COMPANY UPDATE

2025. 11. 4

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Hyundai Glovis (086280)

3Q review: Profitability continues to improve

- Hyundai Glovis' 3Q sales and operating profit came in at KRW7.4t (down 1.5% y-y) and KRW524b (up 11.7% y-y; meeting consensus), for an operating margin of 7.1% (up 0.8%pt y-y).
- While sales edged down across all operations, operating profit improved y-y on solid performances of the shipping division.
- We finetune our earnings estimates, shift our valuation base to 2026, and raise our target price by 10% to KRW220,000 (based on a sum-of-the-parts valuation). Our BUY rating remains unchanged.

Industrial Team

Youngho Kim
Senior Analyst
youngho52.kim@samsung.com

AT A GLANCE

BUY

Target price	KRW220,000	25.6%
Current price	KRW175,100	
Market cap	KRW13.1t/USD9.2b	
Shares (float)	75,000,000 (49.6%)	
52-week high/low	KRW190,100/KRW105,400	
Avg daily trading value (60-day)	KRW40.4b/ USD28.2m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Glovis (%)	6.6	62.9	43.6
Vs Kospi (%pts)	-10.4	-1.2	-13.5

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	220,000	200,000	10.0%
2025E EPS	21,452	21,452	0.0%
2026E EPS	22,734	22,734	0.0%

SAMSUNG vs THE STREET

No of estimates	16
Target price	218,125
Recommendation	4.0

※ Rating: 4 < → BUY, 3 = HOLD, 2 > → SELL

WHAT'S THE STORY?

Logistics: Domestic logistics sales fell 1.3% y-y in 3Q—despite growing sales volume of finished vehicles at domestic plants—due to a drop in low-margin non-captive sales. Overseas logistics sales also diminished 3.5% y-y on the sluggish containership market conditions, even though land transportation volume of finished vehicles increased. Accordingly, the logistics division saw sales and operating profit down 3.1% and 11.6% y-y, respectively, to KRW2.5t and KRW203.3b, for an operating margin of 7.5% (down 0.7%pt y-y).

Shipping: PCTC sales declined 2.8% y-y on production disruption at a client's plant. Bulk-carrier sales rose 6.9% y-y as the 3Q BDI average climbed 5.7% y-y to 1,978. The shipping division's sales and operating profit came to a respective KRW1.3t (down 0.5% y-y) and KRW195.5b (up 80.5% y-y), for an operating margin of 14.8% (up 6.6%pts y-y). The remarkable earnings improvement owed much to easing of congestion at major harbors and reduction of expensive short-term chartered vessels.

(Continued on the next page)

SUMMARY 3Q RESULTS

(KRWb)	3Q25	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	7,355.1	-2.1	-1.5	-8.9	-3.4
Operating profit	524.0	-2.8	11.7	-11.3	-1.2
Pre-tax profit	503.4	-14.7	4.8	0.7	-2.3
Net profit	392.1	-22.1	2.2	-3.0	-8.4
Margins (%)					
Operating profit	7.1				
Pre-tax profit	6.8				
Net profit	5.3				

Source: Company data, FnGuide, Samsung Securities estimates

VALUATION SUMMARY

	2024	2025E	2026E
Valuations (x)			
P/E	10.5	8.0	7.5
P/B	1.5	1.3	1.1
EV/EBITDA	4.8	3.9	3.5
Div yield (%)	2.2	3.2	3.3
EPS growth (% y-y)	-6.4	31.1	6.0
ROE (%)	13.3	17.1	15.9
Per-share data (KRW)			
EPS	16,363	21,452	22,734
BVPS	114,686	132,548	149,999
DPS	3,700	5,400	5,700

Distribution: The distribution division's sales crept down 0.8% y-y to KRW3.5t and operating profit fell 5.2% y-y to KRW141.8b due to reductions in: 1) CKD volume stemming from adjustment of overseas assembly lines; and 2) trading volume of nonferrous metals.

Raising target price to KRW200,000 and reiterating BUY: We revise up our 2025 net profit estimate by 17.6% as increasing earnings contribution by the shipping division (up 19.2%pts y-y to 37.1% in 2Q25) drove down the firm's corporate tax rate by 11.8%pts y-y to 14.6% in 2Q25. Consequently, we increase our target price by 13.6% to KRW200,000 and maintain BUY rating. The firm's earnings have trended higher, backed by: 1) the contract renewal for freight volume departing from Korea; and 2) non-captive orders (eg, OEMs in China). Earnings momentum has remained solid as its complete knockdown (CKD) business should be integrated from 2H and generate related sales from September. The company's 1H25 sales and operating profit came in at KRW14.7t and KRW1.04t (up 8% and 26.3% y-y), and we see its early-year guidance for 2025 (full-year sales of KRW28t-KRW29t and operating profit of KRW1.8t-KRW1.9t) highly attainable.

Hyundai Glovis: Results and forecasts

	1Q24	2Q24	3Q24	4Q24	1Q25P	2Q25E	3Q25E	4Q25E	2024	2025E	2026E	2027E
Forex rates												
KRW/USD (end-of-period)	1,347	1,377	1,315	1,472	1,473	1,354	1,404	1,370	1,472	1,370	1,300	1,250
Chg (% y-y)	3.5	4.5	-2.6	14.3	9.3	-1.7	6.8	-6.9	14.3	-6.9	-5.1	-3.8
KRW/USD (4-quarter average)	1,329	1,371	1,358	1,400	1,453	1,401	1,387	1,390	1,365	1,407	1,340	1,268
Chg (% y-y)	4.1	4.3	3.5	6.0	9.3	2.2	2.1	-0.7	4.5	3.1	-4.8	-5.4
HMC/Kia combined sales assumptions ('000)												
Domestic	298	323	295	330	297	331	319	318	1,246	1,265	1,280	1,280
Chg (% y-y)	-10.5	-9.1	-2.0	-2.0	-0.1	2.4	8.1	-3.5	-6.0	1.6	1.2	0.0
Export	562	615	523	558	542	573	544	541	2,258	2,200	2,210	2,160
Chg (% y-y)	-4.9	2.4	3.0	-0.4	-3.6	-6.8	3.9	-3.0	1.9	-2.6	0.5	-2.3
Overseas	926	959	952	962	946	976	936	1,069	3,800	3,819	4,189	4,479
Chg (% y-y)	-1.9	2.8	-0.5	0.0	2.1	1.7	-1.7	11.1	0.1	0.5	9.7	6.9
Earnings forecasts (KRWb)												
Sales	6,586	7,064	7,469	7,288	7,223	7,516	7,355	7,957	28,407	30,052	32,036	32,991
Logistics	2,275	2,434	2,583	2,622	2,458	2,589	2,502	2,644	9,914	10,193	10,500	10,574
Domestic	480	492	495	491	462	494	488	507	1,958	1,951	1,984	2,001
Overseas	1,795	1,943	2,088	2,131	1,996	2,095	2,014	2,137	7,956	8,242	8,515	8,574
Shipping	1,151	1,288	1,329	1,353	1,257	1,360	1,323	1,450	5,121	5,390	5,789	5,935
PCC	922	995	1,014	1,069	1,007	1,066	986	1,166	4,000	4,225	4,602	4,722
Bulk	229	293	315	284	250	294	337	284	1,121	1,166	1,188	1,213
Distribution	3,161	3,342	3,557	3,313	3,508	3,567	3,531	3,863	13,373	14,468	15,747	16,481
CKD	2,652	2,814	3,106	2,857	3,012	3,052	3,051	3,403	11,428	12,519	13,715	14,364
Used car auctions	153	166	171	182	192	195	203	189	672	780	803	827
Other (trading, etc.)	356	362	281	274	304	320	276	270	1,272	1,170	1,229	1,290
Operating profit	385	439	469	460	502	539	524	543	1,753	2,107	2,208	2,263
Pre-tax profit	430	425	480	209	515	590	433	452	1,545	1,990	2,109	2,197
Net profit	306	313	384	97	398	503	350	365	1,099	1,617	1,714	1,785
Chg (% y-y)												
Sales	4.5	8.1	18.0	11.8	9.7	6.4	-1.5	9.2	10.6	5.8	6.6	3.0
Logistics	6.1	7.8	15.1	10.4	8.1	6.3	-3.1	0.8	9.9	2.8	3.0	0.7
Domestic	0.8	-1.7	3.9	-5.2	-3.7	0.3	-1.3	3.2	-0.6	-0.3	1.7	0.8
Overseas	7.6	10.5	18.1	14.8	11.2	7.9	-3.5	0.3	12.8	3.6	3.3	0.7
Shipping	14.1	22.3	28.2	21.5	9.2	5.6	-0.5	7.2	21.6	5.3	7.4	2.5
PCC	20.7	27.8	32.0	29.4	9.2	7.1	-2.8	9.1	27.5	5.6	8.9	2.6
Bulk	-6.5	6.8	17.4	-1.2	9.3	0.6	6.9	0.1	4.3	4.0	1.9	2.1
Distribution	0.4	3.7	16.6	9.3	11.0	6.7	-0.8	16.6	7.4	8.2	8.8	4.7
CKD	0.1	4.6	20.8	12.2	13.6	8.4	-1.7	19.1	9.3	9.5	9.6	4.7
Used car auctions	-10.4	-7.5	-6.2	4.7	25.6	17.4	19.0	3.9	-4.8	16.0	3.0	3.0
Other (trading, etc.)	8.8	2.2	-5.1	-11.6	-14.5	-11.5	-1.7	-1.4	-1.2	-8.0	5.0	5.0
Operating profit	-5.4	6.5	22.1	31.1	30.4	22.7	11.7	18.0	12.8	20.2	4.8	2.5
Pre-tax profit	20.2	8.9	37.6	-41.2	19.8	38.8	-9.8	115.8	6.3	28.8	6.0	4.2
Net profit	7.9	7.7	56.0	-61.3	30.1	60.8	-8.7	278.3	2.7	47.1	6.0	4.2
Sales breakdown (%)												
Sales	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Logistics	34.5	34.5	34.6	36.0	34.0	34.4	34.0	33.2	34.9	33.9	32.8	32.1
Domestic	7.3	7.0	6.6	6.7	6.4	6.6	6.6	6.4	6.9	6.5	6.2	6.1
Overseas	27.3	27.5	28.0	29.2	27.6	27.9	27.4	26.9	28.0	27.4	26.6	26.0
Shipping	17.5	18.2	17.8	18.6	17.4	18.1	18.0	18.2	18.0	17.9	18.1	18.0
PCC	14.0	14.1	13.6	14.7	13.9	14.2	13.4	14.7	14.1	14.1	14.4	14.3
Bulk	3.5	4.1	4.2	3.9	3.5	3.9	4.6	3.6	3.9	3.9	3.7	3.7
Distribution	48.0	47.3	47.6	45.5	48.6	47.5	48.0	48.5	47.1	48.1	49.2	50.0
CKD	40.3	39.8	41.6	39.2	41.7	40.6	41.5	42.8	40.2	41.7	42.8	43.5
Used car auctions	2.3	2.4	2.3	2.5	2.7	2.6	2.8	2.4	2.4	2.6	2.5	2.5
Other (trading, etc.)	5.4	5.1	3.8	3.8	4.2	4.3	3.8	3.4	4.5	3.9	3.8	3.9
Operating profit	5.8	6.2	6.3	6.3	6.9	7.2	7.1	6.8	6.2	7.0	6.9	6.9
Pre-tax profit	6.5	6.0	6.4	2.9	7.1	7.9	5.9	5.7	5.4	6.6	6.6	6.7
Net profit	4.6	4.4	5.1	1.3	5.5	6.7	4.8	4.6	3.9	5.4	5.3	5.4

Source: Company data, Samsung Securities estimates

Forecast revisions

(KRWb)	2024	New		Old		Chg (%)	
		2025E	2026E	2025E	2026E	2025E	2026E
Sales	28,407	30,052	32,036	30,326	32,445	-0.9	-1.3
Operating profit	1,753	2,107	2,208	2,177	2,370	-3.2	-6.8
Pre-tax profit	1,545	1,990	2,109	2,054	2,275	-3.1	-7.3
Net profit	1,099	1,617	1,714	1,670	1,849	-3.2	-7.3
EBITDA	2,427	2,952	3,157	3,022	3,319	-2.3	-4.9
EPS (KRW)*	16,363	21,452	22,734	22,146	24,528	-3.1	-7.3

Note: *Fully diluted, excluding one-off items

Source: Company data, Samsung Securities estimates

Valuation summary

Year-end	Sales	Operating	Pre-tax	Net	EPS*	EPS growth	P/E	P/B	EV/EBITDA	ROE	Net debt
(KRWb)		profit	profit	profit	(KRW)	(%)	(x)	(x)	(x)	(%)	(KRWb)
2021	21,780	1,126	985	783	11,475	55.2	14.9	2.2	14.4	7.5	344
2022	26,982	1,799	1,597	1,193	18,939	65.0	9.0	1.9	18.8	5.1	1,019
2023	25,683	1,554	1,453	1,070	17,483	(7.7)	9.8	1.7	14.6	5.5	-914
2024	28,407	1,753	1,545	1,099	16,363	(6.4)	10.5	1.5	13.3	4.8	-806
2025E	30,052	2,107	1,990	1,617	21,452	31.1	8.0	1.3	17.1	3.9	-1,263
2026E	32,036	2,208	2,109	1,714	22,734	6.0	7.5	1.1	15.9	3.5	-1,878
2027E	32,991	2,263	2,197	1,785	23,682	4.2	7.2	1.0	14.7	3.1	-2,678

Note: *Fully diluted, excluding one-off items

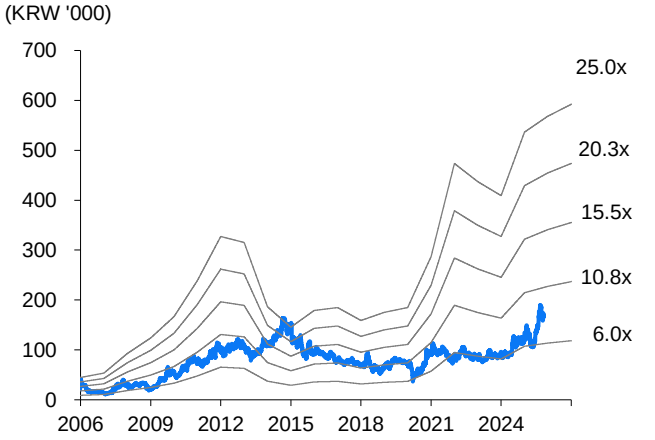
Source: Company data, Samsung Securities estimates

Sum-of-the-parts valuation

(KRWm)	2025E sales	2025E operating profit	2025E net profit	P/E (x)	Fair value
Fair value					16,030,334
Logistics	10,499,602	813,726	634,398	11.7	7,408,969
Shipping	5,789,263	755,449	587,039	6.5	3,795,966
Distribution	15,746,896	638,975	492,388	9.8	4,825,399
Shares ('000)					75,000
Fair value per share (KRW)					220,000
Current price (KRW)					171,400
Upside (%)					28.4

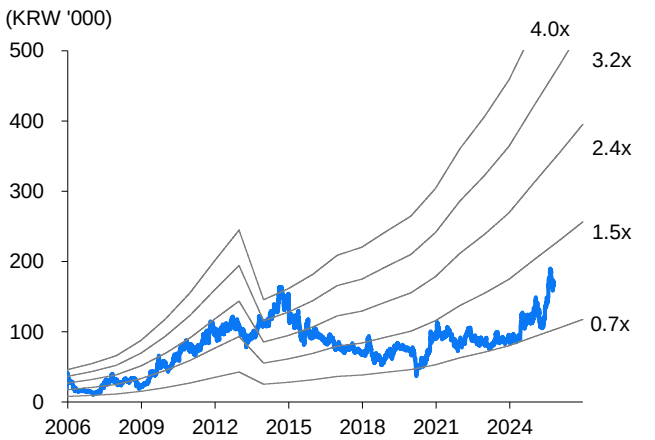
Source: Samsung Securities estimates

Forward P/E



Source: QuantiWise, Samsung Securities estimates

Forward P/B



Source: QuantiWise, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	25,683	28,407	30,052	32,036	32,991
Cost of goods sold	23,592	25,957	27,207	29,041	29,918
Gross profit	2,091	2,450	2,845	2,995	3,073
Gross margin (%)	8.1	8.6	9.5	9.3	9.3
SG&A expenses	537	697	738	786	810
Operating profit	1,554	1,753	2,107	2,208	2,263
Operating margin (%)	6.1	6.2	7.0	6.9	6.9
Non-operating gains (losses)	-101	-208	-117	-99	-66
Financial profit	172	186	214	252	290
Financial costs	194	189	214	230	235
Equity-method gains (losses)	-7	-122	-8	-8	-8
Other	-71	-83	-108	-112	-113
Pre-tax profit	1,453	1,545	1,990	2,109	2,197
Taxes	383	445	373	395	412
Effective tax rate (%)	26.4	28.8	18.7	18.7	18.7
Profit from continuing operations	1,070	1,099	1,617	1,714	1,785
Profit from discontinued operations	0	0	0	0	0
Net profit	1,070	1,099	1,617	1,714	1,785
Net margin (%)	4.2	3.9	5.4	5.3	5.4
Net profit (controlling interests)	1,061	1,094	1,609	1,705	1,776
Net profit (non-controlling interests)	9	6	8	9	9
EBITDA	2,107	2,427	2,952	3,157	3,250
EBITDA margin (%)	8.2	8.5	9.8	9.9	9.9
EPS (parent-based) (KRW)	14,148	14,585	21,452	22,734	23,682
EPS (consolidated) (KRW)	14,268	14,660	21,562	22,851	23,804
Adjusted EPS (KRW)*	17,483	16,363	21,452	22,734	23,682

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	8,772	9,861	11,406	12,810	14,041
Cash & equivalents	2,291	3,277	4,065	4,854	5,642
Accounts receivable	2,868	3,070	3,248	3,462	3,565
Inventories	1,348	1,724	1,824	1,945	2,003
Other current assets	2,266	1,791	2,269	2,550	2,830
Fixed assets	5,954	6,988	7,316	7,541	7,727
Investment assets	893	912	912	912	912
Tangible assets	4,726	5,717	6,045	6,270	6,456
Intangible assets	136	172	172	172	172
Other long-term assets	198	188	188	188	188
Total assets	14,725	16,849	18,722	20,351	21,767
Current liabilities	4,468	5,311	5,391	5,115	4,391
Accounts payable	1,791	2,181	2,308	2,460	2,533
Short-term debt	1,047	1,059	1,444	1,016	218
Other current liabilities	1,629	2,071	1,640	1,640	1,640
Long-term liabilities	2,474	2,729	3,182	3,778	4,561
Bonds & long-term debt	859	694	694	694	694
Other long-term liabilities	1,614	2,036	2,488	3,084	3,867
Total liabilities	6,941	8,040	8,573	8,893	8,952
Owners of parent equity	7,755	8,773	10,105	11,405	12,753
Capital stock	19	38	38	38	38
Capital surplus	154	135	135	135	135
Retained earnings	7,513	8,359	9,699	11,008	12,365
Other	70	242	234	225	216
Non-controlling interests' equity	29	36	44	53	62
Total equity	7,784	8,809	10,149	11,458	12,816
Net debt	1,019	-914	-806	-1,263	-1,878

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	2,242	2,122	2,770	3,141	3,581
Net profit	1,070	1,099	1,617	1,714	1,785
Non-cash profit and expenses	1,306	1,576	2,037	2,152	2,389
Depreciation	538	655	829	933	971
Amortization	15	19	19	19	19
Other	753	902	1,189	1,200	1,398
Changes in A/L from operating activities	211	-329	-556	-398	-283
Cash flow from investments	-1,007	-489	-1,157	-1,157	-1,157
Change in tangible assets	-313	-893	-1,157	-1,157	-1,157
Change in financial assets	-1,664	596	-100	-100	-100
Other	970	-192	100	100	100
Cash flow from financing	-701	-703	-831	-1,211	-1,429
Change in debt	34	630	434	202	0
Change in equity	0	0	0	0	0
Dividends	-214	-236	-236	-278	-405
Other	-521	-1,097	-1,029	-1,135	-1,024
Change in cash	231	986	789	789	789
Cash at beginning of year	2,060	2,291	3,277	4,065	4,854
Cash at end of year	2,291	3,277	4,065	4,854	5,642
Gross cash flow	2,376	2,675	3,654	3,866	4,174
Free cash flow	1,926	1,183	1,613	1,984	2,424

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	-4.8	10.6	5.8	6.6	3.0
Operating profit	-13.6	12.8	20.2	4.8	2.5
Net profit	-10.3	2.7	47.1	6.0	4.2
Adjusted EPS**	-7.7	-6.4	31.1	6.0	4.2
Per-share data (KRW)					
EPS (parent-based)	14,148	14,585	21,452	22,734	23,682
EPS (consolidated)	14,268	14,660	21,562	22,851	23,804
Adjusted EPS**	17,483	16,363	21,452	22,734	23,682
BVPS	101,590	114,686	132,548	149,999	168,103
DPS (common)	6,300	3,700	5,400	5,700	6,000
Valuations (x)					
P/E***	9.8	10.5	8.0	7.5	7.2
P/B***	1.7	1.5	1.3	1.1	1.0
EV/EBITDA	5.5	4.8	3.9	3.5	3.1
Ratios (%)					
ROE	14.6	13.3	17.1	15.9	14.7
ROA	7.5	7.0	9.1	8.8	8.5
ROIC	16.3	16.4	19.6	18.9	18.3
Payout ratio	22.1	25.2	25.0	24.9	25.2
Dividend yield (common)	3.7	2.2	3.2	3.3	3.5
Net debt to equity	-6.7	-3.1	-7.2	-12.3	-18.0
Interest coverage (x)	9.2	9.3	9.8	9.6	9.6

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

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- As of 11/3 2025, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
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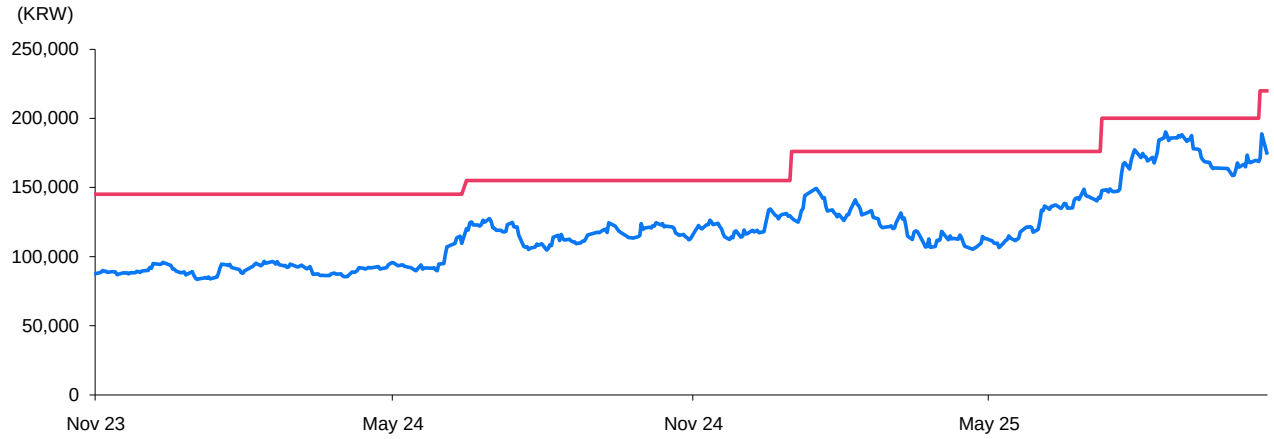
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2023/4/28	2024/4/28	2024/7/1	7/25	2025/1/16	7/25	10/30
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	145057	145057	155061	155061	176000	200000	220000
Gap* (average)	-38.47	-33.71	-21.12	-24.07	-28.89	-14.68	
(max or min)**	-31.17	-20.86	-17.71	-13.26	-15.11	-4.95	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

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Company

BUY	Expected to increase in value by 15% or more within 12 months and is highly attractive within sector
HOLD	Expected to increase/decrease in value by less than 15% within 12 months
SELL	Expected to decrease in value by 15% or more within 12 months

Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

Percentage of ratings in 12 months prior to 2025.09.30

BUY(83.5%)·HOLD(16.5%)·SELL(0%)

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General

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Samsung Securities

SAMSUNG SECURITIES

Samsung Electronics Bldg., 11, 74-gil,
Seochodae-ro, Seocho-gu, Seoul, Korea 06620
Tel: 02 2020 8000 / www.samsungpop.com

Family Center: 1588 2323

Voice Of Customer: 080 911 0900

**For more information,
please call our sales representatives:**

LONDON

Samsung Securities Europe Limited
1st Floor, 30 Gresham Street, London EC2V 7PG UK
Tel. 44-207-776-4311
Fax. 44-203-837-9219

NEW YORK

Samsung Securities America Limited
1330 Avenue of the Americas. 10th Floor. New York,
NY 10019
Tel: 1-212-972-2454
Fax: 1-212-972-2704

HONG KONG

Samsung Securities (Asia) Limited
Suite 4511, Two International Finance Center,
8 Finance Street, Central, Hong Kong
Tel: 852-3411-3608
Fax: 852-2114-0290

BEIJING

Samsung Securities Beijing Representative Office
Rm. 910, The Exchange Building No 118 JianGuo Lu, Chao
Yang District, Beijing, China
Tel: 86-10-6522-1855 (extension 7891)
Fax: 86-10-6522-1855 (extension 7889)

TOKYO

Samsung Securities Tokyo Representative Office
#106-8532 19F, Roppongi T-Cube 3-1-1,
Roppongi Minato-ku Tokyo, Japan
Tel: 81-3-6333-2952
Fax: 81-3-6333-2953

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