

# COMPANY UPDATE

2026. 5. 29

## EV/Mobility Team

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### ▶ AT A GLANCE

**BUY**

**Target price** **KRW900,000** **32.9%**

**Current price** **KRW677,000**

Market cap KRW138.6t/USD92.3b

Shares (float) 204,757,766 (65.6%)

52-week high/low KRW712,000/KRW184,000

Avg daily trading value (60-day) KRW951.6b/USD633.9m

### ▶ ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Motor (%)	22.0	158.9	264.2
Vs Kospi (%pts)	-1.0	24.2	18.8

### ▶ KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	900,000	800,000	12.5%
2026E EPS	42,451	41,942	1.2%
2027E EPS	46,495	46,021	1.0%

### ▶ SAMSUNG vs THE STREET

No of estimates	26
Target price	727,692
Recommendation	4.0

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



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# Hyundai Motor (005380)

## 2H outlook; in essence, a Physical AI ETF

- Toyota announced a 4QFY26 (fiscal year ends in March) earnings shock, and as a result Hyundai Motor (HMC) is increasingly being seen as the only global automaker with the scale and technological depth to compete with Tesla in the Physical AI era.
- Over the past 25 years, HMC has shouldered more than half of Hyundai Motor Group's (HMG) capital investments. As its subsidiaries are now recording strong earnings and stable cash flows, HMC's financial burden is easing, bringing its own equity value into sharper focus.
- All of its key subsidiaries operate in Physical AI-related fields. In essence, HMC functions like an ETF—its key subsidiaries are leading Physical AI players in multiple Physical AI-related domains.

### WHAT'S THE STORY?

**Top pick—raising target price 12.5% to KRW900,000:** Toyota's (the world's top-selling automaker) 1Q earnings shock is reshaping expectations towards: 1) HMG's robotics business; and 2) the likely winners in the Physical AI era.

- **Increasing target P/E 13.8% to 20.5x:** Our new target price of KRW900,000 is derived by applying 20.5x P/E to its average 2026-2027 EPS. The target multiple is based on the 12-month forward average P/E of four leading Chinese EV makers (BYD, Li Auto, Xiaomi, Geely; excluding Nio, given its losses). Since CES 2026, HMC's valuation has been benchmarking Chinese frontrunners.

While these Chinese competitors have commercialized Level 2+ autonomous technologies (ahead of HMC), they continue to rely on external partners for core AI inference models and chips. We view these Chinese EV makers' technical capabilities as being similar to HMC/Kia's—they possess no decisive advantage.

*(Continued on the next page)*

### SUMMARY FINANCIAL DATA

	2025	2026E	2027E	2028E
Revenue (KRWb)	186,254	197,265	209,074	218,444
Operating profit (KRWb)	11,468	12,401	13,677	15,084
Net profit (adj) (KRWb)	10,365	11,615	12,721	13,921
EPS (adj) (KRW)	35,331	42,451	46,495	50,880
EPS (adj) growth (% y-y)	-23.3	20.2	9.5	9.4
EBITDA margin (%)	8.9	8.9	9.0	9.3
ROE (%)	8.4	9.4	9.5	9.7
P/E (adj) (x)	8.4	15.9	14.6	13.3
P/B (x)	0.7	1.4	1.3	1.2
EV/EBITDA (x)	14.4	18.6	17.6	16.3
Dividend yield (%)	3.4	1.6	1.8	1.8

Source: Company data, Samsung Securities estimates

- **Toyota's earnings shock coincides with Atlas' commercialization timeline:** Toyota's 4QFY26 results (fiscal year ends in March) showed a 49% y-y decline in operating profit, missing consensus by 30%. Its operating margin fell to 4.5%, 1%pt below HMC's. The Japanese carmaker's FY27 guidance has its operating profit plunging 20% to JPY3t, for an operating margin of just 5.9%—its lowest in 25 years. The troubling 1Q results and downbeat FY27 forecasts underscore the fact that even the world's largest automaker cannot remain competitive with hybrid technology alone.
- **Emerging oligopoly in the Physical AI era:** The auto industry, due to its vast upstream and downstream employment figures, has historically been heavily managed by governments and never allowed to become an oligopoly. As a result, even the global top carmaker has limited pricing power, leading to low profitability and compressed valuations. But in the Physical AI era, just 2 or 3 companies—with the capital and talent to build end-to-end AI ecosystems—are likely to dominate. In the West, following Tesla, HMC and Kia (combined) stand out as the strongest candidates.
- **HMC's subsidiary value coming into focus:** HMC has borne over half of the costs associated with vertical integration and new business investments by HMG over the past 25 years. Today, most of its subsidiaries are generating strong earnings and healthy cash flows, reducing HMC's financial strain. At the same time, these subsidiaries are leaders in Physical AI-driven industries. As HMG advances its core AI technologies, the enterprise value of its affiliates is rising.

**Operation of RMAC from 3Q26—starting point of the physical AI era:** We forecast HMC/Kia's combined market cap will exceed Toyota's in 2027.

- **HMC/Kia's plants generate the real-world data needed to train robots:** Robots first train in RMAC, mastering factory layouts, movement paths, and task sequences in simulations. This virtual training data are then fused with live operational data from HMC/Kia's smart digital factory (SDF) systems. The objective is to create a self-improving feedback loop: Virtual training → real-world feedback → model refinement.
- **RMAC's ownership structure:** Beyond HMG, Google and Nvidia are likely to take a stake in RMAC. The two US firms need high-quality, real-world robotic behavior data to train next-generation foundation models. Both also operate data centers (which are essential for robot training) and inference chip-based businesses. Through RMAC, HMC and Kia could sell high-value robotic datasets not just to Google and Nvidia, but also to other US tech giants.
- **RMAC's value:** Like Scale AI (in which Meta bought a 49% stake), RMAC could monetize its data. Selling data to multiple enterprise clients could result in RMAC being valued at USD29b—21% of HMC/Kia's combined market cap. Assuming revenue of USD72/hour per robot-training unit, RMAC's value could rise to USD65b, nearly 49% of HMC/Kia's combined market cap.
- **RMAC's sales and earnings:** RMAC's revenue is projected to reach USD0.034b in 2027 and USD2.7b in 2030, driven by improvements in data quality and greater customization (enhancing operational efficiency). Its operating margin should top 50%, translating to USD2.7b in operating profit (KRW4t) in 2030—equivalent to 19% of HMC/Kia's combined 2025 operating profit.
- **Don't focus on valuation—focus on where the money is flowing:** In 2020, Tesla sold just 0.5m vehicles and posted a net profit of USD700m—only one-twentieth of Toyota's. Yet, the US

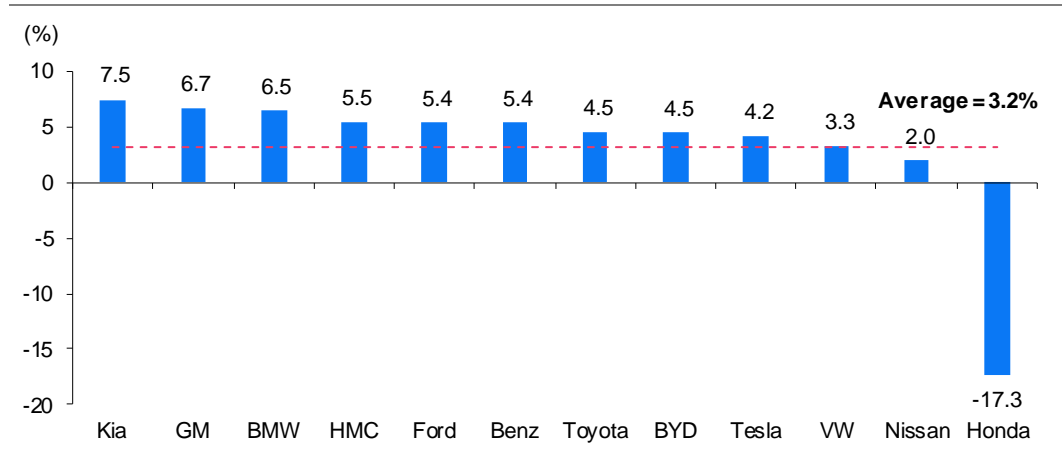
carmaker's market cap surpassed the Japanese player's in Jul 2020, just months after having launched the Model Y (March).

In 2H26, HMG is set to launch RMAC and set up Robotics America. If these moves gain traction, HMC/Kia's combined market cap could overtake Toyota's next year. Such a feat would be the market's acknowledgment that the Physical AI era has officially begun.

**Profit recovery expected in 2H:** Earnings in 2Q should continue to face headwinds from engine valve supply disruptions and rising raw-material costs. HMC's operating profit should rebound to KRW3t in 2Q.

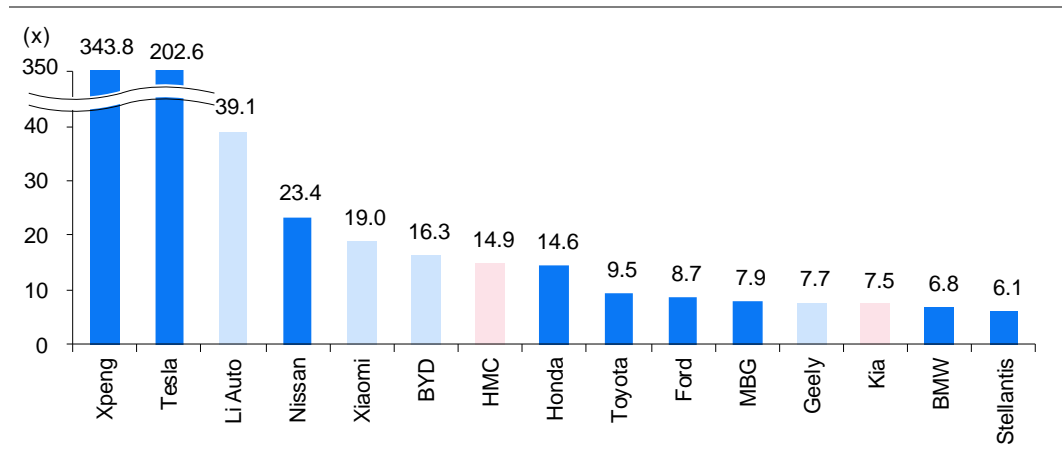
- **Impact of fire at engine valve supplier:** A fire in March has disrupted HMG's engine production. Alternative components are being evaluated with a view to securing quality validation. Replacement sourcing should begin in 2Q, with full production ramp-ups of these alternative parts expected to happen in 2H, minimizing the full-year impact of the fire on HMG.
- **Raw-material costs:** HMC's raw-material costs are set to rise KRW200b y-y in 2Q.
- **New-model launches in 2H:** HMC in 2H is expected to roll out: 1) new versions of the Avante and Tucson in both ICE and hybrid variants; as 2) a Genesis hybrid.

**Global automakers: Operating margin (1Q26)**



Source: Bloomberg, Samsung Securities

**Global automakers: 12-month-forward P/E**



Source: Bloomberg, Samsung Securities

**Hyundai Motor: Subsidiary equity value**

Physical AI category	Subsidiary	Ownership (%)	Book value (KRWb)	Market cap* (KRWb)	Market cap × Ownership × NAV discount** (KRWb)	Notes
<b>Robotics</b>	Boston Dynamics***	27.97	469			Kia's ownership: 17.23%
	Robotics LAB	55				Kia's ownership: 45%
	RMAC	TBD				Operations to commence in 2H26
	Robotics America	TBD				To be established in 2H26
<b>SI, Robot control</b>	Hyundai AutoEver	31.59	572	17,606	3,893	Kia's ownership: 16.24%
<b>Autonomous driving / Robotics</b>	Kia	35.17	21,679	65,238	16,061	
<b>Defense / Unmanned defense</b>	Hyundai Rotem	<b>33.77</b>	<b>891</b>	<b>23,411</b>	<b>5,534</b>	
<b>Nuclear power / Data Centers</b>	Hyundai Construction	20.95	3,195	16,914	2,480	Kia's ownership: 5.24%
<b>Finance</b>	Hyundai Capital	<b>59.72</b>	<b>4,553</b>			<b>Kia's ownership: 40.13%</b>
	Hyundai Card	<b>36.96</b>	<b>1,587</b>			<b>Kia's ownership: 6.48%</b>
<b>Total</b>			<b>32,945</b>		<b>27,969</b>	

Note: \* As of May 26, \*\* 30% of NAV discount is applied, \*\*\* Includes HMG Global's stake in Boston Dynamics.

Bold entries are consolidated subsidiaries; others are accounted for under the equity method.

Source: Hyundai Motor, Samsung Securities

**HMG (Big 3): Cash flow and net cash position**

(KRWb)	2021	2022	2023	2024	2025
Hyundai Motor*	11,928	14,819	16,888	18,978	12,749
Kia	7,360	9,333	11,297	12,564	9,054
Mobis	2,609	2,154	5,343	4,253	4,473
Operating cash flow	21,896	26,307	33,527	35,795	26,276
Capex + equity investments	-7,571	-11,625	-15,742	-18,375	-19,514
Dividends	-2,051	-2,926	-4,269	-6,514	-5,841
Treasury stock buybacks	0	0	-650	-1,563	-1,972
Total cash outflows	-9,622	-14,551	-20,662	-26,452	-27,327
<b>Net cash flow</b>	<b>12,274</b>	<b>11,756</b>	<b>12,866</b>	<b>9,343</b>	<b>-1,051</b>
<b>Net cash position</b>	<b>27,363</b>	<b>30,412</b>	<b>40,698</b>	<b>43,583</b>	<b>40,045</b>

Note: Hyundai Motor figures exclude financial segment operating cash flow and net cash.  
Source: Company reports, Samsung Securities

**Data types required for robot AI model training**

Data type	Components	Characteristics
Internet data	Text, images, video	Abundant but lacks physical action data
Synthetic data	Simulation trajectories, virtual environments	Low-cost but limited sim-to-real transfer
Real-world action data	Joint torque, force/tactile sensors, RGB video, multi-axis motion	Scarce, high cost, and high quality

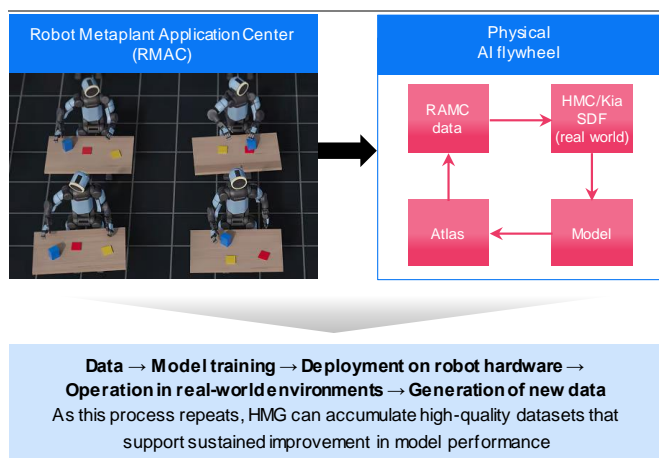
Source: Nvidia GR00T N1 paper, Samsung Securities

**Real-world data: High value, high cost**



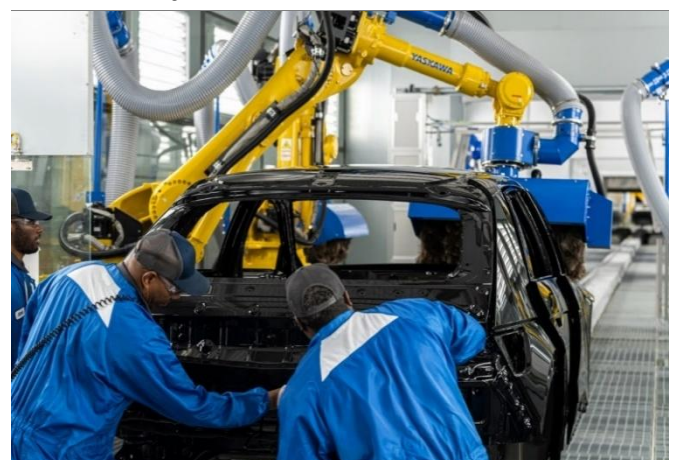
Source: Nvidia GR00T N1 paper, Silicon Valley Robotics Center, Samsung Securities

**HMG: Physical AI flywheel**



Source: Samsung Securities

**Metaplant: Collaborative robots working alongside humans on an assembly line**



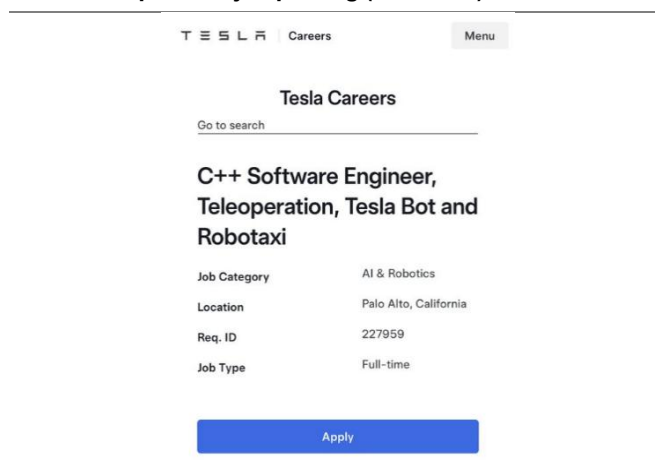
Source: HMC

### Tesla Optimus: Learning via teleoperation



Source: X

### Tesla: Teleoperation job posting (USD48/hr)



Source: Company data

### RMAC data value projection

	Units deployed (cumulative units)	Annual data hours (‘000 hours)	Annual data value (USDm)	KRW equivalent (USDb)
2026 proof of concept stage	10	50	4	5.2
2027 early stage	500	2,500	180	261
2028 mass-production	5,000	25,000	1,800	2,610
2030 expansion	30,000	150,000	10,800	15,660

Note: Exchange rate applied: KRW1,450/USD.

Source: Samsung Securities

### Data value generated by human workers at Metaplant

	Number of workers	Annual data hours (‘000 hours)	Annual data value (USDm)	KRW equivalent (USDb)
2027	1,100	2,200	158	230
2028	1,100	2,200	158	230
2030	1,500	3,000	216	313

Source: Samsung Securities

### HMC/Kia: Robot data business profitability forecasts

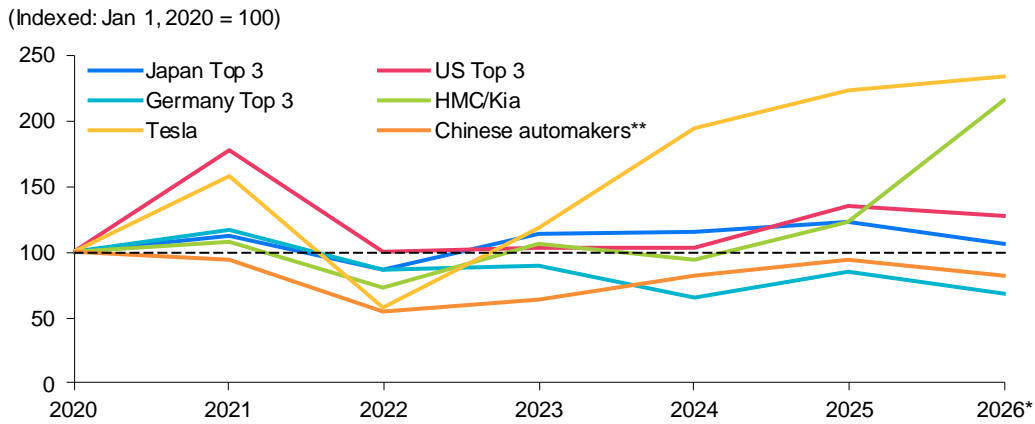
	Annual data value (RMAC + Overseas plants)	External sales ratio (%)	Revenue (USDm)	Operating profit* (USDm)	Net profit** (USDm)
2026	4	0	n/a	n/a	n/a
2027	338	10	34	17	13
2028	1,958	30	588	294	232
2030	11,016	50	5,508	2,754	2,176

Note: \*Assumes operating margin of 50%;

\*\*Assumes corporate tax rate of 21%

Source: Samsung Securities

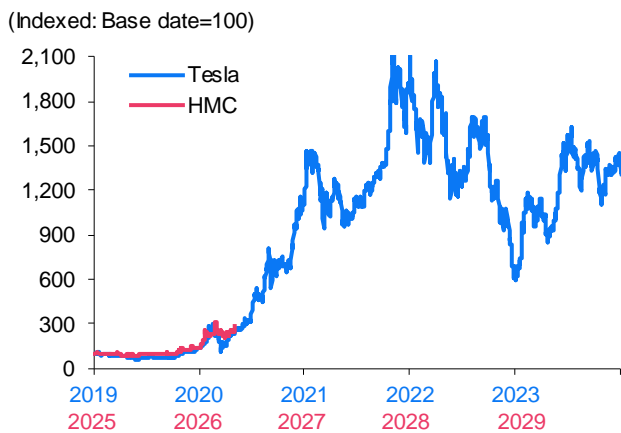
**Global automakers: Market cap trend since the pandemic**



Note: Chinese EV manufacturers — BYD, Xiaomi, NIO, XPeng, Li Auto  
\* As of end-May 2026

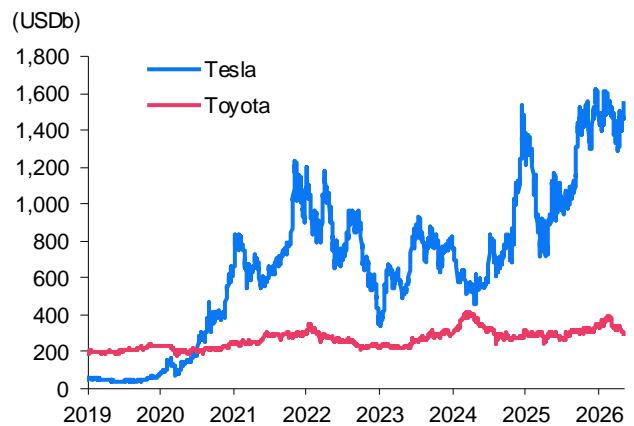
Sources: Bloomberg, Samsung Securities

**Market cap: HMC vs Tesla**



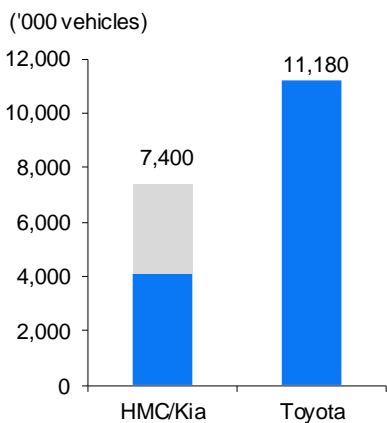
Source: Bloomberg, Samsung Securities

**Market cap: Tesla vs Toyota**



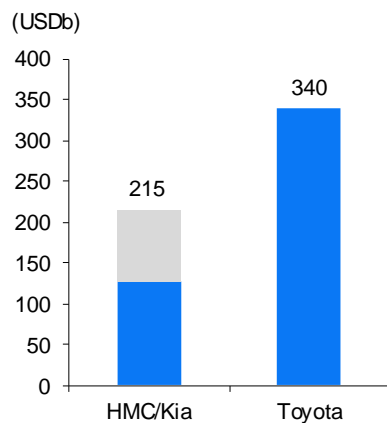
Source: Bloomberg, Samsung Securities

**Global sales volume: HMG vs Toyota (2026)**



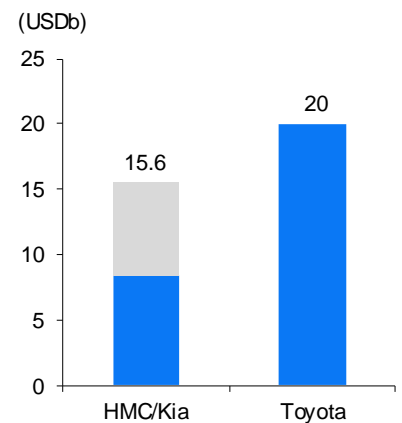
Note: HMC/Kia figures are Samsung Securities estimates; Toyota figures are FY27 guidance  
Source: Company data, Samsung Securities.

**Consolidated sales: HMG vs Toyota (2026)**



Note: HMC/Kia figures are Samsung Securities estimates; Toyota figures are FY27 guidance  
Source: Company data, Samsung Securities.

**Operating profit: HMG vs Toyota (2026)**



Note: HMC/Kia figures are Samsung Securities estimates; Toyota figures are FY27 guidance  
Source: Company data, Samsung Securities.

**HMC: Global sales volume and forecasts**

('000 vehicles)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2024	2025	2026E	2027E
Global plant sales	1,006	1,063	1,022	1,021	984	1,058	1,031	1,074	4,174	4,111	4,119	4,294
Domestic	445	483	458	454	440	474	434	452	1,871	1,840	1,800	1,810
Overseas	561	580	563	567	543	583	597	622	2,303	2,271	2,319	2,484
India (HMI)	192	180	191	195	208	209	212	190	764	758	820	850
China (BHMC)	44	50	47	53	43	52	45	60	170	194	200	210
US (HMMA)	98	112	108	105	99	116	122	113	361	422	450	500
Turkey (HAOS)	62	59	39	38	39	54	46	71	246	198	210	210
Czech (HMMC)	73	74	67	63	68	86	75	91	327	277	320	330
Russia (HMMR)	0	0	0	0	0	0	0	0	0	0	40	100
Brazil (HMMB)	41	55	54	63	44	49	55	56	214	213	205	205
<b>Global retail sales</b>	<b>1,001</b>	<b>1,066</b>	<b>1,038</b>	<b>1,033</b>	<b>976</b>	<b>1,058</b>	<b>1,058</b>	<b>1,022</b>	<b>4,142</b>	<b>4,138</b>	<b>4,115</b>	<b>4,255</b>
<b>Global ASP (KRWm)</b>	<b>35.7</b>	<b>36.3</b>	<b>36.5</b>	<b>36.7</b>	<b>36.4</b>	<b>38.5</b>	<b>38.8</b>	<b>39.8</b>	<b>34.1</b>	<b>36.3</b>	<b>38.4</b>	<b>39.4</b>

Source: Company data, Samsung Securities

**HMC: Results and forecasts**

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2024	2025	2026E	2027E
KRW/USD (avg)	1,453	1,401	1,387	1,452	1,467	1,450	1,430	1,420	1,365	1,423	1,442	1,390
Revenue	44,408	48,287	46,721	46,839	45,939	51,446	50,370	49,510	175,231	186,254	197,265	209,074
Autos	34,718	37,609	36,715	36,590	34,538	39,536	39,976	38,965	136,725	145,632	153,015	162,299
Finance	7,398	8,214	7,189	7,432	8,992	9,446	7,549	7,874	28,447	30,233	33,861	35,554
Other	2,292	2,464	2,818	2,817	2,409	2,464	2,846	2,671	10,060	10,390	10,390	11,221
Gross profit	8,980	9,110	8,284	7,843	8,017	9,493	9,523	8,445	35,749	34,217	35,477	37,891
Operating profit	3,634	3,602	2,537	1,695	2,515	3,812	3,821	2,253	14,240	11,468	12,401	13,677
Pre-tax profit	4,465	4,385	3,326	1,666	3,522	4,899	4,512	2,561	17,490	13,842	15,544	16,961
Net profit	3,382	3,250	2,548	1,184	2,585	3,674	3,384	1,921	13,230	10,365	11,615	12,721
Controlling profit	3,157	2,998	2,261	1,029	2,335	3,564	3,283	1,863	12,527	9,446	11,266	12,339
<b>Margins (%)</b>												
Gross profit	20.2	18.9	17.7	16.7	17.5	18.5	18.9	17.1	20.4	18.4	18.0	18.1
Operating profit	8.2	7.5	5.4	3.6	5.5	7.4	7.6	4.6	8.1	6.2	6.3	6.5
Net profit	7.6	6.7	5.5	2.5	5.6	7.1	6.7	3.9	7.5	5.6	5.9	6.1
Controlling profit	7.1	6.2	4.8	2.2	5.1	6.9	6.5	3.8	7.1	5.1	5.6	5.9

Source: Company data, Samsung Securities

### Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
<b>Sales</b>	<b>175,231</b>	<b>186,254</b>	<b>197,265</b>	<b>209,074</b>	<b>218,444</b>
Cost of goods sold	139,482	152,038	161,788	171,183	178,481
<b>Gross profit</b>	<b>35,749</b>	<b>34,217</b>	<b>35,477</b>	<b>37,891</b>	<b>39,963</b>
Gross margin (%)	20.4	18.4	18.0	18.1	18.3
SG&A expenses	21,510	22,749	23,077	24,215	24,879
<b>Operating profit</b>	<b>14,240</b>	<b>11,468</b>	<b>12,401</b>	<b>13,677</b>	<b>15,084</b>
Operating margin (%)	8.1	6.2	6.3	6.5	6.9
<b>Non-operating gains (losses)</b>	<b>3,251</b>	<b>2,374</b>	<b>3,143</b>	<b>3,284</b>	<b>3,477</b>
Financial profit	1,531	1,299	903	829	852
Financial costs	899	1,010	599	599	611
Equity-method gains (losses)	3,114	2,510	2,883	3,088	3,240
Other	-496	-425	-44	-33	-5
<b>Pre-tax profit</b>	<b>17,490</b>	<b>13,842</b>	<b>15,544</b>	<b>16,961</b>	<b>18,561</b>
Taxes	4,232	3,477	3,929	4,240	4,640
Effective tax rate (%)	24.2	25.1	25.3	25.0	25.0
Profit from continuing operations	13,549	10,365	11,615	12,721	13,921
Profit from discontinued operations	-319	0	0	0	0
<b>Net profit</b>	<b>13,230</b>	<b>10,365</b>	<b>11,615</b>	<b>12,721</b>	<b>13,921</b>
Net margin (%)	7.5	5.6	5.9	6.1	6.4
Net profit (controlling interests)	12,527	9,446	11,266	12,339	13,503
Net profit (non-controlling interests)	703	919	348	382	418
EBITDA	18,527	16,484	17,538	18,920	20,296
EBITDA margin (%)	10.6	8.9	8.9	9.0	9.3
EPS (parent-based) (KRW)	46,042	35,331	42,451	46,495	50,880
EPS (consolidated) (KRW)	48,626	38,767	43,764	47,933	52,453
Adjusted EPS (KRW)*	46,042	35,331	42,451	46,495	50,880

### Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
<b>Cash flow from operations</b>	<b>-5,662</b>	<b>-5,991</b>	<b>17,573</b>	<b>19,124</b>	<b>18,681</b>
Net profit	13,230	10,365	11,615	12,721	13,921
Non-cash profit and expenses	23,950	25,920	4,847	5,133	5,338
Depreciation	3,398	3,745	3,901	4,038	4,033
Amortization	889	1,272	1,236	1,206	1,179
Other	19,663	20,904	-290	-110	126
Changes in A/L from operating activities	-35,160	-34,325	3,704	4,248	2,789
<b>Cash flow from investments</b>	<b>-14,623</b>	<b>-10,347</b>	<b>-13,761</b>	<b>-13,381</b>	<b>-12,977</b>
Change in tangible assets	-7,890	-8,121	-6,000	-5,000	-4,000
Change in financial assets	-1,842	2,832	-472	-463	-368
Other	-4,891	-5,059	-7,289	-7,918	-8,610
<b>Cash flow from financing</b>	<b>19,493</b>	<b>15,425</b>	<b>-5,861</b>	<b>639</b>	<b>372</b>
Change in debt	32,090	18,624	-3,237	3,526	3,520
Change in equity	3,278	124	0	0	0
Dividends	-3,913	-3,689	-2,624	-2,886	-3,148
Other	-11,961	366	0	0	0
Change in cash	-152	-654	-10,831	-3,498	7,023
Cash at beginning of year	19,167	19,015	18,361	7,530	4,032
Cash at end of year	19,015	18,361	7,530	4,032	11,055
<b>Gross cash flow</b>	<b>37,180</b>	<b>36,285</b>	<b>16,462</b>	<b>17,854</b>	<b>19,259</b>
<b>Free cash flow</b>	<b>-13,723</b>	<b>-14,358</b>	<b>11,573</b>	<b>14,124</b>	<b>14,681</b>

Note: \*Excluding one-off items

\*\*Fully diluted, excluding one-off items

\*\*\*From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

### Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
<b>Current assets</b>	<b>115,764</b>	<b>120,777</b>	<b>112,574</b>	<b>111,893</b>	<b>120,994</b>
Cash & equivalents	19,015	18,361	7,530	4,032	11,055
Accounts receivable	5,908	8,600	9,109	9,654	10,040
Inventories	19,791	20,662	21,883	23,193	24,121
Other current assets	71,050	73,155	74,052	75,014	75,777
<b>Fixed assets</b>	<b>224,034</b>	<b>248,067</b>	<b>268,522</b>	<b>289,233</b>	<b>298,978</b>
Investment assets	117,804	124,261	136,564	149,600	151,948
Tangible assets	44,534	48,750	50,849	51,811	51,778
Intangible assets	7,683	9,268	9,032	8,826	8,647
Other long-term assets	54,014	65,789	72,078	78,996	86,605
<b>Total assets</b>	<b>339,798</b>	<b>368,845</b>	<b>381,095</b>	<b>401,126</b>	<b>419,972</b>
<b>Current liabilities</b>	<b>79,510</b>	<b>88,579</b>	<b>86,311</b>	<b>91,269</b>	<b>95,236</b>
Accounts payable	12,550	12,287	13,014	13,793	14,411
Short-term debt	9,327	10,388	10,388	10,388	10,388
Other current liabilities	57,633	65,904	62,909	67,088	70,437
<b>Long-term liabilities</b>	<b>140,013</b>	<b>152,617</b>	<b>157,611</b>	<b>162,849</b>	<b>166,955</b>
Bonds & long-term debt	120,420	131,240	134,240	137,240	140,240
Other long-term liabilities	19,593	21,377	23,370	25,609	26,715
<b>Total liabilities</b>	<b>219,522</b>	<b>241,197</b>	<b>243,922</b>	<b>254,118</b>	<b>262,191</b>
<b>Owners of parent equity</b>	<b>109,103</b>	<b>115,447</b>	<b>124,623</b>	<b>134,076</b>	<b>144,431</b>
Capital stock	1,489	1,489	1,489	1,489	1,489
Capital surplus	7,656	7,780	7,780	7,780	7,780
Retained earnings	96,596	101,312	109,954	119,407	129,762
Other	3,362	4,865	5,400	5,400	5,400
<b>Non-controlling interests' equity</b>	<b>11,173</b>	<b>12,202</b>	<b>12,550</b>	<b>12,932</b>	<b>13,349</b>
<b>Total equity</b>	<b>120,276</b>	<b>127,648</b>	<b>137,173</b>	<b>147,008</b>	<b>157,781</b>
Net debt	130,142	152,127	159,353	165,982	162,166

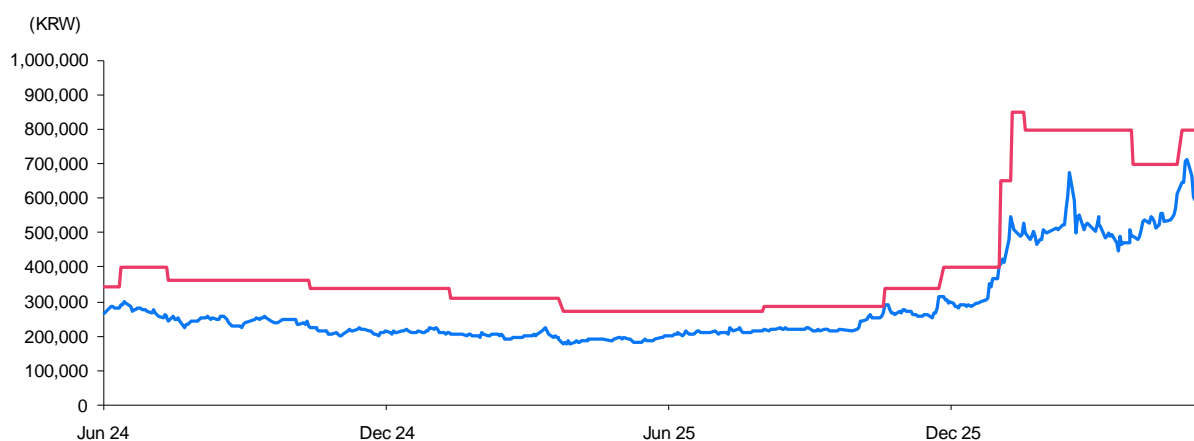
### Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
<b>Growth (%)</b>					
Sales	7.7	6.3	5.9	6.0	4.5
Operating profit	-5.9	-19.5	8.1	10.3	10.3
Net profit	7.8	-21.7	12.1	9.5	9.4
Adjusted EPS**	5.6	-23.3	20.2	9.5	9.4
<b>Per-share data (KRW)</b>					
EPS (parent-based)	46,042	35,331	42,451	46,495	50,880
EPS (consolidated)	48,626	38,767	43,764	47,933	52,453
Adjusted EPS**	46,042	35,331	42,451	46,495	50,880
BVPS	413,568	439,541	475,962	512,066	551,614
DPS (common)	12,000	10,000	11,000	12,000	12,000
<b>Valuations (x)</b>					
P/E***	4.6	8.4	15.9	14.6	13.3
P/B***	0.5	0.7	1.4	1.3	1.2
EV/EBITDA	10.5	14.4	18.6	17.6	16.3
<b>Ratios (%)</b>					
ROE	12.4	8.4	9.4	9.5	9.7
ROA	4.3	2.9	3.1	3.3	3.4
ROIC	12.3	7.8	7.5	7.9	8.3
Payout ratio	19.5	21.4	19.8	19.7	18.0
Dividend yield (common)	5.7	3.4	1.6	1.8	1.8
Net debt to equity	108.2	119.2	116.2	112.9	102.8
Interest coverage (x)	31.5	20.0	20.7	22.8	24.7

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### Target price changes in past two years



### Rating changes over past two years (adjusted share prices)

<b>Date</b>	2024/3/20	5/29	6/25	7/26	10/25	2025/1/24	4/7	8/14	10/31	12/8	2026/1/14	1/22
<b>Recommendation</b>	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
<b>Target price (KRW)</b>	330000	345000	400000	360000	340000	310000	270000	285000	340000	400000	650000	850000
<b>Gap* (average)</b>	-26.19	-21.52	-31.63	-32.30	-37.27	-34.90	-26.06	-20.49	-20.69	-22.55	-27.91	-40.91
<b>(max or min)**</b>	-16.06	-16.96	-25.50	-28.06	-33.38	-28.39	-17.41	-7.02	-7.35	1.50	-15.54	-37.88
<b>Date</b>	1/30	4/7	4/10	5/11	5/27							
<b>Recommendation</b>	BUY	BUY	BUY	BUY	BUY							
<b>Target price (KRW)</b>	800000	800000	700000	800000	900000							
<b>Gap* (average)</b>	-35.99	-37.66	-23.42	-17.04								
<b>(max or min)**</b>	-15.75	-36.50	-31.64	-26.00								

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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\* 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

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BUY (85.2%)·HOLD (14.8%)·SELL (0%)

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