# COMPANY UPDATE

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**EV/Mobility Team**

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# S-Oil (010950)

## 2Q review; Supply-disruption tailwinds grow

- S-Oil reported a 2Q operating profit of KRW0.97t (down 22% q-q), edging consensus by 1%, despite smaller q-q inventory valuation gains.
- We revise up our 2026-2027 ROE estimates and raise our target price to KRW165,000. Disruptions in fossil fuel supply are increasingly benefiting lubricants as well as refined products. S-Oil stays as our sector top pick.

### WHAT'S THE STORY?

**View—to keep enjoying solid earnings amid supply disruptions:** We revise up our 2026-2027 ROE estimates and increase our target price from KRW150,000 to KRW165,000. With geopolitical conflicts in the Middle East unresolved, supply shortages are worsening not only for refined products but also for lubricants. Accordingly, the negative inventory effect (from lower crude prices) from 3Q26 should be negated by the recent surges in Asian refining margins and strong lubricant margins. Even after the Iran war ends, disruptions in fossil fuel supply are likely to continue for some time. We keep S-Oil as our sector top pick.

**2Q review—results meet consensus:** S-Oil reported a 2Q operating profit of KRW0.97t (down 22% q-q), in line with consensus (KRW0.96t; FnGuide). While the refining and petrochemical units fell short of our expectation, the lube base oil unit beat significantly.

- **Refining unit:** S-Oil's refining unit saw an operating profit of KRW0.53t in 2Q (down 49% q-q). Based on the landed costs of imported crude, inventory valuation gains fell more than anticipated, declining KRW524b q-q from KRW530b in 1Q to KRW60b in 2Q. Excluding OSP, the lag effect diminished significantly (down USD38.8/bbl q-q from USD22.5/bbl in 1Q to -USD16.3/bbl in 2Q), but spot refining margins expanded sharply (up USD20.6/bbl q-q from USD23.2/bbl in 1Q to USD43.8/bbl in 2Q).

*(Continued on the next page)*

### SUMMARY 2Q RESULTS

| (KRWb) | 2Q26 | Chg (% y-y) | Chg (% q-q) | Diff (%) Samsung | Diff (%) Consensus |
|---|---|---|---|---|---|
| Sales | 11,343.5 | 40.9 | 26.8 | -15.9 | -5.9 |
| Operating profit | 965.0 | nm | -21.6 | -6.8 | 1.0 |
| Pre-tax profit | 705.5 | nm | -28.8 | -15.8 | -17.5 |
| Net profit | 514.6 | nm | -28.6 | -15.6 | -28.8 |
| **Margins (%)** | | | | | |
| Operating profit | 8.5 | | | | |
| Pre-tax profit | 6.2 | | | | |
| Net profit | 4.5 | | | | |

Source: Company data, Fnguide, Samsung Securities estimates

### VALUATION SUMMARY

| | 2025 | 2026E | 2027E |
|---|---|---|---|
| **Valuation (x)** | | | |
| P/E | 54.7 | 6.0 | 10.8 |
| P/B | 1.1 | 1.3 | 1.2 |
| EV/EBITDA | 15.0 | 3.9 | 4.9 |
| Div yield (%) | 0.4 | 2.1 | 1.4 |
| EPS growth (% y-y) | nm | 1,246.9 | -45.1 |
| ROE (%) | 2.0 | 23.7 | 11.1 |
| **Per-share data (KRW)** | | | |
| EPS | 1,518 | 20,440 | 11,218 |
| BVPS | 76,339 | 96,257 | 105,293 |
| DPS | 330 | 2,500 | 1,700 |

### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| Target price | KRW165,000 | 35.6% |
| **Current price** | **KRW121,700** | |
| Market cap | KRW13.7t/USD9.6b | |
| Shares (float) | 112,582,792 (36.6%) | |
| 52-week high/low | KRW151,200/KRW57,800 | |
| Avg daily trading value (60-day) | KRW53.9b/ USD37.7m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| S-Oil (%) | 10.4 | 24.6 | 101.8 |
| Vs Kospi (%pts) | 42.7 | 5.3 | 0.6 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 165,000 | 150,000 | 10.0% |
| 2026E EPS | 20,440 | 16,478 | 24.0% |
| 2027E EPS | 11,218 | 8,301 | 35.1% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 17 |
| Target price | 159,000 |
| Recommendation | 3.9 |

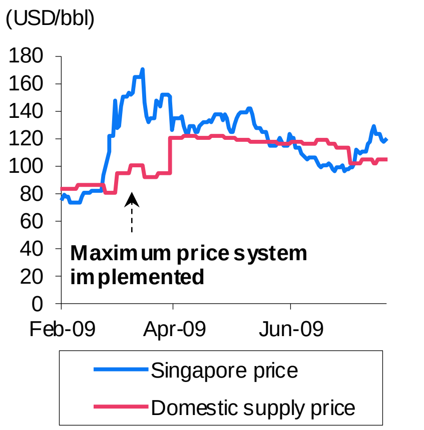
※ Rating: 4 < → BUY, 3 = HOLD, 2 > → SELL

Samsung Securities

- **Petrochemical unit:** The petrochemical unit turned to an operating loss of KRW44.8b (down by KRW70.3b q-q), primarily due to a reversal in inventory valuation—shifting from a KRW87b gain in 1Q to a KRW15b loss in 2Q. While benzene spreads widened 13% q-q from USD120/bbl to USD135/bbl, PO spreads tightened by 9% q-q from USD561/bbl to USD512/bbl and PX spreads contracted by 8% q-q from USD263/bbl to USD243/bbl.
- **Lube base oil unit:** Operating profit at the lube base oil unit jumped 187% q-q to KRW477.4b in 2Q. Due to an inherent time lag (approximately 3 months) between raw material price changes and product price adjustments, selling prices reflected the oil price surge over March-April, while costs reflected lower prices from May-June—maximizing profitability. Higher selling prices also added about KRW120b in inventory valuation gains. Additionally, supply disruptions originating from the Middle East have led to tighter market conditions.

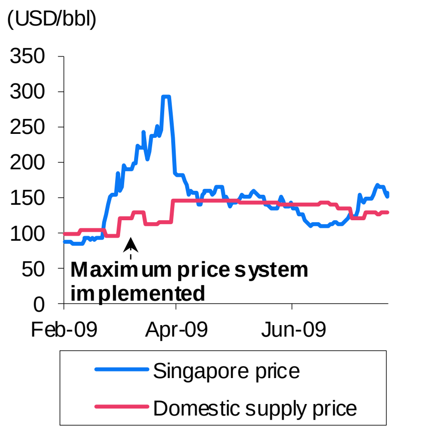
**3Q preview—operating profit to beat consensus:** We now expect S-Oil to post a 3Q operating profit of KRW813b (down 25% q-q), beating consensus (KRW623.8b; FnGuide) by 28%. Refining, petrochemical, and lube base oil operating profits are estimated at KRW509.8b (down 4% q-q), -KRW29.6b (KRW15.2b improved q-q), and KRW332.5b (down 30% q-q), respectively. The refining unit should turn to inventory valuation losses of KRW698.1b (vs inventory valuation gains of KRW6b in 2Q), but this negative impact should be offset by two positive factors: 1) a favorable lag effect reversal (up USD13.2 q-q; from −USD16.3/bbl to -US3.2/bbl); and 2) a further rise in spot refining margins (up USD3.8 q-q; from USD43.9/bbl to USD47.7/bbl). The petrochemical unit is expected to remain in the red due to persistently weak spreads. The lube base oil profit is forecast to decline as positive inventory effects fade, despite continued tight supply conditions.

**Gasoline: Singapore price vs S-Oil's domestic supply price**



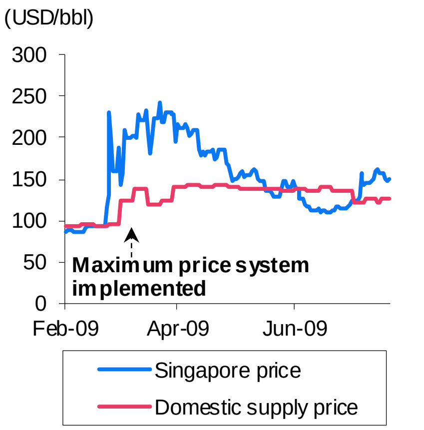

Source: Petronet, Opinet, Samsung Securities

**Diesel: Singapore price vs S-Oil's domestic supply price**




Source: Petronet, Opinet, Samsung Securities

**Kerosene: Singapore price vs S-Oil's domestic supply price**




Source: Petronet, Opinet, Samsung Securities

**S-Oil: Quarterly results**

| (KRWb) | 2Q26P | 1Q26 | 1Q25 | Consensus | Samsung | Diff (%) | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | (% q-q) | (% y-y) | Consensus | Samsung |
| Sales | 11,343 | 8,943 | 8,991 | 12,061 | 13,488 | 26.8 | 26.2 | -5.9 | -15.9 |
| Operating income | 965 | 1,231 | -22 | 955 | 1,036 | -21.6 | Turned pos | 1.0 | -6.8 |
| Pre-tax income | 705 | 991 | -67 | 855 | 838 | -28.8 | Turned pos | -17.5 | -15.9 |
| Net income | 515 | 721 | -45 | 722 | 610 | -28.6 | Turned pos | -28.8 | -15.6 |
| Attributable to parent | 515 | 721 | -45 | 637 | 610 | -28.6 | Turned pos | -19.2 | -15.6 |
| **Margins (%)** | | | | | | | | | |
| Operating income | 8.5 | 13.8 | -0.2 | 7.9 | 11.7 | | | | |
| Pre-tax income | 6.2 | 11.1 | -0.7 | 7.1 | 9.1 | | | | |
| Net income | 4.5 | 8.1 | -0.5 | 6.0 | 6.7 | | | | |
| Attributable to parent | 4.5 | 8.1 | -0.5 | 5.3 | 6.7 | | | | |

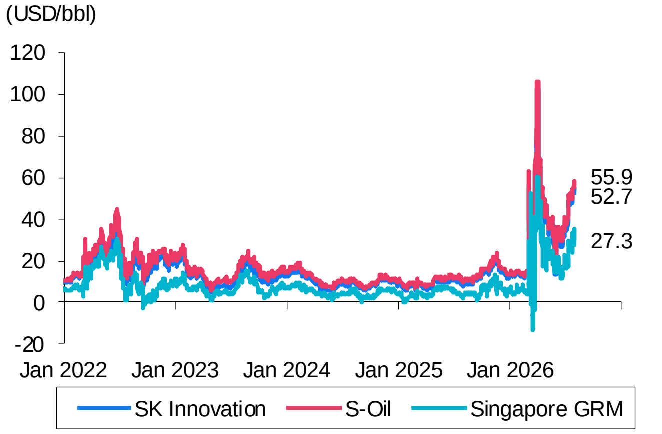
Source: Company data, FnGuide, Samsung Securities estimates

**S-Oil: Quarterly results, by division**

| (KRWb) | 2Q26P | 1Q26 | 1Q25 | Chg (% q-q) | Chg (% y-y) |
|---|---|---|---|---|---|
| **Sales** | **11,343** | **8,943** | **8,991** | **26.8** | **26.2** |
| Refining | 9,029 | 7,101 | 7,072 | 27.1 | 27.7 |
| Petrochemical | 1,013 | 1,104 | 1,128 | -8.3 | -10.2 |
| Lube base oil | 1,302 | 737 | 791 | 76.6 | 64.7 |
| **Operating income** | **965** | **1,231** | **-22** | **-21.6** | **Turned pos** |
| Refining | 532 | 1,039 | -57 | -48.8 | Turned pos |
| Petrochemical | -45 | 25 | -75 | Turned neg | Remained neg |
| Lube base oil | 477 | 167 | 110 | 186.6 | 335.0 |
| Pre-tax income | 705 | 991 | -67 | -28.8 | Turned pos |
| **Net income** | **515** | **721** | **-45** | **-28.6** | **Turned pos** |
| **Margins (%)** | | | | | |
| Operating income | 8.5 | 13.8 | -0.2 | | |
| Refining | 5.9 | 14.6 | -0.8 | | |
| Petrochemical | -4.4 | 2.3 | -6.6 | | |
| Lube base oil | 36.7 | 22.6 | 13.9 | | |
| Pre-tax income | 6.2 | 11.1 | -0.7 | | |
| Net income | 4.5 | 8.1 | -0.5 | | |

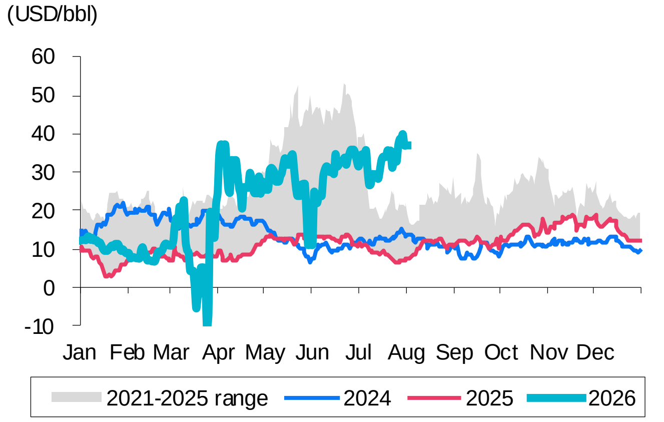
Source: Company data, Samsung Securities

**Mixed margin at Korean refiners vs Singapore GRM**



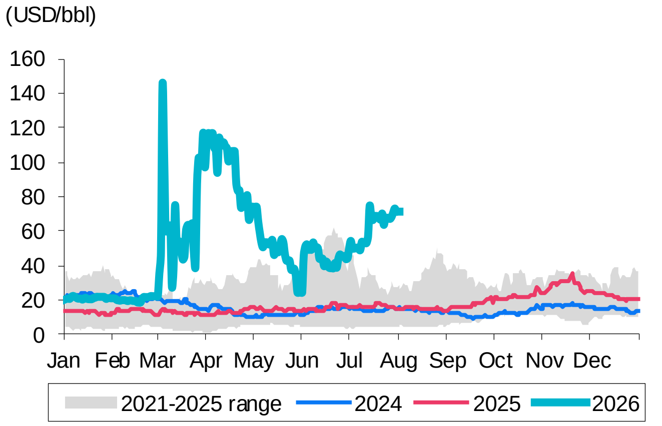

Source: Company data, DataStream, Samsung Securities

**Gasoline: Spot refining margin vs Dubai oil**



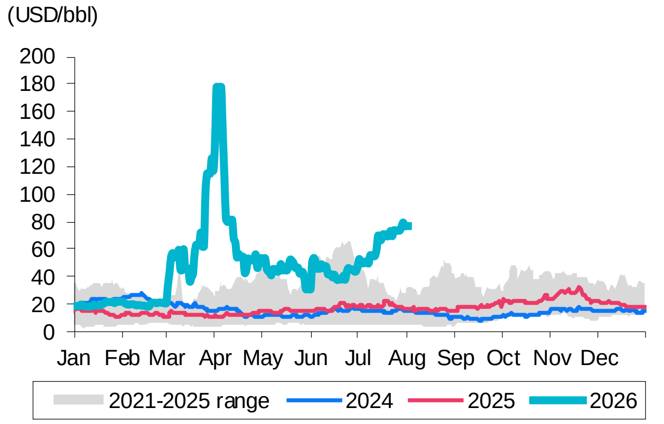

Source: Petronet, Samsung Securities

**Kerosene: Spot refining margin vs Dubai oil**



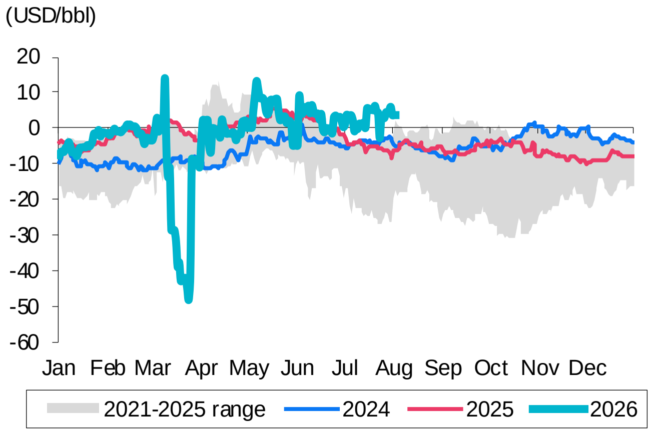

Source: Petronet, Samsung Securities

**Diesel: Spot refining margin vs Dubai oil**



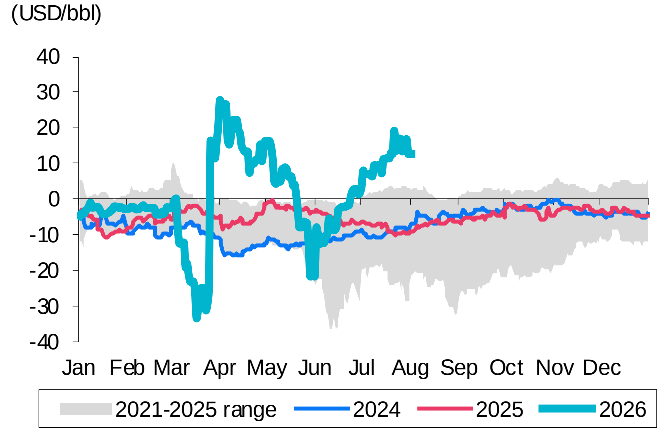

Source: Petronet, Samsung Securities

**Bunker-C: Spot refining margin vs Dubai oil**




Source: Petronet, Samsung Securities

**Naphtha: Spot refining margin vs Dubai oil**




Source: Petronet, Samsung Securities

### S-Oil: Results and forecasts

| (KRWb) | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26P | 3Q26E | 4Q26E | 2024 | 2025 | 2026E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| KRW/USD (average) | 1,453 | 1,401 | 1,387 | 1,452 | 1,467 | 1,502 | 1,440 | 1,380 | 1,365 | 1,423 | 1,447 | 1,380 |
| **Sales** | **8,991** | **8,049** | **8,415** | **8,793** | **8,943** | **11,343** | **10,359** | **8,683** | **36,637** | **34,247** | **39,328** | **34,328** |
| Growth (% q-q) | 0.8 | -10.5 | 4.6 | 4.5 | 1.7 | 26.8 | -8.7 | -16.2 | | | | |
| Growth (% y-y) | -3.4 | -15.9 | -4.8 | -1.4 | -0.5 | 40.9 | 23.1 | -1.2 | 2.5 | -6.5 | 14.8 | -12.7 |
| Refining | 7,072 | 6,260 | 6,694 | 6,979 | 7,101 | 9,029 | 8,422 | 6,984 | 28,805 | 27,005 | 31,536 | 25,100 |
| Petrochemical | 1,128 | 1,034 | 1,016 | 1,056 | 1,104 | 1,013 | 872 | 790 | 4,703 | 4,234 | 3,779 | 5,781 |
| Lube base oil | 791 | 755 | 705 | 757 | 737 | 1,302 | 1,066 | 909 | 3,130 | 3,007 | 4,013 | 3,447 |
| **Operating income** | **-22** | **-344** | **229** | **372** | **1,231** | **965** | **813** | **628** | **422** | **236** | **3,637** | **2,285** |
| Growth (% q-q) | Turned neg | Remained neg | Turned pos | 62.3 | 231.0 | -21.6 | -15.8 | -22.7 | | | | |
| Growth (% y-y) | Turned neg | Turned neg | Turned pos | 67.3 | Turned pos | Turned pos | 254.5 | 68.8 | -68.8 | -44.2 | 1,443.4 | -37.2 |
| Refining | -57 | -441 | 115 | 184 | 1,039 | 532 | 510 | 385 | -273 | -199 | 2,467 | 1,294 |
| Growth (% q-q) | Turned neg | Remained neg | Turned pos | 59.2 | 465.2 | -48.8 | -4.2 | -24.4 | | | | |
| Growth (% y-y) | Turned neg | Remained neg | Turned pos | 26.8 | Turned pos | Turned pos | 341.4 | 109.6 | Turned neg | Remained neg | To turn pos | -47.5 |
| Petrochemical | -75 | -35 | -20 | -14 | 25 | -45 | -30 | -38 | 127 | -143 | -87 | 61 |
| Growth (% q-q) | Remained neg | Remained neg | Remained neg | Remained neg | Turned pos | Turned neg | To remain neg | To remain neg | | | | |
| Growth (% y-y) | Turned neg | Turned neg | Turned neg | Remained neg | Turned pos | Remained neg | To remain neg | To remain neg | -33.2 | Turned neg | To remain neg | To turn pos |
| Lube base oil | 110 | 132 | 134 | 202 | 167 | 477 | 332 | 280 | 568 | 578 | 1,257 | 930 |
| Growth (% q-q) | -2.9 | 20.1 | 1.4 | 51.5 | -17.7 | 186.6 | -30.4 | -15.6 | | | | |
| Growth (% y-y) | -29.5 | -9.6 | -13.1 | 79.1 | 51.8 | 262.3 | 148.8 | 38.6 | -29.9 | 1.6 | 117.6 | -26.0 |
| Pre-tax income | -67 | -106 | 81 | 265 | 991 | 705 | 943 | 631 | -333 | 173 | 3,271 | 1,870 |
| Growth (% q-q) | Remained neg | Remained neg | Turned pos | 225.7 | 472.3 | -28.8 | 33.7 | -33.1 | | | | |
| Growth (% y-y) | Turned neg | Remained neg | Turned pos | Turned pos | Turned pos | Turned pos | 1,057.4 | 137.7 | Turned neg | -23.8 | To turn pos | 88.7 |
| **Net income** | **-45** | **-67** | **63** | **225** | **721** | **515** | **688** | **460** | **-193** | **177** | **2,383** | **1,308** |
| Growth (% q-q) | Remained neg | Remained neg | Turned pos | 256.1 | 307.5 | -28.6 | 33.7 | -33.1 | | | | |
| Growth (% y-y) | Turned neg | Remained neg | Turned pos | Turned pos | Turned pos | Turned pos | 988.2 | 104.4 | Turned neg | 6.5 | To turn pos | 81.4 |
| Attributable to parent | -45 | -67 | 63 | 225 | 721 | 515 | 688 | 460 | -193 | 177 | 2,383 | 1,308 |
| **Margins (%)** | | | | | | | | | | | | |
| Operating income | -0.2 | -4.3 | 2.7 | 4.2 | 13.8 | 8.5 | 7.8 | 7.2 | 1.2 | 0.7 | 9.2 | 6.7 |
| Refining | -0.8 | -7.0 | 1.7 | 2.6 | 14.6 | 5.9 | 6.1 | 5.5 | -0.9 | -0.7 | 7.8 | 5.2 |
| Petrochemical | -6.6 | -3.4 | -2.0 | -1.4 | 2.3 | -4.4 | -3.4 | -4.8 | 2.7 | -3.4 | -2.3 | 1.1 |
| Lube base oil | 13.9 | 17.5 | 19.0 | 26.7 | 22.6 | 36.7 | 31.2 | 30.9 | 18.2 | 19.2 | 31.3 | 27.0 |
| Pre-tax income | -0.7 | -1.3 | 1.0 | 3.0 | 11.1 | 6.2 | 9.1 | 7.3 | -0.9 | 0.5 | 8.3 | 5.4 |
| Net income | -0.5 | -0.8 | 0.8 | 2.6 | 8.1 | 4.5 | 6.6 | 5.3 | -0.5 | 0.5 | 6.1 | 3.8 |

Source: Company data, Samsung Securities estimates

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **36,637** | **34,247** | **39,328** | **34,328** | **33,548** |
| Cost of goods sold | 35,411 | 33,204 | 34,770 | 31,236 | 30,454 |
| **Gross profit** | **1,226** | **1,043** | **4,559** | **3,092** | **3,094** |
| Gross margin (%) | 3.3 | 3.0 | 11.6 | 9.0 | 9.2 |
| SG&A expenses | 804 | 808 | 922 | 807 | 788 |
| **Operating profit** | **422** | **236** | **3,637** | **2,285** | **2,306** |
| Operating margin (%) | 1.2 | 0.7 | 9.2 | 6.7 | 6.9 |
| **Non-operating gains (losses)** | **-755** | **-62** | **-366** | **-415** | **-486** |
| Financial profit | 389 | 483 | -113 | -124 | -316 |
| Financial costs | 833 | 678 | 410 | 416 | 392 |
| Equity-method gains (losses) | 6 | 4 | 4 | 4 | 4 |
| Other | -317 | 128 | 153 | 122 | 218 |
| **Pre-tax profit** | **-333** | **173** | **3,271** | **1,870** | **1,820** |
| Taxes | -139 | -4 | 887 | 562 | 547 |
| Effective tax rate (%) | 41.9 | -2.2 | 27.1 | 30.1 | 30.1 |
| Profit from continuing operations | -193 | 177 | 2,383 | 1,308 | 1,273 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **-193** | **177** | **2,383** | **1,308** | **1,273** |
| Net margin (%) | -0.5 | 0.5 | 6.1 | 3.8 | 3.8 |
| Net profit (controlling interests) | -193 | 177 | 2,383 | 1,308 | 1,273 |
| Net profit (non-controlling interests) | 0 | 0 | 0 | 0 | 0 |
| EBITDA | 1,174 | 1,043 | 4,480 | 3,328 | 3,398 |
| EBITDA margin (%) | 3.2 | 3.0 | 11.4 | 9.7 | 10.1 |
| EPS (parent-based) (KRW) | -1,656 | 1,518 | 20,440 | 11,218 | 10,916 |
| EPS (consolidated) (KRW) | -1,656 | 1,518 | 20,440 | 11,218 | 10,916 |
| Adjusted EPS (KRW)* | -1,656 | 1,518 | 20,440 | 11,218 | 10,916 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **10,048** | **8,616** | **13,748** | **13,565** | **14,694** |
| Cash & equivalents | 1,946 | 1,835 | 6,141 | 7,116 | 8,542 |
| Accounts receivable | 2,171 | 2,005 | 2,122 | 1,661 | 1,474 |
| Inventories | 4,493 | 4,164 | 4,782 | 4,174 | 4,079 |
| Other current assets | 1,438 | 611 | 702 | 613 | 599 |
| **Fixed assets** | **14,403** | **17,941** | **18,261** | **18,056** | **17,777** |
| Investment assets | 203 | 188 | 201 | 188 | 186 |
| Tangible assets | 13,582 | 16,990 | 17,310 | 17,129 | 16,862 |
| Intangible assets | 149 | 150 | 136 | 124 | 115 |
| Other long-term assets | 470 | 614 | 614 | 614 | 614 |
| **Total assets** | **24,451** | **26,557** | **32,009** | **31,621** | **32,471** |
| **Current liabilities** | **11,657** | **12,211** | **13,320** | **11,903** | **11,682** |
| Accounts payable | 4,982 | 6,982 | 8,018 | 6,998 | 6,839 |
| Short-term debt | 3,355 | 2,173 | 2,173 | 2,173 | 2,173 |
| Other current liabilities | 3,320 | 3,056 | 3,130 | 2,732 | 2,670 |
| **Long-term liabilities** | **4,099** | **5,459** | **7,482** | **7,459** | **7,456** |
| Bonds & long-term debt | 3,791 | 5,032 | 7,032 | 7,032 | 7,032 |
| Other long-term liabilities | 308 | 427 | 450 | 427 | 424 |
| **Total liabilities** | **15,756** | **17,670** | **20,802** | **19,362** | **19,138** |
| **Owners of parent equity** | **8,696** | **8,887** | **11,206** | **12,258** | **13,333** |
| Capital stock | 292 | 292 | 292 | 292 | 292 |
| Capital surplus | 1,332 | 1,332 | 1,332 | 1,332 | 1,332 |
| Retained earnings | 7,030 | 7,222 | 9,508 | 10,560 | 11,635 |
| Other | 42 | 43 | 75 | 75 | 75 |
| **Non-controlling interests' equity** | **0** | **0** | **0** | **0** | **0** |
| **Total equity** | **8,696** | **8,887** | **11,206** | **12,258** | **13,333** |
| Net debt | 6,001 | 6,065 | 3,441 | 2,452 | 1,025 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **1,468** | **3,942** | **3,727** | **1,984** | **2,206** |
| Net profit | -193 | 177 | 2,383 | 1,308 | 1,273 |
| Non-cash profit and expenses | 1,328 | 1,054 | 1,598 | 1,498 | 1,397 |
| Depreciation | 741 | 791 | 830 | 1,031 | 1,082 |
| Amortization | 11 | 16 | 14 | 12 | 10 |
| Other | 576 | 247 | 755 | 455 | 305 |
| Changes in A/L from operating activities | 829 | 3,091 | 624 | -268 | 73 |
| **Cash flow from investments** | **-3,027** | **-3,783** | **-1,043** | **-743** | **-584** |
| Change in tangible assets | -3,038 | -3,906 | -1,150 | -850 | -815 |
| Change in financial assets | -57 | 35 | -13 | 12 | 2 |
| Other | 68 | 88 | 120 | 95 | 229 |
| **Cash flow from financing** | **1,539** | **-270** | **1,592** | **-275** | **-201** |
| Change in debt | 2,167 | -68 | 1,689 | -19 | -3 |
| Change in equity | 0 | 0 | 0 | 0 | 0 |
| Dividends | -189 | -0 | -97 | -256 | -198 |
| Other | -439 | -202 | 0 | 0 | -0 |
| Change in cash | -17 | -111 | 4,306 | 975 | 1,425 |
| Cash at beginning of year | 1,963 | 1,946 | 1,835 | 6,141 | 7,116 |
| Cash at end of year | 1,946 | 1,835 | 6,141 | 7,116 | 8,542 |
| **Gross cash flow** | **1,135** | **1,231** | **3,981** | **2,806** | **2,670** |
| **Free cash flow** | **-1,574** | **36** | **2,577** | **1,134** | **1,391** |

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 | 2.5 | -6.5 | 14.8 | -12.7 | -2.3 |
| Operating profit | -68.8 | -44.2 | 1,443.4 | -37.2 | 0.9 |
| Net profit | nm | nm | 1,246.9 | -45.1 | -2.7 |
| Adjusted EPS** | nm | nm | 1,246.9 | -45.1 | -2.7 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | -1,656 | 1,518 | 20,440 | 11,218 | 10,916 |
| EPS (consolidated) | -1,656 | 1,518 | 20,440 | 11,218 | 10,916 |
| Adjusted EPS** | -1,656 | 1,518 | 20,440 | 11,218 | 10,916 |
| BVPS | 74,692 | 76,339 | 96,257 | 105,293 | 114,525 |
| DPS (common) | 125 | 330 | 2,500 | 1,700 | 1,700 |
| **Valuations (x)** | | | | | |
| P/E*** | n/a | 54.7 | 6.0 | 10.8 | 11.1 |
| P/B*** | 0.7 | 1.1 | 1.3 | 1.2 | 1.1 |
| EV/EBITDA | 10.5 | 15.0 | 3.9 | 4.9 | 4.4 |
| **Ratios (%)** | | | | | |
| ROE | -2.2 | 2.0 | 23.7 | 11.1 | 9.9 |
| ROA | -0.8 | 0.7 | 8.1 | 4.1 | 4.0 |
| ROIC | 1.8 | 1.6 | 18.1 | 11.0 | 11.2 |
| Payout ratio | -7.3 | 21.0 | 11.8 | 14.6 | 15.0 |
| Dividend yield (common) | 0.2 | 0.4 | 2.1 | 1.4 | 1.4 |
| Net debt to equity | 69.0 | 68.2 | 30.7 | 20.0 | 7.7 |
| Interest coverage (x) | 1.5 | 0.9 | n/a | n/a | n/a |

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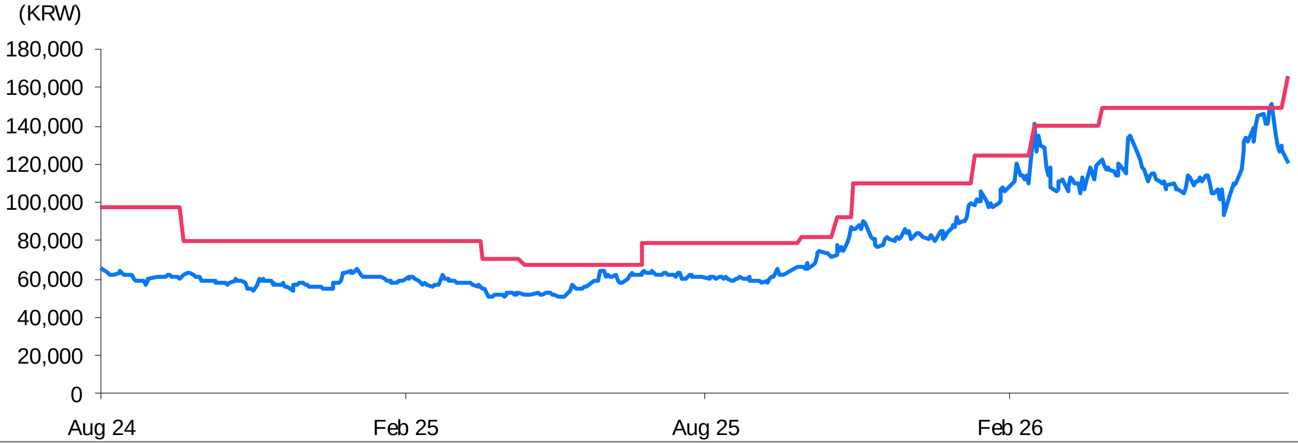
## Target price changes in past two years




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

| Date | 2024/6/25 | 10/4 | 2025/4/3 | 4/28 | 7/9 | 10/13 | 11/3 | 11/13 | 2026/1/26 | 3/3 | 4/13 | 8/3 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Recommendation | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY |
| Target price (KRW) | 98000 | 80000 | 70000 | 67000 | 79000 | 82000 | 92000 | 110000 | 125000 | 140000 | 150000 | 165000 |
| Gap* (average) | -34.27 | -26.70 | -25.77 | -15.35 | -22.55 | -13.94 | -14.35 | -23.17 | -15.34 | -18.24 | -21.07 | |
| (max or min)** | -29.80 | -18.38 | -22.29 | -4.93 | -15.44 | -8.66 | -4.89 | -9.55 | -4.00 | -24.79 | 0.80 | |

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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* 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%)

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