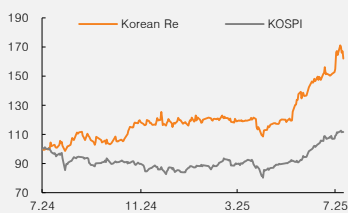


(Downgrade)	<b>Hold</b>
Target price	<b>▲ W12,000</b>
Current price (7/18/25)	W10,990
Upside	9.2%

OP (25F, Wbn)	396
Consensus OP (25F, Wbn)	406
EPS growth (25F, %)	-7.2
Market EPS growth (25F, %)	24.5
P/E (25F, x)	7.6
Market P/E (25F, x)	11.7
KOSPI	3,188.07

Market cap (Wbn)	2,141
Shares outstanding (mn)	195
Free float (%)	70.4
Foreign ownership (%)	27.1
Beta (12M)	0.29
52-week low (W)	6,688
52-week high (W)	11,600

(%)	1M	6M	12M
Absolute	8.4	33.2	55.3
Relative	1.0	5.4	37.5



Mirae Asset Securities Co., Ltd.

Tae Joon Jeong, CFA

taejoon.jeong@miraeasset.com

# Korean Re

## Dividend yield to remain at current levels

### Raise TP to W12,000; downgrade to Hold

We raise our target price for Korean Re from W10,000 to W12,000, applying a P/B of 0.75x to our 2025 BPS estimate. Our target multiple reflects the limited potential for shareholder value enhancement, as the company has no plans beyond maintaining its current dividend policy (i.e., paying out 30% of standalone net profit under IFRS 4). With our target price implying just 9.2% upside, we lower our rating to Hold (from Buy).

### Dividend yield likely to remain at current levels

Shares of Korean Re have recently climbed amid a broader sector rally fueled by expectations for shareholder-friendly policy changes (i.e., mandatory treasury share cancellation and separate taxation on dividend income). However, it is unlikely that Korean Re would benefit directly from these policy changes, considering its treasury share holdings of only 9.3% and payout ratio of less than 35%. And even if its payout ratio were raised to 35%, dividend per share would not increase meaningfully. As such, we expect the stock's dividend yield to remain at the current levels.

### 2Q25 preview

For 2Q25, we expect Korean Re to report net profit of W97.1bn, broadly in line with the consensus. With net profit likely remaining in the W90bn range for two consecutive quarters, we expect full-year net profit to climb 9.8% YoY, marking another solid year of growth. We estimate underwriting profit improved QoQ, while investment profit likely declined. New business CSM likely fell back below the W10bn mark, as the effects of coinsurance contracts booked in the previous quarter faded.

(Dec.)	2023	2024	2025F	2026F	2027F
Underwriting profit (Wbn)	209	198	233	246	256
Pretax profit (Wbn)	365	362	396	403	414
NP (Wbn)	287	285	313	320	328
EPS (W)	1,379	1,556	1,443	1,481	1,526
BPS (W)	18,407	19,539	16,598	17,628	18,684
P/E (x)	5.2	5.1	6.3	6.2	6.0
P/B (x)	0.39	0.41	0.55	0.52	0.49
ROE (%)	8.9	8.4	9.0	8.8	8.5
Shareholder return yield (%)	7.6	6.5	6.1	6.3	6.4
K-ICS ratio (%)	183.2	191.7	194.6	200.9	207.3

Notes: Under non-consolidated K-IFRS; NP is attributable to owners of the parent

Source: Company data, Mirae Asset Securities Research estimates

**Table 1. Korean Re: TP calculation**

(W, x, %)

	Value	Notes
Previous TP	10,000	
2025F ROE	7.4	Mirae Asset Securities est.
Adj. discount rate	13.2	
Target P/B	0.56	
2025F BPS	17,867	Mirae Asset Securities est.
Revised TP	12,000	
2025F ROE (G)	9.0	Mirae Asset Securities est.
Adj. discount rate	12.0	
Target P/B	0.75	
2025F BPS	16,598	Mirae Asset Securities est.
Current price	10,990	
Upside	9.2	(K) = (J) ÷ (A)
Rating	Hold	

Source: Company data, Mirae Asset Securities Research

**Table 2. Korean Re: Earnings and forecasts**

(Wbn)

	1Q25	2Q25F	3Q25F	4Q25F	2024	2025F	2026F
Underwriting profit	71	83	40	40	198	233	246
CSM release	20	19	19	18	74	75	80
RA release	8	8	8	8	25	31	31
Adj. for experience variances	28	18	-11	-49	-217	-15	-7
Other expenses	15	39	24	63	316	142	142
Investment profit	45	39	39	39	163	163	157
Excl. insurance fin. gains/losses	126	120	120	120	612	486	480
OP	116	122	79	79	362	396	403
Non-OP	-1	-1	-1	-1	-3	-3	-3
Pretax profit	115	121	78	79	359	394	400
Taxes	25	24	16	16	74	80	80
NP	91	97	63	63	285	313	320

Source: Company data, Mirae Asset Securities Research

## Korean Re (003690 KS)

## Income statement

(Wbn)	2024	2025F	2026F	2027F
Underwriting profit	198	233	246	256
CSM release	74	75	80	87
RA release	25	31	31	31
Adj. for experience variances	-217	-15	-7	-4
Other	316	142	142	142
Investment profit	163	163	157	157
Excl. insurance fin. gains/losses	612	486	480	480
FVPL valuation gains/losses	25	-19	-27	-27
Disposal gains/losses	-12	-2	0	0
OP	362	396	403	414
Non-OP	-3	-3	-3	-3
Pretax profit	359	394	400	411
Taxes	74	80	80	83
Tax rate	20	20	20	20.1
NP	285	313	320	328

## Key ratios

(x, %, W, Wbn)	2024	2025F	2026F	2027F
P/E	5.1	7.6	7.4	6.0
P/B	0.40	0.70	0.60	0.49
Dividend yield	6.5	5.1	5.2	6.4
EPS	1,556	1,443	1,481	1,526
BPS	19,539	16,598	17,628	18,684
DPS	515	560	575	590
ROE	8.4	9.0	8.8	8.5
ROA	2.29	2.41	2.43	2.42
K-ICS ratio	191.7	194.6	200.9	207.3
Available capital	4,181	4,351	4,654	4,967
Required capital	2,181	2,236	2,317	2,396
Dividend payout ratio	31.9	31.6	31.8	31.8
Common	31.9	31.6	31.8	31.8
Preferred	0.0	0.0	0.0	0.0

Source: Company data, Mirae Asset Securities Research estimates

## Balance sheet

(Wbn)	2024	2025F	2026F	2027F
Assets	12,927	13,011	13,378	13,763
Cash	574	602	619	636
Financial assets	9,354	9,412	9,677	9,955
FVPL	2,514	2,087	2,145	2,207
FVOCI	4,650	5,170	5,315	5,468
AC	1,969	1,934	1,989	2,046
Other assets	3,000	2,998	3,082	3,171
Liabilities	9,474	9,491	9,639	9,800
Insurance liabilities	8,908	8,782	8,930	9,091
BEL	7,043	7,316	7,405	7,504
CSM	905	986	1,071	1,160
RA	498	382	356	330
Other	463	98	98	98
Other liabilities	566	709	709	709
Equity	3,453	3,520	3,738	3,962
Capital stock	71	71	71	71
Capital surplus	166	166	166	166
Retained earnings	2,344	2,426	2,645	2,869
Surrender value reserves	93	94	95	96
Capital adj.	-135	-135	-135	-135
AOCI	199	184	184	184
Hybrid securities	808	808	808	808

## CSM chg.

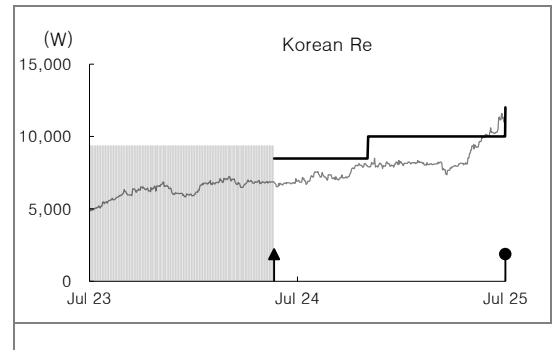
(Wbn)	2024	2025F	2026F	2027F
Starting CSM	803	905	986	1,071
New business	196	98	108	119
Discount unwind	33	53	53	53
Adj.	-55	4	4	4
Release	-72	-74	-80	-87
Ending CSM	905	986	1,071	1,160

# Appendix 1

## Important disclosures and disclaimers

### Two-year rating and TP history

Company	Date	Rating	TP (W)
Korean Re (003690)	07/21/25	Hold	12,000
	11/22/24	Buy	10,000
	06/10/24	Buy	8,487



### Stock ratings

Buy	Expected 12-month return: +20% or greater
Hold	Expected 12-month return: Greater than -10% and less than +10%
Sell	Expected 12-month return: -10% or less

### Sector ratings

Overweight	Expected to outperform the market over 12 months
Neutral	Expected to perform in line with the market over 12 months
Underweight	Expected to underperform the market over 12 months

As of May 12, 2025, the Trading Buy rating category has been removed from our investment rating system.

Stocks expected to deliver a 12-month return between +10% and less than +20% may be rated either Buy or Hold at the discretion of the research analyst.

Rating and TP history: Share price (—), TP (—), Not Rated (■), Buy (▲), Trading Buy (■), Hold (●), Sell (◆)

\* Our investment rating is a guide to the expected return of the stock over the next 12 months.

\* Outside of the official ratings of Mirae Asset Securities Co., Ltd., analysts may call trading opportunities should technical or short-term material developments arise.

\* The TP was determined by the research analyst through valuation methods discussed in this report, in part based on estimates of future earnings.

\* TP achievement may be impeded by risks related to the subject securities and companies, as well as general market and economic conditions.

### Ratings distribution and investment banking services

	Buy	Trading Buy	Hold	Sell
Ratings distribution	84.91%	5.59%	8.94%	0.56%
Investment banking services	88.89%	0%	11.11%	0%

\* Based on recommendations in the last 12-months (as of June 30, 2025)

### Disclosures

As of the publication date, Mirae Asset Securities Co., Ltd. and/or its affiliates do not have any special interest with the subject company and do not own 1% or more of the subject company's shares outstanding.

### Analyst certification

The research analysts who prepared this report (the "Analysts") are registered with the Korea Financial Investment Association and are subject to Korean securities regulations. They are neither registered as research analysts in any other jurisdiction nor subject to the laws or regulations thereof. Each Analyst responsible for the preparation of this report certifies that (i) all views expressed in this report accurately reflect the personal views of the Analyst about any and all of the issuers and securities named in this report and (ii) no part of the compensation of the Analyst was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report. Mirae Asset Securities Co., Ltd. ("Mirae Asset Securities") policy prohibits its Analysts and members of their households from owning securities of any company in the Analyst's area of coverage, and the Analysts do not serve as an officer, director, or advisory board member of the subject companies. Except as otherwise specified herein, the Analysts have not received any compensation or any other benefits from the subject companies in the past 12 months and have not been promised the same in connection with this report. Like all employees of Mirae Asset Securities, the Analysts receive compensation that is determined by overall firm profitability, which includes revenues from, among other business units, the institutional equities, investment banking, proprietary trading, and private client divisions. At the time of publication of this report, the Analysts do not know or have reason to know of any actual, material conflict of interest of the Analyst or Mirae Asset Securities except as otherwise stated herein.

### Disclaimers

This report was prepared by Mirae Asset Securities, a broker-dealer registered in the Republic of Korea and a member of the Korea Exchange. Information and opinions contained herein have been compiled in good faith and from sources believed to be reliable, but such information has not been independently verified and Mirae Asset Securities makes no guarantee, representation or warranty, express or implied, as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein or of any translation into English from the Korean language. In case of an English translation of a report prepared in the Korean language, the original Korean language report may have been made available to investors in advance of this report.

The intended recipients of this report are sophisticated institutional investors who have substantial knowledge of the local business environment, its common practices, laws, and accounting principles, and no person whose receipt or use of this report would violate any laws or regulations or subject Mirae Asset Securities or any of its affiliates to registration or licensing requirements in any jurisdiction shall receive or make any use hereof.

This report is for general information purposes only and is not and shall not be construed as an offer or a solicitation of an offer to effect transactions in any securities or other financial instruments. The report does not constitute investment advice to any person, and such person shall not be treated as a client of Mirae Asset Securities by virtue of receiving this report. This report does not take into account the particular investment objectives, financial situations, or needs of individual clients. The report is not to be relied upon in substitution for the exercise of independent judgment. Information and opinions contained herein are as of the date hereof and are subject to change without notice. The price and value of the investments referred to in this report and the income from them may depreciate or appreciate, and investors may incur losses on investments. Past performance is not a guide to future performance. Future

returns are not guaranteed, and a loss of original capital may occur. Mirae Asset Securities, its affiliates, and their directors, officers, employees, and agents do not accept any liability for any loss arising out of the use hereof.

Mirae Asset Securities may have issued other reports that are inconsistent with, and reach different conclusions from, the opinions presented in this report. The reports may reflect different assumptions, views, and analytical methods of the analysts who prepared them. Mirae Asset Securities may make investment decisions that are inconsistent with the opinions and views expressed in this research report. Mirae Asset Securities, its affiliates, and their directors, officers, employees, and agents may have long or short positions in any of the subject securities at any time and may make a purchase or sale, or offer to make a purchase or sale, of any such securities or other financial instruments from time to time in the open market or otherwise, in each case either as principals or agents. Mirae Asset Securities and its affiliates may have had, or may be expecting to enter into, business relationships with the subject companies to provide investment banking, market-making, or other financial services as are permitted under applicable laws and regulations.

No part of this document may be copied or reproduced in any manner or form or redistributed or published, in whole or in part, without the prior written consent of Mirae Asset Securities. For further information regarding company-specific information as it pertains to the representations and disclosures in this Appendix 1, please contact [compliance@miraeasset.us.com](mailto:compliance@miraeasset.us.com) or +1 (212) 407-1000.

#### **Distribution**

**United Kingdom:** This report is being distributed by Mirae Asset Securities (UK) Ltd. in the United Kingdom only to (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), and (ii) high net worth companies and other persons to whom it may lawfully be communicated, falling within Article 49(2)(A) to (E) of the Order (all such persons together being referred to as "Relevant Persons"). This report is directed only at Relevant Persons. Any person who is not a Relevant Person should not act or rely on this report or any of its contents.

**United States:** Mirae Asset Securities is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This report is distributed in the U.S. by Mirae Asset Securities (USA) Inc., a member of FINRA/SIPC, to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6(b)(4) under the U.S. Securities Exchange Act of 1934, as amended. All U.S. persons that receive this document by their acceptance hereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Mirae Asset Securities or its affiliates. Any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Mirae Asset Securities (USA) Inc. Mirae Asset Securities (USA) Inc. accepts responsibility for the contents of this report in the U.S., subject to the terms hereof, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through Mirae Asset Securities. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. persons absent registration or an applicable exemption from the registration requirements.

**Hong Kong SAR:** This report is distributed in Hong Kong SAR by Mirae Asset Securities (HK) Limited, which is regulated by the Hong Kong Securities and Futures Commission. The contents of this report have not been reviewed by any regulatory authority in Hong Kong SAR. This report is for distribution only to professional investors within the meaning of Part I of Schedule 1 to the Securities and Futures Ordinance of Hong Kong SAR (Cap. 571, Laws of Hong Kong SAR) and any rules made thereunder and may not be redistributed in whole or in part in Hong Kong SAR to any person.

**India:** This report is being distributed by Mirae Asset Capital Markets (India) Private Limited ("MACM") in India to the customers based in India and is personal information only for those authorised recipient(s). MACM is inter alia a Securities and Exchange Board of India ("SEBI") registered Research Analyst in India and is not registered outside India. MACM and Mirae Asset, Korea are group entities. MACM makes no guarantee, representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information and opinions contained herein. The user assumes the entire risk of any use made of this information. This report has been provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipient must read the entire Appendix 1 to the report carefully for Important Disclosures & Disclaimers.

**All other jurisdictions:** Customers in all other countries who wish to effect a transaction in any securities referenced in this report should contact Mirae Asset Securities or its affiliates only if distribution to or use by such customer of this report would not violate applicable laws and regulations and not subject Mirae Asset Securities and its affiliates to any registration or licensing requirement within such jurisdiction.

## Mirae Asset Securities International Network

---

### Mirae Asset Securities Co., Ltd. (Seoul)

One-Asia Equity Sales Team  
Mirae Asset Center 1 Building  
26 Eulji-ro 5-gil, Jung-gu, Seoul 04539  
Korea

Tel: 82-2-3774-2124

---

### Mirae Asset Securities (USA) Inc.

810 Seventh Avenue, 37th Floor  
New York, NY 10019  
USA

Tel: 1-212-407-1000

---

### Mirae Asset Securities (Singapore) Pte. Ltd.

6 Battery Road, #11-01  
Singapore 049909  
Republic of Singapore

Tel: 65-6671-9845

---

### Mirae Asset Investment Advisory (Beijing) Co., Ltd

2401B, 24th Floor, East Tower, Twin Towers  
B12 Jianguomenwai Avenue, Chaoyang District  
Beijing 100022  
China

Tel: 86-10-6567-9699

---

### Ho Chi Minh Representative Office

7F, Saigon Royal Building  
91 Pasteur St.  
District 1, Ben Nghe Ward, Ho Chi Minh City  
Vietnam

Tel: 84-8-3910-7715

---

### Mirae Asset Securities (HK) Ltd.

Units 8501, 8507-8508, 85/F  
International Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong SAR  
Tel: 852-2845-6332

---

### Mirae Asset Wealth Management (Brazil) CCTVM

Rua Funchal, 418, 18th Floor, E-Tower Building  
Vila Olimpia  
Sao Paulo - SP  
04551-060  
Brazil  
Tel: 55-11-2789-2100

---

### Mirae Asset Securities (Vietnam) LLC

7F, Saigon Royal Building  
91 Pasteur St.  
District 1, Ben Nghe Ward, Ho Chi Minh City  
Vietnam

Tel: 84-8-3911-0633 (ext.110)

---

### Beijing Representative Office

2401A, 24th Floor, East Tower, Twin Towers  
B12 Jianguomenwai Avenue, Chaoyang District  
Beijing 100022  
China

Tel: 86-10-6567-9699 (ext. 3300)

---

### Mirae Asset Capital Markets (India) Pvt Ltd

1st Floor, Tower 4, Equinox Business Park,  
LBS Marg, Off BKC, Kurla (West), Mumbai - 400 070  
India

Tel: 91-22-62661300 / 48821300

---

### Mirae Asset Securities (UK) Ltd.

41st Floor, Tower 42  
25 Old Broad Street,  
London EC2N 1HQ  
United Kingdom

Tel: 44-20-7982-8000

---

### PT. Mirae Asset Sekuritas Indonesia

District 8, Treasury Tower Building Lt. 50  
Sudirman Central Business District  
Jl. Jend. Sudirman, Kav. 52-54  
Jakarta Selatan 12190  
Indonesia  
Tel: 62-21-5088-7000

---

### Mirae Asset Securities Mongolia UTsk LLC

#406, Blue Sky Tower, Peace Avenue 17  
1 Khoroo, Sukhbaatar District  
Ulaanbaatar 14240  
Mongolia

Tel: 976-7011-0806

---

### Shanghai Representative Office

38T31, 38F, Shanghai World Financial Center  
100 Century Avenue, Pudong New Area  
Shanghai 200120  
China

Tel: 86-21-5013-6392

---