COMPANY UPDATE

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LG Uplus (032640)

AI growth visibility on improving profitability

- LG Uplus's profitability momentum is likely to endure, as the company prioritizes qualitative growth centered on core business.
- Its 1Q operating profit will likely come in line with consensus, on higher mobile revenue from subscriber additions and expanded performance in high-speed internet and data center businesses—offsetting increased marketing and one-off costs.
- With strengthening earnings power, the company is likely to increase shareholder returns, including dividends and share buybacks and cancellations.

WHAT'S THE STORY?

Strengthening growth businesses in pursuit of qualitative efficiency: Profit momentum at LG Uplus is likely to continue as the company prioritizes qualitative growth centered on core business and places greater managerial focus on profitability. It is expanding capabilities in new areas like AI and data centers while staying true to a 'people-centered AI' vision. At the same time, it is speeding up efforts to upgrade services and restructure low-margin, non-core operations. We expect its operating profit to grow 31.1% y-y to KRW1.17t, with operating margin expanding 1.7%pts y-y to 7.4%. To reflect a valuation uplift in the telecom sector—driven by a stable earnings trajectory and enhanced shareholder returns amid heightened global macro volatility—we raise our target P/E multiple for LG Uplus from 10x to 11x and increase our target price to KRW21,000 (based on a forward P/E of 11x, the two-year average).

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW21,000	20.6%
Current price	**KRW17,410**	
Market cap	KRW7.5t/USD5.1b	
Shares (float)	429,828,355 (60.5%)	
52-week high/low	KRW17,810/KRW11,310	
Avg daily trading value (60-day)	KRW20.9b/ USD14.2m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
LG Uplus (%)	10.1	14.9	53.9
Vs Kospi (%pts)	2.3	-29.5	-38.5

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	21,000	21,000	0.0%
2026E EPS	1,847	1,847	0.0%
2027E EPS	2,021	2,021	0.0%

SAMSUNG vs THE STREET

No of estimates	17
Target price	19,882
Recommendation	3.9

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

SUMMARY FINANCIAL DATA

	2025	2026E	2027E	2028E
Revenue (KRWb)	15,452	15,747	16,096	16,485
Operating profit (KRWb)	892	1,169	1,265	1,332
Net profit (adj) (KRWb)	509	760	830	885
EPS (adj) (KRW)	1,208	1,847	2,021	2,154
EPS (adj) growth (% y-y)	40.8	53.0	9.4	6.6
EBITDA margin (%)	23.2	24.7	24.7	24.5
ROE (%)	6.0	8.7	9.0	9.1
P/E (adj) (x)	12.2	9.4	8.6	8.1
P/B (x)	0.7	0.8	0.7	0.7
EV/EBITDA (x)	3.5	3.4	3.3	3.2
Dividend yield (%)	4.5	4.1	4.4	4.6

Source: Company data, Samsung Securities estimates

1Q preview—in line with consensus: We believe LG Uplus will report 1Q consolidated sales of KRW3.85t (up 2.6% y-y) and an operating profit of KRW276.3b (up 8.2% y-y and meeting consensus). Its mobile revenue likely rose 3.9% y-y, supported by continued net subscriber additions, with a tailwind from competitors' early termination fee waivers. The smart home division likely remained a growth engine, with sustained increases in high-speed internet sales fueled by Giga Internet subscriber growth. In the B2B division, revenue likely improved further, driven by expanded performance in the data center business. On the cost side, marketing costs likely increased to attract more number portability subscribers, while costs associated with the free SIM card replacement program—launched on Apr 13—were likely recognized in 1Q. However, overall cost discipline is believed to have been maintained, supporting the preservation of profitability.

Strengthening AI-powered new growth drivers: The data center business is likely to sustain robust growth, on continued increases in utilization rates across Pyeongchon 2, Gasan, and Busan Jangnim data centers, coupled with sales recognition from design-build-operate (DBO) contracts. The company is expanding its B2C business around the AI agent ixi-O, embedding voice AI to deliver more seamless experiences—and plans to scale growth by exporting these solutions to global telcos.

Growing profits fuel continued increase in shareholder returns: The company enhanced shareholder returns last year through a KRW660 DPS (up KRW10 y-y), KRW80b in share repurchases, and KRW100b in share cancellations. Given strengthening earnings power and meaningful earnings improvement ahead this year, we expect the DPS to rise to KRW720 (up KRW60 y-y) and the scale of buybacks to expand as well.

Table 1. Quarterly results and forecasts

(KRWb)	4Q24	3Q25	4Q25E	Chg (% q-q)	Chg (% y-y)	Consensus	Diff (%)
Sales	3,748.1	3,848.4	3,846.1	-0.1	2.6	3,860.9	-0.4
Operating profit	255.4	170.5	276.3	62.0	8.2	282.5	-2.2
Operating margin (%)	*6.8*	*4.4*	*7.2*	*2.8*	*0.4*	*7.3*	*-0.1*
Pre-tax profit	200.5	102.8	226.0	119.9	12.7	235.3	-3.9
Net profit (controlling)	165.7	88.9	185.4	108.4	11.9	177.4	4.5

Source: Company data, FnGuide, Samsung Securities

Table 2. 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	3,846.1	3,944.6	3,993.9	3,962.8	15,451.7	15,747.4	16,096.1
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	2,867.8	2,909.7	2,950.4	3,009.6	11,404.5	11,737.4	12,083.0
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	1,675.7	1,689.8	1,717.1	1,698.4	6,667.2	6,781.1	6,907.6
Smart home	615.5	620.1	650.9	619.4	630.5	636.6	673.3	649.3	654.7	660.7	666.9	669.8	2,589.7	2,652.0	2,737.2
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	454.1	474.8	482.6	555.4	1,807.7	1,967.0	2,105.3
Product	683.1	549.8	810.9	738.0	809.2	828.0	894.2	657.1	758.5	783.1	833.3	750.1	3,188.5	3,125.1	3,119.8
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	3,569.7	3,625.3	3,664.2	3,718.8	14,559.6	14,578.0	14,831.5
Labor	487.0	493.9	481.9	516.3	490.7	486.7	631.2	522.9	478.8	487.4	479.3	498.8	2,131.5	1,944.3	1,923.3
Depreciation	543.6	547.0	551.9	537.7	542.0	550.7	549.2	568.0	552.5	549.6	543.7	558.3	2,209.8	2,204.2	2,193.1
Amortization	122.8	119.2	122.7	118.9	123.9	121.9	120.5	120.9	125.2	123.8	121.7	122.7	487.2	493.3	501.7
Marketing	546.7	521.7	556.1	584.6	555.8	540.1	585.2	633.3	618.6	593.0	589.9	492.6	2,314.4	2,294.1	2,342.6
Operating profit	220.9	254.0	246.0	142.2	255.4	304.5	161.7	170.5	276.3	319.3	329.7	244.0	892.1	1,169.4	1,264.6
Operating margin (%)	6.2	7.3	6.5	3.8	6.8	7.9	4.0	4.4	7.2	8.1	8.3	6.2	5.8	7.4	7.9
Pre-tax profit	165.8	204.5	196.0	-115.7	200.5	272.3	104.8	102.8	226.0	279.2	285.8	195.2	680.4	986.2	1,081.9
Net profit (controlling)	131.1	163.6	137.5	-57.8	165.7	219.5	49.7	88.9	185.4	230.1	219.7	158.9	523.9	794.0	868.6
Growth (% y-y)															
Revenue	1.0	1.9	6.2	-1.8	4.8	10.0	5.5	2.5	2.6	2.6	-0.4	3.0	5.7	1.9	2.2
Sales	2.7	2.0	3.6	0.2	1.8	2.6	4.0	6.0	4.8	3.8	1.8	1.4	3.6	2.9	2.9
Mobile	1.3	1.1	2.1	3.0	2.0	3.8	5.6	3.4	3.9	2.2	0.3	0.5	3.7	1.7	1.9
Smart home	3.6	2.8	5.6	3.3	2.4	2.7	3.4	4.8	3.8	3.8	-0.9	3.2	3.3	2.4	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	10.8	11.0	12.8	2.4	5.5	8.8	7.0
Product	-4.7	3.3	20.0	-9.0	18.5	50.6	10.3	-11.0	-6.3	-5.4	-6.8	14.1	14.6	-2.0	-0.2
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	2.2	2.4	-4.8	1.1	5.8	0.1	1.7
Labor	8.4	12.0	4.5	9.3	0.7	-1.4	31.0	1.3	-2.4	0.1	-24.1	-4.6	7.7	-8.8	-1.1
Depreciation	4.5	3.4	3.1	-2.1	-0.3	0.7	-0.5	5.6	2.0	-0.2	-1.0	-1.7	1.4	-0.3	-0.5
Amortization	23.9	19.3	12.6	-8.0	0.9	2.3	-1.8	1.7	1.0	1.5	1.0	1.5	0.7	1.2	1.7
Marketing	2.3	-3.3	0.5	8.8	1.7	3.5	5.2	8.3	11.3	9.8	0.8	-22.2	4.8	-0.9	2.1
Operating profit	-15.1	-11.8	-3.2	-27.3	15.6	19.9	-34.3	20.0	8.2	4.9	103.9	43.1	3.4	31.1	8.1
Operating margin (%pts)	-1.2	-1.1	-0.6	-1.3	0.6	0.7	-2.4	0.6	0.4	0.2	4.2	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	12.7	2.5	172.7	90.0	51.0	44.9	9.7
Net profit (controlling)	-13.6	-23.2	-12.4	na	26.4	34.1	-63.9	na	11.9	4.8	341.9	78.6	39.9	51.6	9.4

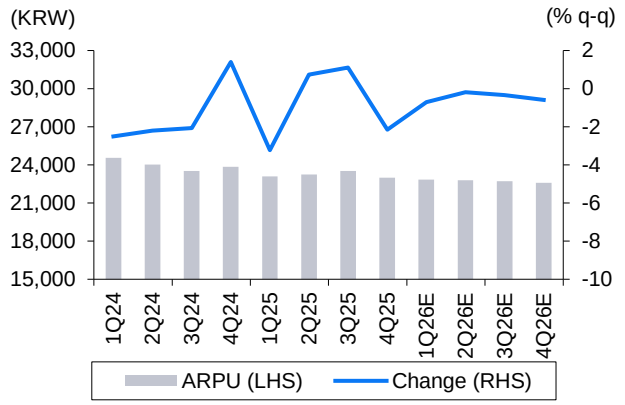
Note: This table reflects revised revenue figures for the mobile, smart home, and B2B divisions for past periods
Source: Company data, Samsung Securities estimates

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**	**30,711**	**30,899**	**30,919**	**30,984**	**31,079**	**30,711**	**31,079**	**31,482**
Net additions (q-q)	1,168	958	650	642	560	842	342	452	188	20	65	95	2,196	368	404
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	9,402	9,472	9,553	9,634	9,314	9,634	9,958
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

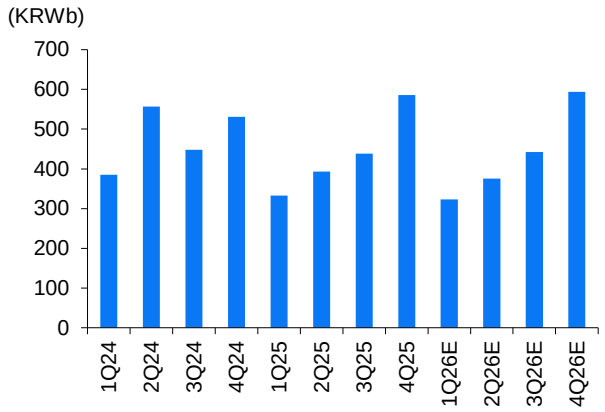
Source: Company data, Samsung Securities estimates

Chart 1. Mobile ARPU



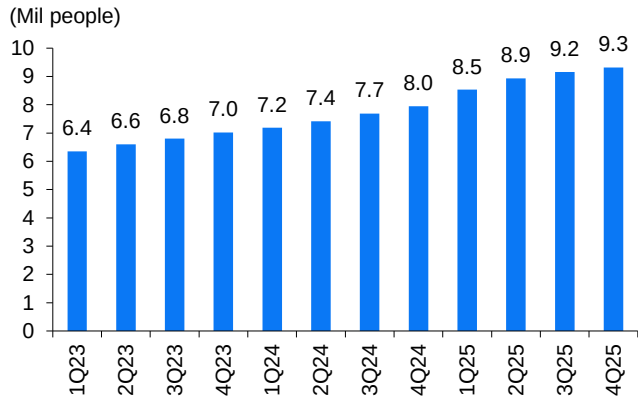
Source: Company data, Samsung Securities

Chart 2. Capex and forecasts



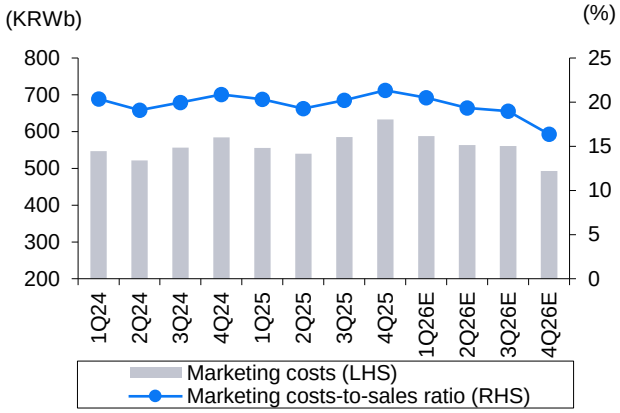
Source: Company data, Samsung Securities

Chart 3. Number of 5G subscribers



Source: Company data, Samsung Securities

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



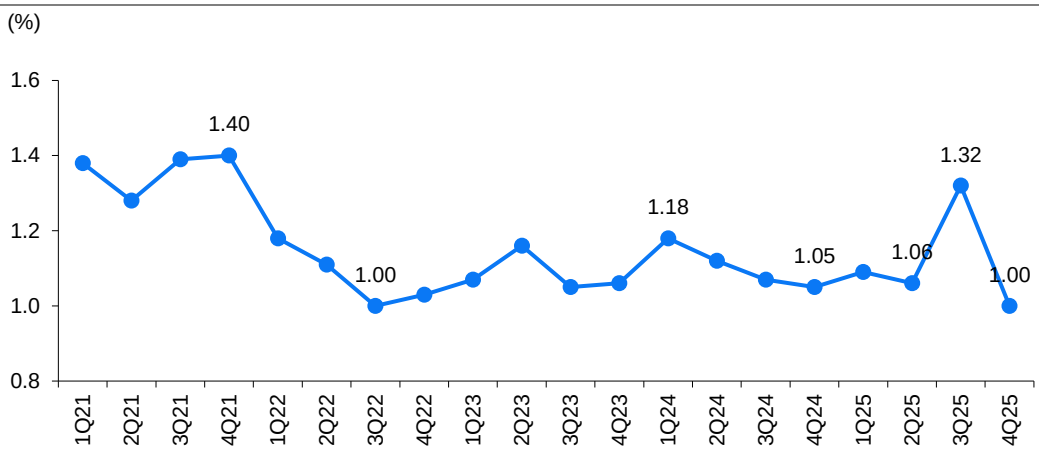
Source: Company data, Samsung Securities

Table 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 December 2025, Studio X+U (content production company) is decided to withdraw from the business
Source: Company data, Samsung Securities

Chart 5. MNO: Churn rate



Source: Company data, Samsung Securities

LG AI Research—one of the top-3 Korean AI foundation model teams (as of Jan 15)

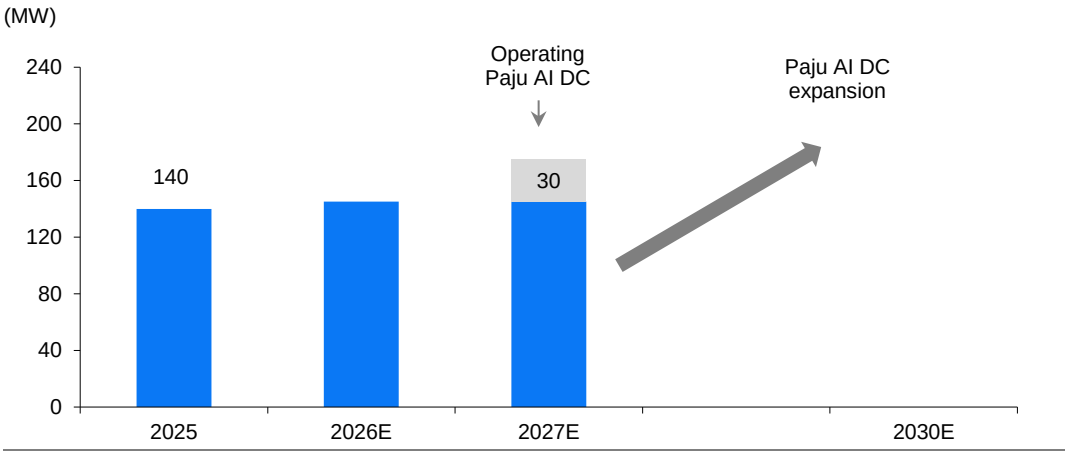
Note: Selected as one of five teams by MSIT on Aug 4, the four other teams are Naver Cloud, Upstage, SK Telecom, and NC AI;
As of Jan 15, LG AI Research, SK Telecom and Upstage selected as finalists for the second-round
Source: Company data, Samsung Securities

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		

Note: Capacity estimated based on IT load;
Paju AIDC Phase 1 targeted for completion in May 2027;
Paju AIDC(to be completed in 2027) referenced at ~200MW capacity at MWC26
Source: Company data, Samsung Securities

Chart 7. LG Uplus: Data center capacity forecasts



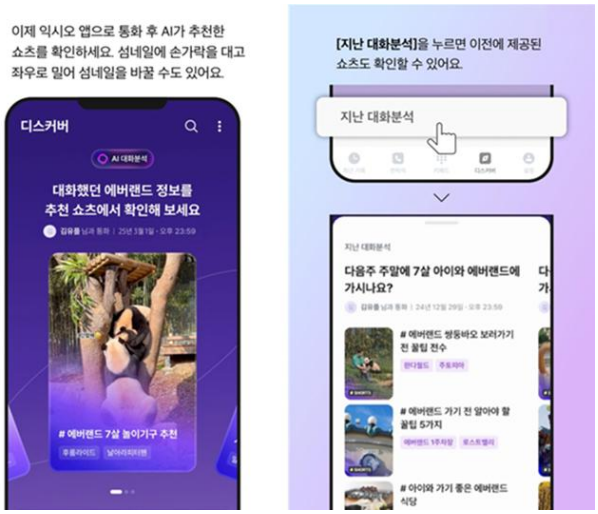
Note: Paju AI data center expected to start operations in 2027 and later expand capacity (give existing idle space)
Source: Company data, Samsung Securities estimates

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. ixi-O, voice-based content recommendation

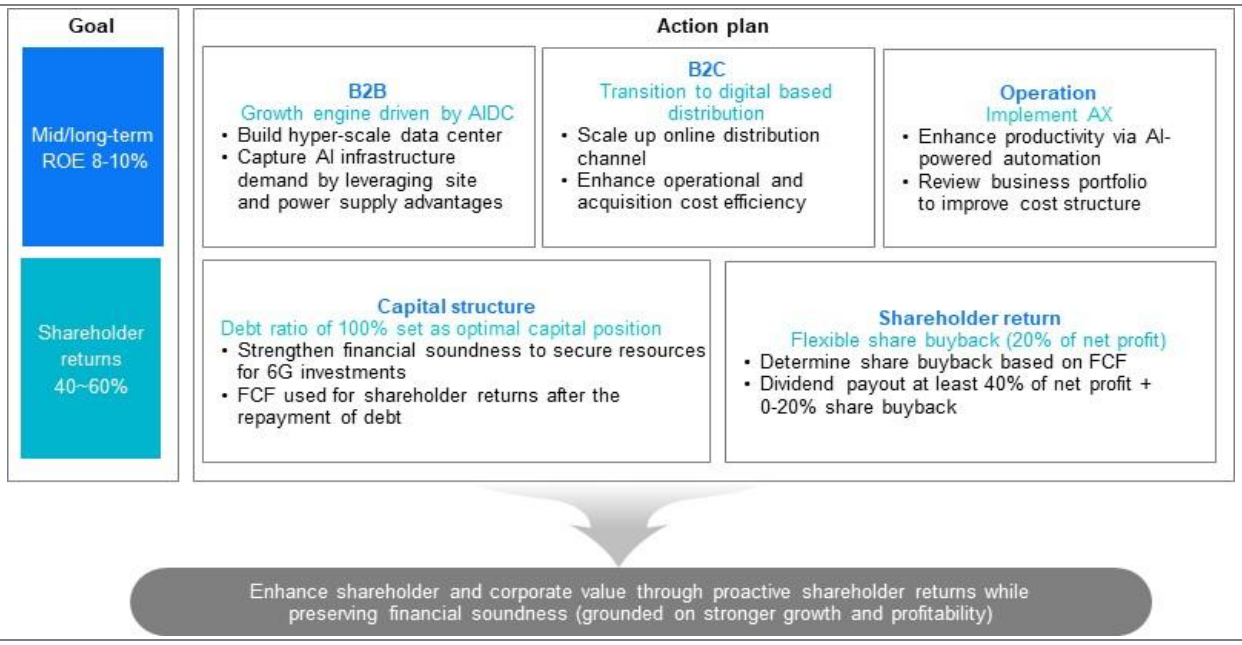


Source: Company data, Samsung Securities

Chart 9. Humanoid robot integrated with ixi-O unveiled at MWC26

Note: Integration with LG Uplus 'ixi-O and humanoid from 'A-robot'
Source: Company data, Samsung Securities

Chart 10. LG Uplus' value-up plan



Source: Company data, Samsung Securities

Table 7. 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 8. Revisions to full-year forecasts

(KRWb)	2026E			2027E		
	Old	New	Chg (%)	Old	New	Chg (%)
Sales	**15,679.3**	**15,747.4**	**0.4**	**15,945.4**	**16,096.1**	**0.9**
Operating profit	1,168.6	1,169.4	0.1	1,253.4	1,264.6	0.9
Operating margin (%, %pts)	*7.5*	*7.4*	*-0.0*	*7.9*	*7.9*	*-0.0*
Pre-tax profit	980.8	986.2	0.6	1,059.0	1,081.9	2.2
Net profit	790.5	794.0	0.4	851.6	868.6	2.0

Source: Dart, LG HelloVision, Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Sales	**14,625**	**15,452**	**15,747**	**16,096**	**16,485**
Cost of goods sold	0	0	0	0	0
Gross profit	**14,625**	**15,452**	**15,747**	**16,096**	**16,485**
Gross margin (%)	100.0	100.0	100.0	100.0	100.0
SG&A expenses	13,762	14,560	14,578	14,832	15,153
Operating profit	**863**	**892**	**1,169**	**1,265**	**1,332**
Operating margin (%)	5.9	5.8	7.4	7.9	8.1
Non-operating gains (losses)	**-413**	**-212**	**-183**	**-183**	**-177**
Financial profit	75	67	61	63	64
Financial costs	312	279	255	258	254
Equity-method gains (losses)	-2	-2	-1	-1	-2
Other	-174	2	13	14	15
Pre-tax profit	**451**	**680**	**986**	**1,082**	**1,155**
Taxes	136	171	226	252	271
Effective tax rate (%)	30.2	25.2	22.9	23.3	23.4
Profit from continuing operations	315	509	760	830	885
Profit from discontinued operations	0	0	0	0	0
Net profit	**315**	**509**	**760**	**830**	**885**
Net margin (%)	2.2	3.3	4.8	5.2	5.4
Net profit (controlling interests)	374	524	794	869	926
Net profit (non-controlling interests)	-60	-15	-34	-38	-41
EBITDA	3,527	3,589	3,886	3,979	4,033
EBITDA margin (%)	24.1	23.2	24.7	24.7	24.5
EPS (parent-based) (KRW)	858	1,208	1,847	2,021	2,154
EPS (consolidated) (KRW)	721	1,174	1,769	1,932	2,058
Adjusted EPS (KRW)*	858	1,208	1,847	2,021	2,154

Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Cash flow from operations	**3,335**	**2,964**	**2,863**	**3,167**	**3,307**
Net profit	315	509	760	830	885
Non-cash profit and expenses	5,760	5,960	3,132	3,152	3,156
Depreciation	2,180	2,210	2,190	2,187	2,178
Amortization	484	487	527	528	523
Other	3,097	3,263	415	438	456
Changes in A/L from operating activities	-2,355	-3,155	-611	-376	-280
Cash flow from investments	**-2,391**	**-2,019**	**-2,996**	**-2,863**	**-2,798**
Change in tangible assets	-1,896	-1,596	-2,105	-2,172	-2,142
Change in financial assets	11	-25	-15	-12	-4
Other	-506	-398	-877	-679	-652
Cash flow from financing	**-611**	**-1,045**	**-645**	**-270**	**-472**
Change in debt	-206	-139	-365	44	-145
Change in equity	35	0	0	0	0
Dividends	-284	-279	-280	-314	-327
Other	-155	-627	0	0	0
Change in cash	337	-102	78	39	32
Cash at beginning of year	560	896	794	872	911
Cash at end of year	896	794	872	911	943
Gross cash flow	**6,075**	**6,469**	**3,893**	**3,982**	**4,041**
Free cash flow	**1,420**	**1,352**	**758**	**995**	**1,165**

ıe-off items
ɪ, excluding one-off items
panies subject to equity-method valuation
data, Samsung Securities estimates

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Current assets	**5,264**	**5,414**	**6,043**	**6,397**	**6,651**
Cash & equivalents	896	794	872	911	943
Accounts receivable	1,694	1,681	1,857	1,971	2,041
Inventories	252	210	262	258	283
Other current assets	2,421	2,729	3,052	3,257	3,384
Fixed assets	**14,444**	**14,267**	**13,674**	**13,807**	**13,904**
Investment assets	335	357	370	365	369
Tangible assets	10,709	10,625	10,540	10,526	10,490
Intangible assets	1,805	1,460	1,553	1,555	1,542
Other long-term assets	1,595	1,826	1,212	1,361	1,503
Total assets	**19,708**	**19,682**	**19,718**	**20,204**	**20,555**
Current liabilities	**5,116**	**4,676**	**4,368**	**4,388**	**4,170**
Accounts payable	206	220	189	180	162
Short-term debt	0	0	0	0	0
Other current liabilities	4,910	4,457	4,179	4,209	4,008
Long-term liabilities	**5,823**	**5,938**	**5,808**	**5,758**	**5,769**
Bonds & long-term debt	4,489	4,468	4,468	4,468	4,468
Other long-term liabilities	1,334	1,470	1,339	1,289	1,301
Total liabilities	**10,939**	**10,614**	**10,176**	**10,146**	**9,940**
Owners of parent equity	**8,556**	**8,867**	**9,374**	**9,929**	**10,528**
Capital stock	2,574	2,574	2,574	2,574	2,574
Capital surplus	872	872	872	872	872
Retained earnings	5,204	5,474	5,988	6,543	7,142
Other	-93	-53	-59	-59	-59
Non-controlling interests' equity	**212**	**201**	**167**	**129**	**87**
Total equity	**8,768**	**9,068**	**9,541**	**10,058**	**10,616**
Net debt	6,168	6,104	5,648	5,640	5,460

Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
Growth (%)					
Sales	1.8	5.7	1.9	2.2	2.4
Operating profit	-13.5	3.4	31.1	8.1	5.3
Net profit	-50.1	61.9	49.3	9.2	6.6
Adjusted EPS**	-39.9	40.8	53.0	9.4	6.6
Per-share data (KRW)					
EPS (parent-based)	858	1,208	1,847	2,021	2,154
EPS (consolidated)	721	1,174	1,769	1,932	2,058
Adjusted EPS**	858	1,208	1,847	2,021	2,154
BVPS	19,906	20,826	22,087	23,394	24,806
DPS (common)	650	660	720	770	800
Valuations (x)					
P/E***	12.0	12.2	9.4	8.6	8.1
P/B***	0.5	0.7	0.8	0.7	0.7
EV/EBITDA	3.1	3.5	3.4	3.3	3.2
Ratios (%)					
ROE	4.4	6.0	8.7	9.0	9.1
ROA	1.6	2.6	3.9	4.2	4.3
ROIC	4.0	4.6	6.1	6.2	6.4
Payout ratio	74.6	53.7	38.5	37.6	36.7
Dividend yield (common)	6.3	4.5	4.1	4.4	4.6
Net debt to equity	70.3	67.3	59.2	56.1	51.4
Interest coverage (x)	3.1	3.4	4.6	5.1	5.5

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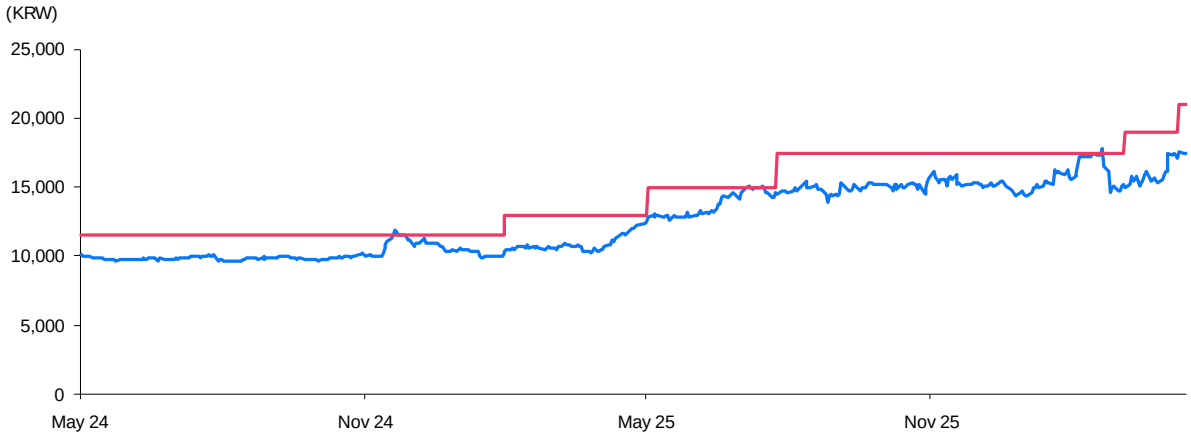
Target price changes in past two years



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	4/17
Recommendation	HOLD	HOLD	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	11500	11500	11500	13000	15000	17500	19000	21000
Gap* (average)	-13.24	-6.94	-12.61	-16.36	-8.10	-12.78	-15.81	
(max or min)**	-8.70	3.48	-11.39	-3.92	0.80	1.77	-8.05	

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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Industry

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