



Press Release

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Preliminary Earnings of Foreign Bank Branches, 2019

Foreign banks operated 36 branches in Korea at the end of 2019, and the aggregate assets of the branches increased KRW32.4 trillion or 11.8% to KRW305.2 trillion from the previous year. In particular, the foreign bank branches' derivative assets soared KRW14.3 trillion. Also, securities and cash and deposits increased KRW7.7 trillion and KRW0.4 trillion, respectively, between 2018 and 2019.

Meanwhile, the aggregate liabilities of the foreign banks totaled KRW286.8 trillion, up KRW31.5 trillion or 12.3% from a year earlier. Derivative liabilities expanded KRW13.5 trillion as well as borrowings grew KRW7.7 trillion. Furthermore, depository liabilities increased KRW2.6 trillion from the same period a year ago.

Shareholders' equity also grew by KRW0.8 trillion or 4.8% to KRW18.3 trillion at the end of 2019.

Table 1. Financial Statement of Foreign Bank Branches, 2019*

	2017	2018	2019
	(In trillions of KRW)		
Assets	258.8	272.8	305.2
Cash and deposits	12.5	13.9	14.3
Securities	42.7	46.1	53.8
Loans	80.4	84.0	83.8
Other assets	123.0	128.7	153.1
Derivative assets	39.9	38.6	52.9
Liabilities	241.8	255.3	286.8
Depository liabilities	42.8	45.9	48.5
Borrowing	31.2	32.7	40.4
Other liabilities	167.7	176.8	197.9
Derivative liabilities	41.0	39.5	53.0
Shareholders' equity	17.0	17.5	18.3

*The figures on 2019 are preliminary as of the release date and subject to change.

The Korean branches of foreign banks reported preliminary net income of KRW895.3 billion for 2019, up KRW32.3 billion or 3.7% from the same period a year earlier. The growth was attributable to greater FX/derivatives-related incomes.



Table 2. Preliminary Net Income of Foreign Bank Branches, 2019*

	2017	2018	2019
Total	683.6	863.0	895.3
Interest income	1,057.6	1,073.1	994.3
Securities-related income	-227.7	434.8	168.2
FX/derivatives-related income	846.2	790.4	1,121.0

*The figures on 2019 are preliminary as of the release date and subject to change.

The Korean branches' interest income decreased KRW78.8 billion or 7.3% from KRW1.0731 trillion to KRW994.3 billion as of year-end 2019. In addition, securities-related income shrank from KRW434.8 billion to KRW168.2 billion between 2018 and 2019. Meanwhile, FX/derivatives-related income expanded by KRW330.6 billion or 41.8% to KRW1.1210 trillion.

Table 3. Interest Income of Foreign Bank Branches, 2019*

	2017	2018	2019
Interest income	1,057.6	1,073.1	994.3
Korean branches	1,588.5	1,939.7	1,827.4
Head offices	-530.9	-866.6	-833.1

*The figures on 2019 are preliminary as of the release date and subject to change.

Table 4. Securities-related Income of Foreign Bank Branches, 2019*

	2017	2018	2019
Securities-related income	-227.7	434.8	168.2
Trading income	-119.5	63.0	51.5
Valuation gains	-108.1	371.8	116.7

*The figures on 2019 are preliminary as of the release date and subject to change.

Table 5. FX/Derivates-related Income of Foreign Bank Branches, 2019*

	2017	2018	2019
FX/Derivatives-related income	846.2	790.4	1,121.0
FX-related income	1,554.4	-625.2	-1,236.4
Derivatives-related income	-708.1	1,415.6	2,357.4

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