



2022 2Q Financial Results

2022.7.28

Contents

I. 2022 2Q Group Highlights

1.	Highlights – Profitability	3
2.	Highlights – Profitability, Growth	4
3.	Highlights – Asset Quality, Capital Adequacy	5
4.	Group ESG	6
5.	Group Digitization	7
6.	Group Structure	8

II. Profitability

1.	Group Earning Results	10
2.	Subsidiaries Earning Results	11
3.	Banks Earning Results	12
4.	Banks NIM	14
5.	SG&A	15

III. Growth

1.	Group Assets	17
2.	Banks Loans / Deposits	18

IV. Asset Quality

1.	Group Asset Quality	21
2.	Banks Asset Quality	22
3.	Group Provisioning	24
4.	Banks Provisioning / Write-offs & NPL Sales	25

V. Capital Adequacy

1.	Capital Adequacy	28
----	------------------	----

VI. Appendix

1.	Banks KRW Loan Portfolio	30
2.	Cyclical Sector	31
3.	BNK Capital	32
4.	BNK Securities	33
5.	Group Networks & Major Industries	34

DISCLAIMER

The financial information presented herein is prepared on the basis of pre-audited financial of BNK Financial Group and is based upon the plans, strategies and expectations of the FG's management. All information described in this presentation should be treated as forward looking statements that are subject to risks and uncertainties. Actual results could vary materially from the expectations reflected in this presentation, thus the statements presented herein do not purport to be a complete description of the group's operations or future developments. Readers are cautioned not to place under reliance on these statements, which speak only as of the date of this presentation BNK Financial Group does not undertake any obligation to publicly release any revisions to these statements to reflect any future events.

- KNB has been added October 10, 2014, with earnings consolidated starting from 4Q of 2014. As of June 4, 2015, KNB has become a 100% subsidiary of BNK Financial Group
- AM has been added July 28, 2015, and earnings will be consolidated starting from August 2015

I . 2022 2Q Group Highlights

1. Highlights – Profitability	3
2. Highlights – Profitability, Growth	4
3. Highlights – Asset Quality, Capital Adequacy	5
4. Group ESG	6
5. Group Digitization	7
6. Group Structure	8

1. Highlights – Profitability

Profitability – Group Net Income

(KRW bn, %)	22.1H	21.1H	YoY	22.2Q	22.1Q	QoQ
Net Interest Income	1,404.3	1,218.6	15.2	725.6	678.7	6.9
Net Fee Income	266.1	264.9	0.5	120.4	145.7	-17.4
Others	-40.2	68.4	Net Loss	-43.8	3.6	Net Loss
SG&A(-)	727.4	731.5	-0.6	356.4	371.0	-3.9
Provision Expense(-)	200.2	183.8	8.9	118.4	81.8	44.7
Net Income	526.7	489.6	7.6	239.6	287.1	-16.5
Net Income in Controlling Interest	505.1	468.0	7.9	228.8	276.3	-17.2

NI 505.1 KRW bn

(YoY +7.9%)

- Interest Income growth led YoY improvements despite lower securities gains & add. Provisions

Core Inc. 1,670.4 KRW bn

(YoY +12.6%)

- Stable growth & NIM improvement led interest income up by +12.6% YoY
- Securities & Capital PF fee income growth

SG&A 727.4 KRW bn

(YoY -0.6%)

- Tight cost management for banks, lower performance based costs for Securities

Prov. Exp. 200.2 KRW bn

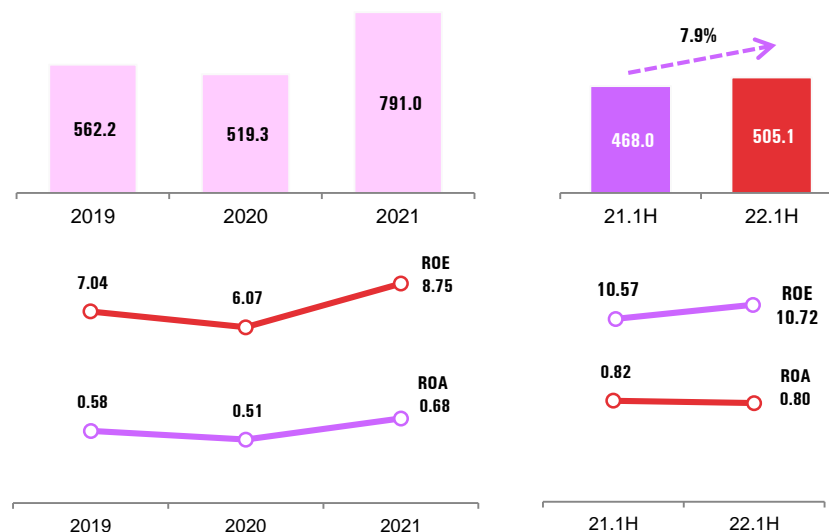
(YoY +8.9%)

- Stricter AQ control lowering insolvencies, including the Capital subsidiary
- Increase in Preemptive provisions for Covid - 22.1H Prov. 94.1 KRW bn (BSB 57.3, KNB 36.8)

Profitability – Group Subsidiaries Net Income

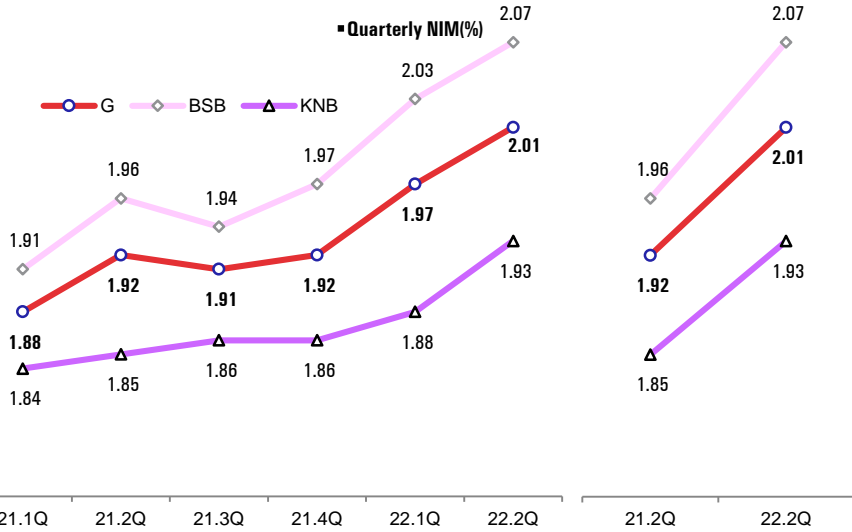
(KRW bn, %)	22.1H	21.1H	YoY	22.2Q	22.1Q	QoQ
Banks(A)	404.6	368.9	9.7	189.2	215.4	-12.2
BSB	245.6	232.0	5.9	117.4	128.2	-8.4
KNB	159.0	136.9	16.1	71.8	87.2	-17.7
Non-Banks(B)	164.8	158.3	4.1	71.4	93.4	-23.6
Capital	118.7	71.4	66.2	61.2	57.5	6.4
Securities	47.6	65.0	-26.8	13.1	34.5	-62.0
MSB	6.6	11.5	-42.6	5.6	1.0	460.0
AM	-12.4	7.0	Net Loss	-10.9	-1.5	-

Profitability – Group Net Income, Group ROA/ROE



2. Highlights – Profitability, Growth

Profitability, Growth – Quarterly NIM, Total Assets, Banks KRW Loans



NIM 2.01%

(QoQ +4bps)

- Continuously improving bank's NIS led increase
- Rate hikes, bank debenture rates ↑, tightening of liquidity measures etc.
- BSB 2.07%(+4bps), KNB 1.93%(+5bps)

KRW Loans 90.0 KRW tn

(YTD +4.5%, Banks Tot.)

- Corps. driven by Non-manufacturing
- BSB +5.2% (Corps. 8.0%, House -0.6%)
- KNB +3.5% (Corps. 5.5%, House 0.2%)

KRW Deposits 88.8 KRW tn

(YTD +3.8%, Banks Tot.)

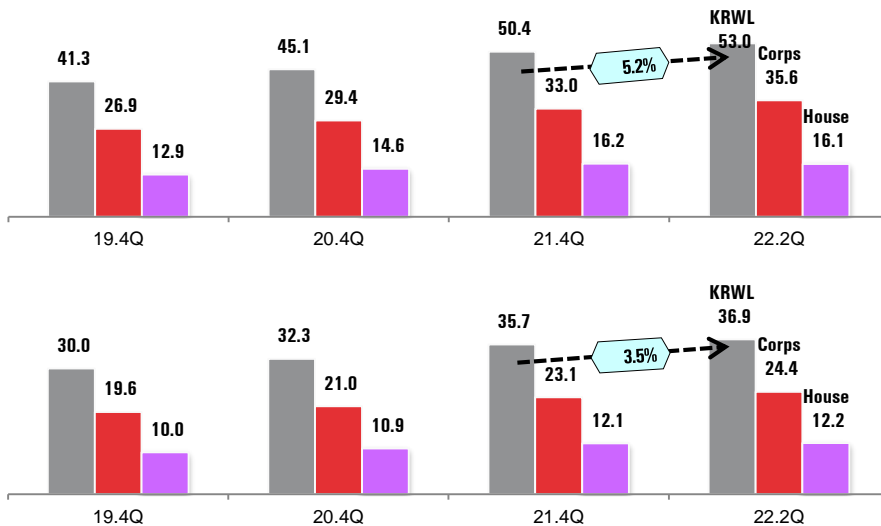
- Deposits matched with overall loan growth
- Focus on improving quality of funding

L-C Deposits 36.3 KRW tn

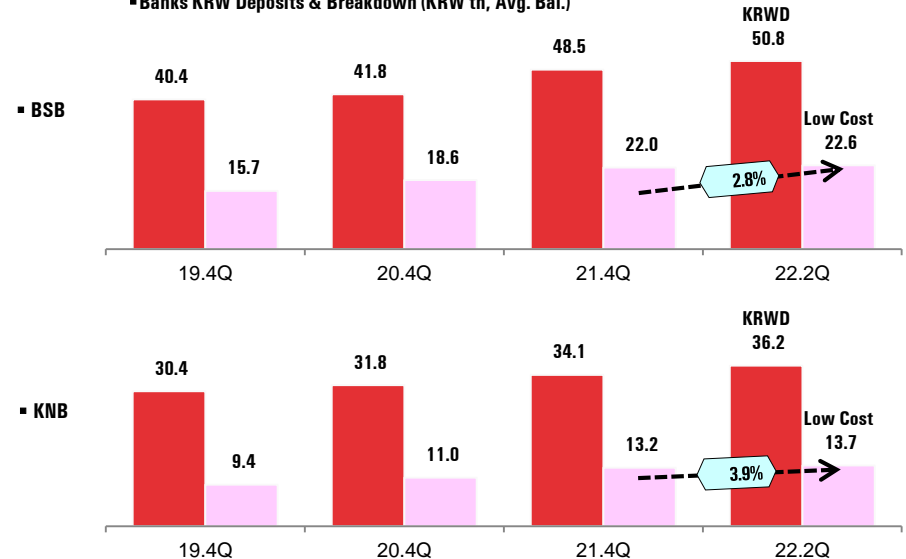
(YTD +3.2%, Banks Tot., Avg. Bal.)

- Inflow of market liquidity
- KNB showing local gov. etc. public deposits ↑

Banks KRW Loans & Breakdown (KRW tn)

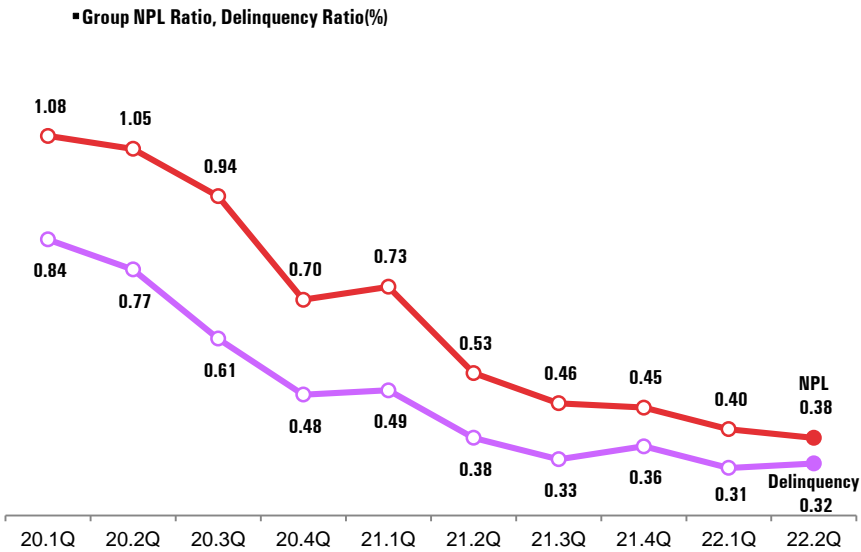


Banks KRW Deposits & Breakdown (KRW tn, Avg. Bal.)



3. Highlights – Asset Quality, Capital Adequacy

Asset Quality, Capital Adequacy – NPL & Delinquency Ratio, Group Capital Adequacy



NPL Ratio 0.38%
(YTD -7bps)

- Higher quality growth, Slower NPL formation & NPL Sales/Write-offs lead stable ratio
- BSB 0.27%(-7bps), KNB 0.43%(-18bps)

Del. Ratio 0.32%
(YTD -4bps)

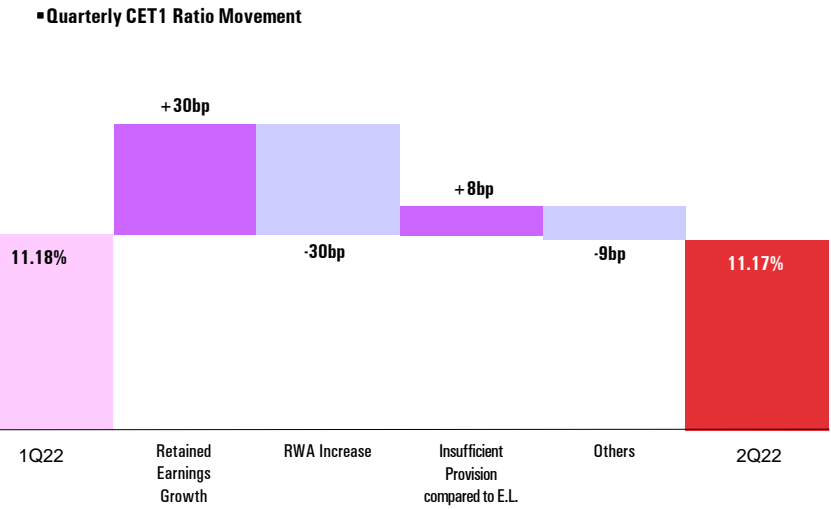
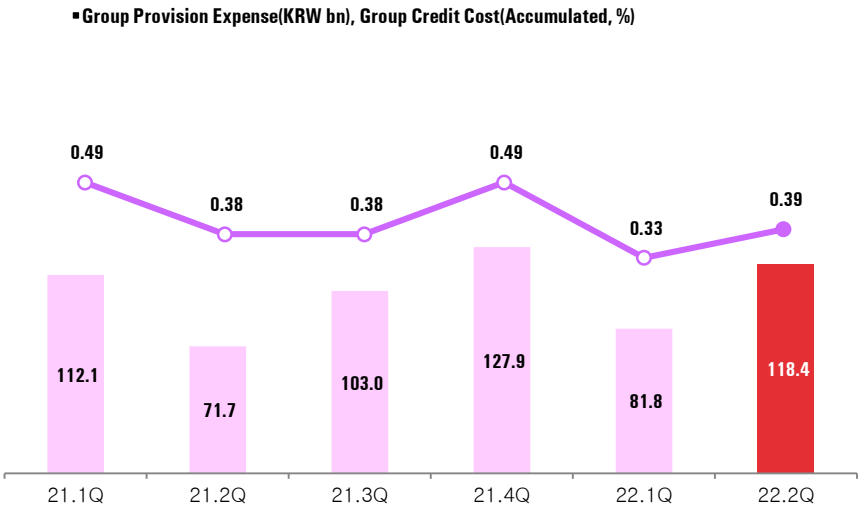
- Stricter AQ mgt. for all subsidiaries etc. resulting in continued stability
- BSB 0.21%(-3bps), KNB 0.28%(-15bps)

C.C. 0.39%
(YTD -10bps)

- Even with add. Covid provisions, quality asset growth/lower insolvencies enabled stability

CET1 Ratio 11.17%
(YTD +15bps)

- RWA control & earnings growth leading ratio ↑



4. Group ESG

ESG Strategic Direction & Target

Social Value Creation through realization of Sustainable Finance

Partnered Growth
(Environment)

Trustworthy Growth
(Social)

Responsible Growth
(Governance)

Resolve issues within
Community & Environment
for Sustainable Growth

Customer-focused
management increasing
Financial Consumer trust

Establish Sustainable
Management Governance

Corporate Sustainability Management(ESG)

- 2021.03 ○ Establish ESG Committee under BOD
- 2021.05 ○ Join the CDP(Carbon Disclosure Project) & announce support for TCFD(Task Force on Climate Related Financial Disclosures)
- 2021.06 ○ Announce ESG Management
- 2021.11 ○ Korea Corporate Governance Services(KCGS) ESG Evaluation
- Acquired A for 3 consecutive years for combined rating
- 2022.03 ○ Join PCA(Partnership for Accounting), SBTi(Science Based Targets Initiative) & UN PRB
- 2022.07 ○ Announce Group's Carbon Neutral Targets & Plans

ESG Highlights

- BSB & KNB ESG Bond Issuance (BSB 150.0 KRW bn, KNB 200.0 KRW bn)
- Group Carbon Neutral Targets & Plans
 - Group Internal Carbon Outflow (Scope 1 & 2) : Carbon Neutral by 2045
Utilize Electric Cars, Renewable Energy etc.
 - Asset Portfolio Carbon Outflow (Scope 3) : Carbon Neutral by 2050
Renewable Energy Loans ↑ , Coal Industry Inv. ↓ , Invest in High ESG Corps. ↑

Stage 1
2020

Establish ESG Strategy
Systems

Stage 2
2022

Advanced ESG Strategy
Systems

Stage 3
2025

Completion of Sustainable
Finance

5. Group Digitization

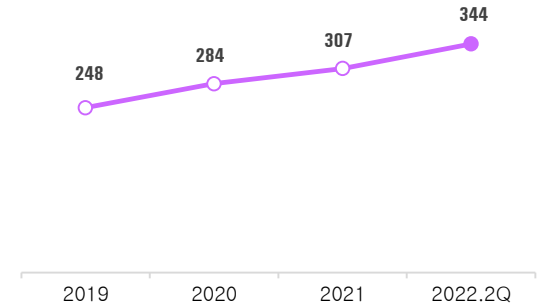
5 Major Digital Strategies

- Diversification based on Digital Experience
- Data Competency Innovation
- Establish Digital Ecosystem, Expand Partnership
- Change in Process for Timeliness in Market Response
- Optimization by Organization, Personnel Competency

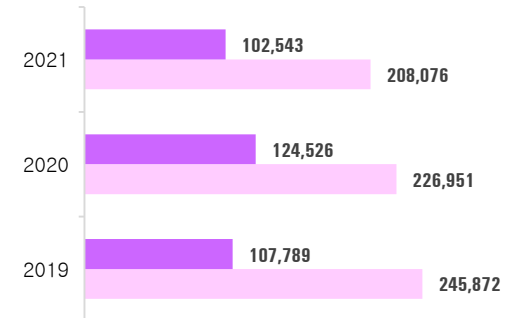
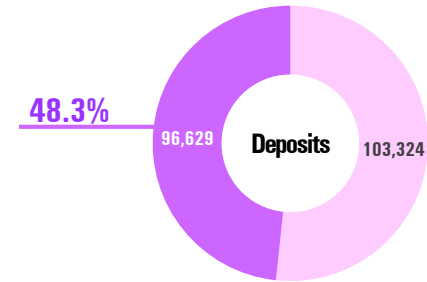
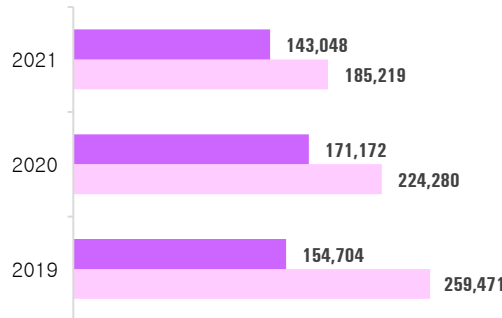
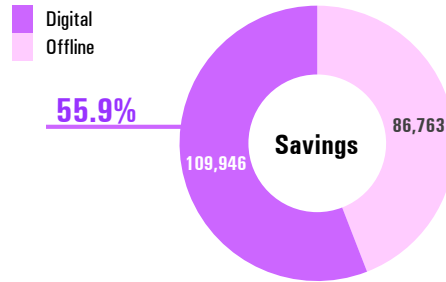
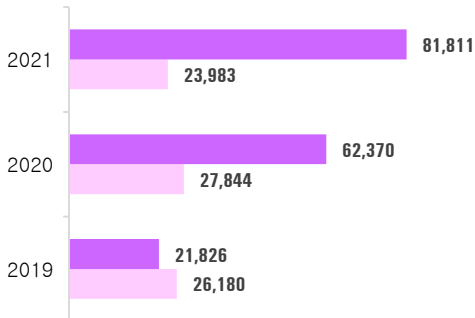
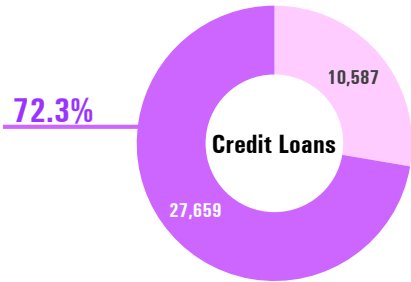
Main Promotion Plans

- Strengthen Digital Marketing Campaign
- Establish a Group Big Data / A.I. Platform
- Increase Strategic JVs to widen distribution channels
- Intro to Process Automation and Digital Desk
- Group Digital Talent Cultivation

Digital Channel Mobile Subscribers (Ten Thousand)



2022 Main Digital Products Sales (No# of Accounts)



5. Group Structure

BNKFG

Establishment : 2011.03.15

Total Assets : 157,364.0

Net Income : 505.1

Employees : 7,873

(%, KRW bn, Accumulated)

BSB

Est : 1967.10.10
Branches : 218
Employees : 3,505

Share's
Owned

100%

Tot. Assets

84,678.6

Net Income

245.6

KNB

Est : 1970.05.22
Add : 2014.10.10
Branches : 127
Employees : 2,677

Share's
Owned

100%

Tot. Assets

55,550.6

Net Income

159.0

Capital

Est : 2010.07.15
Branches : 15
Employees : 516

Share's
Owned

100%

Tot. Assets

9,489.6

Net Income

118.7

Securities

Est : 1997.06.02
Sec. Add : 2009.11
Branches : 4
Employees : 379

Share's
Owned

100%

Tot. Assets

5,398.7

Net Income

47.6

MSB

Est : 2011.12.13
Branches : 7
Employees : 132

Share's
Owned

100%

Tot. Assets

1,644.8

Net Income

6.6

AM

Est : 2008.07.15
Add : 2015.07.28
Employees : 75

Share's
Owned

100%

Tot. AUM

8,660.0

Net Income

-12.4

Venture Capital

Est : 2009.03.24
Add : 2019.11.05
Employees : 19

Share's
Owned

100%

Tot. Assets

55.1

Net Income

1.0

Credit Info.

Est : 2003.06.17
Indus. : Collection
Employees : 149

Share's
Owned

100%

Tot. Assets

23.6

Net Income

1.2

System

Est : 2011.05.20
Indus. : IT
Employees : 292

Share's
Owned

100%

Tot. Assets

31.9

Net Income

2.1

Affiliates

Cambodia

Est : 14.03.07
Employees : 356
Share's Owned : 100%
Assets : 121.4 KRW bn
2015.06 Start

Myanmar

Est : 14.03.21
Employees : 602
Share's Owned : 99.9%
Assets : 68.8 KRW bn
2014.12 Start

Lao PDR

Est : 15.04.24
Employees : 67
Share's Owned : 97%
Assets : 42.5 KRW bn
2015.07 Start

Kazakhstan

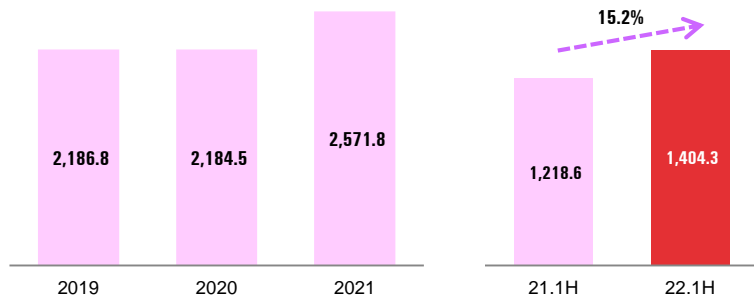
Est : 18.06.01
Employees : 65
Share's Owned : 100%
Assets : 41.2 KRW bn
2018.11 Start

II. Profitability

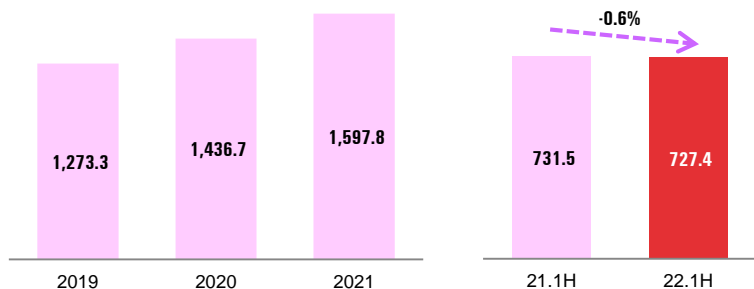
1. Group Earning Results	10
2. Subsidiaries Earning Results	11
3. Banks Earning Results	12
4. Banks NIM	14
5. SG&A	15

1. Group Earning Results

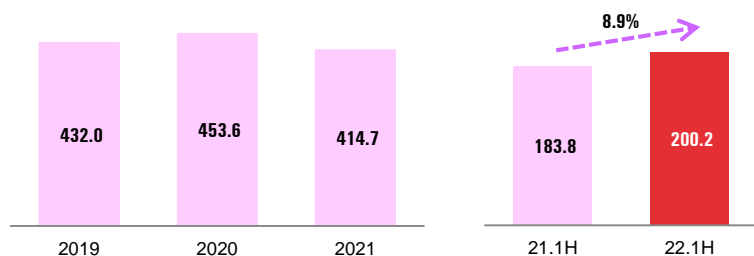
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



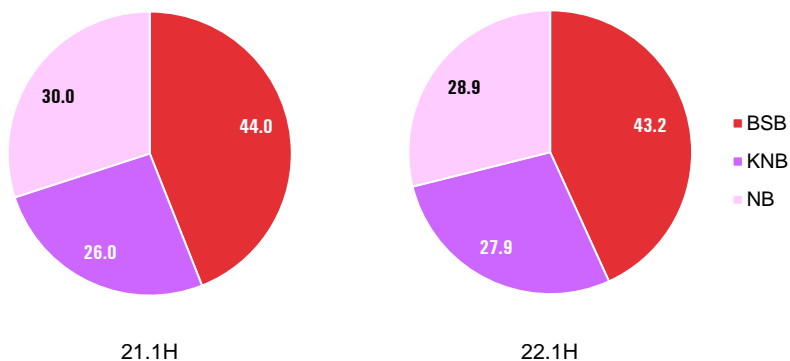
Provisioning(% , KRW bn)



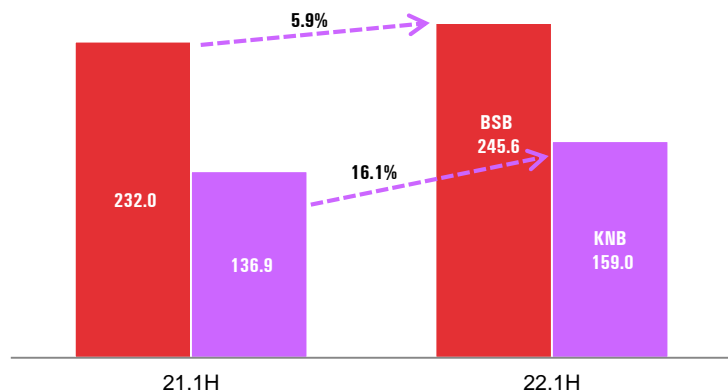
(KRW bn, %)	22.1H	21.1H	YoY	22.2Q	22.1Q	QoQ
Net Interest Income	1,404.3	1,218.6	15.2	725.6	678.7	6.9
Net Fee Income	266.1	264.9	0.5	120.4	145.7	-17.4
Others	-40.2	68.4	Net Loss	-43.8	3.6	Net Loss
SG&A(-)	727.4	731.5	-0.6	356.4	371.0	-3.9
Provision Expense(-)	200.2	183.8	8.9	118.4	81.8	44.7
Non-Operating Income	3.8	17.5	-78.3	-7.5	11.3	Net Loss
Earnings Before Income Tax	706.4	654.1	8.0	319.9	386.5	-17.2
Income Tax Expense(-)	179.7	164.5	9.2	80.3	99.4	-19.2
Net Income(A)	526.7	489.6	7.6	239.6	287.1	-16.5
Net Income in Non-Controlling Interest(B)	21.6	21.6	0.0	10.8	10.8	0.0
Net Income in Controlling Interest(C) (C) = (A) - (B)	505.1	468.0	7.9	228.8	276.3	-17.2

2. Subsidiaries Earning Results

☐ Banks & Non-Bank Net Income Portion(%)



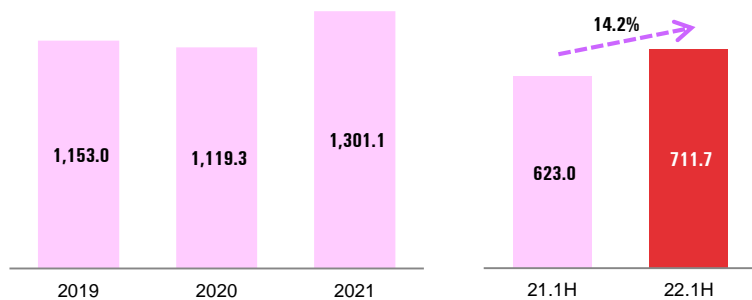
☐ Banks Net Income(KRW bn)



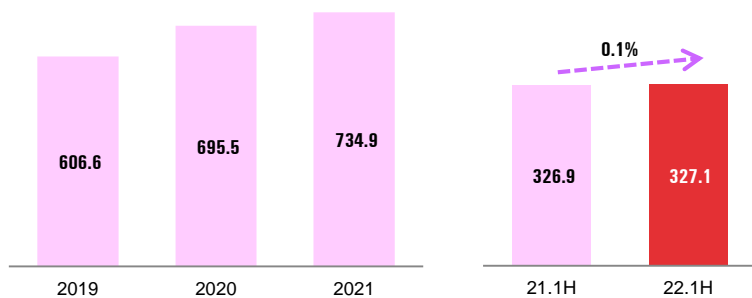
(KRW bn, %)	22.1H	21.1H	YoY	22.2Q	22.1Q	QoQ
Bank(A)	404.6	368.9	9.7	189.2	215.4	-12.2
BSB	245.6	232.0	5.9	117.4	128.2	-8.4
KNB	159.0	136.9	16.1	71.8	87.2	-17.7
Non-Bank(B)	164.8	158.3	4.1	71.4	93.4	-23.6
Capital	118.7	71.4	66.2	61.2	57.5	6.4
Securities	47.6	65.0	-26.8	13.1	34.5	-62.0
MSB	6.6	11.5	-42.6	5.6	1.0	460.0
AM	-12.4	7.0	Net Loss	-10.9	-1.5	-
Credit Info	1.0	1.6	-37.5	0.5	0.5	0.0
System	1.2	0.6	100.0	0.7	0.5	40.0
Venture Capital	2.1	1.2	75.0	1.2	0.9	33.3
Financial Group & Unconsolidated Portion(C)	-42.7	-37.6	-	-21.0	-21.7	-
Net Income in Non-Controlling Interest(D)	21.6	21.6	0.0	10.8	10.8	0.0
Net Income in Controlling Interest(E) (E=A+B+C-D)	505.1	468.0	7.9	228.8	276.3	-17.2

3. Banks Earning Results - BSB

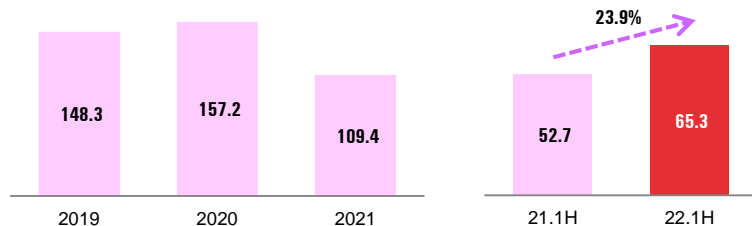
Interest Income(% , KRW bn)



SG&A(% , KRW bn)



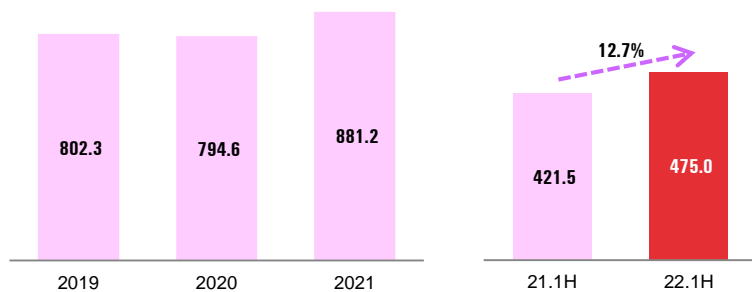
Provision Expense(% , KRW bn)



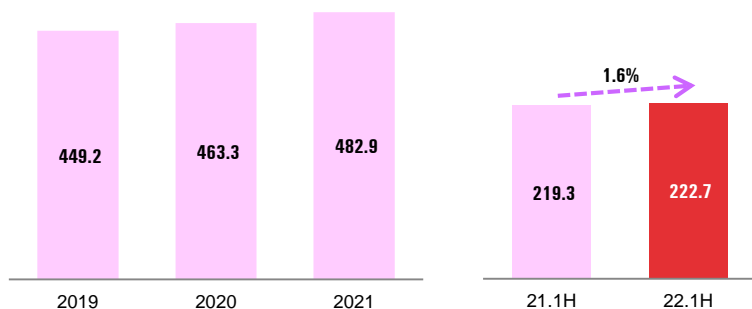
(KRW bn, %)	22.1H	21.1H	YoY	22.2Q	22.1Q	QoQ
Net Interest Income	711.7	623.0	14.2	367.0	344.7	6.5
Net Fee Income	54.9	83.4	-34.2	29.7	25.2	17.9
Fees from Trust Account	7.6	11.2	-32.1	3.7	3.9	-5.1
Others	-63.0	-24.3	-	-35.6	-27.4	-
SG&A(-)	327.1	326.9	0.1	168.9	158.2	6.8
Provision Expense(-)	65.3	52.7	23.9	43.4	21.9	98.2
Net Operating Income	318.8	313.7	1.6	152.5	166.3	-8.3
Non-Operating Income	2.8	-5.2	Net Gain	-0.1	2.9	Net Loss
Earnings Before Income Taxes	321.6	308.5	4.2	152.4	169.2	-9.9
Income Tax Expenses(-)	76.0	76.5	-0.7	35.0	41.0	-14.6
Net Income	245.6	232.0	5.9	117.4	128.2	-8.4

3. Banks Earning Results - KNB

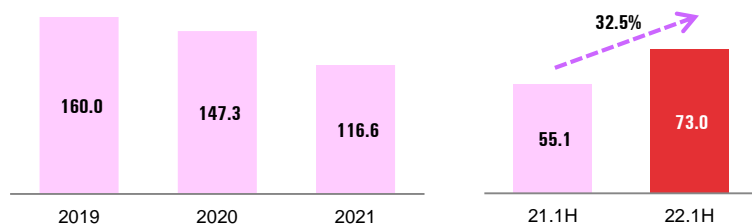
Interest Income(%, KRW bn)



SG&A(%, KRW bn)



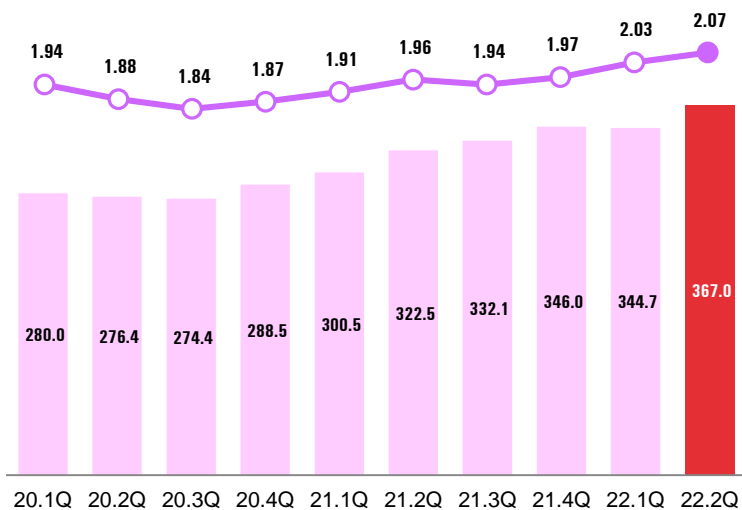
Provision Expense(%, KRW bn)



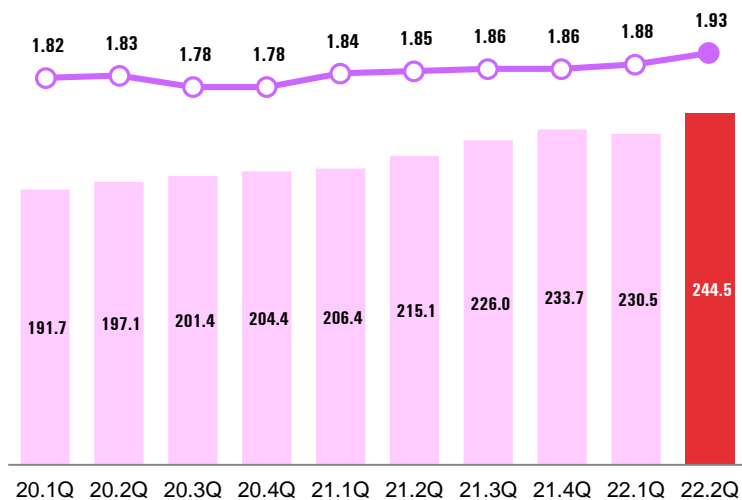
(KRW bn, %)	22.1H	21.1H	YoY	22.2Q	22.1Q	QoQ
Net Interest Income	475.0	421.5	12.7	244.5	230.5	6.1
Net Fee Income	37.5	51.0	-26.5	12.6	24.9	-49.4
Fees from Trust Account	4.9	4.3	14.0	2.7	2.2	22.7
Others	-9.0	-23.8	-	-8.0	-1.0	-
SG&A(-)	222.7	219.3	1.6	110.8	111.9	-1.0
Provision Expense(-)	73.0	55.1	32.5	41.3	31.7	30.3
Net Operating Income	212.7	178.6	19.1	99.7	113.0	-11.8
Non-Operating Income	-4.1	1.9	Net Loss	-5.7	1.6	Net Loss
Earnings Before Income Taxes	208.6	180.5	15.6	94.0	114.6	-18.0
Income Tax Expenses(-)	49.6	43.6	13.8	22.2	27.4	-19.0
Net Income	159.0	136.9	16.1	71.8	87.2	-17.7

4. Banks NIM

BSB Quarterly Interest Income & NIM (% , KRW bn)



KNB Quarterly Interest Income & NIM(% , KRW bn)



BSB

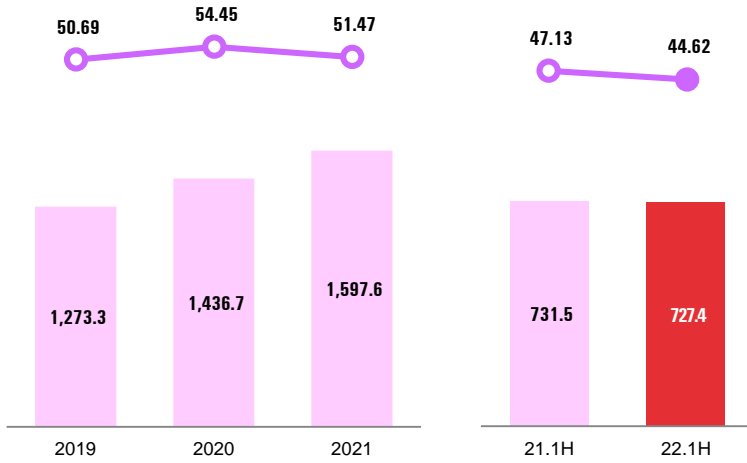
(%, KRW tn)	22.2Q	22.1Q	21.4Q	21.3Q	21.2Q
Quarterly NIM	2.07	2.03	1.97	1.94	1.96
Quarterly NIS	2.30	2.27	2.19	2.17	2.19
Interest Rate on KRW Loans	3.43	3.33	3.06	2.93	2.93
Interest Rate paid on KRW Deposits	1.13	1.06	0.87	0.76	0.74
Average Interest Earning Assets	61.7	60.9	61.2	60.2	58.4
Accumulated NIM	2.05	2.03	1.95	1.94	1.94

KNB

(%, KRW tn)	22.2Q	22.1Q	21.4Q	21.3Q	21.2Q
Quarterly NIM	1.93	1.88	1.86	1.86	1.85
Quarterly NIS	2.17	2.11	2.08	2.07	2.07
Interest Rate on KRW Loans	3.48	3.26	3.03	2.92	2.92
Interest Rate paid on KRW Deposits	1.31	1.15	0.95	0.85	0.85
Average Interest Earning Assets	43.8	43.1	42.9	42.2	40.5
Accumulated NIM	1.91	1.88	1.85	1.85	1.85

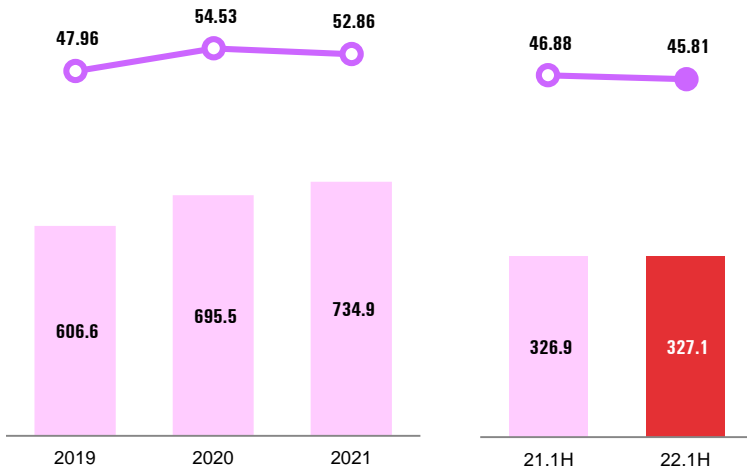
5. SG&A

□ Group SG&A & CIR (% , KRW bn)

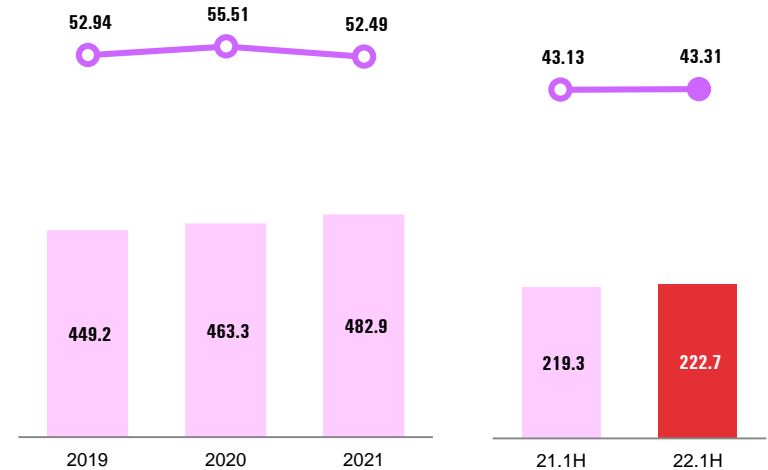


(KRW bn, %)	22.1H	21.1H	YoY	22.2Q	22.1Q	QoQ
SG&A	727.4	731.5	-0.6	356.4	371.0	-3.9
CIR	44.62	47.13	-2.51			

□ BSB SG&A & CIR (% , KRW bn)



□ KNB SG&A & CIR (% , KRW bn)



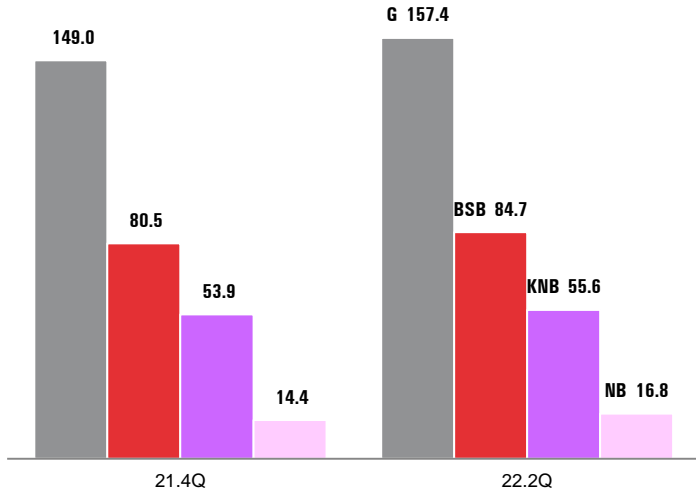
Note) Bank's CIR, non-consolidated

III. Growth

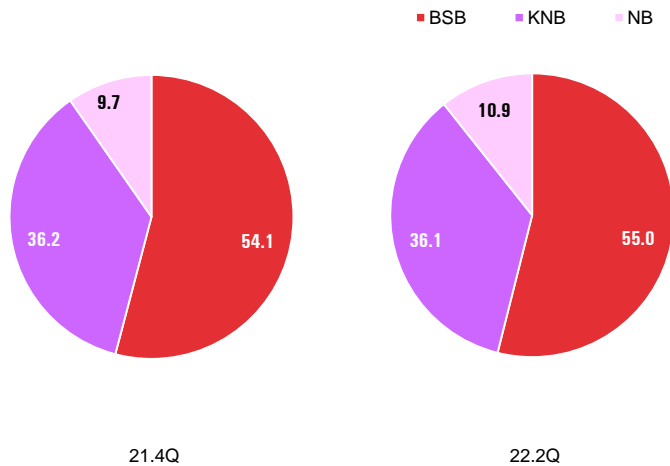
1. Group Assets	17
2. Banks Loans / Deposits	18

1. Group Assets

☐ Total Assets(KRW tn)



☐ Banks & Non-Banks Portion(%)

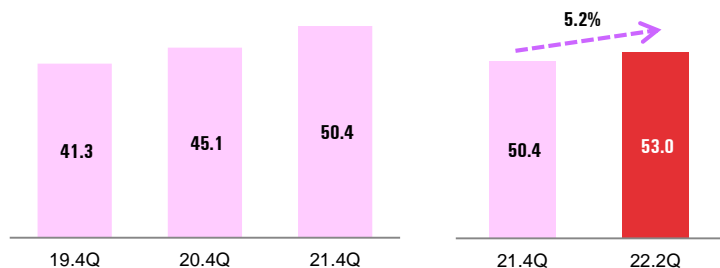


☐ Group Total Assets

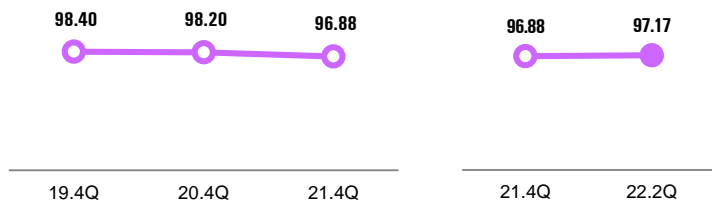
(KRW bn, %)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Bank	140,229.2	134,439.5	4.3	137,648.0	1.9
BSB	84,678.6	80,492.3	5.2	82,452.7	2.7
KNB	55,550.6	53,947.2	3.0	55,195.3	0.6
Non-Bank	16,829.3	14,395.9	16.9	16,233.4	3.7
Capital	9,489.6	8,444.5	12.4	8,647.6	9.7
Securities	5,398.7	3,996.0	35.1	5,618.2	-3.9
MSB	1,644.8	1,662.3	-1.1	1,665.8	-1.3
Asset Mgt.	185.6	189.6	-2.1	193.4	-4.0
Venture Capital	31.9	53.4	15.2	54.6	4.2
Credit Info	55.1	22.4	3.2	23.2	0.9
System	23.6	27.7	5.4	30.6	1.7
Financial Group & Unconsolidated Portion	305.5	184.6	65.5	439.9	-30.6
Group Total Assets	157,364.0	149,020.0	5.6	154,321.3	2.0

2. Banks Loans / Deposits - BSB

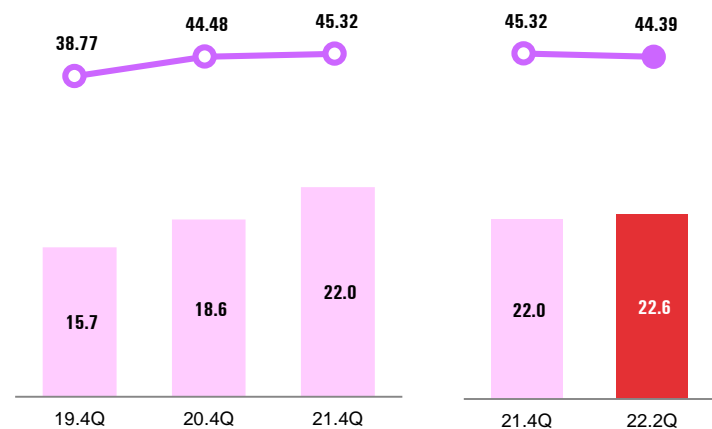
☐ KRW Loans(% , KRW tn)



☐ LDR(%)



☐ Low Cost Deposits & Ratio(% , KRW tn)



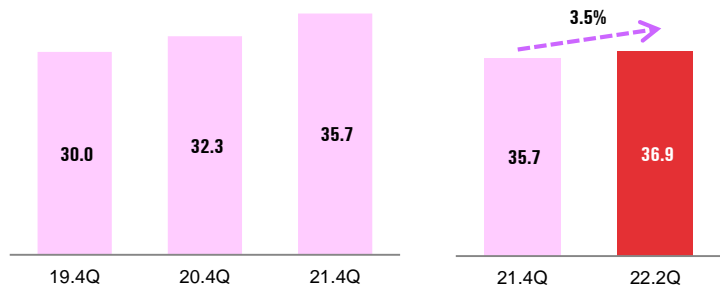
(KRW bn, %, Balance)	22.2Q	21.4Q	YTD	22.1Q	QoQ
KRW Loans¹⁾	53,038.1	50,404.2	5.2	50,934.8	4.1
Corporate	35,629.4	32,988.1	8.0	33,764.3	5.5
SME	33,005.5	30,617.0	7.8	31,507.5	4.8
(SOHO) ²⁾	16,204.4	15,276.4	6.1	15,666.3	3.4
Large Corps.	2,623.9	2,371.1	10.7	2,256.8	16.3
Household	16,120.2	16,221.7	-0.6	15,929.7	1.2
Mortgage	11,706.5	11,556.5	1.3	11,424.8	2.5
Public	1,288.5	1,194.4	7.9	1,240.8	3.8
Foreign Currency Loans¹⁾	808.1	698.7	15.7	707.9	14.2
KRW Deposits¹⁾	52,552.4	50,577.4	3.9	50,455.0	4.2
Low Cost Deposits	22,811.1	22,364.1	2.0	22,740.9	0.3
Core Deposits	19,231.8	18,374.1	4.7	19,386.7	-0.8
MMDA	3,579.3	3,990.0	-10.3	3,354.2	6.7

(KRW bn, %, %p, Average Balance)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Low-Cost Deposits(A)	22,568.4	21,963.0	2.8	22,147.9	1.9
Core Deposits ²⁾	18,920.8	18,826.8	0.5	18,635.3	1.5
MMDA	3,647.6	3,136.2	16.3	3,512.6	3.8
KRW Deposits(B)	50,840.1	48,457.9	4.9	50,165.2	1.3
A / B	44.39	45.32	-0.93	44.15	0.24

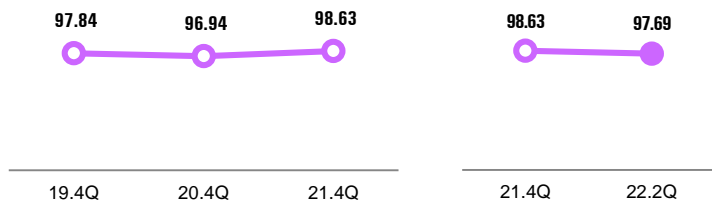
1) Unconsolidated FS, 2) SOHO(≤3 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

2. Banks Loans / Deposits - KNB

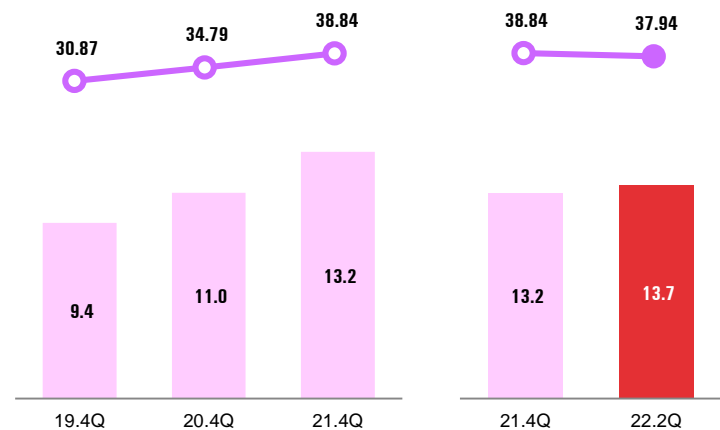
□ KRW Loans(% , KRW tn)



□ LDR(%)



□ Low-Cost Deposits & Ratio(% , KRW tn)



(KRW bn, %, Balance)	22.2Q	21.4Q	YTD	22.1Q	QoQ
KRW Loans¹⁾	36,946.0	35,681.2	3.5	36,592.9	1.0
Corporate	24,354.5	23,082.5	5.5	23,912.3	1.8
SME	22,455.0	21,346.6	5.2	21,995.1	2.1
(SOHO) ²⁾	7,401.5	6,987.2	5.9	7,272.7	1.8
Large Corps.	1,899.5	1,735.9	9.4	1,917.2	-0.9
Household	12,164.6	12,135.8	0.2	12,201.6	-0.3
Mortgage	9,637.5	9,470.0	1.8	9,612.9	0.3
Public	426.9	462.9	-7.8	479.0	-10.9
Foreign Currency Loans¹⁾	119.7	146.9	-18.5	134.7	-11.1
KRW Deposits¹⁾	36,202.5	34,919.1	3.7	36,546.6	-0.9
Low Cost Deposits	14,175.5	13,164.9	7.7	13,559.8	4.5
Core Deposits	12,470.6	11,249.4	10.9	11,609.7	7.4
MMDA	1,704.9	1,915.5	-11.0	1,950.1	-12.6

(KRW bn, %, %p, Average Balance)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Low-Cost Deposits(A)	13,743.5	13,230.8	3.9	13,454.7	2.1
Core Deposits ²⁾	11,865.8	11,372.1	4.3	11,520.3	3.0
MMDA	1,877.7	1,858.7	1.0	1,934.4	-2.9
KRW Deposits(B)	36,223.9	34,067.2	6.3	35,739.0	1.4
A / B	37.94	38.84	-0.90	37.65	0.29

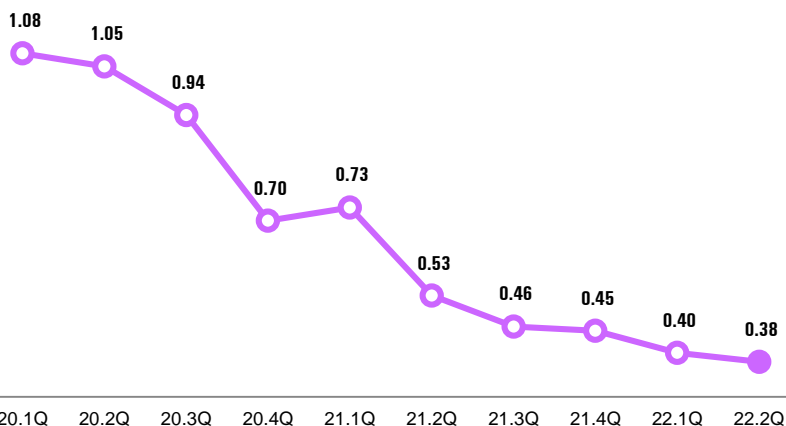
1) Unconsolidated FS, 2) SOHO(≤2 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

IV. Asset Quality

1. Group Asset Quality	21
2. Banks Asset Quality	22
3. Group Provisioning	24
4. Banks Provisioning / Write-offs & NPL Sales	25

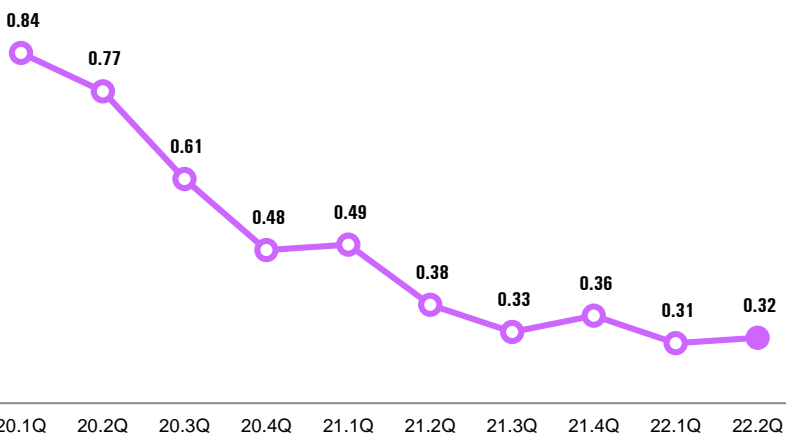
1. Group Asset Quality

□ SBL(NPL) Ratio(%)



Note) Excluding Overseas subsidiaries, Consolidated SPC etc.

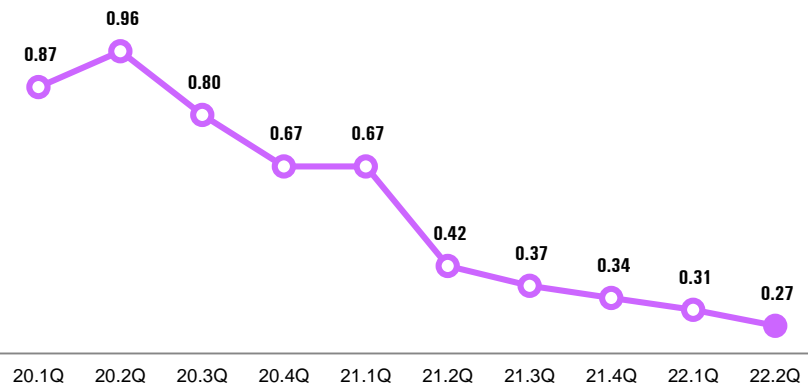
□ Delinquency Ratio(%)



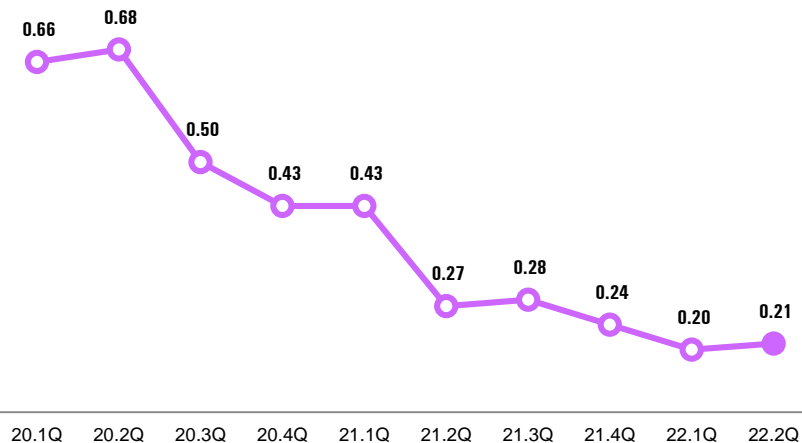
(KRW bn, %, %p)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Total Credits	104,585.3	99,416.7	5.2	100,967.4	3.6
Normal	103,424.3	98,075.8	5.5	99,711.4	3.7
Precautionary	761.3	894.4	-14.9	850.2	-10.5
Substandard	182.8	258.1	-29.2	209.7	-12.8
Doubtful	79.5	45.7	74.0	68.2	16.6
Expected Loss	137.4	142.7	-3.7	127.9	7.4
SBL(Substandard & Below Loans)	399.7	446.5	-10.5	405.8	-1.5
SBL Ratio	0.38	0.45	-0.07	0.40	-0.02
SBL Coverage Ratio (Ratio before Reserve deduction)	228.50 (354.68)	180.08 (291.21)	48.42 (63.47)	204.18 (339.64)	24.32 (15.04)
Delinquency Ratio	0.32	0.36	-0.04	0.31	0.01
Loan Amount	103,597.8	98,453.9	5.2	99,963.1	3.6
Delinquent Amount	329.9	350.1	-5.8	311.8	5.8

2. Banks Asset Quality - BSB

□ SBL(NPL) Ratio(%)



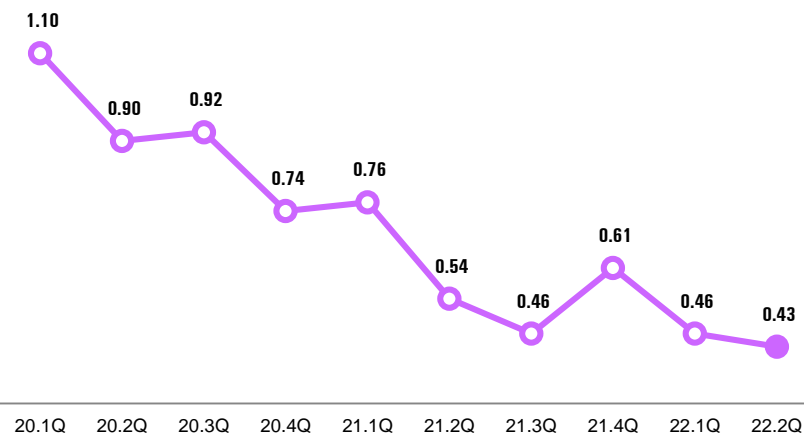
□ Delinquency Ratio(%)



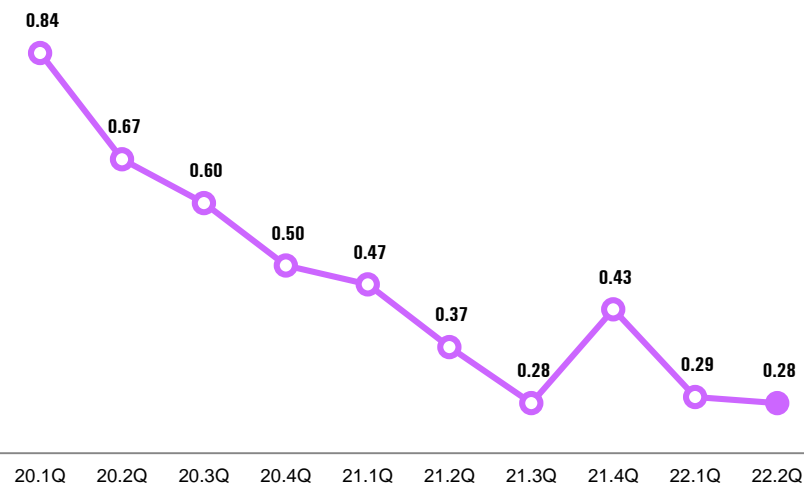
(KRW bn, %, %p)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Total Credits	55,639.6	52,861.0	5.3	5,5371.1	4.3
Normal	55,184.7	52,310.8	5.5	52,847.4	4.4
Precautionary	305.5	370.3	-17.5	360.2	-15.2
Substandard	64.5	90.1	-28.4	85.6	-24.6
Doubtful	14.7	13.8	6.5	15.0	-2.0
Expected Loss	70.2	76.0	-7.6	62.9	11.6
SBL(Substandard & Below Loans)	149.4	179.9	-17.0	163.5	-8.6
SBL Ratio	0.27	0.34	-0.07	0.31	-0.04
SBL Coverage Ratio (Ratio before Reserve deduction)	302.71 (460.78)	227.91 (346.57)	74.80 (114.21)	251.09 (407.55)	51.62 (53.23)
Delinquency Ratio	0.21	0.24	-0.03	0.20	0.01
Loan Amount	54,938.9	52,133.6	5.4	52,647.2	4.4
Delinquent Amount	114.8	126.1	-9.0	106.5	7.8

2. Banks Asset Quality - KNB

□ SBL(NPL) Ratio(%)



□ Delinquency Ratio(%)



(KRW bn, %, %p)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Total Credits	38,004.9	36,705.6	3.5	37,602.9	1.1
Normal	37,659.4	36,272.1	3.8	37,246.3	1.1
Precautionary	182.9	210.8	-13.2	184.8	-1.0
Substandard	92.9	147.4	-37.0	102.2	-9.1
Doubtful	23.9	24.5	-2.4	22.5	6.2
Expected Loss	45.8	50.8	-9.8	47.1	-2.8
SBL(Substandard & Below Loans)	162.6	222.7	-27.0	171.8	-5.4
SBL Ratio	0.43	0.61	-0.18	0.46	-0.03
SBL Coverage Ratio (Ratio before Reserve deduction)	169.77 (301.37)	112.35 (201.97)	57.42 (99.40)	146.04 (270.35)	23.73 (31.02)
Delinquency Ratio	0.28	0.43	-0.15	0.29	-0.01
Loan Amount	37,760.4	36,470.2	3.5	37,364.8	1.1
Delinquent Amount	106.2	155.4	-31.7	109.4	-2.9

3. Group Provisioning

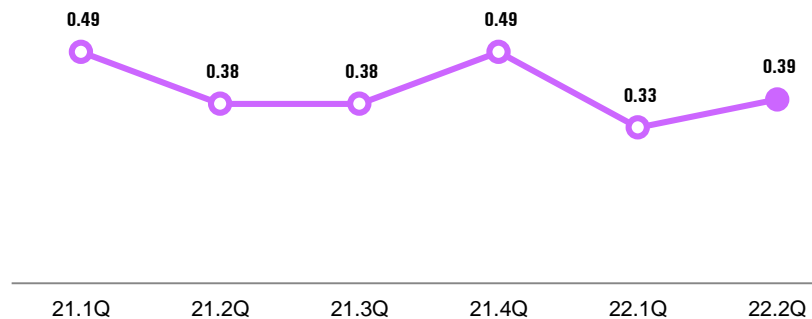
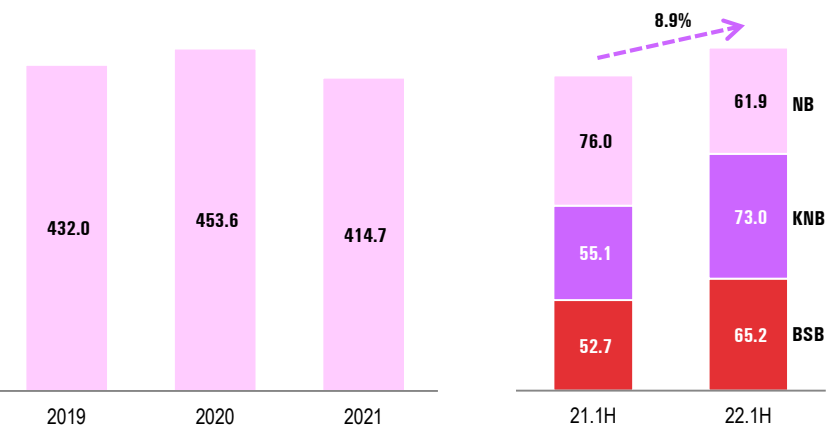
Provision Expense

(KRW bn, %)	2022			2021					
	1H	2Q	1Q	4Q	3Q	1H	2Q	1Q	
Total Provisions(A)	200.2	118.4	81.8	414.7	127.9	103.0	183.8	71.7	112.1
Total Credits(B)	104,585.3	104,585.3	100,967.4	99,416.7	99,416.7	100,217.3	96,597.3	96,597.3	92,616.6
¹⁾ Credit Cost(A/B)	0.39	0.45	0.33	0.42	0.51	0.41	0.38	0.30	0.49

1) Accumulated

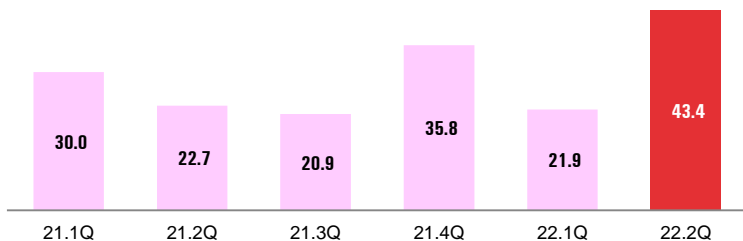
Banks & Non-Bank Provision Breakdown(KRW bn)

Credit Cost(%)

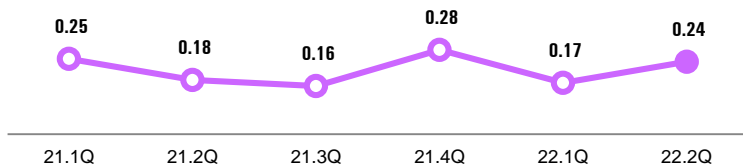


4. Provisioning / Write-offs & NPL Sales - BSB

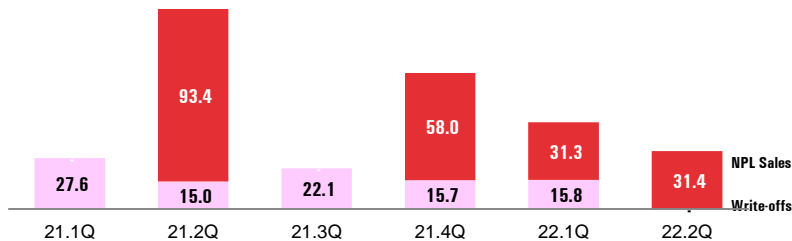
□ Provision Expense(KRW bn)



□ Credit Cost(%)



□ Write-offs & NPL Sales(KRW bn)

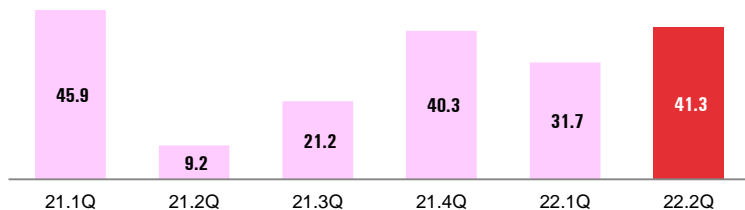


□ Provision Expense / Write-offs & NPL Sales

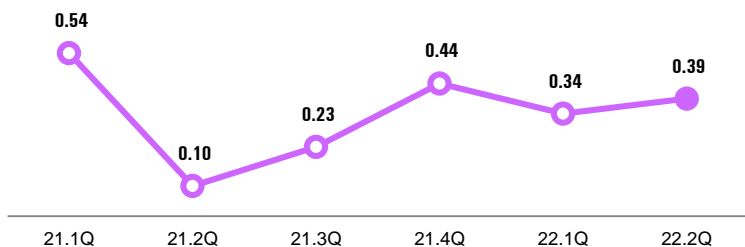
(KRW bn, %)	22.2Q	22.1Q	21.4Q	21.3Q	21.2Q	21.1Q
Corporate	33.7	17.5	28.6	18.2	13.3	20.4
Household	6.1	3.0	3.8	0.6	5.1	4.2
Credit Card	3.0	1.5	4.4	2.0	2.9	3.2
Others	0.6	-0.1	-1.0	0.1	1.4	2.2
Total(A)	43.4	21.9	35.8	20.9	22.7	30.0
Total Credits(B)	55,639.6	53,371.1	52,861.0	52,957.8	51,571.1	49,369.1
Credit Cost(A/B)	0.31	0.17	0.28	0.16	0.18	0.25
Total Write-Offs	0.0	15.8	15.7	22.1	15.0	27.6
Corporate	0.0	10.4	8.8	14.9	8.2	15.0
Household	0.0	2.2	3.6	3.1	2.7	6.2
Credit Card	0.0	3.2	3.3	4.1	4.1	6.4
Total NPL Sales	31.4	31.3	58.0	0.0	93.4	0.0
(NPL Sales for SBL Loans)	27.3	27.6	52.6	0.0	90.9	0.0
Corporate	27.0	29.2	55.5	0.0	90.6	0.0
Household	4.3	1.3	2.3	0.0	2.3	0.0
Credit Card	0.1	0.8	0.2	0.0	0.5	0.0

4. Provisioning / Write-offs & NPL Sales - KNB

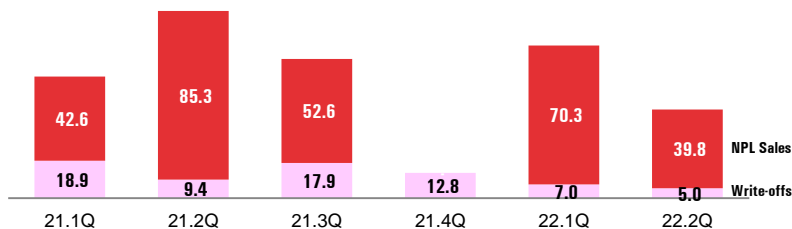
□ Provision Expense(KRW bn)



□ Credit Cost(%)



□ Write-offs & NPL Sales(KRW bn)



□ Provision Expense / Write-offs & NPL Sales

(KRW bn, %)	22.2Q	22.1Q	21.4Q	21.3Q	21.2Q	21.1Q
Corporate	28.5	24.3	31.6	10.8	0.4	37.8
Household	8.2	6.0	6.8	7.3	6.4	6.3
Credit Card	2.5	1.5	2.1	2.0	2.4	1.8
Others	2.1	-0.1	-0.2	1.1	0.0	0.0
Total(A)	41.3	31.7	40.3	21.2	9.2	45.9
Total Credits(B)	38,004.9	37,602.9	36,705.6	36,851.6	35,468.8	34,680.3
Credit Cost(A/B)	0.44	0.34	0.44	0.23	0.10	0.54
Total Write-Offs	5.0	7.0	12.8	17.9	9.4	18.9
Corporate	0.5	1.6	-3.6	11.3	3.3	13.4
Household	1.5	3.8	15.1	4.1	3.6	2.7
Credit Card	3.0	1.6	1.3	2.5	2.5	2.8
Total NPL Sales	39.8	70.3	0.0	52.6	85.3	42.6
(NPL Sales for SBL Loans)	39.0	66.9	0.0	50.1	81.1	40.4
Corporate	39.5	69.8	0.0	52.5	85.2	42.1
Household	0.2	0.3	0.0	0.0	0.0	0.4
Credit Card	0.1	0.2	0.0	0.1	0.1	0.1

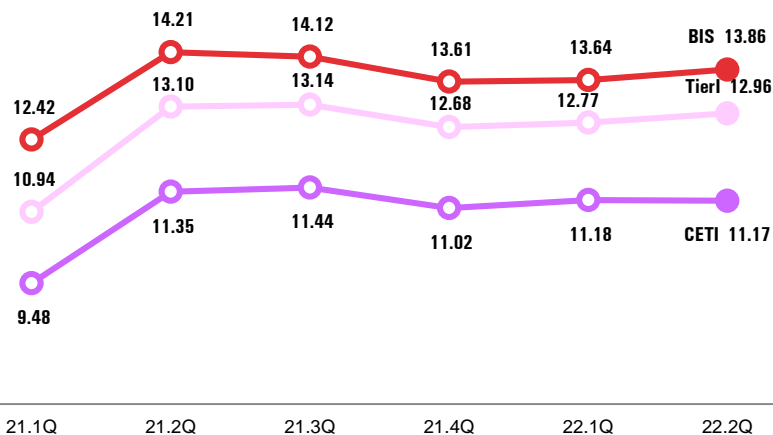
V . Capital Adequacy

1. Capital Adequacy

28

1. Capital Adequacy

Group Capital Adequacy(%)



Group

(KRW bn, %, %p, BaselIII IRB)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Tot. Risk Adjusted Capital	10,359.2	9,767.6	6.0	9,928.3	4.3
Tier I	9,689.4	9,103.2	6.4	9,295.8	4.2
(CETI)	8,351.4	7,908.7	5.6	8,136.4	2.6
Tot. R.W.A.	74,767.7	71,767.9	4.2	72,779.0	2.7
BIS Capital Ratio	13.86	13.61	0.24	13.64	0.22
Tier I	12.96	12.68	0.27	12.77	0.19
(CETI)	11.17	11.02	0.15	11.18	-0.01

BSB

(KRW bn, %, %p, BaselIII I.R.B.)	22.2Q	21.4Q	YoY	22.1Q	QoQ
Tot. Risk Adjusted Capital	5,719.0	5,503.0	3.9	5,518.2	3.6
Tier I	5,325.2	5,085.5	4.7	5,147.0	3.5
(CETI)	4,826.9	4,703.7	2.6	4,798.2	0.6
Tot. R.W.A.	32,979.1	32,272.4	2.2	32,271.5	2.2
BIS Capital Ratio	17.34	17.05	0.29	17.10	0.24
Tier I	16.15	15.76	0.39	15.95	0.20
(CETI)	14.64	14.58	0.06	14.87	-0.23

KNB

(KRW bn, %, %p, BaselIII I.R.B.)	22.2Q	21.4Q	YoY	22.1Q	QoQ
Tot. Risk Adjusted Capital	3,678.3	3,479.1	5.7	3,489.8	5.4
Tier I	3,392.8	3,167.3	7.1	3,197.3	6.1
(CETI)	2,944.2	2,886.6	2.0	2,948.1	-0.1
Tot. R.W.A.	22,405.6	21,823.6	2.7	22,385.8	0.1
BIS Capital Ratio	16.42	15.94	0.48	15.59	0.83
Tier I	15.14	14.51	0.63	14.28	0.86
(CETI)	13.14	13.23	-0.09	13.17	-0.03

VI. Appendix

1. Banks KRW Loan Portfolio	30
2. Cyclical Sector	31
3. BNK Capital	32
4. BNK Securities	33
5. Group Networks & Major Industries	34

1. Banks KRW Loan Portfolio

	2022 2Q			
	Amount	Ratio	YoY	QoQ
Manufacturing	8,830.8	16.6	2.8	0.3
Steel Metal Products	2,501.9	4.7	1.1	-2.9
Automobile Parts	1,644.0	3.1	-2.6	1.1
Machinery	1,276.1	2.4	1.8	0.6
Petroleum, Rubber, etc.	984.0	1.9	3.0	0.1
Fabric	343.7	0.6	7.6	2.3
Garment & Shoes	371.6	0.7	7.5	-0.2
Kitchen Units	457.1	0.9	14.0	4.5
Electronics	388.8	0.7	2.5	2.6
Paper, Paper Mills	145.4	0.3	21.6	5.6
Others	718.2	1.4	9.1	4.4
Non-Manufacturing	28,087.1	53.0	14.1	7.2
Wholesale & Retail	4,795.3	9.0	10.0	3.3
Public	13.3	0.0	-	0.0
Construction & Engineering	1,547.0	2.9	3.7	2.3
Real Estate	11,778.1	22.2	17.0	9.2
Insurance & Financing	883.4	1.7	48.2	71.4
Transportation	1,252.8	2.4	2.7	2.6
Hotel & Food	2,438.3	4.6	23.8	8.3
Others	5,378.9	10.1	9.3	2.3
Households	16,120.2	30.4	0.6	1.2
KRW Loans	53,038.1	100.0	7.7	4.1

	2022 2Q			
	Amount	Ratio	YoY	QoQ
Manufacturing	9,964.7	27.0	3.5	0.5
Steel Metal Products	2,287.9	6.2	1.6	-0.8
Automobile Parts	2,688.4	7.3	-2.3	-0.8
Machinery	2,389.4	6.5	4.9	1.4
Petroleum, Rubber, etc.	369.1	1.0	7.1	0.1
Fabric	132.4	0.4	12.1	1.8
Garment & Shoes	23.1	0.1	-6.9	-11.2
Kitchen Units	367.4	1.0	22.1	2.1
Electronics	598.8	1.6	3.1	2.0
Paper, Paper Mills	103.7	0.3	19.3	6.1
Others	1,004.5	2.7	13.3	3.0
Non-Manufacturing	14,816.7	40.1	16.9	2.4
Wholesale & Retail	3,286.5	8.9	18.6	2.2
Public	40.1	0.1	0.5	0.3
Construction & Engineering	927.7	2.5	19.6	14.0
Real Estate	4,773.4	12.9	15.4	1.4
Insurance & Financing	484.5	1.3	121.1	-4.4
Transportation	631.6	1.7	8.1	-0.9
Hotel & Food	1,257.2	3.4	13.5	1.1
Others	3,415.7	9.2	12.2	3.3
Households	12,164.6	32.9	-0.1	-0.3
KRW Loans	36,946.0	100.0	7.2	1.0

*Sectors are based on FSS Business Report

※ KSIC(Korea Standard Industry Classification) Change(July 1,2017) applied

2. Cyclical Sector

	2022.2Q					
	Steel	Auto	Construction	Shipbuilding	Shipping	Chemical
(KRW bn, %)						
Exposure	3,530.2	2,842.2	2,544.3	1,319.8	372.8	830.0
(% of Total Credits)	3.8	3.1	2.7	1.4	0.4	0.9
Collateral & Provision	2,749.0	2,026.0	1,764.7	1,070.8	101.8	498.4
Collateral & Provision Coverage	77.9	71.3	69.4	81.1	27.3	60.0
No# of Creditors	2,682	1,849	5,318	1,231	213	669

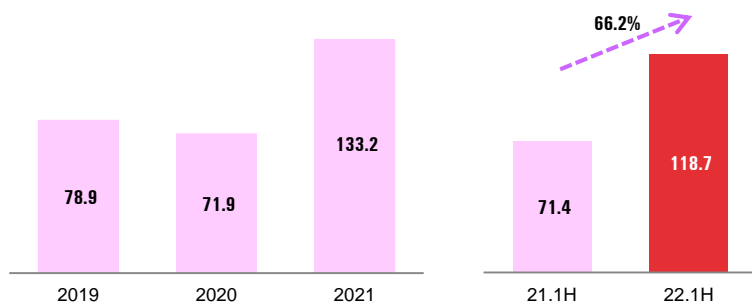
Note 1) Exposure & Total Credits are the sum of BSB & KNB

Note 2) Sectors are based on FSS Business Report

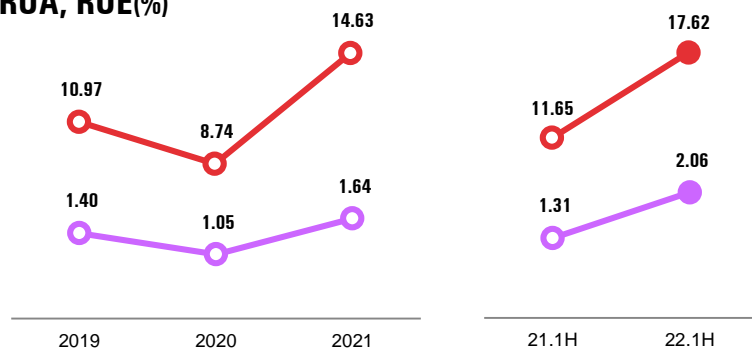
Note 3) Construction includes Real Estate PF(Ref. Collateral for Real Estate PFs are evaluated based on future cash flow that does not include land, buildings under construction etc. hence the overall low construction coverage)

3. BNK Capital

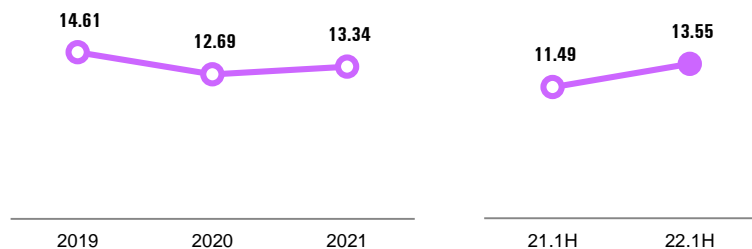
Net Income(% , KRW bn)



ROA, ROE(%)



Adjusted Capital Ratio(%)

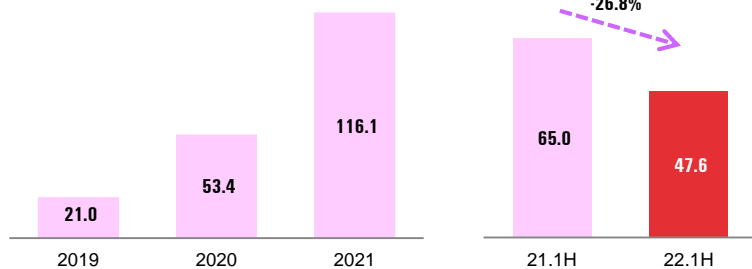


(KRW bn, %, Balance)	22.1H	21.1H	YoY	22.1Q	QoQ
Net Interest Income	176.7	150.5	17.4	85.8	5.9
Fee Income	43.6	28.6	52.4	21.0	7.6
Others	33.4	22.1	51.1	9.6	147.9
SG&A(-)	44.8	41.7	7.4	22.4	0.0
Provision Expense(-)	49.5	67.8	-27.0	18.7	64.7
Non-Operating Income	-1.2	2.3	Net Loss	0.6	Net Loss
Earnings Before Income Tax	158.2	94.0	68.3	75.9	8.4
Income Tax Expenses(-)	39.5	22.6	74.8	18.4	14.7
Net Income	118.7	71.4	66.2	57.5	6.4

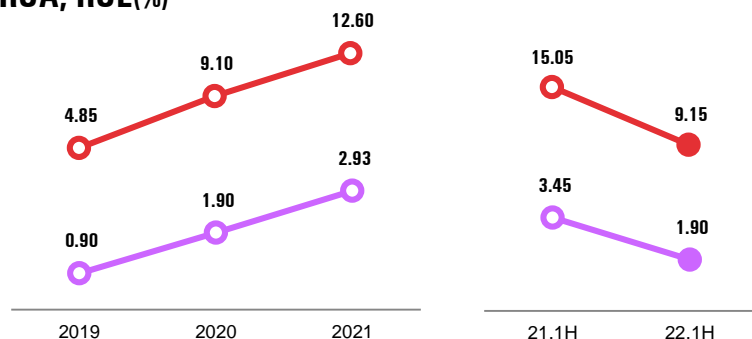
(KRW bn, %, Balance)	22.2Q	21.4Q	YTD	22.1Q	QoQ
Assets	9,489.6	8,444.5	12.4	8,647.6	9.7
Cash and Dues	146.6	316.5	-53.7	46.8	213.2
Securities	329.0	287.4	14.5	385.4	-14.6
Loans	6,219.8	5,336.7	16.5	5,642.7	10.2
Venture Capital Business	13.7	5.8	136.2	7.0	95.7
Durables Installment Financing Assets	429.2	348.8	23.1	374.4	14.6
Leased Assets	2,070.6	1,894.3	9.3	1,949.7	6.2
Fixed Assets	14.0	14.5	-3.4	13.2	6.1
Other Assets	266.7	240.5	10.9	228.4	16.8
Liability & Shareholder's Equity	9,489.6	8,444.5	12.4	8,647.6	9.7
Borrowings	7,793.2	6,993.7	11.4	7,104.1	9.7
Other Liabilities	546.3	469.8	16.3	504.6	8.3
Shareholder's Equity	1,150.1	981.0	17.2	1,038.9	10.7

4. BNK Securities

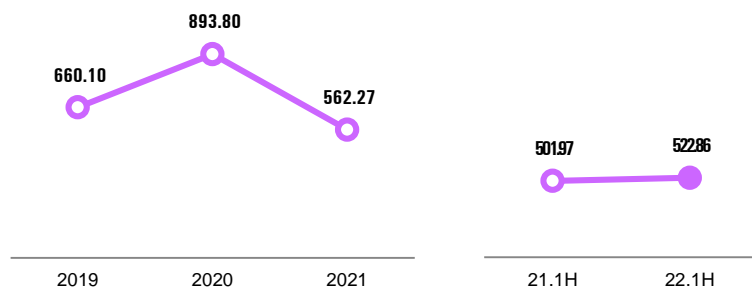
Net Income(% , KRW bn)



ROA, ROE(%)



NCR(%)



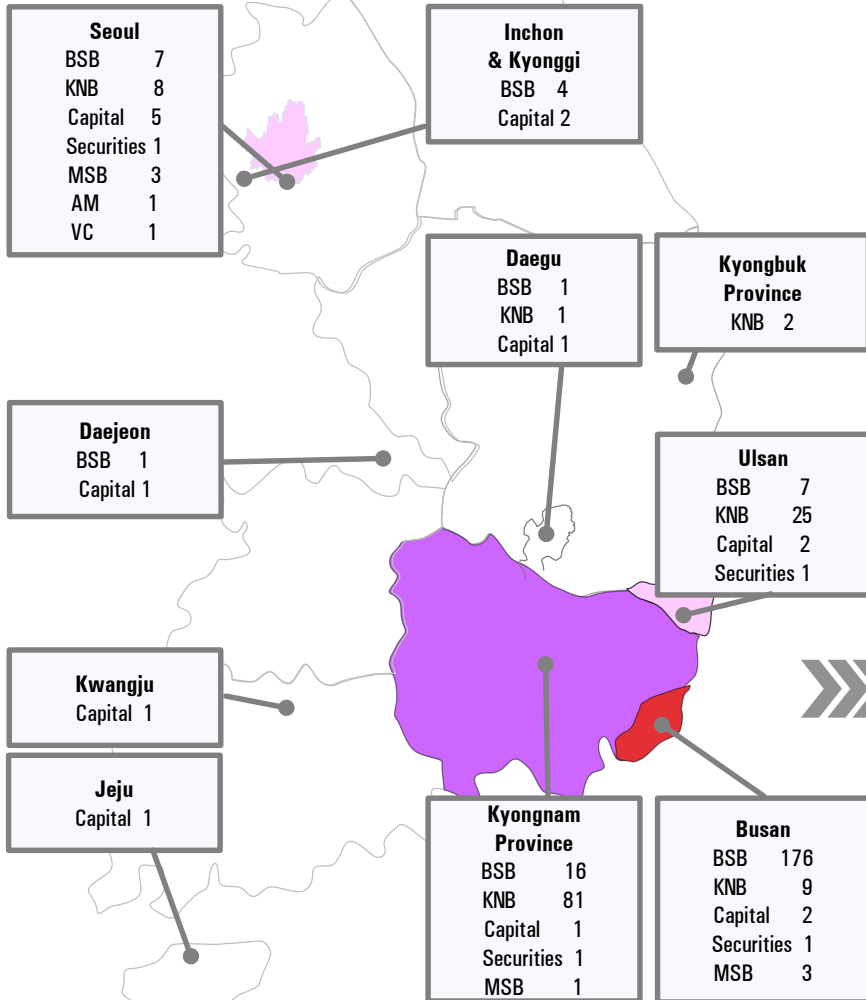
(KRW bn, %, Balance)	22.1H	21.1H	YoY	22.1Q	QoQ
Net Interest Income	32.7	22.1	48.0	12.9	53.5
Fee Income	114.8	89.8	27.8	66.3	-26.8
Others	4.0	73.4	-94.6	22.7	Net Loss
SG&A(-)	84.0	97.8	-14.1	52.1	-38.8
Provision Expense(-)	2.2	7.9	-72.2	2.7	-
Non-Operating Income	-0.3	6.8	Net Loss	-0.9	Net Gain
Earnings Before Income Tax	65.0	86.4	-24.8	46.2	-59.3
Income Tax Expenses(-)	17.4	21.4	-18.7	11.7	-51.3
Net Income	47.6	65.0	-26.8	34.5	-62.0

(KRW bn, %, Balance)	22.1H	21.1H	YoY	22.1Q	QoQ
Fee Income	114.8	89.8	27.8	66.3	-26.8
Fee Revenue	133.9	102.2	31.0	76.8	-25.7
Underwriting	13.3	14.8	-10.1	6.4	7.8
Advisory	96.7	61.2	58.0	59.3	-36.9
Brokerage	19.3	25.4	-24.0	9.2	9.8
Others	4.6	0.8	475.0	1.9	42.1
Fee Expense	19.1	12.4	54.0	10.5	-18.1

4. Group Networks & Major Industries

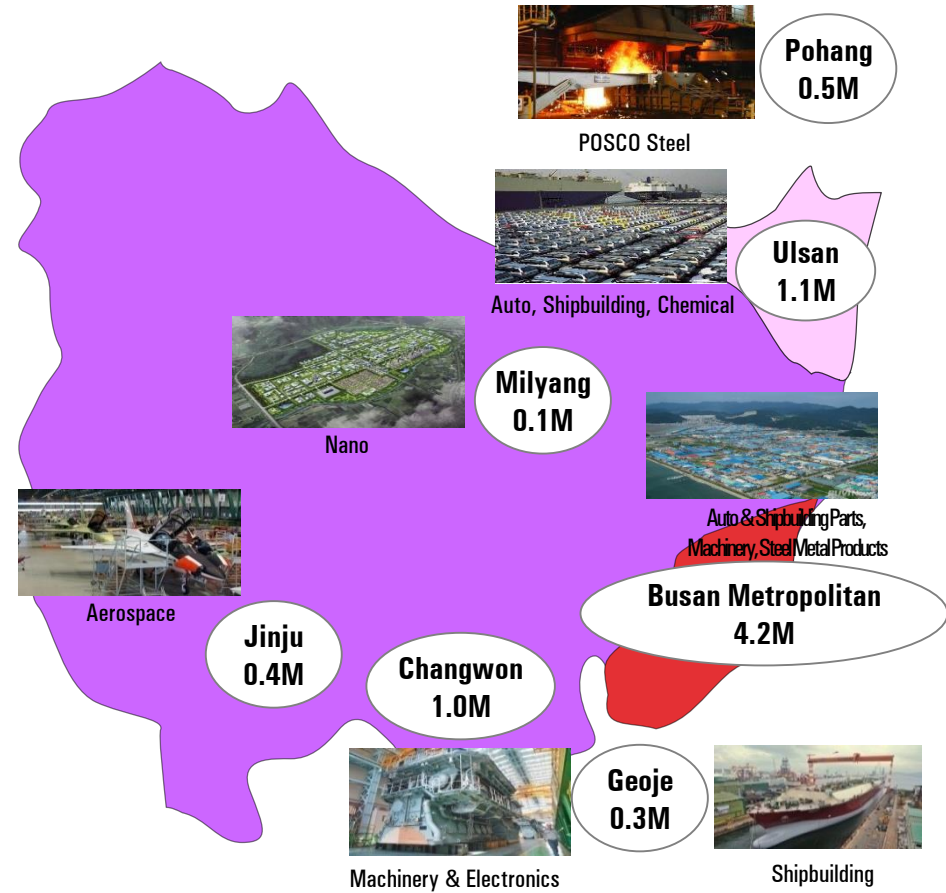
Networks (as of June 2022) : 377 Locations

- BSB 218(Qingdao/Nanjing/Ho Chi Minh Branch, Yangon/Mumbai/Hanoi Office incl.), KNB 127(Tashkent Office), Capital 19(incl. Myanmar, Cambodia, Laos, Kazakhstan), Securities 4, MSB 7, AM 1, Venture Capital 1



Population & Major Industries

- Southeastern Conurbation (7.8 Mn, 15.1% of Total Population), 14.1% of GRDP(2020)
- Exports : 130.4 USD bn(2021)
- Imports : 77.7 USD bn(2021)



* Southeastern region includes Busan, Ulsan, and Kyongnam