



Press Release

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Asset Management Companies' Earnings, Third Quarter 2021

Assets under management (AUM)—sum of fund assets and assets under discretionary management—by asset management companies came in at KRW1,290.4 trillion in total as of end-September 2021, up KRW21.9 trillion or 1.7% from three months earlier.

As of end-September 2021, fund assets totaled KRW768.8 trillion, up KRW17.8 trillion or 2.4% from KRW751.0 trillion three months ago. Fund assets of publicly offered funds came to KRW286.7 trillion, KRW0.8 trillion greater than three months ago. In particular, stock funds expanded KRW2.2 trillion compared to three months ago as well as fund of funds increased KRW1.2 trillion. By contrast, bond funds shrank by KRW2.4 trillion from three months earlier. Privately offered funds also increased KRW17.0 trillion to KRW482.1 trillion at the end of September. To go into detail, real estate funds expanded KRW3.8 trillion, and special asset funds grew KRW3.5 trillion as well. Also, hybrid funds increased KRW2.9 trillion from three months ago. Meanwhile, discretionary assets came to KRW521.6 trillion in total, up KRW4.1 trillion from three months ago.

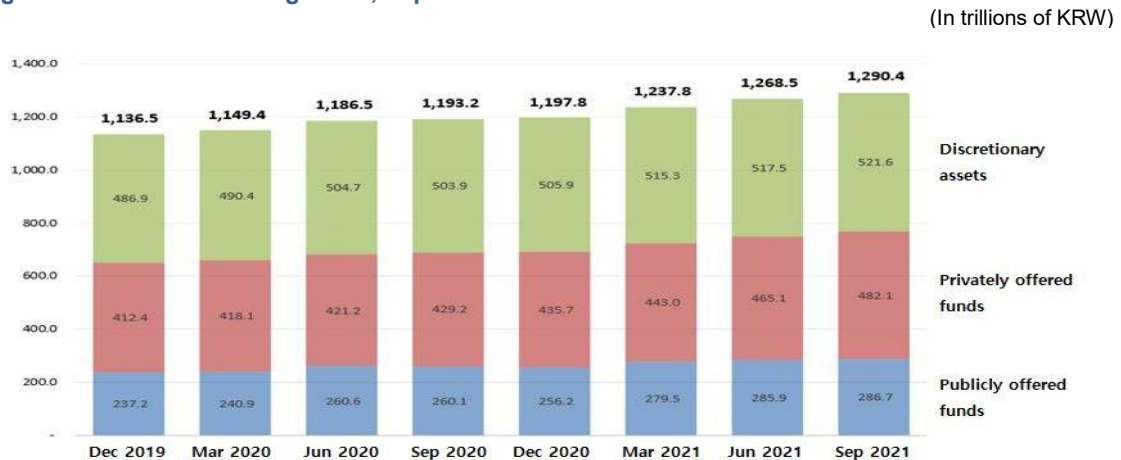
Table 1. Asset Management Companies' AUM, September 2021*

	Sep 2020	Jun 2021	Sep 2021
AUM	1,193.2	1,268.5	1,290.4
Funds assets	689.3	751.0	768.8
Discretionary assets	503.9	517.5	521.6

(In trillions of KRW)

*The figures on June 2021 are preliminary as of the release date and subject to change.

Figure. Assets under Management, September 2021*



(In trillions of KRW)

*The figures on September 2021 are preliminary as of the release date and subject to change.



The asset management companies reported net income of KRW620.2 billion in the three months to September 2021, up KRW12.8 billion (2.1%) quarter on quarter and up KRW162.7 billion (35.6%) year on year. Operating income decreased KRW21.3 billion or 3.1% to KRW658.0 billion mainly because of fees and commissions shrank by KRW52.4 billion from three months earlier. By contrast, non-operating income increased KRW17.1 billion or 17.1% to KRW117.1 billion based on greater gains using equity method.

Of the 343 asset management companies, 268 companies were in the black in the July-to-September period. The ratio of firms reporting net loss was seen at 21.9%, down 2.9%p from three months earlier. Meanwhile, return on equity (ROE) stood at 23.0% for the third quarter of 2021, down 1.0%p quarter on quarter but up 1.4%p year on year.

Table 2. Asset Management Companies' Net Income, Third Quarter 2021*

	(In billions of KRW)		
	2020	2021	
	Q3	Q2	Q3
Net income	457.5	607.4	620.2
Operating income	422.8	679.3	658.0
Operating revenues	1,011.7	1,346.8	1,357.0
Operating expenses	588.9	667.5	699.0
Non-operating income	128.4	100.0	117.1
Non-operating revenues	144.6	120.3	129.4
Non-operating expenses	16.2	20.3	12.3

*The figures on Q3 2021 are preliminary as of the release date and subject to change.

Table 3. Summary Income Statement, Third Quarter 2021*

	(In billions of KRW)	
	Q2 2021	Q3 2021
Operating revenues	1,346.8	1,357.0
Fees/Commissions	1,103.6	1,051.2
Fund-related fees/commissions	924.6	861.9
Discretionary advisory service fees	179.0	189.3
Gains from securities investment (derivatives included)	207.0	254.1
Interest income and others	36.2	51.7
Operating expenses	667.5	699.0
Selling and administrative expenses	555.0	566.7
Fee expenses	61.4	65.2
Losses on securities investment (derivatives included)	39.9	54.5
Others	11.2	12.6
Operating income	679.3	658.0
Non-operating income	100.0	117.1
Non-operating revenues	120.3	129.4
Non-operating expenses	20.3	12.3
Net income	607.4	620.2

*The figures on Q3 2021 are preliminary as of the release date and subject to change.



Fees and commissions revenues dropped KRW52.4 billion or 4.7% to KRW1.0512 trillion in the July-to-September period 2021 as fund-related fees and commissions decreased KRW62.7 billion or 6.8% to KRW861.9 billion quarter on quarter. When it came to selling and administrative expenses, figures for the third quarter grew KRW11.7 billion or 2.1% to KRW566.7 billion.

Table 4. Summary Balance Sheet, September 2021*

	Jun 2021	Sep 2021
	(In billions of KRW)	
Assets	13,085.9	14,467.0
Cash and deposits	2,771.9	3,228.8
Securities and derivatives	8,578.5	9,416.9
Securities	8,574.4	9,410.7
Derivatives	4.1	6.2
Other assets	1,735.5	1,821.3
Liabilities	2,609.9	3,339.5
Shareholder's equity	10,476.0	11,127.5
Capital	3,019.5	3,030.1

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