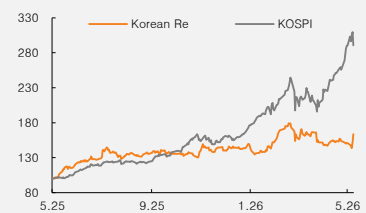


(Maintain)	Hold
Target price	▲ W14,000
Current price (5/15/26)	W13,130
Upside	6.6%

OP (26F, Wbn)	670
Consensus OP (26F, Wbn)	448
EPS growth (26F, %)	61.1
Market EPS growth (26F, %)	229.0
P/E (26F, x)	5.2
Market P/E (26F, x)	8.3
KOSPI	7,493.18

Market cap (Wbn)	2,320
Shares outstanding (mn)	177
Free float (%)	77.5
Foreign ownership (%)	23.1
Beta (12M)	0.18
52-week low (W)	8,110
52-week high (W)	14,390

(%)	1M	6M	12M
Absolute	8.3	14.0	61.9
Relative	-11.9	-39.0	-43.4



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Korean Re

Strong earnings raise dividend expectations

Maintain Hold; raise TP to W14,000

We raise our target price for Korean Re to W14,000 (W12,600), which corresponds to a 2026F target dividend yield of 5% (unchanged) based on our DPS estimate of W700 (vs. W630 previously). In its previous “value-up” disclosure, the company stated that it planned to increase dividends with the aim of meeting the requirements for separate taxation of dividend income. We believe this goal is achievable, as we see no constraints on dividend capacity arising from surrender value reserves. That said, with our target price implying just 6.6% upside, we maintain our Hold rating.

1Q26 earnings surprise

For 1Q26, Korean Re reported net profit of W209.5bn, far exceeding our estimate (W148.3bn) and the consensus (W100.9bn). The significant beat was driven by: 1) a sharp increase in underwriting profit amid the absence of large-loss events (which weighed on results in 1Q25); and 2) stronger-than-expected investment profit amid favorable stock market conditions. Accordingly, we expect full-year net profit to climb 53.1% YoY.

2026 dividend yield likely to reach 5.3% based on current share price level

For this year, we estimate Korean Re’s dividend yield at 5.3% (based on the current share price level) and payout ratio at 25.5%. Previously, the company had targeted a payout ratio of 30% based on earnings under IFRS 4, but its new policy is centered on meeting the requirements for separate taxation of dividend income. Moreover, earnings this year are likely to come in above normalized levels, suggesting that the payout ratio is likely to decline to around 25%.

Meanwhile, Korean Re canceled all of its treasury shares in March. Factoring in this cancellation, we estimate the shareholder return yield at 15.9% and shareholder return ratio at 76.2%. We do not expect additional buybacks.

(Dec.)	2024	2025	2026F	2027F	2028F
Underwriting profit (Wbn)	198	224	329	227	227
OP (Wbn)	362	462	670	502	502
NP (Wbn)	285	317	485	359	359
EPS (W)	1,646	1,556	2,507	1,795	1,795
BPS (W)	19,539	20,708	22,155	23,416	24,595
P/E (x)	4.8	7.4	5.2	7.3	7.3
P/B (x)	0.41	0.56	0.59	0.56	0.53
ROE (%)	8.4	8.9	12.8	8.9	8.5
Shareholder return yield (%)	6.5	4.9	15.9	5.9	6.5
K-ICS ratio (%)	191.7	197.8	218.7	222.2	229.7

Notes: Under non-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. Korean Re: TP calculation

(W, x, %)

	Value	Notes
Previous TP	12,600	
2026F ROE	8.1	Mirae Asset Securities est.
Adj. discount rate	13.5	
Target P/B	0.60	
2026F BPS	20,917	Mirae Asset Securities est.
Revised TP	14,000	
2026F ROE (G)	12.8	Mirae Asset Securities est.
Adj. discount rate	20.2	
Target P/B	0.63	
2026F BPS	22,155	Mirae Asset Securities est.
Current price	13,130	
Upside	6.6	
Rating	Hold	

Source: Company data, Mirae Asset Securities Research

Table 2. Korean Re: 1Q26 review

(Wbn, %)

	Mirae Asset	Preliminary	Notes
Underwriting profit	140	178	
CSM release	18	18	
RA release	7	7	
Experience variance	100	25	
Other expenses	15	127	
Investment profit	65	107	
Excl. insurance fin. gains/losses	196	313	
OP	205	284	
Non-OP	-1	-1	
Pretax profit	205	284	
Taxes	56	74	
NP	148	210	

Source: Company data, Mirae Asset Securities Research

Table 3. Korean Re: Earnings and forecasts

(Wbn)

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Underwriting profit	178	88	76	-13	224	329	227
CSM release	18	18	18	17	75	70	70
RA release	7	7	7	7	28	28	28
Experience variance	25	-24	-51	51	5	2	-36
Other expenses	127	87	102	-89	116	228	164
Investment profit	107	89	68	78	238	341	275
Excl. insurance fin. gains/losses	313	295	213	209	498	1,030	797
OP	284	177	144	65	462	670	502
Non-OP	-1	0	-2	-4	-7	-7	-7
Pretax profit	284	176	142	61	455	663	495
Taxes	74	48	39	17	138	179	136
NP	210	128	103	44	317	485	359

Source: Company data, Mirae Asset Securities Research

Korean Re (003690 KS)

Income statement

(Wbn)	2025	2026F	2027F	2028F
Underwriting profit	224	329	227	227
CSM release	75	70	70	70
RA release	28	28	28	28
Adj. for experience variance	5	2	-36	-36
Other	116	228	164	164
Investment profit	238	341	275	275
Excl. insurance fin. gains/losses	498	1,030	797	797
FVPL valuation gains/losses	25	42	64	64
Disposal gains/losses	-12	3	0	0
OP	462	670	502	502
Non-OP	-7	-7	-7	-7
Pretax profit	455	663	495	495
Tax	138	179	136	136
Tax rate	28.9	27.2	27.5	27.5
NP	317	485	359	359

Key ratios

(x, %, W, Wbn)	2025	2026F	2027F	2028F
P/E	7.4	5.2	7.3	7.3
P/B	0.56	0.59	0.56	0.53
Dividend yield	4.9	5.3	5.9	6.5
EPS	1,556	2,507	1,795	1,795
BPS	20,708	22,155	23,416	24,595
DPS	570	700	770	850
ROE	8.9	12.8	8.9	8.5
ROA	2.35	3.45	2.52	2.48
K-ICS ratio	197.8	218.7	222.2	229.7
Available capital	4,395	4,868	5,089	5,295
Required capital	2,222	2,226	2,290	2,306
Dividend payout ratio	31.8	25.5	37.9	41.9
Common	31.8	25.5	37.9	41.9
Preferred	0.0	0.0	0.0	0.0

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet

(Wbn)	2025	2026F	2027F	2028F
Assets	14,000	14,129	14,375	14,607
Cash	410	441	449	456
Financial assets	10,758	10,901	11,091	11,270
FVPL	2,792	3,022	3,074	3,124
FVOCI	6,058	6,075	6,181	6,281
AC	1,682	1,577	1,604	1,630
Other assets	2,831	2,787	2,836	2,881
Liabilities	10,340	10,214	10,237	10,261
Insurance liabilities	9,554	9,222	9,245	9,268
BEL	7,676	7,389	7,439	7,490
CSM	968	965	963	961
RA	499	479	453	428
Other	411	389	389	389
Other liabilities	786	993	993	993
Equity	3,659	3,915	4,138	4,347
Capital stock	71	71	71	71
Capital surplus	166	166	166	166
Retained earnings	2,528	2,613	2,835	3,044
Surrender value reserves	72	79	86	94
Capital adj.	-134	0	0	0
AOCI	221	258	258	258
Hybrid securities	808	808	808	808

CSM chg.

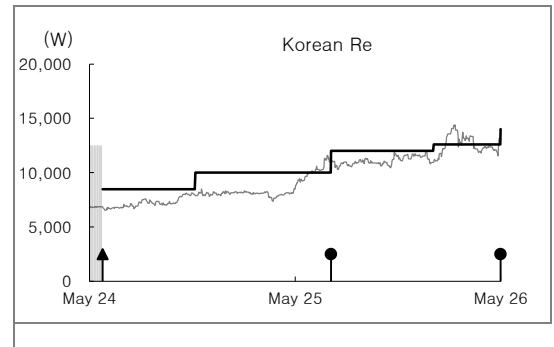
(Wbn)	2025	2026F	2027F	2028F
Starting CSM	953	968	965	1,021
New business	84	63	63	63
Discount unwind	37	37	37	37
Adj.	-31	-32	-32	-32
Release	-75	-70	-70	-70
Ending CSM	968	965	963	961

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Korean Re (003690)	05/18/26	Hold	14,000
	01/19/26	Hold	12,600
	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	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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