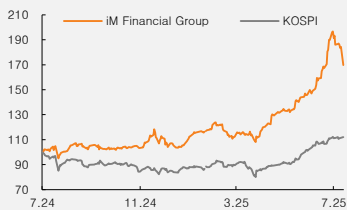


(Maintain)	Buy
Target price	W19,000
Current price (7/28/25)	W13,390
Upside	41.9%

NP (25F, Wbn)	465
Consensus NP (25F, Wbn)	444
EPS growth (25F, %)	119.9
Market EPS growth (25F, %)	25.3
P/E (25F, x)	4.8
Market P/E (25F, x)	11.7
KOSPI	3,209.52

Market cap (Wbn)	2,170
Shares outstanding (mn)	162
Free float (%)	86.3
Foreign ownership (%)	44.5
Beta (12M)	0.67
52-week low (W)	7,490
52-week high (W)	15,510

(%)	1M	6M	12M
Absolute	6.7	46.8	65.1
Relative	1.6	16.0	40.5



Mirae Asset Securities Co., Ltd.

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iM Financial Group

Shareholder return targets likely to be met earlier than planned

Maintain Buy and TP of W19,000

We maintain our Buy rating and target price of W19,000 on iM Financial Group (iMFG). Since early this year, iMFG has delivered a steady earnings turnaround. With its earnings power and capital adequacy rapidly improving, the group announced an additional W20bn share buyback/cancellation program for 2H25. Under its previous corporate value enhancement plan, the group had set the following 2027 targets: 1) a CET1 ratio of 12.3%; 2) a shareholder return ratio of 40%; and 3) W150bn in cumulative share buybacks/cancellations. We believe iMFG is on track to achieve all of these goals ahead of schedule, given its swift capital ratio improvement and buyback program.

2Q25 review: NP beats consensus

For 2Q25, iMFG reported net profit attributable to owners of the parent of W155bn, exceeding both our estimate (W145.6bn) and the consensus (W134.7bn). While net operating revenue and operating profit were largely in line with our estimates, net profit beat expectations on lower-than-expected corporate tax expenses. NIM continued to decline due to asset portfolio restructuring, but the credit cost ratio improved sharply (-144bps YoY), contributing significantly to the 304.7% YoY surge in net profit. The CET1 ratio remained above the 12% threshold, rising 12bps QoQ to 12.15%.

Opportunity for a re-rating

During its 2Q25 earnings call, iMFG noted that it is likely to achieve its previously announced shareholder return targets earlier than planned and therefore plans to update these goals through a follow-up disclosure. Like its peers, we think the group may present a shareholder return ratio target tied to a specific timeline; if so, this could serve as a catalyst for a further valuation re-rating.

(Dec.)	2023	2024	2025F	2026F	2027F
Net operating revenue (Wbn)	2,177	2,082	2,016	1,992	2,037
OP (Wbn)	534	263	638	683	713
NP (Wbn)	388	215	465	477	483
EPS (W)	2,291	1,271	2,796	2,985	3,186
BPS (W)	35,751	36,006	37,686	41,108	45,200
P/E (x)	3.7	6.4	4.7	4.6	4.5
P/B (x)	0.24	0.23	0.34	0.33	0.32
ROE (%)	6.8	3.6	7.7	7.6	7.4
Shareholder return yield (%)	6.5	3.7	7.5	8.9	9.8
CET1 ratio (%)	11.2	11.7	12.0	12.2	12.3

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

Source: Company data, Mirae Asset Securities Research estimates

Table 1. iMFG: 2Q25 review

(Wbn, %)

	Mirae Asset	2Q25P	Notes
Net operating revenue	523	541	
Interest income	400	407	Group/bank NIM -2bps QoQ
Bank	301	304	
Non-bank	98	103	
Non-interest income	123	134	Fee/commission income: -2.1% YoY, +9.6% QoQ
SG&A expenses	235	258	SG&A ratio: 46.5% (+4.1%p YoY, -30.7%p QoQ)
PPOP	288	283	
Provisioning	81	84	Credit cost ratio: 43bps (-58bps YoY, -50bps QoQ)
OP	206	199	
Non-OP	-3	-1	
Pretax profit	204	198	
Taxes	54	38	
Consolidated NP	150	159	
NP attr. to owners of the parent	146	155	

Source: Company data, Mirae Asset Securities Research

Table 2. iMFG: Earnings and forecasts

(Wbn)

	1Q25	2Q25P	3Q25F	4Q25F	2024	2025F	2026F
Net operating revenue	521	541	472	482	2,082	2,016	1,992
Interest income	403	407	399	400	1,686	1,610	1,617
Bank	307	304	296	298	1,287	1,204	1,211
Non-bank	96	103	104	102	399	405	407
Non-interest income	118	134	73	82	396	407	374
SG&A expenses	242	258	236	289	1,078	1,026	969
PPOP	279	283	236	193	1,004	991	1,023
Provisioning	70	84	90	108	740	352	340
OP	209	199	146	85	263	638	683
Non-OP	-3	-1	-3	-5	-11	-12	-13
Pretax profit	206	198	143	80	253	627	670
Taxes	47	38	38	21	51	145	177
Consolidated NP	159	159	105	59	202	482	493
NP attr. to owners of the parent	154	155	101	55	215	465	477

Source: Company data, Mirae Asset Securities Research

iM Financial Group (139130 KS)

Income statement

(Wbn)	2024	2025F	2026F	2027F
Net operating revenue	2,082	2,016	1,992	2,037
Interest income	1,686	1,610	1,617	1,663
Bank	1,287	1,204	1,211	1,241
Non-bank	399	405	407	421
Non-interest income	396	407	374	374
SG&A expenses	1,078	1,026	969	990
PPOP	1,004	991	1,023	1,047
Provisioning	740	352	340	334
OP	263	638	683	713
Non-OP	-11	-12	-13	-13
Pretax profit	253	627	670	700
Taxes	51	145	177	200
NP	202	482	493	499
Attr. to owners of the parent	215	465	477	483
Minority interests	-13	17	17	17

Growth (%)	2024	2025F	2026F	2027F
Net operating revenue	-4.4	-3.1	-1.2	2.3
Interest income	3.1	-4.5	0.5	2.8
Bank	0.5	-6.4	0.5	2.5
Non-bank	12.5	1.6	0.4	3.6
Non-interest income	-26.9	2.9	-8.0	0.0
SG&A expenses	4.1	-4.9	-5.5	2.2
PPOP	-12.1	-1.3	3.2	2.3
Provisioning	22.0	-52.4	-3.6	-1.7
OP	-50.7	142.4	7.0	4.3
Non-OP	463.2	8.0	8.6	2.8
Pretax profit	-52.5	148.1	7.0	4.3
Taxes	-57.5	183.0	22.4	13.1
NP	-51.1	139.2	2.3	1.2
Attr. to owners of the parent	-44.6	116.5	2.5	1.2
Minority interests	-154.5	-227.8	-1.2	0.0

Performance indicators

(%, Wbn)	2024	2025F	2026F	2027F
NIM	1.91	1.72	1.70	1.68
NIS	2.25	2.01	1.97	1.94
Cost-to-income ratio	51.8	50.9	48.7	48.6
Credit cost ratio	1.15	0.53	0.50	0.47
Asset growth	0.8	8.4	3.4	3.4
Equity growth (attr. to owners)	0.7	2.0	4.6	4.1
BIS capital	6,304	6,516	6,795	7,059
Tier 1 capital	5,725	6,019	6,297	6,562
CET1 capital	5,050	5,339	5,618	5,882
Tier 2 capital	579	497	497	497
Risk-weighted assets	43,108	44,606	46,187	47,824
BIS capital adequacy ratio	14.6	14.6	14.7	14.8
Tier 1 capital	13.3	13.5	13.6	13.7
CET1 capital	11.7	12.0	12.2	12.3
Tier 2 capital	1.6	1.1	1.1	1.0

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet

(Wbn)	2024	2025F	2026F	2027F
Assets	94,149	102,080	105,506	109,048
Cash/cash equivalents	4,126	5,065	5,235	5,411
Securities	20,897	24,625	25,452	26,306
Loans	65,701	67,161	69,542	72,007
Won-denominated bank loans	57,349	58,721	60,803	62,959
Tangible assets	948	933	933	933
Other	3,425	4,296	4,344	4,391
Liabilities	87,943	95,752	98,900	102,177
Deposits	59,807	60,289	62,426	64,639
Won-denominated bank deposits	59,807	60,289	62,426	64,639
Borrowings	17,528	21,771	22,486	23,232
Other	10,608	13,692	13,987	14,306
Equity	6,206	6,328	6,607	6,871
Attr. to owners of the parent	5,991	6,111	6,390	6,654
Capital stock	846	846	846	846
Capital surplus	1,563	1,563	1,563	1,563
Capital adj.	-20	-26	-26	-26
AOCI	-595	-543	-543	-543
Retained earnings	3,385	3,456	3,734	3,999
Other	816	816	816	816
Minority interests	215	217	217	217

Investment indicators

(x, %, W)	2024	2025F	2026F	2027F
Valuation				
P/E	6.4	4.7	4.6	4.5
P/B	0.23	0.34	0.33	0.32
Dividend yield	6.1	4.9	4.9	4.9
Per-share indicators				
EPS	1,271	2,796	2,985	3,186
BPS	36,006	37,686	41,108	45,200
DPS	500	650	650	650
Growth				
EPS	-44.5	119.9	6.8	6.7
BPS	0.7	4.7	9.1	10.0
Profitability				
ROE	3.6	7.7	7.6	7.4
ROA	0.23	0.47	0.46	0.45
PPOP margin	48.2	49.1	51.3	51.4
OP margin	12.7	31.7	34.3	35.0
Pretax margin	12.1	31.1	33.7	34.3
Net margin	10.3	23.1	23.9	23.7

No. of shares & dividend payout ratio

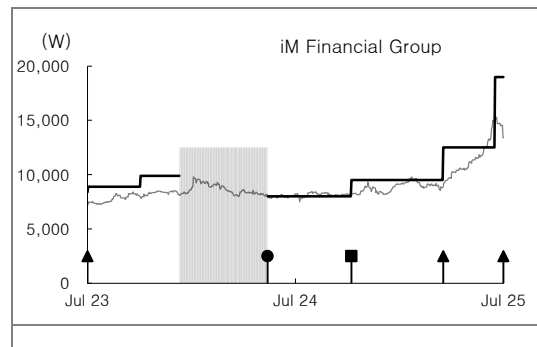
('000, %)	2024	2025F	2026F	2027F
Issued shares (year-end)	169,146	164,899	158,178	149,963
Common	169,146	164,899	158,178	149,963
Preferred	0	0	0	0
Dividend payout ratio				
Common	38.7	23.2	22.7	22.4
Preferred	0.0	0.0	0.0	0.0

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
iM Financial Group (139130)	07/14/25	Buy	19,000
	04/14/25	Buy	12,500
	11/04/24	Trading Buy	9,500
	06/10/24	Hold	8,000
	01/08/24	No Coverage	
	10/31/23	Buy	9,900
	07/31/23	Buy	8,900
	04/10/23	Buy	8,400



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)

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