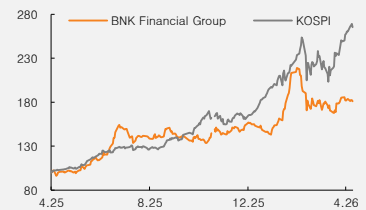


(Maintain)	Buy
Target price	W26,000
Current price (4/30/26)	W18,730
Upside	38.8%

NP (26F, Wbn)	852
Consensus NP (26F, Wbn)	857
EPS growth (26F, %)	6.9
Market EPS growth (26F, %)	206.0
P/E (26F, x)	6.8
Market P/E (26F, x)	7.9
KOSPI	6,598.87

Market cap (Wbn)	5,812
Shares outstanding (mn)	310
Free float (%)	85.7
Foreign ownership (%)	41.2
Beta (12M)	0.39
52-week low (W)	10,260
52-week high (W)	22,650

(%)	1M	6M	12M
Absolute	2.6	35.5	81.0
Relative	-17.9	-16.1	-29.9



Mirae Asset Securities Co., Ltd.

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BNK Financial Group

Confidence backed by delivery

Maintain Buy rating and TP of W26,000

We maintain our Buy rating on BNK Financial Group (BNKFG) with a target price of W26,000 (applying a target P/B of 0.70x to our 2026F BPS). At the company's 2025 annual earnings presentation, management guided 2026 interest income growth at 8% YoY. And in 1Q26, the group's NIM expanded 9bps QoQ, validating this confidence. In addition, BNKFG announced W60bn (+50% YoY) in share buybacks and cancellations for 1H26, indicating steady progress in accelerating shareholder returns as planned. With our target price implying upside of 38.8%, we maintain our Buy rating.

1Q26 review: Earnings beat our estimate

For 1Q26, BNKFG reported net profit attributable to owners of the parent of W211.4bn, exceeding our estimate (W191.7bn) and meeting the consensus (W208.9bn). Interest income came in slightly below expectations due to weaker non-bank interest income, but non-interest income was stronger than expected, supported by solid fee/commission income. While one-off SG&A expenses pushed the cost-to-income ratio above our expectations, the credit cost ratio continued to improve rapidly, coming in at 52bps.

2026 shareholder return ratio projected at 45%

We expect BNKFG's 2026 shareholder return ratio to reach 45%, up around 5%p YoY. The company is targeting a 50% shareholder return ratio by 2027 and has been delivering annual increases of 5–6%p. Cash dividends are likely to grow at around 10% per year to meet the requirements for separate taxation on dividend income, while shareholder returns should increasingly focus on buybacks and cancellations aimed at addressing the stock's undervaluation.

(Dec.)	2024	2025	2026F	2027F	2028F
Net operating revenue (Wbn)	3,334	3,370	3,559	3,727	3,843
OP (Wbn)	876	903	1,161	1,260	1,294
NP (Wbn)	729	815	852	913	937
EPS (W)	2,273	2,590	2,769	3,059	3,255
BPS (W)	33,604	34,780	36,816	39,539	42,512
P/E (x)	4.5	6.1	6.8	6.1	5.8
P/B (x)	0.31	0.46	0.51	0.47	0.44
ROE (%)	7.0	7.6	7.8	8.0	7.9
Shareholder return yield (%)	7.3	6.8	6.7	8.3	9.5
CET1 ratio (%)	12.3	12.3	12.4	12.5	12.5

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

Source: Company data, Mirae Asset Securities Research estimates



Mirae Asset Securities Research AI translation

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Table 1. BNKFG: 1Q26 review

(Wbn, %)

	Mirae Asset	1Q26P	Notes
Net operating revenue	807	867	
Interest income	787	763	Group NIM +9bps QoQ, bank NIM +7bps QoQ
Bank	581	590	
Non-bank	206	173	
Non-interest income	20	104	Fee/commission income: +36.3% YoY, +66.3% QoQ
SG&A expenses	403	423	SG&A ratio: 48.8% (+4.7%p YoY, -17.8%p QoQ)
PPOP	403	444	
Provisioning	153	160	Credit cost ratio: 52bps (-41bps YoY, -17bps QoQ)
OP	250	283	
Non-OP	22	0	
Pretax profit	272	283	
Taxes	75	66	
Consolidated NP	197	217	
NP attr. to owners of the parent	192	211	

Source: Company data, Mirae Asset Securities Research

Table 2. BNKFG: Earnings and forecasts

(Wbn)

	1Q26P	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Net operating revenue	867	917	943	832	3,370	3,559	3,727
Interest income	763	778	789	797	2,953	3,127	3,310
Bank	590	602	612	620	2,238	2,424	2,588
Non-bank	173	176	177	177	715	703	723
Non-interest income	104	140	154	36	417	433	417
SG&A expenses	423	413	424	458	1,690	1,718	1,765
PPOP	444	504	519	375	1,680	1,841	1,962
Provisioning	160	156	173	191	778	680	702
OP	283	348	345	184	903	1,161	1,260
Non-OP	0	0	21	8	192	28	28
Pretax profit	283	348	366	192	1,095	1,189	1,288
Taxes	66	96	101	53	258	315	354
Consolidated NP	217	252	265	139	836	873	934
NP attr. to owners of the parent	211	247	260	134	815	852	913

Source: Company data, Mirae Asset Securities Research

BNK Financial Group (138930 KS)

Income statement

(Wbn)	2025	2026F	2027F	2028F
Net operating revenue	3,370	3,559	3,727	3,843
Interest income	2,953	3,127	3,310	3,427
Bank	2,238	2,424	2,588	2,683
Non-bank	715	703	723	744
Non-interest income	417	433	417	417
SG&A expenses	1,690	1,718	1,765	1,819
PPOP	1,680	1,841	1,962	2,024
Provisioning	778	680	702	730
OP	903	1,161	1,260	1,294
Non-OP	192	28	28	28
Pretax profit	1,095	1,189	1,288	1,322
Taxes	258	315	354	364
NP	836	873	934	959
Attr. to owners of the parent	815	852	913	937
Minority interests	21	21	21	21

Growth (%)	2025	2026F	2027F	2028F
Net operating revenue	1.1	5.6	4.7	3.1
Interest income	-0.8	5.9	5.9	3.5
Bank	0.4	8.3	6.8	3.7
Non-bank	-4.4	-1.8	2.8	3.0
Non-interest income	16.9	3.8	-3.7	0.0
SG&A expenses	7.8	1.7	2.7	3.1
PPOP	-4.9	9.6	6.6	3.2
Provisioning	-12.7	-12.5	3.1	4.1
OP	3.1	28.6	8.6	2.7
Non-OP	65.7	-85.4	0.0	0.0
Pretax profit	10.4	8.6	8.4	2.6
Taxes	6.9	22.0	12.3	2.6
NP	11.5	4.4	7.0	2.6
Attr. to owners of the parent	11.9	4.6	7.1	2.7
Minority interests	-0.9	0.0	0.0	0.0

Performance indicators

(%, Wbn)	2025	2026F	2027F	2028F
NIM	1.82	1.91	1.97	1.96
NIS	1.80	1.87	1.92	1.91
Cost-to-income ratio	50.1	48.3	47.4	47.3
Credit cost ratio	0.65	0.55	0.54	0.54
Asset growth	5.7	3.8	4.1	4.1
Equity growth (attr. to owners)	0.9	3.5	4.1	3.7
BIS capital	10,668	11,072	11,529	11,961
Tier 1 capital	10,403	10,806	11,263	11,695
CET1 capital	9,645	10,049	10,505	10,937
Tier 2 capital	265	266	266	266
Risk-weighted assets	78,149	80,734	84,011	87,420
BIS capital adequacy ratio	13.7	13.7	13.7	13.7
Tier 1 capital	13.3	13.4	13.4	13.4
CET1 capital	12.3	12.4	12.5	12.5
Tier 2 capital	0.3	0.3	0.3	0.3

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet

(Wbn)	2025	2026F	2027F	2028F
Assets	161,095	167,209	173,994	181,055
Cash/cash equivalents	7,143	5,628	5,856	6,094
Securities	29,645	31,518	32,797	34,128
Loans	119,565	124,754	129,816	135,084
Won-denominated bank loans	104,867	109,530	113,975	118,600
Tangible assets	1,237	1,277	1,277	1,277
Other	4,742	4,032	4,247	4,471
Liabilities	149,854	155,591	161,919	168,548
Deposits	113,478	115,610	120,302	125,183
Won-denominated bank deposits	101,202	105,251	109,522	113,966
Borrowings	27,891	30,612	31,857	33,162
Other	8,485	9,368	9,760	10,203
Equity	11,242	11,618	12,075	12,506
Attr. to owners of the parent	10,793	11,169	11,626	12,058
Capital stock	1,630	1,630	1,630	1,630
Capital surplus	787	787	787	787
Capital adj.	-33	-33	-33	-33
AOCI	-59	-258	-259	-258
Retained earnings	8,119	8,694	9,151	9,582
Other	350	350	350	350
Minority interests	449	449	449	449

Investment indicators

(x, %, W)	2025	2026F	2027F	2028F
Valuation				
P/E	6.1	6.8	6.1	5.8
P/B	0.46	0.51	0.47	0.44
Dividend yield	4.6	4.4	5.1	5.8
Per-share indicators				
EPS	2,590	2,769	3,059	3,255
BPS	34,780	36,816	39,539	42,512
DPS	735	830	950	1,090
Growth				
EPS	3.5	5.9	7.4	7.5
BPS	3.5	5.9	7.4	7.5
Profitability				
ROE	7.6	7.8	8.0	7.9
ROA	0.52	0.52	0.54	0.53
PPOP margin	49.9	51.7	52.6	52.7
OP margin	26.8	32.6	33.8	33.7
Pretax margin	32.5	33.4	34.6	34.4
Net margin	24.2	23.9	24.5	24.4

No. of shares & dividend payout ratio

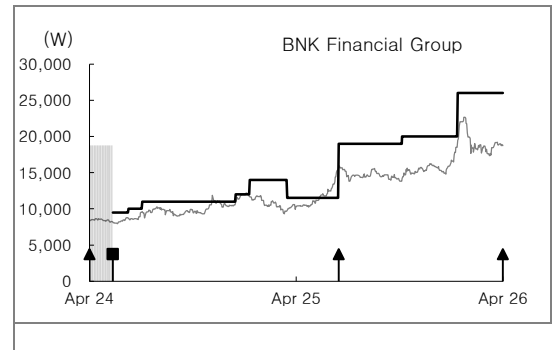
('000, %)	2025	2026F	2027F	2028F
Issued shares (year-end)	310,327	303,386	294,043	283,632
Common	310,327	303,386	294,043	283,632
Preferred	0	0	0	0
Dividend payout ratio				
Common	28.1	29.7	30.8	33.2
Preferred	0.0	0.0	0.0	0.0

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
BNK Financial Group (138930)	02/09/26	Buy	26,000
	11/03/25	Buy	20,000
	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	



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	80.84%	0%	18.56%	0.6%
Investment banking services	86.67%	0%	13.33%	0%

* Based on recommendations in the last 12-months (as of March 31, 2026)

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