

# COMPANY UPDATE

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## Tech team

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## ▶ AT A GLANCE

**BUY**

Target price **KRW25,000** 34.5%

Current price **KRW18,590**

Market cap	KRW2.1t/USD1.4b
Shares (float)	115,041,225 (59.7%)
52-week high/low	KRW23,150/KRW18,240
Avg daily trading value (60-day)	KRW10.2b/ USD6.6m

## ▶ ONE-YEAR PERFORMANCE

	1M	6M	12M
Cheil Worldwide (%)	-2.3	-18.5	-8.6
Vs Kospi (%pts)	-6.6	-59.1	-66.4

## ▶ KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	25,000	25,000	0.0%
2026E EPS	1,923	1,950	-1.4%
2027E EPS	2,070	2,077	-0.3%

## ▶ SAMSUNG vs THE STREET

No of estimates	12
Target price	25,417
Recommendation	4.0

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



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# Cheil Worldwide (030000)

## Strengthening position by entering new domains

- We expect Cheil Worldwide to report a 2Q operating profit in line with the lower end of consensus. Despite the largest advertiser's cautious approach to ad spending, expansion in its service offerings should help sustain top-line growth.
- The company is strengthening its integrated marketing capabilities to lay the foundation for medium- to long-term profitability improvements. It is also likely to increase shareholder returns.

## WHAT'S THE STORY?

**2Q preview—in line with lower end of consensus:** We expect Cheil Worldwide to report a 2Q gross profit of KRW495.8b (up 2.5% y-y) and an operating profit of KRW92.4b (up 0.3% y-y), both aligning with the lower end of consensus. Despite the largest advertiser's cautious approach to global ad spending, expansion in its service offerings should help sustain top-line growth. Yet, operating profit will likely remain flat y-y, weighed down by one-off costs tied to restructuring overseas subsidiaries and investments in promising areas such as AI and data science. Considering the favorable base effect from last year's non-operating loss of KRW17.4b (resulting from forex losses), net profit is likely to show a relatively stronger improvement.

**Broadening business scope supported by integrated marketing capabilities:** Amid ongoing structural shifts in the advertising industry, the company is strengthening its capability to deliver integrated marketing solutions that combine creativity, media, strategy, digital, and experiential disciplines. As advertisers increasingly demand brand experience (BX)-centered marketing, opportunities for expansion into non-media channels—such as retail and offline touchpoints—are growing.

(Continued on the next page)

## SUMMARY FINANCIAL DATA

	2025	2026E	2027E	2028E
Revenue (KRWb)	4,547	4,661	4,923	5,171
Operating profit (KRWb)	337	328	364	386
Net profit (adj) (KRWb)	209	225	246	263
EPS (adj) (KRW)	1,804	1,923	2,070	2,214
EPS (adj) growth (% y-y)	0.0	6.6	7.7	6.9
EBITDA margin (%)	9.3	8.8	9.1	9.1
ROE (%)	13.7	13.6	13.7	13.7
P/E (adj) (x)	11.6	9.7	9.0	8.4
P/B (x)	1.4	1.1	1.0	1.0
EV/EBITDA (x)	4.4	3.7	3.4	3.2
Dividend yield (%)	5.9	7.0	7.6	8.1

Source: Company data, Samsung Securities estimates

Cheil Worldwide is actively transitioning from a traditional advertising agency to a ‘full-service marketing agency,’ thereby continuously broadening its business scope and global agency footprint.

**Differentiated earnings resilience built on global network:** Building on strengthened local business capabilities, the company continues to drive growth across key regions—while leveraging its global network and diversified business portfolio to safeguard earnings performance. By embedding AI and digital technologies into marketing and operations, it is laying the foundation for medium- to long-term profitability improvements. Under the revised Commercial Code, the company is likely to cancel its treasury shares (12% of issued shares) which signals a meaningful step up in shareholder returns.

**Table 1. Quarterly results and forecasts**

(KRWb)	2Q25	1Q26	2Q26	Chg (% q-q)	Chg (% y-y)	Consensus	Diff (%)
Sales	1,118.8	1,017.6	1,169.4	14.9	4.5	1,194.2	-2.1
Operating income	483.8	442.3	495.8	12.1	2.5	505.4	-1.9
Operating margin (%)	92.1	36.5	92.4	153.1	0.3	95.4	-3.2
Pre-tax income	19.0	8.3	18.6	10.4	-0.4	18.9	-0.2
Net profit (controlling)	74.7	40.9	91.3	123.5	22.3	87.8	4.0

Source: Company data, Samsung Securities

**Table 2. Results and forecasts**

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2024	2025	2026E	2027E
<b>Sales</b>	<b>1,018.0</b>	<b>1,089.4</b>	<b>1,072.5</b>	<b>1,164.3</b>	<b>1,039.4</b>	<b>1,118.8</b>	<b>1,188.9</b>	<b>1,199.7</b>	<b>1,017.6</b>	<b>1,169.4</b>	<b>1,182.2</b>	<b>1,291.8</b>	<b>4,344.3</b>	<b>4,546.9</b>	<b>4,661.0</b>	<b>4,923.1</b>
Parent	300.7	363.2	351.9	372.1	303.4	361.4	354.8	396.1	305.8	390.9	371.5	375.9	1,387.9	1,415.6	1,444.2	1,486.5
Four major media outlets	7.3	10.3	12.0	15.1	8.0	9.8	10.7	15.6	7.9	11.5	10.8	14.7	44.7	44.0	44.9	45.3
Cable TV/internet	9.2	13.4	16.0	20.1	11.4	15.0	15.2	18.6	11.1	17.6	16.3	19.1	58.7	60.1	64.1	67.9
Production/promotions	284.2	339.5	323.9	336.9	284.1	336.6	328.9	361.8	286.8	361.8	344.5	342.1	1,284.5	1,311.4	1,335.2	1,373.4
Consolidated subsidiaries	717.3	726.3	720.6	792.1	736.0	757.4	834.1	803.7	711.8	778.5	810.6	916.0	2,956.3	3,131.3	3,216.8	3,436.6
<b>Gross profit</b>	<b>390.7</b>	<b>453.4</b>	<b>428.5</b>	<b>454.8</b>	<b>433.5</b>	<b>483.8</b>	<b>457.4</b>	<b>485.3</b>	<b>442.3</b>	<b>495.8</b>	<b>480.0</b>	<b>506.0</b>	<b>1,727.5</b>	<b>1,859.9</b>	<b>1,924.0</b>	<b>2,038.1</b>
Parent	75.7	105.8	96.8	95.2	85.9	106.8	101.0	97.1	88.8	101.1	96.2	102.9	373.5	390.8	389.1	401.6
Four major media outlets	7.3	10.3	12.0	15.1	8.0	9.8	10.7	15.6	7.9	11.5	10.8	14.8	44.7	44.0	44.9	45.3
Cable TV/internet	9.2	13.4	16.0	20.1	11.4	15.0	15.2	18.6	11.1	17.6	16.3	19.1	58.7	60.1	64.1	67.9
Production/promotions	59.2	82.1	68.7	60.0	66.5	82.0	75.2	62.9	69.9	72.0	69.2	69.1	270.1	286.6	280.1	288.5
Consolidated subsidiaries	315.0	347.6	331.7	359.6	347.6	377.0	356.4	388.1	353.5	394.7	383.7	403.1	1,354.0	1,469.1	1,534.9	1,636.5
SG&A costs	336.2	365.2	332.9	372.4	375.0	391.7	361.5	394.9	405.8	403.4	376.4	410.2	1,406.7	1,523.0	1,595.7	1,673.8
SG&A costs-to-sales ratio	33.0	33.5	31.0	32.0	36.1	35.0	30.4	32.9	39.9	34.5	31.8	31.8	32.4	33.5	34.2	34.0
<b>Operating profit</b>	<b>54.5</b>	<b>88.2</b>	<b>95.6</b>	<b>82.4</b>	<b>58.5</b>	<b>92.1</b>	<b>95.9</b>	<b>90.4</b>	<b>36.5</b>	<b>92.4</b>	<b>103.6</b>	<b>95.8</b>	<b>320.7</b>	<b>336.9</b>	<b>328.3</b>	<b>364.4</b>
OP-to-GP ratio (%)	14.0	19.5	22.3	18.1	13.5	19.0	21.0	18.6	8.3	18.6	21.6	18.9	18.6	18.1	17.1	17.9
Pre-tax profit	63.4	93.1	90.9	66.1	41.9	74.7	98.7	89.4	40.9	91.3	101.9	93.1	313.5	304.7	327.2	357.1
<b>Net profit (controlling)</b>	<b>42.7</b>	<b>64.7</b>	<b>61.5</b>	<b>38.6</b>	<b>28.3</b>	<b>50.8</b>	<b>64.7</b>	<b>63.7</b>	<b>28.3</b>	<b>61.0</b>	<b>65.9</b>	<b>66.0</b>	<b>207.5</b>	<b>207.5</b>	<b>221.2</b>	<b>238.1</b>
Growth (% y-y)																
<b>Sales</b>	<b>8.1</b>	<b>12.2</b>	<b>-0.5</b>	<b>1.5</b>	<b>2.1</b>	<b>2.7</b>	<b>10.9</b>	<b>3.0</b>	<b>-2.1</b>	<b>4.5</b>	<b>-0.6</b>	<b>7.7</b>	<b>5.0</b>	<b>4.7</b>	<b>2.5</b>	<b>5.6</b>
Parent	5.5	16.7	19.7	5.2	0.9	-0.5	0.8	6.4	0.8	8.2	4.7	-5.1	11.6	2.0	2.0	2.9
Four major media outlets	2.1	0.2	29.5	9.5	8.9	-5.2	-10.9	3.3	-1.1	17.7	0.6	-5.5	10.4	-1.6	1.9	0.9
Cable TV/internet	1.8	-4.8	9.5	9.8	24.0	11.9	-5.3	-7.4	-2.3	17.5	7.3	2.5	4.8	2.5	6.5	5.9
Production/promotions	5.7	18.3	19.9	4.8	-0.0	-0.8	1.5	7.4	1.0	7.5	4.7	-5.5	11.9	2.1	1.8	2.9
Consolidated subsidiaries	9.3	10.0	-8.1	-0.2	2.6	4.3	15.8	1.5	-3.3	2.8	-2.8	14.0	2.1	5.9	2.7	6.8
<b>Gross profit</b>	<b>7.3</b>	<b>6.8</b>	<b>6.9</b>	<b>6.0</b>	<b>10.9</b>	<b>6.7</b>	<b>6.8</b>	<b>6.7</b>	<b>2.0</b>	<b>2.5</b>	<b>4.9</b>	<b>4.3</b>	<b>6.7</b>	<b>7.7</b>	<b>3.4</b>	<b>5.9</b>
Parent	6.2	4.2	9.9	7.8	13.4	0.9	4.4	2.0	3.4	-5.3	-4.8	5.9	7.0	4.6	-0.4	3.2
Four major media outlets	2.1	8.6	19.3	9.5	8.9	-5.0	-11.1	3.3	-1.3	17.8	0.6	-5.4	10.4	-1.6	1.9	0.9
Cable TV/internet	1.8	-4.8	9.5	9.8	24.0	11.9	-5.3	-7.4	-2.3	17.5	7.3	2.5	4.8	2.5	6.5	5.9
Production/promotions	7.4	5.3	8.5	6.7	12.3	-0.1	9.4	4.8	5.0	-12.2	-8.0	9.8	6.9	6.1	-2.3	3.0
Consolidated subsidiaries	7.6	7.6	6.0	5.5	10.3	8.4	7.4	7.9	1.7	4.7	7.7	3.8	6.6	8.5	4.5	6.6
SG&A	8.2	7.4	8.3	5.4	11.5	7.2	8.6	6.0	8.2	3.0	4.1	3.9	7.3	8.3	4.8	4.9
SG&A costs-to-sales ratio	0.0	-1.5	2.5	1.2	3.0	1.5	-0.6	0.9	3.8	-0.5	1.4	-1.2	0.7	1.1	0.7	-0.2
<b>Operating profit</b>	<b>2.1</b>	<b>4.2</b>	<b>2.3</b>	<b>8.4</b>	<b>7.2</b>	<b>4.4</b>	<b>0.3</b>	<b>9.7</b>	<b>-37.6</b>	<b>0.3</b>	<b>8.1</b>	<b>5.9</b>	<b>4.3</b>	<b>5.0</b>	<b>-2.6</b>	<b>11.0</b>
OP-to-GP ratio (%pts)	-0.7	-0.5	-1.0	0.4	-0.5	-0.4	-1.3	0.5	-5.2	-0.4	0.6	0.3	-0.4	-0.5	-1.0	0.8
Pre-tax profit	5.5	2.6	-9.4	96.5	-33.9	-19.8	8.5	35.4	-2.6	22.3	3.3	4.1	10.1	-2.8	7.4	9.1
<b>Net profit (controlling)</b>	<b>7.5</b>	<b>0.6</b>	<b>-6.1</b>	<b>118.0</b>	<b>-33.7</b>	<b>-21.4</b>	<b>5.2</b>	<b>65.1</b>	<b>-0.3</b>	<b>20.1</b>	<b>1.8</b>	<b>3.6</b>	<b>10.8</b>	<b>0.0</b>	<b>6.6</b>	<b>7.7</b>

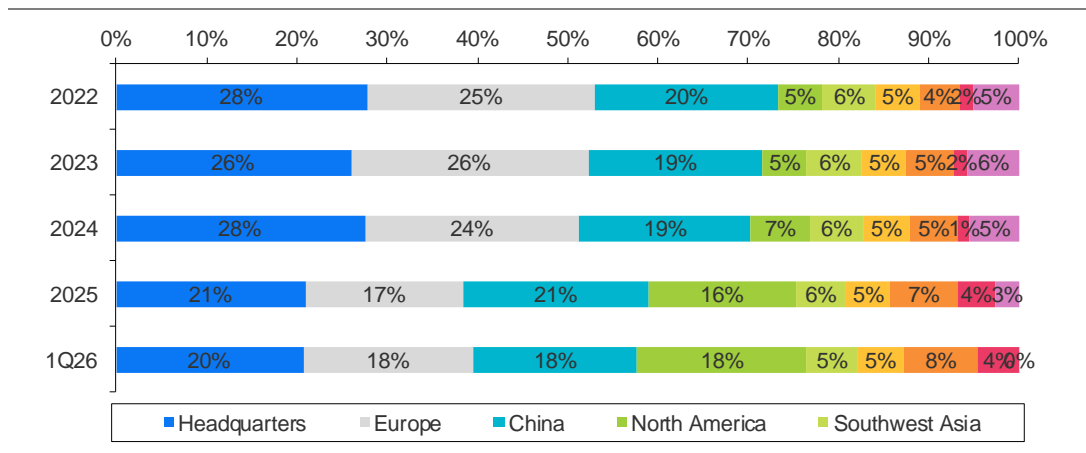
Note: 1Q25 non-operating expense recognition (KRW 20bn), EVR Studio transition-related valuation loss;

2Q25 forex loss driven by KRW/USD decline, non-operating loss of KRW17.4b (vs KRW4.9b in 2Q24)

1Q26 one-off personnel costs driven by overseas restructuring, higher severance provisioning

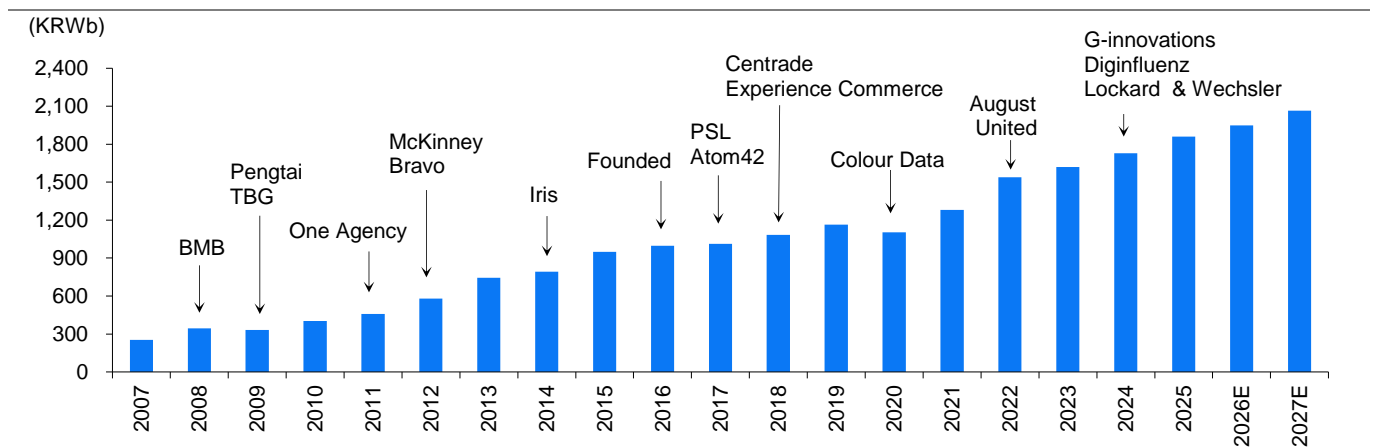
Source: Company data, Samsung Securities

**Chart 1. Developments in regional gross profit mix**



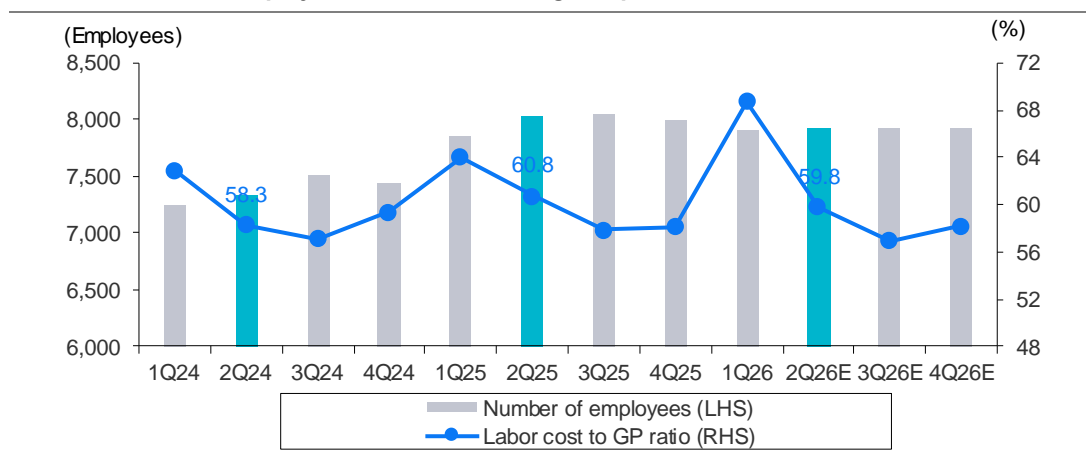
Source: Company data, Samsung Securities

**Chart 2. Gross profit growth driven by higher ad volume, expanded coverage, and inorganic growth**



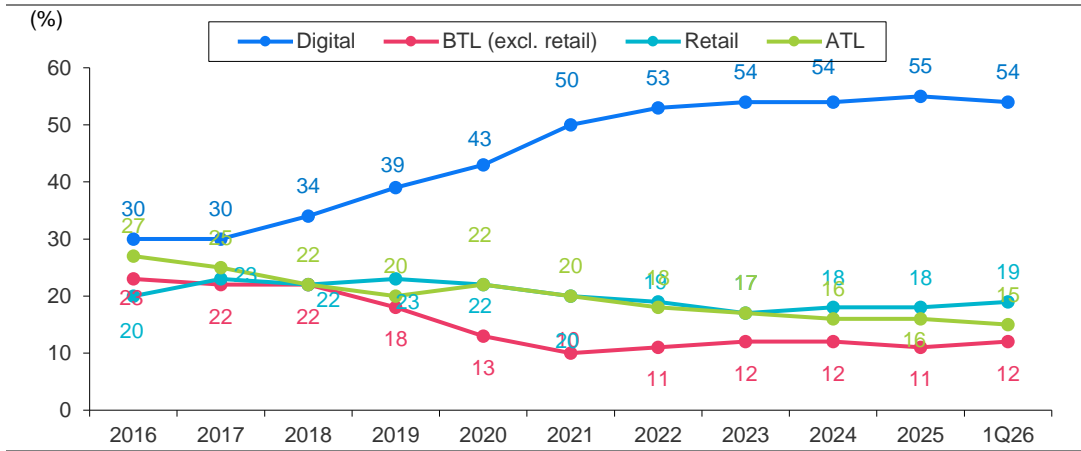
Note: Atom42 (1Q23) and Founded (4Q25) liquidated; functions absorbed by other subsidiaries  
Source: Company data, Samsung Securities

**Chart 3. Number of employees and labor cost-to-gross profit ratio**



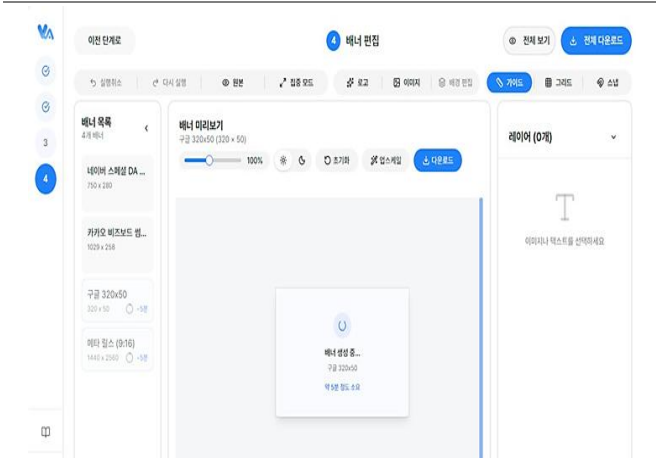
Note: Personnel costs driven by overseas restructuring, higher severance provisioning  
Source: Samsung Securities

Chart 4. Contribution to gross profit, by segment



Source: Company data, Samsung Securities

Chart 5. Dongsuh Foods' Kanu Official Store



Note: Image taken from Cheil Worldwide Korea website;  
Continuously enhancing sign-up and purchase conversion efficiency through the integration of CRM solutions  
Source: Cheil Worldwide, Samsung Securities

Chart 6. Philip Morris International, a UK client of Cheil WW



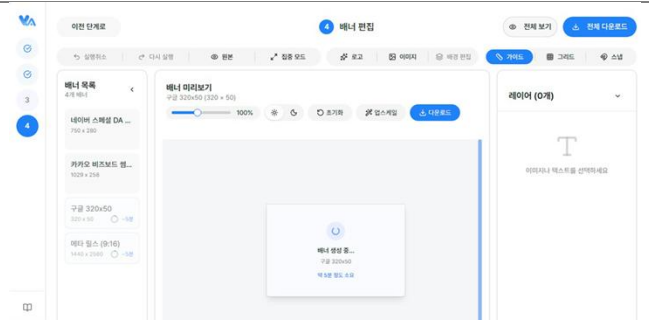
Note: Image taken from Cheil Worldwide UK website;  
Providing services, including operational strategy, website management, marketing automation, managed services, and digital analytics  
Source: Cheil Worldwide, Samsung Securities

Chart 7. AI and data-based solutions and use cases presented at the Cheil Tech showcase



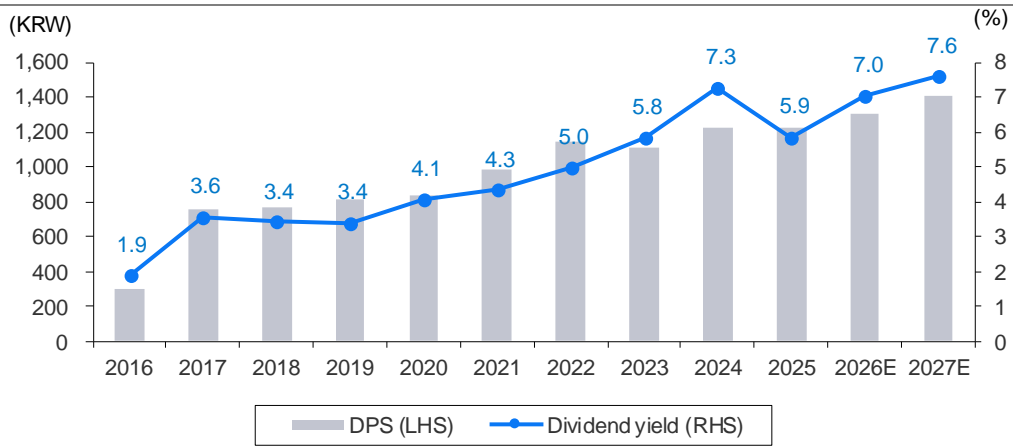
Note: Image taken from Cheil Tech showcase 2026 (May 27~May 29, 2026)  
Source: Cheil Worldwide, Samsung Securities

Chart 8. AI-powered banner image transformation automation solution VariAid



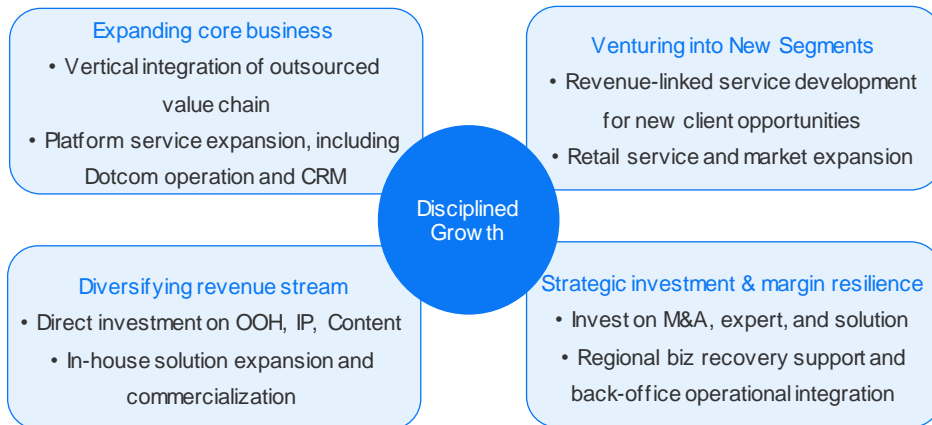
Note: Developed by Draph, an AI visual content specialist company, with concept input from Cheil Agency.  
Source: Cheil Worldwide, Samsung Securities

**Chart 9. DPS and dividend yield**



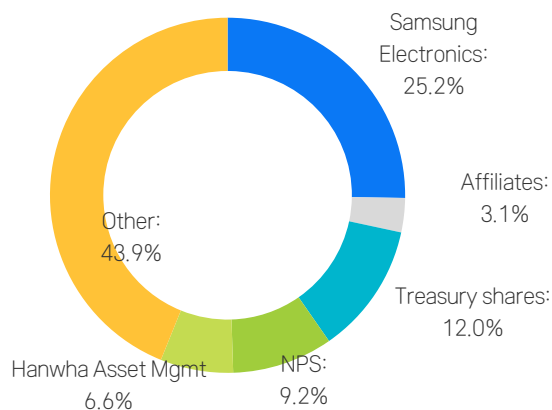
Source: Company data, Samsung Securities

**Chart 10. 2026 guidance: Full-year gross profit to grow 5%, operating margin to stay at 18%**



Source: Company data, Samsung Securities

**Chart 11. Major shareholders**



Note: Affiliates are Samsung Card, Samsung Life, and include stakes held by executives;

NPS is as of Apr 1; Samsung Electronics and affiliates are as of Apr 3, 2026; Hanwha Asset Mgmt is as of Jun 16

Source: Company data, Samsung Securities

**Table 3. M&A activities**

Company	Acquisition date	Country	Est.	Business area	Main clients
BMB	Nov 2008	UK	1999	Creative	Bill & Melinda Gates Foundation, LinkedIn
Pengtai (formerly OpenTide China)	Sep 2009	China	2000	Digital marketing	Industrial and Commercial Bank of China, China Mobile, China Unicom
The Barbarian Group (TBG)	Dec 2009	US	2001	Digital creative	GE, Google, Pepsi, IBM
One Agency	2011	UAE	2011	Retail	Samsung Electronics, GM, LS
McKinney	Jul 2012	US	1969	Creative	CarMax, Crocs, Mentos
Bravo Asia	Aug 2012	China	2006	Creative	Pepsi, Porsche, Moet Hennessy
Iris	Nov 2014	UK	1999	Digital retail	Shell, Guinness, Johnnie Walker
Pricing Solutions Limited (PSL)	Mar 2017	Canada	1993	B2B marketing	Lego, Allegan
Centrade	May 2018	Romania	1993	Digital marketing	P&G, Raiffeisen
Experience Commerce	Jun 2018	India	2006	Digital marketing	Lenovo, MRF, Wipro
89 Degrees	Nov 2018	US	1996	Marketing strategy	Ikea, Jeep, Marriott
WDMP	Nov 2018	UK	2002	Creative	Wyevale Garden Centre, Wonga
Fixers Group	Nov 2018	Netherlands	2005	Marketing strategy	Adidas, Heineken, Shell, Reebok
Colour Data	Jun 2020	China	2014	Digital Marketing	Samsung Electronics, Pfizer, Schneider Electric
August United	Dec 2022	UK	1999	Influencer Marketing	Samsung Electronics, Henkel, Kroger, CircleK, Microsoft
g-innovations	Apr 2024	US	2008	Marketing tech	Samsung
Diginfluenz Private Limited	Oct 2024	India	2020	Digital marketing	Flipkart, Tata Cliq, Boat, Samsung
Lockard & Wechsler LLC	Dec 2024	US	1991	Total media marketing	Rosetta Stone, Esurance, Sling TV, Walmart

Note: August United, which was integrated in Dec 2022, was the influencer marketing department of Audacious. August United owns Tailwind (in charge of digital marketing)

B2B marketing firm Founded acquired Apr 2016 and liquidated in 4Q25;

UK digital marketing firm Atom42 acquired Nov 2017 and liquidated in 1Q23

Source: Company data, Samsung Securities

**Table 4. Shareholder return policy (2025-2027) & value-up plan (2026)**

Category	Explanation
Shareholder return policy (2025-2027)	Dividend policy: Payout ratio set at ~60% of consolidated net income, considering investment, working capital, and business conditions
2026 corporate value enhancement plan	
Objectives	<ol style="list-style-type: none"> <li>1) Lift gross profit via business expansion and client base expansion</li> <li>2) Boost profitability through enhanced global operating efficiency</li> <li>3) Maintain shareholder returns via ~60% dividend payout ratio</li> </ol>
Key initiatives	<ol style="list-style-type: none"> <li>1) Expand core businesses (digital platforms, retail, experimental marketing)</li> <li>2) Diversify revenue, leveraging advertising/content/solution capabilities</li> <li>3) Strengthen competitiveness via AI tech and data-based investment</li> <li>4) Improve service quality through global talent acquisition</li> <li>5) Continued execution of shareholder return policy (announced Feb 2,2026)</li> </ol>
Value-up disclosure participation	Yes (2025 dividend payout ratio: 60.0%)

Note: Shareholder return policy announced on Feb 2, value-up plan disclosed on Mar 19

Source: Company data, Samsung Securities estimates

**Table 5. Revisions to full-year forecasts**

(KRWb)	2026E			2027E		
	Old	New	Chg (%)	Old	New	Chg %
Sales	4,695.2	4,661.0	-0.7	4,977.8	4,923.1	(1.1)
Gross profit	1,937.3	1,924.0	-0.7	2,050.5	2,038.1	(0.6)
Operating profit	336.7	328.3	-2.5	365.2	364.4	(0.2)
Operating margin (% , %pts)	7.2	7.0	-0.1	7.3	7.4	0.1
Pre-tax profit	334.0	327.2	-2.0	359.0	357.1	(0.5)
Net profit (controlling)	224.4	221.2	-1.4	238.9	238.1	(0.3)

Source: Company data, Samsung Securities estimates

### Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
<b>Sales</b>	<b>4,344</b>	<b>4,547</b>	<b>4,661</b>	<b>4,923</b>	<b>5,171</b>
Cost of goods sold	2,617	2,687	2,737	2,885	3,025
<b>Gross profit</b>	<b>1,727</b>	<b>1,860</b>	<b>1,924</b>	<b>2,038</b>	<b>2,146</b>
Gross margin (%)	39.8	40.9	41.3	41.4	41.5
SG&A expenses	1,407	1,523	1,596	1,674	1,760
<b>Operating profit</b>	<b>321</b>	<b>337</b>	<b>328</b>	<b>364</b>	<b>386</b>
Operating margin (%)	7.4	7.4	7.0	7.4	7.5
<b>Non-operating gains (losses)</b>	<b>-7</b>	<b>-32</b>	<b>-1</b>	<b>-7</b>	<b>-4</b>
Financial profit	63	53	60	49	47
Financial costs	44	63	52	49	46
Equity-method gains (losses)	1	1	-1	1	1
Other	-28	-24	-8	-9	-6
<b>Pre-tax profit</b>	<b>313</b>	<b>305</b>	<b>327</b>	<b>357</b>	<b>382</b>
Taxes	105	96	103	111	119
Effective tax rate (%)	33.5	31.5	31.4	31.2	31.2
Profit from continuing operations	208	209	225	246	263
Profit from discontinued operations	0	0	0	0	0
<b>Net profit</b>	<b>208</b>	<b>209</b>	<b>225</b>	<b>246</b>	<b>263</b>
Net margin (%)	4.8	4.6	4.8	5.0	5.1
Net profit (controlling interests)	208	208	221	238	255
Net profit (non-controlling interests)	1	1	3	7	8
EBITDA	398	421	411	448	470
EBITDA margin (%)	9.2	9.3	8.8	9.1	9.1
EPS (parent-based) (KRW)	1,804	1,804	1,923	2,070	2,214
EPS (consolidated) (KRW)	1,811	1,813	1,952	2,135	2,283
Adjusted EPS (KRW)*	1,804	1,804	1,923	2,070	2,214

### Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
<b>Cash flow from operations</b>	<b>346</b>	<b>212</b>	<b>274</b>	<b>282</b>	<b>273</b>
Net profit	208	209	225	246	263
Non-cash profit and expenses	221	210	178	195	173
Depreciation	67	73	73	74	75
Amortization	10	12	10	9	8
Other	144	126	95	112	90
Changes in A/L from operating activities	-5	-102	-34	-55	-51
<b>Cash flow from investments</b>	<b>-78</b>	<b>-107</b>	<b>-112</b>	<b>-140</b>	<b>-114</b>
Change in tangible assets	-26	-29	-73	-75	-76
Change in financial assets	-32	-107	-6	-20	-19
Other	-20	29	-34	-45	-20
<b>Cash flow from financing</b>	<b>-170</b>	<b>-188</b>	<b>-179</b>	<b>-130</b>	<b>-140</b>
Change in debt	-16	133	-55	2	2
Change in equity	0	0	0	0	0
Dividends	-113	-125	-125	-133	-143
Other	-42	-196	0	0	0
Change in cash	98	-83	5	10	17
Cash at beginning of year	607	705	622	627	637
Cash at end of year	705	622	627	637	654
<b>Gross cash flow</b>	<b>429</b>	<b>419</b>	<b>403</b>	<b>440</b>	<b>436</b>
<b>Free cash flow</b>	<b>320</b>	<b>182</b>	<b>202</b>	<b>206</b>	<b>197</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>2,724</b>	<b>2,881</b>	<b>2,947</b>	<b>3,108</b>	<b>3,268</b>
Cash & equivalents	705	622	628	637	654
Accounts receivable	1,642	1,799	1,821	1,943	2,041
Inventories	61	46	59	59	67
Other current assets	316	414	440	469	506
<b>Fixed assets</b>	<b>583</b>	<b>707</b>	<b>729</b>	<b>764</b>	<b>802</b>
Investment assets	108	96	95	101	103
Tangible assets	92	95	94	96	97
Intangible assets	216	212	202	193	185
Other long-term assets	166	304	337	375	417
<b>Total assets</b>	<b>3,307</b>	<b>3,588</b>	<b>3,677</b>	<b>3,873</b>	<b>4,070</b>
<b>Current liabilities</b>	<b>1,565</b>	<b>1,628</b>	<b>1,585</b>	<b>1,656</b>	<b>1,722</b>
Accounts payable	678	676	696	704	726
Short-term debt	4	4	4	4	4
Other current liabilities	883	948	885	948	992
<b>Long-term liabilities</b>	<b>268</b>	<b>372</b>	<b>381</b>	<b>393</b>	<b>404</b>
Bonds & long-term debt	0	3	3	3	3
Other long-term liabilities	268	369	378	390	401
<b>Total liabilities</b>	<b>1,833</b>	<b>2,000</b>	<b>1,966</b>	<b>2,049</b>	<b>2,126</b>
<b>Owners of parent equity</b>	<b>1,458</b>	<b>1,572</b>	<b>1,692</b>	<b>1,797</b>	<b>1,909</b>
Capital stock	23	23	23	23	23
Capital surplus	124	124	124	124	124
Retained earnings	1,587	1,690	1,786	1,892	2,004
Other	-276	-264	-242	-242	-242
<b>Non-controlling interests' equity</b>	<b>16</b>	<b>16</b>	<b>19</b>	<b>27</b>	<b>35</b>
<b>Total equity</b>	<b>1,474</b>	<b>1,588</b>	<b>1,711</b>	<b>1,824</b>	<b>1,944</b>
Net debt	-674	-558	-624	-648	-679

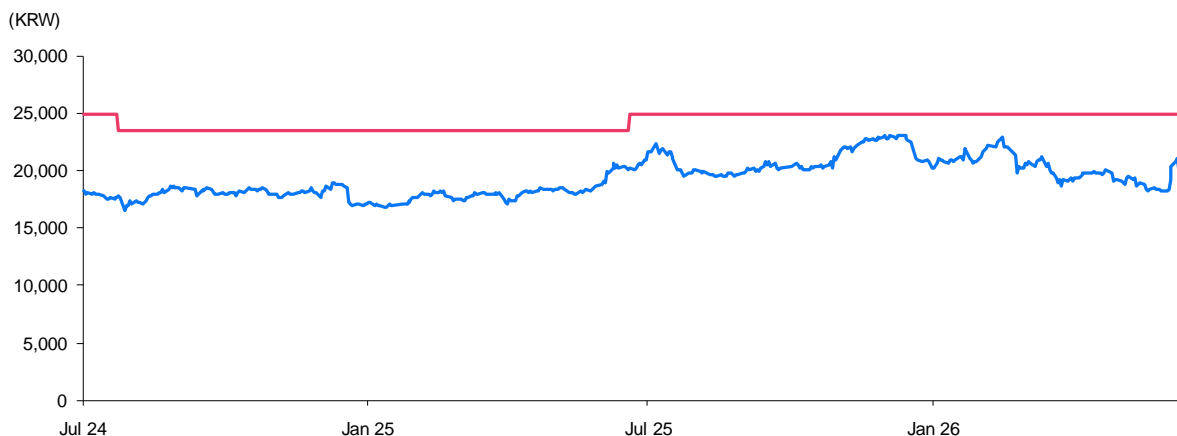
### Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
<b>Growth (%)</b>					
Sales	5.0	4.7	2.5	5.6	5.0
Operating profit	4.3	5.0	-2.6	11.0	6.1
Net profit	9.6	0.1	7.7	9.4	6.9
Adjusted EPS**	10.8	0.0	6.6	7.7	6.9
<b>Per-share data (KRW)</b>					
EPS (parent-based)	1,804	1,804	1,923	2,070	2,214
EPS (consolidated)	1,811	1,813	1,952	2,135	2,283
Adjusted EPS**	1,804	1,804	1,923	2,070	2,214
BVPS	14,396	15,525	16,705	17,746	18,851
DPS (common)	1,230	1,230	1,310	1,410	1,510
<b>Valuations (x)</b>					
P/E***	9.4	11.6	9.7	9.0	8.4
P/B***	1.2	1.4	1.1	1.0	1.0
EV/EBITDA	3.2	4.4	3.7	3.4	3.2
<b>Ratios (%)</b>					
ROE	15.1	13.7	13.6	13.7	13.7
ROA	6.7	6.1	6.2	6.5	6.6
ROIC	26.8	24.3	20.7	21.5	21.1
Payout ratio	60.0	60.0	60.0	60.0	60.0
Dividend yield (common)	7.3	5.9	7.0	7.6	8.1
Net debt to equity	-45.7	-35.1	-36.5	-35.5	-34.9
Interest coverage (x)	32.7	22.3	19.1	21.6	22.9

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### Target price changes in past two years



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

Date	2024/1/2	8/1	2025/6/27
Recommendation	BUY	BUY	BUY
Target price (KRW)	25000	23500	25000
Gap* (average)	-25.86	-23.06	
(max or min)**	-22.12	-11.91	

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

### Percentage of ratings in 12 months prior to 2026.03.31

BUY(85.2%)-HOLD(14.8%)-SELL(0%)

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