



2018 1Q

RESULTS



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Disclaimer

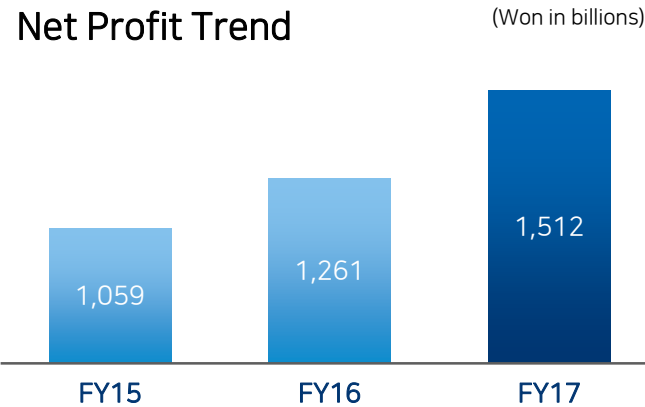
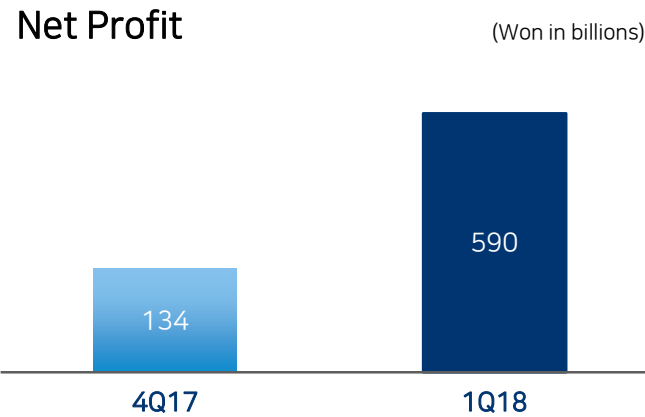
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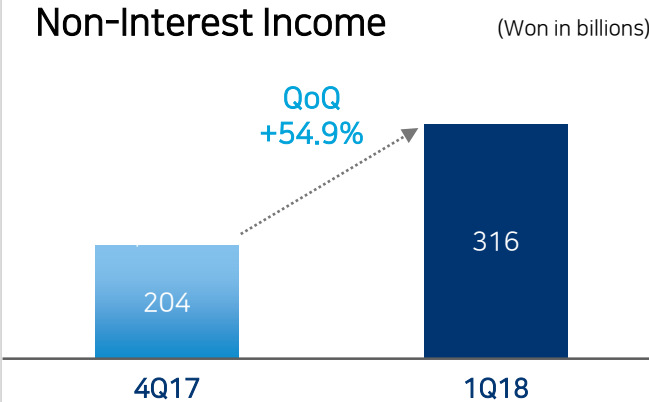
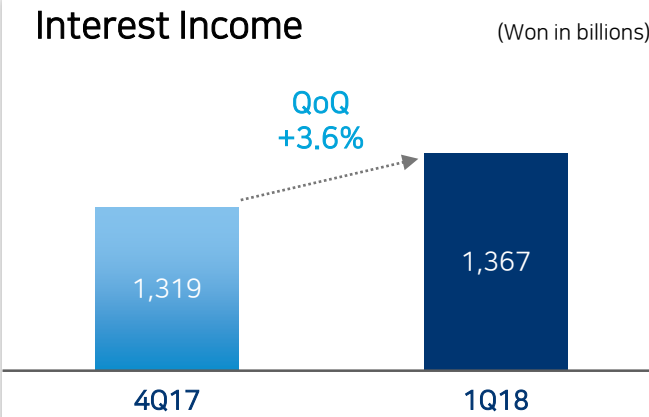
2018 1Q Financial Highlights

Net Profit of KRW 589.7 bn



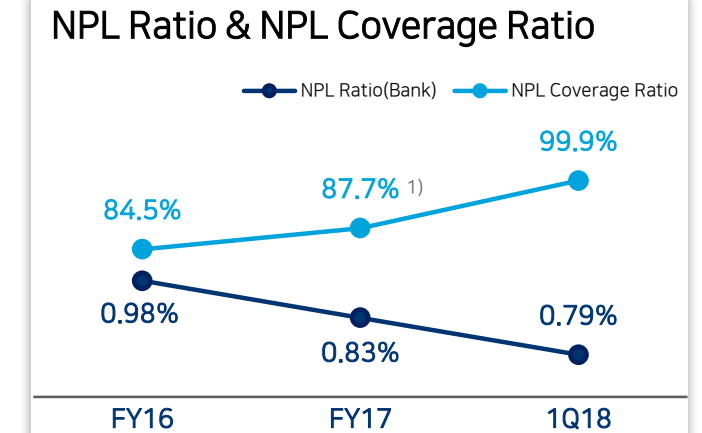
- ✓ Balanced growth in both Interest income and non-Interest income
- ✓ Continuous improvement in credit cost and management in SG&A expense at moderate level

Sustainable Growth Capability

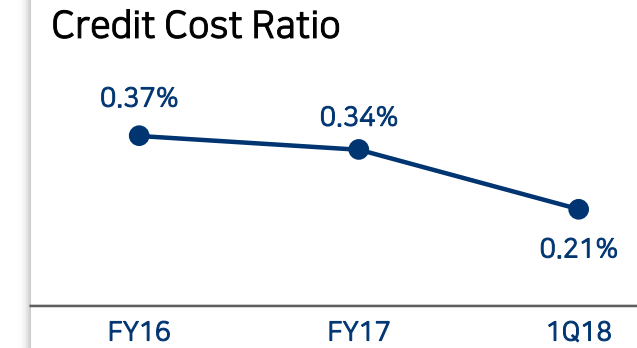


- ✓ Loan growth in SME sector and continuous effort to increase low-cost deposit
- ✓ Continuous increase in core non-interest income such as sales of wealth management products

Clean Bank in asset quality management



Note1) Based on IFRS 9 : 96.5%



- ✓ Continued Improvement in asset quality with more strict risk management and growth in prime assets
- ✓ Significant improvement in capacity to cover possible loan loss by constant increase in NPL coverage ratio

Woori Bank at a Glance

- Overview
- Key Performance Indicators

	Woori Bank	Subsidiaries							Group (Consol.)
		Woori Card	Woori Investment Bank	Woori FIS	Woori Finance Research Institute	Woori Credit Information	Woori Fund Service	Woori PE Asset Management	
Total Assets ¹⁾ (Wtn)	360.6⁴⁾	8.8	2.5	0.1	0.0	0.0	0.0	0.3	370.7
Shareholder's Equity ²⁾ (Wbn)	19,796	1,612	296	28	4	27	12	40	20,342
Net Income ³⁾ (Wbn)	550.6⁴⁾	39.3	6.4	-4.4	0.2	0.4	0.5	-0.7	589.7
Shareholdings	-	100.0%	59.8%	100.0%	100.0%	100.0%	100.0%	100.0%	Oligopolistic Shareholders ⁵⁾ 27.2%

• As of Mar. 31, 2018 (K-IFRS)

Note 1) Total assets include trust account

Note 2) Excluding minority interest

Note 3) Net income attributable to controlling interests

Note 4) Total Assets, Net Income for Woori Bank: Sum of Woori Bank(Separate), Overseas Subsidiaries, and Others

Note 5) Oligopolistic shareholders : IMM, Tongyang Life Insurance, Kiwoom Securities, Korea Investment & Securities, Hanwha Life Insurance, Mirae Asset Global Investments, Eugene Asset Management,

Key Performance Indicators



		FY16	1Q17	2Q17	3Q17	FY17	1Q18
Profitability (Consol.)	ROA (%)	0.41	0.83	0.71	0.59	0.48	0.75
	ROE (%)	6.36	12.67	10.88	9.05	7.42	11.74
Capital Adequacy ¹⁾ (Consol.)	Common Equity Ratio (%)	10.5	10.8	10.9	10.9	11.0	11.0(E)
	Tier 1 Ratio (%)	12.7	12.8	13.0	12.9	13.0	12.9(E)
	BIS Ratio (%)	15.3	15.1	15.3	15.2	15.4	15.0(E)
Asset Quality	Delinquency Ratio (%)	Bank 0.46 Bank+Card 0.48	Bank 0.45 Bank+Card 0.48	Bank 0.42 Bank+Card 0.45	Bank 0.38 Bank+Card 0.42	Bank 0.34 Bank+Card 0.39	Bank 0.37 Bank+Card 0.41
	NPL Ratio (%)	Bank 0.98 (Excluding 3 shipbuilders* 0.91)	Bank 0.85 (Excluding 3 shipbuilders* 0.79)	Bank 0.82 (Excluding 2 shipbuilders* 0.78)	Bank 0.73 (Excluding 2 shipbuilders* 0.70)	Bank 0.83 (Excluding 2 shipbuilders* 0.80)	Bank 0.79 (Excluding 2 shipbuilders* 0.76)
	NPL Coverage Ratio (%) ²⁾	Bank 84.5 (165.0)	Bank 87.1 (180.3)	Bank 85.0 (180.7)	Bank 95.7 (202.8)	Bank 87.7 ³⁾ (183.8)	Bank 99.9 (189.8)
Per Share Data (Consol.)	EPS (Won)	1,866	3,824	3,277	2,726	2,237	3,538
	BPS (Won)	30,157	30,191	29,965	30,252	30,210	30,091
	DPS (Won)	400	NA	100 (Interim Dividend)	NA	500	NA

Note 1) Basel III basis

Note 2) Including regulatory reserve for credit loss in ()

Note 3) Based on IFRS 9 : 96.5%

· 3 shipbuilders : SPP Shipbuilding, Daesun Shipbuilding & Engineering, STX Offshore & Shipbuilding

Earnings

- Condensed Income Statement
- Interest Income & NIM / NIS
- Non-interest Income
- Credit Cost
- SG&A Expense

Condensed Income Statement (Consol.)



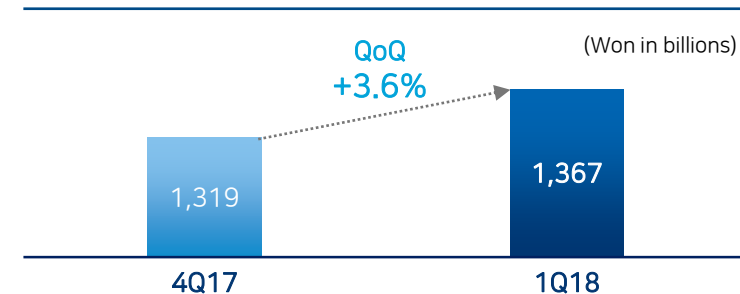
(Won in billions)

	1Q18	1Q17	YoY	4Q17	QoQ
Net Operating Revenue	1,683	1,713	-1.8%	1,523	10.5%
Interest Income	1,367	1,262	8.3%	1,319	3.6%
Non-Interest Income	316	451	-29.9%	204	54.9%
SG&A (-)	740	754	-1.9%	884	-16.4%
Impairment on Credit Loss (-)	122	79	54.4%	284	-57.0%
Operating Income	821	880	-6.7%	355	131.5%
Non-Operating Income	-15	-51	-70.6%	-207	-92.8%
Pre-Provision Income	929	908	2.3%	432	115.0%
Income before Corp. Tax	807	829	-2.7%	148	445.3%
Corp. Tax (-)	212	186	14.0%	10	N/A
Net Income ¹⁾	590	638	-7.5%	134	340.3%

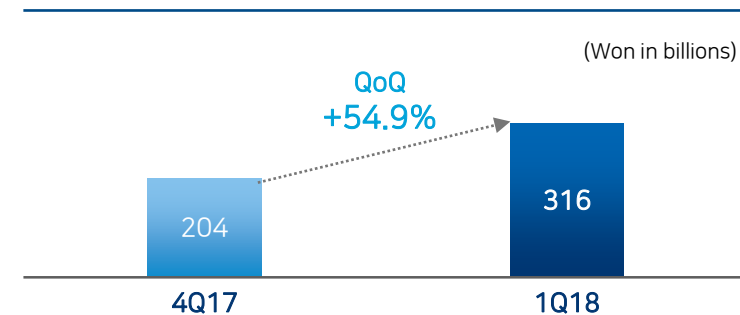
· Woori Bank consolidated basis (K-IFRS)

Note 1) Net Income attributable to controlling interests

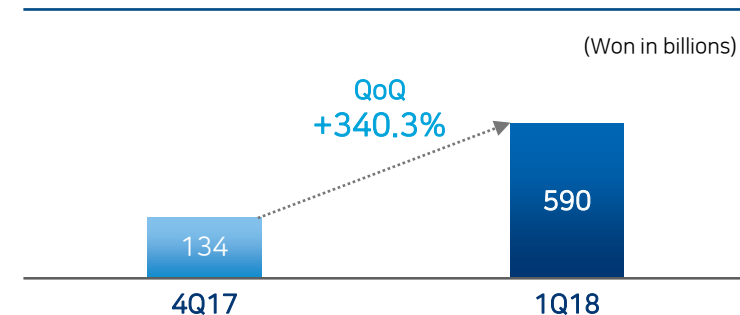
Interest Income



Non-Interest Income

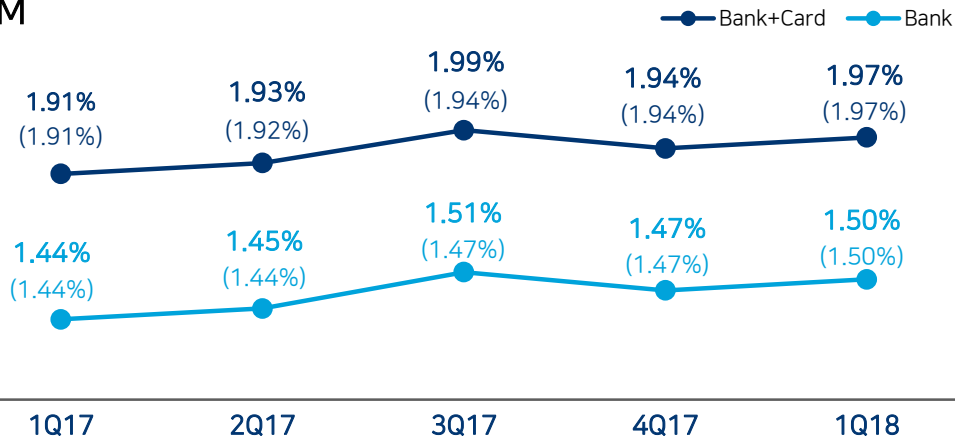


Net Income



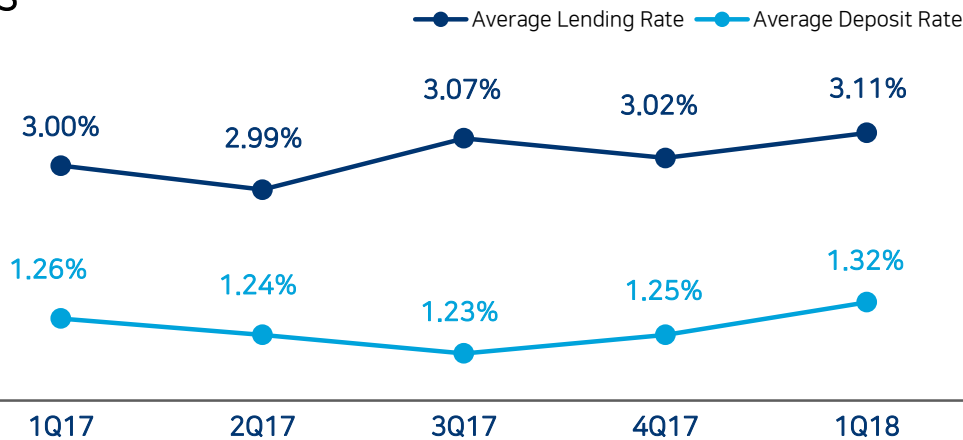
NIM/NIS

NIM



• Quarterly basis, Cumulative NIM in ()

NIS

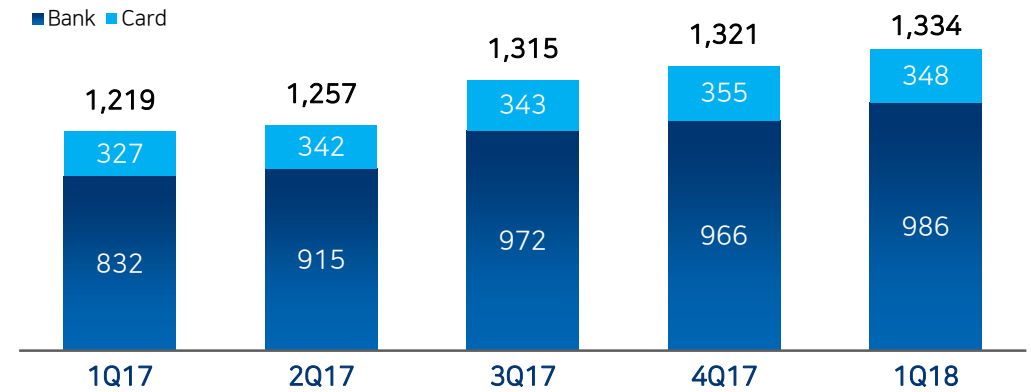


• Quarterly average based on bank's won-denominated loans / deposits

Interest Income / Interest Earning Assets

Net Interest Income

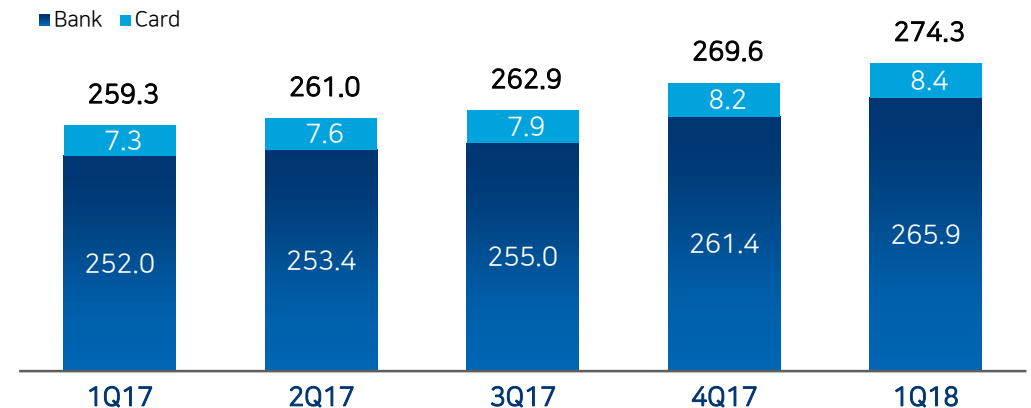
(Won in billions)



• Based on FSS reporting standard. Including credit card merchant fees

Interest Earning Assets

(Won in trillions)



• Quarterly average balance

Non-Interest Income (Consol.)

(Won in billions)

	1Q18	1Q17	YoY	4Q17	QoQ
Non-Interest Income	316	451	-29.9%	204	54.9%
Fees & Commission	305	275	10.9%	256	19.1%
Wealth Management	98	78	25.6%	76	28.9%
Fund	25	20	25.0%	20	25.0%
Bancassurance	24	24	-	20	20.0%
Trust	49	34	44.1%	36	36.1%
Credit Card	62	59	5.1%	59	5.1%
Other Fees	145	138	5.1%	121	19.8%
FX Trading/ Derivatives	89	44	102.3%	91	-2.2%
Securities	72	62	16.1%	55	30.9%
Valuation/ Disposal of Loans	24	187	-87.2%	3	N/A
Other	-174	-118	-47.5%	-201	-13.4%

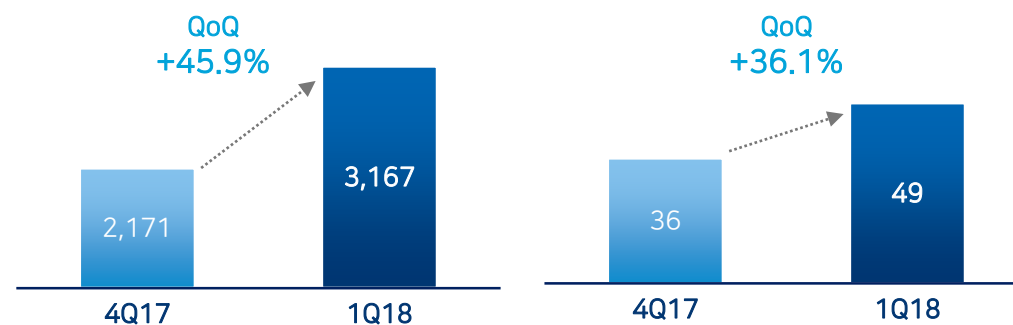
Core Products Sales in Wealth Management

Trust Sales by Bank

(Won in billions)

• ELT Sales Balance

• Trust Fee Revenue

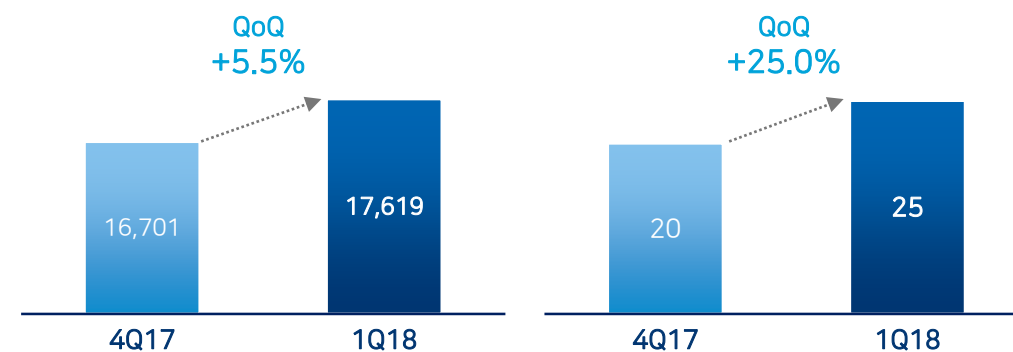


Fund Sales by Bank

(Won in billions)

• Fund Sales Balance

• Fund Sales Fee Revenue



Credit Cost (Consol.)

Credit Cost Overview

(Won in billions)

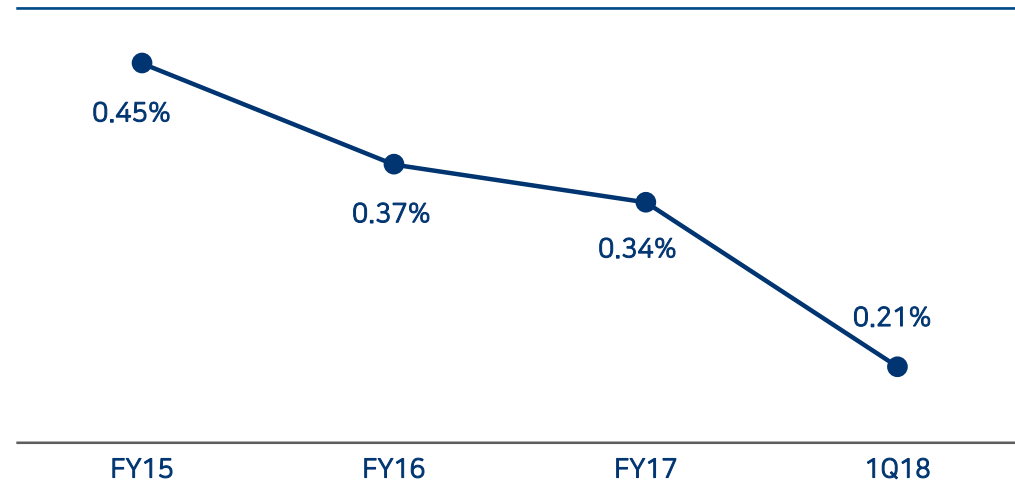
	FY15	FY16	FY17	1Q18
Credit Cost ¹⁾ (Wbn)	967	834	785	122
Total Credit ²⁾ (Wtn)	223.2	231.2	238.5	241.7

• Consolidated basis

Note 1) Net increase in provisions for loan losses, unused credit line and guarantees, Cumulative basis

Note 2) Ending balance

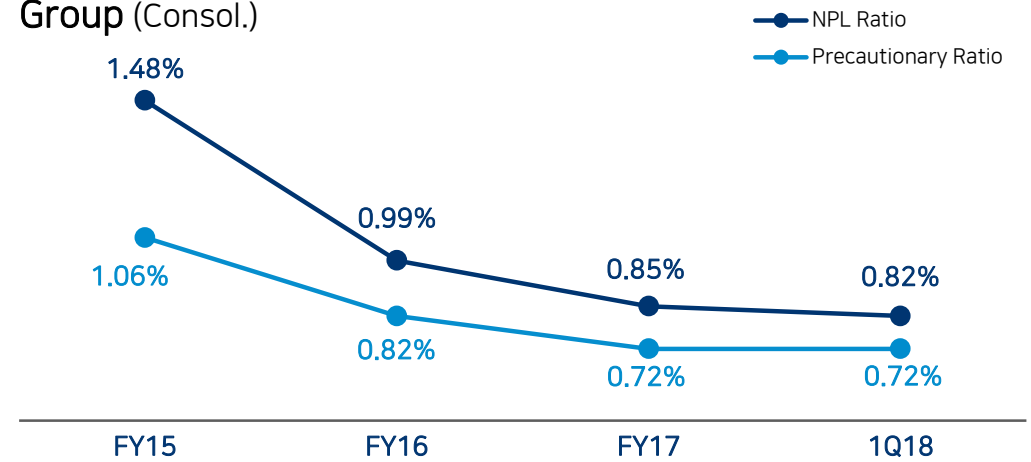
Credit Cost Ratio



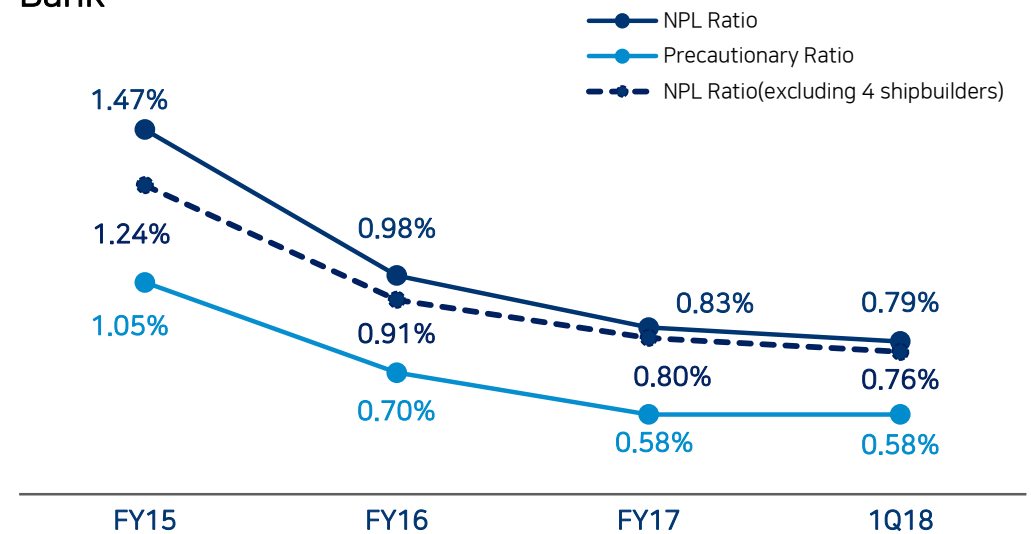
• Credit Cost Ratio = Credit cost/average Total Credit balance (Consolidated basis)

Asset Quality Ratio Trend

Group (Consol.)



Bank



SG&A Expense (Consol.)

(Won in billions)

	1Q18	1Q17	YoY	4Q17	QoQ
SG&A Expense	740	754	-1.9%	884	-16.3%
Salaries & Benefits	444	464	-4.3%	562	-21.0%
General & Administration	219	211	3.8%	254	-13.8%
Depreciation	48	50	-4.0%	44	9.1%
Taxes & Dues	29	29	-	24	20.8%

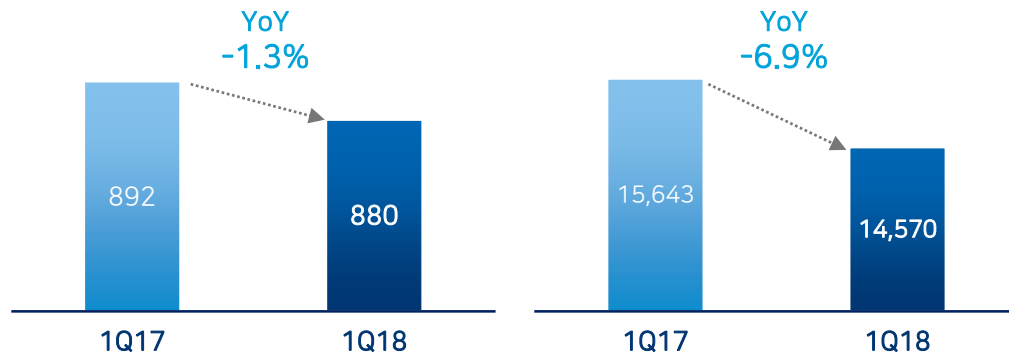
Branches and Workforce (Bank)

Branches

(Unit : Branch)

Workforce

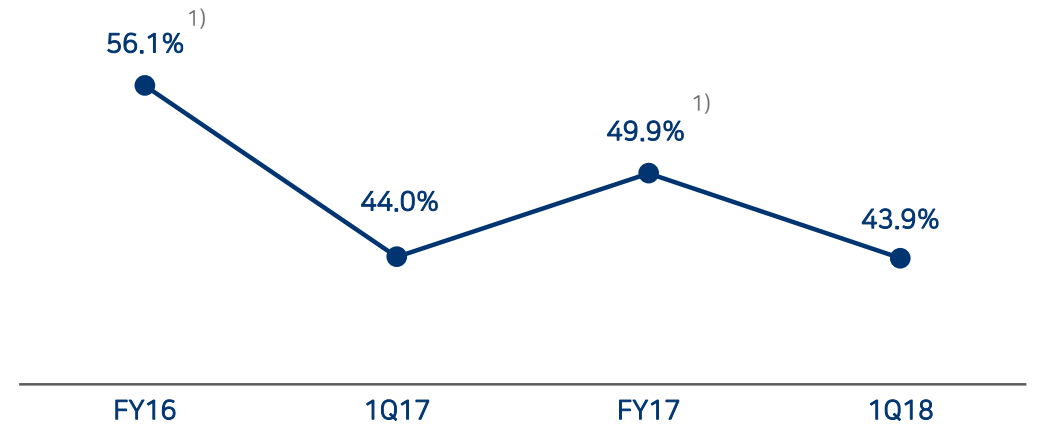
(Unit : Person)



• Domestic branches and sub-branches only

• Based on FSS reporting standard

Cost-to-Income Ratio



• Cost-to-income ratio = SG&A expense / (Interest Income + Non-Interest Income)

• Note 1) Excluding ERP expense

Assets & Liabilities

- **Statement of Financial Position**
- **Funding**
- **Loans**

Statement of Financial Position (Consol.)



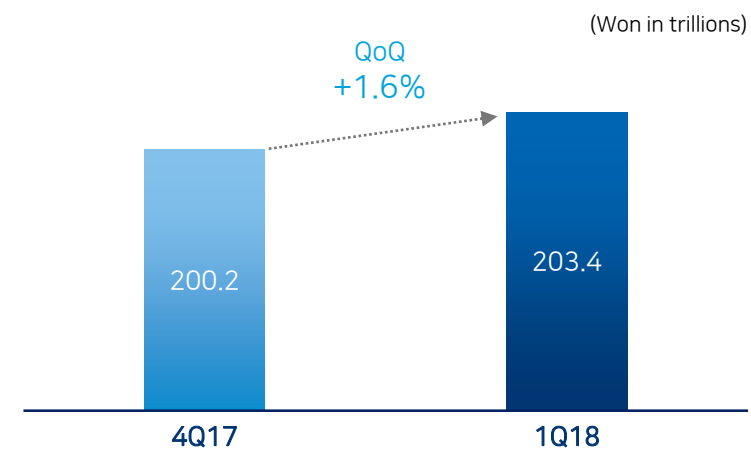
(Won in trillions)

	1Q18	1Q17	YoY	FY17	QoQ
Total Assets	325.8	310.9	4.8%	316.4	3.0%
Financial Assets	37.7	39.3	-4.1%	37.9	-0.5%
Loans and Receivables	278.1	259.3	7.3%	267.1	4.1%
Loans in Won	203.4	193.4	5.2%	200.2	1.6%
Loans in F/C	13.8	12.9	7.0%	13.1	5.3%
Foreign Bills Bought	6.8	6.8	-	8.2	-17.1%
Total Liabilities	305.3	290.3	5.2%	295.7	3.2%
Deposits	237.5	222.4	6.8%	234.7	1.2%
Borrowings	13.9	16.9	-17.8%	14.8	-6.1%
Debentures	27.2	24.1	12.9%	28.0	-2.9%
Shareholder's Equity ¹⁾	20.3	20.4	-0.5%	20.4	-0.5%
Capital Stock	3.4	3.4	-	3.4	-
Hybrid Securities	3.0	3.4	-11.8%	3.0	-
Retained Earnings	15.8	14.9	6.0%	15.6	1.3%
(Non-controlling Equity)	(0.2)	(0.2)	-	(0.2)	-
Group Total Assets ²⁾	370.7	354.7	4.5%	355.5	4.3%

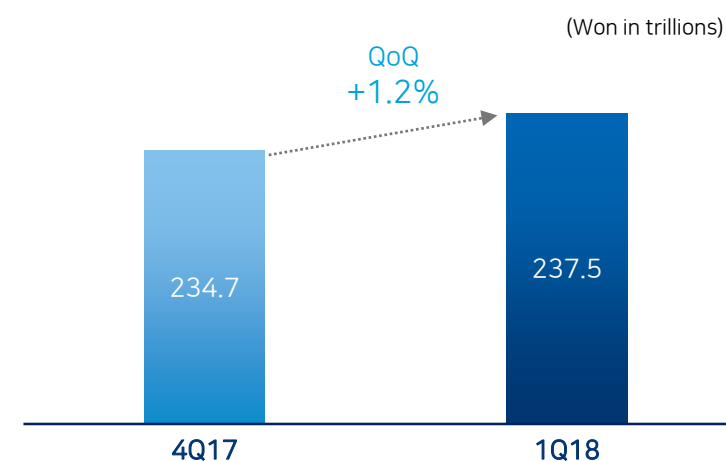
· Woori Bank consolidated basis (K-IFRS)

Note 1) Controlling Interest, Note 2) Total assets include trust account

Loans in Won



Deposits



Breakdown by Funding Sources

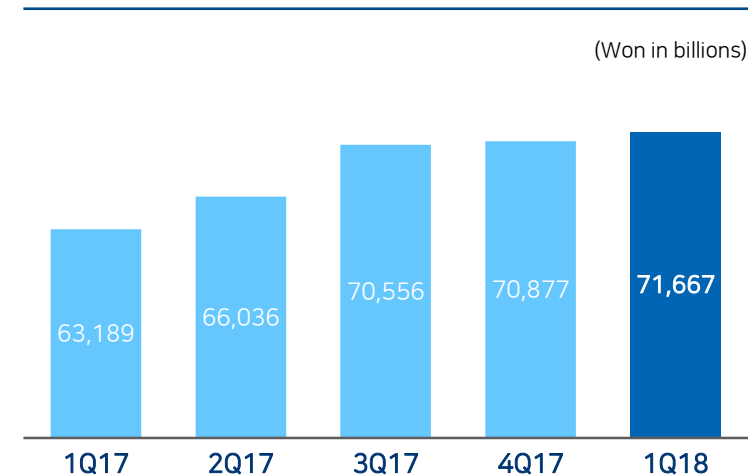
(Won in billions)

	1Q18	1Q17	YoY	FY17	QoQ
Total Deposits in KRW	235,180	219,039	7.4%	232,697	1.1%
Core Deposits ¹⁾	92,114	82,358	11.8%	93,216	-1.2%
Core Low Cost Deposits	71,667	63,189	13.4%	70,877	1.1%
MMDA (Corporate)	20,447	19,169	6.7%	22,339	-8.5%
Savings Deposits	114,918	111,488	3.1%	110,565	3.9%
Marketable Deposits	4,180	3,971	5.3%	4,349	-3.9%
Borrowings	6,476	6,134	5.6%	6,234	3.9%
Debentures	17,492	15,087	15.9%	18,333	-4.6%
Total Deposits in FC	24,901	25,826	-3.6%	26,637	-6.5%
Total Deposits	260,081	244,865	6.2%	259,334	0.3%

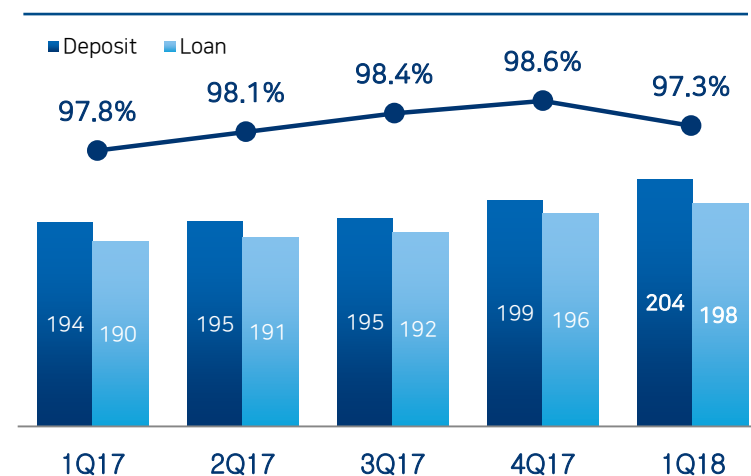
· Ending Balance basis

Note1) demand deposits, retail & corporate savings deposits, MMDA included

Core Low Cost Deposits Trend



Loan-to-Deposit Ratio



· Monthly average basis

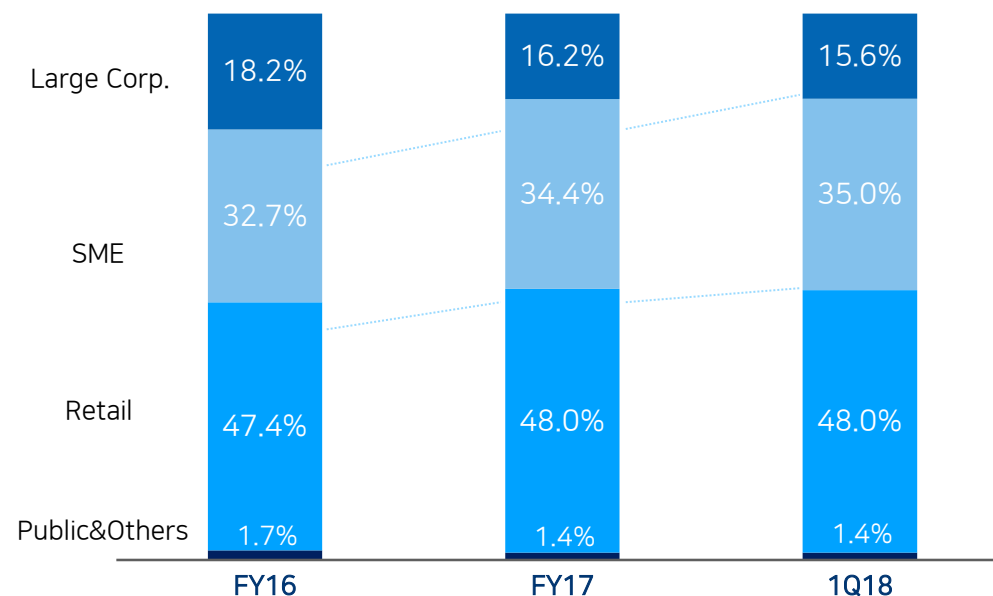
Breakdown by Borrowers

(Won in billions)

	1Q18	1Q17	YoY	FY17	QoQ
Large Corp.	34,967	36,817	-5.0%	36,022	-2.9%
SME	78,372	72,078	8.7%	76,339	2.7%
Corporate	39,511	38,793	1.9%	38,825	1.8%
SOHO	38,861	33,285	16.8%	37,514	3.6%
Retail	107,442	103,428	3.9%	106,597	0.8%
Secured	84,934	84,096	1.0%	84,603	0.4%
Unsecured	22,508	19,332	16.4%	21,994	2.3%
Public & Others	3,045	3,436	-11.4%	3,160	-3.6%
Total	223,826	215,759	3.7%	222,118	0.8%

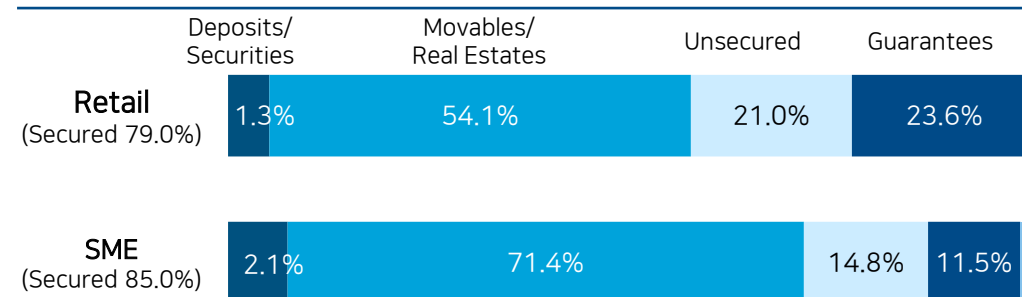
• FSS NPL reporting standards (including banking and trust account, foreign bills bought, guarantees and etc.)

Loan Portfolio



• FSS NPL reporting standards (Refer to Factbook for historical data)

Breakdown by Collateral



• Bank account in Won currency

Others
0.2%

Asset Quality/ Capital Adequacy

- Asset Quality
- Capital Adequacy

Asset Quality (Bank)

Asset Breakdown

(Won in billions)

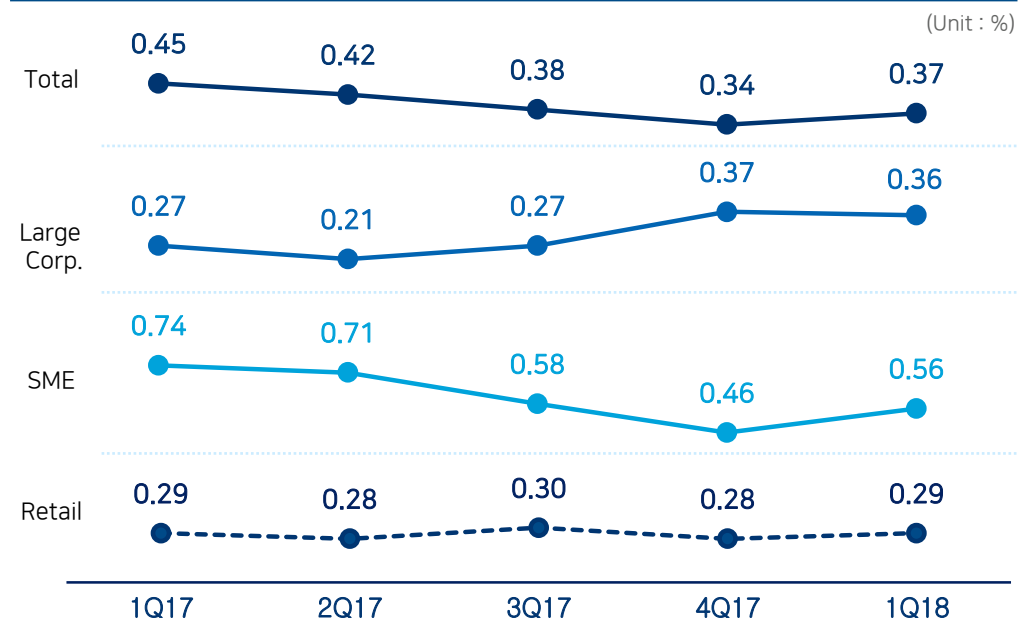
	1Q18	1Q17	YoY	FY17	QoQ
Total Credit Offerings	223,826	215,759	3.7%	222,118	0.8%
Precautionary	1,295	1,383	-6.4%	1,283	0.9%
	0.58%	0.64%	-0.06%p	0.58%	-
Substandard & Below (NPL) * 3 shipbuilders ** Excl. 3 shipbuilders	1,774 (74)*	1,824 (110)*	-2.7%	1,840 (74)*	-3.6%
	0.79% (0.76%)**	0.85% (0.79%)**	-0.06%p	0.83% (0.80%)**	-0.04%p
Loan Loss Reserve (LLR) ¹⁾	1,768 (3,367)	1,619 (3,289)	9.2% (2.4%)	1,611 (3,381)	9.7% (-0.4%)
LLR/Substandard & Below Loans ¹⁾	99.9% (189.8%)	88.8% (180.3%)	14.2%p (9.5%p)	87.7% ²⁾ (183.8%)	15.6%p (6.0%p)

Note 1) Including regulatory reserve for credit loss in ()

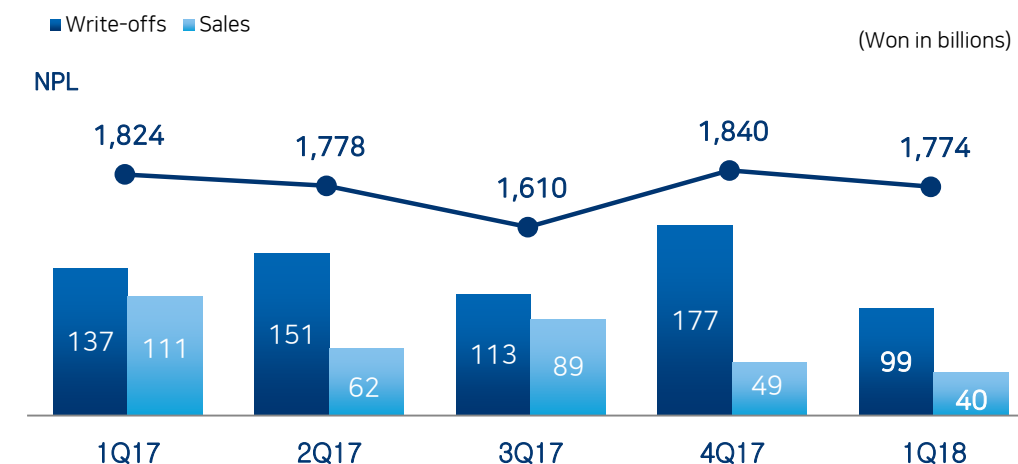
Note 2) Based on IFRS 9 : 96.5% (Loan Loss Reserve: 1,776 bn)

2018 1Q BUSINESS RESULTS

Delinquency Ratio



Trend in NPL



Capital Adequacy (Consol.)

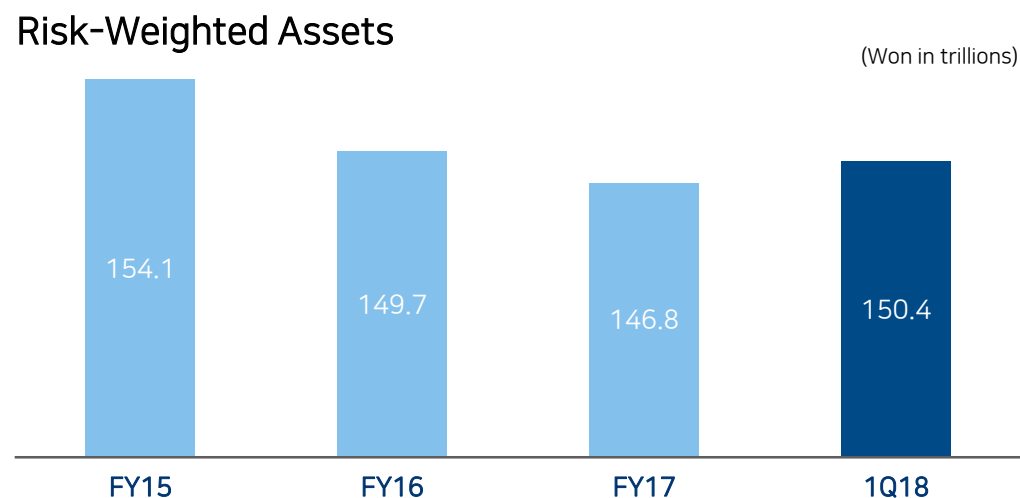
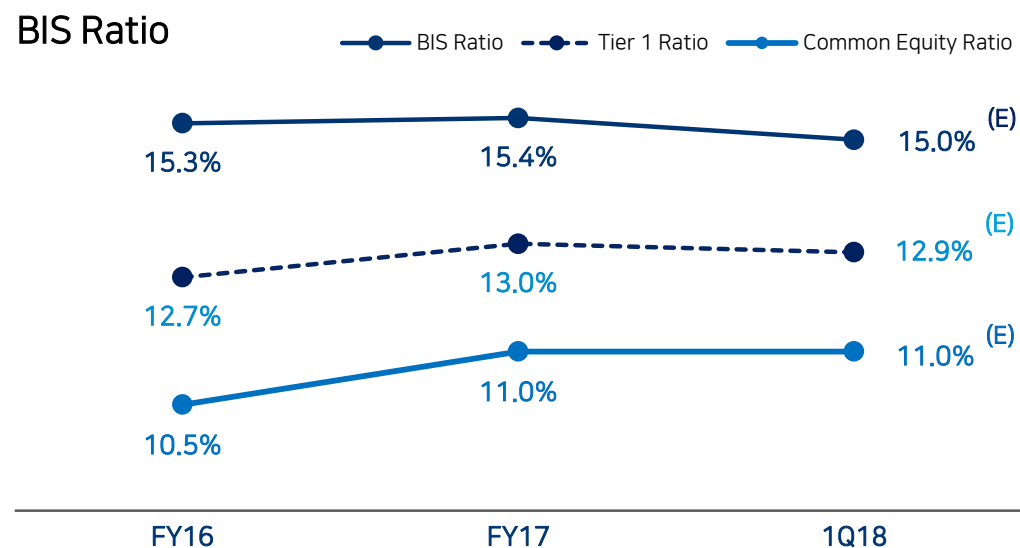
Capital / Risk-Weighted Assets

(Won in billions)

	1Q18 (E)	1Q17	YoY	FY17	QoQ
Total Capital	22,591	22,452	0.6%	22,603	-0.1%
Common Equity	16,536	16,079	2.8%	16,075	2.9%
Tier 1 Capital	19,405	19,050	1.9%	19,117	1.5%
Tier 2 Capital	3,186	3,402	-6.3%	3,486	-8.6%
Risk-Weighted Assets	150,385	148,960	1.0%	146,762	2.5%

• Basel III basis

BIS Ratio & Risk-Weighted Assets Trend

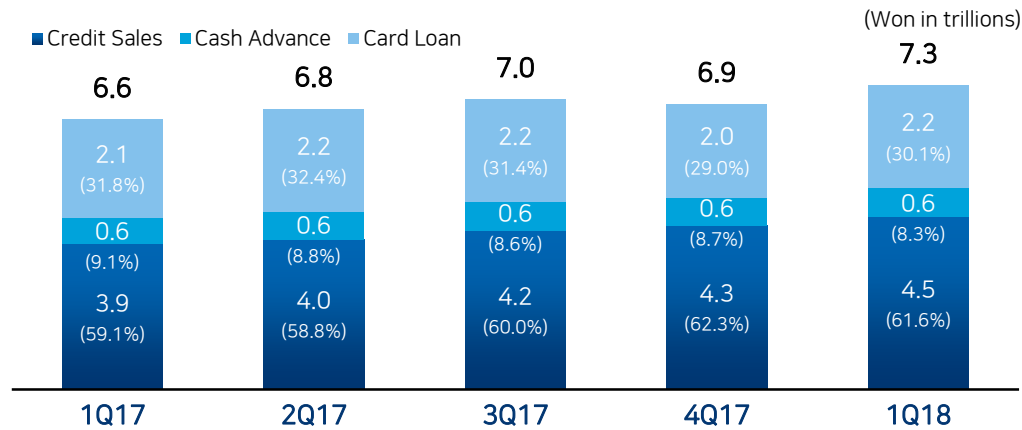


Woori Card

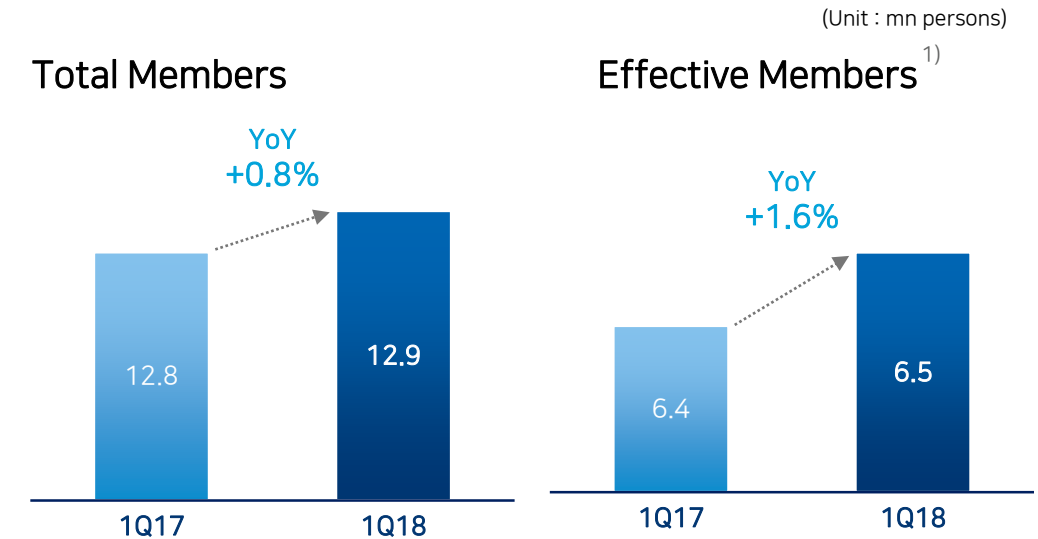
- Woori Card at a Glance

Woori Card at a Glance

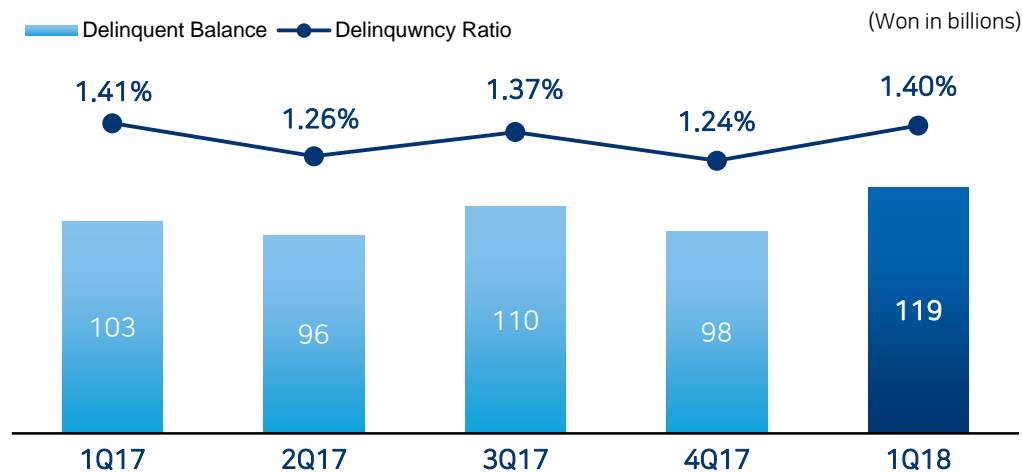
Asset Breakdown



Total Members and Effective Members



Delinquency Ratio



Note 1) Cumulative basis

Key Performance Indicators

Net Income (Wbn)	39.3	NIM	16.90%
ROA	2.0%	NPL Ratio	1.0%

Note 1) Members who used at least once within one month

Appendix



**Woori All Together
All New Woori**

Post-privatization Corporate Governance

2017 ~

New governance structure

2016

Successful Privatization

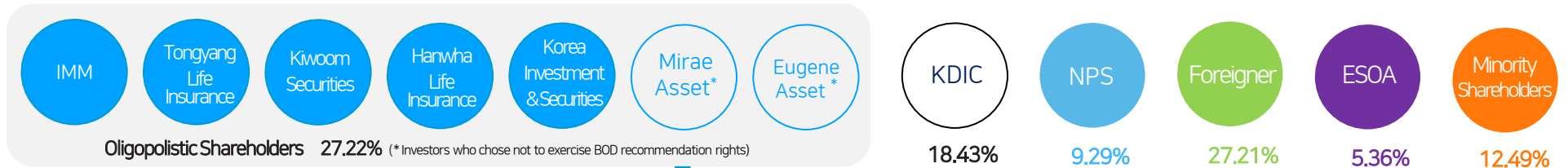
KDIC finalizes sale of 29.7% stake in Woori Bank

Termination of MOU

New Governance Structure Based on Oligopolistic Shareholders

Establishment of a New Governance Structure

Shareholders
(As of Dec. 2017)



BOD
(8 members)



CEO



Standing Auditor



Outside directors

nominated by Oligopolistic Shareholders



Non-standing director

recommended by KDIC

BOD's Active participation in major management decisions

Enhancing Corporate Value under New governance structure