COMPANY INITIATION

2026. 4. 13

Alternative Investment Team

Jaejun Heo
Analyst
jaejun.heo@samsung.com

Scan to go to
Research Center report database

Hyundai Elevator (017800)

High dividend firm with structural growth

- We initiate coverage of Hyundai Elevator at BUY with a 12-month target price of KRW 120,000.
- The company maintains a strong earnings outlook, despite the unfavorable industry environment, driven by structural improvements in its sales mix and rising ASPs.
- Its ROE is expected to improve thanks to a generous shareholder return policy, with its dividend payout ratio likely to top 50%. Sustained high-level dividends are anticipated through the monetization of non-core assets.

WHAT'S THE STORY?

Initiating coverage at BUY: We initiate coverage of Hyundai Elevator with a BUY rating and a target price of KRW120,000. Our target price is derived by applying a target P/E of 21.6x to our 2027 EPS estimate of KRW5,657. Our target P/E of 21.6x is the average 2027 P/E of global elevator firms (OTIS, Mitsubishi Electric, Schindler, and Kone).

- **Structural improvement in sales mix:** Hyundai Elevator's parent-based revenue is primarily divided from three segments: New installations, remodeling, and maintenance. While new installations and remodeling generate an operating margin of 5-7%, the maintenance unit achieves an operating margin of more than 20%. As the cumulative number of installed elevators continues to grow, demand for maintenance services should rise.

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW120,000	26.6%
Current price	KRW94,800	
Market cap	KRW3.7t/USD2.5b	
Shares (float)	39,092,385 (66.3%)	
52-week high/low	KRW111,700/KRW57,400	
Avg daily trading value (60-day)	KRW30.8b/ USD20.8m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Elevator (%)	6.6	15.8	65.2
Vs Kospi (%pts)	0.7	-28.7	-31.1

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	Not Rated	
Target price	120,000	n/a	n/a
2026E EPS	5,130	n/a	n/a
2027E EPS	5,657	n/a	n/a

SAMSUNG vs THE STREET

No of estimates	1
Target price	120,000
Recommendation	4.0

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

SUMMARY FINANCIAL DATA

	2024	2025	2026E	2027E
Revenue (KRWb)	2,885	2,467	2,648	3,135
Operating profit (KRWb)	226	209	231	267
Net profit (adj) (KRWb)	194	269	214	236
EPS (adj) (KRW)	4,686	6,703	5,130	5,657
EPS (adj) growth (% y-y)	-41.7	43.0	-23.5	10.3
EBITDA margin (%)	10.1	11.3	11.3	10.5
ROE (%)	14.4	20.1	16.8	20.7
P/E (adj) (x)	11.2	13.2	18.5	16.8
P/B (x)	1.5	2.4	3.3	3.1
EV/EBITDA (x)	9.1	13.8	14.5	12.6
Dividend yield (%)	10.5	15.9	4.2	4.2

Source: Company data, Samsung Securities estimates

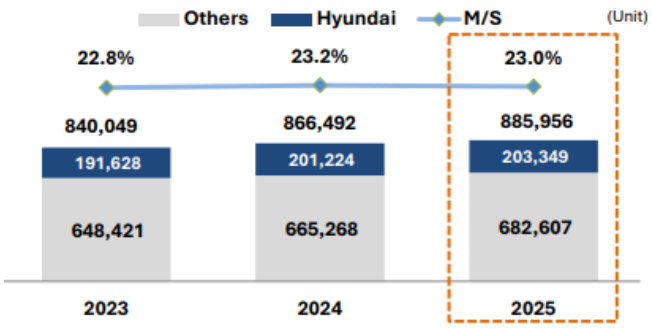
- **Profitability improvements to be driven by rising ASPs:** Its sales portion of higher-value products is increasing, driving up its ASP. While residential elevators—historically its core product—cost KRW50m-80m/unit, commercial building elevators cost KRW200m-300m, and landmark-grade elevators can cost as much as KRW1b. The commercial real-estate supply is set to bottom in 2025 before growing steeply over 2026-2035, supporting demand for premium products.
- **Sustained aggressive shareholder return policy:** The company is committed to maintaining a dividend payout ratio of 50% through 2027. While this is already a high level, attributable to parent Hyundai Holdings' capital needs, its payout ratios should remain high and may even be raised further. The company also holds diverse non-core assets—including stakes in Hyundai Movex (48.87%), the Yongsan Najin Shopping Complex, SpaceX, Banyan Tree Hotel, and Bloomvista Hotel—which assets could be monetized to support additional shareholder returns if needed.

Investment point: 1) Structural improvement in revenue mix

Margin expansion driven by growing maintenance sales

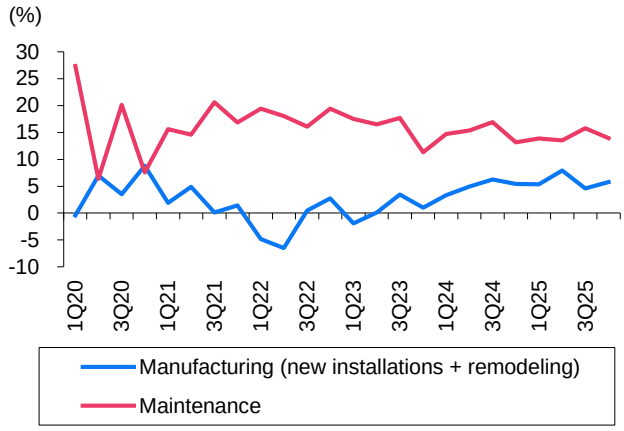
Hyundai Elevator's parent-based sales can be divided into three segments: New installations, remodeling, and maintenance. While new installations and remodeling generate operating margins of only 5-7%, the maintenance unit achieves margins in excess of 20%. As of 2025, maintenance revenue accounted for just 16.5% of its total revenue, yet contributed nearly 50% of its total operating profit (thanks to its high profitability). Global peers such as Otis Worldwide (US), TK Elevator (Germany), and Schindler Group (Switzerland)—which firms began elevator installations before Hyundai Elevator—derive 50-70% of their revenue from high-margin maintenance services, resulting in significantly greater earnings stability. With the cumulative number of installed elevators growing (both domestically and globally), maintenance demand should rise steadily over time, supporting a structural improvement in margins.

Domestic market share vs maintenance unit



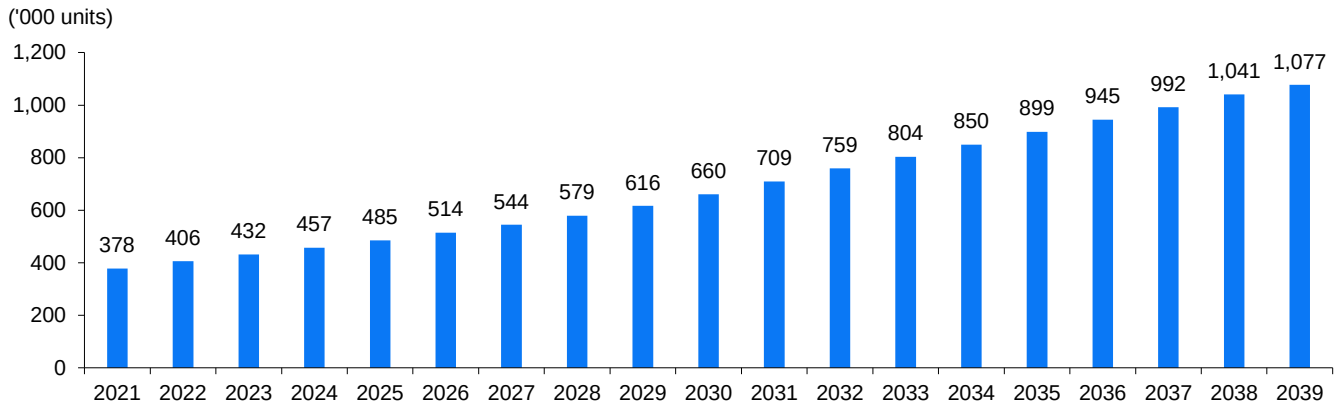
Source: Hyundai Elevator, Samsung Securities

Operating margin, by business



Source: Hyundai Elevator, Samsung Securities

Number of elevators in Korea that are at least 15 years old



Source: Korea Elevator Safety Agency, Samsung Securities

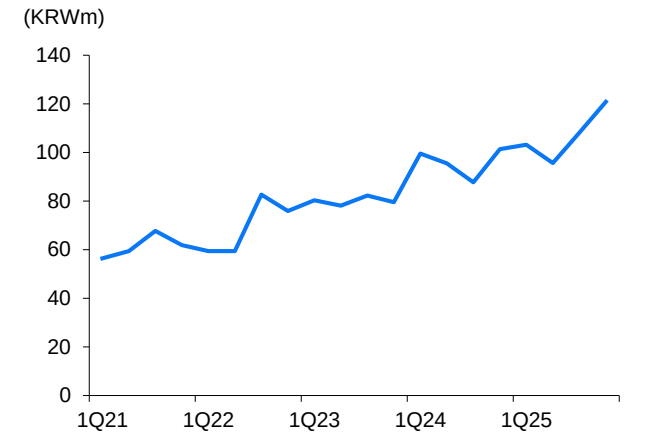
Investment point: 2) Profitability improvement driven by rising ASP

Higher ASP fueled by hike in sales of premium products for high-rise and office buildings

Hyundai Elevator's ASP is expected to rise as its sales portion of high-value products increases. While residential elevators typically sell for KRW50m-80m per unit, office and commercial building elevators command KRW200m-300m per unit, with landmark projects reaching up to KRW1b/unit. Although residential move-ins should decline in 2026, the office supply in Seoul should enter a steep growth phase over 2026-2035 (after bottoming in 2025), offsetting some of the anticipated residential sales decline. The company is actively expanding its market share in the office segment, currently 13-14%.

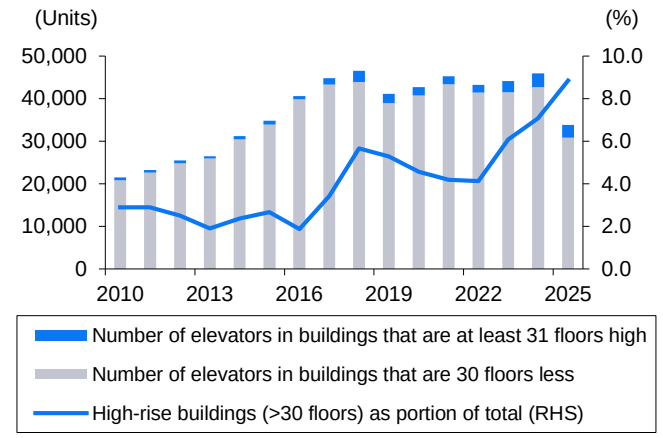
Additionally, the portion of buildings that is at least 31 floor high is rising steadily—from 2.9% in 2010 to 8.9% in 2025. Given rising floor-area ratios in new developments, the portion of high-rise buildings is expected to grow further. As commercial and high-rise constructions increase, the firm's overall ASP should rise, enabling profit growth even if its unit volume (Q) stagnates. Moreover, maintenance fees for high-rise office elevators are substantially higher than those for residential units, suggesting future improvements in the quality of its maintenance revenue.

Hyundai Elevator's ASP for new installations



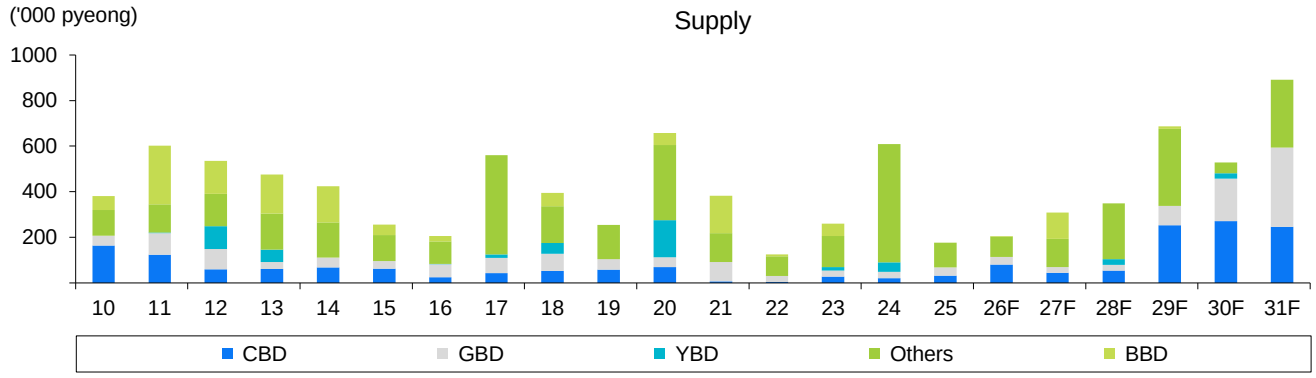
Source: Hyundai Elevator, Samsung Securities

Number of domestic elevator installations, by year



Source: Korea Elevator Safety Agency, Samsung Securities

Seoul's office supply trend and forecast



Source: RSQUARE, Samsung Securities

Investment point: 3) Sustained aggressive shareholder return policy

ROE to rise thanks to strong shareholder returns

In late 2023, the company announced a plan to distribute over 50% of its net income as dividends and cancel treasury shares equivalent to 7% of outstanding shares. This led to dividend payout ratios of 108.4% in 2024 and 193% in 2025. Notably, in 4Q24, the company paid a DPS of KRW12,010 for a dividend yield of 12.1%. In Mar 2026, it unveiled a three-year corporate value enhancement plan, committing to maintain a 50% dividend payout ratio and a minimum DPS of KRW2,500 (based on the Apr 2 closing price, this implies a 3% dividend yield). The company aims to achieve a 15% ROE by 2027 through this sustained shareholder return policy.

Hyundai Elevator's dividends serve as funding channel for Hyundai Holdings Company

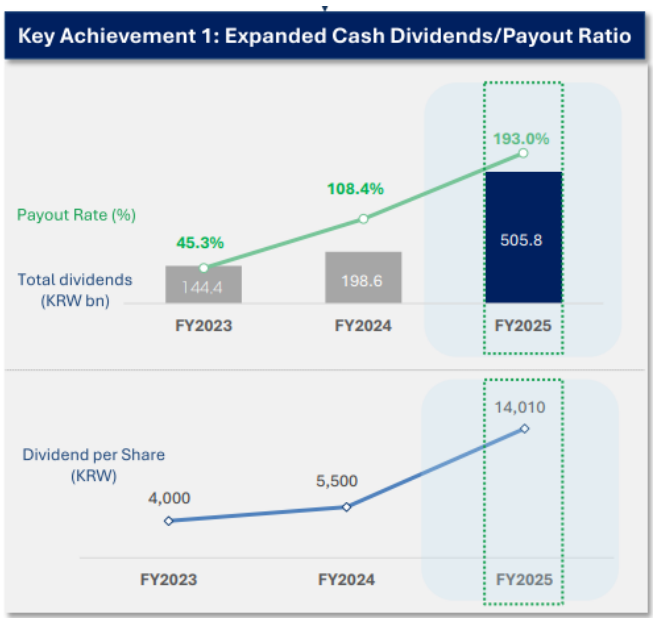
Hyundai Elevator's aggressive shareholder returns are largely driven by the capital needs of its parent Hyundai Holdings Company. In 2023, after the holding company lost a shareholder derivative suit filed by Schindler Holdings (then the second-largest shareholder of Hyundai Elevator), Hyundai Holdings paid roughly KRW170b in compensation to Hyundai Elevator. To finance this, the parent secured KRW310b from domestic private equity firm H&Q via issuing convertible bonds (CB: KRW133b), exchangeable bonds (EB: KRW80b), and redeemable convertible preferred shares (RCPS: KRW97b). In 2025, H&Q exercised its entire EB position, exchanging it for a 4.9% stake in Hyundai Elevator, which stake it later sold via off-market block transactions. Hyundai Holdings, on its part, redeemed 979,414,000 RCPS (of its total 2,095,656 RCPSs). As the parent likely intends to fully redeem the remaining RCPS and CB obligations, it—holding a 20.1% stake in Hyundai Elevator—is heavily reliant on dividends from its only listed subsidiary. All in all, Hyundai Elevator's aggressive shareholder return policy is likely to continue for an extended period.

Hyundai Elevator's shareholder return policy

	Before	Revised
Time Horizon	FY2023~2027 (5 years)	FY2026~2028 (3 years)
Mid- to Long-term Dividend Policy	≥50% of recurring (ordinary) net income returned via cash dividends and/or share buybacks & cancellations	Unchanged
Distribution of Non-recurring Profits	A portion of non-recurring profits distributed via dividends or buybacks (including gains from asset efficiency improvements)	≥50% (up to 100%) of non-recurring profits from asset efficiency improvements returned via dividends or buybacks
Tax Benefits (Non-taxable / Separate Taxation	-	• Maximize tax-exempt benefits by transferring capital reserves to retained earnings • Efforts to meet requirements for separately taxed dividends (high-dividend stock regime)
Minimum Dividend	KRW 500 per share	• Total: KRW 2,500 per share - Year-end: KRW 1,000 - Quarterly: KRW 500 (3 times) Subject to distributable profit limits

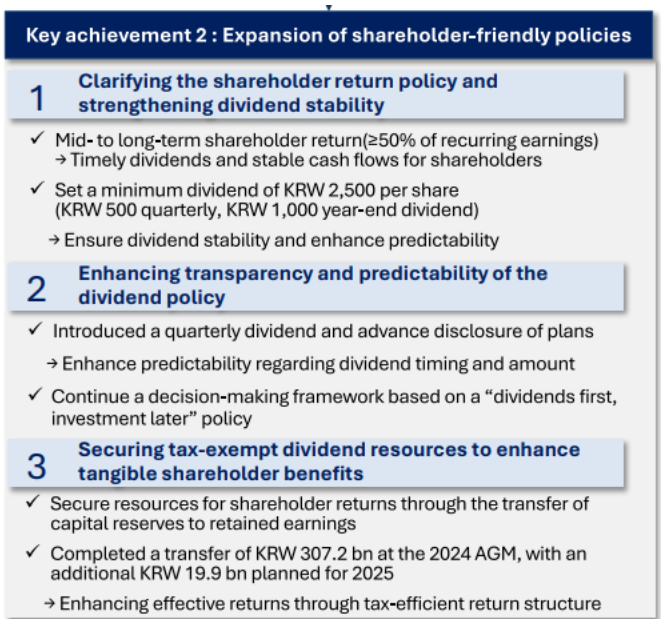
Source: Hyundai Elevator

Key achievements of shareholder return policy 1



Source: Hyundai Elevator

Key achievements of shareholder return policy 2



Source: Hyundai Elevator

Potential for additional shareholder returns via selling non-core assets

Hyundai Elevator holds a portfolio of non-core assets, including a stake in Hyundai Movex (48.87%), the Yongsan Najin Shopping Complex, SpaceX, Banyan Tree Hotel, and Bloomvista Hotel. These assets can be monetized to generate additional shareholder returns if needed.

- Hyundai Movex: To maintain managerial control, a 40% stake is required. Given Hyundai Elevator's stake in the firm, the excess figure (8.87%; worth KRW250b) could be sold and Hyundai Elevator could maintain control over it.

- The Yongsan Najin Shopping Complex: Hyundai Elevator acquired a stake in the complex in 2021 for KRW100.4b. Its value has more than tripled following Seoul City's inclusion of the area into the core Yongsan redevelopment zone.

- SpaceX: In Aug 2017, Hyundai Elevator invested approximately KRW10b in SpaceX private shares, when SpaceX's enterprise value was around USD30.5b (KRW34t). Today, with SpaceX actively pursuing an IPO, its valuation target has surged to USD2t (KRW3,000t). The sale of Hyundai Elevator's stake in SpaceX (after its listing) could generate substantial capital gains.

Earnings forecasts

We expect Hyundai Elevator to report: 1) 2026 sales of KRW2.65t (up 7.3%) and an operating profit of KRW230.7b (up 10.3%); and 2) 2027 sales of KRW3.13t (up 18.4%) and an operating profit of KRW267.4b (up 15.9%).

New installation business

The new installation business is likely to contribute sales of KRW782b in 2026 (down 11.7%) and KRW1.04t in 2027 (up 33.5%). With new apartment move-ins set to slide 27.3% in 2026, the number of new elevator installations for residential units is likely to decrease. However, considering the higher ASP for commercial elevators and increasing commercial real-estate supply, the decline in new residential installation sales should have a limited impact on the firm's overall earnings. Apartment move-ins are set to bottom in 2026 before rising in 2027. Given growing demand for high-priced, high-rise elevators, the firm's new residential installation sales should grow again in 2027.

Remodeling business

The remodeling business is likely to deliver 2026 sales of KRW423.9b (up 35.3%) and 2027 sales of KRW570b (up 34.5%). The revised Elevator Safety Management Act (effective Mar 28, 2019) mandates stricter safety inspections for elevators that are 15 years old (and older), which should prompt more buildings to swap their old elevators for new ones. As the number of aging elevators continues to grow, the remodeling business should see sustained sales growth.

Maintenance business

The maintenance business is likely to contribute sales of KRW440b in 2026 (up 11.6%) and KRW488.1b in 2027 (up 10.9%). Like remodeling, the maintenance business is set to witness sustained growth as the number of aging elevators continues to rise. The expanding portion of maintenance sales (high-margin sales) should gradually enhance the company's margins. Maintenance currently makes up just 16.5% of the firm's total sales, but the figure is likely to grow over time—aligning more closely with the levels recorded by its global peers. The growth of maintenance sales should gradually enhance the company's profitability.

Others business (including Hyundai Movex and Hyundai Asan)

The others business includes Hyundai Movex, real-estate leasing, travel & construction, tourism & accommodation, and financial services. Hyundai Movex and the travel & construction unit comprise the largest weightings. As of 2025, Hyundai Movex's sales break down as follows: Logistics automation (79.4%), platform screen doors (14.5%), and IT services (6.1%). Given fast growing demand for robotics and AI-driven logistics automation, Hyundai Movex's earnings should continue to rise.

The travel & construction business is led by Hyundai Asan (Hyundai Elevator owns an 83% stake in Hyundai Asan). Hyundai Asan was previously reliant on inter-Korean economic cooperation projects, which projects have since lost momentum. But it has pushed into the domestic construction market and is steadily expanding its business scope. As a result, its order backlog nearly tripled from KRW161.1b at end-2024 to KRW458.9b at end-2025, pointing to the prospects for an earnings recovery this year.

Hyundai Elevator: Results and forecasts

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025	2026E	2027E
Sales	**594.4**	**637.5**	**600.8**	**634.7**	**591.1**	**660.7**	**679.8**	**716.3**	**2,602.1**	**2,885.3**	**2,467.4**	**2,647.8**	**3,134.7**
Growth (% y-y)	-10.1	-13.8	-13.9	-19.3	-0.6	3.6	13.1	12.9	22.2	10.9	-14.5	7.3	18.4
New installation	**245.4**	**231.9**	**215.4**	**193.4**	**147.8**	**201.8**	**208.6**	**223.9**	**1,147.8**	**1,144.9**	**886.1**	**782.0**	**1,043.7**
Growth (% y-y)	-11.9	-22.9	-21.3	-33.8	-39.8	-13.0	-3.2	15.8	8.5	-0.3	-22.6	-11.7	33.5
Remodeling	**72.1**	**87.1**	**60.9**	**93.2**	**87.5**	**100.7**	**109.4**	**126.3**	**371.1**	**455.6**	**313.3**	**423.9**	**570.0**
Growth (% y-y)	-32.6	-31.1	-44.8	-16.7	21.4	15.6	79.6	35.5	28.3	22.8	-31.2	35.3	34.5
Maintenance	**95.0**	**97.8**	**106.1**	**95.2**	**105.9**	**108.6**	**111.3**	**114.1**	**413.3**	**372.6**	**394.1**	**440.0**	**488.1**
Growth (% y-y)	-14.1	-11.6	-8.2	165.9	11.5	11.1	4.9	19.9	21.6	-9.8	5.8	11.6	10.9
Others business (Hyundai Movex, Hyundai Asan)	**178.3**	**216.6**	**214.5**	**250.8**	**249.8**	**249.6**	**250.5**	**252.0**	**719.6**	**896.2**	**860.3**	**1,002.0**	**1,032.9**
Growth (% y-y)	-0.9	0.6	0.8	-12.9	40.1	15.2	16.8	0.5	52.4	24.5	-4.0	16.5	3.1
Operating profit	**48.4**	**55.5**	**51.1**	**54.3**	**51.8**	**57.8**	**59.6**	**61.6**	**82.6**	**225.7**	**209.2**	**230.7**	**267.4**
Growth (% y-y)	21.5	11.1	-26.9	-17.9	7.0	4.1	16.6	13.4	92.1	173.2	-7.3	10.3	15.9
Operating margin (%)	8.1	8.7	8.5	8.6	8.8	8.7	8.8	8.6	3.2	7.8	8.5	8.7	8.5
Net profit	**34.9**	**52.5**	**149.3**	**32.5**	**33.3**	**36.7**	**103.7**	**40.3**	**309.9**	**193.9**	**269.3**	**214.1**	**236.1**
Growth (% y-y)	216.5	142.5	133.0	-66.5	-4.4	-30.1	-30.5	23.8	296.1	-37.4	38.9	-20.5	10.3
Net margin (%)	5.9	8.2	24.9	5.1	5.6	5.6	15.3	5.6	11.9	6.7	10.9	8.1	7.5

Source: Company data, Samsung Securities

Valuation

Initiating coverage of Hyundai Elevator at BUY with target price of KRW120,000

We initiate coverage of Hyundai Elevator with a BUY rating and a target price of KRW120,000. Our target price is derived by applying a P/E of 21.6x to our 2027 EPS estimate of KRW5,657. Our target P/E (21.6x) is the average 2027 P/E of global elevator firms (OTIS, Mitsubishi Electric, Schindler, and Kone). A P/E of 21.6x corresponds to a P/B of 4x, which is below its global elevator peers' average (5.9x).

Given that the firm's maintenance sales as a portion of its total remains below that of its global peers, there exists the potential for structural margin improvement. Add to that a shareholder return policy targeting a dividend payout ratio of over 50% and a potential upswing in industry conditions (such as increased housing supply), the company could come to trade at a premium versus its global rivals.

Hyundai Elevator: Valuation

(KRW)		Note
EPS (KRW)	5,657	2027E EPS
Target P/E (x)	21.6	Average of 2027E P/E at which global elevator manufacturers trade
Current price	89,100	Apr 10 close
Target price	**120,000**	
Upside (%)	34.7	

Source: Bloomberg, Samsung Securities

Hyundai Elevator: Peer valuation table

	Market cap (KRWt)	P/E (x)		P/B (x)	
		2026E	2027E	2026E	2027E
Hyundai Elevator	**3.3**	**17.3**	**15.7**	**3.1**	**2.9**
OTIS	45.6	18.0	16.2	n/a	n/a
Mitsubishi Electric	103.4	32.2	24.5	2.8	2.8
Schindler	51.7	25.1	23.1	5.2	5.2
Kone	50.5	24.9	22.4	9.6	9.6

Source: Bloomberg, Samsung Securities

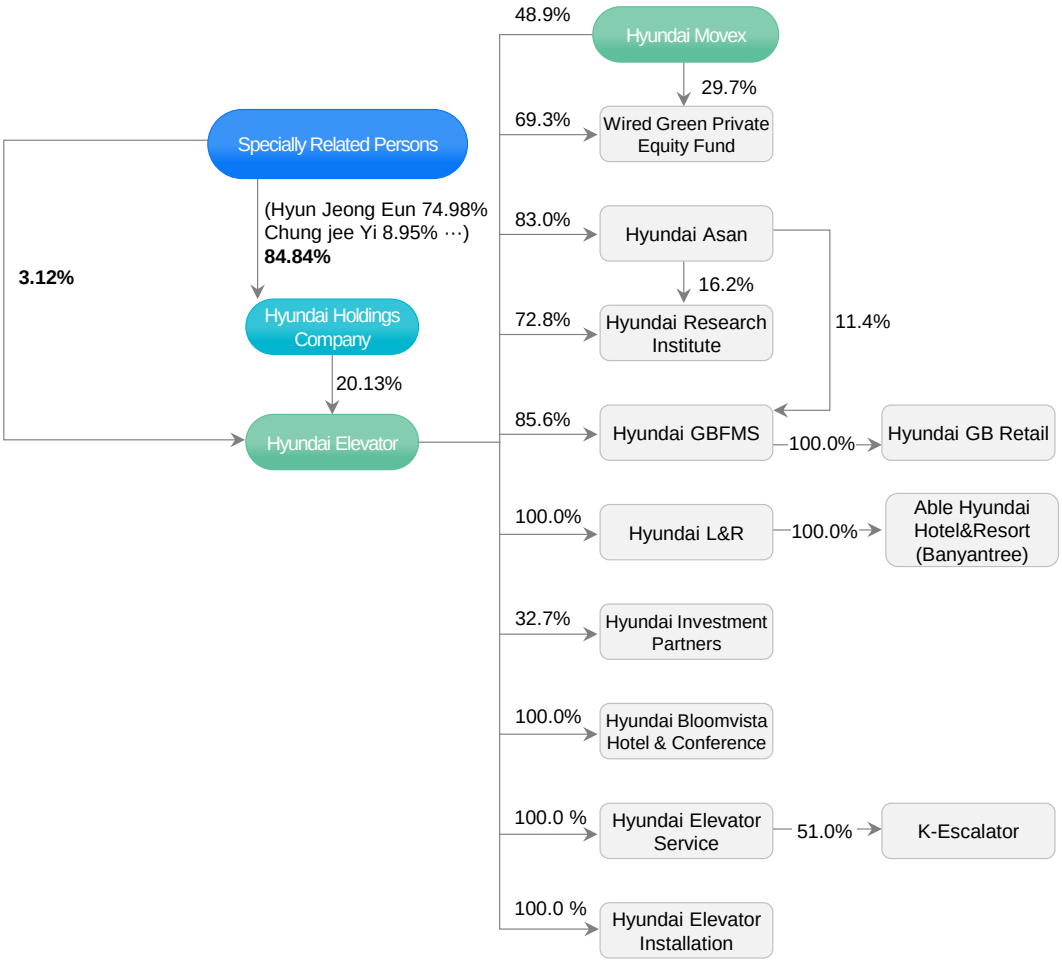
Company overview

Hyundai Elevator makes, sells, installs, and maintains elevators, escalators, and moving walkways. It holds a 32% share of the domestic new installation and remodeling markets, and a 23% share of the maintenance market. Production takes place at its Chungju Smart Campus (Korea) and in Shanghai (China). The Chungju Smart Campus its almost 80% automated thanks to AI and big data.

In 2025, the company reported consolidated sales of KRW2.47t, breaking down as: New installations (33.3%), remodeling (18.2%), maintenance (15.6%), and others (33%; including Hyundai Movex and Hyundai Asan).

The largest shareholder is Hyundai Holdings Company, with a 20.1% stake, followed by the National Pension Service (10.7%). Hyundai Holdings was established in Aug 2023 through a spin-off of two of Hyundai Network's businesses: Hyundai Holdings (an investment holding company) and Hyundai Network (an operating company). In Nov 2025, Hyundai Holdings completed a merger by absorbing Hyundai Network, simplifying the corporate structure into a hierarchy of operating companies comprising Hyundai Holdings and Hyundai Elevator.

Hyundai Elevator's shareholder structure



Source: Hyundai Elevator, Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025	2026E	2027E
Sales	**2,602**	**2,885**	**2,467**	**2,648**	**3,135**
Cost of goods sold	2,163	2,298	1,862	2,026	2,400
Gross profit	**439**	**587**	**606**	**622**	**735**
Gross margin (%)	16.9	20.4	24.5	23.5	23.4
SG&A expenses	356	362	396	391	467
Operating profit	**83**	**226**	**209**	**231**	**267**
Operating margin (%)	3.2	7.8	8.5	8.7	8.5
Non-operating gains (losses)	**319**	**33**	**141**	**65**	**58**
Financial profit	21	34	27	29	33
Financial costs	53	77	59	55	55
Equity-method gains (losses)	7	14	6	0	0
Other	344	62	167	90	80
Pre-tax profit	**402**	**258**	**351**	**295**	**326**
Taxes	92	64	81	81	90
Effective tax rate (%)	22.8	24.9	23.2	27.5	27.5
Profit from continuing operations	310	194	269	214	236
Profit from discontinued operations	0	0	0	0	0
Net profit	**310**	**194**	**269**	**214**	**236**
Net margin (%)	11.9	6.7	10.9	8.1	7.5
Net profit (controlling interests)	319	183	262	201	221
Net profit (non-controlling interests)	-9	11	7	14	15
EBITDA	131	291	278	300	330
EBITDA margin (%)	5.0	10.1	11.3	11.3	10.5
EPS (parent-based) (KRW)	8,032	4,686	6,703	5,130	5,657
EPS (consolidated) (KRW)	7,804	4,961	6,888	5,476	6,039
Adjusted EPS (KRW)*	8,032	4,686	6,703	5,130	5,657

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025	2026E	2027E
Current assets	**1,346**	**1,536**	**1,837**	**1,690**	**2,004**
Cash & equivalents	388	452	546	291	413
Accounts receivable	327	341	252	284	342
Inventories	74	72	88	100	120
Other current assets	558	671	951	1,015	1,130
Fixed assets	**2,190**	**2,038**	**1,886**	**1,835**	**1,803**
Investment assets	503	355	319	337	368
Tangible assets	1,126	1,155	1,055	1,000	949
Intangible assets	270	261	252	238	226
Other long-term assets	290	266	260	260	260
Total assets	**3,535**	**3,574**	**3,723**	**3,524**	**3,808**
Current liabilities	**1,334**	**1,638**	**1,454**	**1,525**	**1,644**
Accounts payable	210	231	172	194	233
Short-term debt	461	656	484	484	484
Other current liabilities	663	751	798	847	927
Long-term liabilities	**830**	**593**	**825**	**865**	**937**
Bonds & long-term debt	457	257	378	378	378
Other long-term liabilities	373	336	447	487	559
Total liabilities	**2,164**	**2,231**	**2,279**	**2,390**	**2,582**
Owners of parent equity	**1,286**	**1,255**	**1,352**	**1,029**	**1,105**
Capital stock	212	212	212	212	212
Capital surplus	574	571	309	309	309
Retained earnings	622	593	951	628	705
Other	-122	-121	-121	-121	-121
Non-controlling interests' equity	**86**	**88**	**92**	**106**	**121**
Total equity	**1,372**	**1,342**	**1,444**	**1,135**	**1,226**
Net debt	509	501	298	523	349

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025	2026E	2027E
Cash flow from operations	**49**	**256**	**256**	**226**	**270**
Net profit	310	194	269	214	236
Non-cash profit and expenses	-22	143	47	86	94
Depreciation	49	50	54	55	51
Amortization	0	15	15	14	12
Other	-71	78	-21	17	31
Changes in A/L from operating activities	-167	34	20	33	51
Cash flow from investments	**33**	**14**	**109**	**-37**	**-66**
Change in tangible assets	-57	-59	411	0	0
Change in financial assets	-1	34	-173	-37	-66
Other	91	40	-129	-0	0
Cash flow from financing	**121**	**-211**	**-270**	**-520**	**-138**
Change in debt	292	41	68	4	7
Change in equity	3	-2	-262	0	0
Dividends	-23	-201	-220	-524	-144
Other	-152	-49	144	0	0
Change in cash	204	65	94	-255	121
Cash at beginning of year	183	388	452	546	291
Cash at end of year	388	452	546	291	413
Gross cash flow	**288**	**337**	**317**	**300**	**330**
Free cash flow	**-8**	**197**	**213**	**226**	**270**

Financial ratios

Year-end Dec 31	2023	2024	2025	2026E	2027E
Growth (%)					
Sales	22.2	10.9	-14.5	7.3	18.4
Operating profit	92.1	173.2	-7.3	10.3	15.9
Net profit	296.1	-37.4	38.9	-20.5	10.3
Adjusted EPS**	318.4	-41.7	43.0	-23.5	10.3
Per-share data (KRW)					
EPS (parent-based)	8,032	4,686	6,703	5,130	5,657
EPS (consolidated)	7,804	4,961	6,888	5,476	6,039
Adjusted EPS**	8,032	4,686	6,703	5,130	5,657
BVPS	35,618	34,751	37,450	28,494	30,618
DPS (common)	4,000	5,500	14,010	4,000	4,000
Valuations (x)					
P/E***	5.5	11.2	13.2	18.5	16.8
P/B***	1.2	1.5	2.4	3.3	3.1
EV/EBITDA	17.7	9.1	13.8	14.5	12.6
Ratios (%)					
ROE	26.1	14.4	20.1	16.8	20.7
ROA	9.5	5.5	7.4	5.9	6.4
ROIC	5.0	11.9	12.4	14.9	18.0
Payout ratio	45.3	108.4	193.0	72.0	65.3
Dividend yield (common)	9.0	10.5	15.9	4.2	4.2
Net debt to equity	37.1	37.3	20.6	46.1	28.5
Interest coverage (x)	1.8	4.1	4.1	4.2	4.9

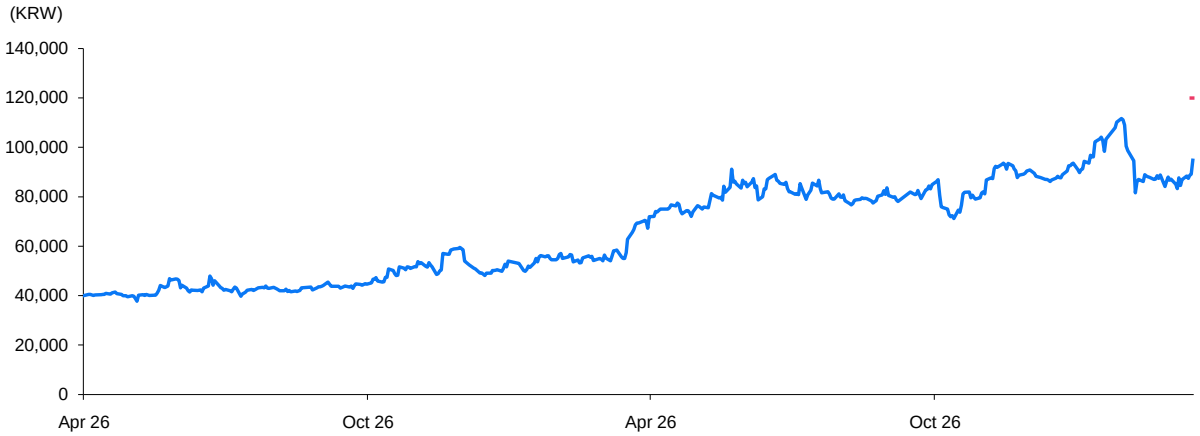
Note: *Excluding one-off items
**Fully diluted, excluding one-off items
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Compliance notice

- As of 4/12 2026, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 4/12 2026, Samsung Securities' holdings of shares and debt instruments convertible into shares of each company covered in this report would not, if such debt instruments were converted, exceed 1% of each company's outstanding shares.
- This report has been prepared without any undue external influence or interference, and accurately reflects the views of the analyst(s) covering the company or companies herein.
- All material presented in this report, unless specifically indicated otherwise, is under copyright to Samsung Securities.
- Neither the material nor its content (including copies) may be altered in any form, or by any means transmitted, copied, or distributed to another party, without prior express written permission from Samsung Securities.
- This memorandum is based upon information available to the public. While we have taken all reasonable care to ensure its reliability, we do not guarantee its accuracy or completeness. This memorandum is not intended to be an offer, or a solicitation of any offer, to buy or sell the securities mentioned herein. Samsung Securities shall not be liable whatsoever for any loss, direct or consequential, arising from the use of this memorandum or its contents. Statements made regarding affiliates of Samsung Securities are also based upon publicly available information and do not necessarily represent the views of management at such affiliates.
- This material has not been distributed to institutional investors or other third parties prior to its publication.

Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2026/4/9
Recommendation	BUY
Target price (KRW)	120000
Gap* (average)	
(max or min)**	

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

Samsung Securities uses the following investment ratings*

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 2026.03.31

BUY (85.2%)·HOLD (14.8%)·SELL (0%)

Global Disclosures & Disclaimers

General

This research report is for information purposes only. It is not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This report does not provide individually tailored investment advice. This report does not take into account individual client circumstances, objectives, or needs and is not intended as recommendations of particular securities, financial instruments or strategies to any particular client. The securities and other financial instruments discussed in this report may not be suitable for all investors. The recipient of this report must make its own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser.

This report may not be altered, reproduced, distributed, transmitted or published in whole or in part for any purpose. References to "Samsung Securities" are references to any company in the Samsung Securities, Co., Ltd. group of companies.

Samsung Securities and/or other affiliated companies, its and their directors, officers, representatives, or employees may have long or short positions in any of the securities or other financial instruments mentioned in this report or of issuers described herein and may purchase and/or sell, or offer to purchase and/or sell, at any time, such securities or other financial instruments in the open market or otherwise, as either a principal or agent. Any pricing of securities or other financial instrument contained herein is as of the close of market for such day, unless otherwise stated. Opinions and estimates contained herein constitute our judgment as of the date of this report and are subject to change without notice.

The information provided in this report is provided "AS IS". Although the information contained herein has been obtained from sources believed to be reliable, no representation or warranty, either expressed or implied, is provided by Samsung Securities in relation to the accuracy, completeness or reliability of such information or that such information was provided for any particular purpose and Samsung Securities expressly disclaims any warranties of merchantability or fitness for a particular purpose. Furthermore, this report is not intended to be a complete statement or summary of the securities, markets or developments referred to herein.

Samsung Securities does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Samsung Securities, its affiliates, or any of its and their affiliates, directors, officers, employees or agents disclaim any and all responsibility or liability whatsoever for any loss (direct or consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice. Past performance is not indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned in this report. For investment advice, trade execution or other enquiries, clients should contact their local sales representative. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of Samsung Securities. Any analysis contained herein is based on numerous assumptions. Different assumptions may result in materially different results. Samsung Securities is under no obligation to update or keep current the information contained herein. Samsung Securities relies on information barriers to control the flow of information contained in one or more areas or groups within Samsung Securities into other areas or groups of Samsung Securities. Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other financial instruments. Samsung Securities makes no representation that any transaction can or could have been effected at those prices and any prices contained herein may not reflect Samsung Securities' internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by Samsung Securities or any other source may yield substantially different results. Additional information is available upon request.

For reports to be distributed to US:

Securities research is prepared, issued and exclusively distributed by Samsung Securities Co., Ltd., an organization licensed with the Financial Supervisory Service of South Korea. This research may be distributed in the United States only to major institutional investors as defined in Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended, and may not be circulated to any other person otherwise. All transactions by U.S. investors involving securities discussed in this report must be effected through Samsung Securities (America) Inc., a broker-dealer registered with the U.S. Securities & Exchange Commission and a member of the Financial Industry Regulatory Authority/SIPC, and not through any non-U.S. affiliate thereof. The analysts listed [on the front of this report] are employees of Samsung Securities Co., Ltd., or a non-U.S. affiliate thereof, and are not registered/qualified as research analysts under applicable U.S. rules and regulations and may not be subject to U.S. restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

For reports to be distributed to UK:

This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high-net-worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons").

Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

For reports to be distributed to Korea:

This report is for private circulation only, not for sale, and is issued and distributed only to persons permitted under the laws and regulations of Korea.

For reports to be distributed to Singapore:

This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Samsung Securities has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person.

Analyst certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of such analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research report. The analyst(s) principally responsible for the preparation of this research report receives compensation based on determination by research management and senior management (not including investment banking), based on the overall revenues, including investment banking revenues of Samsung Securities Co., Ltd. and its related entities and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Copyright © 2010 Samsung Securities Co., Ltd. All rights reserved. This report or any portion hereof may not be reprinted, sold or redistributed without the prior written consent of Samsung Securities America Inc

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

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA