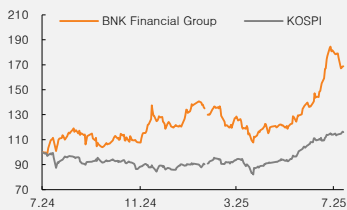


(Maintain)	<b>Buy</b>
Target price	<b>W19,000</b>
Current price (7/31/25)	W14,590
Upside	30.2%

NP (25F, Wbn)	809
Consensus NP (25F, Wbn)	777
EPS growth (25F, %)	13.5
Market EPS growth (25F, %)	25.2
P/E (25F, x)	5.7
Market P/E (25F, x)	11.9
KOSPI	3,245.44

Market cap (Wbn)	4,645
Shares outstanding (mn)	314
Free float (%)	84.0
Foreign ownership (%)	40.0
Beta (12M)	0.65
52-week low (W)	8,720
52-week high (W)	15,950

(%)	1M	6M	12M
Absolute	17.2	20.0	53.3
Relative	10.9	-6.9	30.8



Mirae Asset Securities Co., Ltd.

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# BNK Financial Group

## Ongoing commitment to shareholder returns

### Retain Buy and TP of W19,000

We retain our Buy rating and target price of W19,000 on BNK Financial Group (BNKFG). The group delivered better-than-expected 2Q25 net profit, supported by one-off gains. In step with the solid results, it announced a W60bn share buyback/cancellation (exceeding the previously expected W50bn), underscoring its continued commitment to enhancing shareholder returns. Management also reaffirmed its goal of achieving a 50% shareholder return ratio by 2027. Based on this, we expect the shareholder return ratio this year to rise roughly 5%p YoY to 38.1%.

### 2Q25 NP beats expectations

For 2Q25, BNKFG posted net profit attributable to owners of the parent of W309.2bn, above our estimate (W248.9bn) and the consensus (W246.1bn). However, we note that the outperformance was driven by gains from real estate sales (recognized under non-operating profit). In contrast, both net operating revenue and operating profit fell short of expectations amid continued weakness in non-interest income. In particular, the decline in fee/commission income stemming from reduced project financing (PF) exposure far outweighed improvements in other segments.

### Likely to adhere to original corporate value enhancement timeline

While some peers are expected to meet their corporate value enhancement targets ahead of schedule, BNKFG is likely to stick to its original timeline. This is because the group is already targeting one of the steepest increases in shareholder returns among peers, and to achieve this, it is controlling growth to maintain its CET1 ratio. In the end, the group must maintain a focus on profitability and limit growth to the minimum level necessary to meet both capital adequacy requirements and its shareholder return goals. As a result, early achievement of its targets appears unlikely.

(Dec.)	2023	2024	2025F	2026F	2027F
Net operating revenue (Wbn)	3,230	3,334	3,217	3,266	3,382
OP (Wbn)	801	876	870	1,048	1,146
NP (Wbn)	640	729	809	826	898
EPS (W)	1,373	2,273	2,581	2,726	3,137
BPS (W)	31,746	33,604	34,512	37,272	41,056
P/E (x)	5.2	4.5	5.7	5.6	5.2
P/B (x)	0.22	0.31	0.41	0.40	0.38
ROE (%)	6.4	7.0	7.5	7.5	7.8
Shareholder return yield (%)	8.1	5.2	6.7	8.2	10.7
CET1 ratio (%)	11.7	12.3	12.5	12.6	12.6

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

Source: Company data, Mirae Asset Securities Research estimates

**Table 1. BNKFG: 2Q25 review**

(Wbn, %)

	Mirae Asset	2Q25P	Notes
Net operating revenue	875	817	
Interest income	743	708	Group NIM: +2bps QoQ
Bank	562	563	
Non-bank	181	145	One-off costs related to fund liquidation
Non-interest income	131	109	Fee/commission income: -24.8% YoY, -24.6% QoQ
SG&A expenses	394	399	SG&A ratio: 48.8% (+5.1%p YoY, +4.7%p QoQ)
PPOP	481	419	
Provisioning	162	163	Credit cost ratio: 74bps (+3bps YoY, -19bps QoQ)
OP	319	256	
Non-OP	26	142	
Pretax profit	345	398	
Taxes	91	83	
Consolidated NP	254	314	
NP attr. to owners of the parent	249	309	

Source: Company data, Mirae Asset Securities Research

**Table 2. BNKFG: Earnings and forecasts**

(Wbn)

	1Q25	2Q25P	3Q25F	4Q25F	2024	2025F	2026F
Net operating revenue	854	817	786	760	3,334	3,217	3,266
Interest income	736	708	735	733	2,977	2,912	2,966
Bank	558	563	557	556	2,229	2,234	2,259
Non-bank	177	145	178	177	748	678	707
Non-interest income	119	109	51	26	357	306	300
SG&A expenses	377	399	354	380	1,567	1,509	1,509
PPOP	478	419	432	380	1,767	1,708	1,757
Provisioning	272	163	193	210	891	838	709
OP	206	256	239	170	876	870	1,048
Non-OP	22	142	51	8	116	223	103
Pretax profit	228	398	290	178	992	1,093	1,151
Taxes	56	83	77	47	242	263	304
Consolidated NP	172	314	213	131	750	830	847
NP attr. to owners of the parent	167	309	208	126	729	809	826

Source: Company data, Mirae Asset Securities Research

## BNK Financial Group (138930 KS)

## Income statement

(Wbn)	2024	2025F	2026F	2027F
Net operating revenue	3,334	3,217	3,266	3,382
Interest income	2,977	2,912	2,966	3,073
Bank	2,229	2,234	2,259	2,357
Non-bank	748	678	707	715
Non-interest income	357	306	300	309
SG&A expenses	1,567	1,509	1,509	1,562
PPOP	1,767	1,708	1,757	1,820
Provisioning	891	838	709	674
OP	876	870	1,048	1,146
Non-OP	116	223	103	103
Pretax profit	992	1,093	1,151	1,248
Taxes	242	263	304	330
NP	750	830	847	919
Attr. to owners of the parent	729	809	826	898
Minority interests	21	21	21	21

Growth (%)	2024	2025F	2026F	2027F
Net operating revenue	3.2	-3.5	1.5	3.5
Interest income	2.5	-2.2	1.9	3.6
Bank	1.9	0.2	1.1	4.3
Non-bank	4.3	-9.4	4.3	1.2
Non-interest income	10.0	-14.3	-1.7	3.0
SG&A expenses	6.2	-3.7	0.0	3.5
PPOP	0.8	-3.3	2.9	3.5
Provisioning	-6.4	-5.9	-15.4	-5.0
OP	9.3	-0.6	20.5	9.3
Non-OP	55.6	92.3	-53.9	0.0
Pretax profit	13.3	10.2	5.3	8.5
Taxes	22.9	8.6	15.7	8.5
NP	10.5	10.7	2.0	8.5
Attr. to owners of the parent	13.9	11.1	2.1	8.7
Minority interests	-45.3	-2.3	-0.5	0.0

## Performance indicators

(%, Wbn)	2024	2025F	2026F	2027F
NIM	1.87	1.83	1.79	1.80
NIS	1.81	1.79	1.75	1.75
Cost-to-income ratio	47.0	46.9	46.2	46.2
Credit cost ratio	0.77	0.70	0.57	0.52
Asset growth	4.6	4.1	4.1	4.1
Equity growth (attr. to owners)	4.6	0.5	4.3	4.0
BIS capital	10,868	10,917	11,381	11,830
Tier 1 capital	10,426	10,529	10,993	11,442
CET1 capital	9,449	9,834	10,298	10,747
Tier 2 capital	442	388	388	388
Risk-weighted assets	76,745	78,547	81,736	85,055
BIS capital adequacy ratio	14.1	13.9	13.9	13.9
Tier 1 capital	13.6	13.4	13.4	13.5
CET1 capital	12.3	12.5	12.6	12.6
Tier 2 capital	0.6	0.5	0.5	0.5

Source: Company data, Mirae Asset Securities Research estimates

## Balance sheet

(Wbn)	2024	2025F	2026F	2027F
Assets	152,471	158,661	165,103	171,807
Cash/cash equivalents	5,818	5,813	6,049	6,295
Securities	27,807	30,016	31,235	32,503
Loans	113,946	118,266	123,069	128,066
Won-denominated bank loans	100,633	103,886	108,104	112,494
Tangible assets	1,265	1,219	1,219	1,219
Other	4,899	3,345	3,531	3,724
Liabilities	141,323	147,461	153,439	159,694
Deposits	107,855	111,720	116,256	120,977
Won-denominated bank deposits	97,418	101,428	105,546	109,832
Borrowings	25,423	26,793	27,880	29,016
Other	8,044	8,947	9,303	9,701
Equity	11,148	11,200	11,664	12,113
Attr. to owners of the parent	10,699	10,751	11,215	11,664
Capital stock	1,630	1,630	1,630	1,630
Capital surplus	787	787	787	787
Capital adj.	-16	406	406	406
AOCI	-34	-700	-700	-700
Retained earnings	7,605	8,049	8,512	8,962
Other	730	580	580	580
Minority interests	449	449	449	449

## Investment indicators

(x, %, W)	2024	2025F	2026F	2027F
Valuation				
P/E	4.5	5.7	5.6	5.2
P/B	0.31	0.41	0.40	0.38
Dividend yield	6.3	4.5	4.7	4.8
Per-share indicators				
EPS	2,273	2,581	2,726	3,137
BPS	33,604	34,512	37,272	41,056
DPS	650	660	680	700
Growth				
EPS	65.5	13.5	5.6	15.1
BPS	5.9	2.7	8.0	10.2
Profitability				
ROE	7.0	7.5	7.5	7.8
ROA	0.49	0.52	0.51	0.53
PPOP margin	53.0	53.1	53.8	53.8
OP margin	26.3	27.0	32.1	33.9
Pretax margin	29.7	34.0	35.2	36.9
Net margin	21.9	25.2	25.3	26.5

## No. of shares &amp; dividend payout ratio

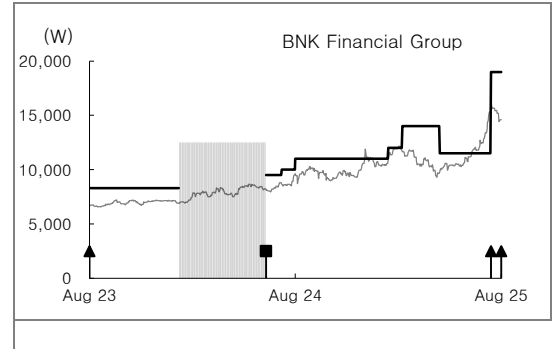
('000, %)	2024	2025F	2026F	2027F
Issued shares (year-end)	320,437	313,583	302,959	286,167
Common	320,437	313,583	302,959	286,167
Preferred	0	0	0	0
Dividend payout ratio				
Common	28.5	25.7	25.2	22.6
Preferred	0.0	0.0	0.0	0.0

# Appendix 1

## Important disclosures and disclaimers

### Two-year rating and TP history

Company	Date	Rating	TP (W)
BNK Financial Group (138930)	07/14/25	Buy	19,000
	04/14/25	Trading Buy	11,500
	02/07/25	Trading Buy	14,000
	01/13/25	Trading Buy	12,000
	08/01/24	Trading Buy	11,000
	07/08/24	Trading Buy	10,000
	06/10/24	Trading Buy	9,500
	01/08/24	No Coverage	
	04/10/23	Buy	8,300



### 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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