MIRAE ASSET Securities

Equity Research
July 29, 2026

138930 KS · Financials

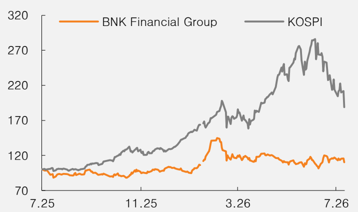
BNK Financial Group

Earnings growth unlikely in 2026

(Maintain)	Buy
Target price	▼ W25,000
Current price (7/28/26)	W17,270
Upside	44.8%

NP (26F, Wbn)	747
Consensus NP (26F, Wbn)	836
EPS growth (26F, %)	3.7
Market EPS growth (26F, %)	262.0
P/E (26F, x)	7.2
Market P/E (26F, x)	6.9
KOSPI	6,023.66
Market cap (Wbn)	5,359
Shares outstanding (mn)	310
Free float (%)	84.6
Foreign ownership (%)	39.5
Beta (12M)	0.14
52-week low (W)	13,810
52-week high (W)	22,650

(%)	1M	6M	12M
Absolute	8.8	5.4	19.7
Relative	51.9	-9.5	-36.2



Mirae Asset Securities Co., Ltd.

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Maintain Buy; lower TP to W25,000

We lower our target price for BNK Financial Group (BNKFG) to W25,000 (from W26,000). While we maintain our target P/B of 0.70x, we revised down our 2026F BPS to reflect weaker earnings. However, with our target price still implying 44.8% upside, we maintain our Buy rating.

2Q26 review: Below consensus

For 2Q26, BNKFG reported net profit attributable to owners of the parent of W200.4bn, well below our estimate (W225.1bn) and the consensus (W249.4bn). Interest income significantly missed our estimate due to: 1) a decline in bank NIM; 2) weak interest income at BNK Capital; and 3) a one-off loss related to a real estate fund. Non-interest income increased on higher valuation gains, but credit costs were higher than expected, with the credit cost ratio rising to 72bps.

Smaller share buyback expected in 2H26

We expect BNKFG's 2026 shareholder return ratio to increase by approximately 5%p YoY to 44.7%. However, we expect earnings to decline in 2H26 (vs. 1H26) due to: 1) lower non-interest income amid stock market weakness; 2) higher SG&A expenses related to an early retirement program; and 3) a seasonal increase in credit costs. Meanwhile, the company already carried out W60bn in share buybacks in 1H26 and is targeting full-year dividend growth of more than 10% YoY. Accordingly, we expect additional share buybacks in 2H26 to total W20bn, significantly lower than the 1H26 level.

(Dec.)	2024	2025	2026F	2027F	2028F
Net operating revenue (Wbn)	3,334	3,370	3,389	3,455	3,525
OP (Wbn)	876	903	916	920	924
NP (Wbn)	729	815	747	764	767
EPS (W)	2,273	2,590	2,415	2,518	2,565
BPS (W)	33,604	34,780	36,074	38,029	39,888
P/E (x)	4.5	6.1	7.2	6.9	6.7
P/B (x)	0.31	0.46	0.48	0.45	0.43
ROE (%)	7.0	7.6	6.8	6.7	6.5
Shareholder return yield (%)	7.3	6.8	6.3	7.3	7.5
CET1 ratio (%)	12.3	12.3	12.2	12.2	12.2

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

Table 1. BNKFG: TP calculation (W, x, %)

	Value	Notes
Previous TP	26,000	
2026F ROE	8.1	Mirae Asset Securities est.
Adj. discount rate	11.7	
Target P/B	0.70	
2026F BPS	37,142	Mirae Asset Securities est.
Revised TP	25,000	
2026F ROE	6.8	Mirae Asset Securities est.
Adj. discount rate	9.7	
Target P/B	0.70	
2026F BPS	36,074	Mirae Asset Securities est.
Current price	17,270	
Upside	44.8	
Rating	Buy	

Source: Company data, Mirae Asset Securities Research

Table 2. BNKFG: 2Q26 review (Wbn, %)

	Mirae Asset	2Q26	Notes
Net operating revenue	915	898	
Interest income	781	724	Group NIM -5bps, bank NIM -4bps QoQ
Bank	599	595	
Non-bank	182	129	
Non-interest income	133	174	Fee/commission income: +78.9% YoY, -1.0% QoQ
SG&A expenses	439	434	SG&A ratio: 48.3% (-0.5%p YoY, -0.5%p QoQ)
PPOP	476	464	
Provisioning	158	229	Credit cost ratio: 72bps (+17bps YoY, +20bps QoQ)
OP	318	236	
Non-OP	0	40	
Pretax profit	318	276	
Taxes	87	70	
Consolidated NP	230	206	
NP attr. to owners of the parent	225	200	

Source: Company data, Mirae Asset Securities Research

Table 3. BNKFG: Earnings and forecasts (Wbn)

	1Q26	2Q26	3Q26F	4Q26F	2025	2026F	2027F
Net operating revenue	867	898	842	783	3,370	3,389	3,455
Interest income	763	724	738	752	2,953	2,977	3,121
Bank	590	595	611	625	2,238	2,420	2,623
Non-bank	173	129	128	127	715	557	498
Non-interest income	104	174	103	31	417	413	334
SG&A expenses	423	434	404	470	1,690	1,731	1,757
PPOP	444	464	438	313	1,680	1,659	1,698
Provisioning	160	229	160	193	778	743	778
OP	283	236	277	120	903	916	920
Non-OP	0	40	51	8	192	99	116
Pretax profit	283	276	328	128	1,095	1,015	1,036
Taxes	66	70	79	31	258	247	251
Consolidated NP	217	206	249	97	836	768	785
NP attr. to owners of the parent	211	200	244	92	815	747	764

Source: Company data, Mirae Asset Securities Research

BNK Financial Group (138930 KS)

Income statement

(Wbn)	2025	2026F	2027F	2028F
Net operating revenue	3,370	3,389	3,455	3,525
Interest income	2,953	2,977	3,121	3,191
Bank	2,238	2,420	2,623	2,704
Non-bank	715	557	498	486
Non-interest income	417	413	334	334
SG&A expenses	1,690	1,731	1,757	1,792
PPOP	1,680	1,659	1,698	1,733
Provisioning	778	743	778	809
OP	903	916	920	924
Non-OP	192	99	116	116
Pretax profit	1,095	1,015	1,036	1,039
Tax	258	247	251	252
NP	836	768	785	788
Attr. to owners of the parent	815	747	764	767
Minority interests	21	21	21	21

Growth (%)	2025	2026F	2027F	2028F
Net operating revenue	1.1	0.6	1.9	2.0
Interest income	-0.8	0.8	4.8	2.2
Bank	0.4	8.1	8.4	3.1
Non-bank	-4.4	-22.2	-10.5	-2.4
Non-interest income	16.9	-1.0	-19.0	0.0
SG&A expenses	7.8	2.4	1.5	2.0
PPOP	-4.9	-1.3	2.4	2.0
Provisioning	-12.7	-4.5	4.8	4.1
OP	3.1	1.5	0.5	0.3
Non-OP	65.7	-48.5	17.2	0.0
Pretax profit	10.4	-7.3	2.1	0.3
Tax	6.9	-4.6	1.7	0.3
NP	11.5	-8.1	2.2	0.3
Attr. to owners of the parent	11.9	-8.3	2.3	0.3
Minority interests	-0.9	0.0	0.0	0.0

Performance indicators

(%, Wbn)	2025	2026F	2027F	2028F
NIM	1.82	1.89	1.97	1.95
NIS	1.80	1.86	1.91	1.89
Cost-to-income ratio	50.1	51.1	50.9	50.8
Credit cost ratio	0.65	0.59	0.59	0.59
Asset growth	5.7	5.0	4.1	4.1
Equity growth (attr. to owners)	0.9	3.3	3.4	3.3
BIS capital	10,668	10,941	11,325	11,704
Tier 1 capital	10,403	10,686	11,070	11,449
CET1 capital	9,645	9,870	10,254	10,633
Tier 2 capital	265	255	255	255
Risk-weighted assets	78,149	80,806	84,085	87,497
BIS capital adequacy ratio	13.7	13.5	13.5	13.4
Tier 1 capital	13.3	13.2	13.2	13.1
CET1 capital	12.3	12.2	12.2	12.2
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	169,156	176,021	183,163
Cash/cash equivalents	7,143	6,577	6,844	7,121
Securities	29,645	31,023	32,282	33,592
Loans	119,565	126,139	131,257	136,584
Won-denominated bank loans	104,867	111,383	115,902	120,606
Tangible assets	1,237	1,259	1,259	1,259
Other	4,742	4,159	4,378	4,607
Liabilities	149,854	157,555	164,034	170,798
Deposits	113,478	119,362	124,205	129,245
Won-denominated bank deposits	101,202	106,735	111,066	115,573
Borrowings	27,891	30,357	31,606	32,909
Other	8,485	7,836	8,224	8,644
Equity	11,242	11,602	11,986	12,365
Attr. to owners of the parent	10,793	11,153	11,537	11,917
Capital stock	1,630	1,630	1,630	1,630
Capital surplus	787	787	787	787
Capital adj.	3	4	4	4
AOCI	-142	-228	-228	-228
Retained earnings	8,017	8,460	8,844	9,223
Other	500	500	500	500
Minority interests	449	449	449	449

Investment indicators

(x, %, W)	2025	2026F	2027F	2028F
Valuation				
P/E	6.1	7.2	6.9	6.7
P/B	0.46	0.48	0.45	0.43
Dividend yield	4.6	4.7	5.3	6.0
Per-share indicators				
EPS	2,590	2,415	2,518	2,565
BPS	34,780	36,074	38,029	39,888
DPS	735	820	920	1,030
Growth				
EPS	3.5	3.7	5.4	4.9
BPS	3.5	3.7	5.4	4.9
Profitability				
ROE	7.6	6.8	6.7	6.5
ROA	0.52	0.45	0.44	0.43
PPOP margin	49.9	48.9	49.1	49.2
OP margin	26.8	27.0	26.6	26.2
Pretax margin	32.5	29.9	30.0	29.5
Net margin	24.2	22.0	22.1	21.7

No. of shares & dividend payout ratio

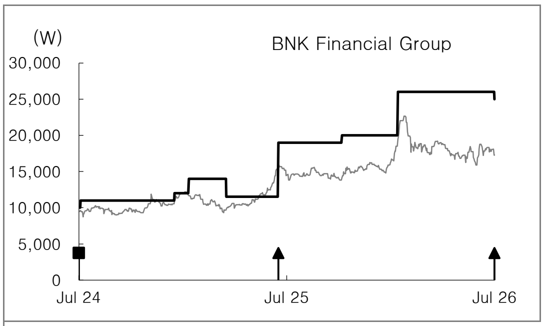
('000, %)	2025	2026F	2027F	2028F
Issued shares (year-end)	310,327	309,169	303,379	298,746
Common	310,327	309,169	303,379	298,746
Preferred	0	0	0	0
Dividend payout ratio	28.1	33.9	36.6	40.1
Common	28.1	33.9	36.6	40.1
Preferred	0.0	0.0	0.0	0.0

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
BNK Financial Group (138930)	07/29/26	Buy	25,000
	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



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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