COMPANY UPDATE

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LG Uplus (032640)

Core earnings power established

- We believe LG Uplus will post a 4Q consolidated operating profit of KRW177.9b (up 25.2% y-y), rising y-y but missing consensus due to: 1) adjustments in incentive payout rates; and 2) one-off expenses related to personnel restructuring at its subsidiaries.
- It should keep focusing on strengthening its core business competitiveness and expanding its AX (AI transformation) units. Overhauling its low-margin operations should lead to structural improvements in profitability. Given probable earnings growth, the telco is likely to further lift shareholder returns.

WHAT'S THE STORY?

4Q preview: We believe LG Uplus will report 4Q consolidated sales of KRW3.89t (up 3.8% y-y) and an operating profit of KRW177.9b (up 25.2% y-y but missing consensus). Its operating margin likely fell short due to a heavy cost burden (a seasonal issue), adjustments in incentive payout rates, and one-time expenses related to personnel restructuring at its subsidiaries. Its mobile revenue likely maintained steady growth, supported by continued net subscriber additions following a cyberattack incident at a competitor. At the corporate infrastructure business, AI data center sales likely showed robust growth on rising utilization at its data centers and increasing design-build-operate (DBO) sales. Additionally, the expansion of solution sales, including network integration services, likely further enhanced the growth potential of the corporate infrastructure business.

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW17,500	17.2%
Current price	**KRW14,930**	
Market cap	KRW6.4t/USD4.3b	
Shares (float)	429,828,355 (60.5%)	
52-week high/low	KRW16,210/KRW9,870	
Avg daily trading value (60-day)	KRW13.1b/ USD8.9m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
LG Uplus (%)	-2.0	0.9	44.8
Vs Kospi (%pts)	-19.0	-33.6	-24.4

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	17,500	17,500	0.0%
2025E EPS	1,230	1,321	-6.9%
2026E EPS	1,791	1,815	-1.3%

SAMSUNG vs THE STREET

No of estimates	18
Target price	17,983
Recommendation	3.9

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

SUMMARY FINANCIAL DATA

	2024	2025E	2026E	2027E
Revenue (KRWb)	14,625	15,498	15,600	15,923
Operating profit (KRWb)	863	900	1,166	1,236
Net profit (adj) (KRWb)	315	526	760	805
EPS (adj) (KRW)	858	1,230	1,791	1,896
EPS (adj) growth (% y-y)	-39.9	43.4	45.7	5.9
EBITDA margin (%)	24.1	19.6	18.5	16.4
ROE (%)	4.4	6.1	8.5	8.5
P/E (adj) (x)	12.0	12.0	8.3	7.9
P/B (x)	0.5	0.7	0.7	0.6
EV/EBITDA (x)	3.1	3.1	2.6	2.1
Dividend yield (%)	6.3	4.6	4.8	5.1

Source: Company data, Samsung Securities estimates

2026 outlook: The mobile carrier has been focusing on strengthening its core service competitiveness while concurrently restructuring its low-margin and non-core businesses to improve profitability. Its operating profit in 2025 likely expanded—rising y-y for the first time in two years—despite one-off labor costs. We expect its operating profit to leap 29.6% to KRW1.16t in 2026 as its efforts to lift profitability should start paying off in earnest.

To lift shareholder returns on earnings growth: Reflecting the solid earnings momentum, LG Uplus is likely to return more to shareholders in the form of larger dividends and share buybacks. We reiterate BUY, believing that the telco will further strengthen its core business competitiveness and take additional steps to grow its AI businesses (*eg*, AI data centers and AI contact centers).

Table 1. Quarterly results and forecasts

(KRWb)	4Q24	3Q25	4Q25E	Chg (% q-q)	Chg (% y-y)	Consensus	Diff (%)
Sales	3,753.2	4,010.8	3,894.7	-2.9	3.8	3,926.1	-0.8
Operating profit	142.2	161.7	177.9	10.0	25.2	224.0	-20.6
Operating margin (%)	3.8	4.0	4.6	0.5	0.8	5.7	-1.1
Pre-tax profit	-115.7	104.8	123.1	17.4	nm	168.7	-27.1
Net profit (controlling)	-57.8	49.7	98.5	98.1	nm	137.3	-28.2

Source: Company data, FnGuide, Samsung Securities

Table 2. Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Revenue	**3,577.0**	**3,493.7**	**3,801.3**	**3,753.2**	**3,748.1**	**3,844.4**	**4,010.8**	**3,894.7**	**3,822.2**	**3,876.0**	**3,946.7**	**3,955.0**	**14,625.2**	**15,498.0**	**15,599.8**
Sales	2,686.7	2,732.9	2,786.3	2,799.3	2,736.0	2,803.1	2,897.2	2,971.0	2,888.4	2,909.9	2,966.4	3,013.0	11,005.2	11,407.3	11,777.6
Mobile	1,580.7	1,593.1	1,620.4	1,633.3	1,612.2	1,654.2	1,711.4	1,722.8	1,707.8	1,703.8	1,721.4	1,731.0	6,427.5	6,700.6	6,864.1
Smart home	615.5	620.1	650.9	619.4	630.5	636.6	673.3	659.1	665.0	671.7	702.1	682.0	2,505.9	2,599.5	2,720.9
Phone	89.2	90.6	86.5	91.9	83.6	84.6	84.6	89.4	82.9	84.1	83.5	88.4	358.2	342.2	338.8
B2B	401.3	429.1	428.5	454.7	409.7	427.7	427.9	499.7	432.6	450.3	459.3	511.5	1,713.6	1,765.0	1,853.8
Product	683.1	549.8	810.9	738.0	809.2	828.0	894.2	715.8	723.2	725.8	784.1	741.4	2,781.8	3,247.2	2,974.5
LG HelloVision	267.2	283.6	323.3	322.3	313.5	354.1	298.5	315.3	322.6	353.8	298.2	315.0	1,196.4	1,281.4	1,289.5
SG&A costs	3,356.0	3,239.7	3,555.3	3,611.0	3,492.7	3,539.9	3,849.2	3,716.8	3,523.9	3,556.6	3,643.5	3,710.2	13,762.1	14,598.5	14,434.3
Labor	487.0	493.9	481.9	516.3	490.7	486.7	631.2	558.6	482.2	477.9	481.0	514.0	1,979.2	2,167.2	1,955.1
Depreciation	543.6	547.0	551.9	537.7	542.0	550.7	549.2	546.9	544.7	546.9	542.0	540.9	2,180.1	2,188.8	2,174.5
Amortization	122.8	119.2	122.7	118.9	123.9	121.9	120.5	119.9	122.5	121.3	119.3	118.3	483.6	486.2	481.3
Marketing	546.7	521.7	556.1	584.6	555.8	540.1	585.2	606.4	650.9	652.4	645.5	574.9	2,209.1	2,287.5	2,523.8
Operating profit	**220.9**	**254.0**	**246.0**	**142.2**	**255.4**	**304.5**	**161.7**	**177.9**	**298.2**	**319.3**	**303.2**	**244.8**	**863.1**	**899.5**	**1,165.6**
Operating margin (%)	6.2	7.3	6.5	3.8	6.8	7.9	4.0	4.6	7.8	8.2	7.7	6.2	5.9	5.8	7.5
Pre-tax profit	165.8	204.5	196.0	-115.7	200.5	272.3	104.8	123.1	247.5	277.2	258.8	199.1	450.6	700.7	982.6
Net profit (controlling)	**131.1**	**163.6**	**137.5**	**-57.8**	**165.7**	**219.5**	**49.7**	**98.5**	**198.7**	**222.4**	**192.4**	**156.4**	**374.5**	**533.4**	**769.8**
Growth (% y-y)															
Revenue	**1.0**	**1.9**	**6.2**	**-1.8**	**4.8**	**10.0**	**5.5**	**3.8**	**2.0**	**0.8**	**-1.6**	**1.5**	**1.8**	**6.0**	**0.7**
Sales	2.7	2.0	3.6	0.2	1.8	2.6	4.0	6.1	5.6	3.8	2.4	1.4	2.1	3.7	3.2
Mobile	1.3	1.1	2.1	3.0	2.0	3.8	5.6	5.5	5.9	3.0	0.6	0.5	1.9	4.2	2.4
Smart home	3.6	2.8	5.6	3.3	2.4	2.7	3.4	6.4	5.5	5.5	4.3	3.5	3.9	3.7	4.7
Phone	-3.8	-1.1	-3.8	-0.6	-6.3	-6.6	-2.2	-2.7	-0.9	-0.6	-1.3	-1.1	-2.3	-4.5	-1.0
B2B	8.9	4.8	8.6	-12.1	2.1	-0.3	-0.1	9.9	5.6	5.3	7.3	2.4	1.4	3.0	5.0
Product	-4.7	3.3	20.0	-9.0	18.5	50.6	10.3	-3.0	-10.6	-12.3	-12.3	3.6	1.7	16.7	-8.4
LG HelloVision	-3.7	-1.1	12.0	-4.5	17.3	24.9	-7.7	-2.2	2.9	-0.1	-0.1	-0.1	0.5	7.1	0.6
SG&A costs	2.3	3.1	6.9	-0.4	4.1	9.3	8.3	2.9	0.9	0.5	-5.3	-0.2	2.9	6.1	-1.1
Labor	8.4	12.0	4.5	9.3	0.7	-1.4	31.0	8.2	-1.7	-1.8	-23.8	-8.0	8.5	9.5	-9.8
Depreciation	4.5	3.4	3.1	-2.1	-0.3	0.7	-0.5	1.7	0.5	-0.7	-1.3	-1.1	2.2	0.4	-0.7
Amortization	23.9	19.3	12.6	-8.0	0.9	2.3	-1.8	0.8	-1.2	-0.5	-1.0	-1.3	10.6	0.5	-1.0
Marketing	2.3	-3.3	0.5	8.8	1.7	3.5	5.2	3.7	17.1	20.8	10.3	-5.2	2.1	3.6	10.3
Operating profit	**-15.1**	**-11.8**	**-3.2**	**-27.3**	**15.6**	**19.9**	**-34.3**	**25.2**	**16.8**	**4.9**	**87.5**	**37.6**	**-13.5**	**4.2**	**29.6**
Operating margin (%pts)	-1.2	-1.1	-0.6	-1.3	0.6	0.7	-2.4	0.8	1.0	0.3	3.7	1.6	-1.0	-0.1	1.7
Pre-tax profit	-21.4	-17.2	1.0	NA	21.0	33.1	-46.5	NA	23.4	1.8	146.9	61.8	-41.6	55.5	40.2
Net profit (controlling)	**-13.6**	**-23.2**	**-12.4**	**NA**	**26.4**	**34.1**	**-63.9**	**NA**	**19.9**	**1.3**	**287.0**	**58.8**	**-39.9**	**42.4**	**44.3**

Note: This table reflects revised revenue figures for the mobile, smart home, and B2B divisions for past periods

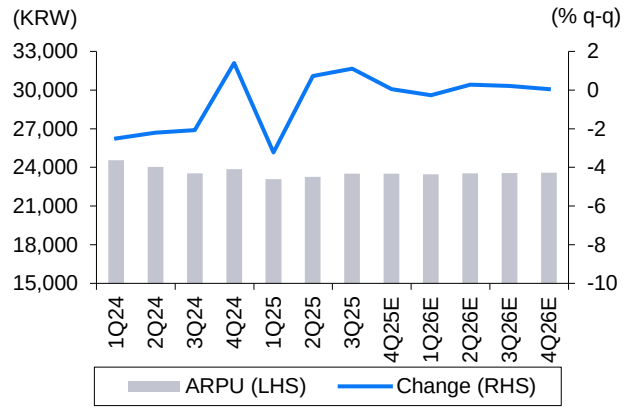
Source: Company data, Samsung Securities estimates

Table 3. Key operating metrics

('000 people)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Mobile subscribers	**26,265**	**27,223**	**27,873**	**28,515**	**29,075**	**29,917**	**30,259**	**30,511**	**30,992**	**31,185**	**31,561**	**31,969**	**28,515**	**30,511**	**31,969**
Net additions (q-q)	1,168	958	650	642	560	842	342	252	481	193	376	407	3,418	1,996	1,458
LTE	3,759	3,532	3,261	2,988	2,425	2,251	2,021	1,728	1,619	1,340	1,130	933	2,988	1,728	933
5G	7,187	7,413	7,686	7,952	8,196	8,930	9,155	9,292	9,375	9,445	9,597	9,744	7,952	9,292	9,744
Fixed-line service subscribers	**14,419**	**14,449**	**14,487**	**14,482**	**14,547**	**14,704**	**14,773**	**14,817**	**14,866**	**14,935**	**14,982**	**15,034**	**14,482**	**14,817**	**15,034**
IPTV	5,479	5,518	5,554	5,576	5,611	5,699	5,739	5,743	5,747	5,761	5,764	5,766	5,576	5,743	5,766
Broadband	5,218	5,269	5,313	5,353	5,396	5,479	5,541	5,597	5,656	5,720	5,778	5,836	5,353	5,597	5,836
PSTN+VoIP	3,722	3,662	3,620	3,553	3,540	3,526	3,493	3,477	3,463	3,454	3,439	3,431	3,553	3,477	3,431
ARPU (KRW)	24,563	24,023	23,526	23,855	23,085	23,253	23,511	23,523	23,460	23,526	23,575	23,586	23,992	23,343	23,537
Chg (% q-q, % y-y)	-2.5	-2.2	-2.1	1.4	-3.2	0.7	1.1	0.0	-0.3	0.3	0.2	0.0	-12.4	-2.7	0.8

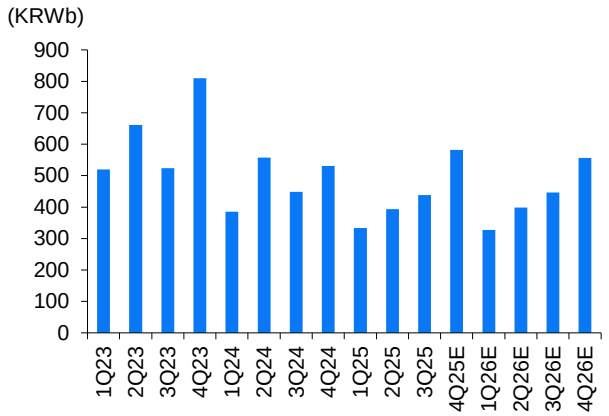
Source: Company data, Samsung Securities estimates

Chart 1. Mobile ARPU



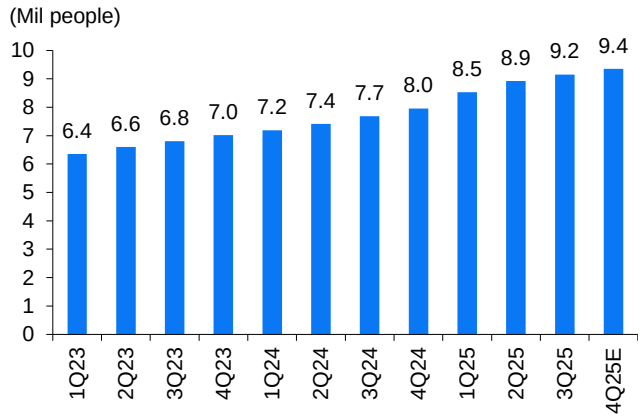
Source: Company data, Samsung Securities

Chart 2. Capex and forecasts



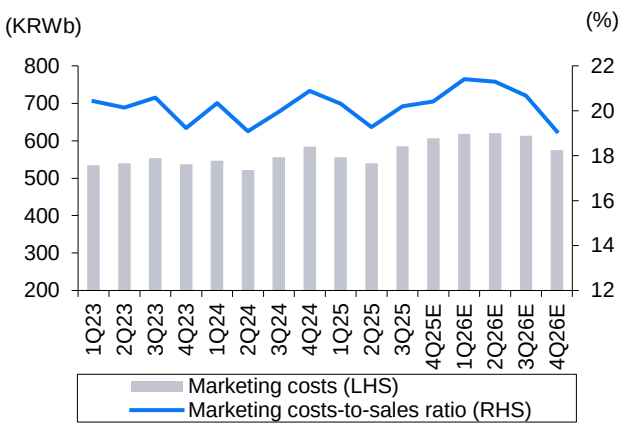
Source: Company data, Samsung Securities

Chart 3. Number of 5G subscribers



Source: Company data, Samsung Securities

Chart 4. Marketing costs vs marketing costs-to-sales ratio



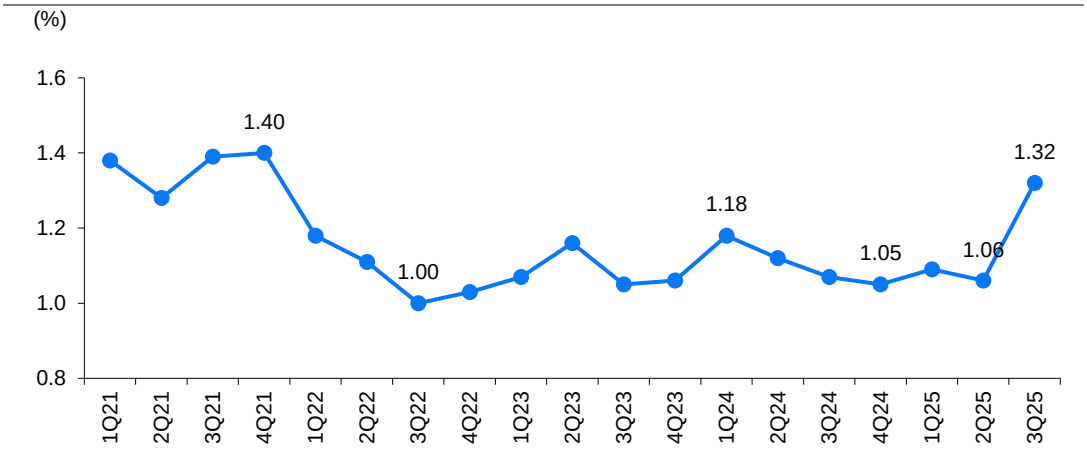
Source: Company data, Samsung Securities

Table 4. To exit various non-core businesses

Business	Details	Withdrawal date	Note
I-dol Plus	K-pop content platform	Jun 2024	Launched in Oct 2018
Home Training Now	Home training content	Sep 2024	Launched in Aug 2021
Cargo Connect	Cargo transport platform	Jan 2025	Launched in Oct 2023
U+ Smart Drone	Drone service	Jan 2025	Launched in 2017
U+ Elementary Nation	Home schooling service	Feb 2025	Launched in Sep 2020
U+ Family Keeper	Child safety	Mar 2025	KRW2,200/month
Spoky	Sport community platform	Mar 2025	Launched in Sep 2022
Metaslap and Uverse	Operation of Metaslap (a metaverse for office workers) has been discontinued, and Uverse (a metaverse for university students) is being scaled down	Mar 2025	
U+ News	Data based personalized news subscription service	Mar 2025	Launched in Apr 2023
Better	Daily life journaling platform	Mar 2025	Launched in Mar 2023
Money Me	Mydata for finance business	Apr 2025	Launched in Jul 2023
U+ Parentnara	Parenting education content platform	Jun 2025	Launched in Sep 2023
1Row	Content review platform	Jun 2025	Launched in Oct 2024
Podong	Pet care service platform	Jul 2025	Launched in Jul 2022
Dapda	Emotion-tracking journal & mental wellness platform	Aug 2025	Launched in Sep 2023
U+ serving robot	Robot service for SOHO customer	Sep 2025	Launched in Mar 2023
U+ Information & delivery robot	Robot service for enterprise customers	Sep 2025	Launched in Feb 2024
U+ Kiosk	Order and payment service for shop owner	Dec 2025	Launched in Apr 2024
Studio X+U	Content production	Dec 2025	Launched in Oct 2022

Note: In November 2025, news about Studio X+U (content production company) is considering withdrawing from the business
Source: Company data, Samsung Securities

Chart 5. MNO: Churn rate



Source: Company data, Samsung Securities

Chart 6. LG AI Research—one of the top-5 Korean AI foundation model teams (as of Aug 4)

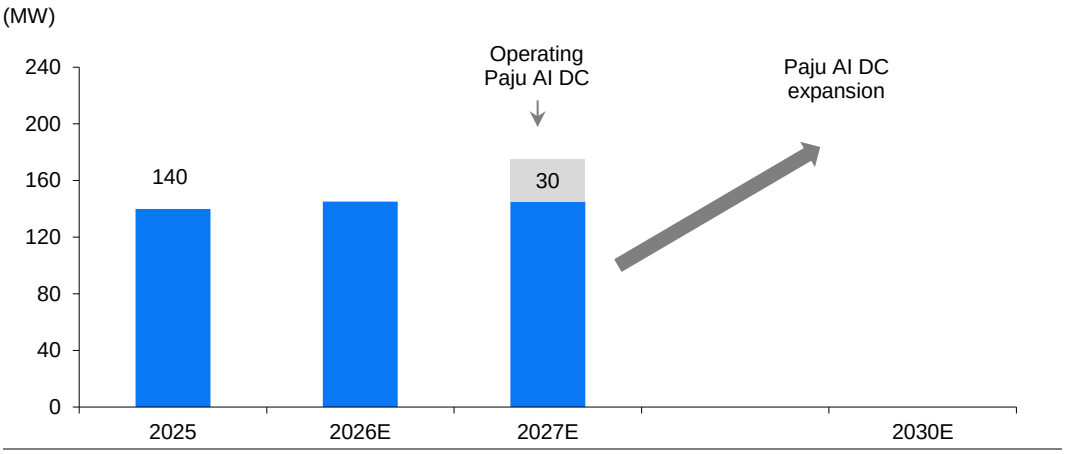
Note: The four other teams are Naver Cloud, Upstage, SK Telecom, and NC AI
Source: Company data, Samsung Securities

Table 5. LG Uplus: Data centers

Category	Location	Note	Capacity
Seoul Metropolitan Area	Nonhyeon		
(7+ centers)	Seocho 1		
	Seocho 2		
	Gasan		
	Sangam		
	Pyeongchon 1		90 MW
	Pyeongchon 2		45 MW
	Paju	Scheduled to be launched in 2027	30 MW
Province	Daegu		
(5+ centers)	Busan		
	Daejeon		
	Gwangju		
	Jeonju		

Source: Company data, Samsung Securities

Chart 7. LG Uplus: Data center capacity forecasts



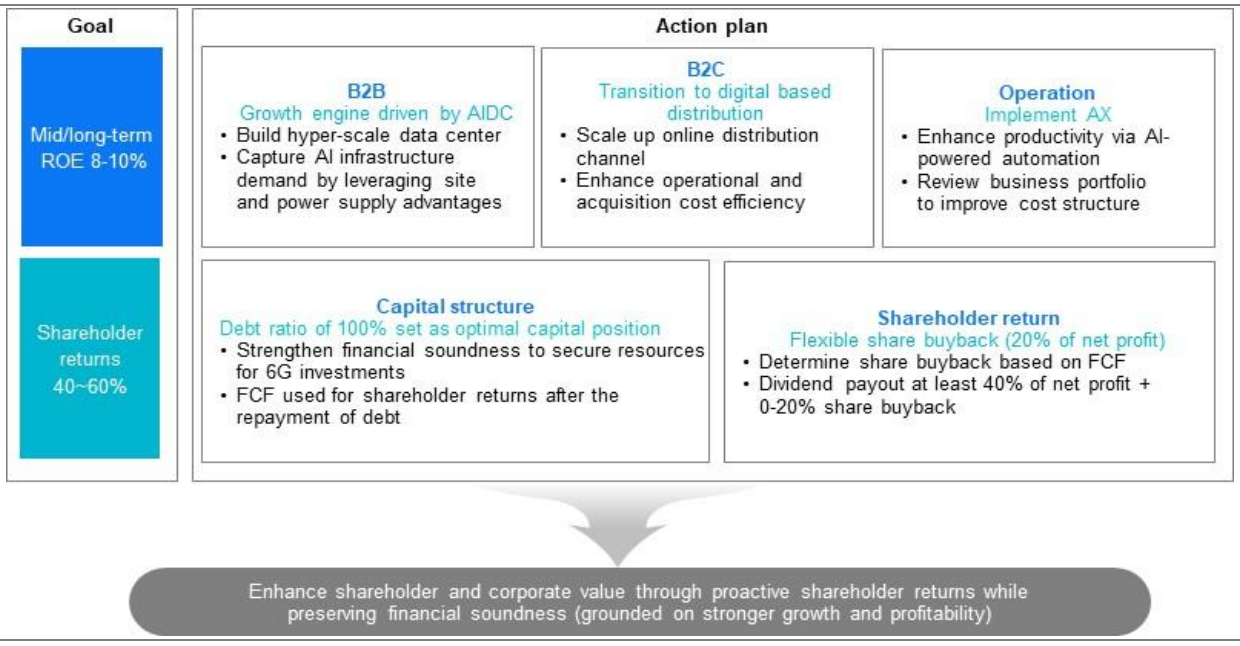
Note: Paju AI data center expected to start operations in 2027 and later expand capacity (give existing idle space)
Source: Company data, Samsung Securities estimates

Table 6. New facility investments

Category	Details
Investment type	New facility investment
Investment object	New construction (Paju AIDC)
Investment amount	KRW615.6b
Investment purpose	Building new AIDC to deal with growing customer demand
Investment period	May 7, 2025 – May 25, 2025

Note: Announced on Apr 29, 2025
Investment amount is set at 130% of the expected amount, in consideration of changes in prices and exchange rate
Source: Dart, Company data, Samsung Securities

Chart 8. LG Uplus' value-up plan



Source: Company data, Samsung Securities

Table 7. Share buybacks (around KRW80b)

Category	Details
Contract amount	80,000,000,000
Contract period	Aug 4, 2025-Aug 3, 2026
Purpose of contract	Enhancing shareholder value
Number of shares to be acquired	5,336,891
Price at which shares will be acquired (KRW)	14,990

Note: First company buyback since 2021;
In its corporate value enhancement plan (Nov 2024), LG Uplus said it would take a flexible approach to executing share buybacks, using between 0% and 20% of parent-based net profit
As of Nov 3, 2025, the telco had acquired 2,338,682 shares for total KRW34.36b (averaging KRW14,693/share)
Source: Dart, Company data, Samsung Securities

Table 8. LG HelloVision's financial results

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	Chg (q-q)	Chg (y-y)	2022	2023	2024	Chg (y-y)
Sales	267.2	283.6	323.3	322.3	313.5	354.1	298.5	-15.7	-7.7	1,170.9	1,190.3	1,196.4	0.5
Operating profit	4.1	7.4	3.3	-1.3	7.1	10.5	9.0	-14.4	172.8	53.8	47.4	13.5	-71.5
Pre-tax profit	1.8	7.1	2.8	-139.4	4.5	9.5	3.6	-61.9	29.7	-13.7	-35.6	-127.7	NA
Net income	1.5	5.1	2.2	-115.1	3.0	7.2	2.0	-72.1	-8.3	-26.1	-45.4	-106.2	NA

Source: Dart, LG HelloVision, Samsung Securities

Table 9. Revisions to full-year forecasts

(KRWb)	2025E			2026E		
	Old	New	Chg (%)	Old	New	Chg (%)
Sales	15,510.8	15,498.0	-0.1	15,635.5	15,599.8	-0.2
Operating profit	951.1	899.5	-5.4	1,168.5	1,165.6	-0.3
Operating margin (%, %pts)	6.1	5.8	-0.3	7.5	7.5	-0.0
Pre-tax profit	750.4	700.7	-6.6	984.3	982.6	-0.2
Net profit	573.2	533.4	-6.9	780.2	769.8	-1.3

Source: Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**14,373**	**14,625**	**15,498**	**15,600**	**15,923**
Cost of goods sold	0	0	0	0	0
Gross profit	**14,373**	**14,625**	**15,498**	**15,600**	**15,923**
Gross margin (%)	100.0	100.0	100.0	100.0	100.0
SG&A expenses	13,375	13,762	14,598	14,434	14,687
Operating profit	**998**	**863**	**900**	**1,166**	**1,236**
Operating margin (%)	6.9	5.9	5.8	7.5	7.8
Non-operating gains (losses)	**-227**	**-413**	**-199**	**-183**	**-189**
Financial profit	58	75	61	64	67
Financial costs	287	312	274	256	267
Equity-method gains (losses)	2	-2	2	4	4
Other	0	-174	13	5	8
Pre-tax profit	**771**	**451**	**701**	**983**	**1,047**
Taxes	141	136	175	223	242
Effective tax rate (%)	18.3	30.2	25.0	22.7	23.1
Profit from continuing operations	630	315	526	760	805
Profit from discontinued operations	0	0	0	0	0
Net profit	**630**	**315**	**526**	**760**	**805**
Net margin (%)	4.4	2.2	3.4	4.9	5.1
Net profit (controlling interests)	623	374	533	770	815
Net profit (non-controlling interests)	7	-60	-8	-10	-9
EBITDA	3,569	3,527	3,037	2,882	2,616
EBITDA margin (%)	24.8	24.1	19.6	18.5	16.4
EPS (parent-based) (KRW)	1,426	858	1,230	1,791	1,896
EPS (consolidated) (KRW)	1,443	721	1,212	1,768	1,874
Adjusted EPS (KRW)*	1,426	858	1,230	1,791	1,896

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**4,964**	**5,264**	**8,700**	**10,634**	**12,619**
Cash & equivalents	560	896	4,123	6,113	8,071
Accounts receivable	1,744	1,694	1,764	1,720	1,713
Inventories	354	252	331	307	334
Other current assets	2,306	2,421	2,481	2,494	2,502
Fixed assets	**15,136**	**14,444**	**11,552**	**9,818**	**8,426**
Investment assets	314	335	345	341	343
Tangible assets	11,066	10,709	8,936	7,494	6,322
Intangible assets	2,166	1,805	1,440	1,165	957
Other long-term assets	1,590	1,595	832	817	804
Total assets	**20,101**	**19,708**	**20,252**	**20,452**	**21,045**
Current liabilities	**5,607**	**5,116**	**5,281**	**5,165**	**5,232**
Accounts payable	126	206	151	158	134
Short-term debt	130	0	0	0	0
Other current liabilities	5,350	4,910	5,131	5,007	5,097
Long-term liabilities	**5,737**	**5,823**	**5,961**	**5,804**	**5,838**
Bonds & long-term debt	4,046	4,489	4,489	4,489	4,489
Other long-term liabilities	1,691	1,334	1,472	1,314	1,349
Total liabilities	**11,344**	**10,939**	**11,243**	**10,968**	**11,070**
Owners of parent equity	**8,472**	**8,556**	**8,804**	**9,289**	**9,790**
Capital stock	2,574	2,574	2,574	2,574	2,574
Capital surplus	837	872	872	872	872
Retained earnings	5,168	5,204	5,459	5,944	6,445
Other	-106	-93	-100	-100	-100
Non-controlling interests' equity	**285**	**212**	**205**	**195**	**185**
Total equity	**8,757**	**8,768**	**9,009**	**9,484**	**9,975**
Net debt	6,708	6,168	2,962	796	-1,112

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**2,975**	**3,335**	**2,735**	**2,431**	**2,209**
Net profit	630	315	526	760	805
Non-cash profit and expenses	5,501	5,760	2,509	2,127	1,813
Depreciation	2,134	2,180	1,773	1,442	1,172
Amortization	437	484	365	275	208
Other	2,930	3,097	372	410	433
Changes in A/L from operating activities	-2,704	-2,355	74	-43	25
Cash flow from investments	**-2,998**	**-2,391**	**-3**	**16**	**7**
Change in tangible assets	-2,518	-1,896	0	0	0
Change in financial assets	-28	11	-17	2	-7
Other	-452	-506	15	14	14
Cash flow from financing	**-252**	**-611**	**-245**	**-461**	**-259**
Change in debt	339	-206	33	-176	55
Change in equity	0	35	0	0	0
Dividends	-284	-284	-278	-285	-314
Other	-307	-155	0	0	0
Change in cash	-275	337	3,227	1,990	1,958
Cash at beginning of year	835	560	896	4,123	6,113
Cash at end of year	560	896	4,123	6,113	8,071
Gross cash flow	**6,131**	**6,075**	**3,035**	**2,887**	**2,619**
Free cash flow	**439**	**1,420**	**2,735**	**2,431**	**2,209**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	3.4	1.8	6.0	0.7	2.1
Operating profit	-7.7	-13.5	4.2	29.6	6.0
Net profit	-4.9	-50.1	67.1	44.6	6.0
Adjusted EPS**	-6.1	-39.9	43.4	45.7	5.9
Per-share data (KRW)					
EPS (parent-based)	1,426	858	1,230	1,791	1,896
EPS (consolidated)	1,443	721	1,212	1,768	1,874
Adjusted EPS**	1,426	858	1,230	1,791	1,896
BVPS	19,711	19,906	20,679	21,887	23,067
DPS (common)	650	650	670	720	760
Valuations (x)					
P/E***	7.2	12.0	12.0	8.3	7.9
P/B***	0.5	0.5	0.7	0.7	0.6
EV/EBITDA	3.2	3.1	3.1	2.6	2.1
Ratios (%)					
ROE	7.5	4.4	6.1	8.5	8.5
ROA	3.2	1.6	2.6	3.7	3.9
ROIC	5.4	4.0	5.0	7.8	9.5
Payout ratio	44.9	74.6	53.5	39.7	39.6
Dividend yield (common)	6.4	6.3	4.6	4.8	5.1
Net debt to equity	76.6	70.3	32.9	8.4	-11.2
Interest coverage (x)	4.1	3.1	3.5	4.6	4.8

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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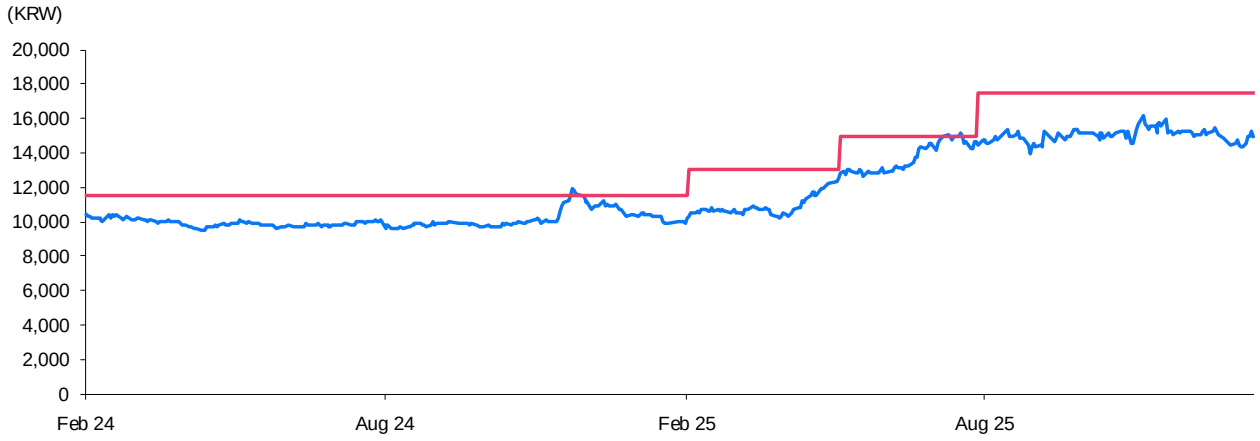
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2023/11/8	2024/11/8	2025/1/24	2/6	5/9	8/1
Recommendation	HOLD	HOLD	BUY	BUY	BUY	BUY
Target price (KRW)	11500	11500	11500	13000	15000	17500
Gap* (average)	-13.24	-6.94	-12.61	-16.36	-8.10	
(max or min)**	-8.70	3.48	-11.39	-3.92	0.80	

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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