	81.2	34.6	25.2	4.0	1.6	2.5	2.5	2.5

4. Group Networks & Major Industries

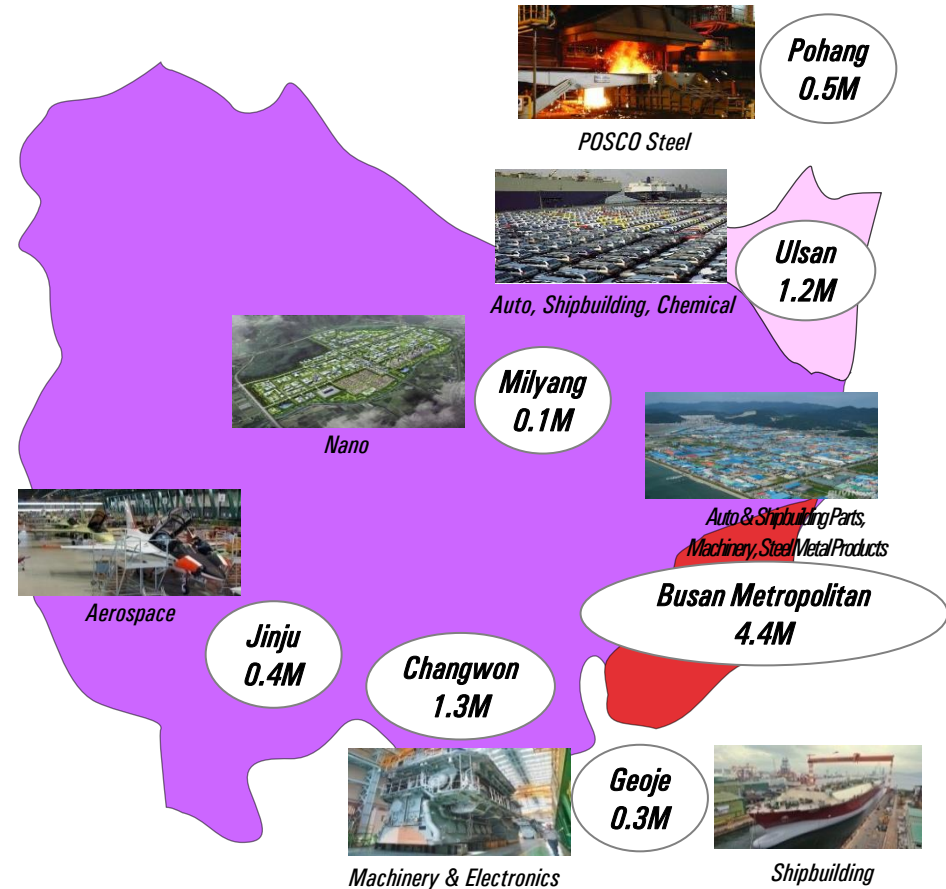
Networks (as of Mar. 2020): 477 Locations

- BSB 257 (Qingdao & Ho Chi Minh Branch, Yangon, Mumbai Office included), KNB 184, Capital 23 (Myanmar, Cambodia, Laos, Kazakhstan included), Securities 4, MSB 7, AM 1, Venture Capital 1



Population & Major Industries

- Southeastern Conurbation (7.9 Mn, 15.3% of Total Population), 14.5% of GRDP(2018)
- Exports : 122.8 USD bn(2018)
- Imports : 67.9 USD bn(2018)



* Southeastern region includes Busan, Ulsan, and Kyongnam