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# 1Q20 Business Results

## April, 2020

KB Financial Group

# Contents



## Disclaimer Statement

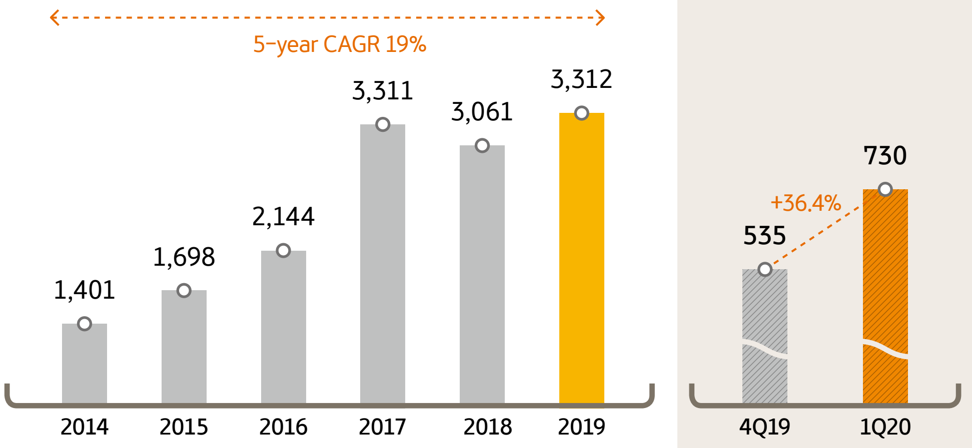
1. The consolidated financial information of KB Financial Group Inc. (the "Group") presented herein is based on the Korean International Financial Reporting Standards(K-IFRS). It is currently being reviewed by the Group's independent auditor, and accordingly, is subject to change.
2. The consolidated financial reports presented herein is based on Korean IFRS9(K-IFRS9). Note that the financial results for years before 2017 contained herein have not been restated retrospectively.
3. From 2018, for better peer comparison purpose, the Group reclassified certain interest income out of Net Gain/Loss on Financial Assets at FVPL under Other Operating Profit to Interest Income under Net Interest Income. Note that beginning from the financial results for 2017 contained herein have been restated retrospectively.
4. As KB Insurance and KB Capital became wholly-owned subsidiaries of the Group on July 7, 2017, the financial results of KB Insurance and KB Capital have been fully consolidated in the Group's financial statements since 3Q17.
5. Totals may not sum due to rounding.

# I. 1Q20 Financial Highlights _ Overview

## Group Profitability Overview

| bn won, % | 1Q20 | 1Q19 | YoY | 4Q19 | QoQ |
|---|---|---|---|---|---|
| Net Interest Income | 2,349.2 | 2,252.1 | 4.3 | 2,328.2 | 0.9 |
| Net Fee & Commission Income | 670.1 | 550.6 | 21.7 | 638.5 | 4.9 |
| Other Operating Profit | -277.3 | 62.1 | N.A. | -169.0 | N.A. |
| Gross Operating Income | 2,742.0 | 2,864.8 | -4.3 | 2,797.7 | -2.0 |
| G&A Expenses | 1,459.2 | 1,513.9 | -3.6 | 1,814.3 | -19.6 |
| Provision for Credit Losses | 243.7 | 191.7 | 27.1 | 210.4 | 15.8 |
| Net Operating Profit | 1,039.1 | 1,159.2 | -10.4 | 773.0 | 34.4 |
| Net Non-Operating Profit | -19.7 | 6.7 | N.A. | -24.0 | N.A. |
| Profit for the Period | 738.9 | 845.9 | -12.6 | 535.1 | 38.1 |
| Profit attributable to controlling interests | 729.5 | 845.7 | -13.7 | 534.7 | 36.4 |

## Group Net Profit (bn won)




Note) Based on profit attributable to controlling interests

## Highlights

### Net Profit for 1Q20

**₩729.5** bn

(+36.4% QoQ)

Increased 36.4% QoQ as seasonal items such as ERP costs eliminated, but declined YoY due to other operating losses despite solid growth in interest and fee & commission income

### Net Interest Income for 1Q20

**₩2,349.2** bn

(+4.3% YoY)

Steadily increased by 4.3% largely driven by bank and card asset growth, overcoming NIM pressure from rate cuts and Loan Conversion Program

### Net Fee & Commision for 1Q20

**₩670.1** bn

(+21.7% YoY)

Expanded by W119.5bn, 21.7% YoY mainly due to improved brokerage and IB businesses as well as better card operation

### G&A Expenses for 1Q20

**₩1,459.2** bn

(-19.6% QoQ)

Reduced by 19.6% QoQ and 3.6% YoY respectively as seasonal costs related to ERP and employee welfare fund disappeared

### 1Q20 Loan Growth (YTD)

**+4.2%**

(Bank Loans in Won)

Continued solid growth driven by balanced corporate lendings across the sector as well as Jeonse and unsecured loans in household

### Credit Cost for 1Q20

**0.25%**

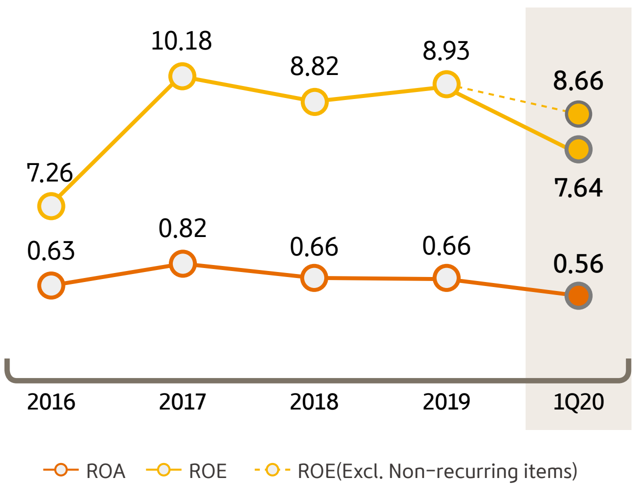
(Bank 0.11%)

Maintained subnormal level of credit cost despite the absence of large-scale reversals and one-off provisioning, proving KB's high level of risk management

※ Non-recurring items for 1Q20 (before tax)

- (KB Securities) Lime Asset Mgmt-related losses including TRS valuation losses: W40bn
- (Kookmin Bank) CVA(Credit Valuation Adjustment) losses: W34bn
- (KB Securities) Provisioning for receivables arised from brokerage business: W19bn

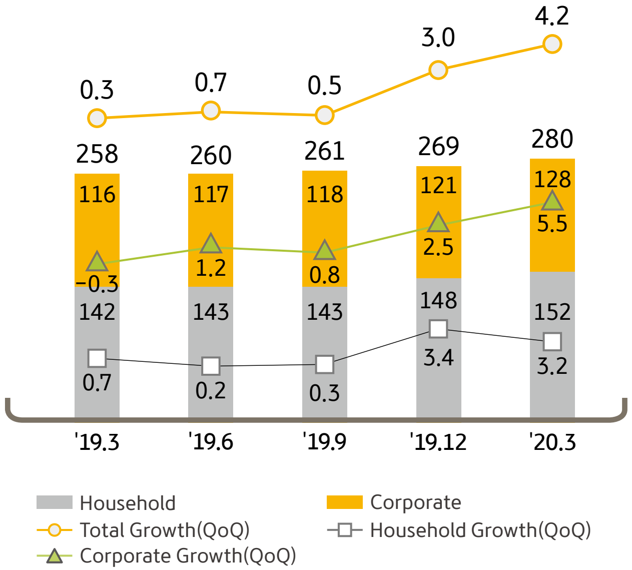
## Group ROA·ROE (%)




### Secured solid earnings fundamental based on revenue diversification & cost efficiency

- 1Q20 ROE, on a recurring basis, recorded 8.66%
- Earnings fundamental remains solid other than temporary other operating losses prompted by financial market volatility
- KB continues to diversify revenue sources and improve cost efficiency in response to unfavorable financial environment

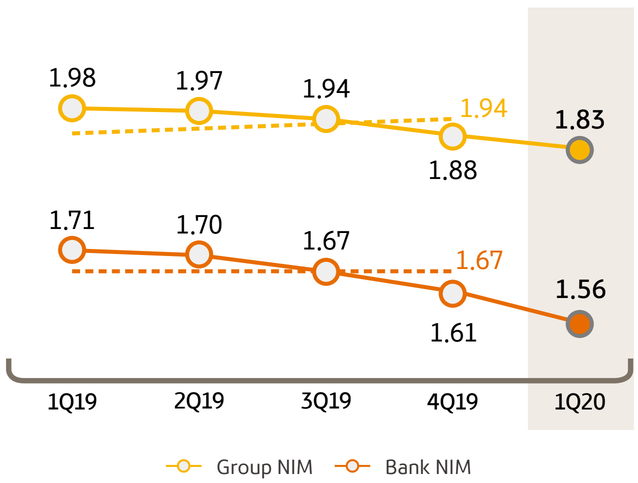
## Loans in Won Growth (tn won, %)




### Secured stable interest income stream based on solid loan growth

- Loans in Won of the Bank grew by W11tn, 4.2% QoQ, amounting to W280tn
- Household loans continued quality growth by 3.2% QoQ to W152tn, driven by Jeonse loans and specially-arranged unsecured loans for prime customers
- Corporate loan growth marked 5.5% QoQ attributable to the increasing demand from large corporations and SMEs

## NIM (%)

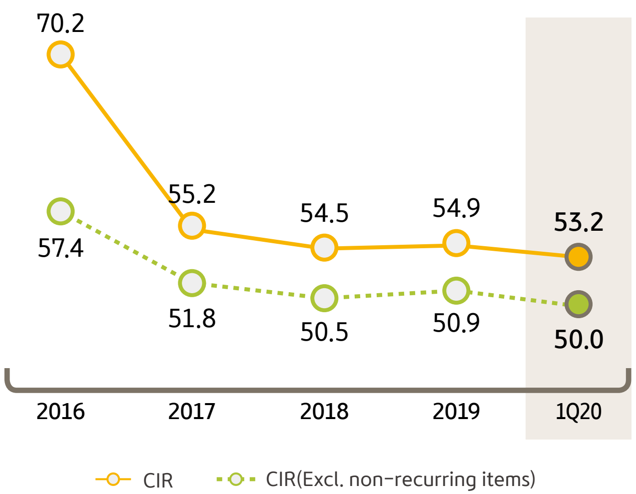



### Prudent NIM management with advanced pricing strategy while applying flexible lending policy

- 1Q20 Group NIM and Bank NIM recorded 1.83%, 1.56% respectively
- 1Q Bank NIM fell 5bp QoQ mainly due to decline of market rates and Loan Conversion Program despite steady increase of low cost deposit and overall funding cost reduction
- 1Q Group NIM fell 5bp QoQ due to higher yield from credit card assets despite Bank NIM contraction

# Ⅰ. 1Q20 Financial Highlights _ Key Financial Indicators (2)

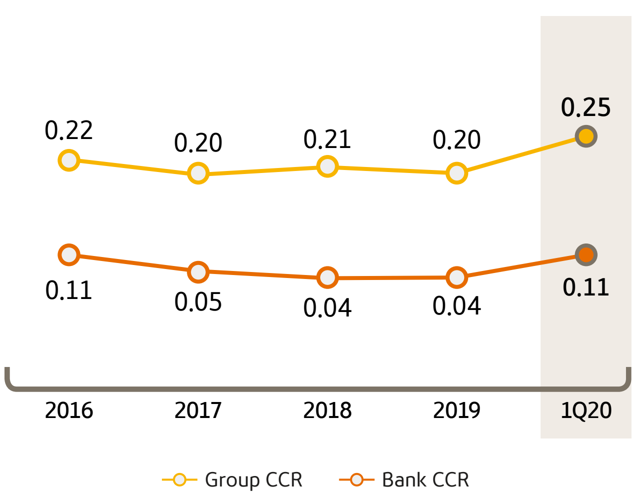
## Group Cost-Income Ratio(CIR) (%)




### Continue to improve cost efficiency through group-wide cost control

- 1Q20 CIR marked 53.2%, but CIR excluding non-recurring items such as digitalization costs and CVA losses recorded 50.0%
- CIRs, on a recurring basis, have been under control at around 50% level over the last four consecutive years
- KB is executing desciplined cost control by revisiting every expense except for investment for future sustainable growth

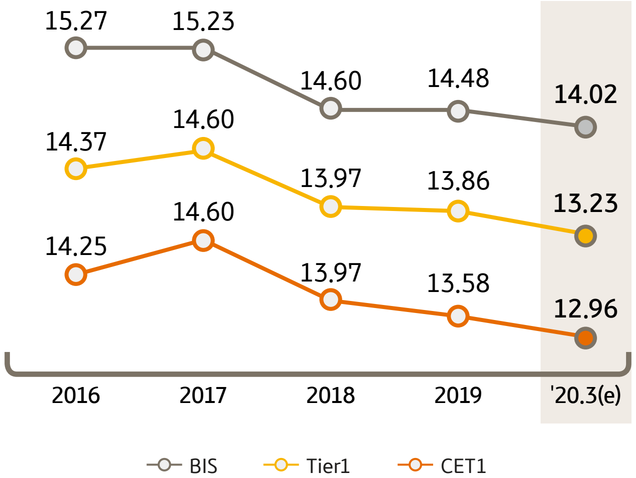
## Credit Cost Ratio(CCR) (%)




### Prudent asset quality management & proved risk management

- 1Q20 Group CCR and Bank CCR recorded 0.25%, 0.11% respectively
- Slightly increased due to the absence of large-scale reversals and one-off provisioning, but remains subnormal level
- Proved KB's conservative provisioning policy and competency in risk management in the midst of economic recession

## Group BIS Ratio (Basel III, %)




### Secured the industry-highest capital buffer against recession

- Group BIS and CET1 ratios are to mark 14.02%, 12.96% respectively as of the end of 1Q20
- Contracted QoQ mainly due to RWA increase attributable to corporate loan-driven asset growth and financial market volatility
- Bank BIS and CET1 ratios are expected to record 15.00%, 13.56%, respectively as of the end of 1Q20

## Management strategy against financial market volatility

### Major Losses from 1Q20 Capital Market Operation

- **Increased market volatility led to losses in our capital market operation**
  - Although bonds in Korean Won recognized valuation gains upon decline of market rates,
  - ① Bonds in foreign currencies recognized losses due to widening credit spreads
  - ② CVA(Credit Valuation Adjustment) measuring counter-party credit risk increased for OTC derivatives
  - ③ Trading operations incurred losses from hedging on ELS due to increased volatility in major benchmark indices, exchange rates, and interest rates

### Strategies in responding to increased volatility in the capital market

- **Respond promptly to signs of market stabilization, while maintaining conservative approach in our capital market operations**
  - ① Build strategic positions on foreign currency bonds while maintaining "Hold-and-Carry." Foreign currency bonds held are mostly investment grade and the bond market can be stabilized on the back of expansionary fiscal policy
  - ② Negative impact from increase in CVA due to exchange rate hikes and credit spread increase is expected to be temporary and to be reduced upon market stabilization
  - ③ Minimize loss by adjusting ELS hedging positions and improve the overall stability in our ELS trading by re-establishing fundamental strategies such as changing the proportion of foreign market indices

### Diversifying investment portfolio and improving capital market operations

- **Diversify investment portfolio and improve capital market operations in responding to low-growth, low-interest rate environment**
  - Improve profitability of capital market operations by diversifying our investment products with a strategic focus on foreign currency bonds and investment grade corporate bonds as well as strengthen flow business of derivatives sales to generate stable stream of revenue
  - Make new investments in alternative assets considering liquidity, convertibility to cash, vulnerability, and risk pertaining to each asset class as well as being responsive to financial environment changes

## Management Strategy against unprecedented changes of business environment

### Customized strategies in strengthening IB and WM businesses

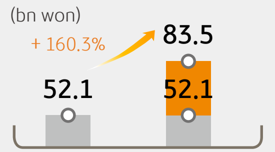
- **Expand market dominance and enhance profitability in IB business by reorganizing strategies in core areas**
  - Expand core competitiveness in underwriting
  - Strengthen ECM market dominance through preemptive funding arrangements to companies with high funding demands
  - Secure new deals geared towards improving financials through asset sales, securitization and originate new deals geared towards mitigating credit and liquidity risk
- **Strengthen competitiveness of WM products by providing customized investment products**
  - Design and supply products that satisfy changes in customer needs by providing less-risky products with lower barrier and knock-in, ELS and ELB products with limited loss territory, and ETF and ETN products with lower volatility

### Reinforce the competitiveness of digital channels

- **Respond proactively to changes in digital banking trends**
  - (Loan) Expand non-face-to-face product line-up and improve customer convenience by enhancing UI/UX of loan maturity extension, limit increase and etc
  - (WM) Expand sales of public offering ELF products and introduce one-stop service to pension products online to secure differentiated channel competitiveness
  - (Card) Expand card sales by online and strengthen non-face-to-face marketing channel to increase market share

### Secure growth opportunities through global expansion

- **Increase profit contribution from overseas after acquiring PRASAC in Cambodia**
  - Kookmin Bank acquired 70% of PRASAC's total shares on April 10
- **Continue to pursue organic growth through channel expansion**
  - Secured approvals for four additional MFI branches in Myanmar while continuing our efforts to obtain a banking licence



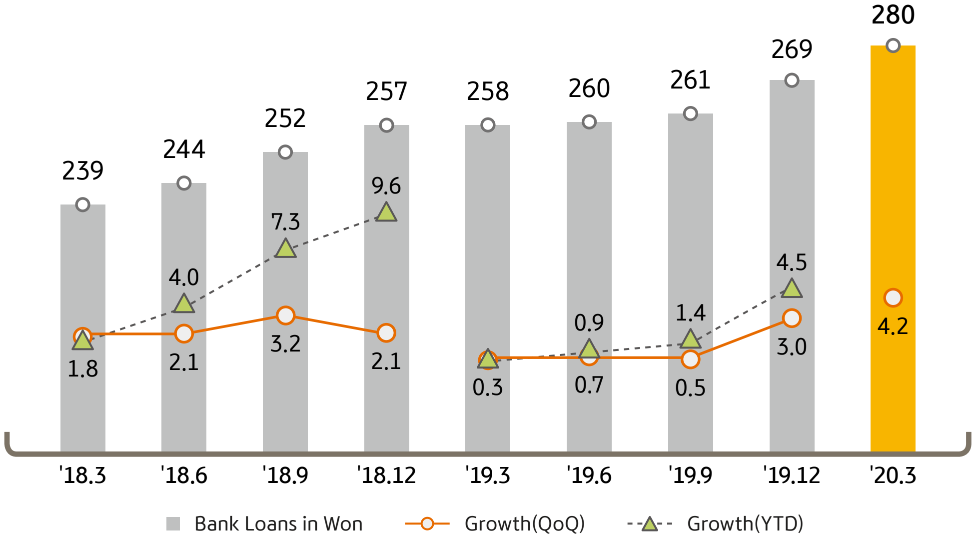
FY2019 Profit contribution from overseas when incorporating PRASAC

# III. 1Q20 Financial Analysis _ Net Interest Income

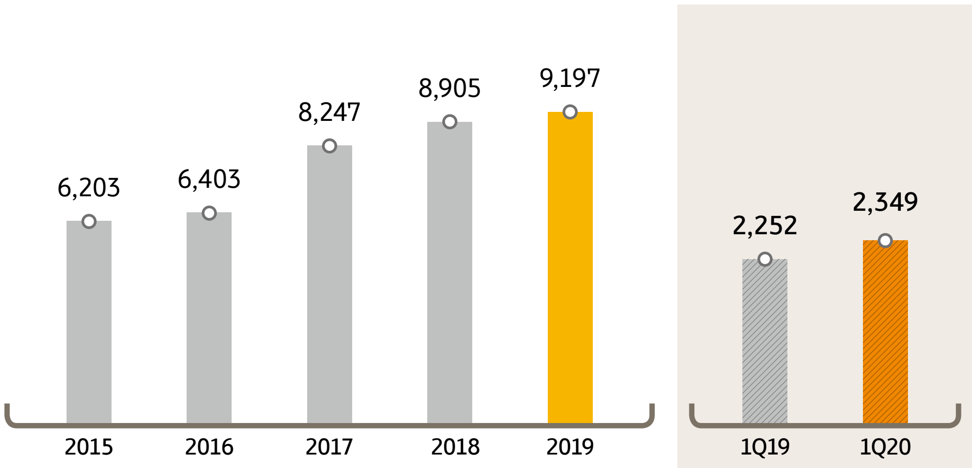
## Group Net Interest Income

| bn won, % | 1Q20 | 1Q19 | YoY | 4Q19 | QoQ |
|---|---|---|---|---|---|
| Interest Income | 3,620.0 | 3,646.4 | -0.7 | 3,627.2 | -0.2 |
| Loans | 3,003.0 | 3,069.3 | -2.2 | 3,041.3 | -1.3 |
| Financial Investments | 511.6 | 508.7 | 0.6 | 507.5 | 0.8 |
| Other | 105.4 | 68.4 | 54.1 | 78.4 | 34.4 |
| Interest Expense | 1,270.8 | 1,394.3 | -8.9 | 1,299.0 | -2.2 |
| Deposits | 788.9 | 891.4 | -11.5 | 830.2 | -5.0 |
| Debts & Debentures | 453.9 | 471.0 | -3.6 | 440.2 | 3.1 |
| Other | 28.0 | 31.9 | -12.2 | 28.6 | -2.1 |
| Net Interest Income | 2,349.2 | 2,252.1 | 4.3 | 2,328.2 | 0.9 |

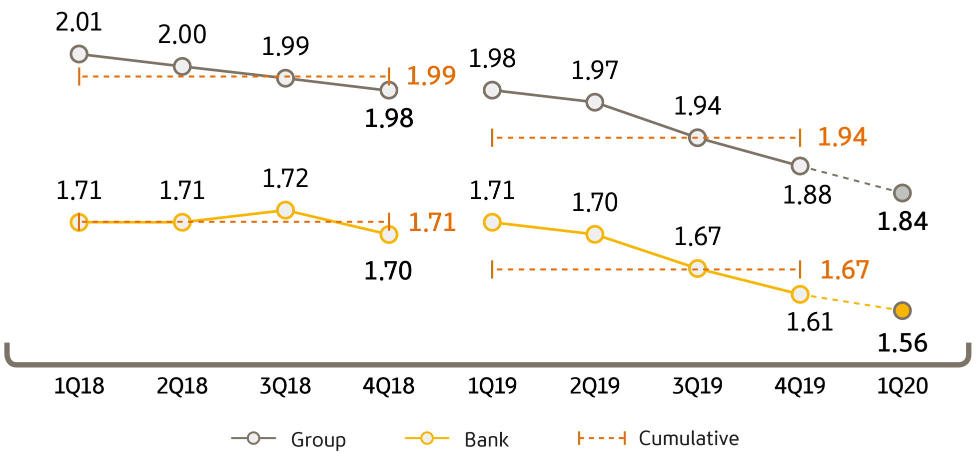
## Loan Growth (tn won, %)




## Net Interest Income (bn won)




## NIM (%)

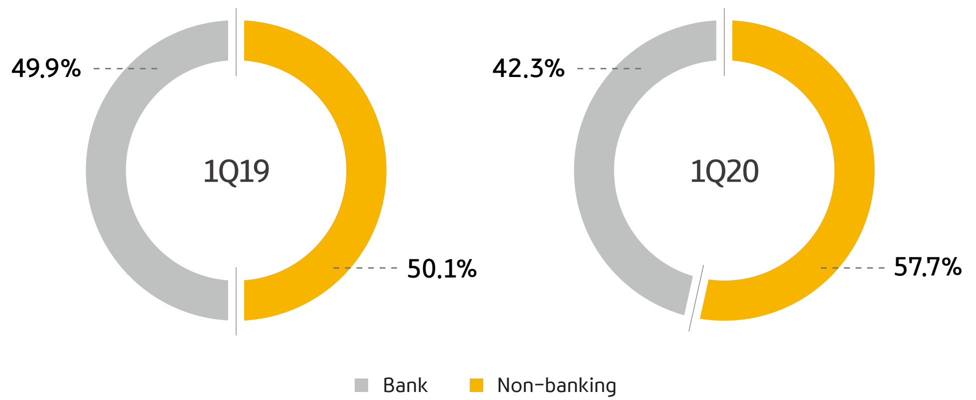


# III. 1Q20 Financial Analysis _ Net Non-Interest Income

## Group Net Non-Interest Income

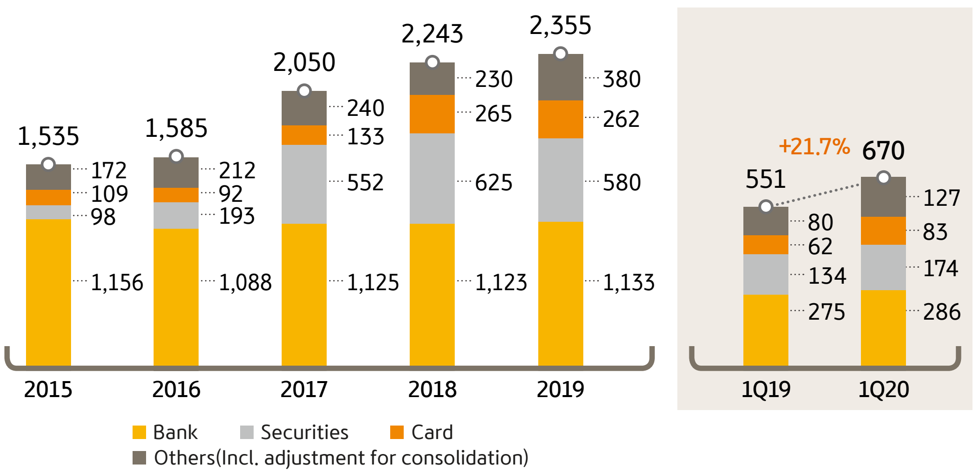
| bn won, % | 1Q20 | 1Q19 | YoY | 4Q19 | QoQ |
|---|---|---|---|---|---|
| Net Fee & Commission Income | 670.1 | 550.6 | 21.7 | 638.5 | 4.9 |
| Credit Card Fees | 112.5 | 100.6 | 11.8 | 134.4 | -16.3 |
| Trusts | 136.5 | 129.5 | 5.4 | 131.6 | 3.7 |
| Agent Activity Fees (Incl. Bancassurance) | 50.0 | 37.4 | 33.7 | 48.5 | 3.1 |
| Represent Securities (Incl. ITC Products) | 40.4 | 34.8 | 16.1 | 34.2 | 18.1 |
| Banking Activity Fees | 49.9 | 52.8 | -5.5 | 50.9 | -2.0 |
| Securities Business | 144.8 | 99.9 | 44.9 | 124.8 | 16.0 |
| Other | 136.0 | 95.6 | 42.3 | 114.1 | 19.2 |
| Other Operating Income | -277.3 | 62.1 | N.A. | -169.0 | N.A. |
| Net Non-Interest Income | 392.8 | 612.7 | -35.9 | 469.5 | -16.3 |

## Net Fee & Commission Income Contribution



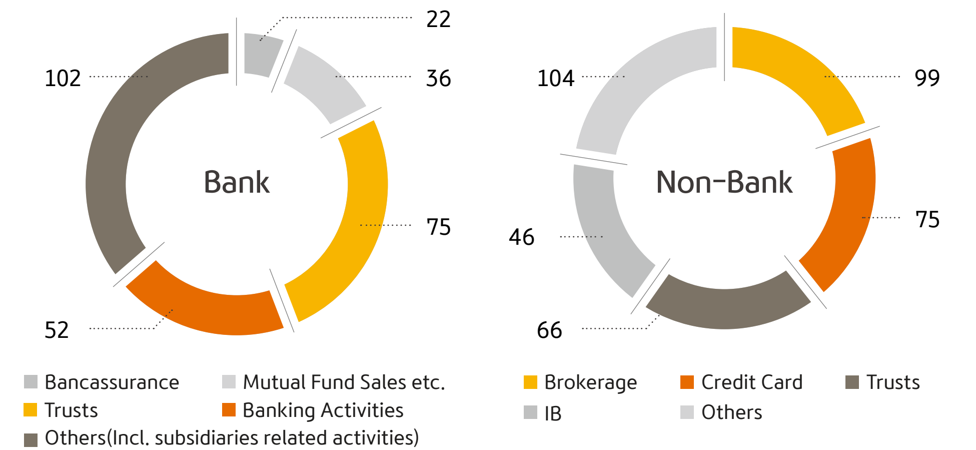

Note) Based on simple arithmetic sum of each subsidiary's Net Fee & Commission Income on the financial statements for group reporting

## Net Fee & Commission Income (bn won)




Note) Based on each subsidiary's Net Fee & Commission Income on the financial statements for group reporting

## Composition of Net Fee & Commission Income (1Q20, bn won)




Note) Based on simple arithmetic sum of each subsidiary's Net Fee & Commission Income on the financial statements for group reporting

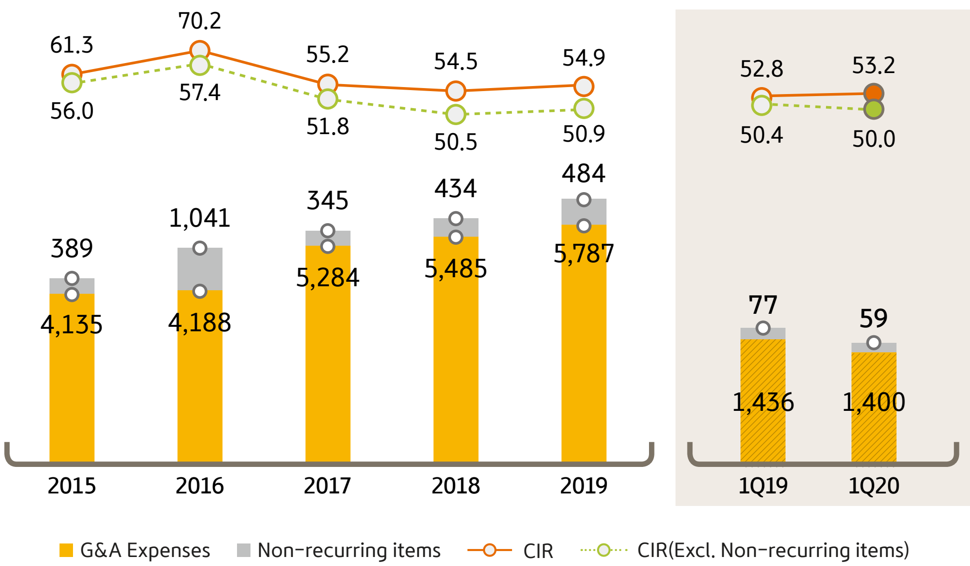
## Group G&A Expenses

| bn won, % | 1Q20 | 1Q19 | YoY | 4Q19 | QoQ |
|---|---|---|---|---|---|
| Employee Benefits | 878.5 | 993.3 | -11.6 | 1,158.5 | -24.2 |
| Depreciation & Amortization | 211.7 | 177.4 | 19.3 | 226.1 | -6.4 |
| Administrative Expenses | 316.7 | 292.9 | 8.1 | 379.4 | -16.5 |
| Others | 52.3 | 50.3 | 4.0 | 50.3 | 4.0 |
| G&A Expenses | 1,459.2 | 1,513.9 | -3.6 | 1,814.3 | -19.6 |

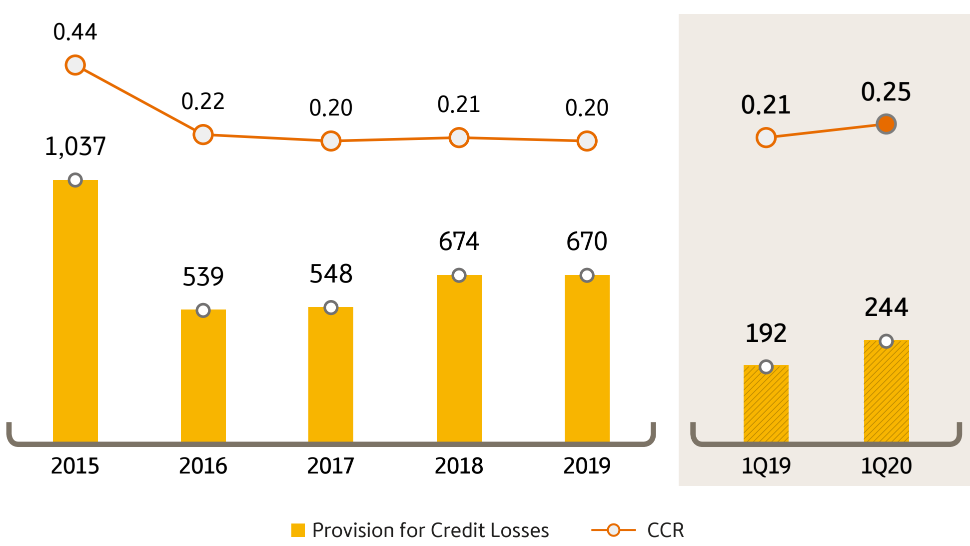
## Group Provision for Credit Losses

| bn won, % | 1Q20 | 1Q19 | YoY | 4Q19 | QoQ |
|---|---|---|---|---|---|
| Provision for Loan Losses | 243.5 | 156.5 | 55.6 | 216.8 | 12.3 |
| Provision for Guarantees | -0.5 | 18.3 | N.A. | -6.3 | N.A. |
| Provision for Unused Commitments | 0.5 | 5.1 | -90.2 | 0.4 | 25.0 |
| Provision for Financial Guarantee Liabilities | 0.2 | 11.8 | -98.3 | -0.5 | N.A. |
| Provision for Credit Losses | 243.7 | 191.7 | 27.1 | 210.4 | 15.8 |

### G&A Expenses & CIR (bn won, %)




### Provision for Credit Losses & CCR (bn won, %)



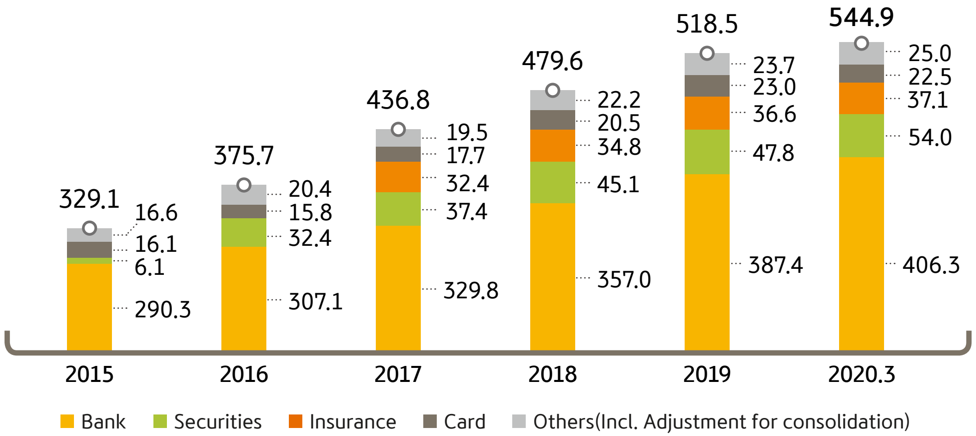

Note) Non-recurring items include ERP, digitalization costs, etc.

## Group Financial Position

| tn won, % | 2020.3 | 2019.3 | YoY | 2019.12 | YTD |
|---|---|---|---|---|---|
| Assets | 544.9 | 490.7 | 11.0 | 518.5 | 5.1 |
| Cash & Due from Financial Institutions | 23.1 | 19.2 | 20.3 | 20.8 | 11.1 |
| FVTPL[1] Assets | 57.1 | 49.5 | 15.4 | 53.5 | 6.7 |
| Financial Investments | 73.5 | 64.7 | 13.6 | 71.8 | 2.4 |
| Loans | 351.4 | 320.9 | 9.5 | 339.7 | 3.4 |
| Property & Equipment | 7.9 | 7.0 | 12.9 | 7.9 | 0.0 |
| Other Assets | 31.9 | 29.4 | 8.5 | 24.8 | 28.6 |
| Liabilities | 506.1 | 454.9 | 11.3 | 479.4 | 5.6 |
| FVTPL[1] Liabilities | 12.7 | 16.4 | -22.6 | 15.4 | -17.5 |
| Deposits | 317.8 | 282.7 | 12.4 | 305.6 | 4.0 |
| Debts | 41.8 | 31.0 | 34.8 | 37.8 | 10.6 |
| Debentures | 54.2 | 51.7 | 4.8 | 50.9 | 6.5 |
| Other Liabilities | 79.6 | 73.1 | 8.9 | 69.7 | 14.2 |
| Shareholder's Equity | 38.8 | 35.8 | 8.4 | 39.1 | -0.8 |
| Share Capital | 2.1 | 2.1 | - | 2.1 | - |
| Hybrid Securities | 0.4 | - | - | 0.4 | 0.0 |
| Capital Surplus | 17.1 | 17.1 | 0.0 | 17.1 | 0.0 |
| Accumulated Other Comprehensive Income | 0.1 | 0.4 | -75.0 | 0.3 | -66.7 |
| Retained Earnings | 19.6 | 17.3 | 13.3 | 19.7 | -0.5 |
| Treasury Shares | -1.1 | -1.1 | N.A. | -1.1 | N.A. |
| Non-Controlling Interests | 0.6 | 0.0 | 0.0 | 0.6 | 0.0 |
| Group Total Assets[2] | 810.2 | 744.8 | 8.8 | 789.6 | 2.6 |
| AUM[3] | 266.4 | 255.0 | 4.5 | 271.0 | -1.7 |

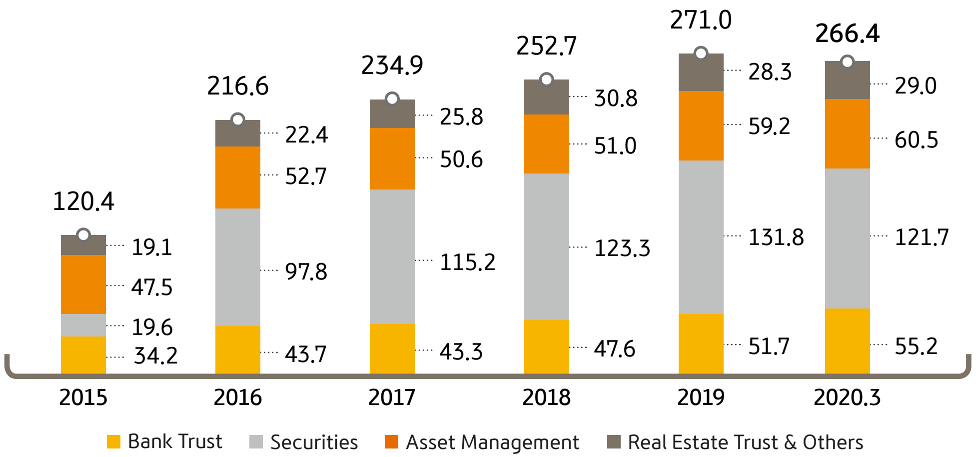
Note 1) Fair Value Through Profit or Loss
2) Based on simple arithmetic sum of each subsidiary's total assets on the financial statement for group reporting and AUM
3) Including the Bank's trust asset not subject to group reporting

## Group Assets (tn won)




Note) Based on each subsidiary's total assets on the financial statements for group reporting

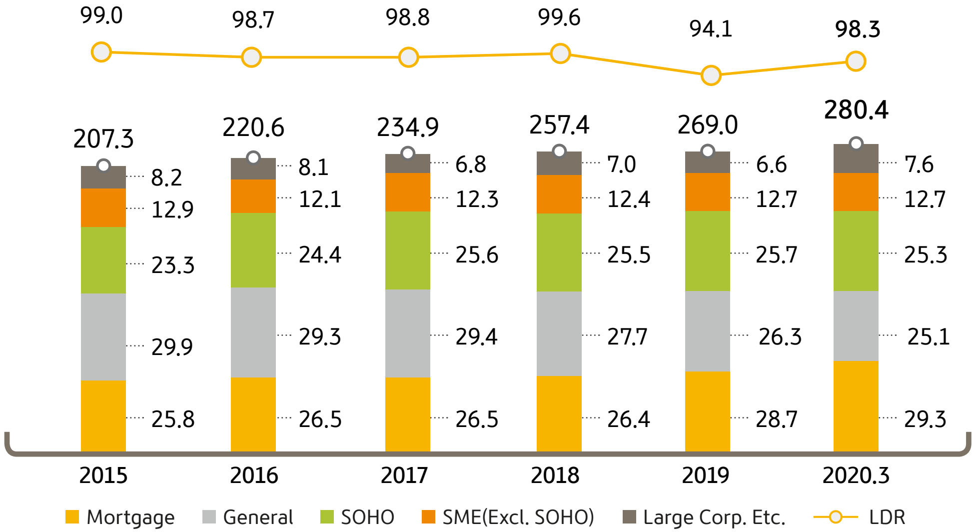
## Group AUM (tn won)



## Bank Loans in Won

| tn won, % | 2020.3 | 2019.3 | YoY | 2019.12 | YTD |
|---|---|---|---|---|---|
| Household | 152.6 | 142.3 | 7.2 | 147.9 | 3.2 |
| Mortgage | 82.1 | 71.7 | 14.5 | 77.2 | 6.3 |
| General | 70.5 | 70.6 | -0.1 | 70.7 | -0.3 |
| [Home Equity] | 31.0 | 33.6 | -7.7 | 31.8 | -2.5 |
| Corporate | 127.8 | 115.8 | 10.4 | 121.1 | 5.5 |
| SME | 106.4 | 98.2 | 8.4 | 103.3 | 3.0 |
| [SOHO] | 70.8 | 65.5 | 8.1 | 69.2 | 2.3 |
| Large Corp. etc. | 21.4 | 17.6 | 21.6 | 17.8 | 20.2 |
| Total | 280.4 | 258.1 | 8.6 | 269.0 | 4.2 |

## Loan Portfolio & LDR (tn won, %)




Note) Based on new LDR rule from 2020

## Bank Deposits & Debentures in Won

| tn won, % | 2020.3 | 2019.3 | YoY | 2019.12 | YTD |
|---|---|---|---|---|---|
| Deposits | 290.7 | 263.1 | 10.5 | 281.6 | 3.2 |
| Core Deposits | 130.0 | 115.7 | 12.4 | 124.5 | 4.4 |
| Time & Savings | 157.1 | 143.0 | 9.9 | 152.9 | 2.7 |
| [Time & Deposits] | 144.0 | 130.1 | 10.7 | 139.1 | 3.5 |
| CD, RP, etc. | 3.6 | 4.4 | -18.2 | 4.2 | -14.3 |
| Debentures | 15.0 | 16.2 | -7.4 | 13.0 | 15.4 |
| Total | 305.7 | 279.3 | 9.5 | 294.6 | 3.8 |

## Card Assets

| tn won, % | 2020.3 | 2019.3 | YoY | 2019.12 | YTD |
|---|---|---|---|---|---|
| Credit Card | 17.7 | 16.9 | 4.7 | 18.6 | -4.8 |
| Credit Sales | 11.1 | 10.7 | 3.7 | 12.0 | -7.5 |
| [Installments] | 4.9 | 4.7 | 4.3 | 5.1 | -3.9 |
| Card Loans | 5.5 | 5.0 | 10.0 | 5.3 | 3.8 |
| Cash Advance | 1.2 | 1.2 | 0.0 | 1.2 | 0.0 |
| Factoring, etc. | 3.5 | 2.4 | 45.8 | 3.3 | 6.1 |
| Total | 21.2 | 19.3 | 9.8 | 21.9 | -3.2 |

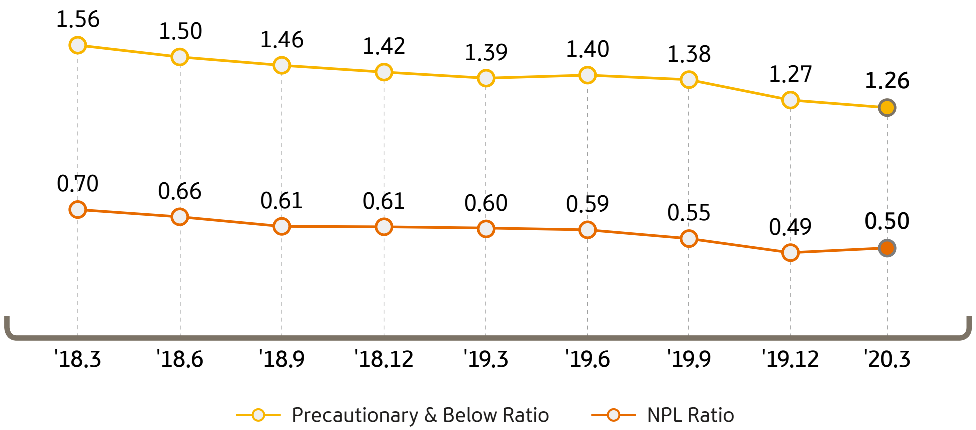
# IV. 1Q20 Asset Quality _ Group Overview

## Group Asset Quality

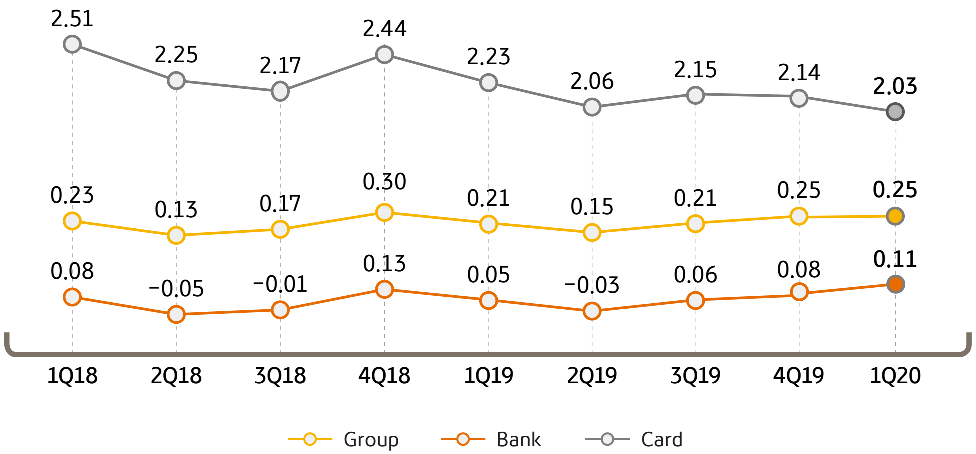
| bn won, % | 2020.3 | 2019.3 | YoY | 2019.12 | YTD |
|---|---|---|---|---|---|
| Total Loans for NPL Classification | 348,356.8 | 316,993.3 | 9.9 | 334,552.5 | 4.1 |
| Precautionary | 2,630.1 | 2,494.6 | 5.4 | 2,608.4 | 0.8 |
| Substandard | 704.7 | 722.9 | -2.5 | 662.5 | 6.4 |
| Doubtful | 711.4 | 843.1 | -15.6 | 700.9 | 1.5 |
| Estimated Loss | 341.9 | 343.8 | -0.6 | 288.4 | 18.6 |
| Substandard & Below Loans(NPL)(A) | 1,758.0 | 1,909.8 | -7.9 | 1,651.8 | 6.4 |
| NPL Ratio | 0.50% | 0.60% | -0.10%p | 0.49% | 0.01%p |
| Loan Loss Reserves(B) | 2,485.1 | 2,640.0 | -5.9 | 2,430.0 | 2.3 |
| NPL Coverage Ratio(B/A) | 141.4% | 138.2% | 3.2%p | 147.1% | -5.7%p |

Note) Based on simple arithmetic sum of each subsidiary's figures

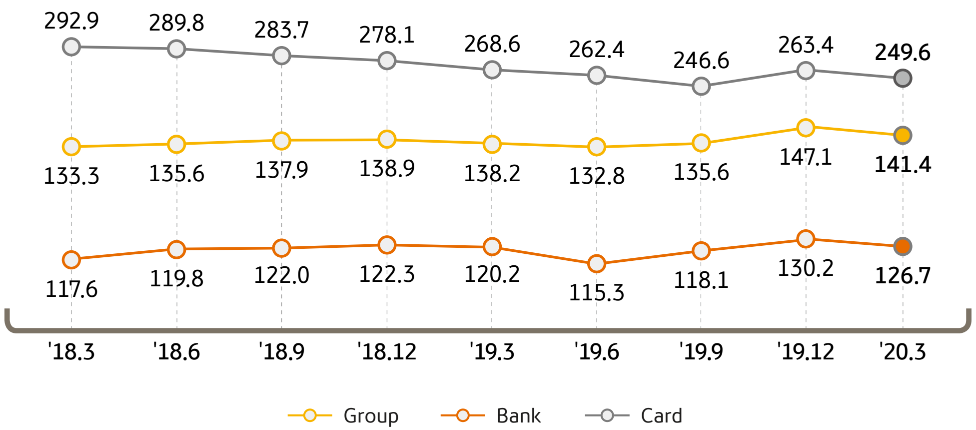
## Precautionary & Below Ratio / NPL Ratio (%)




## Credit Cost Ratio (%)




## NPL Coverage Ratio (%)



## Bank Asset Quality

| bn won, % | 2020.3 | 2019.3 | YoY | 2019.12 | YTD |
|---|---|---|---|---|---|
| Total Loans for NPL Classification | 302,292.4 | 275,130.1 | 9.9 | 288,896.7 | 4.6 |
| Precautionary | 1,195.8 | 1,262.9 | 5.0 | 1,249.2 | -4.3 |
| Substandard | 608.7 | 634.6 | -4.1 | 590.4 | 3.1 |
| Doubtful | 348.0 | 468.2 | -25.7 | 350.2 | -0.6 |
| Estimated Loss | 135.8 | 184.3 | -26.3 | 116.6 | 16.5 |
| NPL Ratio | 0.36% | 0.47% | -0.11%p | 0.37% | -0.01%p |
| NPL Coverage Ratio | 126.7% | 120.2% | 6.5%p | 130.2% | -3.5%p |

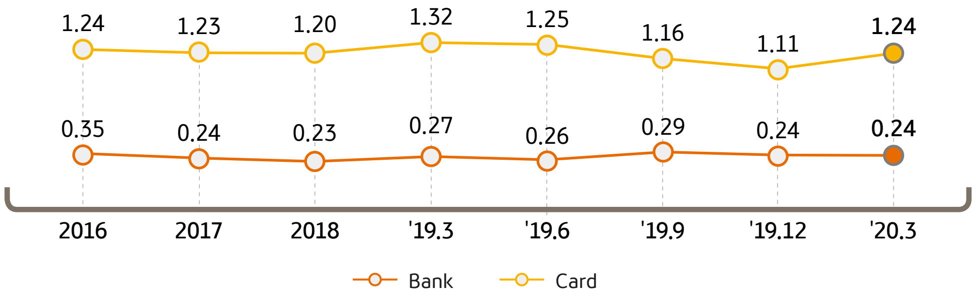
## Card Asset Quality

| bn won, % | 2020.3 | 2019.3 | YoY | 2019.12 | YTD |
|---|---|---|---|---|---|
| Total Loans for NPL Classification | 21,235.6 | 19,286.8 | 10.1 | 21,922.4 | -3.1 |
| Precautionary | 838.2 | 787.2 | 6.5 | 875.1 | -4.2 |
| Substandard | 3.1 | 3.0 | 4.9 | 3.6 | -12.6 |
| Doubtful | 236.7 | 231.5 | 2.3 | 223.0 | 6.2 |
| Estimated Loss | 80.9 | 46.9 | 72.4 | 73.0 | 10.8 |
| NPL Ratio | 1.51% | 1.46% | 0.05%p | 1.37% | 0.14%p |
| NPL Coverage Ratio | 249.6% | 268.6% | -19.0%p | 263.4% | -13.8%p |

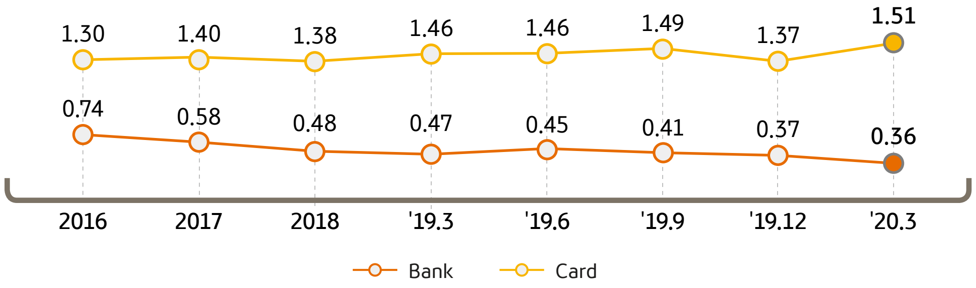
## Provision for Loan Losses

| bn won, % | 1Q20 | 1Q19 | YoY | 4Q19 | QoQ |
|---|---|---|---|---|---|
| Bank | 78.7 | 35.7 | 120.4 | 54.1 | 45.5 |
| Household | 67.4 | 55.1 | 22.3 | 68.3 | -1.3 |
| Corporate | 11.3 | -19.4 | N.A. | -14.2 | N.A. |
| Card | 109.0 | 108.1 | 0.8 | 115.7 | -5.8 |

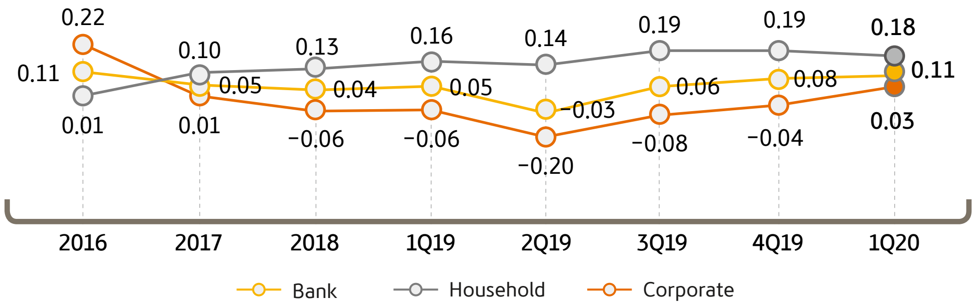
## Delinquency Ratio (%)




## NPL Ratio (%)




## Bank Credit Cost Ratio (%)



# V. Appendix_ Overview of Group Subsidiaries[1)] (1Q20)

| (bn won) | Ownership | Assets | Shareholder's Equity | Profit for the Period | ROA[2)] | ROE[2)] |
|---|---|---|---|---|---|---|
| KB Kookmin Bank | 100.0% | 406,255.6 | 28,622.3 | 586.3 | 0.59% | 8.18% |
| KB Securities | 100.0% | 54,009.3 | 4,619.8 | -21.4 | n.a. | n.a. |
| KB Insurance | 100.0% | 37,122.3 | 3,978.7 | 77.2 | 0.84% | 7.93% |
| KB Kookmin Card | 100.0% | 22,462.9 | 4,030.1 | 82.1 | 1.45% | 8.16% |
| KB Asset Management | 100.0% | 392.9 | 169.7 | 4.4 | 5.04% | 9.70% |
| KB Capital | 100.0% | 11,504.8 | 1,241.6 | 39.3 | 1.42% | 13.29% |
| KB Life Insurance | 100.0% | 9,461.4 | 610.8 | 5.9 | 0.25% | 3.87% |
| KB Real Estate Trust | 100.0% | 374.1 | 283.8 | 21.0 | 22.46% | 29.30% |
| KB Savings Bank | 100.0% | 1,403.4 | 212.7 | 3.4 | 0.99% | 6.43% |
| KB Investment | 100.0% | 761.7 | 209.5 | -5.3 | n.a. | n.a. |
| KB Data Systems | 100.0% | 44.1 | 21.8 | 1.1 | 10.31% | 20.82% |
| KB Credit Information | 100.0% | 27.9 | 15.1 | 0.2 | 2.89% | 5.36% |

Note 1) Based on each subsidiary's financial statements for group reporting 2) Annualized

# V. Appendix _ Condensed Income Statement by Subsidiaries

| (bn won) | Group | 1Q20 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | KB Kookmin Bank | KB Securities | KB Insurance | KB Kookmin Card | KB Asset Management | KB Capital | KB Life Insurance | Others [1] |
| Net Interest Income | 2,349.2 | 1,637.5 | 124.2 | 154.4 | 318.2 | 0.2 | 80.5 | 36.2 | -2.0 |
| Net Fee & Commission Income | 670.1 | 285.8 | 174.3 | -40.7 | 82.9 | 29.5 | 112.1 | -3.5 | 29.7 |
| Other Operating Profit | -277.3 | -126.9 | -124.6 | 195.2 | -62.3 | -10.1 | -86.1 | -8.8 | -53.7 |
| Gross Operating Income | 2,742.0 | 1,796.4 | 173.9 | 308.9 | 338.8 | 19.6 | 106.5 | 23.9 | -26.0 |
| G&A Expenses | 1,459.2 | 887.2 | 181.7 | 211.9 | 111.7 | 12.7 | 25.4 | 17.4 | 11.2 |
| Provision for Credit Losses | 243.7 | 76.6 | 20.8 | -2.5 | 116.1 | 0.0 | 28.3 | -1.1 | 5.5 |
| Net Operating Profit | 1,039.1 | 832.6 | -28.6 | 99.5 | 111.0 | 6.9 | 52.8 | 7.6 | -42.7 |
| Net Non-Operating Profit | -19.7 | -35.2 | 2.9 | 5.5 | -0.8 | -0.2 | -0.1 | -0.1 | 8.3 |
| Profit for the Period | 738.9 | 586.3 | -21.4 | 77.2 | 82.1 | 4.4 | 40.0 | 5.9 | -35.6 |
| Profit attributable to controlling interests | 729.5 | 586.3 | -21.4 | 77.2 | 82.1 | 4.4 | 39.3 | 5.9 | -44.3 |

| (bn won) | Group | 1Q19 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | KB Kookmin Bank | KB Securities | KB Insurance | KB Kookmin Card | KB Asset Management | KB Capital | KB Life Insurance | Others [1] |
| Net Interest Income | 2,252.1 | 1,552.4 | 127.7 | 153.3 | 303.9 | 0.2 | 76.5 | 43.3 | -5.2 |
| Net Fee & Commission Income | 550.6 | 274.8 | 134.4 | -38.4 | 62.0 | 27.5 | 69.9 | -3.1 | 23.5 |
| Other Operating Profit | 62.1 | -26.4 | 16.4 | 181.2 | -49.9 | 5.6 | -49.8 | -10.3 | -4.7 |
| Gross Operating Income | 2,864.8 | 1,800.8 | 278.5 | 296.1 | 316.0 | 33.3 | 96.6 | 29.9 | 13.6 |
| G&A Expenses | 1,513.9 | 970.8 | 168.5 | 203.2 | 99.0 | 12.7 | 23.8 | 16.9 | 19.0 |
| Provision for Credit Losses | 191.7 | 54.4 | 1.2 | -5.9 | 112.4 | 0.1 | 30.9 | -0.2 | -1.2 |
| Net Operating Profit | 1,159.2 | 775.6 | 108.8 | 98.8 | 104.6 | 20.5 | 41.9 | 13.2 | -4.2 |
| Net Non-Operating Profit | 6.7 | 1.0 | 4.3 | 4.3 | -1.4 | -0.1 | 1.1 | -0.1 | -2.4 |
| Profit for the Period | 845.9 | 572.8 | 80.9 | 75.4 | 78.0 | 15.1 | 32.8 | 9.1 | -18.2 |
| Profit attributable to controlling interests | 845.7 | 572.8 | 80.9 | 75.3 | 78.0 | 15.1 | 32.4 | 9.1 | -17.9 |

Note 1) Includes financial results of the holding company, the other subsidiaries and adjustment for consolidation

KB Financial Group