COMPANY UPDATE

2026. 7. 24

Industrial Team

Youngho Kim
Senior Analyst
youngho52.kim@samsung.com

Seunghwan Choi
Research Associate
seunghwan97.choi@samsung.com

Scan to go to
Research Center report database

Hyundai Glovis (086280)

2Q review: Fundamentals remain solid

- Hyundai Glovis's sales expanded 15.8% y-y to KRW8.7t in 2Q, but operating profit fell 8.1% y-y to KRW495b for a margin of 5.7% (down 1.5%pts y-y).
- Quarterly sales set a new record in 2Q. We expect earnings to recover in 3Q.
- We trim our target price to KRW300,000 but maintain BUY rating.

WHAT'S THE STORY?

Logistics: Logistics sales rose 10.3% y-y to KRW2.8t in 2Q, driven by growing sales from non-captive customers and increasing land transportation volumes in North America. Yet, operating profit declined 5.9% y-y to KRW191.8b, for an operating margin of 6.7% (down 120bps y-y), primarily because contracted container freight rates in 1H26 were lowered, reflecting weak containership market conditions at the end of last year, when the SCFI stood at 1,656 (down 33% y-y).

Shipping: Pure car carrier (PCC) sales increased 10.9% y-y thanks to high-margin, non-captive orders from Chinese OEMs (non-captive share of sales: 51% in 2Q). Bulk-carrier sales surged 56.8% y-y, as the 2Q BDI average leapt 88% y-y to 2,751pt. The shipping division's sales expanded 20.9% y-y to KRW1.6t. However, operating profit tumbled 34.6% y-y to KRW130.9b due to spikes in fuel costs. That said, we view the decline in profitability not as a structural deterioration, but as a timing mismatch: the fuel cost burden should be offset in 3Q.

Distribution: The distribution division's sales rose 17.9% y-y to KRW4.2t and operating profit grew 27.8% y-y to KRW172.3b. Growth was driven by: 1) 16.2% higher sales at complete knockdown (CKD) operations; and 2) a 51.5% surge in trading revenue due to high non-ferrous metal prices.

(Continued on the next page)

AT A GLANCE

BUY

Target price	**KRW300,000**	**46.7%**
Current price	**KRW204,500**	
Market cap	KRW15.3t/USD10.4b	
Shares (float)	75,000,000 (49.6%)	
52-week high/low	KRW290,500/KRW142,200	
Avg daily trading value (60-day)	KRW85.2b/ USD58.1m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Glovis (%)	9.4	-18.7	43.0
Vs Kospi (%pts)	26.5	-42.8	-35.8

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	300,000	310,000	-3.2%
2026E EPS	23,686	24,323	-2.6%
2027E EPS	26,199	25,494	2.8%

SAMSUNG vs THE STREET

No of estimates	17
Target price	322,588
Recommendation	4.0

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

SUMMARY 2Q RESULTS

(KRWb)	2Q26	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	8,705	15.8	11.4	6.7	7.8
Operating profit	495	-8.1	-5.1	-11.3	-1.6
Pre-tax profit	494	-16.3	11.1	-22.2	-1.6
Net profit	369	-26.7	8.3	-24.2	-13.5
Margins (%)					
Operating profit	5.7				
Pre-tax profit	5.7				
Net profit	4.2				

Source: Company data, FnGuide, Samsung Securities estimates

VALUATION SUMMARY

	2025	2026E	2027E
Valuations (x)			
P/E	9.1	8.6	7.8
P/B	1.5	1.3	1.2
EV/EBITDA	4.8	4.5	3.9
Div yield (%)	2.8	3.0	3.2
EPS growth (% y-y)	37.0	6.0	10.6
ROE (%)	18.1	16.1	15.7
Per-share data (KRW)			
EPS	22,353	23,686	26,199
BVPS	135,485	153,384	173,498
DPS	5,800	6,100	6,500

Samsung Securities

Trimming target price but maintaining BUY: Finetuning our earnings estimates and reflecting a drop in global peers' P/E multiple, we slightly reduce our SOTP-based target price to KRW300,000 (based on 13.1x 2026 P/E). China's auto exports climbed 73% y-y to 2.87m units in 2Q26, and PCC charter rates jumped 65% y-y to USD70,000/day since the beginning of this year. We anticipate continued earnings improvement, backed by strong shipping rates in 2H26.

Hyundai Glovis: Results and forecasts

	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26P	3Q26E	4Q26E	2025	2026E	2027E	2028E
Forex rates												
KRW/USD (end-of-period)	1,473	1,354	1,404	1,440	1,519	1,549	1,450	1,380	1,440	1,380	1,300	1,250
Chg (% y-y)	9.3	-1.7	6.8	-2.2	3.2	14.4	3.3	-4.2	-2.2	-4.2	-5.8	-3.8
KRW/USD (4-quarter average)	1,453	1,401	1,387	1,452	1,467	1,502	1,475	1,410	1,452	1,463	1,334	1,273
Chg (% y-y)	9.3	2.2	2.1	3.7	1.0	7.2	6.4	-2.9	6.4	0.8	-8.8	-4.6
HMC/Kia combined sales assumptions ('000)												
Domestic	301	331	318	309	296	308	298	288	1,261	1,190	1,210	1,210
Chg (% y-y)	1.0	2.2	7.9	-6.2	-1.5	-6.8	-6.3	-7.0	1.2	-5.6	1.7	0.0
Export	538	569	538	524	546	570	531	543	2,166	2,190	2,200	2,200
Chg (% y-y)	-1.4	-4.2	8.4	-2.5	1.4	0.2	-1.2	3.7	-0.3	1.1	0.5	0.0
Overseas	943	971	924	930	921	1,012	1,037	1,059	3,767	3,999	4,304	4,454
Chg (% y-y)	1.8	1.2	-3.0	-3.3	-2.4	4.3	12.2	13.9	-0.8	6.2	7.6	3.5
Results & forecasts (KRWb)												
Sales	7,223	7,516	7,355	7,472	7,813	8,705	8,206	8,017	29,566	32,741	33,399	34,110
Logistics	2,458	2,589	2,502	2,534	2,490	2,856	2,614	2,590	10,083	10,551	10,459	10,507
Domestic	462	494	488	510	532	525	503	467	1,953	2,028	2,069	2,085
Overseas	1,996	2,095	2,014	2,024	1,958	2,331	2,111	2,123	8,129	8,523	8,391	8,422
Shipping	1,257	1,360	1,323	1,462	1,452	1,644	1,446	1,517	5,401	6,059	6,173	6,486
PCC	1,007	1,066	986	1,115	1,104	1,183	1,084	1,149	4,174	4,520	4,602	4,879
Bulk	250	294	337	346	348	462	362	367	1,227	1,539	1,571	1,607
Distribution	3,508	3,567	3,531	3,477	3,870	4,206	4,145	3,910	14,083	16,131	16,767	17,117
CKD	3,012	3,052	3,051	2,986	3,330	3,545	3,646	3,547	12,102	14,067	14,616	14,875
Used car auctions	192	195	203	212	202	176	209	240	802	826	851	877
Other (trading, etc.)	304	320	276	278	339	485	290	123	1,179	1,238	1,300	1,364
Operating profit	502	539	524	508	521	495	598	538	2,073	2,152	2,289	2,381
Pre-tax profit	515	590	504	548	445	494	706	646	2,157	2,291	2,534	2,599
Net profit	398	503	393	440	341	368	562	506	1,735	1,777	1,966	2,017
Chg (% y-y)												
Sales	9.7	6.4	-1.5	2.5	8.2	15.8	11.6	7.3	4.1	10.7	2.0	2.1
Logistics	8.1	6.3	-3.1	-3.4	1.3	10.3	4.5	2.2	1.7	4.6	-0.9	0.5
Domestic	-3.7	0.3	-1.3	3.7	15.1	6.4	3.0	-8.3	-0.2	3.8	2.0	0.8
Overseas	11.2	7.9	-3.5	-5.0	-1.9	11.2	4.8	4.9	2.2	4.8	-1.6	0.4
Shipping	9.2	5.6	-0.5	8.0	15.5	20.9	9.4	3.8	5.5	12.2	1.9	5.1
PCC	9.2	7.1	-2.8	4.4	9.7	10.9	10.0	3.0	4.3	8.3	1.8	6.0
Bulk	9.3	0.6	6.9	21.8	39.0	56.8	7.6	6.1	9.5	25.4	2.0	2.3
Distribution	11.0	6.7	-0.8	5.0	10.3	17.9	17.4	12.5	5.3	14.5	3.9	2.1
CKD	13.6	8.4	-1.7	4.5	10.5	16.2	19.5	18.8	5.9	16.2	3.9	1.8
Used car auctions	25.6	17.4	19.0	16.3	4.9	-9.9	3.0	13.1	19.4	3.0	3.0	3.0
Other (trading, etc.)	-14.5	-11.5	-1.7	1.7	11.6	51.5	5.0	-55.7	-7.3	5.0	5.0	5.0
Operating profit	30.4	22.7	11.7	10.6	3.9	-8.1	14.1	5.9	18.3	3.8	6.4	4.0
Pre-tax profit	19.8	38.8	4.9	161.6	-13.5	-16.4	40.0	17.9	39.6	6.2	10.6	2.6
Net profit	30.1	60.8	2.3	356.0	-14.4	-26.8	43.1	14.9	57.8	2.5	10.6	2.6
Sales breakdown (%)												
Sales	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Logistics	34.0	34.4	34.0	33.9	31.9	32.8	31.9	32.3	34.1	32.2	31.3	30.8
Domestic	6.4	6.6	6.6	6.8	6.8	6.0	6.1	5.8	6.6	6.2	6.2	6.1
Overseas	27.6	27.9	27.4	27.1	25.1	26.8	25.7	26.5	27.5	26.0	25.1	24.7
Shipping	17.4	18.1	18.0	19.6	18.6	18.9	17.6	18.9	18.3	18.5	18.5	19.0
PCC	13.9	14.2	13.4	14.9	14.1	13.6	13.2	14.3	14.1	13.8	13.8	14.3
Bulk	3.5	3.9	4.6	4.6	4.5	5.3	4.4	4.6	4.2	4.7	4.7	4.7
Distribution	48.6	47.5	48.0	46.5	49.5	48.3	50.5	48.8	47.6	49.3	50.2	50.2
CKD	41.7	40.6	41.5	40.0	42.6	40.7	44.4	44.2	40.9	43.0	43.8	43.6
Used car auctions	2.7	2.6	2.8	2.8	2.6	2.0	2.5	3.0	2.7	2.5	2.5	2.6
Other (trading, etc.)	4.2	4.3	3.8	3.7	4.3	5.6	3.5	1.5	4.0	3.8	3.9	4.0
Operating profit	6.9	7.2	7.1	6.8	6.7	5.7	7.3	6.7	7.0	6.6	6.9	7.0
Pre-tax profit	7.1	7.9	6.9	7.3	5.7	5.7	8.6	8.1	7.3	7.0	7.6	7.6
Net profit	5.5	6.7	5.3	5.9	4.4	4.2	6.8	6.3	5.9	5.4	5.9	5.9

Source: Company data, Samsung Securities estimates

Forecast revisions

(KRWb)	2025	New		Old		Chg (%)	
		2026E	2027E	2026E	2027E	2026E	2027E
Sales	29,566	32,741	33,399	32,322	33,399	1.3	0.0
Operating profit	2,073	2,152	2,289	2,225	2,287	-3.3	0.1
Pre-tax profit	2,157	2,291	2,534	2,383	2,498	-3.9	1.4
Net profit	1,735	1,777	1,966	1,825	1,913	-2.6	2.8
EBITDA	2,853	3,060	3,279	3,133	3,277	-2.3	0.1
EPS (KRW)*	22,353	23,686	26,199	24,323	25,494	-2.6	2.8

Note: *Fully diluted, excluding one-off items
Source: Company data, Samsung Securities estimates

Valuation summary

Year-end (KRWb)	Sales	Operating profit	Pre-tax profit	Net profit	EPS* (KRW)	EPS growth (%)	P/E (x)	P/B (x)	EV/EBITDA (x)	ROE (%)	Net debt (KRWb)
2022	26,982	1,799	1,597	1,193	18,939	65.0	10.8	2.3	6.0	18.8	1,019
2023	25,683	1,554	1,453	1,070	17,483	(7.7)	11.7	2.0	6.5	14.6	-914
2024	28,407	1,753	1,545	1,099	16,317	(6.7)	12.5	1.8	5.6	13.3	-806
2025	29,566	2,073	2,157	1,735	22,353	37.0	9.1	1.5	4.8	18.1	-1,262
2026E	32,741	2,152	2,291	1,777	23,686	6.0	8.6	1.3	4.5	16.1	-1,717
2027E	33,399	2,289	2,534	1,966	26,199	10.6	7.8	1.2	3.9	15.7	-2,453
2028E	34,110	2,381	2,599	2,017	26,878	2.6	7.6	1.1	3.6	14.4	-3,221

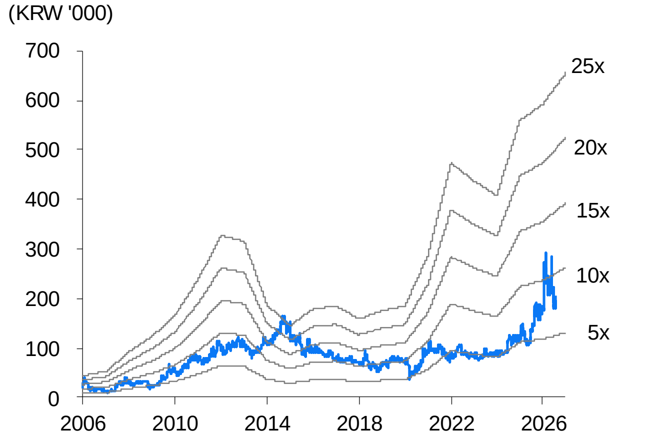
Note: *Fully diluted, excluding one-off items
Source: Company data, Samsung Securities estimates

Sum-of-the-parts valuation

(KRWm)	2026E sales	2026E operating profit	2026E net profit	P/E (x)	Fair value
Fair value					22,820,417
Logistics	10,550,736	733,201	604,687	15.2	9,161,209
Shipping	6,059,215	793,428	651,424	8.8	5,751,170
Distribution	16,130,731	625,797	521,342	15.2	7,908,037
Shares ('000)					75,000
Fair value per share (KRW)					300,000
Current price (KRW)					204,500
Upside (%)					46.7

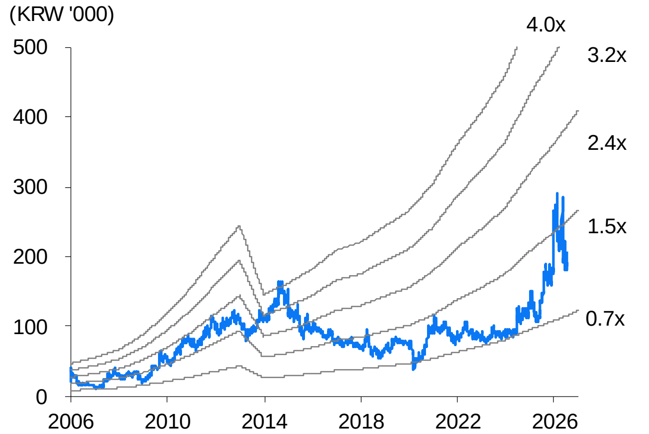
Source: Samsung Securities estimates

Forward P/E band



Source: QuantiWise, Samsung Securities estimates

Forward P/B band



Source: QuantiWise, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Sales	**28,407**	**29,566**	**32,741**	**33,399**	**34,110**
Cost of goods sold	25,957	26,797	29,817	30,323	30,925
Gross profit	**2,450**	**2,770**	**2,924**	**3,076**	**3,185**
Gross margin (%)	8.6	9.4	8.9	9.2	9.3
SG&A expenses	697	697	771	787	804
Operating profit	**1,753**	**2,073**	**2,152**	**2,289**	**2,381**
Operating margin (%)	6.2	7.0	6.6	6.9	7.0
Non-operating gains (losses)	**-208**	**84**	**138**	**244**	**218**
Financial profit	186	184	175	188	200
Financial costs	189	172	173	159	137
Equity-method gains (losses)	-122	-29	-29	-29	-29
Other	-83	101	165	245	184
Pre-tax profit	**1,545**	**2,157**	**2,291**	**2,534**	**2,599**
Taxes	445	422	513	568	582
Effective tax rate (%)	28.8	19.6	22.4	22.4	22.4
Profit from continuing operations	1,099	1,735	1,777	1,966	2,017
Profit from discontinued operations	0	0	0	0	0
Net profit	**1,099**	**1,735**	**1,777**	**1,966**	**2,017**
Net margin (%)	3.9	5.9	5.4	5.9	5.9
Net profit (controlling interests)	1,094	1,734	1,776	1,965	2,016
Net profit (non-controlling interests)	6	1	1	1	1
EBITDA	2,427	2,853	3,060	3,279	3,385
EBITDA margin (%)	8.5	9.6	9.3	9.8	9.9
EPS (parent-based) (KRW)	14,585	23,117	23,686	26,199	26,878
EPS (consolidated) (KRW)	14,660	23,129	23,699	26,213	26,893
Adjusted EPS (KRW)*	16,317	22,353	23,686	26,199	26,878

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Current assets	**9,861**	**10,339**	**11,684**	**12,800**	**13,924**
Cash & equivalents	3,277	2,645	2,893	3,142	3,391
Accounts receivable	3,070	3,626	4,015	4,096	4,183
Inventories	1,724	1,750	1,938	1,977	2,019
Other current assets	1,791	2,318	2,837	3,585	4,331
Fixed assets	**6,988**	**8,248**	**8,390**	**8,450**	**8,496**
Investment assets	912	1,396	1,396	1,396	1,396
Tangible assets	5,717	6,441	6,582	6,642	6,688
Intangible assets	172	190	190	190	190
Other long-term assets	188	222	222	222	222
Total assets	**16,849**	**18,587**	**20,074**	**21,250**	**22,420**
Current liabilities	**5,311**	**5,158**	**5,259**	**5,306**	**5,346**
Accounts payable	2,181	2,309	2,557	2,608	2,664
Short-term debt	1,059	704	604	600	584
Other current liabilities	2,071	2,146	2,099	2,099	2,099
Long-term liabilities	**2,729**	**3,041**	**3,084**	**2,704**	**2,305**
Bonds & long-term debt	694	599	599	599	599
Other long-term liabilities	2,036	2,442	2,486	2,106	1,706
Total liabilities	**8,040**	**8,199**	**8,343**	**8,011**	**7,651**
Owners of parent equity	**8,773**	**10,351**	**11,693**	**13,200**	**14,728**
Capital stock	38	38	38	38	38
Capital surplus	135	135	135	135	135
Retained earnings	8,359	9,826	11,169	12,677	14,207
Other	242	353	352	351	350
Non-controlling interests' equity	**36**	**37**	**38**	**39**	**40**
Total equity	**8,809**	**10,388**	**11,731**	**13,239**	**14,769**
Net debt	-806	-1,262	-1,717	-2,453	-3,221

Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Cash flow from operations	**2,122**	**2,501**	**849**	**989**	**1,753**
Net profit	1,099	1,735	1,777	1,966	2,017
Non-cash profit and expenses	1,576	1,179	383	332	1,029
Depreciation	655	755	887	969	983
Amortization	19	25	25	25	25
Other	902	399	-529	-662	21
Changes in A/L from operating activities	-329	45	-805	-775	-780
Cash flow from investments	**-489**	**-1,544**	**-1,034**	**-1,034**	**-1,034**
Change in tangible assets	-893	-470	-1,029	-1,029	-1,029
Change in financial assets	596	-782	-100	-100	-100
Other	-192	-291	94	94	94
Cash flow from financing	**-703**	**-1,625**	**-1,489**	**-1,784**	**-1,815**
Change in debt	630	-428	-47	-325	-355
Change in equity	0	0	0	0	0
Dividends	-236	-278	-236	-278	-435
Other	-1,097	-919	-1,207	-1,182	-1,024
Change in cash	986	-632	234	-227	2
Cash at beginning of year	2,291	3,277	2,645	2,879	2,652
Cash at end of year	3,277	2,645	2,879	2,652	2,654
Gross cash flow	**2,675**	**2,913**	**2,161**	**2,298**	**3,046**
Free cash flow	**1,183**	**1,908**	**-179**	**-39**	**724**

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

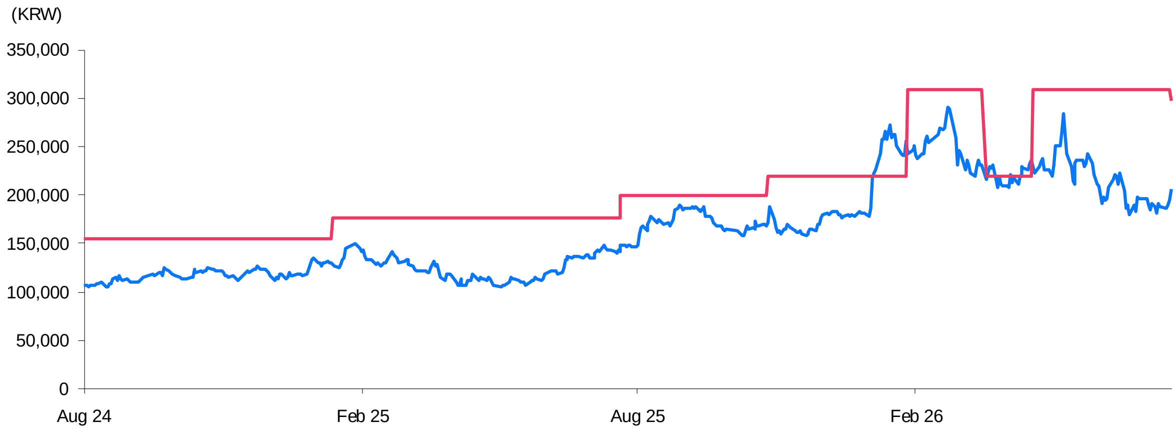
Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
Growth (%)					
Sales	10.6	4.1	10.7	2.0	2.1
Operating profit	12.8	18.3	3.8	6.4	4.0
Net profit	2.7	57.8	2.5	10.6	2.6
Adjusted EPS**	-6.7	37.0	6.0	10.6	2.6
Per-share data (KRW)					
EPS (parent-based)	14,585	23,117	23,686	26,199	26,878
EPS (consolidated)	14,660	23,129	23,699	26,213	26,893
Adjusted EPS**	16,317	22,353	23,686	26,199	26,878
BVPS	114,686	135,485	153,384	173,498	193,891
DPS (common)	3,700	5,800	6,100	6,500	6,900
Valuations (x)					
P/E***	12.5	9.1	8.6	7.8	7.6
P/B***	1.8	1.5	1.3	1.2	1.1
EV/EBITDA	5.6	4.8	4.5	3.9	3.6
Ratios (%)					
ROE	13.3	18.1	16.1	15.7	14.4
ROA	7.0	9.8	9.2	9.5	9.2
ROIC	16.4	19.3	17.6	17.1	16.6
Payout ratio	25.2	25.1	25.7	24.8	25.7
Dividend yield (common)	1.8	2.8	3.0	3.2	3.4
Net debt to equity	-3.1	-6.8	-9.4	-13.4	-16.8
Interest coverage (x)	9.3	12.1	12.4	14.4	17.4

Compliance notice

- As of 7/23 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 7/23 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	2024/7/1	7/25	2025/1/16	7/25	10/30	2026/1/30	3/23	4/23	7/24
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	155061	155061	176000	200000	220000	310000	220000	310000	300000
Gap* (average)	-21.12	-24.07	-28.89	-14.68	-12.08	-19.95	0.15	-31.17	
(max or min)**	-17.71	-13.26	-15.11	-4.95	24.09	-6.29	7.05	-8.39	

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 2026.06.30

BUY(85.5%)·HOLD(14.5%)·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.

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