139130 KS · Financials

iM Financial Group

Disciplined RWA management supports capital strength

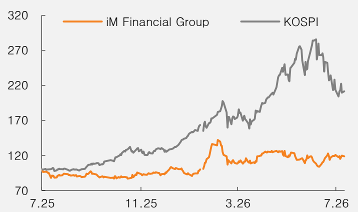
MIRAE ASSET Securities

Equity Research
July 28, 2026

(Maintain)	**Buy**
Target price	**W25,000**
Current price (7/27/26)	W18,090
Upside	38.2%

NP (26F, Wbn)	482
Consensus NP (26F, Wbn)	494
EPS growth (26F, %)	11.8
Market EPS growth (26F, %)	260.0
P/E (26F, x)	5.9
Market P/E (26F, x)	6.9
KOSPI	6,755.75
Market cap (Wbn)	2,865
Shares outstanding (mn)	158
Free float (%)	86.4
Foreign ownership (%)	46.6
Beta (12M)	0.07
52-week low (W)	13,220
52-week high (W)	21,650

(%)	1M	6M	12M
Absolute	14.3	21.2	24.4
Relative	42.3	-8.8	-41.1



Mirae Asset Securities Co., Ltd.

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Maintain Buy and TP of W25,000

We maintain our target price of W25,000 for iM Financial Group (iMFG), applying a target P/B of 0.6x to our 2026F BPS. In 2Q26, the group demonstrated stronger-than-expected capital adequacy, with its CET1 ratio reaching 12.27%—close to its full-year target of 12.30%. We therefore expect iMFG to achieve its CET1 ratio target and announce a new shareholder return policy alongside its 3Q26 earnings release. With our target price implying 38.2% upside, we maintain our Buy rating.

2Q26 review: Below consensus

For 2Q26, iMFG posted net profit attributable to owners of the parent of W141.1bn, in line with our estimate (W142.0bn) but below the consensus (W148.7bn). Group NIM declined 1bp QoQ due to a sharp drop in iM Capital's NIM, while bank NIM remained flat QoQ despite 1.5% growth in won-denominated loans. Fee/commission income declined sharply QoQ, while the cost-to-income ratio was higher than expected due to the education tax hike. Meanwhile, credit costs were better than expected.

New corporate value enhancement plan likely in 3Q26

We expect iMFG's CET1 ratio to exceed management's 12.30% target in 3Q26. Accordingly, management should be able to proceed as planned with the announcement of a new corporate value enhancement plan. We also expect the target shareholder return ratio to be raised from the current 40%.

Because iMFG will be able to pay tax-exempt dividends starting with its 2026 final dividend, there is no pressing need for the group to meet the requirements for separate taxation; as such, it is likely to focus on expanding share buybacks and cancellations rather than increasing cash dividends. Alongside its 2Q26 earnings release, iMFG announced a W30bn share buyback to be completed over three months. We expect it to announce an additional W15bn buyback alongside its 3Q26 earnings release.

(Dec.)	2024	2025	2026F	2027F	2028F
Net operating revenue (Wbn)	2,082	2,052	2,110	2,205	2,281
OP (Wbn)	263	583	628	643	636
NP (Wbn)	215	444	482	482	476
EPS (W)	1,271	2,729	3,051	3,165	3,267
BPS (W)	36,006	38,725	40,735	44,022	47,692
P/E (x)	6.4	5.7	5.9	5.7	5.5
P/B (x)	0.23	0.40	0.44	0.41	0.38
ROE (%)	3.6	7.3	7.6	7.4	7.0
Shareholder return yield (%)	6.1	6.7	6.7	7.4	7.9
CET1 ratio (%)	11.7	12.1	12.3	12.4	12.4

Notes: Under consolidated K-IFRS; NP is attributable to owners of the parent
Source: Company data, Mirae Asset Securities Research estimates

Table 1. iMFG: 2Q26 review (Wbn, %)

	Mirae Asset	2Q26	Notes
Net operating revenue	549	559	
Interest income	424	422	Group NIM -1bp QoQ, bank NIM flat QoQ
Bank	318	324	
Non-bank	106	98	
Non-interest income	125	137	Fee/commission income: +2.6% YoY, -21.7% QoQ
SG&A expenses	264	298	SG&A ratio: 53.2% (+5.5%p YoY, +4.4%p QoQ)
PPOP	286	262	
Provisioning	87	79	Credit cost ratio: 45bps (-7bps YoY, -6bps QoQ)
OP	199	183	
Non-OP	2	2	
Pretax profit	201	185	
Tax	55	40	
Consolidated NP	146	145	
NP attr. to owners of the parent	142	141	

Source: Company data, Mirae Asset Securities Research

Table 2. iMFG: Earnings and forecasts (Wbn)

	1Q26	2Q26	3Q26F	4Q26F	2025	2026F	2027F
Net operating revenue	550	559	513	488	2,052	2,110	2,205
Interest income	422	422	425	433	1,656	1,701	1,809
Bank	321	324	328	337	1,248	1,310	1,433
Non-bank	101	98	96	96	408	391	376
Non-interest income	128	137	89	55	396	409	396
SG&A expenses	268	298	246	317	1,131	1,129	1,180
PPOP	281	262	267	171	921	981	1,025
Provisioning	87	79	89	98	338	353	382
OP	194	183	178	73	583	628	643
Non-OP	7	2	3	2	-2	15	12
Pretax profit	201	185	181	75	582	642	656
Tax	43	40	44	18	124	145	159
Consolidated NP	158	145	137	57	458	497	497
NP attr. to owners of the parent	155	141	134	53	444	482	482

Source: Company data, Mirae Asset Securities Research

iM Financial Group (139130 KS)

Income statement

(Wbn)	2025	2026F	2027F	2028F
Net operating revenue	2,052	2,110	2,205	2,281
Interest income	1,656	1,701	1,809	1,885
Bank	1,248	1,310	1,433	1,518
Non-bank	408	391	376	367
Non-interest income	396	409	396	396
SG&A expenses	1,131	1,129	1,180	1,220
PPOP	921	981	1,025	1,061
Provisioning	338	353	382	425
OP	583	628	643	636
Non-OP	-2	15	12	12
Pretax profit	582	642	656	647
Tax	124	145	159	157
NP	458	497	497	491
Attr. to owners of the parent	444	482	482	476
Minority interests	14	15	15	15

Growth (%)	2025	2026F	2027F	2028F
Net operating revenue	-1.4	2.8	4.5	3.4
Interest income	-1.8	2.7	6.4	4.2
Bank	-3.1	5.0	9.4	5.9
Non-bank	2.3	-4.1	-3.8	-2.4
Non-interest income	0.1	3.3	-3.2	0.0
SG&A expenses	4.9	-0.1	4.5	3.4
PPOP	-8.2	6.4	4.6	3.4
Provisioning	-54.3	4.4	8.3	11.3
OP	121.4	7.6	2.5	-1.2
Non-OP	-84.1	-962.5	-16.5	-3.1
Pretax profit	130.1	10.5	2.0	-1.2
Taxes	142.7	17.1	9.3	-1.2
NP	126.9	8.7	-0.1	-1.2
Attr. to owners of the parent	106.6	8.7	-0.1	-1.3
Minority interests	-202.3	8.8	0.0	0.0

Performance indicators

(%, Wbn)	2025	2026F	2027F	2028F
NIM	1.78	1.83	1.91	1.91
NIS	2.06	2.14	2.25	2.23
Cost-to-income ratio	55.1	53.5	53.5	53.5
Credit cost ratio	0.51	0.50	0.51	0.53
Asset growth	5.0	11.2	5.9	5.9
Equity growth (attr. to owners)	3.8	2.9	4.1	3.6
BIS capital	6,396	6,514	6,775	7,014
Tier 1 capital	5,957	6,140	6,401	6,640
CET1 capital	5,232	5,417	5,678	5,917
Tier 2 capital	439	374	374	374
Risk-weighted assets	43,220	43,950	45,730	47,582
BIS capital adequacy ratio	14.8	14.8	14.8	14.7
Tier 1 capital	13.8	14.0	14.0	14.0
CET1 capital	12.1	12.3	12.4	12.4
Tier 2 capital	1.7	0.9	0.8	0.8

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet

(Wbn)	2025	2026F	2027F	2028F
Assets	98,861	109,919	116,438	123,344
Cash/cash equivalents	4,641	5,301	5,616	5,949
Securities	24,145	26,572	28,148	29,817
Loans	66,062	71,448	75,825	80,470
Won-denominated bank loans	57,789	61,456	65,220	69,216
Tangible assets	936	927	927	927
Other	4,013	5,671	5,923	6,181
Liabilities	92,424	103,303	109,561	116,228
Deposits	59,344	64,158	68,088	72,260
Won-denominated bank deposits	59,344	64,158	68,088	72,260
Borrowings	20,971	23,696	25,132	26,661
Other	12,109	15,449	16,341	17,307
Equity	6,437	6,616	6,877	7,116
Attr. to owners of the parent	6,220	6,399	6,660	6,899
Capital stock	846	846	846	846
Capital surplus	1,563	1,563	1,563	1,563
Capital adj.	-1	-1	-1	-1
AOCI	-682	-531	-531	-531
Retained earnings	3,631	3,657	3,917	4,157
Other	866	866	866	866
Minority interests	217	217	217	217

Investment indicators

(x, %, W)	2025	2026F	2027F	2028F
Valuation				
P/E	5.7	5.9	5.7	5.5
P/B	0.40	0.44	0.41	0.38
Dividend yield	4.5	3.9	3.9	3.9
Per-share indicators				
EPS	2,729	3,051	3,165	3,267
BPS	38,725	40,735	44,022	47,692
DPS	700	700	700	700
Growth				
EPS	7.6	5.2	8.1	8.3
BPS	7.6	5.2	8.1	8.3
Profitability				
ROE	7.3	7.6	7.4	7.0
ROA	0.46	0.46	0.43	0.40
PPOP margin	44.9	46.5	46.5	46.5
OP margin	28.4	29.8	29.2	27.9
Pretax margin	28.3	30.4	29.7	28.4
Net margin	21.6	22.9	21.9	20.9

No. of shares & dividend payout ratio

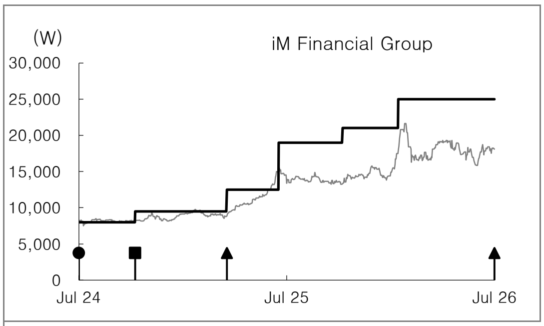
('000, %)	2025	2026F	2027F	2028F
Issued shares (year-end)	160,625	158,137	152,333	145,699
Common	160,625	158,137	152,333	145,699
Preferred	0	0	0	0
Dividend payout ratio	25.3	24.1	24.2	24.5
Common	25.3	24.1	24.2	24.5
Preferred	0.0	0.0	0.0	0.0

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
iM Financial Group (139130)	02/09/26	Buy	25,000
	11/03/25	Buy	21,000
	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



Stock ratings		Sector ratings	
Buy	Expected 12-month return: +20% or greater	Overweight	Expected to outperform the market over 12 months
Hold	Expected 12-month return: Greater than -10% and less than +10%	Neutral	Expected to perform in line with the market over 12 months
Sell	Expected 12-month return: -10% or less	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	83.02%	0%	16.35%	0.63%
Investment banking services	86.67%	0%	13.33%	0%

* Based on recommendations in the last 12-months (as of June 30, 2026)

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