



## Press Release

For release at noon, June 8, 2020

### Capital Ratios of Banks and Bank Holding Companies, First Quarter 2020

#### Banks

Domestic banks' total capital ratio was 14.72% as of end-March 2020. The Tier 1 capital ratio stood at 12.80% as well as the common equity Tier 1 (CET1) capital ratio was seen at 12.16%. All the capital ratios decreased from three months ago but remained well above the regulatory standards. Compared to three months earlier, a total capital of the domestic banks increased KRW2.4 trillion while risk-weighted assets expanded KRW73.0 trillion. Meanwhile, the leverage ratio stood at 6.30% at the end of March 2020.

**Table 1. Banks' Capital Ratios, March 2020\***

(In percentage)

	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Mar 2020
Total capital ratio	14.81	15.24	15.41	15.26	<b>14.72</b>
Tier 1 capital ratio	12.51	13.12	13.25	13.22	<b>12.80</b>
CET1 capital ratio	12.01	12.56	12.66	12.56	<b>12.16</b>

\*The figures on March 2020 are preliminary as of the release date and subject to change.

#### Bank Holding Companies

As for bank holding companies (BHCs), the total capital ratio was 13.40% at the end of March 2020. Tier 1 capital ratio stood at 11.97% while CET1 capital ratio was seen at 10.95%. The leverage ratio was 5.58% as of end-March 2020. Meanwhile, the BHCs' total capital grew KRW4.5 trillion from the end of 2019. In addition, risk-weighted assets surged KRW46.9 trillion from three months earlier.

**Table 2. Bank Holding Companies' Capital Ratios, March 2020\***

(In percentage)

	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Dec 2019
Total capital ratio	14.33	14.39	14.27	13.54	<b>13.40</b>
Tier 1 capital ratio	12.50	12.92	12.93	12.10	<b>11.97</b>
CET1 capital ratio	11.92	12.39	12.29	11.10	<b>10.95</b>

\*The figures on March 2020 are preliminary as of the release date and subject to change.

The banks and BHCs were in good shape: the total capital ratios for the banks and BHCs were 15.26% and 13.54%, respectively, as of end-March 2020, which were well above the Basel III standards.



Although the growth of loans has not slowed in the wake of Covid-19, the domestic banks and BHCs mostly hold sufficient capital buffers relative to the regulatory standards. As the final phase of Basel III is set to be implemented in June 2020, some banks which are subject to the final phase would see their BIS capital ratios increase.

To respond to possibility of the prolonged recession led by the coronavirus outbreak, total-loss absorbing capacity for the domestic banks is to be monitored closely and recapitalization to be induced consistently as well.

**Table 3. Capital Ratios by Banks, March 2020<sup>1</sup>**

(In percentage)

	Dec 2019				Mar 2020			
	CET1	Tier 1	Total	Leverage	CET1	Tier 1	Total	Leverage
Shinhan	12.75	13.30	15.91	5.48	<b>12.44</b>	<b>13.12</b>	<b>15.54</b>	<b>5.42</b>
Woori	10.97	13.17	15.40	5.38	<b>10.67</b>	<b>12.65</b>	<b>14.77</b>	<b>5.22</b>
SC	14.78	14.78	16.89	5.31	<b>13.53</b>	<b>13.53</b>	<b>15.41</b>	<b>4.75</b>
KEB Hana	13.79	13.87	16.11	5.72	<b>13.44</b>	<b>13.50</b>	<b>15.62</b>	<b>5.63</b>
Citibank	18.76	18.76	19.56	12.02	<b>17.71</b>	<b>17.71</b>	<b>18.44</b>	<b>11.03</b>
KB	14.37	14.68	15.85	6.45	<b>13.56</b>	<b>13.85</b>	<b>15.01</b>	<b>6.24</b>
Daegu	10.96	12.90	14.42	6.64	<b>10.85</b>	<b>12.52</b>	<b>14.31</b>	<b>6.60</b>
Busan	12.80	14.08	16.12	7.97	<b>12.97</b>	<b>14.16</b>	<b>16.13</b>	<b>7.92</b>
Gwangju	13.32	13.77	16.02	6.27	<b>12.98</b>	<b>13.26</b>	<b>15.41</b>	<b>6.01</b>
Jeju	10.63	11.85	14.91	7.45	<b>10.66</b>	<b>11.86</b>	<b>14.87</b>	<b>7.51</b>
Jeonbuk	11.41	11.47	14.12	6.64	<b>11.49</b>	<b>11.55</b>	<b>13.99</b>	<b>6.81</b>
Gyeongnam	11.46	12.90	15.34	7.12	<b>11.43</b>	<b>12.72</b>	<b>15.05</b>	<b>7.04</b>
K Bank	-	10.09	10.88	5.70	<b>10.05</b>	<b>10.05</b>	<b>11.14</b>	<b>5.88</b>
Kakao Bank	-	13.14	13.48	6.76	<b>13.93</b>	<b>13.93</b>	<b>14.29</b>	<b>6.40</b>
KDB	12.13	12.13	14.05	11.42	<b>11.57</b>	<b>11.57</b>	<b>13.33</b>	<b>10.18</b>
IBK	10.30	11.97	14.47	6.14	<b>10.28</b>	<b>12.03</b>	<b>14.26</b>	<b>6.13</b>
EXIM Bank	12.87	12.87	14.56	10.71	<b>12.16</b>	<b>12.16</b>	<b>13.73</b>	<b>10.08</b>
NH	12.47	12.65	15.19	4.34	<b>12.17</b>	<b>12.29</b>	<b>14.80</b>	<b>4.21</b>
NFFC <sup>2</sup>	10.61	12.32	13.59	6.38	<b>10.31</b>	<b>12.65</b>	<b>13.69</b>	<b>6.50</b>
Commercial banks	13.15	13.90	15.89	6.05	<b>12.74</b>	<b>13.44</b>	<b>15.33</b>	<b>5.89</b>
National	13.35	14.03	16.03	5.92	<b>12.85</b>	<b>13.50</b>	<b>15.39</b>	<b>5.75</b>
Regional	11.88	13.16	15.26	7.09	<b>11.87</b>	<b>13.00</b>	<b>15.10</b>	<b>7.03</b>
Internet-only <sup>3</sup>	-	12.82	13.21	6.66	<b>13.55</b>	<b>13.55</b>	<b>13.99</b>	<b>6.36</b>
Specialized banks	11.77	12.30	14.42	7.38	<b>11.39</b>	<b>11.95</b>	<b>13.90</b>	<b>7.04</b>
Average	12.56	13.22	15.26	6.52	<b>12.16</b>	<b>12.80</b>	<b>14.72</b>	<b>6.30</b>

<sup>1</sup> The figures on March 2020 are preliminary as of the release date and subject to change.

<sup>2</sup> Total and Tier 1 capital ratios for National Federation of Fisheries Cooperatives (NFFC) were based on Basel II, and CET 1 ratio was not calculated.

<sup>3</sup> The figures for KIH are based on Basel I, and CET1 is not calculated.



**Table 5. Capital Ratios by Bank Holding Companies and Banks, March 2020\***

(In percentage)

	Dec 2019				Mar 2020			
	CET1	Tier 1	Total	Leverage	CET1	Tier 1	Total	Leverage
Shinhan	11.12	12.34	13.90	5.54	<b>11.33</b>	<b>12.60</b>	<b>14.06</b>	<b>5.48</b>
Shinhan	12.75	13.30	15.91	5.48	12.44	13.12	15.54	5.42
Jeju	10.63	11.85	14.91	7.45	10.66	11.86	14.87	7.51
Hana	11.96	12.67	13.95	5.50	<b>11.90</b>	<b>12.58</b>	<b>13.80</b>	<b>5.39</b>
KEB Hana	13.79	13.87	16.11	5.72	13.44	13.50	15.62	5.63
KB	13.58	13.86	14.48	6.45	<b>12.96</b>	<b>13.23</b>	<b>14.02</b>	<b>6.24</b>
Kookmin	14.37	14.68	15.85	6.45	13.56	13.85	15.01	6.24
Woori	8.39	9.86	11.89	5.38	<b>8.26</b>	<b>9.81</b>	<b>11.79</b>	<b>5.35</b>
Woori	10.97	13.17	15.40	5.38	10.67	12.65	14.77	5.22
DGB	9.54	10.92	12.32	6.42	<b>9.13</b>	<b>10.58</b>	<b>12.06</b>	<b>6.31</b>
Daegu	10.96	12.90	14.42	6.64	10.85	12.52	14.31	6.60
BNK	9.54	11.13	12.95	7.25	<b>9.53</b>	<b>11.24</b>	<b>12.98</b>	<b>7.34</b>
Busan	12.80	14.08	16.12	7.97	12.97	14.16	16.13	7.92
Gyeongnam	11.46	12.90	15.34	7.12	11.43	12.72	15.05	7.04
JB	9.67	11.17	13.16	6.45	<b>9.65</b>	<b>11.06</b>	<b>12.95</b>	<b>6.41</b>
Jeonbuk	11.41	11.47	14.12	6.64	11.49	11.55	13.99	6.81
Gwangju	13.32	13.77	16.02	6.27	12.98	13.26	15.41	6.01
NH	11.25	12.30	13.99	4.69	<b>11.07</b>	<b>12.11</b>	<b>13.80</b>	<b>4.52</b>
Nonghyup	12.47	12.65	15.19	4.34	12.17	12.29	14.80	4.21
Average	11.10	12.10	13.54	5.68	<b>10.95</b>	<b>11.97</b>	<b>13.40</b>	<b>5.58</b>

\*The figures on March 2020 are preliminary as of the release date and subject to change.

###

Contact Person:

Park Mi-Kyung  
Head of Public Relations Team  
Public Affairs Department  
Financial Supervisory Service  
Tel: 82-2-3145-5803  
Fax: 82-2-3145-5808  
E-mail: [pmk620@fss.or.kr](mailto:pmk620@fss.or.kr)