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**2018 3Q**

# **RESULTS**

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A large, abstract blue circular graphic composed of multiple overlapping, semi-transparent rings, creating a sense of depth and movement. It is positioned on the right side of the page.

**Woori All Together  
All New Woori**



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# Contents

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- 2018 3Q Financial Highlights
- Woori Bank at a Glance
- Earnings
- Assets & Liabilities
- Asset Quality / Capital Adequacy
- Woori Card

## Disclaimer

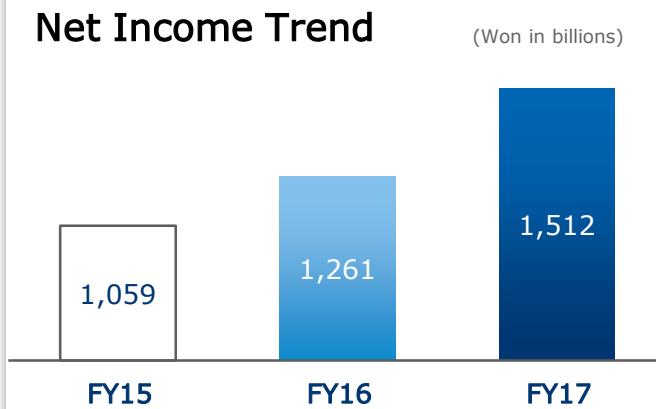
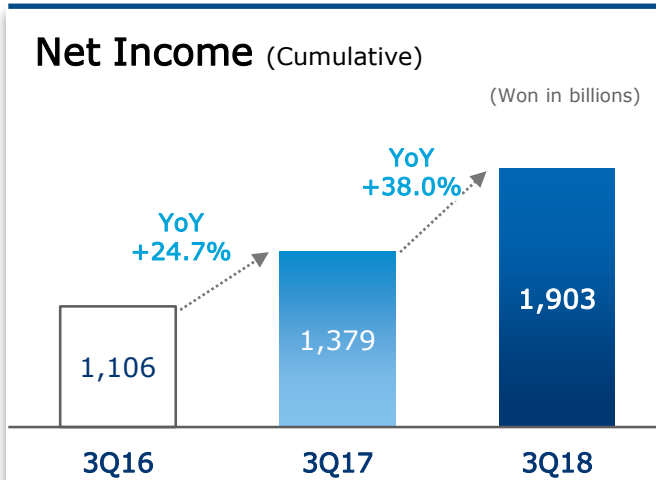
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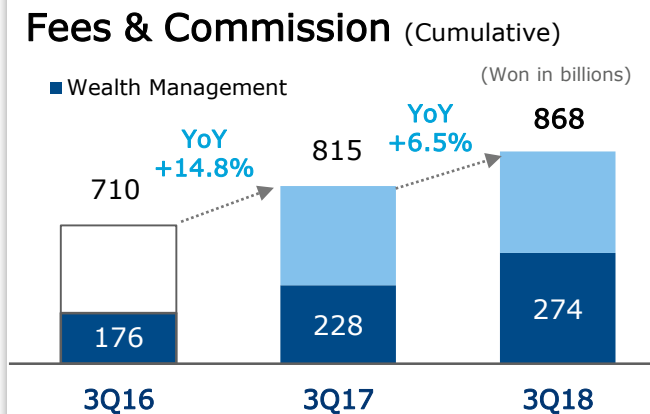
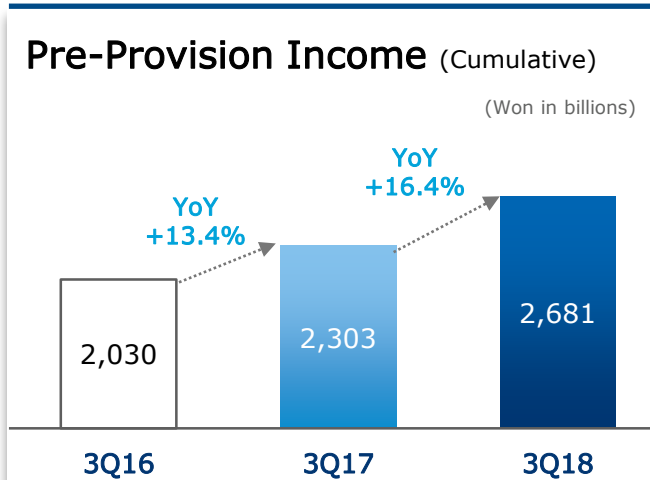
# 2018 3Q Financial Highlights

## KRW1,903bn, Record-High Net Income by 3Q



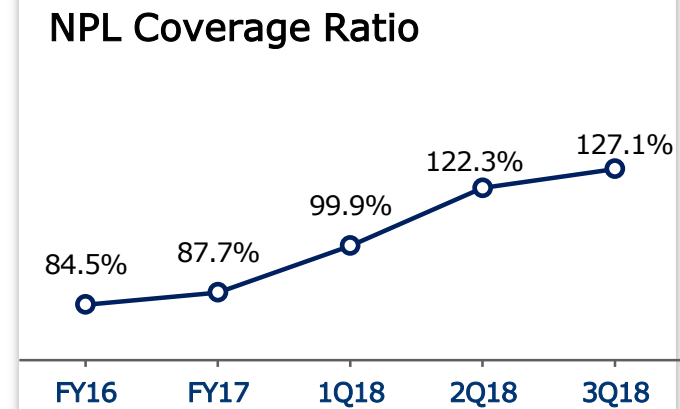
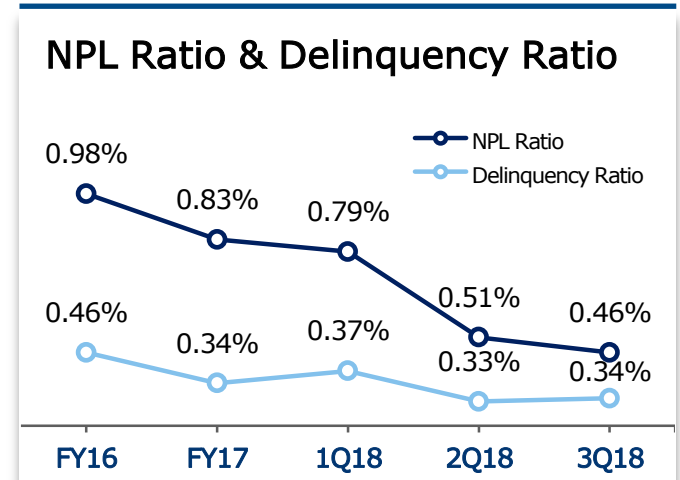
✓ Remarkable Performance from top to bottom leads record-high Net Income by 3Q

## Improved Recurring Profit across all sectors



✓ Continuous enhancement in Pre-Provision Income  
 ✓ Steady improvement in fees & commission mainly by sales of wealth management products

## Asset Quality in Industry Leading level



✓ Impressive achievement in Asset Quality attributable to growth in prime asset & reinforced risk management system

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# Woori Bank at a Glance

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- 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	
<b>Total Assets</b> <sup>1)</sup> (Wtn)	<b>365.3</b> <sup>4)</sup>	9.6	2.7	0.1	0.0	0.0	0.0	0.0	<b>376.3</b>
<b>Shareholder's Equity</b> <sup>2)</sup> (Wbn)	<b>21,085</b>	1,661	319	22	4	28	13	38	<b>21,704</b>
<b>Net Income</b> <sup>3)</sup> (Wbn)	<b>1,797.2</b> <sup>4)</sup>	88.6	28.6	-10.6	0.4	1.1	1.4	-1.9	<b>1,903.4</b>
<b>Shareholdings</b>	-	100.0%	59.8%	100.0%	100.0%	100.0%	100.0%	100.0%	Oligopolistic Shareholders <sup>5)</sup> 27.2%

• As of Sep. 30, 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	FY17	1Q18	2Q18	3Q18
<b>Profitability</b> (Consol.)	ROA (%)	0.41	0.48	0.74	0.82	<b>0.78</b>
	ROE (%)	6.36	7.42	11.73	12.85	<b>12.23</b>
<b>Capital Adequacy</b> <sup>1)</sup> (Consol.)	Common Equity Ratio (%)	10.5	11.0	11.1	11.2	<b>11.3(E)</b>
	Tier 1 Ratio (%)	12.7	13.0	13.0	13.0	<b>13.4(E)</b>
	BIS Ratio (%)	15.3	15.4	15.1	15.3	<b>15.8(E)</b>
<b>Asset Quality</b>	Delinquency Ratio (%)	Bank 0.46 Bank+Card 0.48	Bank 0.34 Bank+Card 0.39	Bank 0.37 Bank+Card 0.41	Bank 0.33 Bank+Card 0.37	Bank 0.33 Bank+Card 0.37
	NPL Ratio (%)	Bank 0.98	Bank 0.83	Bank 0.79	Bank 0.51	Bank 0.46
	NPL Coverage Ratio (%)	Bank 84.5	Bank 87.7	Bank 99.9	Bank 122.3	Bank 127.1
<b>Per Share Data</b> (Consol.)	EPS (Won)	1,866	2,237	3,538	3,927	<b>3,765</b>
	BPS (Won)	30,157	30,210	30,091	30,755	<b>32,105</b>
	DPS (Won)	400	600 (including interim dividend)	NA	NA	<b>NA</b>

Note 1) Basel III basis

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# Earnings

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

# Condensed Income Statement (Consol.)



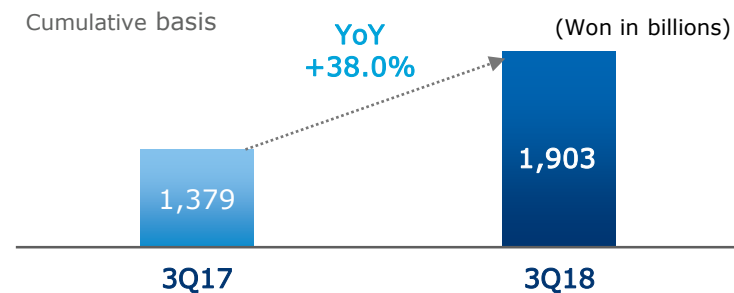
(Won in billions)

	3Q18 (Cum.)	3Q17 (Cum.)	YoY	3Q18	2Q18	QoQ
Net Operating Revenue	5,013	4,950	1.3%	1,668	1,663	0.3%
Interest Income	4,197	3,902	7.6%	1,433	1,397	2.6%
Non-Interest Income	816	1,048	-22.1%	235	265	-11.3%
SG&A (-)	2,386	2,647	-9.9%	819	827	-1.0%
Impairment on Credit Loss (-)	54	501	-89.2%	83	-151	NA
Operating Income	2,574	1,802	42.8%	766	987	-22.4%
Non-Operating Income	53	0	NA	60	9	NA
Pre-Provision Income	2,681	2,303	16.4%	909	845	7.6%
Income before Corp. Tax	2,627	1,802	45.8%	826	995	-17.0%
Corp. Tax (-)	706	409	72.6%	221	273	-19.0%
Net Income <sup>1)</sup>	1,903	1,379	38.0%	598	716	-16.5%

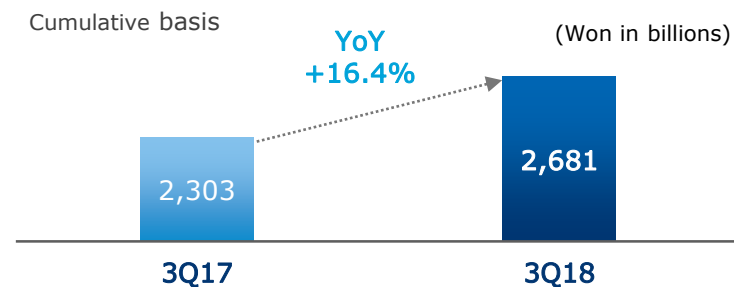
• Woori Bank consolidated basis (K-IFRS)

Note 1) Net Income attributable to controlling interests

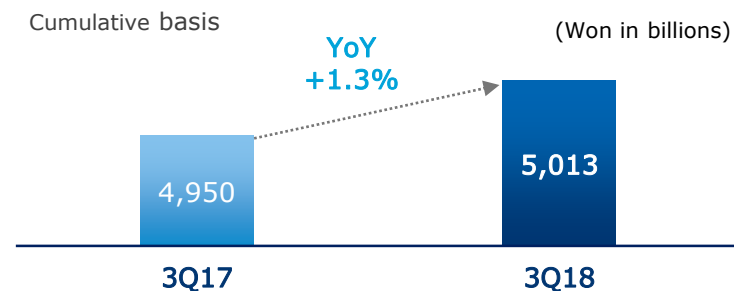
## Net Income



## Pre-Provision Income



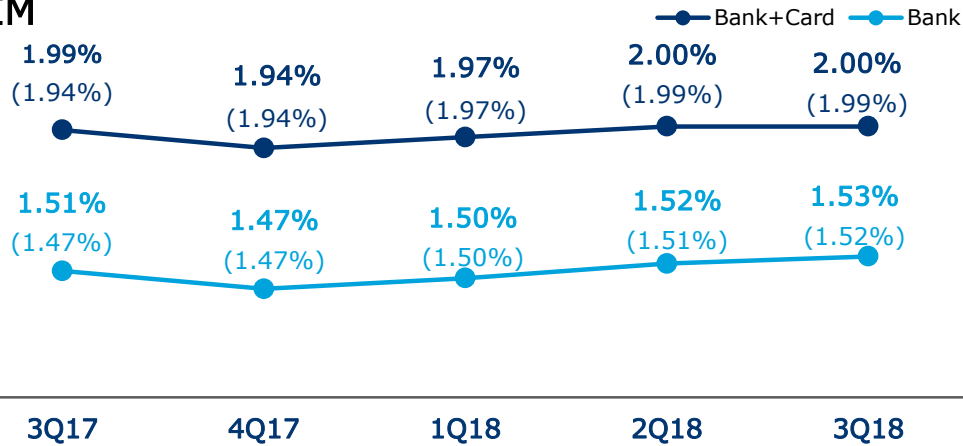
## Net Operating Revenue



# Interest Income & NIM / NIS

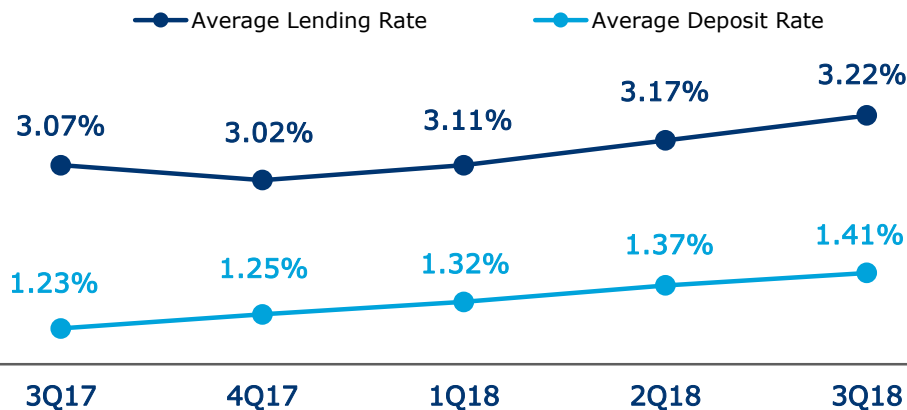
## NIM/NIS

### NIM



• Quarterly basis, Cumulative NIM in ( )

### NIS

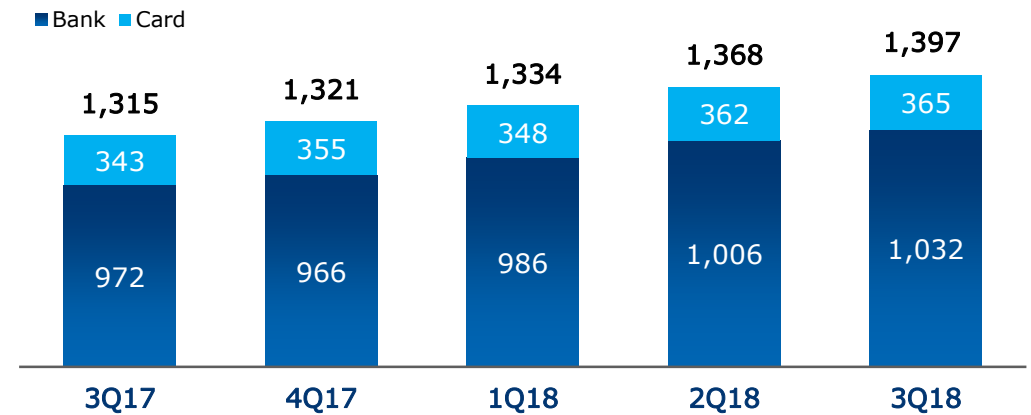


• Quarterly average based on bank's won-denominated loans / deposits

## Interest Income / Interest Earning Assets

### Net Interest Income

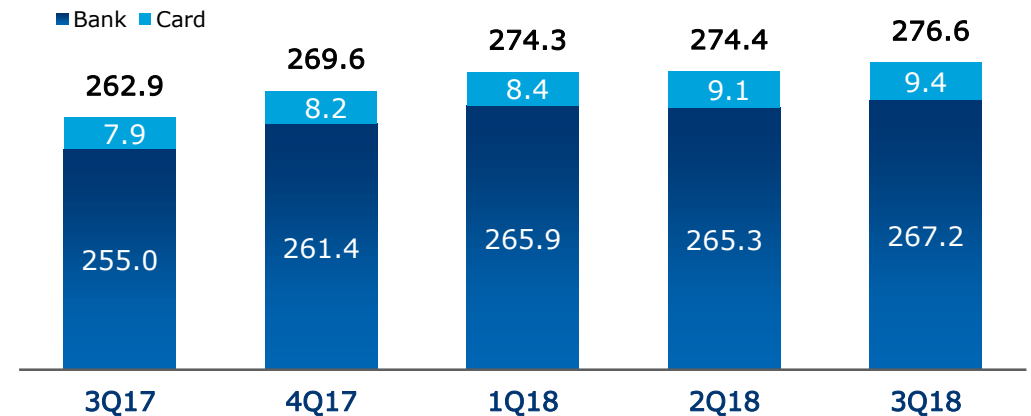
(Won in billions)



• 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)

	3Q18 (Cum.)	3Q17 (Cum.)	YoY	3Q18	2Q18	QoQ
<b>Non-Interest Income</b>	<b>816</b>	1,048	-22.1%	235	265	-11.3%
<b>Fees &amp; Commission</b>	<b>868</b>	815	6.5%	266	297	-10.4%
<b>Wealth Management</b>	<b>274</b>	228	20.2%	86	91	-5.5%
Trust	141	103	36.9%	43	49	-12.2%
Bancassurance	66	66	0%	23	21	9.5%
Fund	67	59	13.6%	20	21	-4.8%
<b>Credit Card</b>	<b>179</b>	185	-3.2%	47	69	-31.9%
<b>Other Fees</b>	<b>415</b>	402	3.2%	133	137	-2.9%
<b>FX Trading/ Derivatives</b>	<b>275</b>	241	14.1%	93	92	1.1%
<b>Securities</b>	<b>163</b>	266	-38.7%	40	50	-20.0%
<b>Valuation/ Disposal of Loans</b>	<b>43</b>	193	-77.7%	10	10	0%
<b>Other</b>	<b>-532</b>	-467	-13.9%	-174	-184	5.4%

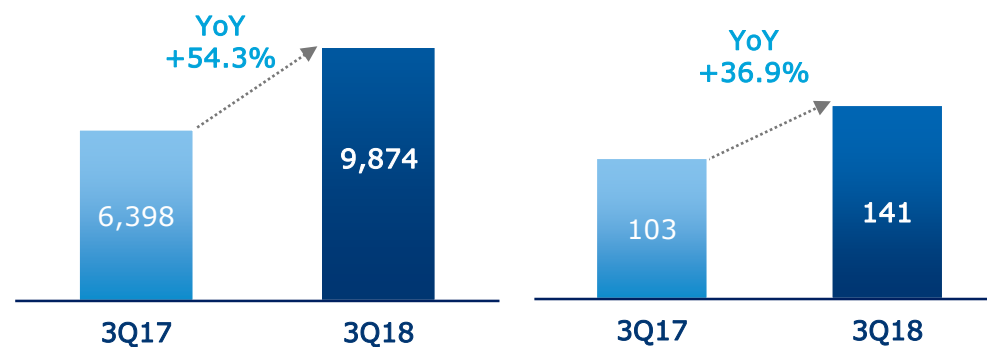
## Core Products Sales in Wealth Management

### Trust Sales by Bank

(Won in billions)

• ELT Sales Balance

• Trust Fee Revenue



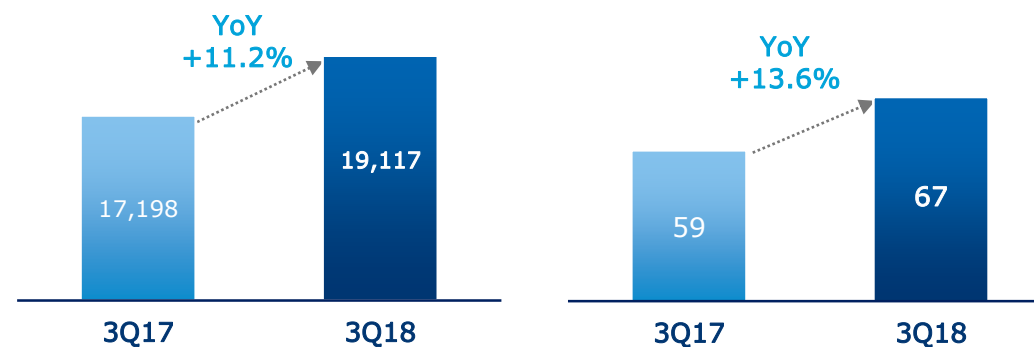
• Cumulative basis

### Fund Sales by Bank

(Won in billions)

• Fund Sales Balance

• Fund Sales Fee Revenue



## Credit Cost Overview

(Won in billions)

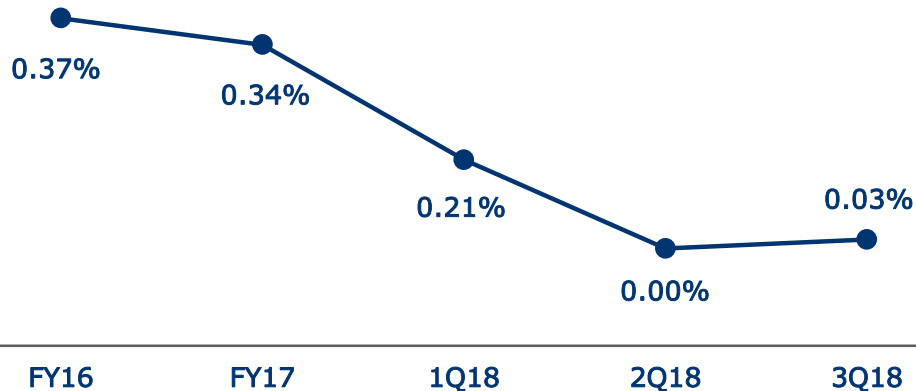
	FY16	FY17	1Q18	2Q18	3Q18
Credit Cost <sup>1)</sup> (Wbn)	834	785	122	-29	54
Total Credit <sup>2)</sup> (Wtn)	231.2	238.5	241.7	245.3	248.0

• Consolidated basis,

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

Note 2) Ending balance

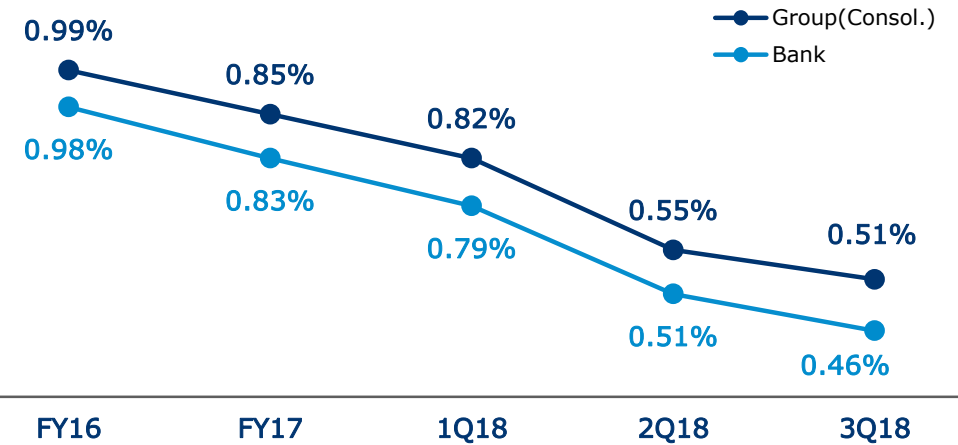
## Credit Cost Ratio



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

## Asset Quality Ratio Trend

### NPL Ratio



### Precautionary Ratio



# SG&A Expense (Consol.)

(Won in billions)

구분	3Q18 (Cum.)	3Q17 (Cum.)	YoY	3Q18	2Q18	QoQ
SG&A Expense	2,386	2,647	-9.9%	819	827	-1.0%
Salaries & Benefits	1,457	1,762	-17.3%	505	508	-0.6%
ERP Expense	21	304	-93.1%	0	21	NA
Salaries & Benefits (Excluding ERP)	1,436	1,458	-1.5%	505	487	3.7%
General & Administration	679	658	3.2%	231	229	0.9%
Depreciation	158	140	12.9%	58	52	11.5%
Taxes & Dues	93	87	6.9%	26	38	-31.6%

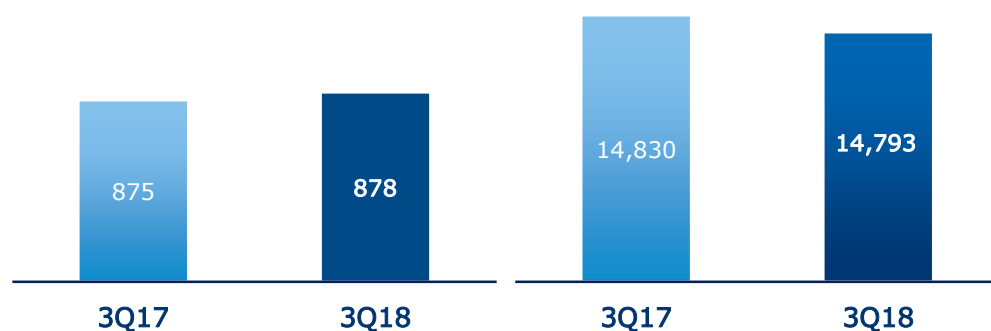
## Branches and Workforce (Bank)

### Branches

(Unit : Branch)

### Workforce

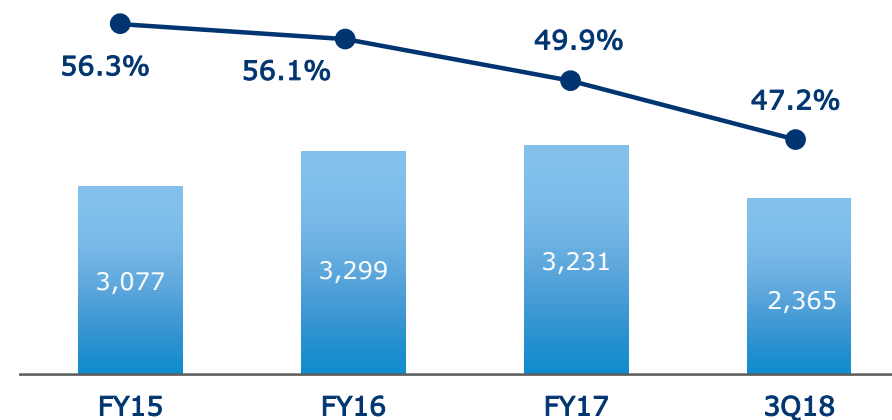
(Unit : Person)



▪ Domestic branches and sub-branches only

▪ Based on FSS reporting standard

## SG&A Expense and Cost-to-Income Ratio<sup>1)</sup> Trend



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

▪ Note 1) Excluding ERP expense : 73bn(FY15), 179bn(FY16), 304bn(FY17), 21bn(3Q18)

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# Assets & Liabilities

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

# Statement of Financial Position (Consol.)



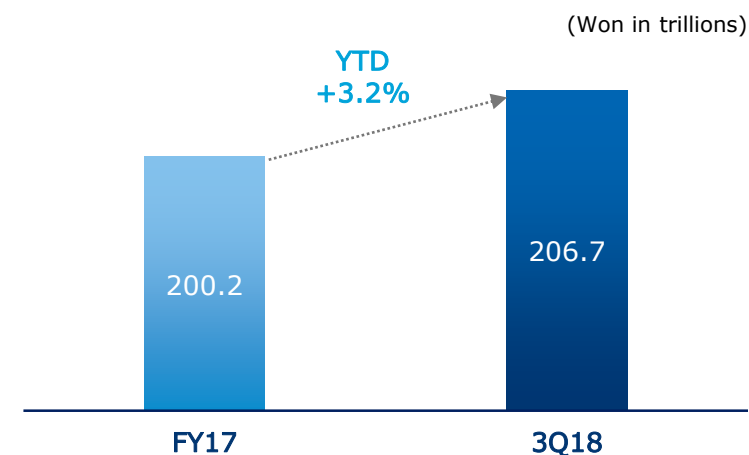
(Won in trillions)

	3Q18	FY17	YTD	2Q18	QoQ
Total Assets	329.8	316.4	4.2%	326.6	1.0%
Financial Assets	41.0	37.9	8.2%	38.7	5.9%
Loans and Receivables	278.7	267.1	4.3%	277.7	0.4%
Loans in Won	206.7	200.2	3.2%	205.1	0.8%
Loans in F/C	15.0	13.1	14.5%	14.7	2.0%
Foreign Bills Bought	7.6	8.2	-7.3%	6.8	11.8%
Total Liabilities	307.9	295.7	4.1%	305.6	0.8%
Deposits	237.4	234.7	1.2%	237.9	-0.2%
Borrowings	15.9	14.8	7.4%	15.9	0.0%
Debentures	28.1	28.0	0.4%	26.8	4.9%
Shareholder's Equity <sup>1)</sup>	21.7	20.4	6.4%	20.8	4.3%
Capital Stock	3.4	3.4	-	3.4	-
Hybrid Securities	3.2	3.0	6.7%	2.8	14.3%
Retained Earnings	17.0	15.6	9.0%	16.5	3.0%
(Non-controlling Equity)	(0.2)	(0.2)	-	(0.2)	-
Group Total Assets <sup>2)</sup>	376.3	355.5	5.9%	374.5	0.5%

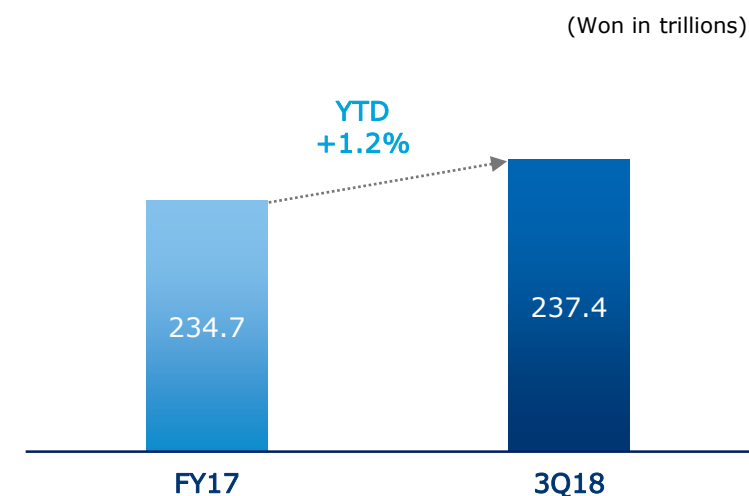
· Woori Bank consolidated basis (K-IFRS)

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

## Loans in Won



## Deposits



## Breakdown by Funding Sources

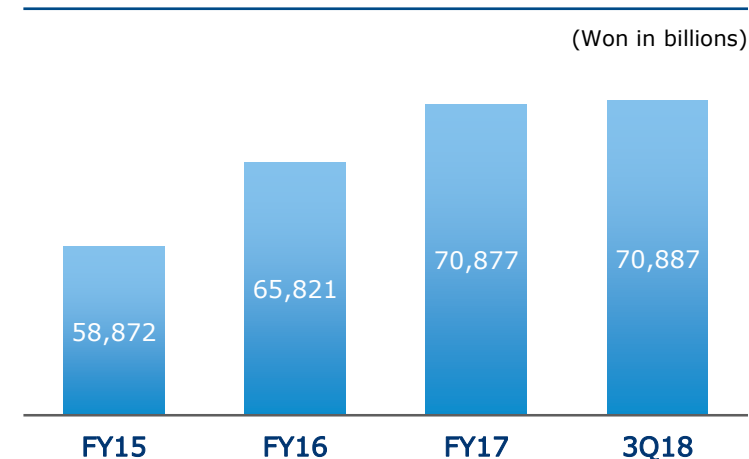
(Won in billions)

	3Q18	FY17	YTD	2Q18	QoQ
<b>Total Deposits in KRW</b>	<b>235,473</b>	232,697	1.2%	235,786	-0.1%
<b>Low Cost Deposits<sup>1)</sup></b>	<b>90,809</b>	93,216	-2.6%	93,191	-2.6%
<b>Core Deposits</b>	<b>70,887</b>	70,877	0.0%	72,987	-2.9%
<b>MMDA (Corporate)</b>	<b>19,922</b>	22,339	-10.8%	20,204	-1.4%
<b>Savings Deposits</b>	<b>115,872</b>	110,565	4.8%	115,055	0.7%
<b>Marketable Deposits</b>	<b>4,599</b>	4,349	5.7%	4,503	2.1%
<b>Borrowings</b>	<b>6,753</b>	6,234	8.3%	6,613	2.1%
<b>Debentures</b>	<b>17,441</b>	18,333	-4.9%	16,421	6.2%
<b>Total Deposits in FC</b>	<b>25,654</b>	26,637	-3.7%	24,421	5.0%
<b>Total Deposits</b>	<b>261,127</b>	259,334	0.7%	260,206	0.4%

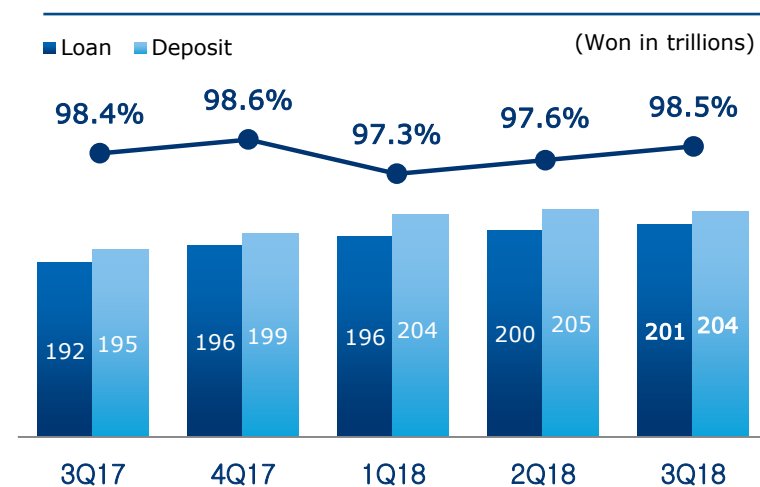
· Ending Balance basis

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

## Core Deposits Trend



## Loan-to-Deposit Ratio



· Monthly average basis

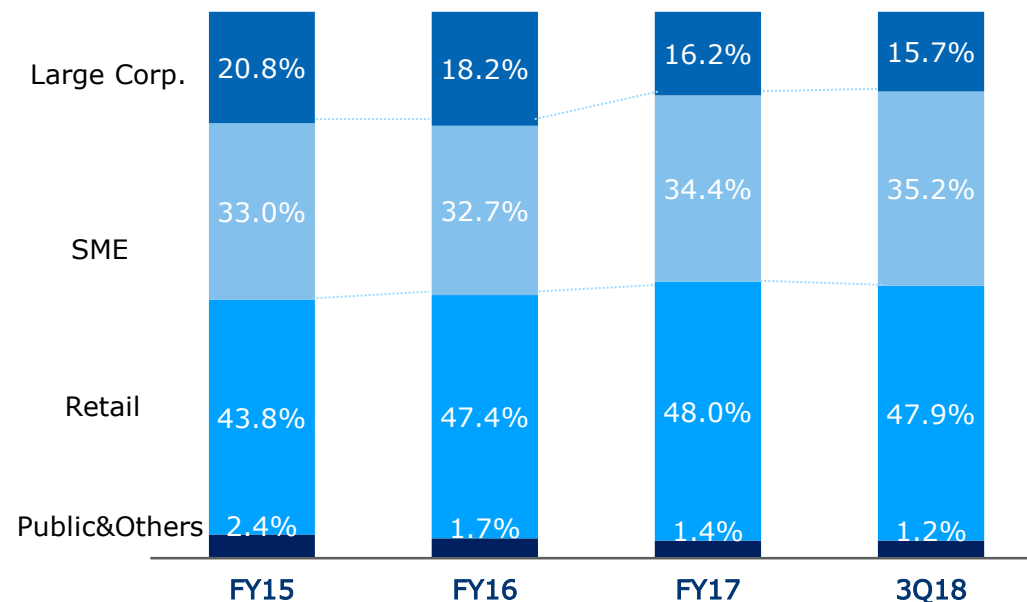
## Breakdown by Borrowers

(Won in billions)

	3Q18	FY17	YTD	2Q18	QoQ
Large Corp.	35,813	36,022	-0.6%	35,977	-0.5%
SME	80,472	76,339	5.4%	79,166	1.6%
Corporate	39,884	38,825	2.7%	39,338	1.4%
SOHO	40,588	37,514	8.2%	39,828	1.9%
Retail	109,492	106,597	2.7%	108,082	1.3%
Secured	87,529	84,603	3.5%	86,539	1.1%
Unsecured	21,963	21,994	-0.1%	21,543	1.9%
Public & Others	2,878	3,160	-8.9%	3,010	-4.4%
<b>Total</b>	<b>228,656</b>	<b>222,118</b>	<b>2.9%</b>	<b>226,235</b>	<b>1.1%</b>

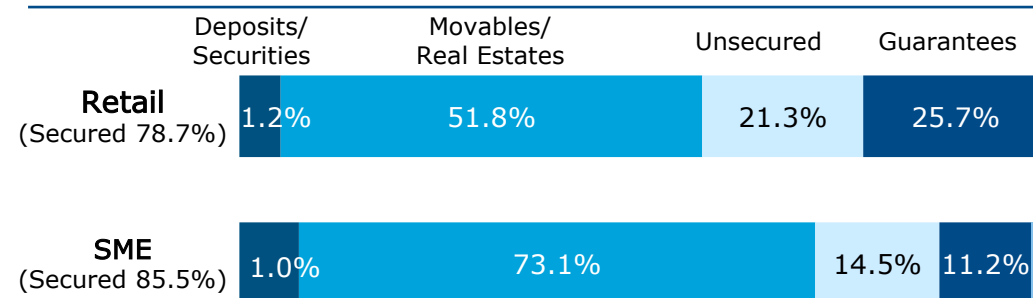
• FSS NPL reporting standards (including banking and trust account, foreign bills bought, guarantees and etc.)

## Loan Portfolio



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

## Breakdown by Collateral



• Bank account in Won currency

Others  
0.2%

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## **Asset Quality/ Capital Adequacy**

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- **Asset Quality**
- **Capital Adequacy**

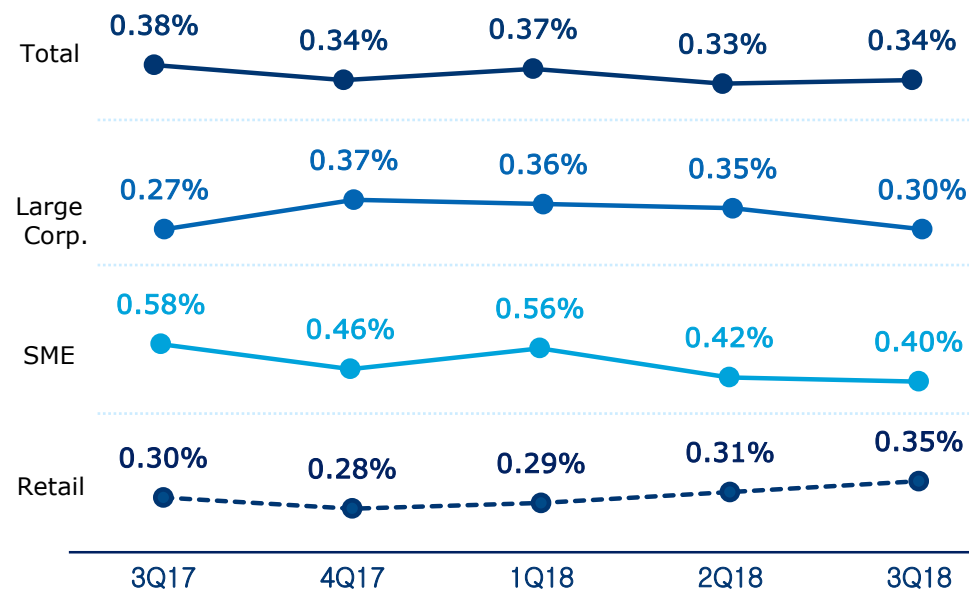
# Asset Quality (Bank)

## Asset Breakdown

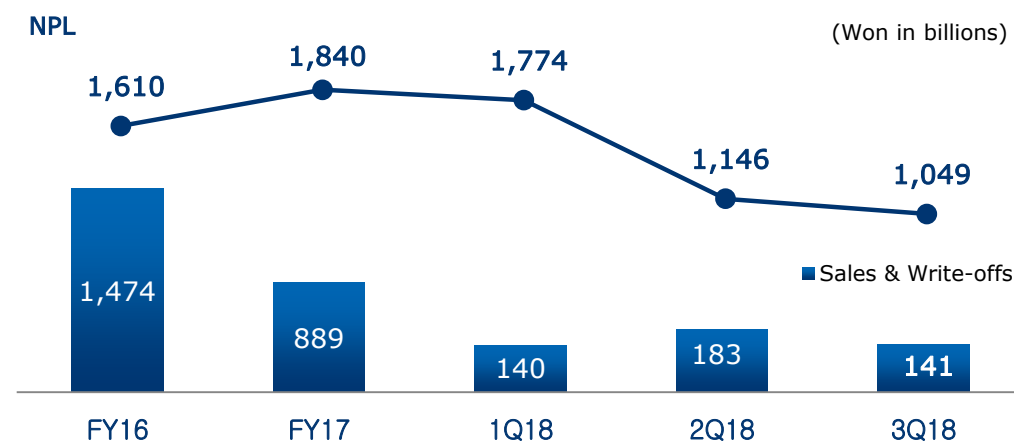
(Won in billions)

	3Q18	FY17	YTD	2Q18	QoQ
Total Credit Offerings	228,656	222,118	2.9%	226,235	1.1%
Precautionary	2,077	1,283	61.9%	2,013	3.2%
	0.91%	0.58%	0.33%p	0.89%	0.02%p
Substandard & Below (NPL)	1,049	1,840	-43.0%	1,146	-8.5%
	0.46%	0.83%	-0.37%p	0.51%	-0.05%p
Loan Loss Reserve (LLR)	1,330	1,611	-17.4%	1,399	-4.9%
LLR/Substandard & Below Loans	127.1%	87.7%	39.4%p	122.3%	4.8%p

## Delinquency Ratio



## Trend in NPL



# Capital Adequacy (Consol.)

## Capital / Risk-Weighted Assets

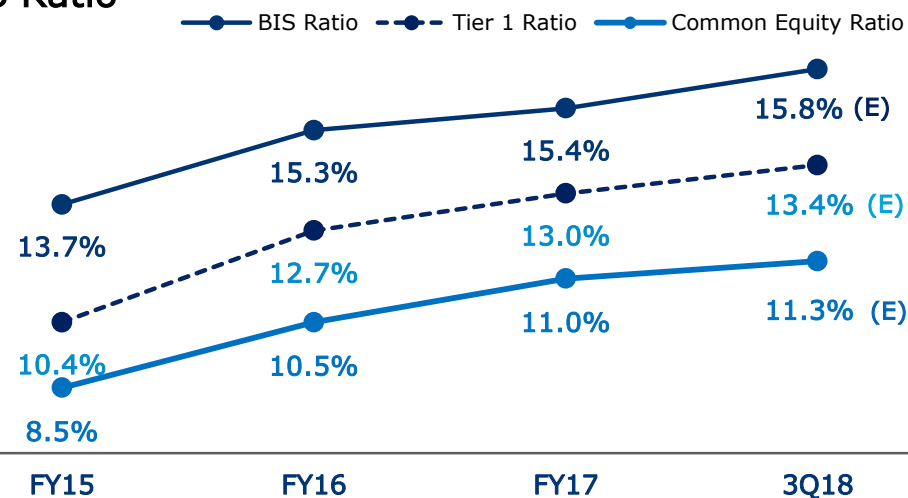
(Won in billions)

	3Q18 (E)	FY17	YTD	2Q18	QoQ
Total Capital	24,443	22,603	8.1%	23,200	5.4%
Common Equity	17,474	16,075	8.7%	16,952	3.1%
Tier 1 Capital	20,621	19,117	7.9%	19,700	4.7%
Tier 2 Capital	3,822	3,486	9.6%	3,499	9.2%
Risk-Weighted Assets	154,269	146,762	5.1%	151,989	1.5%

• Basel III basis

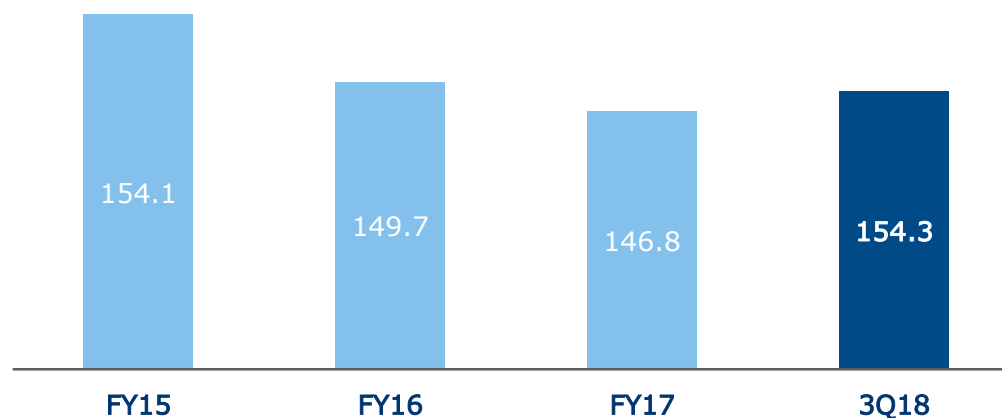
## BIS Ratio & Risk-Weighted Assets Trend

### BIS Ratio



### Risk-Weighted Assets

(Won in trillions)



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## Woori Card

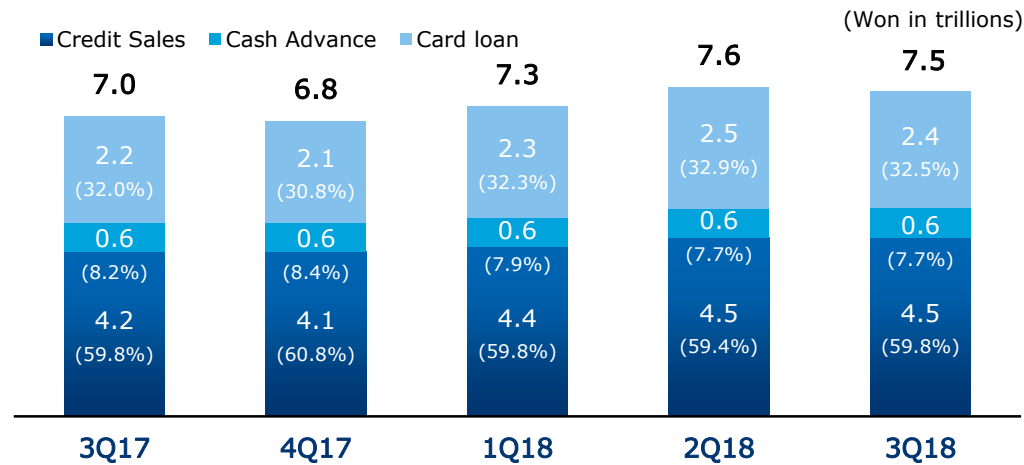
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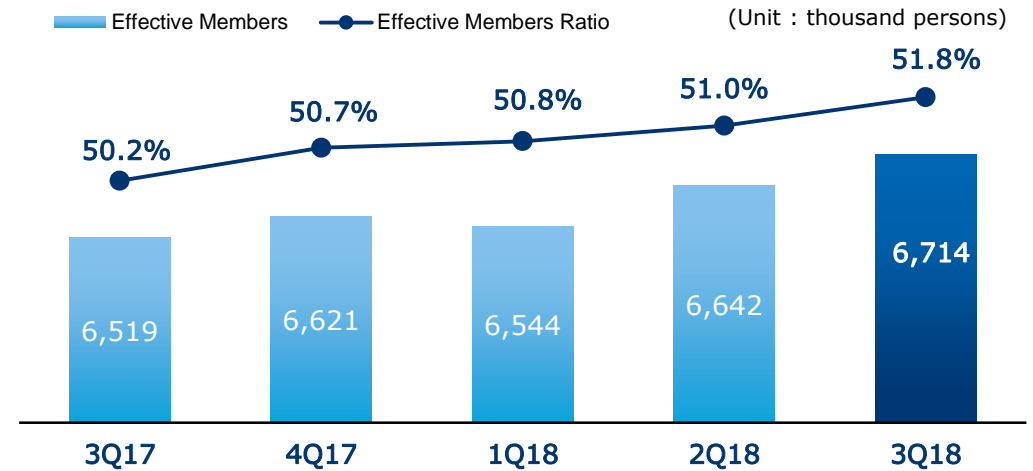
- Woori Card at a Glance

# Woori Card at a Glance

## Asset Breakdown

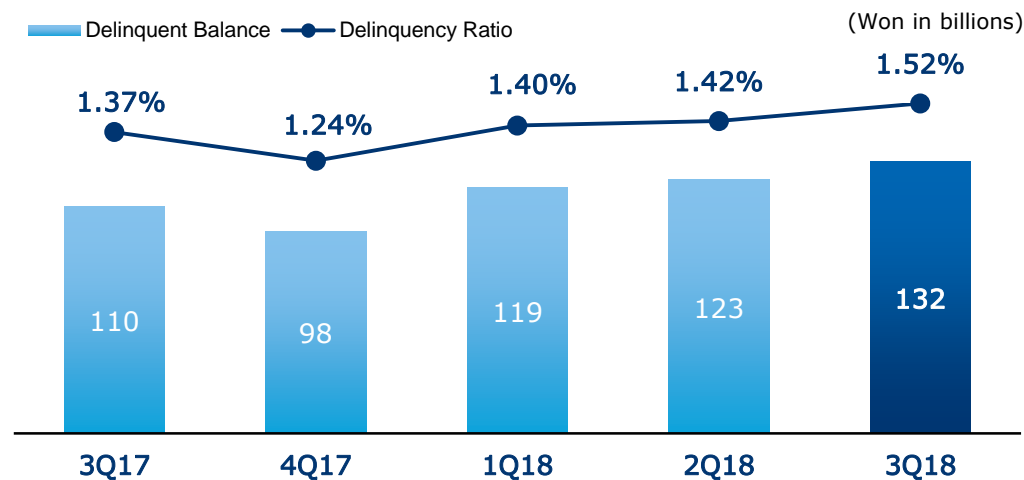


## Effective Members <sup>1)</sup>



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

## Delinquency Ratio



## Key Performance Indicators

Net Income (Wbn)	88.6	NIM	16.06%
ROA	1.3%	NPL Ratio	1.0%

Note 1) Cumulative basis