

Hana Financial Group 2014 Business Results



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2014 Financial Highlights

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DISCLAIMER

The financial information regarding business results of Hana Financial Group Inc. contained herein has been prepared in accordance with the Korean International Financial Reporting Standards ("K-IFRS").

This presentation material is provided for the convenience of investors in advance, prior to being reviewed by external auditors.

Therefore it is subject to change based on final review by external auditors.

2014 Financial Highlights

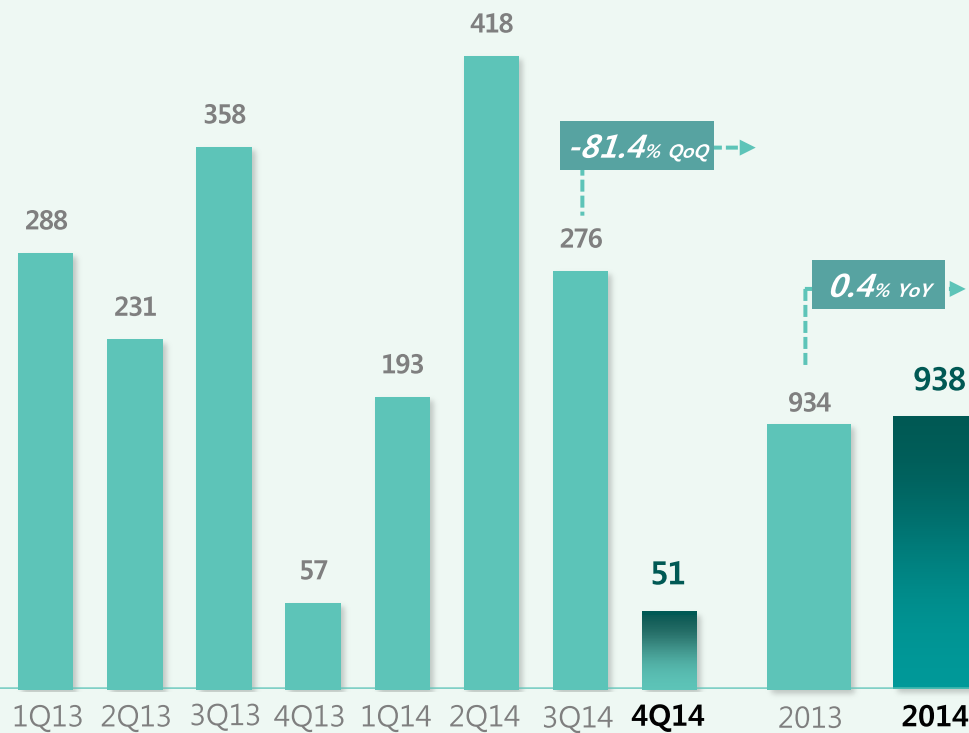
- Profitability
- Scale
- Asset Quality
- Capital Adequacy

Highlights_Profitability

Net Income

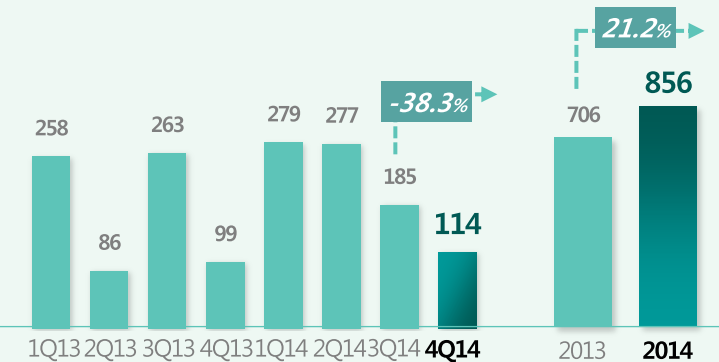
Group(Consolidated)

(Unit: Wbn)



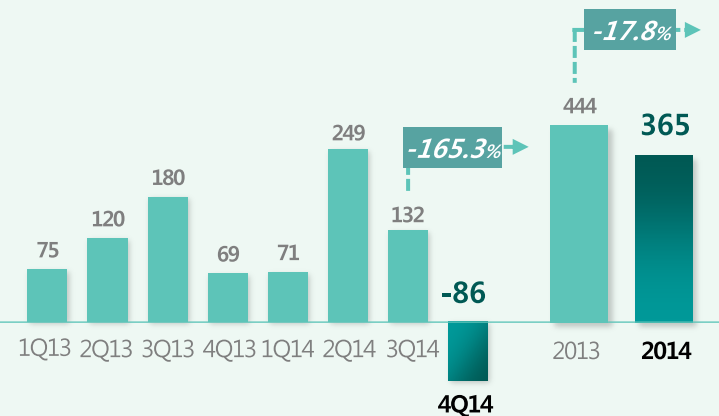
Hana Bank(Consolidated)

(Unit: Wbn)



KEB(Consolidated)

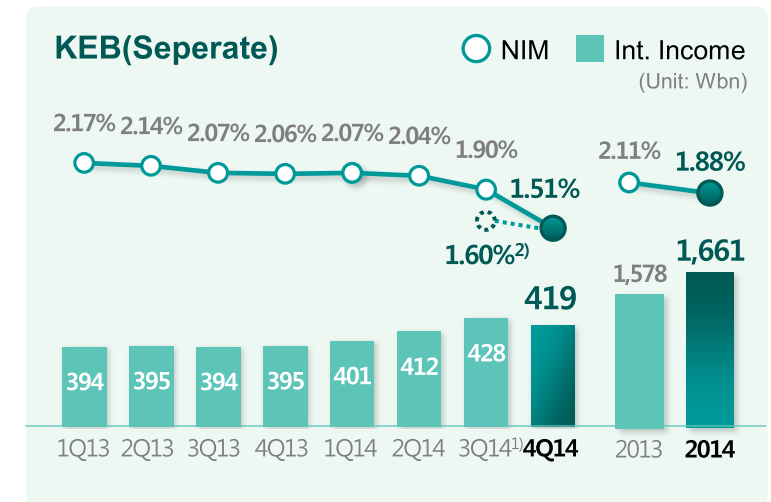
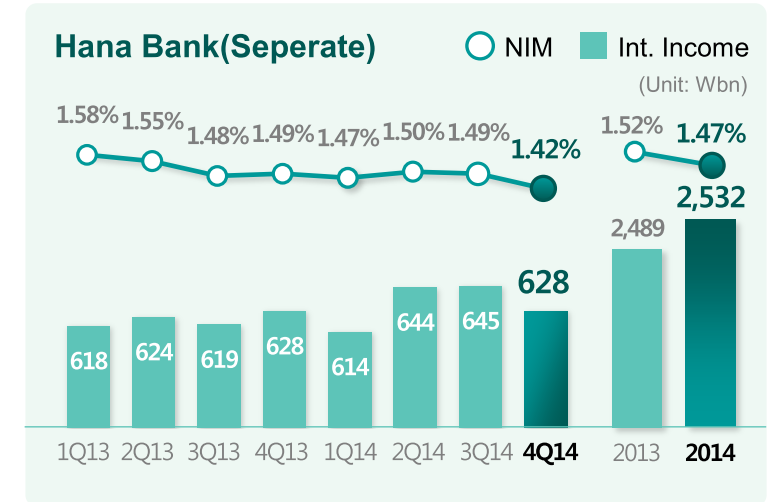
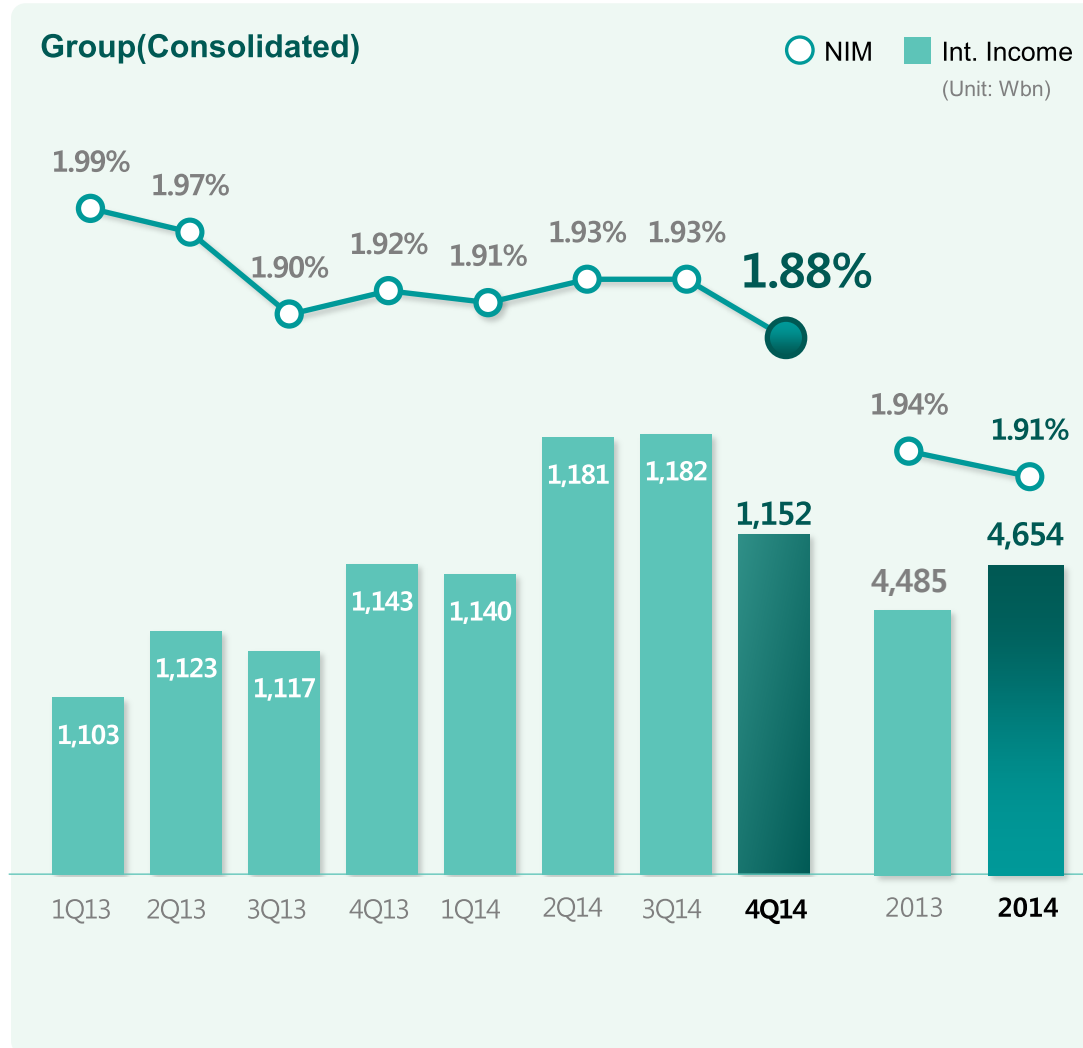
(Unit: Wbn)



Highlights_Profitability



NIM



Note1) 2014..09..01 KEB Card completed spin-off from KEB

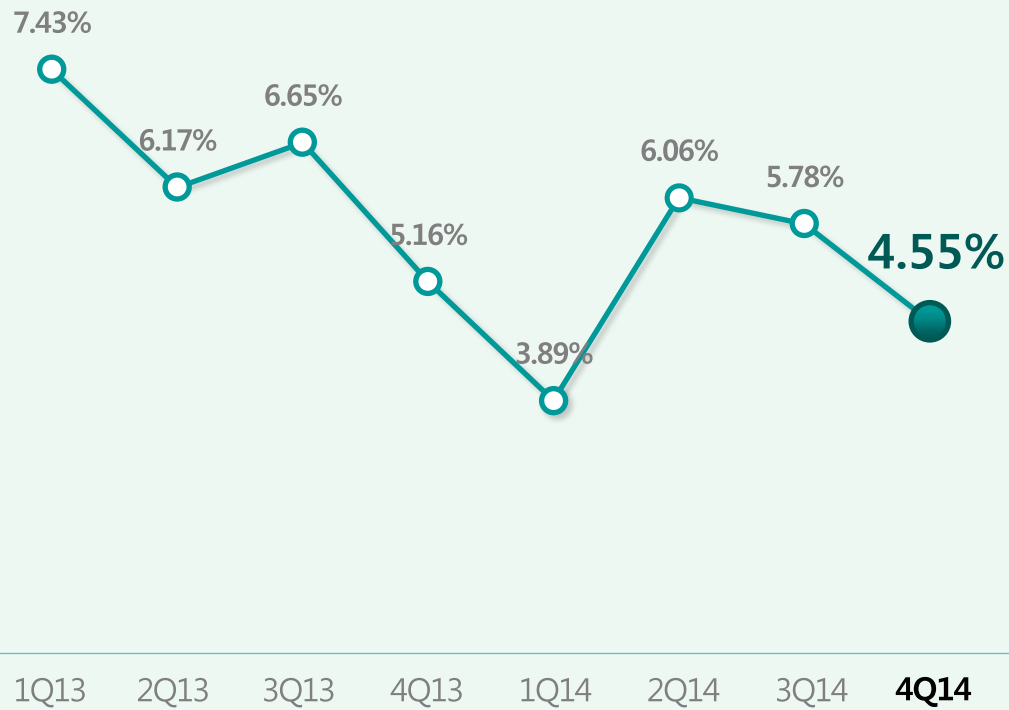
Note2) NIM excluding Credit Card

Highlights_Profitability

Major Indices

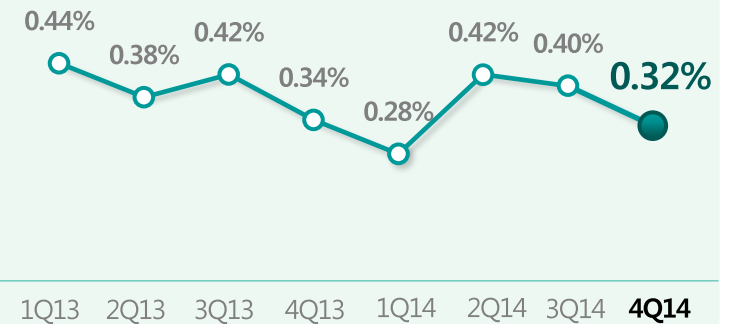
ROE(Group)

○ Cumulative



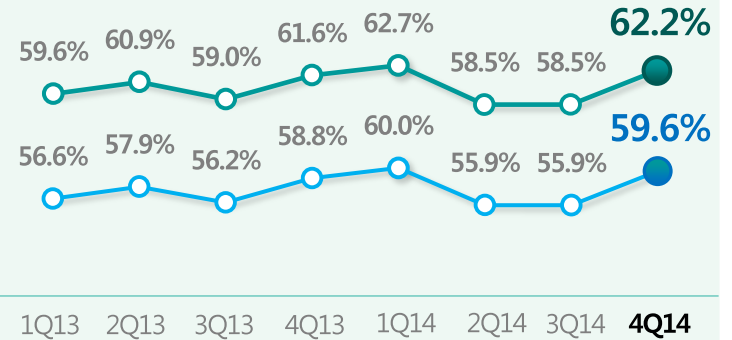
ROA(Group)

○ Cumulative



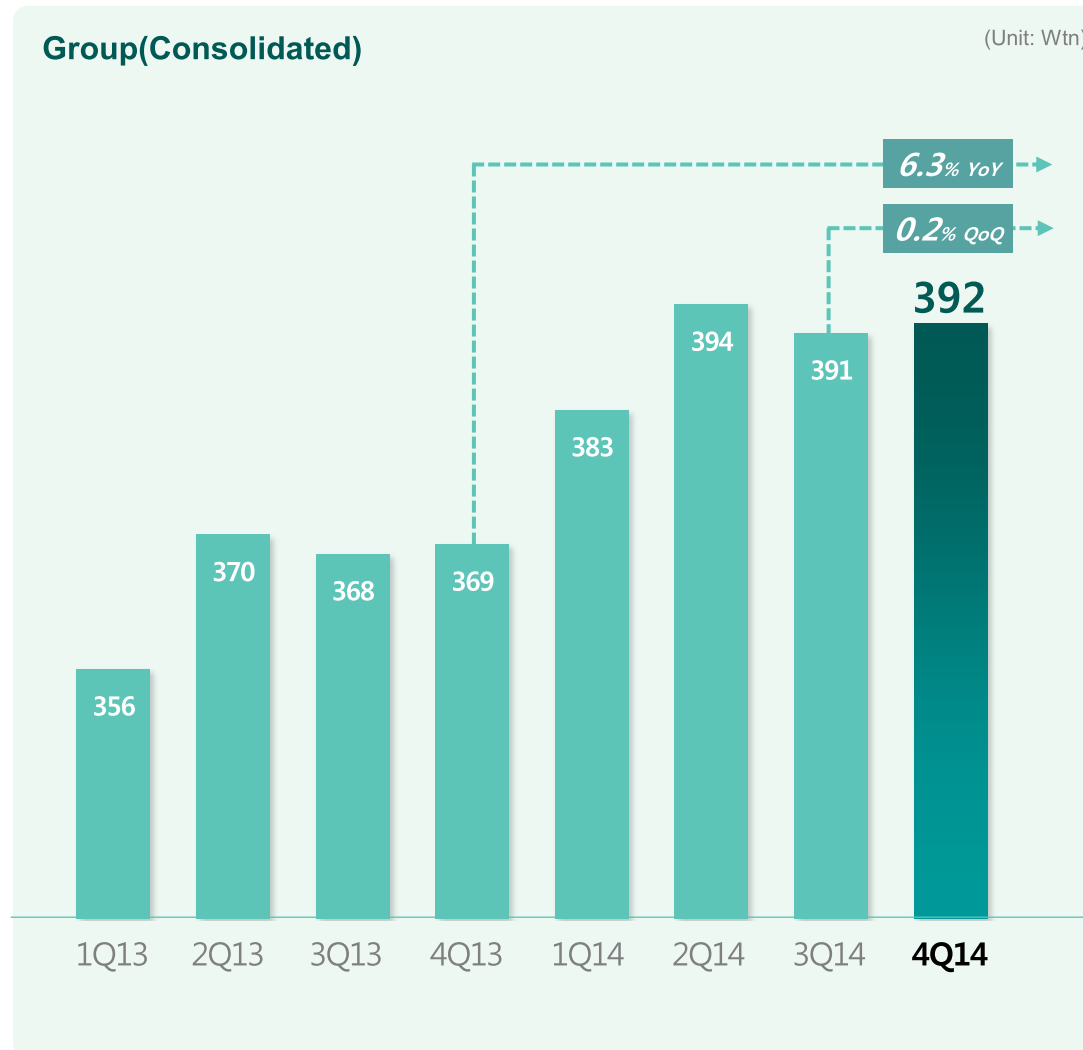
C/I(Group)

○ Including NGW ○ Excluding NGW

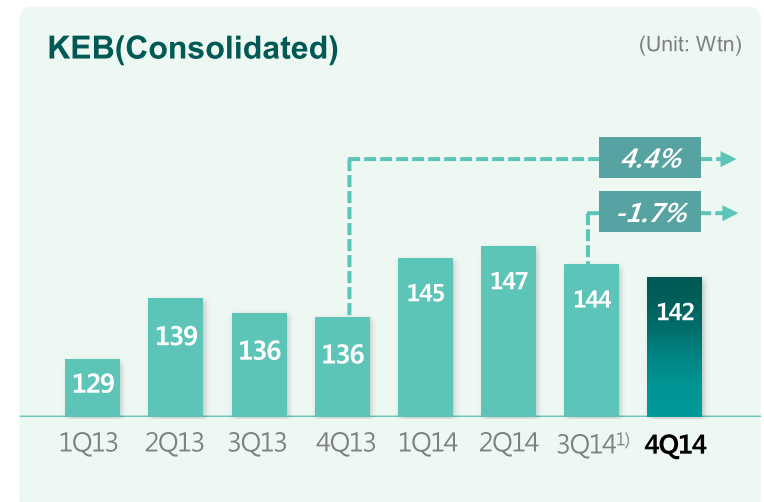
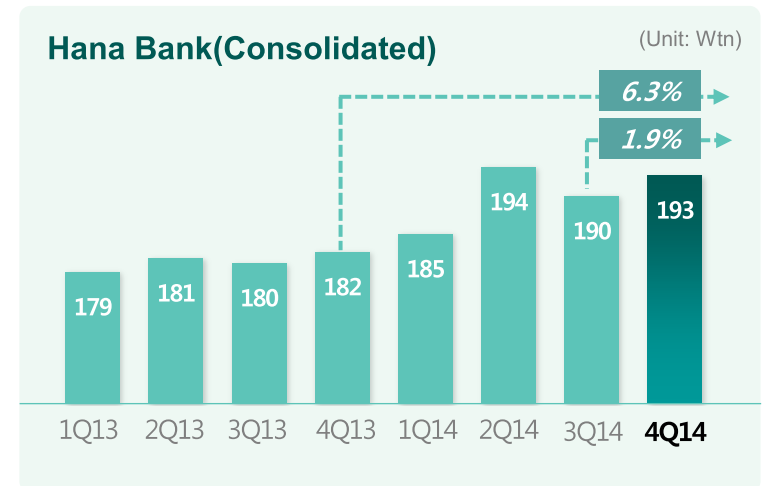


Highlights_Total Lending & Funding

Total Asset¹⁾



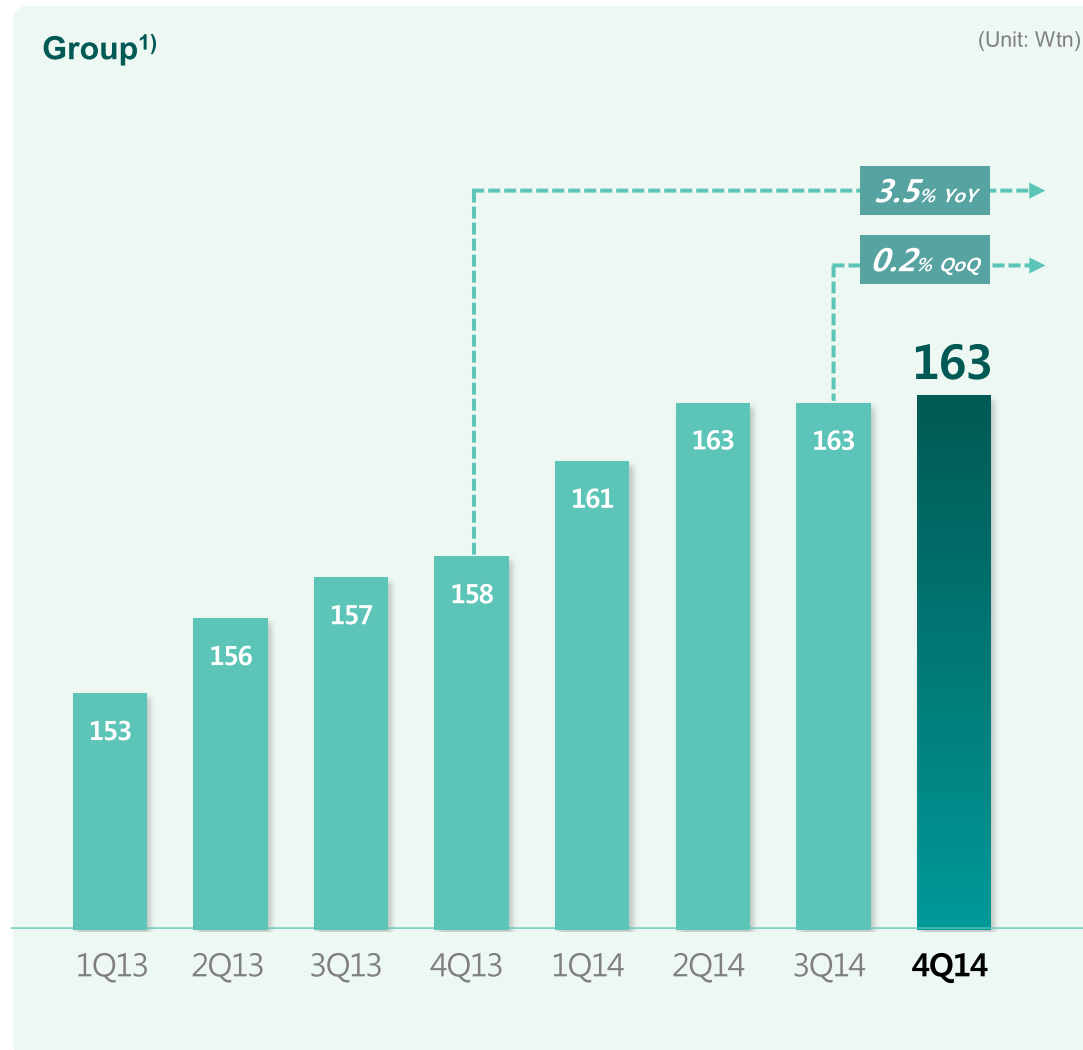
Note1) Total Asset = Group Asset + Trust Asset



Note1) 2014.09.01 KEB Card completed spin-off from KEB

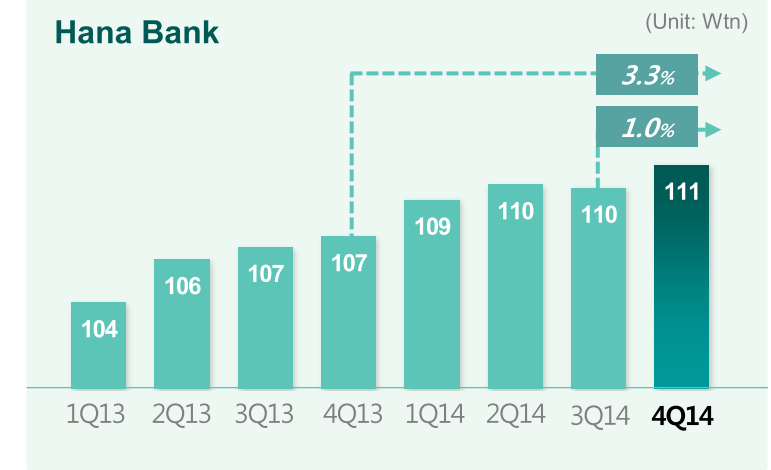
Highlights_Total Lending & Funding

KRW Loan

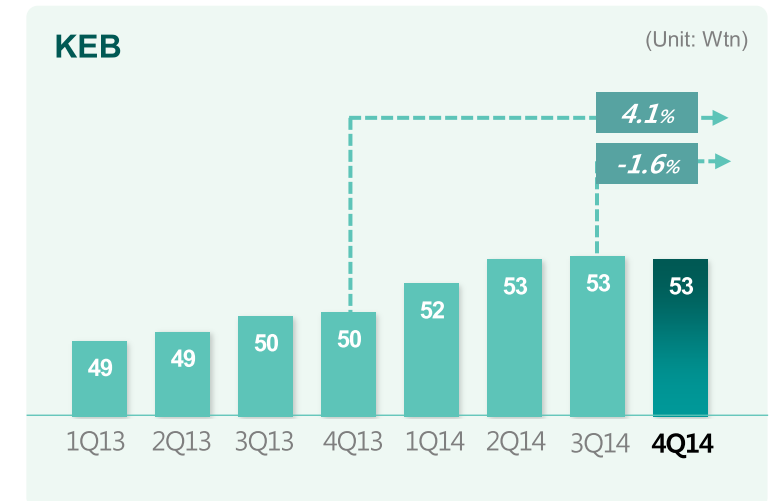


Note1) Total Asset = Group Asset + Trust Asset

Hana Bank

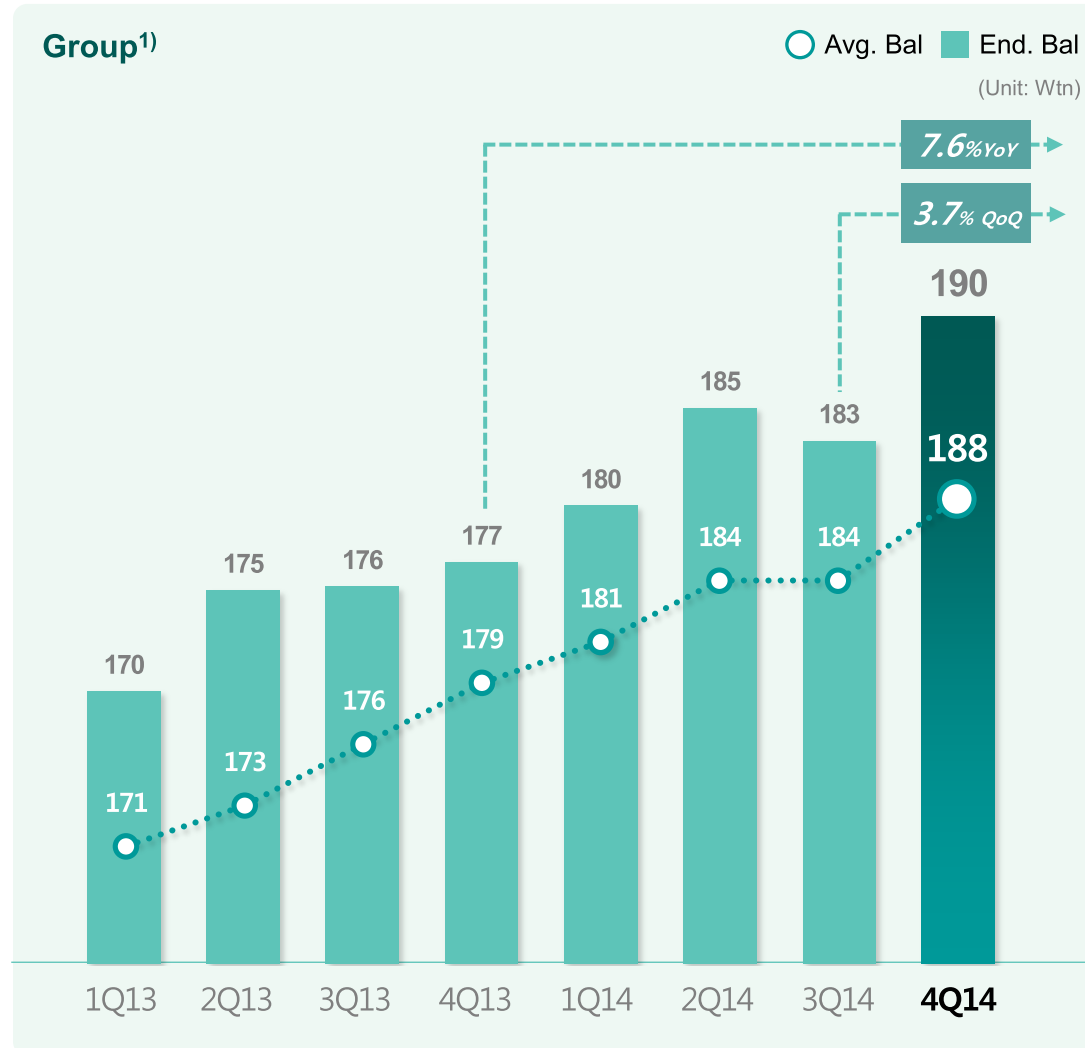


KEB

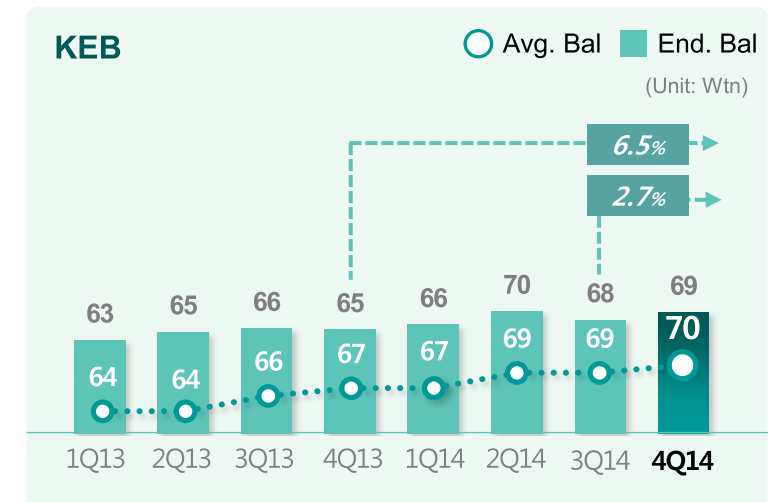
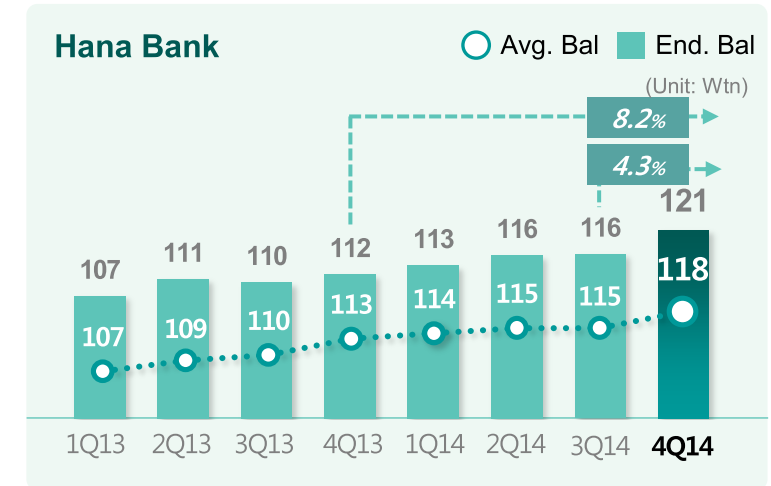


Highlights_Total Lending & Funding

Deposit (Ending Balance)

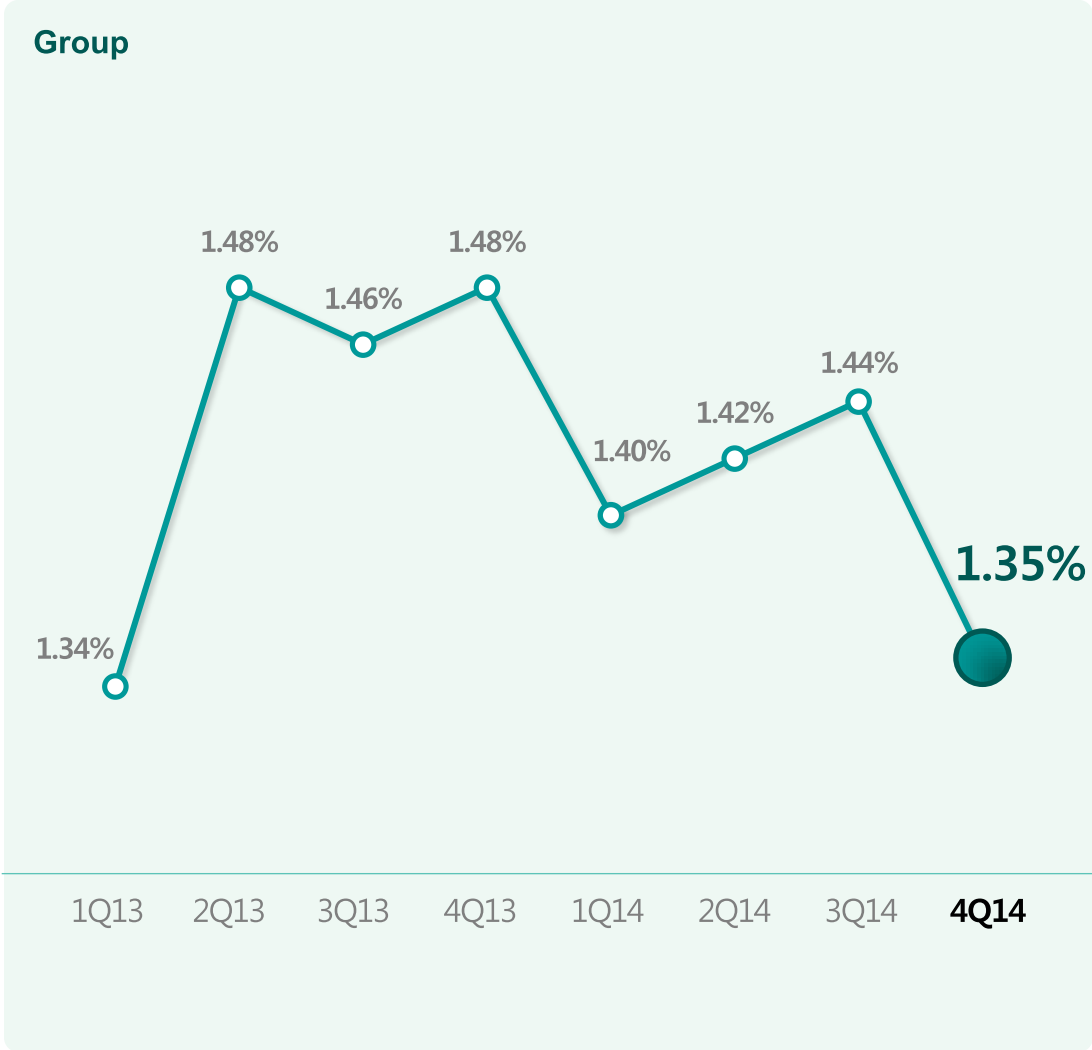


Note1) Group = Hana Bank + KEB

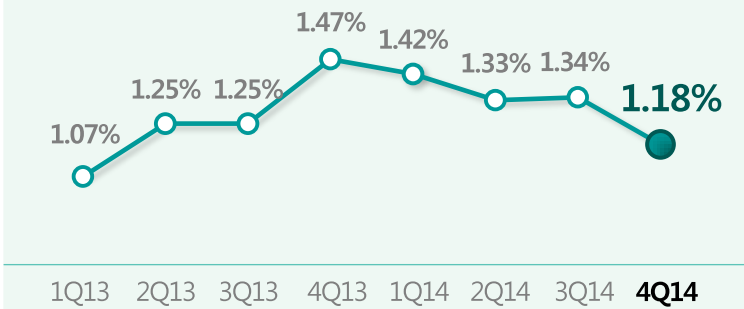


Highlights_Asset Quality

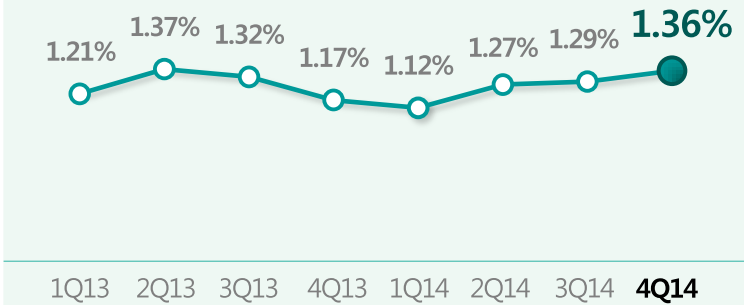
NPL Ratios



Hana Bank

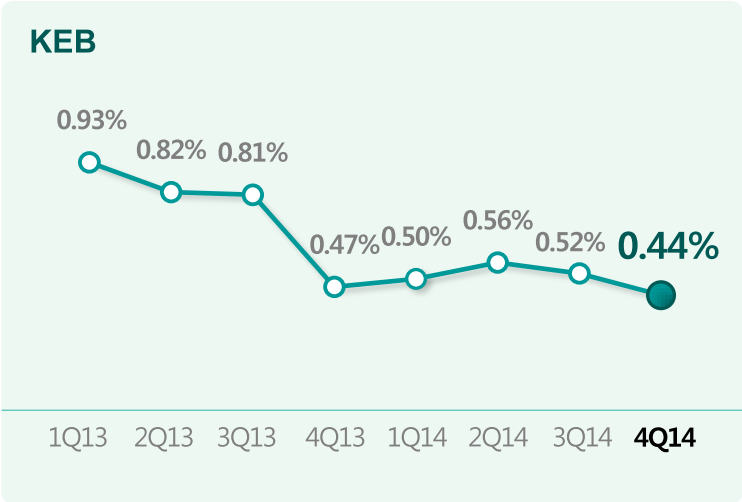
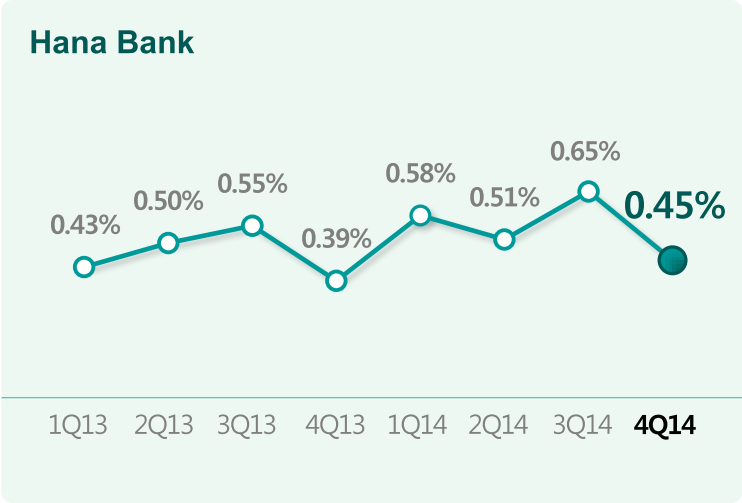


KEB



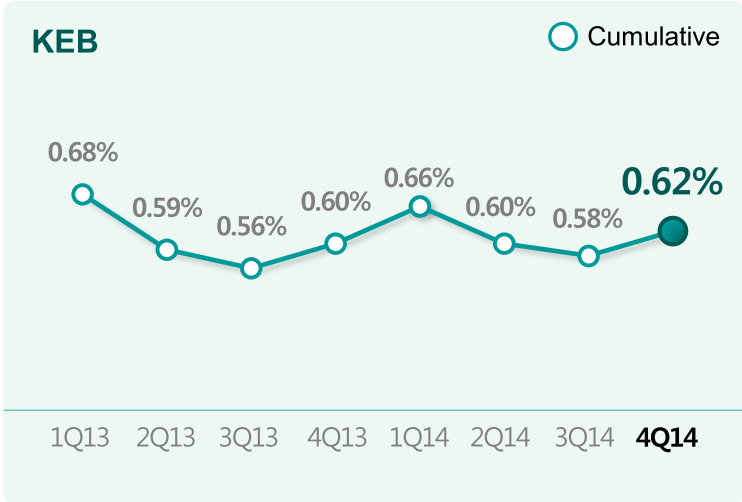
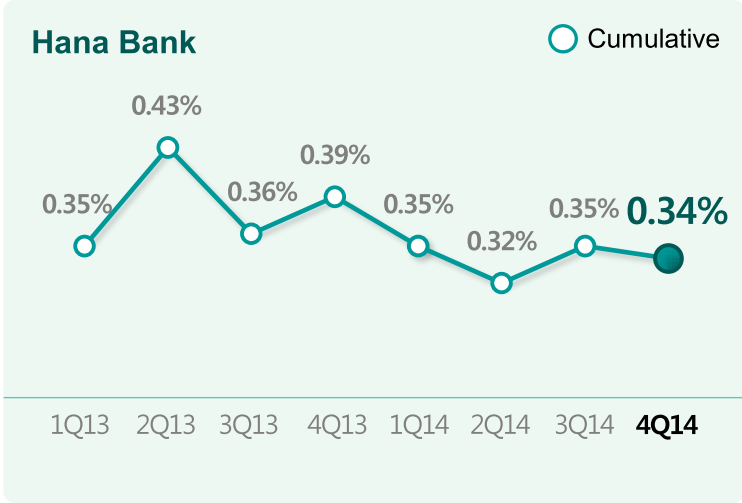
Highlights_Asset Quality

Delinquency Ratios



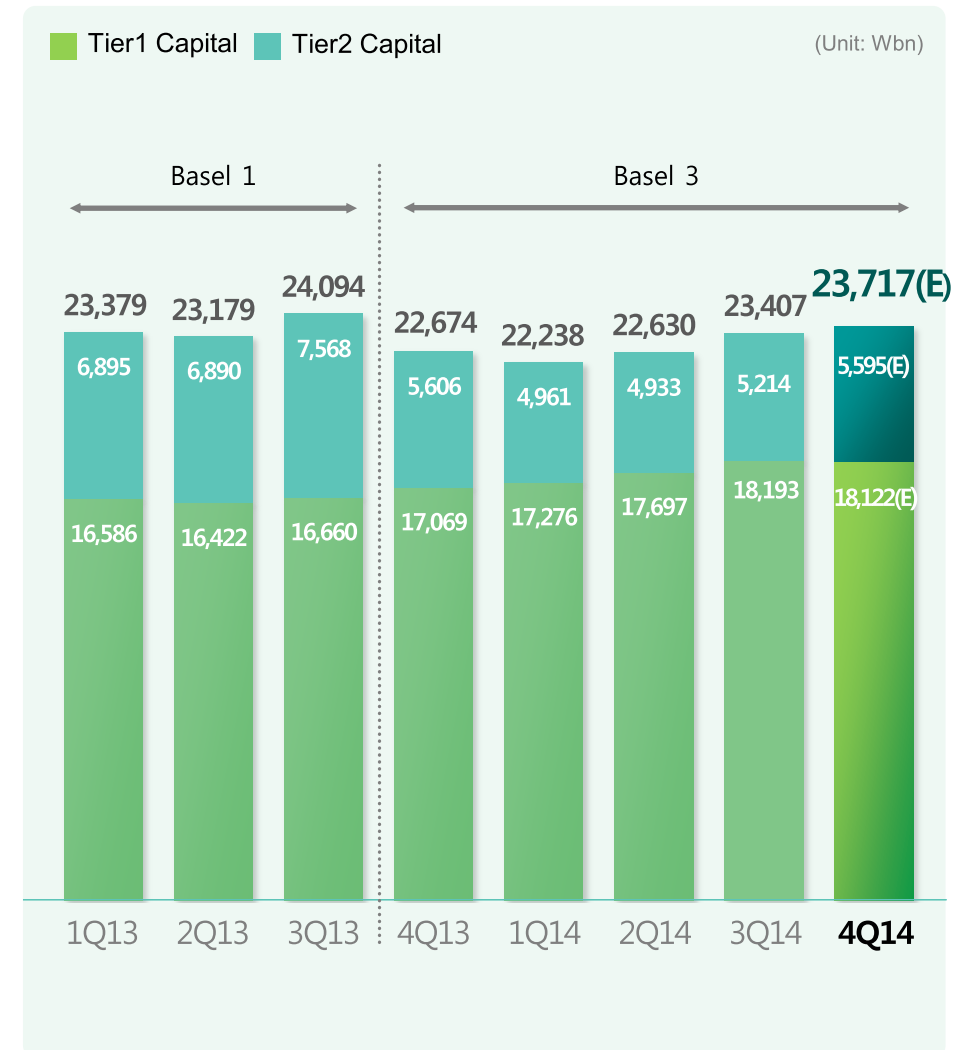
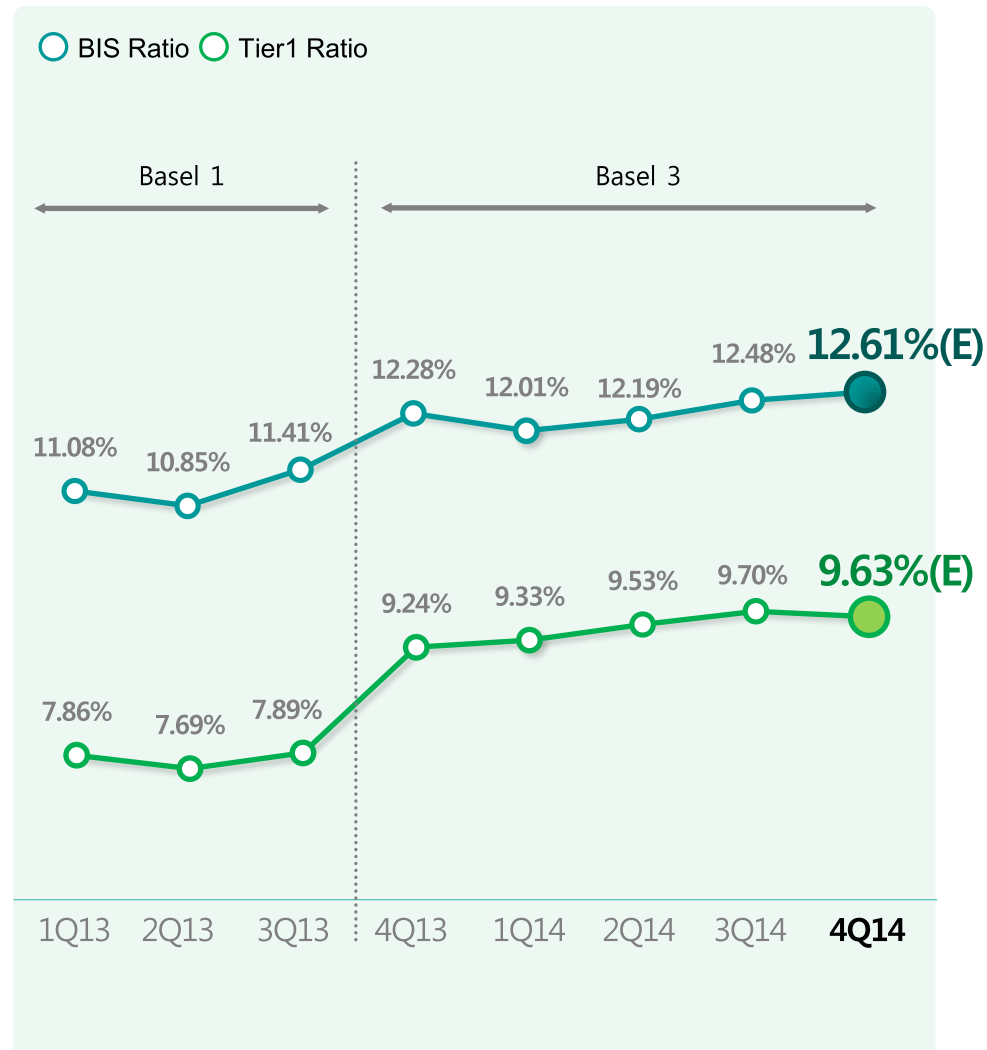
Highlights_Asset Quality

Credit Cost



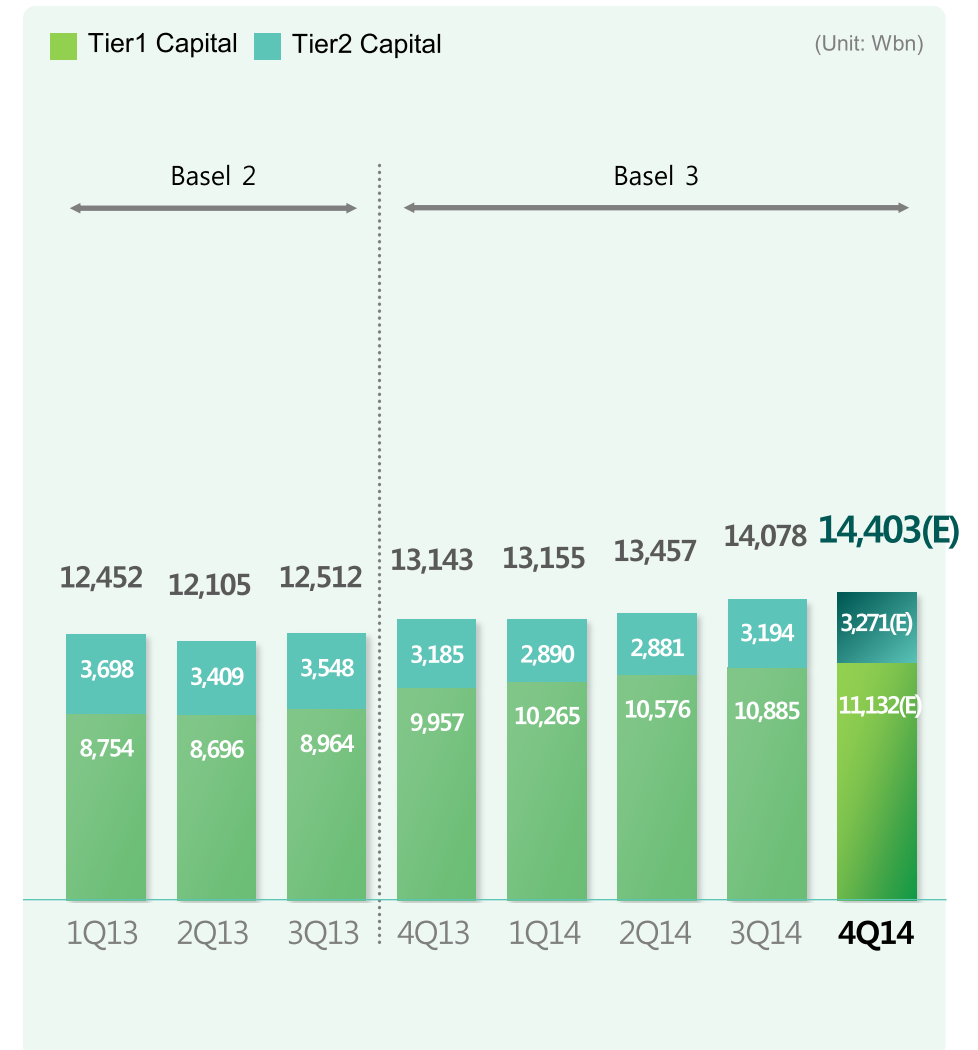
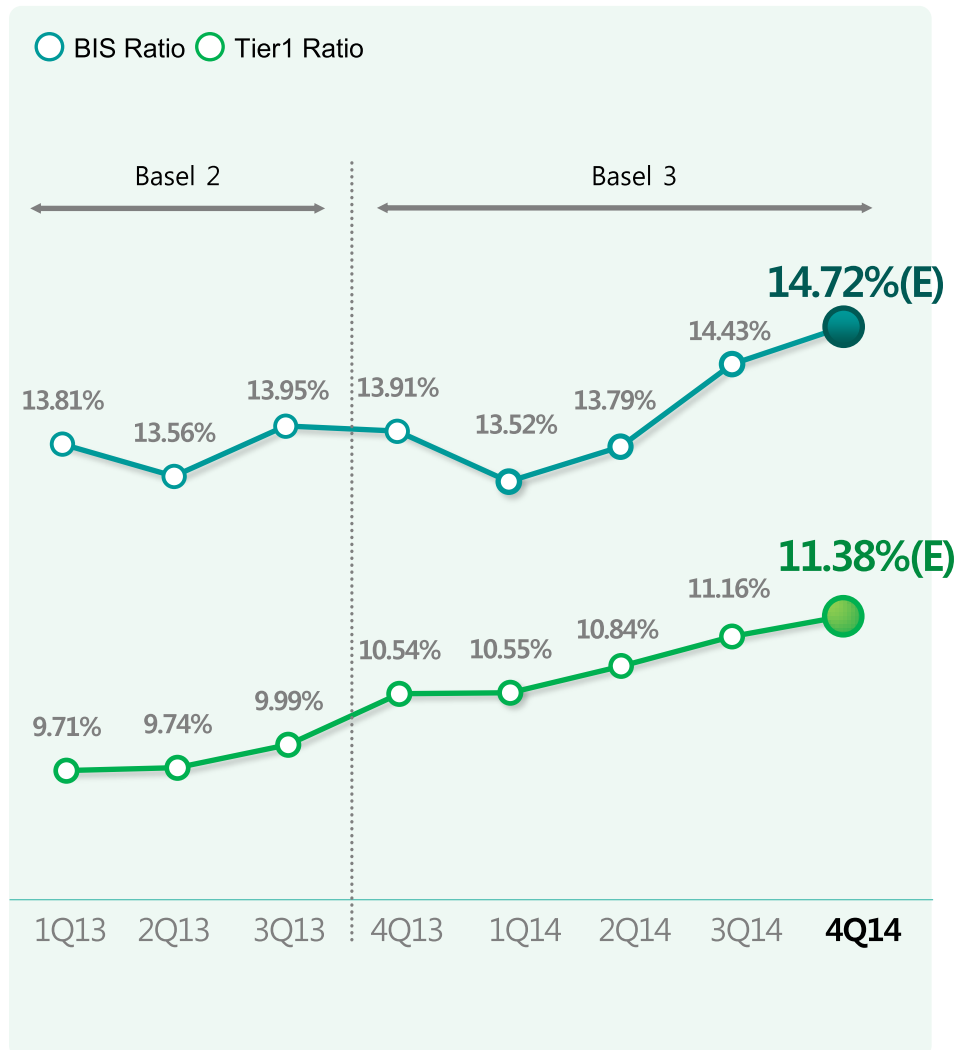
Highlights_Capital Adequacy

Group



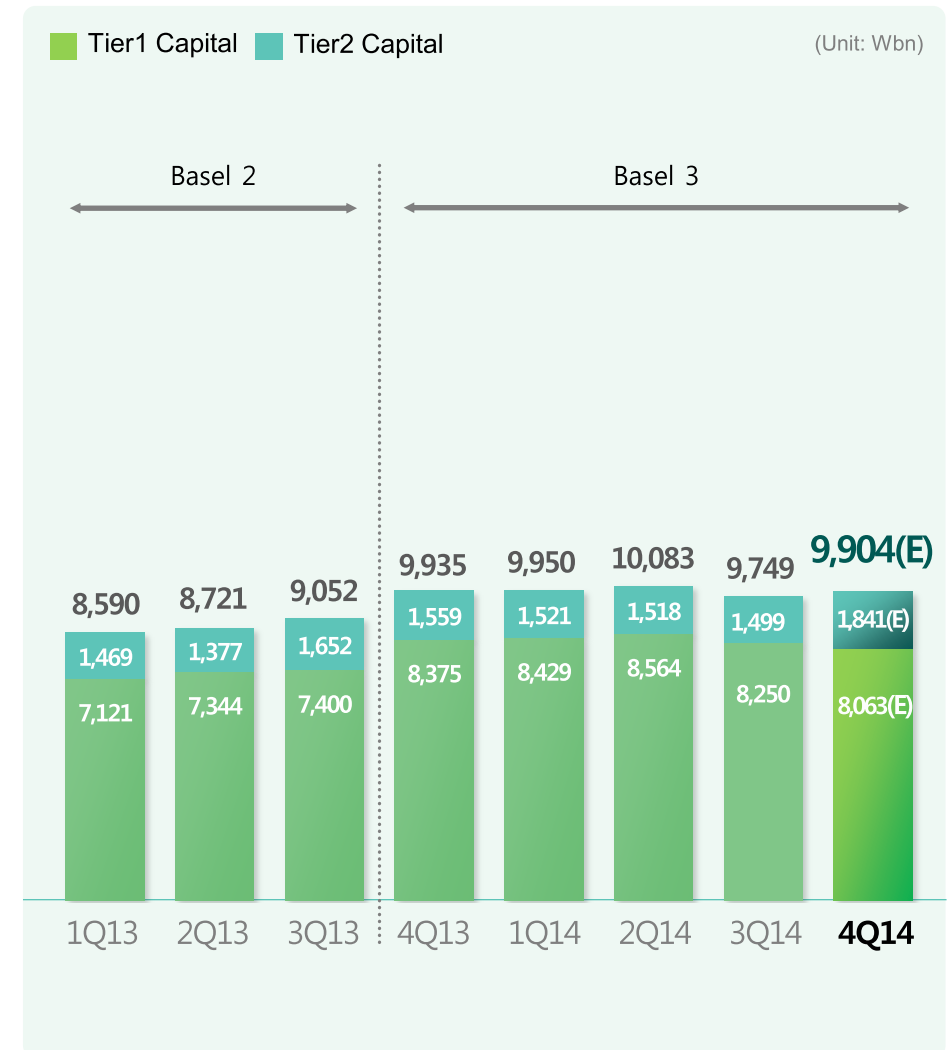
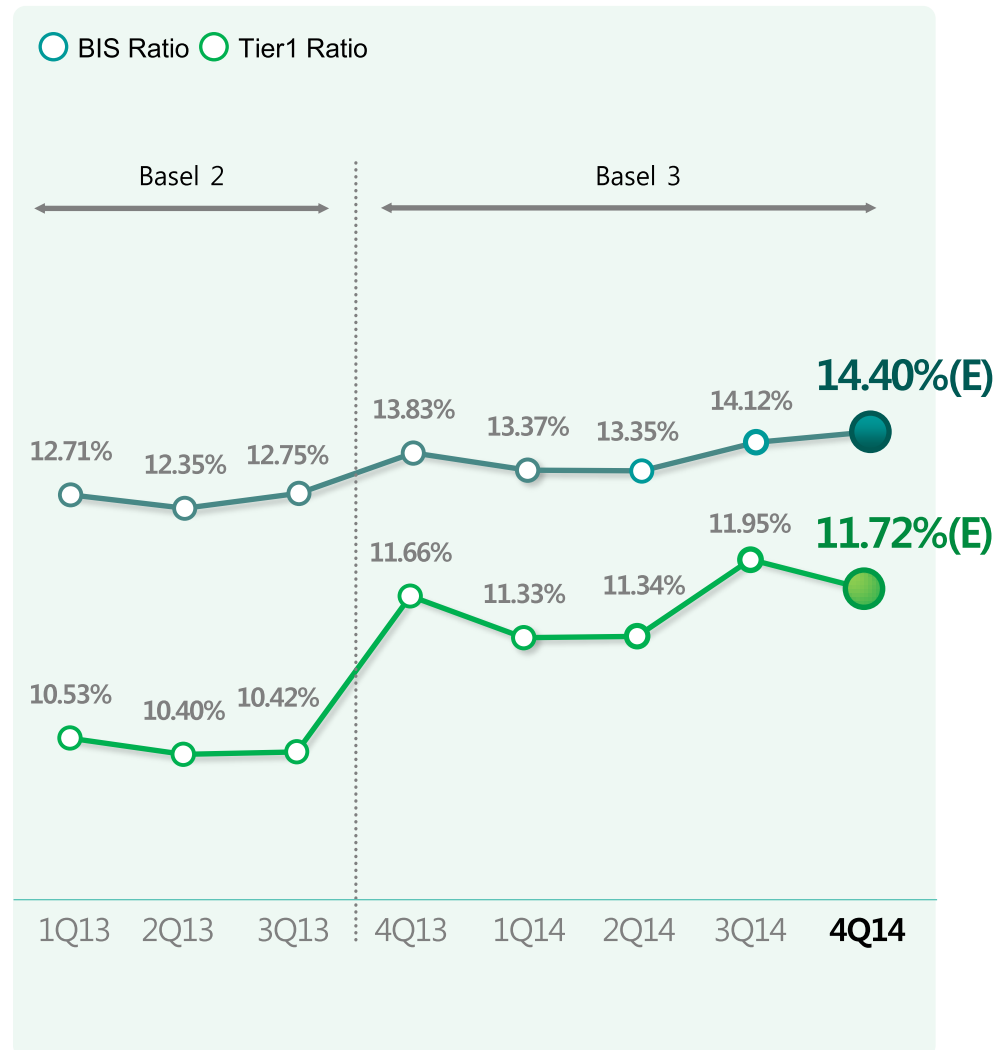
Highlights_Capital Adequacy

Hana Bank



Highlights_Capital Adequacy

KEB



Profitability

- Group Consolidated Earnings
- Business Results of Subsidiaries
- NIM
- Non-Interest Income / SG&A Expense

Group Consolidated Earnings

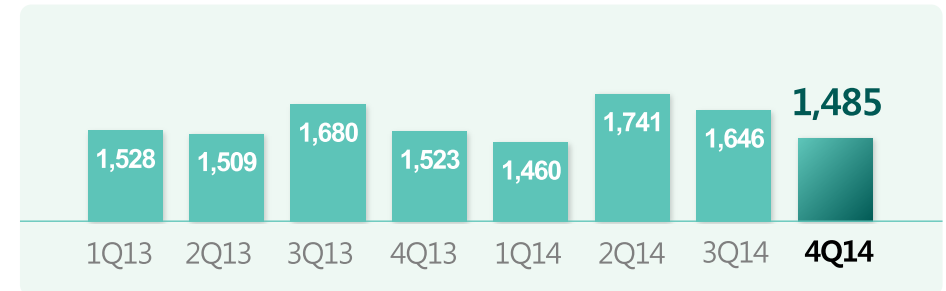
Group Consolidated Earnings

(Unit: Wbn)

	FY2014	FY2013	YoY(%)	4Q14	3Q14	QoQ(%)
Gen Operating Income	6,331.6	6,239.7	1.5%	1,485.0	1,646.0	-9.8%
Int. Income	4,653.9	4,485.0	3.8%	1,151.9	1,181.7	-2.5%
Fee Income	1,762.5	1,675.6	5.2%	461.0	438.4	5.2%
Disposition / Valuation	459.4	408.4	12.5%	(1.4)	172.9	-100.8%
Other Operating Income	(544.3)	(329.3)	N/A	(126.5)	(147.0)	N/A
SG&A Expenses	3,936.2	3,846.3	2.3%	1,103.0	962.5	14.6%
PPOP	2,395.4	2,393.4	0.1%	382.0	683.4	-44.1%
Credit Loss Provision	1,151.9	1,228.4	-6.2%	290.1	295.7	-1.9%
Operating Income	1,243.4	1,165.0	6.7%	91.9	387.7	-76.3%
Net Income	937.7	933.9	0.4%	51.3	276.0	-81.4%

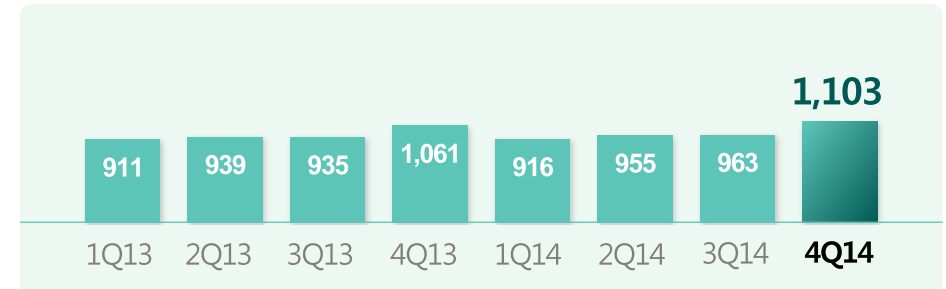
General Operating Income

(Unit: Wbn)



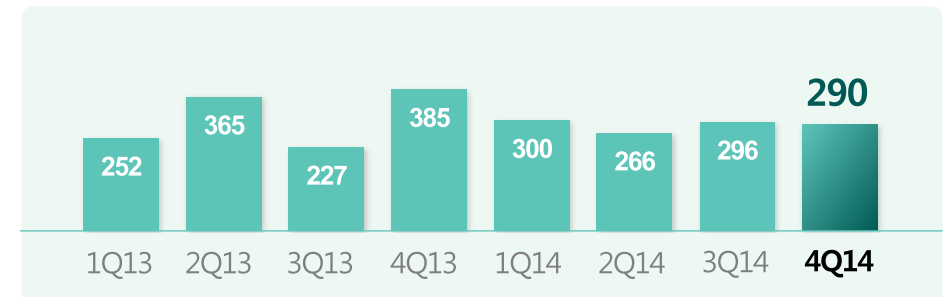
SG&A Expenses

(Unit: Wbn)



Credit Loss Provision

(Unit: Wbn)



Business Results of Subsidiaries

Net Income of Subsidiaries

(Unit: Wbn)

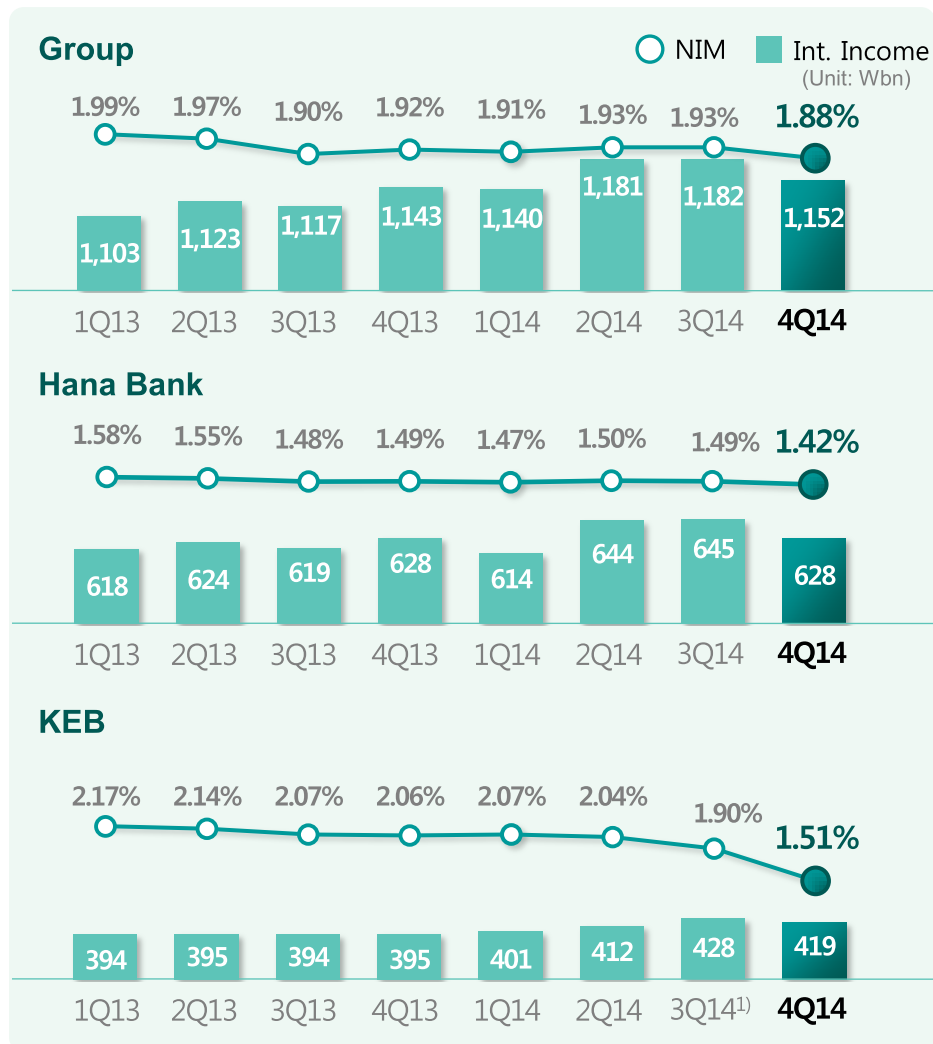
(Separate)	FY2014	FY2013	YoY(%)	4Q14	3Q14	QoQ(%)	Ownership(%)
Hana Bank ¹⁾	856.1	706.2	21.2%	114.3	185.3	-38.3%	100.0%
KEB ¹⁾	365.1	444.3	-17.8%	(85.9)	131.5	-165.3%	100.0%
Hana Daetoo Securities	82.0	68.2	20.2%	28.3	34.4	-17.7%	100.0%
Hana Capital	50.4	44.4	13.5%	12.6	11.7	-7.7%	50.1%
KEB Hana Card ¹⁾	(11.2) ³⁾	N/A	N/A	(15.3) ²⁾	4.1	N/A	74.58%
Hana Asset Trust	10.1	7.2	40.3%	2.4	2.5	-4.0%	100.0%
Hana Savings Bank	11.2	5.8	93.1%	3.4	1.6	112.5%	100.0%
Hana Life	2.9	17.9	-83.8%	(4.0)	0.8	-600.0%	100.0%
Other Subsidiaries & Consolidation Adjustment	(428.9)	(363.6)	N/A	(15.0)	(86.8)	N/A	
Group Consolidated Net Income	937.7	933.9	0.4%	51.3	276.0	-81.4%	

Note1) Hana Bank, KEB, KEB Hana Card: Consolidated

Note2) 2014.12.1 Hana SK Card and KEB Card merged into KEB Hana Card (Surviving Entity: KEB Card)

Note3) FY2014 Net income of KEB Hana Card excludes Hana SK Card's net income of Jan ~ Nov (16.3 Wbn)

NIM



Note1) 2014..09..01 KEB Card completed spin-off from KEB

NIS Trend

Group	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14
Lending Rate	4.58%	4.42%	4.23%	4.17%	4.12%	4.06%	3.98%	3.81%
Funding Rate	2.71%	2.55%	2.43%	2.36%	2.31%	2.24%	2.15%	2.03%
NIS	1.87%	1.87%	1.80%	1.81%	1.81%	1.82%	1.83%	1.78%

Hana Bank	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14
Lending Rate	4.38%	4.20%	4.00%	3.93%	3.86%	3.83%	3.74%	3.54%
Funding Rate	2.87%	2.72%	2.59%	2.52%	2.46%	2.40%	2.33%	2.20%
NIS	1.51%	1.48%	1.41%	1.41%	1.40%	1.43%	1.41%	1.34%

KEB	1Q13	2Q13	2013	4Q13	1Q14	2Q14	3Q14	4Q14
Lending Rate	4.32%	4.16%	4.00%	3.92%	3.92%	3.80%	3.57%	3.08%
Funding Rate	2.30%	2.16%	2.06%	2.01%	1.97%	1.89%	1.78%	1.66%
NIS	2.02%	2.00%	1.94%	1.91%	1.95%	1.91%	1.79%	1.42%

Non-Int. Income / SG&A Expenses

Non-Int. Income

(Unit: Wbn)

	FY2014	FY2013	YoY(%)	4Q14	3Q14	QoQ(%)
Fee Income	1,762.5	1,675.6	5.2%	461.0	438.4	5.2%
Credit Card	783.9	740.1	5.9%	205.6	192.5	6.8%
Banking Fee	453.0	456.5	-0.8%	114.2	109.7	4.1%
Guarantee	84.4	81.0	4.2%	20.6	21.3	-3.4%
Loan & Other	173.4	174.3	-0.5%	45.5	39.2	16.0%
FX	195.3	200.9	-2.8%	48.1	49.0	-1.7%
Operating Lease	(0.1)	0.4	N/A	(0.1)	0.2	N/A
Asset Mgmt Fee	472.5	447.7	5.5%	122.0	124.2	-1.8%
Beneficiary Cert. Sales	126.2	134.5	-6.2%	30.0	32.7	-8.3%
Wrap & Operation	26.3	29.0	-9.3%	7.1	6.6	7.8%
Brokerage	106.7	101.6	5.0%	28.4	29.4	-3.4%
Trust	147.5	89.1	65.6%	39.0	39.7	-1.8%
Bancassurance	65.6	93.4	-29.7%	17.4	15.8	10.3%
M&A Advisory	34.1	39.0	-12.4%	12.0	6.6	82.3%
Other	19.1	(7.7)	-347.9%	7.3	5.3	36.5%
Disposition/ Valuation	459.4	408.4	12.5%	(1.4)	172.9	-100.8%
Other Operating Income	(544.3)	(329.3)	N/A	(126.5)	(147.0)	N/A
Total	1,677.7	1,754.7	-4.2%	333.1	464.3	-28.3%

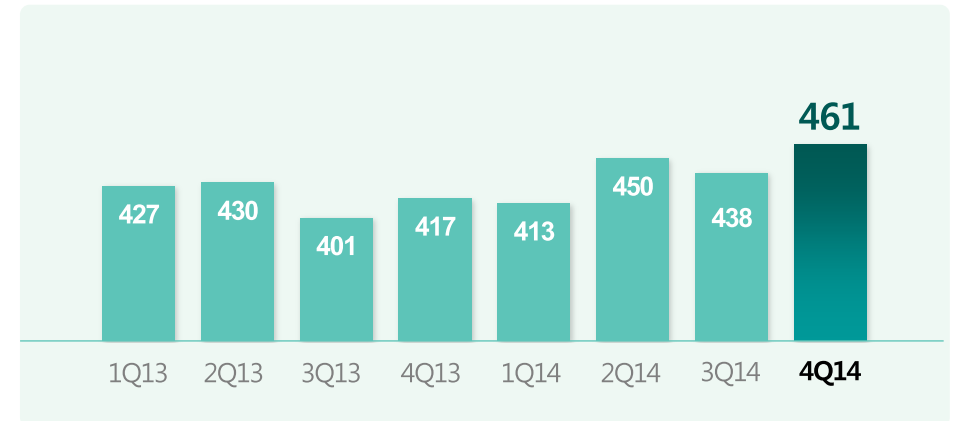
SG&A Expenses

(Unit: Wbn)

	2014	2013	YoY(%)	4Q14	3Q14	QoQ(%)
Salary & Benefits	1,806.1	1,792.4	0.8%	478.0	458.8	4.2%
Retirement Benefits	274.3	200.5	36.8%	105.7	48.1	119.6%
Admin. Expense	1,253.8	1,238.9	1.2%	365.9	307.5	19.0%
Taxes / Depreciation	602.1	614.4	-2.0%	153.3	148.1	3.5%
Total	3,936.2	3,846.3	2.3%	1,103.0	962.5	14.6%

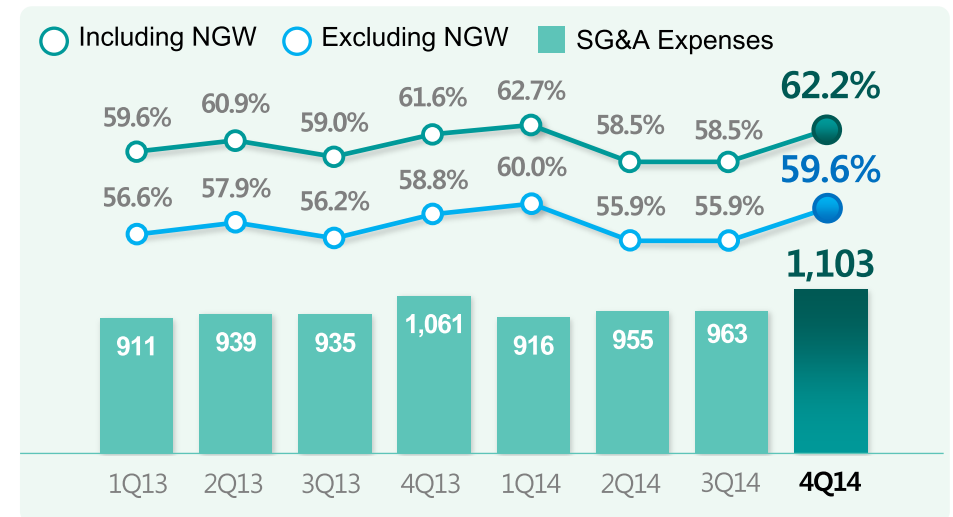
Group Fee Income Trend

(Unit: Wbn)



Group C/I Ratio

(Unit: Wbn)



Total Lending & Funding

- Group Total Assets / Total Liabilities & Equity
- Hana Bank KRW Loan / Deposit
- KEB KRW Loan / Deposit

Group Total Asset / Total Liabilities & Equity

Group Total Asset¹⁾

(Unit: Wbn)

	4Q14	4Q13	YoY(%)	3Q14	QoQ(%)
Cash & Deposits	22,258	19,343	15.1%	20,422	9.0%
Securities	53,468	46,626	14.7%	49,645	7.7%
Loan Receivables	213,963	203,598	5.1%	211,610	1.1%
KRW Loan	165,574	158,053	4.8%	165,408	0.1%
Tangible Asset	2,759	2,688	2.6%	2,713	1.7%
Other Asset	23,100	22,934	0.7%	27,391	-15.7%
Group Asset	315,548	295,189	7.0%	311,781	1.2%
+ Trust Asset	76,030	73,298	3.7%	79,052	-3.8%
Group Total Asset	391,578	368,486	6.3%	390,833	0.2%

Group Total Liabilities & Equity

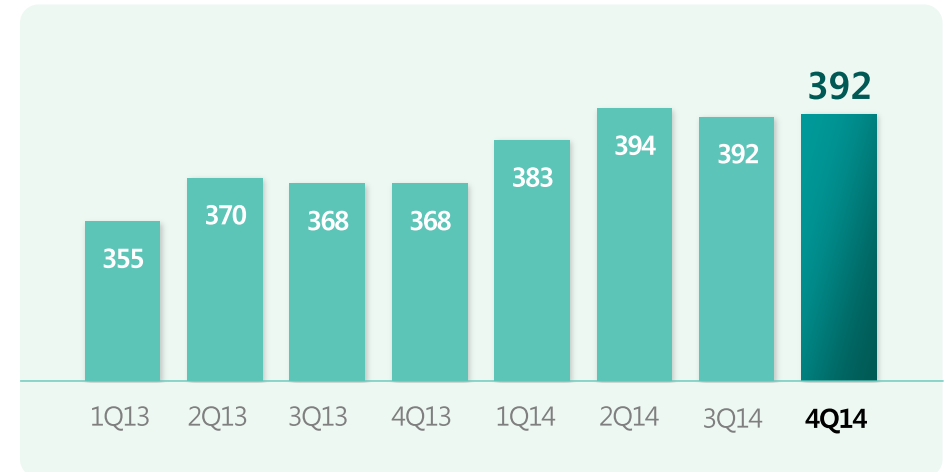
(Unit: Wbn)

	4Q14	4Q13	YoY(%)	3Q14	QoQ(%)
Deposits	201,897	187,226	7.8%	194,288	3.9%
Borrowings	52,572	52,253	0.6%	53,899	-2.5%
Debt	16,833	14,487	16.2%	16,771	0.4%
Debentures	29,308	30,420	-3.7%	28,160	4.1%
RP, Call Money, etc	6,431	7,346	-12.5%	8,968	-28.3%
Other Liabilities	39,186	34,820	12.5%	41,747	-6.1%
Total Liabilities	293,655	274,299	7.1%	289,934	1.3%
Total Equity	21,894	20,890	4.8%	21,847	0.2%
Liabilities & Equity	315,548	295,189	6.9%	311,781	1.2%

Note1) Total Asset = Group Asset + Trust Asset

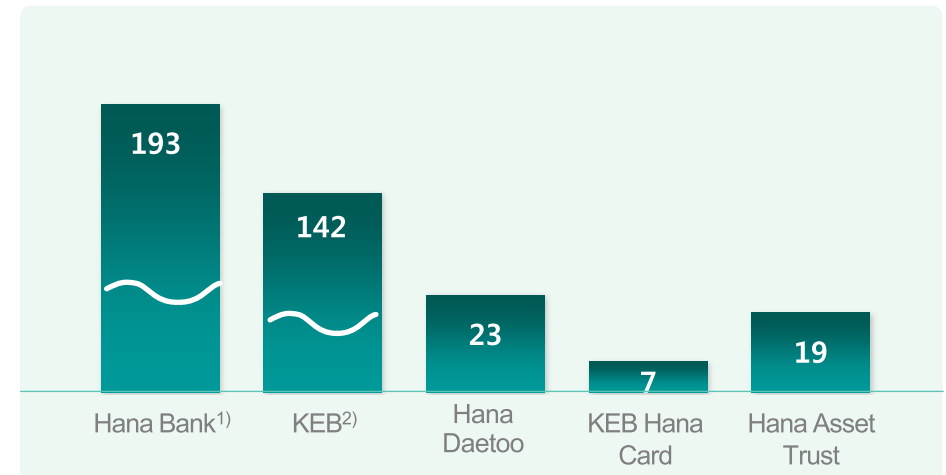
Group Total Asset Trend

(Unit: Wtn)



Total Asset of Subsidiaries

(Unit: Wtn)



Note1) Hana Bank, KEB: Consolidated

KRW Loan / Deposit_Hana Bank

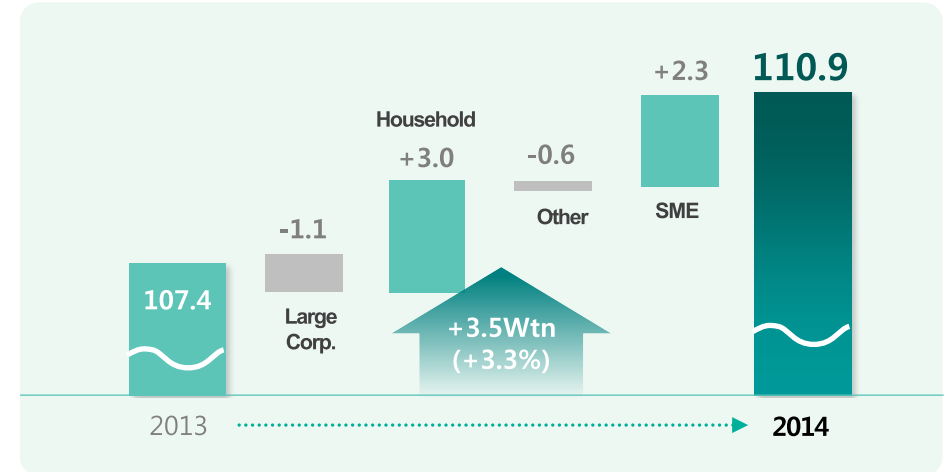
KRW Loan

(Unit: Wbn)

	4Q14	4Q13	YoY(%)	3Q14	QoQ(%)
Corporate Loan	53,238	52,731	1.0%	53,773	-1.0%
Large Corp.	15,442	16,574	-6.8%	16,368	-5.7%
SME	36,678	34,396	6.6%	36,171	1.4%
(SOHO)	17,103	14,699	16.4%	16,320	4.8%
Other	1,118	1,761	-36.5%	1,234	-9.4%
Household Loan	57,684	54,697	5.5%	56,026	3.0%
Secured	46,782	43,746	6.9%	45,182	3.5%
(Mortgage)	35,932	32,919	9.1%	34,421	4.4%
Unsecured	10,902	10,951	-0.5%	10,844	0.5%
Total	110,922	107,429	3.3%	109,799	1.0%

KRW Loan Growth (YTD)

(Unit: Wtn)



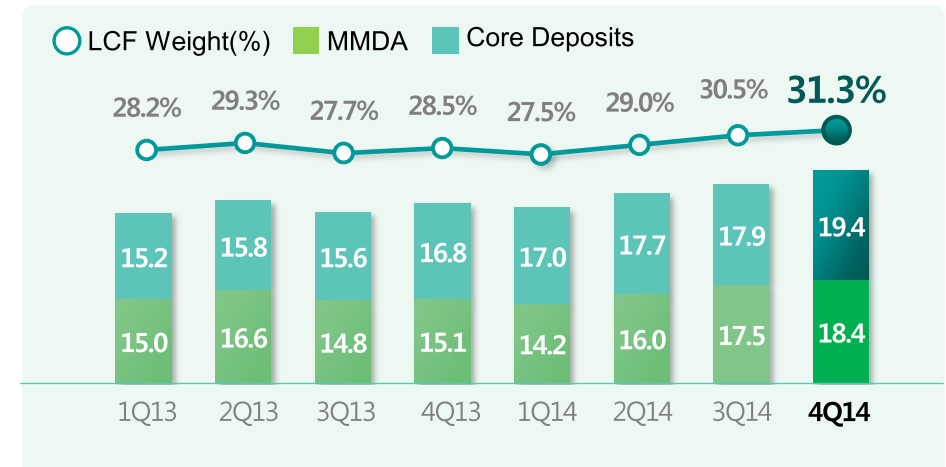
Deposit (Ending. Balance)

(Unit: Wbn)

	4Q14	4Q13	YoY(%)	3Q14	QoQ(%)
KRW Deposit	116,042	107,426	8.0%	111,313	4.2%
Core Deposits	19,422	16,766	15.8%	17,871	8.7%
MMDA	18,386	15,075	22.0%	17,470	5.2%
Time Deposits	70,597	69,430	1.7%	68,833	2.6%
Installment Deposits	6,601	5,421	21.8%	6,388	3.3%
Marketable Securities	1,036	733	41.3%	750	38.1%
FC Deposit	4,768	4,188	13.8%	4,534	5.2%
Total	120,810	111,614	8.2%	115,846	4.3%

Low Cost Funding Trend (Core Deposits+MMDA)

(Unit: Wtn)



KRW Loan / Deposit_KEB

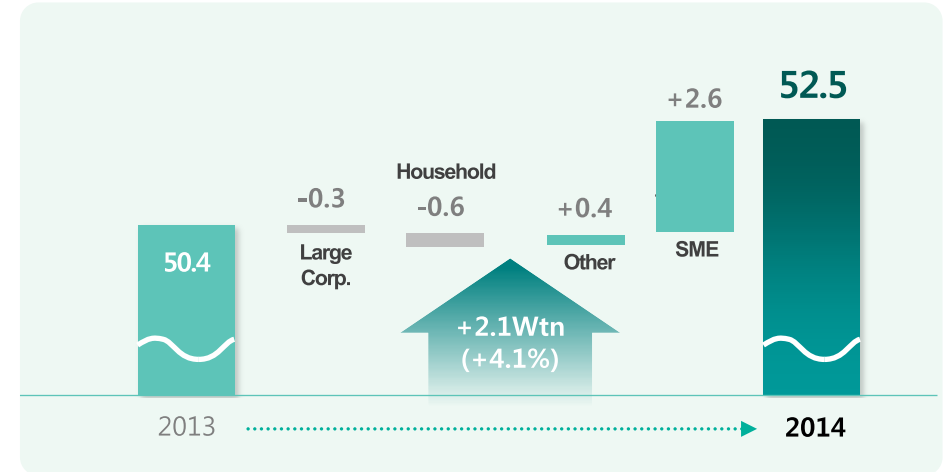
KRW Loan

(Unit: Wbn)

	4Q14	4Q13	YoY(%)	3Q14	QoQ(%)
Corporate Loan	31,176	28,512	9.3%	32,442	-3.9%
Large Corp.	10,310	10,596	-2.7%	11,627	-11.3%
SME	19,808	17,256	14.8%	19,733	0.4%
(SOHO)	5,491	3,571	53.8%	4,992	10.0%
Other	1,058	660	60.4%	1,082	-2.2%
Household Loan	21,328	21,920	-2.7%	20,920	1.9%
Secured	15,642	15,697	-0.4%	15,169	3.1%
(Mortgage)	14,199	14,195	0.0%	13,736	3.4%
Unsecured	5,686	6,223	-8.6%	5,751	-1.1%
Total	52,504	50,433	4.1%	53,362	-1.6%

KRW Loan Growth (YTD)

(Unit: Wtn)



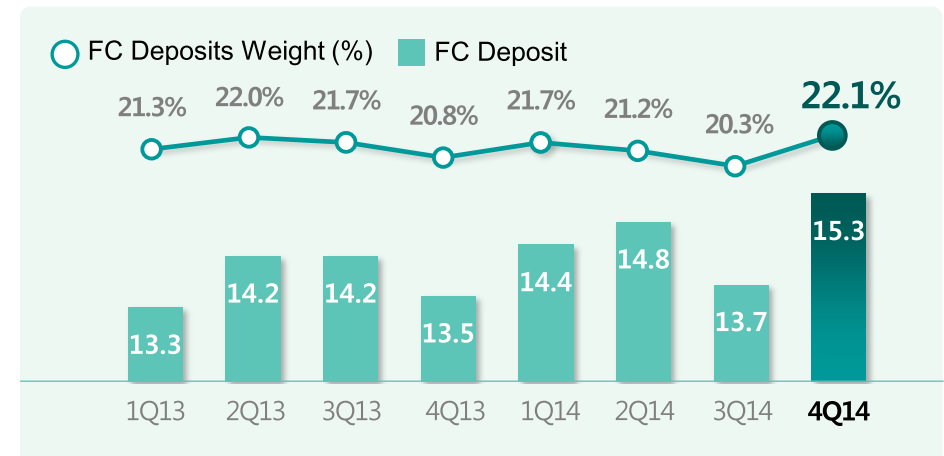
Deposit (Ending. Balance)

(Unit: Wbn)

	4Q14	4Q13	YoY(%)	3Q14	QoQ(%)
KRW Deposit	54,111	51,665	4.7%	53,858	0.5%
Core Deposits	13,927	12,592	10.6%	13,027	6.9%
MMDA	6,597.5	5,617	17.4%	6,014	9.7%
Time Deposits	30,558	30,519	0.1%	31,792	-3.9%
Installment Deposits	2,799.5	2,599	7.7%	2,797	0.1%
Marketable Securities	230.0	338	-31.9%	229	0.5%
FC Deposit	15,325	13,555	13.1%	13,747	11.5%
Total	69,436	65,220	6.5%	67,605	2.7%

FC Deposit Trend

(Unit: Wtn)



Asset Quality

- Group Asset Quality
- Hana Bank Asset Quality
- KEB Asset Quality
- Provision

Asset Quality_Group

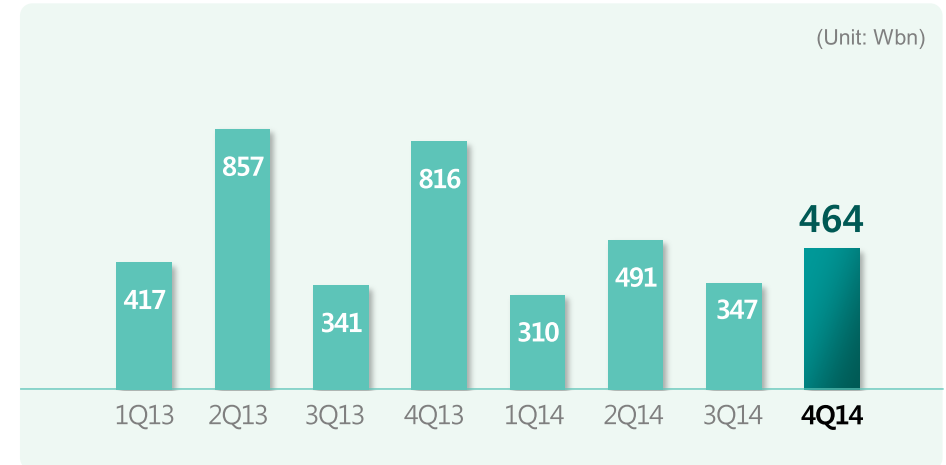
Group

(Unit: Wbn)

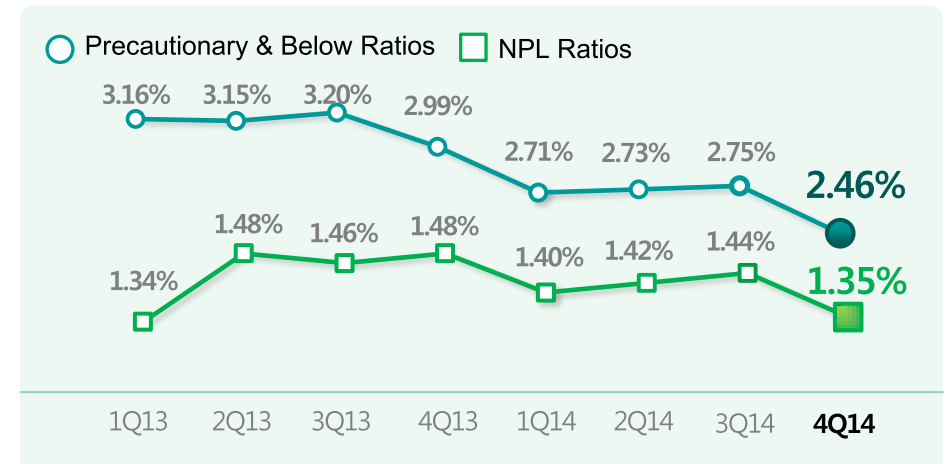
	FY2014	3Q14	FY2013
Total Credit	230,819	231,990	222,030
Normal	225,147	225,618	215,392
Precautionary	2,553	3,027	3,346
Substandard	2,006	2,039	1,952
Doubtful	575	618	655
Estimated Loss	538	689	684
NPL Amount	3,119	3,345	3,291
NPL Ratio	1.35%	1.44%	1.48%
NPL Coverage Ratio	123.3%	120.3%	120.7%
Loan Loss Allowance	3,845	4,023	3,971
Loan Loss Reserves	2,134	2,288	2,308
Credit Loss Reserves	1,711	1,735	1,663

Group NPL New Formation

(Unit: Wbn)



Group NPL / Precautionary & Below Ratios



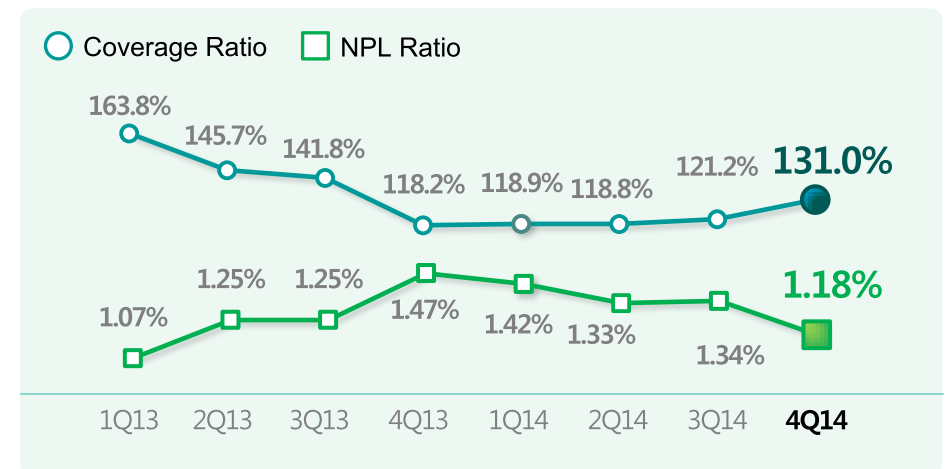
Asset Quality_Hana Bank

Hana Bank

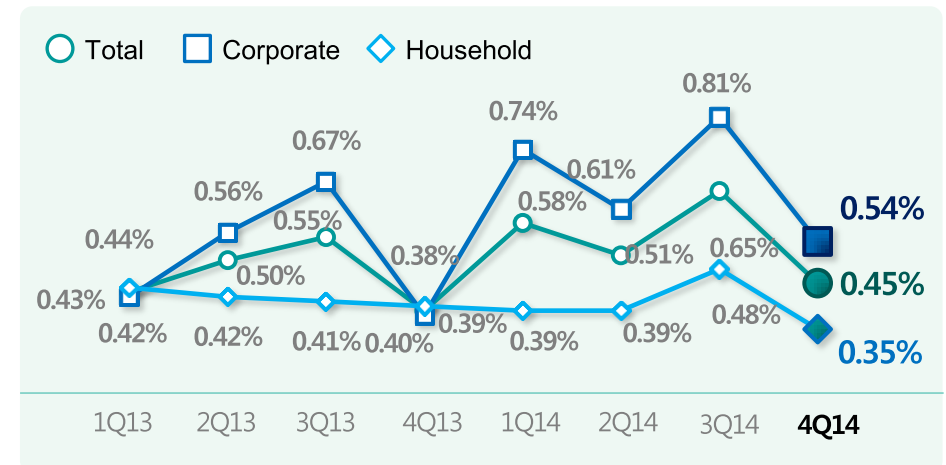
(Unit: Wbn)

	FY2014	3Q14	FY2013
Total Credit	126,794	126,848	122,758
Normal	124,501	124,043	119,672
Precautionary	802	1,105	1,276
Substandard	960	1,079	1,086
Doubtful	268	297	342
Estimated Loss	264	323	383
NPL Amount	1,492	1,699	1,810
NPL Ratio	1.18%	1.34%	1.47%
NPL Coverage Ratio	131.0%	121.2%	118.2%
Loan Loss Allowance	1,953	2,059	2,140
Loan Loss Reserves	889	983	1,063
Credit Loss Reserves	1,065	1,075	1,077

NPL Ratio / Coverage Trend



Delinquency Ratios Trend



Asset Quality_KEB

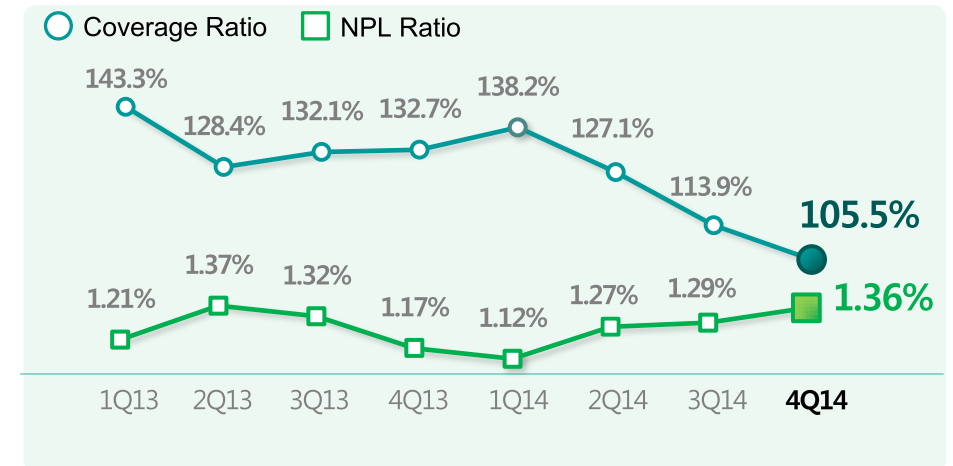


KEB

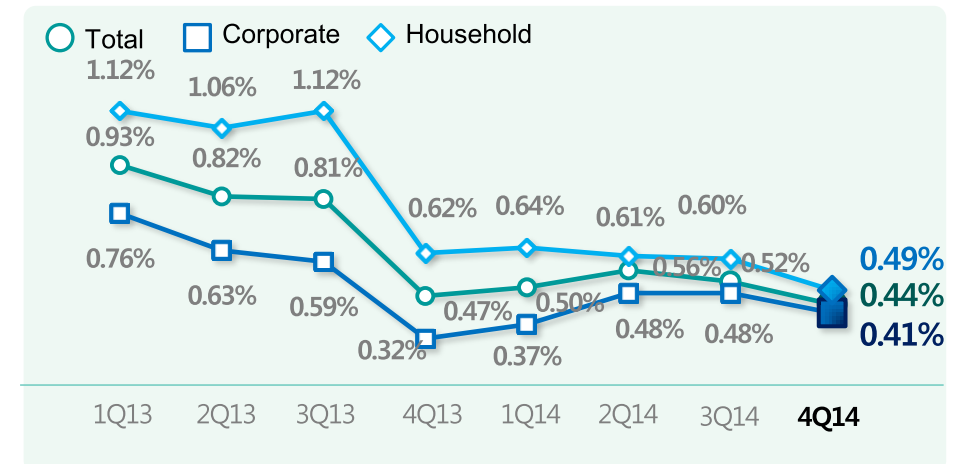
(Unit: Wbn)

	FY2014	3Q14	FY2013
Total Credit	81,687	82,789	80,512
Normal	79,878	80,825	78,298
Precautionary	697	898	1,274
Substandard	851	768	658
Doubtful	144	127	171
Estimated Loss	118	171	112
NPL Amount	1,112	1,066	940
NPL Ratio	1.36%	1.29%	1.17%
NPL Coverage Ratio	105.5%	113.9%	132.7%
Loan Loss Allowance	1,173	1,215	1,247
Loan Loss Reserves	656	675	713
Credit Loss Reserves	517	539	534

NPL Ratio / Coverage Trend

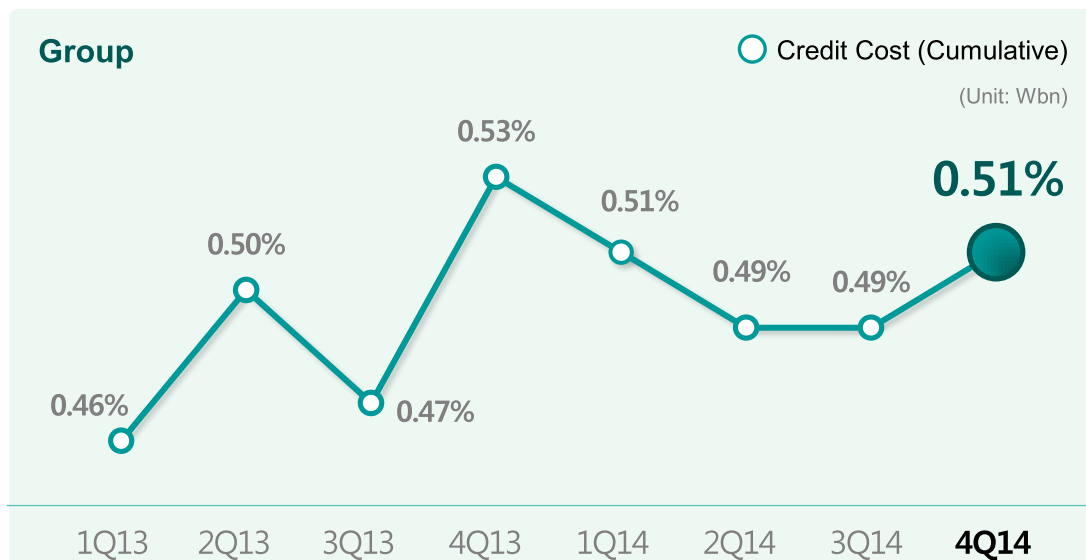


Delinquency Ratios Trend



Provision Analysis (1)

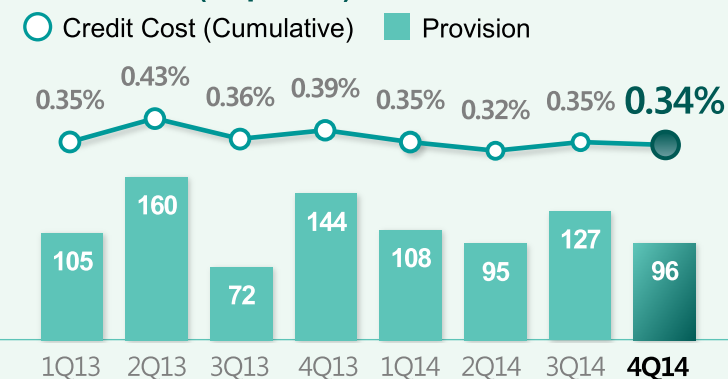
Group Provision Overview



	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14
Credit Loss Provision	251.7	364.6	227.0	385.1	300.2	265.9	295.7	290.1
Loan Loss Provision	246.6	306.9	225.4	391.8	292.7	265.9	298.2	328.5
Unused Commitments Provision	-8.1	5.8	-3.7	3.0	-2.4	0.0	-0.3	-1.5
Other Provision	13.3	51.9	5.2	-9.8	9.9	0.1	-2.1	-36.9

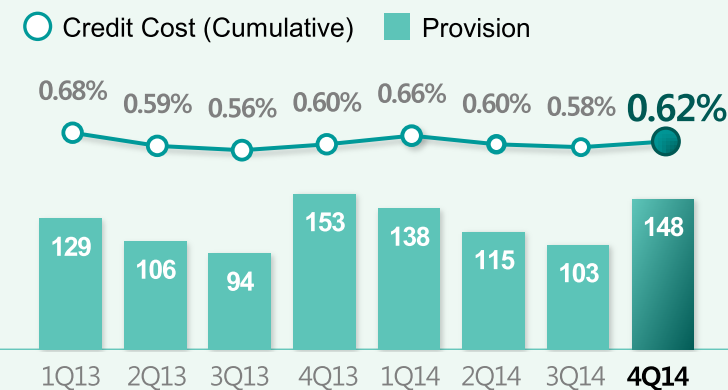
Hana Bank (Separate)

(Unit: Wbn)



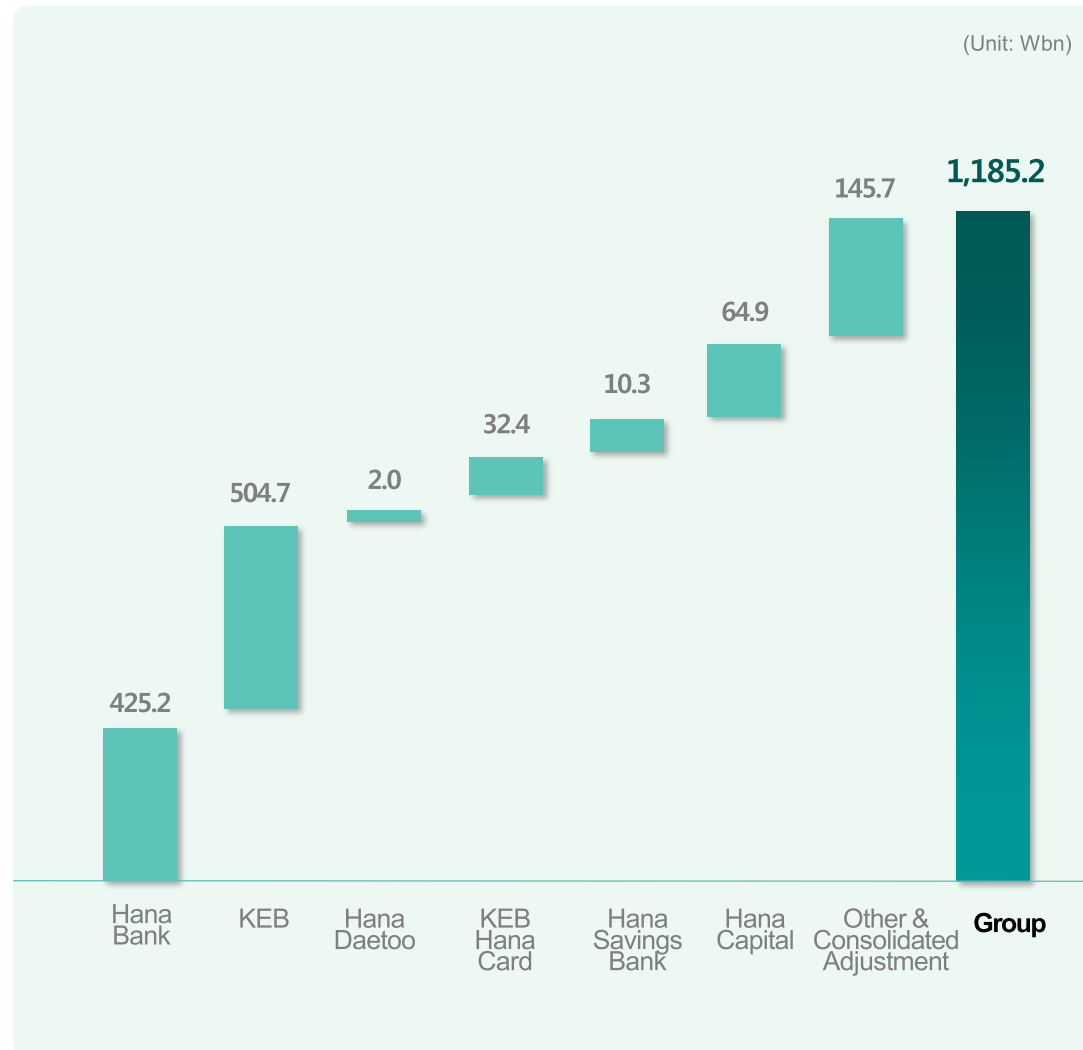
KEB (Separate)

(Unit: Wbn)

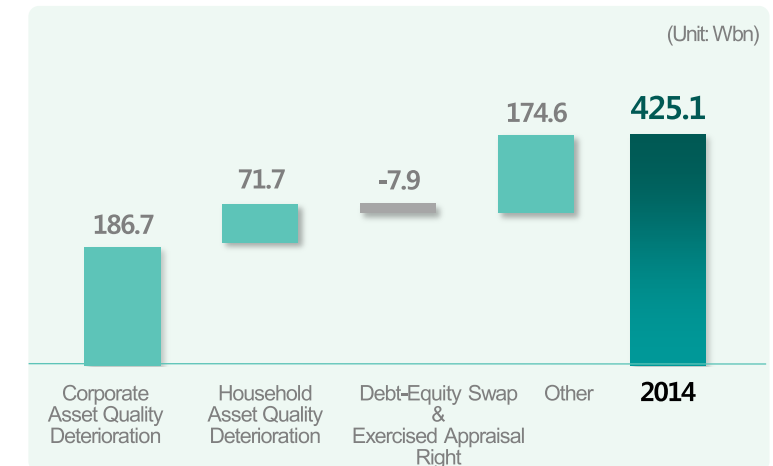


Provision Analysis (2)

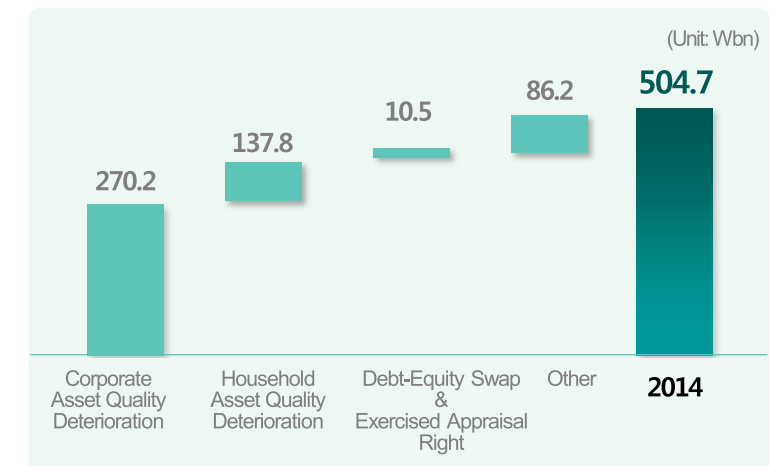
Subsidiaries' Provision Overview



Hana Bank Provision Break-down



KEB Provision Break-down



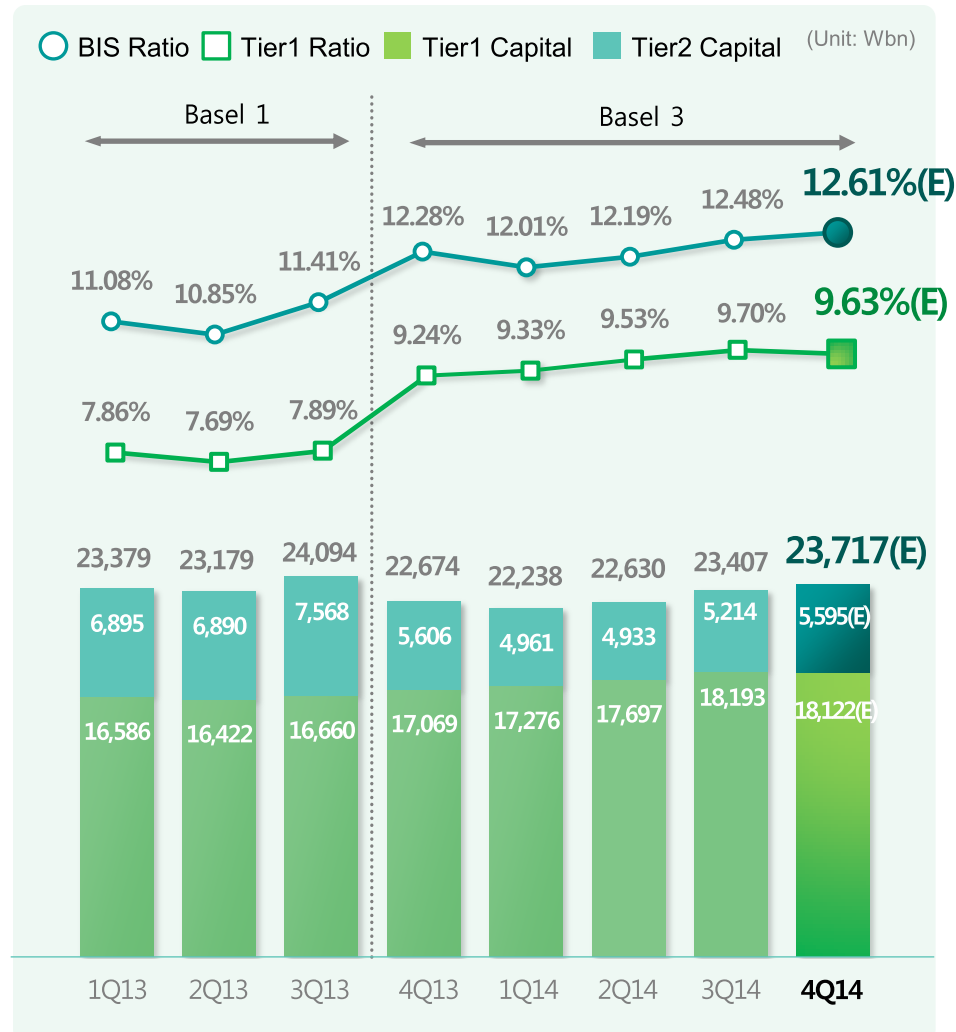
Capital Adequacy

- Capital Adequacy_Group
- Capital Adequacy_Bank

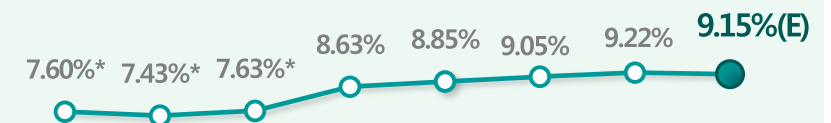
Capital Adequacy_Group



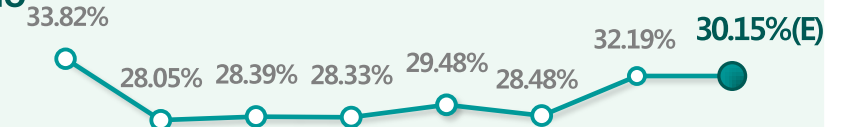
Group Capital Adequacy



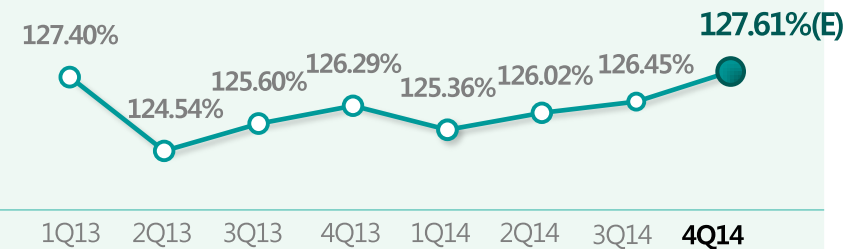
Common Equity Tier 1 Ratio



Debt to Equity Ratio



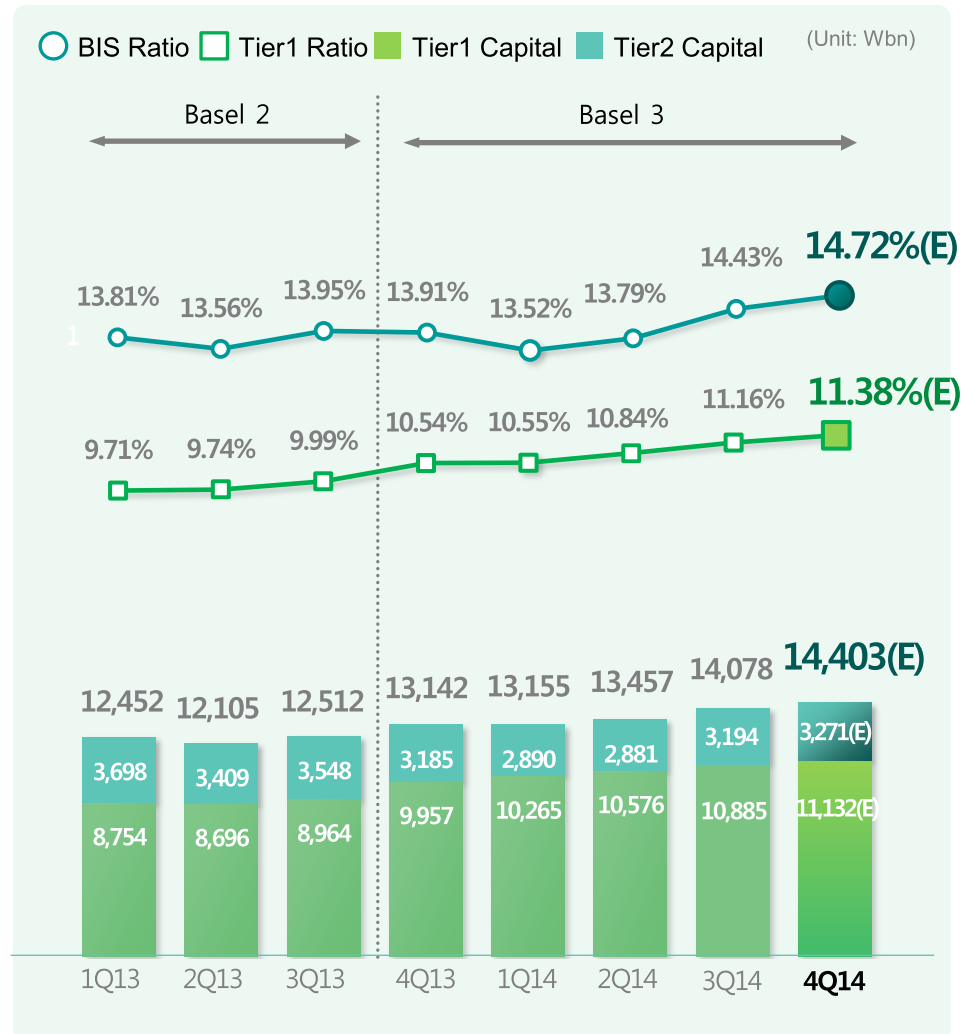
Double Leverage Ratio



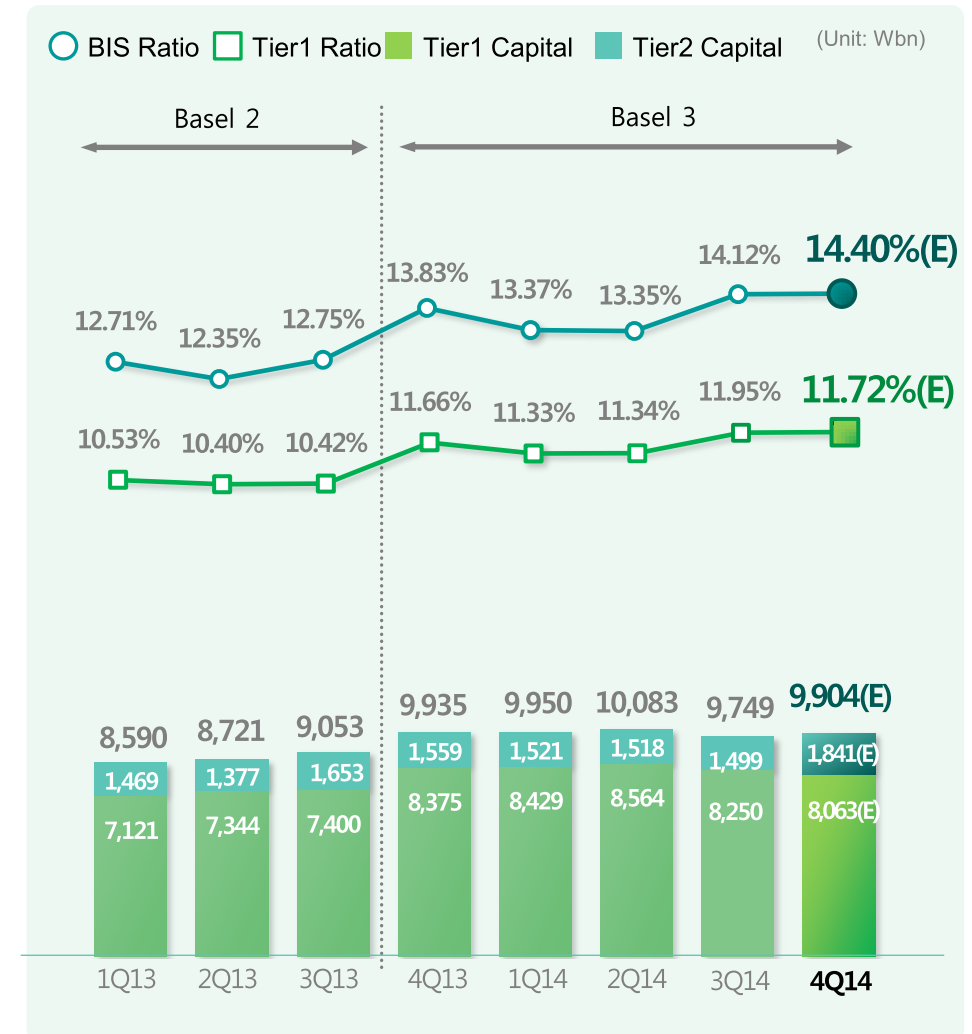
Note1) 1Q13~3Q13 Common Equity Tier 1 Ratio(*) indicates Core Tier 1 Ratio

Capital Adequacy_Bank

Hana Bank Capital Adequacy



KEB Capital Adequacy



Appendix

▸ Major Indices

Major Indices

Group(Consolidated)

(Unit: KRW)

(Cumulative)	FY 2014	3Q14	FY 2013
ROA	0.32%	0.40%	0.34%
ROE	4.55%	5.78%	5.16%
EPS(KRW)	3,177	3,019	3,399
BPS(KRW)	71,848	71,840	68,754
C/I Ratio	62.2%	58.5%	61.6%

Hana Bank(Seperate)

(Unit: KRW)

(Cumulative)	FY 2014	3Q14	FY 2013
ROA	0.52%	0.60%	0.42%
ROE	7.24%	8.39%	5.94%
EPS(KRW)	3,834	3,292	2,981
BPS(KRW)	54,706	54,204	51,016
C/I Ratio	53.9%	49.2%	53.8%

KEB(Seperate)

(Unit: KRW)

(Cumulative)	FY 2014	3Q14	FY 2013
ROA	0.37%	0.54%	0.35%
ROE	4.28%	6.25%	4.02%
EPS(KRW)	625	663	528
BPS(KRW)	16,703	16,797	13,936
C/I Ratio	58.8%	55.2%	57.0%

