COMPANY UPDATE

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EV/Mobility Team

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Hyundai Motor (005380)

2026 outlook: Subsidiaries to power growth

- Shares in Hyundai Motor (HMC) have rebounded following the US decision to cut tariffs on autos made in Korea. But its current market cap is below the combined value of its net cash plus Indian, finance, and defense subsidiaries, and does not reflect the value of its largest subsidiary (which is in the US).
- In 2026, its operating profit should return to the KRW14t range, supported by new model releases and its subsidiaries' strengthening earnings. In the US market, the Palisade HEV is priced 6% above the Toyota Highlander HEV.
- HMC's investments in its subsidiaries are beginning to pay off. Its valuation multiple should be dictated by how far its autonomous driving and robotics businesses evolve. We present HMC as one of our top picks for 2026.

WHAT'S THE STORY?

Operating profit to recover to KRW14t range in 2026: Hyundai Motor (HMC) should finally move past concerns (surrounding fears that its earnings are on the cusp of peaking) that have persisted for three years.

- **Tariff costs to ease KRW0.5t/quarter:** Given tariff cuts from 25% to 15% and tariff reimbursements for imported parts used in US-made vehicles (3.75%), HMC's tariff costs should halve from KRW1t to KRW0.48t per quarter.
- **Metaplant to assemble hybrid vehicles:** Hyundai Motor Group Metaplant America is set to assemble 70,000-80,000 autos in 2025. It will start assembling hybrid models, including the Palisade Hybrid, in 2026, which should lead to: 1) a hike in utilization; 2) a rise in tariff reimbursements on imported parts; and 3) global sales-mix improvements (hybrid portion of its sales to rise from 15% to 20%).

(Continued on the next page)

SUMMARY FINANCIAL DATA

	2024	2025E	2026E	2027E
Revenue (KRWb)	175,231	190,257	206,093	214,469
Operating profit (KRWb)	14,240	12,666	14,082	15,075
Net profit (adj) (KRWb)	13,230	12,047	13,358	14,316
EPS (adj) (KRW)	46,042	41,668	48,822	52,325
EPS (adj) growth (% y-y)	5.6	-9.5	17.2	7.2
EBITDA margin (%)	10.6	9.2	9.2	9.4
ROE (%)	12.4	9.9	10.6	10.5
P/E (adj) (x)	4.6	6.2	5.3	4.9
P/B (x)	0.5	0.6	0.5	0.5
EV/EBITDA (x)	10.5	12.9	12.2	11.7
Dividend yield (%)	5.7	4.7	5.0	5.2

Source: Company data, Samsung Securities estimates

AT A GLANCE

BUY

Target price	KRW340,000	32%
Current price	KRW257,500	
Market cap	KRW52.7t/USD35.8b	
Shares (float)	204,757,766 (65.4%)	
52-week high/low	KRW291,500/KRW177,500	
Avg daily trading value (60-day)	KRW198.9b/ USD135.1m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Motor (%)	2.0	43.1	17.6
Vs Kospi (%pts)	4.2	-3.8	-22.8

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	340,000	340,000	0.0%
2025E EPS	41,668	41,668	0.0%
2026E EPS	48,822	48,822	0.0%

SAMSUNG vs THE STREET

No of estimates	25
Target price	329,800
Recommendation	4.0

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

- **Subsidiaries to perform better:** Kia's sales are set to rise, which should result in HMC shouldering a smaller portion of their shared R&D costs. Greater earnings contributions are also expected from the finance division (up KRW600b in 2026) and Hyundai Rotem (up KRW200b). FnGuide consensus has HMC's 2026 operating profit at KRW13.2t.

AI narrative begins with Nvidia partnership

- **Massive investments begin:** HMG has announced that it will purchase 50,000 Nvidia Blackwell GPUs for USD3b (KRW4t). Its data center capex is set to total USD4.5b (KRW6.3t). By 2030, its data center should reach a token processing capability comparable to Tesla's current level, positioning it ahead of other automakers (excluding Tesla) in terms of AI infrastructure.
- **Entry barrier to physical AI lies in funding:** Data centers have a five-year depreciation period, half that of automotive plants. High-performance chips—which account for 60-65% of data center capex—must be replaced every 3-5 years. Autonomous driving, robotics, and other physical AI services require the construction of data centers or cloud deployment—such constructions cost over KRW5t initially, with a similar investment amount needed every 3-5 years. Committing to purchase 50,000 GPUs, HMC has shown that it can afford to build AI infrastructure. Nvidia has secured a client that is able to make repeat purchases of high-performance chips.
- **HMG to sustain momentum in terms of technology validation:** The third-generation E-Atlas will be unveiled in early 2026 and field tested at Metaplant. Level 2+ autonomous Pace Car will be launched in 3Q26 and should begin accumulating driving data from that quarter.
- **HMG to increase collaboration with Nvidia:** HMG's collaboration with Nvidia will likely go beyond data center investments to cover a simulation-based robot learning environment (Cosmos and Omniverse platforms) and edge chips. Boston Dynamics' second-generation E-Atlas is being trained using reinforcement learning on Nvidia platforms, and has integrated Nvidia Thor (with a computing power of 2,000 TOPS) as edge chips. In addition, Nvidia's equity investments in multiple robotics firms such as Figure AI suggest the potential for capital ties between the two.

HMC beginning to benefit from subsidiaries' earnings growth: With all of its affiliates strengthening their cash-generating capabilities, HMC is entering a phase where the burden of funding new business initiatives should ease considerably.

- **Earnings at Kia (34.53% owned subsidiary) as high as at HMC:** Kia sells 1m fewer autos than HMC, but its higher margins means it has an operating profit on par with that of HMC's auto division.

  1) HMC and Kia share an integrated R&D center, and many technologies such as powertrain and platform fall under common cost items. Kia's share of the R&D costs expanded from 42% in 2020 to 44% in 2025 as Kia's earnings grew. Kia's R&D cost-to-sales ratio climbed 0.6%pts from 2.5% in 2022 to 3.1% in 2025, while HMC's stayed flat at 2.3%.

  2) In the US market, Kia's sales volume is similar to HMC's, while Kia cars hold their value better than HMC cars. Kia cars now have the fourth best resale value, which helps the profitability of Hyundai Capital America. Leased vehicles (which comprise 10-20% of HMC's total sales volume) are sold in the used car market after three years, and the difference between the book price and the sale price dictates the finance subsidiary's profitability.

3) Kia targets a total payout ratio of 35%—the same as HMC's—which includes a dividend payout ratio of 25%. In 2024, HMC received KRW768.9b in dividends from Kia (up 60% y-y), or 15.9% of its total dividend income (KRW4.8t).

- **Finance subsidiaries contribute 40% of HMC's consolidated profits:** HMC owns 80% of its US finance subsidiary Hyundai Capital America, while Hyundai Capital and Hyundai Card are also consolidated subsidiaries. HMC/Kia's strong US sales growth and ASP gains since 2020, along with a greater portion of the car buyers using its financing services (61% in 4Q23 → 67% in 4Q24 → 75.1% in 3Q25), have fueled rapid growth at the finance division. With 3- to 7-year auto loan receivables turning into sales, finance revenue surged in 2023 and has been growing 15-20% *pa* since 2024. Profitability lagged the auto division over 2023-2024, as high interest rates and rising delinquencies drove up provisioning, but margins have improved in 2025 and operating profit looks set to rise by at least KRW600b in 2026.

  Ongoing economic polarization in the US has led to the bankruptcy of auto financing firms serving subprime customers. At Hyundai Motor America (HCA), the percentage of prime borrowers (with FICO scores above 660) hit 80% in 2020, 83% in 2022, 88% in 3Q24, and 85% in 3Q25. The percentage of borrowers who are 60 days or more overdue hit an all-time low of 0.77% when?.

- **Rotem contributes 10% of HMC's consolidated profits:** HMC's other divisions include Hyundai Rotem (33.77% stake), Hyundai Kefico, and Hyundai Transys. Hyundai Kefico and Hyundai Transys are near breakeven, while Hyundai Rotem, buoyed by surging K2 tank exports, now accounts for 10% of HMC's operating profit. Combined operating profit should grow by at least KRW300b *pa* from 2026.

Palisade Hybrid sells at higher price than Toyota highlander Hybrid in US: In the US market, the ICE-powered Palisade is 5% less expensive than the Toyota Highlander (ICE version). But the Palisade Hybrid is 6% pricier than the Toyota Highlander (HEV version).

- **Hybrids make up 15% of HMC's US sales:** Hybrids account for 45% of Toyota's US sales. HMC is launching full-size hybrid models in a bid to lift its hybrid portion of sales to 20% in 2026 and 30% in 2027.
- **HMC develops hybrid system for large vehicles:** Hybrid systems, aimed at delivering higher fuel efficiency, are typically paired with compact 1.6-liter engines, resulting in low output. To overcome this, HMC has developed a hybrid transmission with two integrated motors (a P1+P2 dual-motor setup) that can be paired with large 2.5-liter engines. The gasoline 2.5-liter hybrid system used in the new Palisade delivers a maximum system output of 334 HP and a fuel efficiency of 13.8 km/L, offering 19% more maximum power and 54% greater fuel efficiency at a price 12% higher than that of the 2.5 gasoline model. The Palisade hybrid accounts for 55% of Palisade sales in Korea, and rolled out in the US in October. HMC plans to bring the hybrid system to its luxury Genesis marque in 2H26.
- **Full-size hybrids—a market dominated by Toyota:** Toyota offers a full lineup of hybrids, dominating the US market for such vehicles with a 56% market share. Its hybrid models extend beyond compact vehicles (the Prius and RAV4) to include larger SUVs (the Highlander, Land Cruiser, Sequoia), minivans (the Sienna), and pickup trucks with large (2.5-liter/3.4-liter) hybrid engines (the Tundra and Tacomma). Vehicles in its luxury Lexus brand lineup also feature 2.5-liter hybrid engines. Toyota sold 330,000 large hybrids in 2024, account for 36% of hybrid sales volume.

- **Metaplant to produce more hybrids than EVs initially:** Hyundai Motor Group Metaplant America was built for EV production, but, in the face of a slowdown in EV demand growth, is being retrofitted to also produce hybrid vehicles. The Ioniq 5 and Ioniq 9 are now in production at Metaplant, whose output totaled 47,000 units over January-September. The facility initially had a 30% hybrid production share, though this percentage could rise further depending on US demand.

Amount of 2025 shareholder returns to be announced in January: Despite earnings headwinds from tariffs in 2025, HMC is likely to pay the same DPS (KRW12,000) as in 2024.

- **Total payout ratio projected at 40%:** We expect HMC to declare a 2025 DPS of KRW12,000, which translates to a dividend payout ratio of 30% and a dividend yield of 4.4%. Factoring in share buybacks (and cancellations) that we estimate at KRW1.33t, its total payout ratio in 2025 is projected at 40% and its shareholder yield at 6.5%.
- **2026 DPS estimated at KRW13,000 (up 8.3% y-y):** Dividend income from HMC should qualify for separate taxation, as the automaker is likely to maintain a dividend payout ratio above 25% and increase dividends by 10% compared to its three-year average.

HMC: Factors influencing operating profit growth in 2026

(KRWb)	(KRWb)	2025E	2026E	Chg (% y-y)
Positive	US tariff impact	3,076	1,919	1,157
	US market			300
	Finance division	2,503	3,098	595
	Hyundai Rotem*	1,069	1,374	305
Negative	European market			-300
	Material costs and other expenses			-400
Total		**12,475**	**14,132**	**1,657**

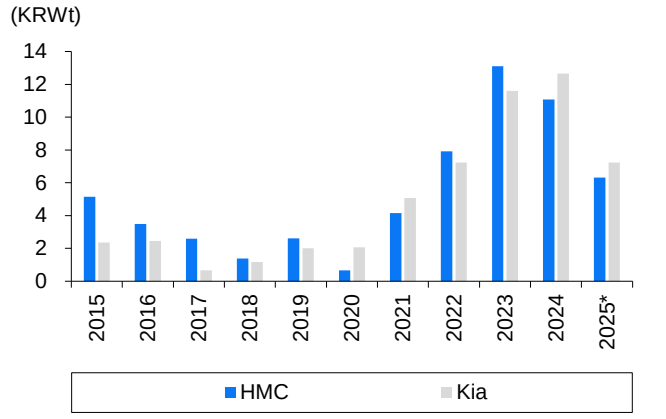
Note: *FnGuide consensus
Source: Company data, Samsung Securities estimates

Hyundai Motor subsidiaries' valuation vs HMC market cap

	Subsidiaries	Market cap	Stake (%)	Stake value	Note
Consolidated	Hyundai Motor India	33	82.5	19.1	30% discount
	Hyundai Rotem	21.9	33.77	5.2	30% discount
	Finance division		US 80 / Korea 59.7	12.8	Book value
Equity method	Kia	45.6	34.53	11.0	30% discount
	Hyundai E&C	7.0	20.95	1.0	30% discount
	Net cash			12.5	As of end-3Q25
Total				61.6	
HMC market cap*				66.2	

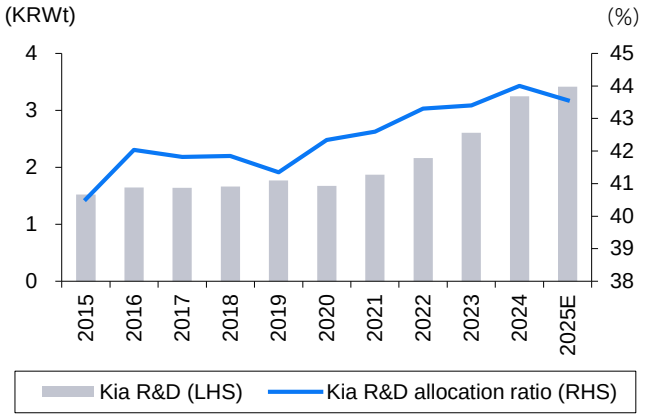
Note: *Includes preferred shares, As of Nov 11
Source: Dart, Samsung Securities

HMC* vs Kia: Operating profit



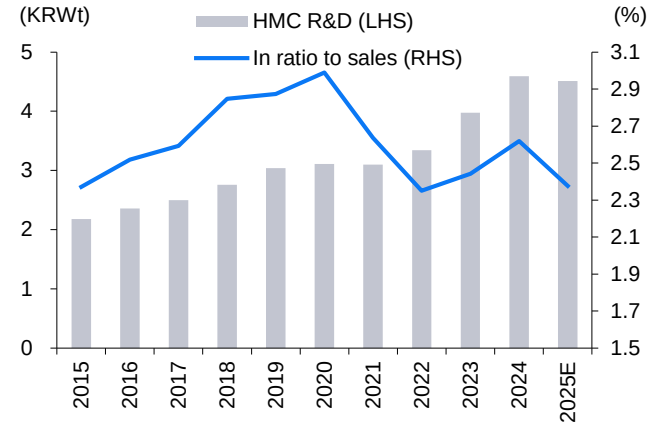
Note: *Auto division, 2025 is 3Q annualized figure
Source: Company data, Samsung Securities

Kia: R&D expense and allocation ratio



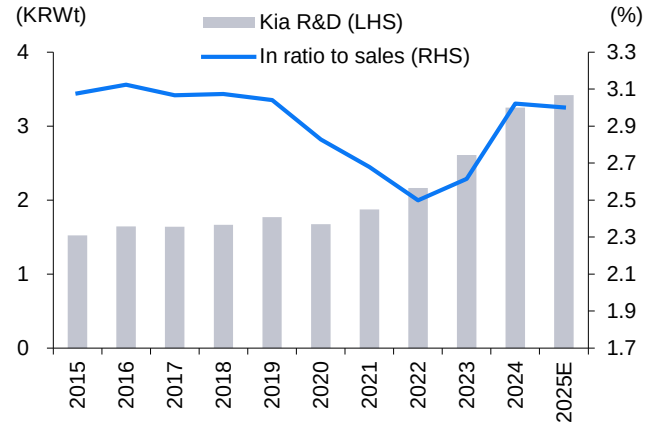
Note: Kia's R&D allocation ratio is based on its share of the total R&D costs combined with HMC
Source: Company data, Samsung Securities

HMC: R&D expense



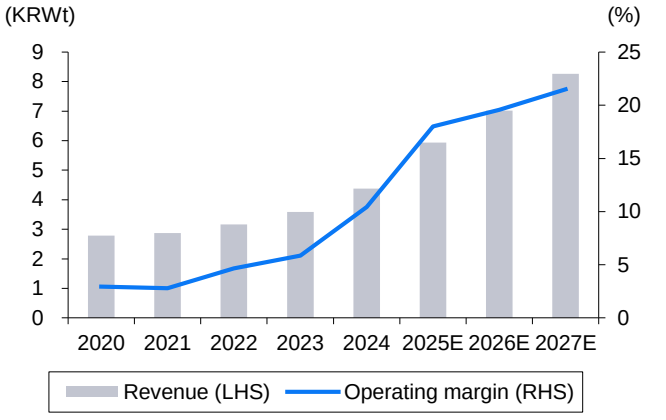
Source: Company data, Samsung Securities

Kia: R&D expense



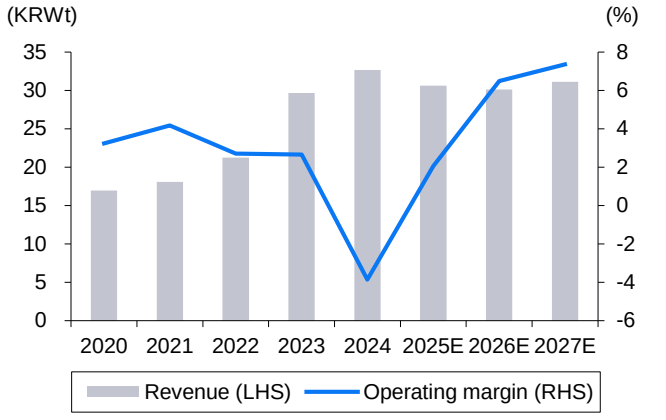
Source: Company data, Samsung Securities

Hyundai Rotem: Sales and operating margin



Note: 2025E-2027E based on FnGuide consensus
Source: Company data, Samsung Securities

Hyundai E&C: Sales and operating margin



Note: Hyundai Engineering & Construction, 2025E-2027E based on consensus
Source: Company data, Samsung Securities

HMC: Palisade hybrid

Source: Company data

HMC: Santa Fe hybrid

Source: Company data

US market: Hyundai Palisade vs Toyota Grand Highlander

	Hyundai Palisade		Toyota Grand Highlander	
Powertrain	**ICE**	**HEV**	**ICE**	**HEV**
Launch date of latest version	Jul 2025	Sep 2025	Aug 2023	Aug 2023
Price (USD)	39,435	47,520	41,360	44,710
Fuel economy (City/Hwy/Combined)	19/25/21 MPG	33/35/34 MPG	21/28/24 MPG	36/32/34 MPG
Seating capacity	7-8 passengers	7-8 passengers	8 passengers	8 passengers
Length (in.)	199.2	199.2	201.4	201.4
Width (in.)	78	78	78.3	78.3
Height (in.)	69.5	69.5	70.1	70.1
Wheelbase (in.)	116.9	116.9	116.1	116.1
Drivetrain	FWD/AWD	FWD/AWD	FWD/AWD	FWD/AWD
Fuel system	3.5L V6 engine	2.5L inline-4 turbo engine	2.5L inline-4 turbo engine	2.5L inline-4 engine.
Fuel tank capacity (gal.)	19	18.2	17.83	17.17
Battery capacity		1.65kWh Li-ion		1.3kWh Ni-MH
Transmission	8-speed automatic	6-speed automatic	8-speed automatic	eCVT
Max power (hp)	287 @ 6,400	258 @ 5,800	265 @ 6000	245 combined net
Max torque (lb-ft)	260 @ 5,000	260 @ 1,800-4500	310 @ 1700-3600	175 @ 4400

Note: Both companies are based on the lowest trim specifications

Source: Company data, Samsung Securities

HMC/Kia: HEV and BEV sales targets

('000 vehicles)		**2023**	**2024**	**2025E**	**2026E**	**2027E**
HMC	HEV	383	497	632	800	1,100
	BEV	277	219	290	400	550
Kia	HEV	311	383	465	750	1,000
	BEV	198	194	260	380	500
Total	HEV	694	880	1,097	1,550	2,100
	BEV	475	413	550	780	1,050
	Total	1,169	1,293	1,647	2,330	3,150

Source: Company data, Samsung Securities

HMC: Global sales volume and forecasts

('000 vehicles)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E
Global plant sales	1,013	1,082	999	1,079	1,006	1,063	1,032	1,015	4,276	4,174	4,014	4,204
Domestic	447	504	433	487	445	483	458	469	1,928	1,871	1,855	1,870
Overseas	566	578	566	592	561	580	574	546	2,349	2,303	2,159	2,334
India (HMI)	194	192	192	186	192	180	197	211	766	764	780	820
China (BHMC)	48	44	36	43	44	50	47	49	242	170	190	200
US (HMMA)	86	93	88	94	98	112	110	81	364	361	400	450
Turkey (HAOS)	65	58	56	67	62	59	39	41	246	246	200	210
Czech (HMMC)	86	89	75	77	73	74	67	85	340	327	300	320
Russia (HMMR)	-	-	-	-	-	-	-	-	-	-	-	40
Brazil (HMMB)	39	54	56	65	41	55	57	52	205	214	205	205
Global retail sales	**1,007**	**1,057**	**1,012**	**1,066**	**1,001**	**1,066**	**1,038**	**1,080**	**4,217**	**4,142**	**4,185**	**4,335**
Global ASP (KRWm)	**33.1**	**34.5**	**34.4**	**34.3**	**35.7**	**35.8**	**36.5**	**38.1**	**32.8**	**34.1**	**36.5**	**38.0**

Source: Company data, Samsung Securities

HMC: Results and forecasts

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E	2027E
KRW/USD (avg)	1,453	1,400	1,387	1,400	1,380	1,380	1,360	1,360	1,365	1,410	1,370	1,330
Revenue	44,408	48,287	46,721	50,841	47,814	52,417	49,564	56,298	175,231	190,257	206,093	214,469
Autos	34,718	37,030	36,715	39,436	37,270	40,184	38,698	43,349	136,725	147,899	159,500	164,148
Finance	7,398	8,269	7,189	8,435	8,138	9,096	7,908	9,279	28,447	31,291	34,420	37,174
Other	2,292	2,988	2,817	2,969	2,407	3,137	2,958	3,671	10,060	11,066	12,173	13,146
Gross profit	8,980	9,110	8,284	8,974	8,033	8,929	8,456	12,168	35,749	35,347	37,586	39,094
Operating profit	3,634	3,602	2,537	2,893	2,496	3,393	2,715	5,478	14,240	12,666	14,082	15,075
Pre-tax profit	4,465	4,385	3,326	3,822	3,615	4,480	3,487	6,228	17,781	15,998	17,810	19,088
Net profit	3,382	3,250	2,548	2,867	2,711	3,360	2,615	4,671	13,230	12,047	13,358	14,316
Controlling profit	3,157	2,998	2,261	2,723	2,630	3,259	2,537	4,531	12,527	11,140	12,957	13,887
Margins (%)												
Gross profit	20.2	18.9	17.7	17.7	16.8	17.0	17.1	21.6	20.4	18.6	18.2	18.2
Operating profit	8.2	7.5	5.4	5.7	5.2	6.5	5.5	9.7	8.1	6.7	6.8	7.0
Net profit	7.6	6.7	5.5	5.6	5.7	6.4	5.3	8.3	7.5	6.3	6.5	6.7
Controlling profit	7.1	6.2	4.8	5.4	5.5	6.2	5.1	8.0	7.1	5.9	6.3	6.5

Source: Company data, Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**162,664**	**175,231**	**190,257**	**206,093**	**214,469**
Cost of goods sold	129,179	139,482	154,909	168,508	175,375
Gross profit	**33,484**	**35,749**	**35,347**	**37,586**	**39,094**
Gross margin (%)	20.6	20.4	18.6	18.2	18.2
SG&A expenses	18,357	21,510	22,682	23,504	24,019
Operating profit	**15,127**	**14,240**	**12,666**	**14,082**	**15,075**
Operating margin (%)	9.3	8.1	6.7	6.8	7.0
Non-operating gains (losses)	**1,750**	**3,251**	**3,332**	**3,728**	**4,013**
Financial profit	1,560	1,531	887	670	666
Financial costs	971	899	512	528	543
Equity-method gains (losses)	2,471	3,114	2,905	3,188	3,408
Other	-1,309	-496	52	399	481
Pre-tax profit	**16,877**	**17,490**	**15,998**	**17,810**	**19,088**
Taxes	4,627	4,232	3,951	4,453	4,772
Effective tax rate (%)	27.4	24.2	24.7	25.0	25.0
Profit from continuing operations	12,992	13,549	12,047	13,358	14,316
Profit from discontinued operations	-720	-319	0	0	0
Net profit	**12,272**	**13,230**	**12,047**	**13,358**	**14,316**
Net margin (%)	7.5	7.5	6.3	6.5	6.7
Net profit (controlling interests)	11,962	12,527	11,140	12,957	13,887
Net profit (non-controlling interests)	311	703	907	401	429
EBITDA	20,073	18,527	17,410	18,980	20,108
EBITDA margin (%)	12.3	10.6	9.2	9.2	9.4
EPS (parent-based) (KRW)	43,589	46,042	41,668	48,822	52,325
EPS (consolidated) (KRW)	44,721	48,626	45,061	50,332	53,944
Adjusted EPS (KRW)*	43,589	46,042	41,668	48,822	52,325

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**58,604**	**64,336**	**54,916**	**57,250**	**59,368**
Cash & equivalents	19,167	19,015	5,540	3,997	4,065
Accounts receivable	4,682	5,908	6,415	6,949	7,231
Inventories	17,400	19,791	21,770	23,582	24,541
Other current assets	17,355	19,622	21,191	22,722	23,531
Fixed assets	**116,172**	**147,622**	**165,055**	**177,720**	**189,759**
Investment assets	33,054	41,392	49,389	54,254	59,059
Tangible assets	38,921	44,534	48,692	50,707	51,597
Intangible assets	6,219	7,683	7,781	7,868	7,945
Other long-term assets	37,978	54,014	59,193	64,891	71,158
Total assets	**282,463**	**339,798**	**360,596**	**382,626**	**404,165**
Current liabilities	**73,362**	**79,510**	**83,180**	**88,603**	**93,081**
Accounts payable	10,952	12,550	13,626	14,760	15,360
Short-term debt	9,036	9,327	8,827	8,827	8,827
Other current liabilities	53,375	57,633	60,727	65,016	68,894
Long-term liabilities	**107,292**	**140,013**	**148,496**	**154,873**	**161,005**
Bonds & long-term debt	90,603	120,420	126,420	130,420	134,420
Other long-term liabilities	16,689	19,593	22,076	24,453	26,585
Total liabilities	**180,654**	**219,522**	**231,677**	**243,476**	**254,086**
Owners of parent equity	**92,497**	**109,103**	**116,839**	**126,670**	**137,170**
Capital stock	1,489	1,489	1,489	1,489	1,489
Capital surplus	4,378	7,656	7,656	7,656	7,656
Retained earnings	88,666	96,596	104,217	114,048	124,548
Other	-2,036	3,362	3,477	3,477	3,477
Non-controlling interests' equity	**9,312**	**11,173**	**12,080**	**12,480**	**12,910**
Total equity	**101,809**	**120,276**	**128,919**	**139,150**	**150,079**
Net debt	99,174	130,142	148,527	153,801	157,826

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**-2,519**	**-5,662**	**17,074**	**19,260**	**20,407**
Net profit	12,272	13,230	12,047	13,358	14,316
Non-cash profit and expenses	21,192	23,950	4,526	5,132	5,385
Depreciation	3,284	3,398	3,842	3,985	4,110
Amortization	1,663	889	902	913	923
Other	16,246	19,663	-218	235	352
Changes in A/L from operating activities	-30,365	-35,160	3,188	4,192	4,467
Cash flow from investments	**-8,649**	**-14,623**	**-28,439**	**-20,721**	**-20,161**
Change in tangible assets	-6,926	-7,890	-8,000	-6,000	-5,000
Change in financial assets	-1,131	-1,842	-1,476	-993	-511
Other	-592	-4,891	-18,964	-13,729	-14,650
Cash flow from financing	**9,393**	**19,493**	**2,285**	**1,422**	**1,139**
Change in debt	12,527	32,090	5,804	4,548	4,526
Change in equity	137	3,278	0	0	0
Dividends	-2,499	-3,913	-3,519	-3,126	-3,387
Other	-772	-11,961	0	-0	-0
Change in cash	-1,698	-152	-13,475	-1,543	67
Cash at beginning of year	20,865	19,167	19,015	5,540	3,997
Cash at end of year	19,167	19,015	5,540	3,997	4,065
Gross cash flow	**33,465**	**37,180**	**16,573**	**18,490**	**19,701**
Free cash flow	**-9,590**	**-13,723**	**9,074**	**13,260**	**15,407**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	14.4	7.7	8.6	8.3	4.1
Operating profit	54.0	-5.9	-11.1	11.2	7.1
Net profit	53.7	7.8	-8.9	10.9	7.2
Adjusted EPS**	63.9	5.6	-9.5	17.2	7.2
Per-share data (KRW)					
EPS (parent-based)	43,589	46,042	41,668	48,822	52,325
EPS (consolidated)	44,721	48,626	45,061	50,332	53,944
Adjusted EPS**	43,589	46,042	41,668	48,822	52,325
BVPS	351,861	413,568	448,870	486,636	526,974
DPS (common)	11,400	12,000	12,000	13,000	13,500
Valuations (x)					
P/E***	4.7	4.6	6.2	5.3	4.9
P/B***	0.6	0.5	0.6	0.5	0.5
EV/EBITDA	7.9	10.5	12.9	12.2	11.7
Ratios (%)					
ROE	13.7	12.4	9.9	10.6	10.5
ROA	4.6	4.3	3.4	3.6	3.6
ROIC	15.0	12.3	9.1	9.4	9.6
Payout ratio	19.4	19.5	21.8	20.3	19.6
Dividend yield (common)	5.6	5.7	4.7	5.0	5.2
Net debt to equity	97.4	108.2	115.2	110.5	105.2
Interest coverage (x)	27.1	31.5	24.8	26.7	27.8

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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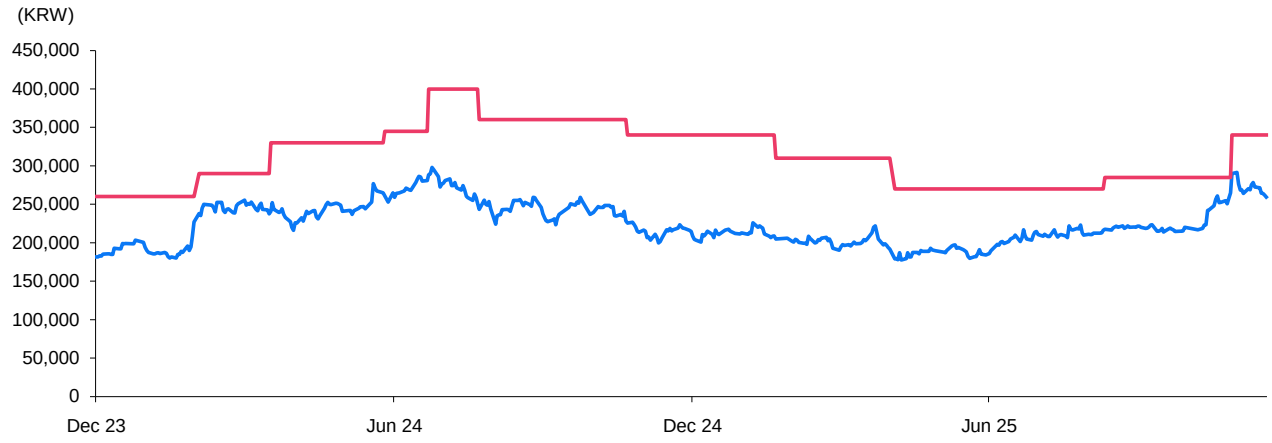
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2023/10/26	2024/2/5	3/20	5/29	6/25	7/26	10/25	2025/1/24	4/7	8/14	10/31
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	260000	290000	330000	345000	400000	360000	340000	310000	270000	285000	340000
Gap* (average)	-28.49	-15.25	-26.19	-21.52	-31.63	-32.30	-37.27	-34.90	-26.06	-20.49	
(max or min)**	-12.69	-11.90	-16.06	-16.96	-25.50	-28.06	-33.38	-28.39	-17.41	-7.02	

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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