COMPANY UPDATE

2026. 8. 4

Industrial Team

Jaeseung Baek
Senior Analyst
jaeseung.baek@samsung.com

Seunghwan Choi
Research Associate
seunghwan97.choi@samsung.com

AT A GLANCE

BUY

Target price	**KRW37,000**	**49.2%**
Current price	**KRW24,800**	
Market cap	KRW3.3t/USD2.3b	
Shares (float)	133,445,785 (62.6%)	
52-week high/low	KRW46,500/KRW24,500	
Avg daily trading value (60-day)	KRW32.9b/ USD23.0m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Steel (%)	-12.2	-18.8	-27.5
Vs Kospi (%pts)	13.5	-31.4	-63.9

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	37,000	44,000	-15.9%
2026E EPS	1,142	1,006	13.5%
2027E EPS	3,136	3,362	-6.7%

SAMSUNG vs THE STREET

No of estimates	13
Target price	46,546
Recommendation	4.0

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

Scan to go to
Research Center report database

Hyundai Steel (004020)

Earnings to recover in 2H on price hikes

- Hyundai Steel reported a 2Q operating profit of KRW57.7b, missing consensus by 24%.
- Spreads widened q-q for both flat and long products, but cost increases exceeded expectations.
- Flat product spreads should widen further in 3Q, driven by demand-driven price hikes. Meanwhile, attention should grow toward a potential recovery in long product demand through the expansion of new demand sources.

WHAT'S THE STORY?

2Q results disappointing: Hyundai Steel reported 2Q consolidated sales of KRW6.1t (up 6.4% q-q) and an operating profit of KRW57.7 (up significantly q-q but missing consensus by 24%). Steel spreads improved q-q, led by ASP hikes in both flat and long products (due to tariffs on Chinese hot-rolled steel, and expanded rebar exports and cost pass-through, respectively). However, costs (including input costs) exceeded expectations, causing the miss.

(Continued on the next page)

SUMMARY 2Q RESULTS

(KRWb)	2Q26	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	6,107.3	2.7	6.4	-2.9	-0.6
Operating profit	57.7	-43.3	267.8	-19.1	-23.9
Pre-tax profit	-0.6	nm	nm	nm	nm
Net profit	12.1	-67.6	nm	-26.1	-17.7
Margins (%)					
Operating profit	0.9				
Pre-tax profit	-0.0				
Net profit	0.2				

Source: Company data, FnGuide, Samsung Securities estimates

VALUATION SUMMARY

	2025	2026E	2027E
Valuation (x)			
P/E	n/a	21.7	7.5
P/B	0.2	0.2	0.2
EV/EBITDA	6.2	4.8	4.1
Div yield (%)	1.6	2.8	2.8
EPS growth (% y-y)	nm	nm	187.8
ROE (%)	-0.0	0.8	2.2
Per-share data (KRW)			
EPS	-54	1,142	3,286
BVPS	146,778	148,911	150,542
DPS	500	750	750

Samsung Securities

Expectations for demand-driven price increases in 2H: In 3Q, we foresee further spread expansion in flat products, supported by demand-driven price hikes. Meanwhile, we focus on the possibility of long product demand recovering over the medium term, driven by domestic expansion of AI data centers and early completion of semiconductor fabs. (Based on current plans for AI data center construction over the next three years, annual steel demand from this sector is estimated at 0.9–1.8% of total domestic demand.) Reflecting widening performance gaps among global peers due to intensifying protectionism, we cut our target price for the stock by 16% to KRW37,000 (based on 0.24x P/B, a 15% discount to the global peer average). We, however, maintain BUY, given expectations for demand-driven price increases in 2H and the potential for expansion of new demand sources over the medium term.

Hyundai Steel: Results and forecasts (parent basis)

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26P	3Q26E	4Q26E	2025	2026E	2027E
Sales	**4,289.9**	**4,680.0**	**4,532.5**	**4,297.7**	**4,474.4**	**4,837.9**	**4,810.3**	**4,938.3**	**17,800.1**	**19,060.9**	**19,953.9**
Gross profit	**186.1**	**237.0**	**309.4**	**354.5**	**194.2**	**264.1**	**346.2**	**417.2**	**1,086.9**	**1,221.7**	**1,725.2**
Operating profit	**-56.1**	**-7.5**	**47.1**	**105.7**	**-72.5**	**11.1**	**74.6**	**161.2**	**89.2**	**174.4**	**642.8**
Pre-tax profit	-62.3	-62.3	5.8	14.5	-48.7	-32.5	16.2	134.3	-104.4	69.3	488.6
Net profit	-38.0	-18.2	-2.7	17.9	-23.5	-18.9	11.7	97.4	-40.9	66.7	354.2
Chg (% y-y)											
Sales	-11.0	-3.5	1.6	-4.1	4.3	3.4	6.1	14.9	-4.4	7.1	4.7
Operating profit	n/a	n/a	46.9	n/a	n/a	n/a	58.3	52.5	496.1	95.4	268.6
Net profit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	443.0	n/a	n/a	430.7
Margins (%)											
Gross profit	4.3	5.1	6.8	8.2	4.3	5.5	7.2	8.4	6.1	6.4	8.6
Operating profit	**-1.3**	**-0.2**	**1.0**	**2.5**	**-1.6**	**0.2**	**1.6**	**3.3**	**0.5**	**0.9**	**3.2**
Net profit	-0.9	-0.4	-0.1	0.4	-0.5	-0.4	0.2	2.0	-0.2	0.4	1.8
Roll margin											
Carbon steel sales (KRWb)	2,737.4	3,036.9	3,011.7	2,779.1	2,949.9	3,121.2	3,050.0	3,156.4	11,565.1	12,277.6	12,708.3
Carbon steel sales volume ('000 tonnes)	2,681.0	2,955.0	2,897.0	2,599.0	2,820.0	2,880.0	2,720.3	2,802.8	11,132.0	11,223.1	11,316.6
Carbon steel ASP	1,021.0	1,027.7	1,039.6	1,069.3	1,046.1	1,083.8	1,121.2	1,126.2	1,038.9	1,094.0	1,123.0
Raw material price	546.6	536.4	518.9	523.8	566.0	599.6	600.1	579.5	531.4	586.3	539.9
BF roll margin (KRW1,000/tonne)	474.4	491.3	520.7	545.5	480.1	484.1	521.1	546.6	507.5	507.6	583.1
(Chg q-q)	-16.8	16.9	29.4	24.8	-65.5	4.1	37.0	25.5	23.8	0.1	75.4
Long product sales (KRWb)	1,086.6	1,168.6	1,075.7	1,079.7	1,075.0	1,264.2	1,312.6	1,305.5	4,410.6	4,957.3	5,352.3
Long product sales volume ('000 tonnes)	1,068.5	1,173.5	1,082.1	1,073.8	1,058.5	1,175.5	1,171.3	1,170.1	4,397.9	4,575.4	4,747.1
Long product ASP	1,016.9	995.8	994.1	1,005.6	1,015.6	1,075.5	1,120.7	1,115.7	1,002.9	1,083.5	1,127.5
Raw material prices	500.5	479.5	478.3	480.0	498.0	541.5	573.0	587.0	484.6	549.9	590.0
EF roll margin (KRW1,000/tonne)	516.4	516.3	515.8	525.6	517.6	534.0	547.7	528.7	518.3	533.6	537.5
(Chg q-q)	-5.9	-0.0	-0.5	9.7	-8.0	16.4	13.7	-19.0	12.1	15.3	3.9
Average roll margin (KRW1,000/tonne)	486.4	498.4	519.4	539.7	490.3	498.6	529.1	541.3	510.6	515.2	569.6
(Chg q-q)	-13.3	12.1	21.0	20.3	-49.4	8.3	30.5	12.2	20.5	4.6	54.4
Operating profit (KRWb)	-56.1	-7.5	47.1	105.7	-72.5	11.1	74.6	161.2	89.2	174.4	642.8
Operating profit per tonne*	-12.8	0.8	15.1	32.1	-15.5	4.0	20.6	41.9	5.7	11.0	40.0
(Chg q-q)	24.1	13.5	14.3	17.0	-47.6	19.5	16.5	21.3	4.8	5.3	29.0

Note: *Excludes specialty steel unit
Source: Company data, Samsung Securities estimates

Hyundai Steel: Results and forecasts (consolidated)

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26P	3Q26E	4Q26E	2025	2026E	2027E
Sales	**5,563.5**	**5,945.6**	**5,734.4**	**5,489.8**	**5,739.7**	**6,107.3**	**6,086.5**	**6,238.8**	**22,733.2**	**24,172.3**	**25,002.8**
Parent	4,289.9	4,680.0	4,532.5	4,297.7	4,474.4	4,837.9	4,810.3	4,938.3	17,800.1	19,060.9	19,953.9
Subsidiaries	1,273.6	1,265.6	1,201.9	1,192.1	1,265.3	1,269.4	1,276.2	1,300.6	4,933.1	5,111.4	5,048.9
Gross profit	**291.9**	**411.8**	**425.3**	**375.4**	**352.6**	**378.7**	**458.0**	**542.3**	**1,504.3**	**1,731.5**	**2,196.2**
Parent	186.1	237.0	309.4	354.5	194.2	264.1	346.2	417.2	1,086.9	1,221.7	1,725.2
Subsidiaries	105.8	174.8	116.0	20.9	158.4	114.6	111.7	125.0	417.4	509.8	471.0
Operating profit	**-19.0**	**101.8**	**93.2**	**43.3**	**15.7**	**57.7**	**111.9**	**197.2**	**219.2**	**382.5**	**791.3**
Parent	-56.1	-7.5	47.1	105.7	-72.5	11.1	74.6	161.2	89.2	174.4	642.8
Subsidiaries	37.1	109.2	46.1	-62.5	88.2	46.6	37.3	36.0	130.0	208.1	148.5
Pre-tax profit	-67.0	5.8	30.0	-12.1	-32.1	-0.6	47.7	167.0	-43.2	182.1	604.9
Parent	-62.3	-62.3	5.8	14.5	-48.7	-32.5	16.2	134.3	-104.4	69.3	488.6
Subsidiaries	-4.6	68.1	24.3	-26.6	16.7	31.9	31.5	32.7	61.2	112.8	116.3
Net profit	-54.4	37.4	17.8	0.6	-39.3	12.1	34.6	121.1	1.4	128.5	438.5
Parent	-38.0	-18.2	-2.7	17.9	-23.5	-18.9	11.7	97.4	-40.9	66.7	354.2
Subsidiaries	-16.4	55.6	20.5	-17.4	-15.8	31.0	22.8	23.7	42.3	61.7	84.3
Net profit (controlling interests)	-55.1	33.8	17.1	-2.7	-41.0	8.4	29.6	116.1	-6.9	113.1	418.5
Chg (% y-y)											
Sales	-6.5	-1.6	2.0	-2.2	3.2	2.7	6.1	13.6	-2.1	6.3	3.4
Operating profit	n/a	3.9	80.9	n/a	n/a	-43.3	20.0	355.9	37.5	74.5	106.9
Net profit	n/a	2,664.6	n/a	n/a	n/a	-67.6	94.1	n/a	-84.2	n/a	241.4
Net profit (controlling interests)	n/a	n/a	n/a	n/a	n/a	-75.2	73.4	n/a	n/a	n/a	270.0
Margins (%)											
Gross profit	5.2	6.9	7.4	6.8	6.1	6.2	7.5	8.7	6.6	7.2	8.8
Operating profit	-0.3	1.7	1.6	0.8	0.3	0.9	1.8	3.2	1.0	1.6	3.2
Net profit	-1.0	0.6	0.3	-0.0	-0.7	0.1	0.5	1.9	-0.0	0.5	1.7

Source: Company data, Samsung Securities estimates

Hyundai Steel: P/B valuation

(KRWb)	
Consolidated business value	**4,823**
- 2026E Book value	19,806
- Target P/B (x)*	0.24
Shares	133,445,785
Target price (KRW)	**37,000**

Note: *15% discount to the peer average valuation adjusted for Hyundai Steel's estimated ROE(2.2%)
Source: Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Sales	**23,226**	**22,733**	**24,172**	**25,003**	**25,340**
Cost of goods sold	21,832	21,229	22,441	22,807	23,001
Gross profit	**1,394**	**1,504**	**1,732**	**2,196**	**2,339**
Gross margin (%)	6.0	6.6	7.2	8.8	9.2
SG&A expenses	1,234	1,285	1,349	1,405	1,465
Operating profit	**159**	**219**	**383**	**791**	**874**
Operating margin (%)	0.7	1.0	1.6	3.2	3.4
Non-operating gains (losses)	**-219**	**-262**	**-200**	**-186**	**-183**
Financial profit	384	452	220	164	164
Financial costs	664	651	462	372	369
Equity-method gains (losses)	12	5	22	22	22
Other	49	-68	20	-0	-0
Pre-tax profit	**-59**	**-43**	**182**	**605**	**691**
Taxes	-68	-45	54	166	190
Effective tax rate (%)	114.8	103.2	29.4	27.5	27.5
Profit from continuing operations	9	1	128	439	501
Profit from discontinued operations	0	0	0	0	0
Net profit	**9**	**1**	**128**	**439**	**501**
Net margin (%)	0.0	0.0	0.5	1.8	2.0
Net profit (controlling interests)	-12	-7	113	419	481
Net profit (non-controlling interests)	20	8	15	20	20
EBITDA	1,870	1,981	2,046	2,545	2,715
EBITDA margin (%)	8.1	8.7	8.5	10.2	10.7
EPS (parent-based) (KRW)	-87	-52	1,142	3,136	3,602
EPS (consolidated) (KRW)	66	10	963	3,286	3,752
Adjusted EPS (KRW)*	-111	-54	1,142	3,286	3,752

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Current assets	**11,460**	**11,318**	**11,687**	**12,132**	**12,282**
Cash & equivalents	1,296	1,343	1,311	1,283	1,208
Accounts receivable	2,524	2,358	2,491	2,629	2,714
Inventories	6,291	5,740	5,984	6,296	6,414
Other current assets	1,350	1,876	1,900	1,923	1,945
Fixed assets	**23,284**	**23,125**	**23,205**	**23,430**	**23,691**
Investment assets	2,292	2,830	1,835	1,849	1,863
Tangible assets	18,431	17,835	18,019	18,230	18,477
Intangible assets	1,402	1,320	1,320	1,320	1,320
Other long-term assets	1,160	1,140	2,031	2,031	2,031
Total assets	**34,744**	**34,442**	**34,891**	**35,562**	**35,973**
Current liabilities	**7,699**	**7,411**	**7,850**	**8,134**	**8,310**
Accounts payable	1,467	1,533	1,630	1,738	1,816
Short-term debt	1,216	1,216	1,216	1,216	1,216
Other current liabilities	5,017	4,662	5,004	5,180	5,278
Long-term liabilities	**7,711**	**7,192**	**7,138**	**7,152**	**6,986**
Bonds & long-term debt	6,159	5,816	5,816	5,816	5,816
Other long-term liabilities	1,552	1,375	1,322	1,336	1,169
Total liabilities	**15,410**	**14,602**	**14,988**	**15,286**	**15,295**
Owners of parent equity	**18,918**	**19,371**	**19,433**	**19,806**	**20,208**
Capital stock	667	667	667	667	667
Capital surplus	3,905	3,871	3,871	3,871	3,871
Retained earnings	13,400	13,303	13,366	13,739	14,141
Other	946	1,529	1,529	1,529	1,529
Non-controlling interests' equity	**415**	**469**	**469**	**469**	**469**
Total equity	**19,334**	**19,840**	**19,903**	**20,276**	**20,678**
Net debt	8,258	7,769	7,058	7,086	7,161

Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Cash flow from operations	**1,777**	**2,053**	**1,996**	**2,272**	**2,610**
Net profit	9	1	128	439	501
Non-cash profit and expenses	1,921	2,193	2,054	2,184	2,295
Depreciation	1,621	1,666	1,616	1,703	1,788
Amortization	90	96	48	50	53
Other	210	431	390	431	454
Changes in A/L from operating activities	276	86	-187	-350	-186
Cash flow from investments	**-1,503**	**-1,578**	**-2,103**	**-2,376**	**-2,728**
Change in tangible assets	-1,650	-1,475	-2,027	-2,297	-2,649
Change in financial assets	-285	327	-62	-62	-62
Other	432	-430	-14	-17	-16
Cash flow from financing	**-354**	**-385**	**119**	**119**	**86**
Change in debt	-33	-563	0	0	0
Change in equity	-1	-34	0	0	0
Dividends	-132	-100	-66	-66	-99
Other	-188	312	185	185	185
Change in cash	-90	47	-32	-28	-75
Cash at beginning of year	1,386	1,296	1,343	1,311	1,283
Cash at end of year	1,296	1,343	1,311	1,283	1,208
Gross cash flow	**1,930**	**2,194**	**2,183**	**2,623**	**2,795**
Free cash flow	**105**	**561**	**-53**	**-45**	**-59**

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

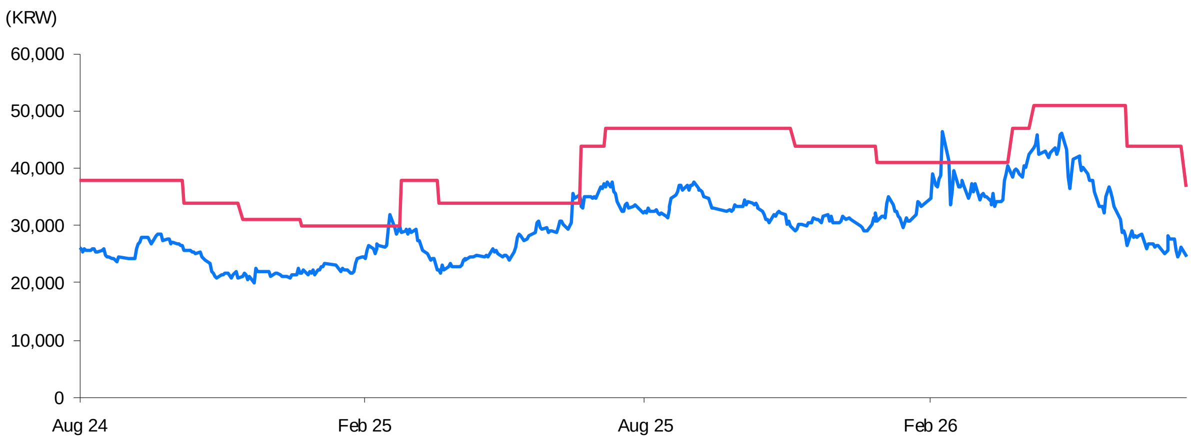
Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
Growth (%)					
Sales	-10.4	-2.1	6.3	3.4	1.3
Operating profit	-80.0	37.5	74.5	106.9	10.4
Net profit	-98.0	-84.2	9,147.6	241.4	14.2
Adjusted EPS**	nm	nm	nm	187.8	14.2
Per-share data (KRW)					
EPS (parent-based)	-87	-52	1,142	3,136	3,602
EPS (consolidated)	66	10	963	3,286	3,752
Adjusted EPS**	-111	-54	1,142	3,286	3,752
BVPS	145,488	146,778	148,911	150,542	153,445
DPS (common)	750	500	500	750	750
Valuations (x)					
P/E***	n/a	n/a	21.7	7.5	6.6
P/B***	0.1	0.2	0.2	0.2	0.2
EV/EBITDA	6.1	6.2	4.8	4.1	4.0
Ratios (%)					
ROE	-0.1	0.0	0.8	2.2	2.4
ROA	0.0	0.0	0.4	1.2	1.4
ROIC	-0.1	0.0	1.1	2.3	2.5
Payout ratio	n/a	n/a	51.2	22.5	19.7
Dividend yield (common)	3.6	1.6	2.8	2.8	2.8
Net debt to equity	42.7	39.2	35.5	34.9	34.6
Interest coverage (x)	0.4	0.6	1.0	2.1	2.4

Compliance notice

- As of 8/3 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 8/3 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	10/25	12/2	2025/1/9	3/14	4/8	7/8	7/24	11/24	2026/1/16	4/13	4/27
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	38000	34000	31000	30000	38000	34000	44000	47000	44000	41000	47000	51000
Gap* (average)	-29.71	-32.37	-30.44	-18.38	-29.88	-21.00	-19.98	-28.39	-30.38	-14.43	-14.63	-24.81
(max or min)**	-22.76	-24.41	-26.77	6.17	-22.37	4.56	-14.89	-20.00	-27.05	13.41	-9.57	-9.51

Date	6/26	8/3
Recommendation	BUY	BUY
Target price (KRW)	44000	37000
Gap* (average)	-38.84	
(max or min)**	-33.86	

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

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA