COMPANY UPDATE

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LG Uplus (032640)

Optimizing the core, scaling AI for profit

- LG Uplus' earnings should keep heading north, backed by service upgrades and the overhaul of its low-margin businesses. The firm is accelerating its AI transition via ixi-O, AICC, and AIDC business expansion.
- Its data center operation is gaining traction thanks to the recognition of design-build-operate (DBO) sales. At MWC 2026, the telco demonstrated a novel integration of voice and physical AI by linking its 'ixi-O Pro' to AeiROBOT's humanoid robot.
- Earnings growth should drive up its shareholder returns. We revise up our net profit forecasts for 2026 and 2027 by 2.7% and 4.5%, each, and increase our target price to KRW19,000 (based on 10x forward P/E).

WHAT'S THE STORY?

Centering on profitability improvement and strategic growth: After its earnings shrank in 2023 and 2024, LG Uplus recorded earnings growth in 2025 despite one-off costs stemming from personnel restructuring at the parent company and subsidiaries. This turnaround was driven by targeted efforts to enhance profitability—upgrading core services and restructuring low-margin, non-core businesses. At the same time, the telco has been transitioning into an AI-driven software enterprise, anchored by its vision of 'people-centered AI'. Progress in its AI transition is accelerating through upgrades to ixi-O and expansion of the AICC (customer service center) and data center operations. With these structural improvements set to fully take effect this year, we believe the firm's 2026 operating profit will reach KRW1.16t (up 31%) for an operating margin of 7.5% (up 1.7%pts).

(Continued on the next page)

SUMMARY FINANCIAL DATA

	2024	2025E	2026E	2027E
Revenue (KRWb)	14,625	15,452	15,679	15,945
Operating profit (KRWb)	863	892	1,169	1,253
Net profit (adj) (KRWb)	315	509	757	814
EPS (adj) (KRW)	858	1,207	1,839	1,981
EPS (adj) growth (% y-y)	-39.9	40.8	52.3	7.7
EBITDA margin (%)	24.1	19.6	18.4	16.5
ROE (%)	4.4	6.0	8.7	8.9
P/E (adj) (x)	12.0	12.2	8.3	7.7
P/B (x)	0.5	0.7	0.7	0.7
EV/EBITDA (x)	3.1	3.1	2.6	2.1
Dividend yield (%)	6.3	4.5	4.7	5.0

Source: Company data, Samsung Securities estimates

AT A GLANCE

BUY

Target price	KRW19,000	24.5%
Current price	KRW15,260	
Market cap	KRW6.6t/USD4.5b	
Shares (float)	429,828,355 (60.5%)	
52-week high/low	KRW17,810/KRW10,250	
Avg daily trading value (60-day)	KRW18.1b/ USD12.2m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
LG Uplus (%)	-11.1	0.7	42.8
Vs Kospi (%pts)	-12.1	-38.8	-34.2

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	19,000	17,500	8.6%
2025E EPS	1,207	1,230	-1.9%
2026E EPS	1,839	1,791	2.7%

SAMSUNG vs THE STREET

No of estimates	17
Target price	19,171
Recommendation	4.0

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

Scaling AIDC operation and advancing AI services: LG Uplus expanded its AIDC business in 2H25 by winning new design-build-operate (DBO) contracts, including the Gasan Data Center. It recently began to recognize sales from its DBO deal for Jangnim Data Center in Busan. Longer-term growth is expected from planned infrastructure expansions, including the Paju AIDC building #1 (scheduled for completion in mid-2027). At MWC 2026, the company unveiled 'ixi-O Pro', which integrates voice AI into its existing platform, and demonstrated a novel integration of voice and physical AI by linking its system to AeiROBOT's humanoid robot. These developments underscore LG Uplus' strategic push to build its own AI ecosystem and reposition its business model around AI.

Boosting earnings and expanding shareholder returns: Building on its solid fundamentals, LG Uplus is set to enhance both the scale and quality of its shareholder returns. This year, a virtuous cycle is expected to take hold: Stronger earnings growth should increase distributable earnings, driving up its corporate value. Through its end-to-end AIDC solutions—covering power, cooling, and operations—the company should also strengthen its leadership in the data center market. We revise up our net profit forecasts for 2026 and 2027 by 2.7% and 4.5%, respectively, and increase our target price to KRW19,000 (based on 10x forward P/E—its three-year average).

Table 1. Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2025	2026E	2027E
Revenue	**3,577.0**	**3,493.7**	**3,801.3**	**3,753.2**	**3,748.1**	**3,844.4**	**4,010.8**	**3,848.4**	**3,853.3**	**3,906.3**	**3,978.0**	**3,941.6**	**15,451.7**	**15,679.3**	**15,945.4**
Sales	2,686.7	2,732.9	2,786.3	2,799.3	2,736.0	2,803.1	2,897.2	2,968.2	2,907.4	2,928.7	2,979.0	3,016.3	11,404.5	11,831.4	12,111.3
Mobile	1,580.7	1,593.1	1,620.4	1,633.3	1,612.2	1,654.2	1,711.4	1,689.4	1,691.2	1,690.4	1,706.7	1,696.5	6,667.2	6,784.7	6,876.2
Smart home	615.5	620.1	650.9	619.4	630.5	636.6	673.3	649.3	661.4	667.7	697.7	676.2	2,589.7	2,703.0	2,788.9
Phone	89.2	90.6	86.5	91.9	83.6	84.6	84.6	87.1	83.2	84.4	83.8	86.0	339.9	337.4	333.0
B2B	401.3	429.1	428.5	454.7	409.7	427.7	427.9	542.4	471.6	486.2	490.8	557.7	1,807.7	2,006.4	2,113.3
Product	683.1	549.8	810.9	738.0	809.2	828.0	894.2	657.1	726.1	725.8	788.9	722.2	3,188.5	2,963.0	2,940.9
LG HelloVision	267.2	283.6	323.3	322.3	313.5	354.1	298.5	299.5	322.6	353.8	298.2	299.2	1,265.7	1,273.8	1,299.3
SG&A costs	3,356.0	3,239.7	3,555.3	3,611.0	3,492.7	3,539.9	3,849.2	3,677.9	3,558.5	3,586.6	3,666.5	3,699.1	14,559.6	14,510.7	14,692.1
Labor	487.0	493.9	481.9	516.3	490.7	486.7	631.2	522.9	486.0	489.6	487.7	500.8	2,131.5	1,964.0	1,900.8
Depreciation	543.6	547.0	551.9	537.7	542.0	550.7	549.2	568.0	552.5	549.6	548.6	559.4	2,209.8	2,210.2	2,199.2
Amortization	122.8	119.2	122.7	118.9	123.9	121.9	120.5	120.9	125.4	123.8	121.8	122.7	487.2	493.7	502.0
Marketing	546.7	521.7	556.1	584.6	555.8	540.1	585.2	633.3	654.2	652.4	640.8	522.7	2,314.4	2,470.1	2,528.9
Operating profit	**220.9**	**254.0**	**246.0**	**142.2**	**255.4**	**304.5**	**161.7**	**170.5**	**294.9**	**319.8**	**311.5**	**242.5**	**892.1**	**1,168.6**	**1,253.4**
Operating margin (%)	6.2	7.3	6.5	3.8	6.8	7.9	4.0	4.4	7.7	8.2	7.8	6.2	5.8	7.5	7.9
Pre-tax profit	165.8	204.5	196.0	-115.7	200.5	272.3	104.8	102.8	240.9	279.8	267.1	193.0	680.4	980.8	1,059.0
Net profit (controlling)	**131.1**	**163.6**	**137.5**	**-57.8**	**165.7**	**219.5**	**49.7**	**88.9**	**197.5**	**230.6**	**205.3**	**157.1**	**523.9**	**790.5**	**851.6**
Growth (% y-y)															
Revenue	**1.0**	**1.9**	**6.2**	**-1.8**	**4.8**	**10.0**	**5.5**	**2.5**	**2.8**	**1.6**	**-0.8**	**2.4**	**5.7**	**1.5**	**1.7**
Sales	2.7	2.0	3.6	0.2	1.8	2.6	4.0	6.0	6.3	4.5	2.8	1.6	3.6	3.7	2.4
Mobile	1.3	1.1	2.1	3.0	2.0	3.8	5.6	3.4	4.9	2.2	-0.3	0.4	3.7	1.8	1.3
Smart home	3.6	2.8	5.6	3.3	2.4	2.7	3.4	4.8	4.9	4.9	3.6	4.1	3.3	4.4	3.2
Phone	-3.8	-1.1	-3.8	-0.6	-6.3	-6.6	-2.2	-5.2	-0.4	-0.2	-1.0	-1.3	-5.1	-0.7	-1.3
B2B	8.9	4.8	8.6	-12.1	2.1	-0.3	-0.1	19.3	15.1	13.7	14.7	2.8	5.5	11.0	5.3
Product	-4.7	3.3	20.0	-9.0	18.5	50.6	10.3	-11.0	-10.3	-12.3	-11.8	9.9	14.6	-7.1	-0.7
LG HelloVision	-3.7	-1.1	12.0	-4.5	17.3	24.9	-7.7	-7.1	2.9	-0.1	-0.1	-0.1	5.8	0.6	2.0
SG&A costs	2.3	3.1	6.9	-0.4	4.1	9.3	8.3	1.9	1.9	1.3	-4.7	0.6	5.8	-0.3	1.3
Labor	8.4	12.0	4.5	9.3	0.7	-1.4	31.0	1.3	-1.0	0.6	-22.7	-4.2	7.7	-7.9	-3.2
Depreciation	4.5	3.4	3.1	-2.1	-0.3	0.7	-0.5	5.6	2.0	-0.2	-0.1	-1.5	1.4	0.0	-0.5
Amortization	23.9	19.3	12.6	-8.0	0.9	2.3	-1.8	1.7	1.2	1.5	1.1	1.5	0.7	1.3	1.7
Marketing	2.3	-3.3	0.5	8.8	1.7	3.5	5.2	8.3	17.7	20.8	9.5	-17.5	4.8	6.7	2.4
Operating profit	**-15.1**	**-11.8**	**-3.2**	**-27.3**	**15.6**	**19.9**	**-34.3**	**20.0**	**15.4**	**5.0**	**92.7**	**42.2**	**3.4**	**31.0**	**7.3**
Operating margin (%pts)	-1.2	-1.1	-0.6	-1.3	0.6	0.7	-2.4	0.6	0.8	0.3	3.8	1.7	-0.1	1.7	0.4
Pre-tax profit	-21.4	-17.2	1.0	na	21.0	33.1	-46.5	na	20.1	2.8	154.8	87.8	51.0	44.1	8.0
Net profit (controlling)	**-13.6**	**-23.2**	**-12.4**	**na**	**26.4**	**34.1**	**-63.9**	**na**	**19.2**	**5.0**	**312.9**	**76.7**	**39.9**	**50.9**	**7.7**

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

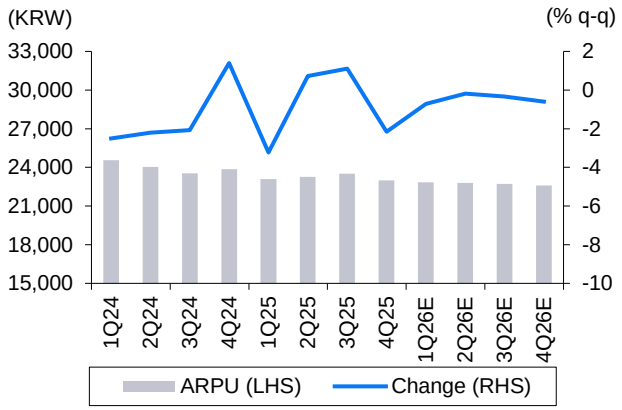
Source: Company data, Samsung Securities estimates

Table 2. Key operating metrics

('000 people)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2025	2026E	2027E
Mobile subscribers	**26,265**	**27,223**	**27,873**	**28,515**	**29,075**	**29,917**	**30,259**	**30,711**	**30,872**	**30,892**	**31,028**	**31,188**	**30,711**	**31,188**	**31,788**
Net additions (q-q)	1,168	958	650	642	560	842	342	452	161	20	136	160	2,196	477	601
LTE	3,759	3,532	3,261	2,988	2,425	2,251	2,069	2,008	1,915	1,718	1,573	1,439	2,008	1,439	923
5G	7,187	7,413	7,686	7,952	8,196	8,930	9,155	9,314	9,375	9,445	9,597	9,744	9,314	9,744	10,264
Fixed-line service subscribers	**14,419**	**14,449**	**14,487**	**14,482**	**14,547**	**14,704**	**14,773**	**14,782**	**14,824**	**14,885**	**14,921**	**14,961**	**14,782**	**14,961**	**15,122**
IPTV	5,479	5,518	5,554	5,576	5,611	5,699	5,739	5,739	5,743	5,757	5,760	5,762	5,739	5,762	5,775
Broadband	5,218	5,269	5,313	5,353	5,396	5,479	5,541	5,578	5,633	5,691	5,742	5,791	5,578	5,791	5,992
PSTN+VoIP	3,722	3,662	3,620	3,553	3,540	3,526	3,493	3,465	3,448	3,437	3,419	3,409	3,465	3,409	3,356
ARPU (KRW)	24,563	24,023	23,526	23,855	23,085	23,253	23,510	23,002	22,838	22,797	22,719	22,584	23,213	22,735	22,448
Chg (% q-q, % y-y)	-2.5	-2.2	-2.1	1.4	-3.2	0.7	1.1	-2.2	-0.7	-0.2	-0.3	-0.6	-3.2	-2.1	-1.3

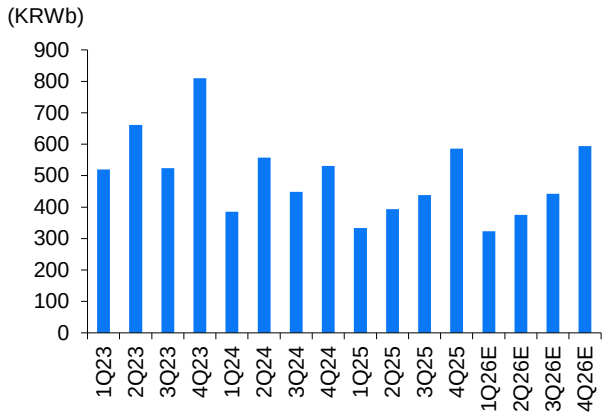
Source: Company data, Samsung Securities estimates

Chart 1. Mobile ARPU



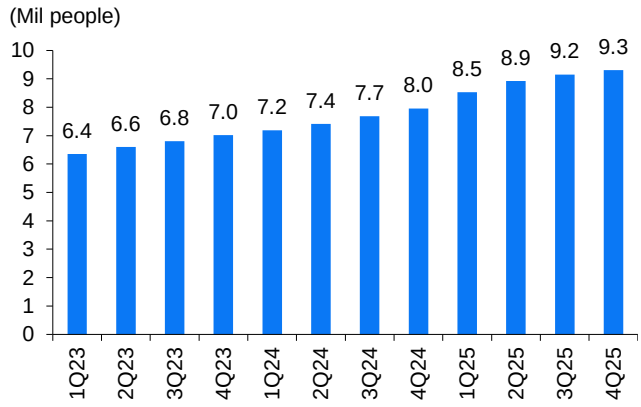
Source: Company data, Samsung Securities

Chart 2. Capex and forecasts



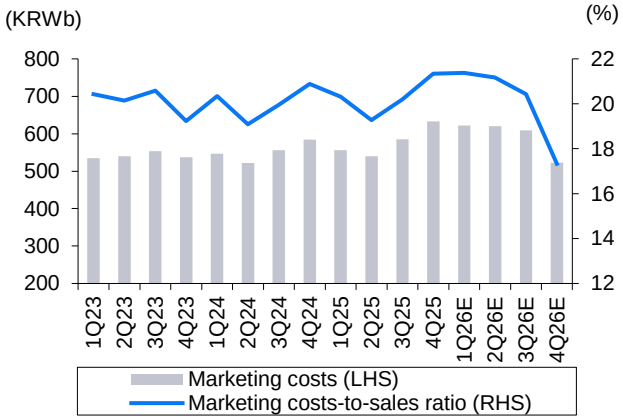
Source: Company data, Samsung Securities

Chart 3. Number of 5G subscribers



Source: Company data, Samsung Securities

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



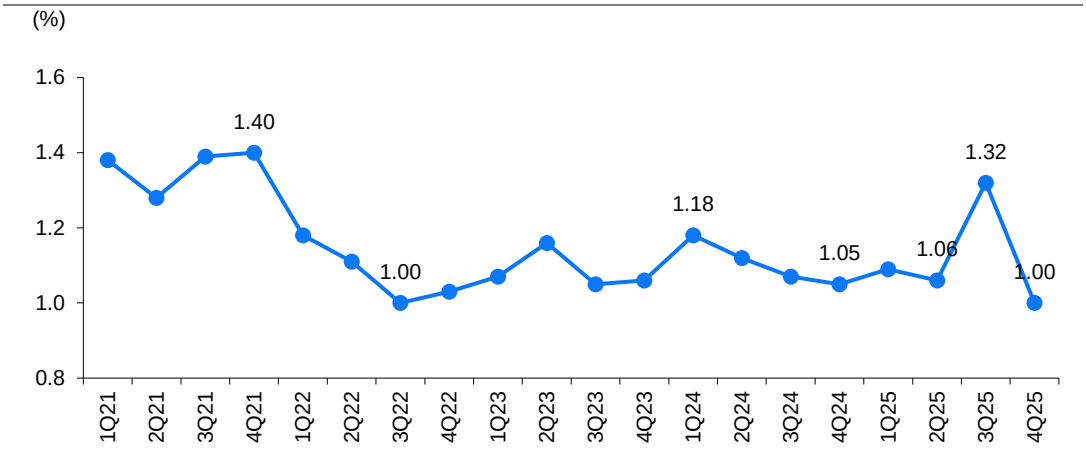
Source: Company data, Samsung Securities

Table 3. 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

Source: Company data, Samsung Securities

Chart 5. MNO: Churn rate



Source: Company data, Samsung Securities

Chart 6. LG AI Research Consortium advances to phase 2 of Korean AI foundation model project

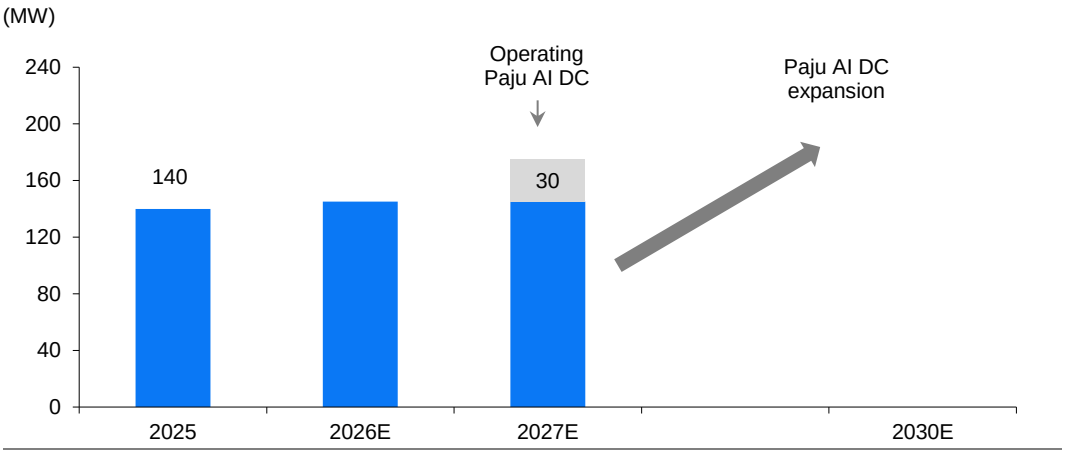
Note: LG AI Research consortium, SK Telecom, and Upstage advance to phase 2
Source: Company data, Samsung Securities

Table 4. LG Uplus: Data centers

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

Note: Capacity is estimated based on IT load
Paju AIDC is set for completion in May 2027
At MWC 2026, it was mentioned that Paju AIDC will have a poser reception capacity of 200 MW
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 (given existing idle space)
Source: Company data, Samsung Securities estimates

Table 5. New facility investments

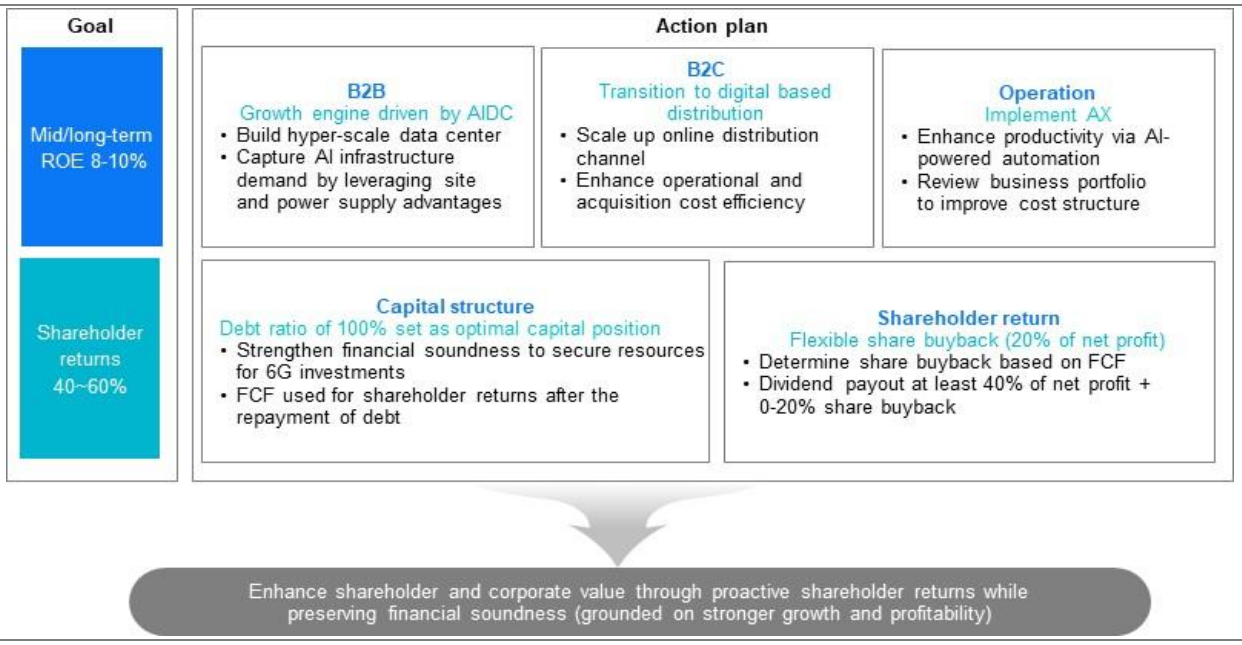
Category	Details
Investment type	New facility investment
Investment object	New construction (Paju AIDC)
Investment amount	KRW615.6b
Investment purpose	Building new AIDC to deal with growing customer demand
Investment period	May 7, 2025 – May 25, 2025

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. Humanoid robot integrated with ixi-O unveiled at MWC2026

Note: Integrate LG Uplus's AI agent 'ixi-O' with Aei-Robot's humanoid
Source: Company data, Samsung Securities estimates

Chart 9. LG Uplus' value-up plan



Source: Company data, Samsung Securities

Table 6. LG HelloVision's financial results

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	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	299.5	0.4	-4.5	1,190.3	1,196.4	1,265.7	5.8
Operating profit	4.1	7.4	3.3	-1.3	7.1	10.5	9.0	-7.9	na	na	47.4	13.5	18.7	39.0
Pre-tax profit	1.8	7.1	2.8	-139.4	4.5	9.5	3.6	-12.0	na	na	-35.6	-127.7	5.7	na
Net income	1.5	5.1	2.2	-115.1	3.0	7.2	2.0	-10.4	na	na	-45.4	-106.2	1.8	na

Source: Dart, LG HelloVision, Samsung Securities

Table 7. Revisions to full-year forecasts

(KRWb)	2026E			2027E		
	Old	New	Chg (%)	Old	New	Chg (%)
Sales	15,599.8	15,679.3	0.5	15,922.8	15,945.4	0.1
Operating profit	1,165.6	1,168.6	0.3	1,235.8	1,253.4	1.4
Operating margin (%, %pts)	7.5	7.5	-0.0	7.8	7.9	0.1
Pre-tax profit	982.6	980.8	-0.2	1,047.1	1,059.0	1.1
Net profit	769.8	790.5	2.7	814.9	851.6	4.5

Source: Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**14,373**	**14,625**	**15,452**	**15,679**	**15,945**
Cost of goods sold	0	0	0	0	0
Gross profit	**14,373**	**14,625**	**15,452**	**15,679**	**15,945**
Gross margin (%)	100.0	100.0	100.0	100.0	100.0
SG&A expenses	13,375	13,762	14,560	14,511	14,692
Operating profit	**998**	**863**	**892**	**1,169**	**1,253**
Operating margin (%)	6.9	5.9	5.8	7.5	7.9
Non-operating gains (losses)	**-227**	**-413**	**-212**	**-188**	**-194**
Financial profit	58	75	59	60	62
Financial costs	287	312	275	256	267
Equity-method gains (losses)	2	-2	-8	-8	-9
Other	0	-174	13	16	20
Pre-tax profit	**771**	**451**	**680**	**981**	**1,059**
Taxes	141	136	171	224	245
Effective tax rate (%)	18.3	30.2	25.2	22.8	23.1
Profit from continuing operations	630	315	509	757	814
Profit from discontinued operations	0	0	0	0	0
Net profit	**630**	**315**	**509**	**757**	**814**
Net margin (%)	4.4	2.2	3.3	4.8	5.1
Net profit (controlling interests)	623	374	524	791	852
Net profit (non-controlling interests)	7	-60	-15	-33	-38
EBITDA	3,569	3,527	3,030	2,885	2,633
EBITDA margin (%)	24.8	24.1	19.6	18.4	16.5
EPS (parent-based) (KRW)	1,426	858	1,207	1,839	1,981
EPS (consolidated) (KRW)	1,443	721	1,174	1,761	1,894
Adjusted EPS (KRW)*	1,426	858	1,207	1,839	1,981

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**4,964**	**5,264**	**8,671**	**10,640**	**12,618**
Cash & equivalents	560	896	4,108	6,096	8,064
Accounts receivable	1,744	1,694	1,759	1,728	1,715
Inventories	354	252	330	309	334
Other current assets	2,306	2,421	2,474	2,507	2,505
Fixed assets	**15,136**	**14,444**	**11,552**	**9,818**	**8,427**
Investment assets	314	335	344	342	344
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**	**20,223**	**20,459**	**21,045**
Current liabilities	**5,607**	**5,116**	**5,271**	**5,182**	**5,237**
Accounts payable	126	206	150	159	134
Short-term debt	130	0	0	0	0
Other current liabilities	5,350	4,910	5,121	5,023	5,102
Long-term liabilities	**5,737**	**5,823**	**5,959**	**5,808**	**5,839**
Bonds & long-term debt	4,046	4,489	4,489	4,489	4,489
Other long-term liabilities	1,691	1,334	1,470	1,318	1,350
Total liabilities	**11,344**	**10,939**	**11,230**	**10,989**	**11,076**
Owners of parent equity	**8,472**	**8,556**	**8,795**	**9,305**	**9,842**
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	5,449	5,959	6,497
Other	-106	-93	-100	-100	-100
Non-controlling interests' equity	**285**	**212**	**198**	**164**	**127**
Total equity	**8,757**	**8,768**	**8,993**	**9,469**	**9,969**
Net debt	6,708	6,168	2,977	814	-1,105

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**2,975**	**3,335**	**2,720**	**2,424**	**2,219**
Net profit	630	315	509	757	814
Non-cash profit and expenses	5,501	5,760	2,508	2,131	1,821
Depreciation	2,134	2,180	1,773	1,442	1,172
Amortization	437	484	365	275	208
Other	2,930	3,097	371	415	441
Changes in A/L from operating activities	-2,704	-2,355	75	-46	27
Cash flow from investments	**-2,998**	**-2,391**	**-2**	**14**	**8**
Change in tangible assets	-2,518	-1,896	0	0	0
Change in financial assets	-28	11	-17	0	-6
Other	-452	-506	15	14	14
Cash flow from financing	**-252**	**-611**	**-246**	**-455**	**-260**
Change in debt	339	-206	32	-174	54
Change in equity	0	35	0	0	0
Dividends	-284	-284	-278	-281	-314
Other	-307	-155	-0	0	0
Change in cash	-275	337	3,212	1,988	1,968
Cash at beginning of year	835	560	896	4,108	6,096
Cash at end of year	560	896	4,108	6,096	8,064
Gross cash flow	**6,131**	**6,075**	**3,018**	**2,889**	**2,635**
Free cash flow	**439**	**1,420**	**2,720**	**2,424**	**2,219**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	3.4	1.8	5.7	1.5	1.7
Operating profit	-7.7	-13.5	3.4	31.0	7.3
Net profit	-4.9	-50.1	61.8	48.7	7.5
Adjusted EPS**	-6.1	-39.9	40.8	52.3	7.7
Per-share data (KRW)					
EPS (parent-based)	1,426	858	1,207	1,839	1,981
EPS (consolidated)	1,443	721	1,174	1,761	1,894
Adjusted EPS**	1,426	858	1,207	1,839	1,981
BVPS	19,711	19,906	20,657	21,923	23,189
DPS (common)	650	650	660	720	760
Valuations (x)					
P/E***	7.2	12.0	12.2	8.3	7.7
P/B***	0.5	0.5	0.7	0.7	0.7
EV/EBITDA	3.2	3.1	3.1	2.6	2.1
Ratios (%)					
ROE	7.5	4.4	6.0	8.7	8.9
ROA	3.2	1.6	2.6	3.7	3.9
ROIC	5.4	4.0	5.0	7.8	9.7
Payout ratio	44.9	74.6	53.6	38.7	37.9
Dividend yield (common)	6.4	6.3	4.5	4.7	5.0
Net debt to equity	76.6	70.3	33.1	8.6	-11.1
Interest coverage (x)	4.1	3.1	3.4	4.6	4.9

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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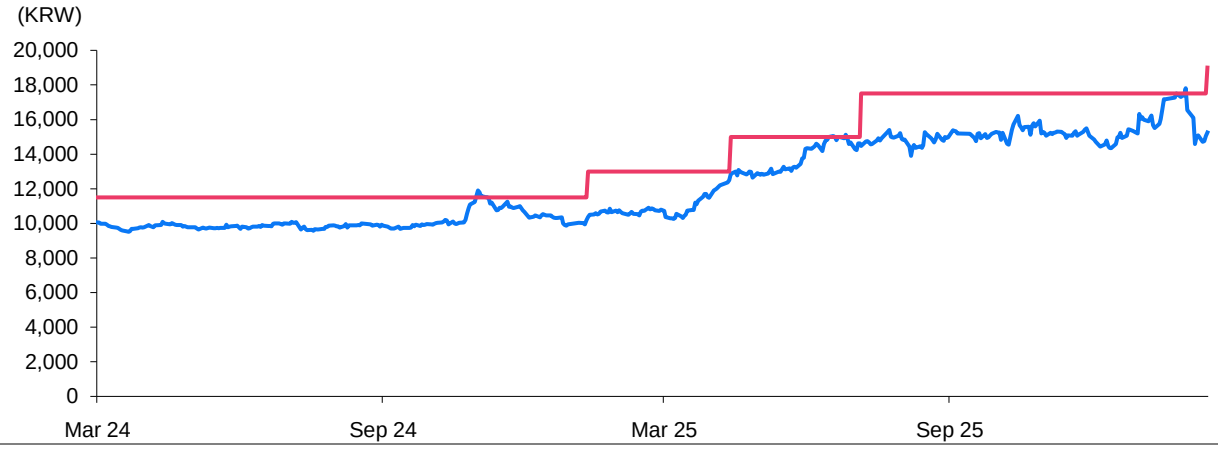
Target price changes in past two years



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	2026/3/13
Recommendation	HOLD	HOLD	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	11500	11500	11500	13000	15000	17500	17500
Gap* (average)	-13.24	-6.94	-12.61	-16.36	-8.10	-12.78	
(max or min)**	-8.70	3.48	-11.39	-3.92	0.80	1.77	

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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