

Consolidated Statements of Financial Position

As at December 31, 2017 and 2016

(Units: KRW million, USD thousand)

	FY 2017 (KRW)	FY 2017 (USD)	FY 2016 (KRW)	FY 2016 (USD)
Assets				
I . Cash and cash equivalents	129,265	119,491	193,597	158,647
II . Financial assets	7,842,970	7,249,927	7,353,730	6,026,166
1. Deposits	298,731	276,143	423,856	347,338
2. Financial assets at fair value through profit or loss	697,258	644,535	1,044,527	855,959
3. Available-for-sale financial assets	2,444,769	2,259,908	3,039,718	2,490,960
4. Held-to-maturity financial assets	1,199,720	1,109,004	218,296	178,887
5. Derivative financial assets designated as hedges	27,698	25,604	-	-
6. Loans	668,009	617,498	224,001	183,562
7. Receivables	2,506,785	2,317,235	2,403,332	1,969,460
III . Property and equipment	79,440	73,433	81,112	66,469
IV . Investment properties	110,080	101,756	110,638	90,664
V . Intangible assets	18,033	16,669	23,341	19,127
VI . Other non-financial assets	1,885,521	1,742,948	1,818,709	1,490,379
Total assets	10,065,308	9,304,224	9,581,127	7,851,452
Liabilities				
I . Insurance contract liabilities	5,157,756	4,767,754	4,964,058	4,067,900
II . Financial liabilities	2,388,892	2,208,257	2,156,516	1,767,202
III . Other non-financial liabilities	355,643	328,752	348,967	285,967
1. Current income tax liabilities	41,148	38,037	5	4
2. Deferred income tax liabilities	280,995	259,748	303,489	248,700
3. Retirement benefit liabilities	11,243	10,393	13,975	11,452
4. Other liabilities	22,257	20,574	31,498	25,811
Total liabilities	7,902,292	7,304,763	7,469,541	6,121,069
Equity				
I . Capital stock	60,185	55,634	60,185	49,320
II . Capital surplus	176,375	163,038	176,375	144,534
III . Hybrid equity security	212,286	196,234	212,286	173,962
IV . Capital adjustments	(35,311)	(32,641)	(35,311)	(28,936)
V . Accumulated other comprehensive income	105,882	97,876	139,845	114,599
VI . Retained earnings	1,643,600	1,519,320	1,558,206	1,276,904
Total shareholders' equity	2,163,017	1,999,461	2,111,586	1,730,383
Total liabilities and shareholders' equity	10,065,308	9,304,224	9,581,127	7,851,452

Note: For the B/S section, Korean won amounts have been converted into the U.S. dollar based on the exchange rate of KRW 1,081.80 per USD 1 for FY 2017 and KRW 1,220.30 for FY 2016. For the I/S section, the applicable exchange rate was KRW 1,133.20 per USD 1 for FY 2017 and KRW 1,174.63 for FY 2016.

* Individual figures may not add up to the total shown due to rounding.

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2017 and 2016

(Units: KRW million, USD thousand)

	FY 2017 (KRW)	FY 2017 (USD)	FY 2016 (KRW)	FY 2016 (USD)
I . Operating revenue	9,116,763	8,045,147	8,559,732	7,287,172
1. Premium income	7,208,079	6,360,818	6,684,538	5,690,760
2. Reinsurance income	1,309,763	1,155,809	1,265,547	1,077,401
3. Expenses recovered	335,531	296,092	307,527	261,808
4. Interest income	122,394	108,007	95,586	81,375
5. Dividend income	16,093	14,201	27,127	23,094
6. Investment income from financial instruments	73,987	65,290	63,178	53,785
7. Other operating revenues	50,915	44,930	116,229	98,949
II . Operating expenses	8,941,116	7,890,148	8,352,484	7,110,736
1. Reinsurance expenses	2,186,328	1,929,340	1,986,692	1,691,334
2. Insurance claims and benefits expenses	5,036,675	4,444,648	4,716,351	4,015,180
3. Provision for insurance contract liabilities	111,053	97,999	300,265	255,625
4. Operating and administrative expenses	1,263,667	1,115,131	1,130,856	962,734
5. Claim handling expenses	95,197	84,007	93,443	79,551
6. Asset management expenses	2,791	2,463	3,174	2,702
7. Interest expenses	6	5	53	45
8. Investment expenses from financial instruments	58,806	51,894	52,117	44,369
9. Other operating expenses	186,594	164,661	69,533	59,196
III. Operating income	175,646	154,999	207,248	176,436
IV. Non-operating income	242	214	2,859	2,434
V. Non-operating expense	2,440	2,153	1,836	1,563
VI. Income before income taxes	173,449	153,060	208,271	177,307
VII. Income tax expenses	40,440	35,687	48,222	41,053
VIII. Net income	133,008	117,373	160,049	136,254
IX. Other comprehensive income	(33,963)	(29,971)	(14,793)	(12,594)
X. Total comprehensive income	99,045	87,402	145,256	123,660

Note: For the B/S section, Korean won amounts have been converted into the U.S. dollar based on the exchange rate of KRW 1,081.80 per USD 1 for FY 2017 and KRW 1,220.30 for FY 2016. For the I/S section, the applicable exchange rate was KRW 1,133.20 per USD 1 for FY 2017 and KRW 1,174.63 for FY 2016.

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Consolidated Statements of Changes in Equity (KRW)

For the years ended December 31, 2017 and 2016

(Unit: KRW million)

	Capital stock	Capital surplus	Hybrid equity security	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Total
As at January 1, 2016	60,185	176,375	212,286	(35,311)	154,638	1,448,584	2,016,757
Cash dividends	-	-	-	-	-	(40,204)	(40,204)
Dividends of hybrid equity security	-	-	-	-	-	(10,223)	(10,223)
Net income	-	-	-	-	-	160,049	160,049
Loss on valuation of available-for-sale financial assets	-	-	-	-	(13,884)	-	(13,884)
Exchange difference on translating foreign operations	-	-	-	-	382	-	382
Loss on valuation of derivative instruments designated as cash flow hedges	-	-	-	-	(2,322)	-	(2,322)
Gain on remeasurement of the net defined benefit liabilities	-	-	-	-	1,031	-	1,031
Total comprehensive income	-	-	-	-	(14,793)	160,049	145,256
As at December 31, 2016	60,185	176,375	212,286	(35,311)	139,845	1,558,206	2,111,586
As at January 1, 2017	60,185	176,375	212,286	(35,311)	139,845	1,558,206	2,111,586
Cash dividends	-	-	-	-	-	(37,332)	(37,332)
Dividends of hybrid equity security	-	-	-	-	-	(10,282)	(10,282)
Net income	-	-	-	-	-	133,008	133,008
Loss on valuation of available-for-sale financial assets	-	-	-	-	(27,395)	-	(27,395)
Loss on valuation of held-to-maturity financial assets	-	-	-	-	(3,647)	-	(3,647)
Exchange difference on translating foreign operations	-	-	-	-	(8,536)	-	(8,536)
Gain on valuation of derivative instruments designated as cash flow hedges	-	-	-	-	2,337	-	2,337
Gain on remeasurement of the net defined benefit liabilities	-	-	-	-	3,278	-	3,278
Total comprehensive income	-	-	-	-	(33,963)	133,008	99,045
As at December 31, 2017	60,185	176,375	212,286	(35,311)	105,882	1,643,600	2,163,017

Consolidated Statements of Changes in Equity (USD)

For the years ended December 31, 2017 and 2016

(Unit: USD thousand)

	Capital stock	Capital surplus	Hybrid equity security	Capital adjustments	Accumulated other comprehensive income	Retained earnings	Total
As at January 1, 2016	55,634	163,038	196,234	(32,641)	142,945	1,339,050	1,864,260
Cash dividends	-	-	-	-	-	(37,164)	(37,164)
Dividends of hybrid equity security	-	-	-	-	-	(9,450)	(9,450)
Net income	-	-	-	-	-	147,947	147,947
Loss on valuation of available-for-sale financial assets	-	-	-	-	(12,834)	-	(12,834)
Exchange difference on translating foreign operations	-	-	-	-	353	-	353
Loss on valuation of derivative instruments designated as cash flow hedges	-	-	-	-	(2,146)	-	(2,146)
Gain on remeasurement of the net defined benefit liabilities	-	-	-	-	953	-	953
Total comprehensive income	-	-	-	-	(13,674)	147,947	134,273
As at December 31, 2016	55,634	163,038	196,234	(32,641)	129,271	1,440,383	1,951,919
As at January 1, 2017	55,634	163,038	196,234	(32,641)	129,271	1,440,383	1,951,919
Cash dividends	-	-	-	-	-	(34,509)	(34,509)
Dividends of hybrid equity security	-	-	-	-	-	(9,505)	(9,505)
Net income	-	-	-	-	-	122,951	122,951
Loss on valuation of available-for-sale financial assets	-	-	-	-	(25,324)	-	(25,324)
Loss on valuation of held-to-maturity financial assets	-	-	-	-	(3,371)	-	(3,371)
Exchange difference on translating foreign operations	-	-	-	-	(7,891)	-	(7,891)
Gain on valuation of derivative instruments designated as cash flow hedges	-	-	-	-	2,160	-	2,160
Gain on remeasurement of the net defined benefit liabilities	-	-	-	-	3,031	-	3,031
Total comprehensive income	-	-	-	-	(31,395)	122,951	91,556
As at December 31, 2017	55,634	163,038	196,234	(32,641)	97,876	1,519,320	1,999,461

Note: Korean won amounts have been converted into the U.S. dollar based on the exchange rate of KRW 1,081.80 per USD 1.

Consolidated Statements of Cash flows

For the years ended December 31, 2017 and 2016

(Units: KRW million, USD thousand)

	FY 2017 (KRW)	FY 2017 (USD)	FY 2016 (KRW)	FY 2016 (USD)
I . Cash flows from operating activities	559,592	517,279	417,093	341,795
1. Income before income taxes	173,449	160,334	208,271	170,672
2. Cash generated from operations	279,928	258,761	129,708	106,292
3. Receipt of interest	99,911	92,356	102,773	84,219
4. Payment of interest	(272)	(251)	(438)	(359)
5. Receipt of dividend	16,093	14,876	27,127	22,230
6. Refund(payment) of income taxes	(9,517)	(8,797)	(50,348)	(41,259)
II . Cash flows from investing activities	(578,986)	(535,206)	(369,235)	(302,577)
1. Cash inflows	288,402	266,595	938,973	769,461
2. Cash outflows	(867,388)	(801,801)	(1,308,208)	(1,072,038)
III . Cash flows from financing activities	(47,527)	(43,934)	(50,440)	(41,334)
1. Cash inflows	141	130	238	195
2. Cash outflows	(47,668)	(44,064)	(50,678)	(41,529)
IV . Net increase(decrease) in cash and cash equivalents (I + II +III)	(66,921)	(61,861)	(2,582)	(2,116)
V . Effects of changes in foreign exchange rates on cash and cash equivalents	2,588	2,393	(82)	(67)
VI . Cash and cash equivalents at the beginning of the year	193,597	178,959	196,261	160,830
VII . Cash and cash equivalents at the end of year	129,265	119,491	193,597	158,647

Note: For the B/S section, Korean won amounts have been converted into the U.S. dollar based on the exchange rate of KRW 1,081.80 per USD 1 for FY 2017 and KRW 1,220.30 for FY 2016. For the I/S section, the applicable exchange rate was KRW 1,133.20 per USD 1 for FY 2017 and KRW 1,174.63 for FY 2016.

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