SECTOR UPDATE

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Global Equity Team

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Autos (OVERWEIGHT)

August global wholesales: Strikes and robotics business risk

- In August, Hyundai Motor's (HMC) global wholesale volume fell 14.2% y-y while Kia's rose 5% y-y. HMC's decline was attributable to production disruptions from the labor strike and the absence of a competitive mid-to-low-priced EV lineup.
- HMC's US retail sales diminished 1.9% but Kia's grew 1% y-y. Kia is expected to sustain growth in the US through strong demand for the Telluride and Sportage hybrids, and in Europe through its expanding EV portfolio.
- HMC should recover lost production volume from September. However, both HMC and Kia face valuation pressure due to ambiguity surrounding their ownership structure in the robotics business.

▶ AT A GLANCE

Hyundai Motor	(005380 KS, 400,500)	
Target price	KRW600,000	49.8%
BUY		
Kia	(000270 KS, 131,200)	
Target price	KRW210,000	60.1%
BUY		

WHAT'S THE STORY?

HMC: Hyundai Motor's (HMC) global wholesale volume hit 289,000 units in August (down 9.4% m-m and 14.2% y-y). Domestic volume was sluggish across all models due to: 1) a y-y drop of four business days (resulting from shifts in summer vacation timing); and 2) production disruptions from labor strikes—estimated at 28,000 units in both July and August. Overseas volume also posted y-y declines.

- **In Korea,** HMC sold 34,000 units (down 28.6% m-m and 41.1% y-y). Sales of the Grandeur and Genesis totaled 10,000 units (down 25% m-m and 27.5% y-y), accounting for 30.5% of HMC's total vehicle sales (up 1.5%pts m-m). Sedan sales hit 13,000 units (down 31.6% m-m and 36.8% y-y). Specifically, sales of the Ioniq 6 and Grandeur expanded 84.3% and 15.4% y-y, respectively, whereas sales of Avante (down 80.9% y-y) and the entire Genesis sedan lineup (G70/G80/G90) were sluggish. HMC's sales of SUVs and MPVs combined came to 14,000 units (down 32% m-m and 49.8% y-y). Sales of the Kona, Tucson, and Palisade tumbled 65.7%, 86.4%, and 65.4% y-y, respectively. Genesis sales reached 4,545 units (down 16.3% m-m and 51.2% y-y).
- HMC sold 14,524 xEVs in August (down 32.6% m-m and 30.4% y-y), of which hybrids accounted for 66.5% or 9,656 units (down 32.5% m-m and 31.4% y-y) and EVs accounted for 31.6% or 4,592 units (down 27.2% m-m and 17.7% y-y).
- **Overseas,** HMC's wholesale volume came to 254,000 units (down 6% m-m and 8.5% y-y). While the decline was relatively less severe than domestic volume, the y-y contraction continued due to broader global demand softness.

(Continued on the next page)

- US August seasonally adjusted annual rate (SAAR) of demand hit 16.3-16.4m units (down 0.9% m-m and 1.5% y-y). US retail selling days fell one day y-y to 26 in August. The decline was attributable to a high base from strong demand ahead of the expiration of the IRA subsidy in Sept 2025. Average transaction price rose to USD45,600 (up 2% y-y), a record for August. Average incentives grew 5.9% y-y to USD3,400.
- US incentive surged. According to J.D. Power and GlobalData, the industry-wide average incentive in August came in at USD3,384 (up 5.9% m-m and 9% y-y; equivalent to 6.6% of MSRP, up 0.3%pt y-y). Incentives for ICE & hybrid vehicles increased 26% y-y to USD3,140, while EV incentives declined 20% y-y to USD9,228. Even as automakers and dealers expanded discounts to attract foot traffic and defend sales volumes, EV sales volume diminished y-y despite incentives remaining at elevated levels.
- HMC's US retail sales amounted to 86,977 units (down 2.7% m-m and 2% y-y). This was relatively strong performance, despite a high base from the strong demand ahead of the federal EV tax credit expiration in Sep 2025 and the inclusion of Labor Day in August sales. Tucson (up 18% y-y) and Santa Fe (up 5% y-y) recorded their highest-ever August sales. Elantra (up 16% y-y) and Sonata (up 44% y-y) also showed solid growth. Hybrid sales increased 33% y-y to record the highest August volume ever, accounting for 29% of total sales (the highest share on record). In contrast, EVs—including Ioniq 5 (down 51% y-y), Ioniq 6 (down 97% y-y), and Ioniq 9 (-42% y-y)—declined due to high base.
- In September, we expect HMC's global wholesale volume to fall 10% y-y to 330,000 units. Production should expand from this month to recover strike-related losses, and domestic sales should rebound via new model launches. However, sales in the Middle East should remain weak due to geopolitical conflicts. European sales should recover only after October, when Ioniq 3 begins to generate sales in earnest.

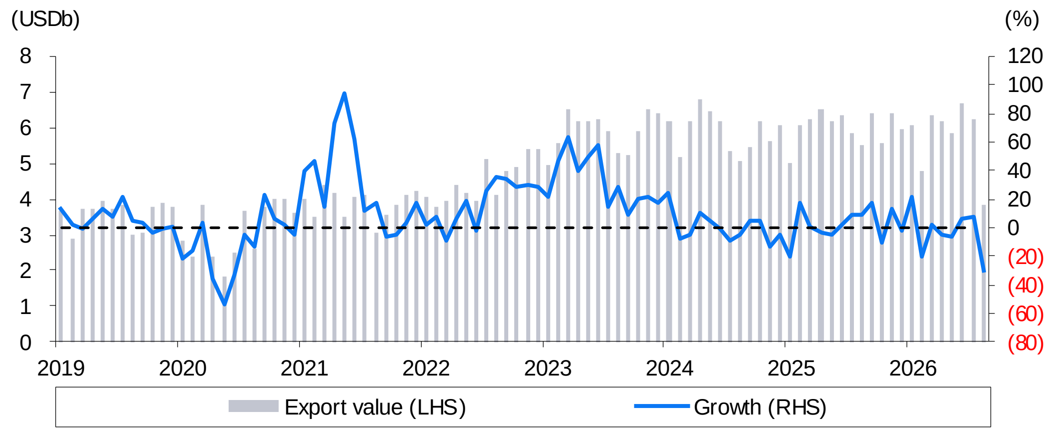
  HMC's operating results are expected to decline y-y, yet its stock price remains over 100% higher than last year's level—primarily driven by market optimism around its robotics ambitions. However, HMC/Kia's articles of incorporation do not list robotics among its business purposes. At its Aug 26 CEO Investor Day, HMC clarified that it plans to launch its robotics business as a separate subsidiary and it will act as a key investor and supporter. If robotics training centers and manufacturing entities are structured as sub-subsidiaries—similar to Boston Dynamics—external investors may find it difficult to track key metrics such as capital allocation and operating results. As investor interest in the robotics sector grows, capital should be increasingly concentrated in pure-play robotics companies, raising the risk that the value of HMC/Kia's robotics initiatives could become increasingly diluted.

Kia: Kia's global wholesale volume hit 267,000 units (down 10.5% m-m but up 5% y-y) in August. Domestic sales declined m-m across all models, while overseas sales kept growing at a solid pace y-y.

- **In Korea,** Kia sold 40,000 units (down 26.2% m-m and 7.6% y-y). The combined sales of the K8 and K5 reached 3,858 units (up 6.5% m-m but down 26.0% y-y), accounting for 9.6% of total domestic sales (down 24.4%pts m-m). Total sedan sales stood at 9,758 units (down 25.6% m-m and 19.0% y-y), with notable declines in the K5 (down 40.7% y-y) and Morning (down 32.2% y-y), despite the K8's relatively stable performance (down 1.9% y-y). Meanwhile, Kia's sales of SUVs and MPVs came to 26,000 units (down 2.9% m-m but up 19.2% y-y). The Sorento (6,397 units, down 2.1% y-y) provided relative resilience within the segment, while key volume models such as the Carnival (down 30.6% y-y), Sportage (down 32.7% y-y), and Seltos (down 22.0% y-y) all posted significant declines.

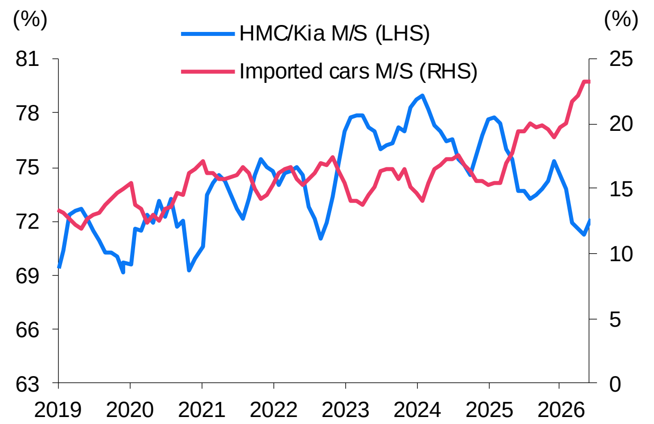
- Kia sold 24,894 xEVs in August (down 21.5% m-m but up 24.4% y-y), of which hybrids accounted for 55.9% or 13,909 units (down 24.1% m-m but up 2.9% y-y) and EVs represented 44.1% or 10,985 units (down 17.8% m-m but up 69.4% y-y). The sustained y-y strong EV growth was driven by robust contributions from the new EV5 and expanded EV3 sales. However, the EV6 (down 61.1% y-y) and Bongo EV (down 62.0% y-y) saw sharp declines due to model replacement and shifting consumer demand.
- **Overseas,** Kia's wholesale volume was down 7% m-m but up 7.6% y-y to 226,000 units. Overseas volume declined slightly m-m but sustained solid y-y growth, underpinning the automaker's steady expansion.
- Kia's US retail sale volume came in at 83,793 units (up 7.6% m-m and 1.0%y-y). Despite a slowdown in overall auto demand and a high base from last year's rush to buy EVs before the tax credit expired, the automaker posted its strongest monthly sales on record. Six models achieved record August sales: Seltos (up 53% y-y), Carnival (up 13% y-y), K4 (up 7% y-y), Telluride (up 4% y-y), Sportage (up 4% y-y), and K5 (up 4% y-y). Hybrid sales jumped 99% y-y, driving total electrified vehicle sales up 36% y-y—led by the Sportage HEV (up 40% y-y), Sorento HEV (up 22% y-y), and Carnival HEV (up 15% y-y).
- In September, we expect Kia's global wholesale volume to rise 8% y-y to 290,000 units. Domestic volume will be solid, underpinned by EVs and hybrids. Volume in the US should be solid, on stronger sales of the Telluride and Sportage. In Europe, rising EV adoption is set to drive a 20% y-y increase in volume.
- September Sales Forecast:290,000 Units (up 8% y-y): Domestic sales are expected to remain solid, driven by electric vehicles and HYBE-led demand. In the US, sales are projected to stay robust on increased Telluride and Sportage volumes. European sales are set to rise another 20% y-y, supported by growing electric vehicle deliveries.

Korea: US-bound export value (Aug: -29.84% y-y)



Source: CEIC, Samsung Securities

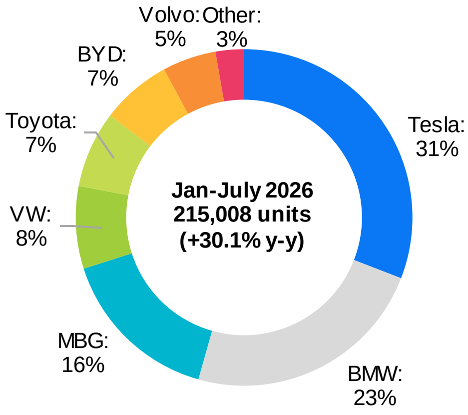
Korea: HMG's market share vs imported cars'



Note: 3-month moving average, as of Jul 2026

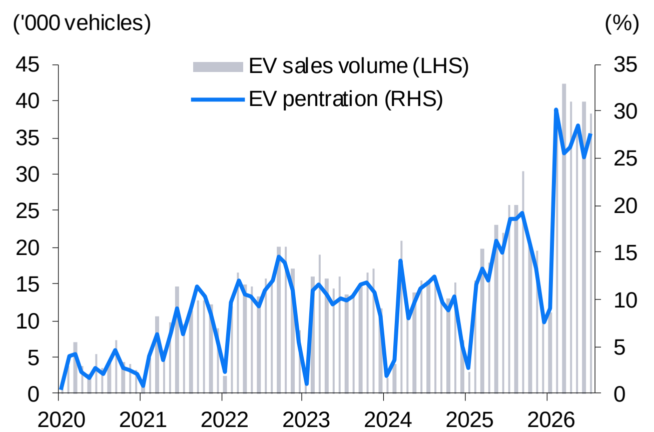
Source: MarkLines, Samsung Securities

Korean market: Imported car sales, by automaker



Source: KAIDA, Samsung Securities

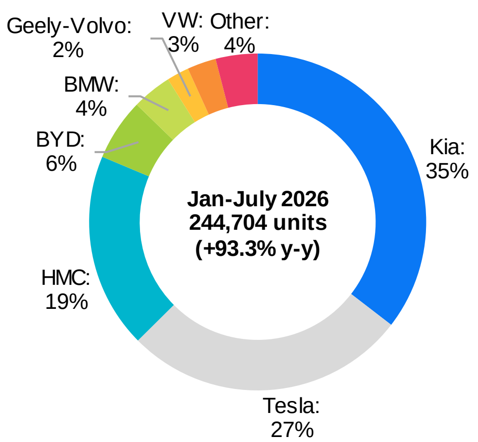
Korean market: EV sales volume vs penetration



Note: As of Jul 2026

Source: MarkLines, EV-Voluems, Samsung Securities

Major automakers: Korean EV market shares



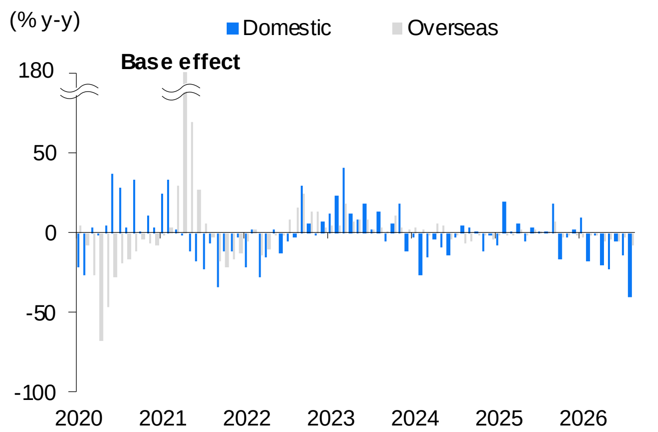
Source: EV-Volumes, Samsung Securities

Shipments, by automaker

	HMC					Kia				
	Aug 2026	Aug 2025	Jul 2026	Chg (% y-y)	(Chg, % m-m)	Aug 2026	Aug 2025	Jul 2026	Chg (% y-y)	(Chg, % m-m)
Domestic	34,333	58,330	48,113	-41.1	-28.6	40,365	43,675	54,685	-7.6	-26.2
Oversea	254,241	277,811	270,573	-8.5	-6.0	226,310	210,268	243,383	7.6	-7.0
Total	**288,574**	**336,141**	**318,686**	**-14.2**	**-9.4**	**266,675**	**253,943**	**298,068**	**5.0**	**-10.5**

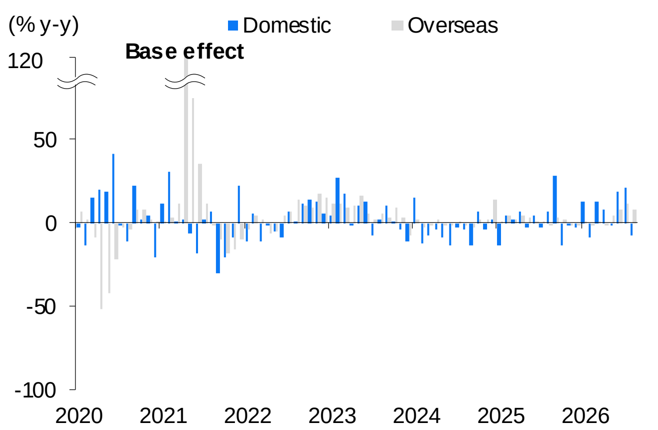
Source: Company data, Samsung Securities

HMC: Monthly change in wholesale volume



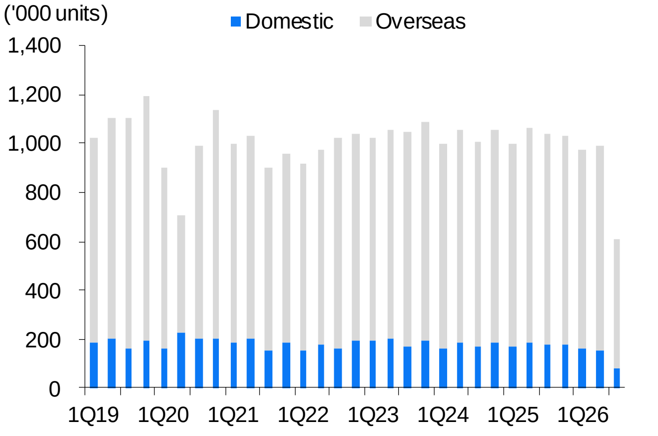
Source: Company data, Samsung Securities

Kia: Monthly change in wholesale volume



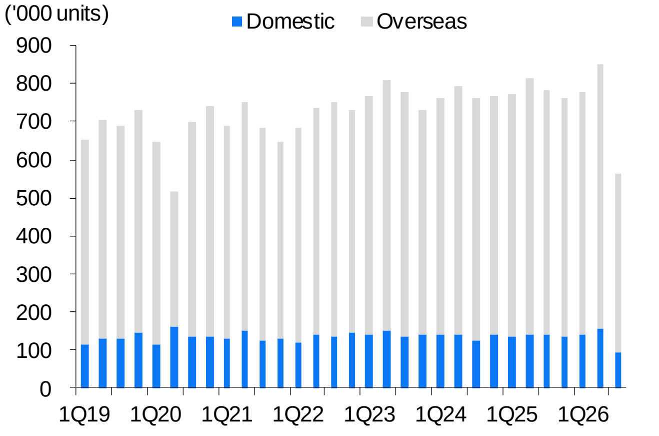
Source: Company data, Samsung Securities

HMC: Quarterly wholesale volume



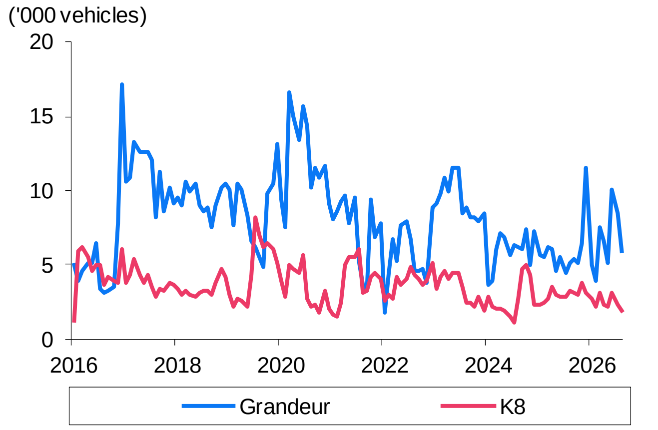
Source: Company data, Samsung Securities

Kia: Quarterly wholesale volume



Source: Company data, Samsung Securities

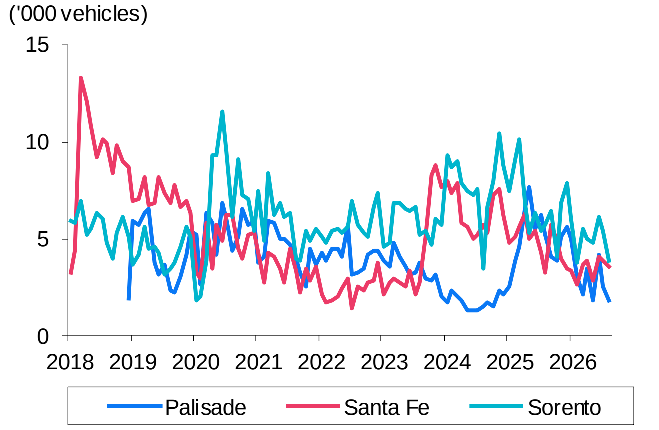
Domestic sales: Grandeur (HMC) vs K8 (Kia; previously K7)



Note: Known as the K7 through end-2020 and the K8 from 2021

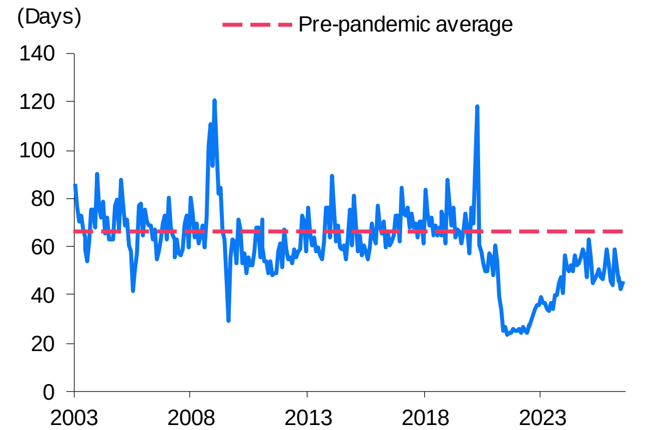
Source: Company data, Samsung Securities

Domestic sales: Palisade + Santa Fe (HMC) vs Sorento (Kia)



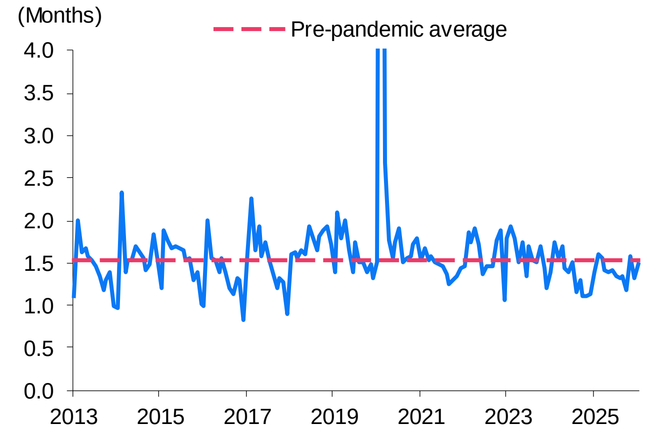
Source: Company data, Samsung Securities

US: Average dealer inventories



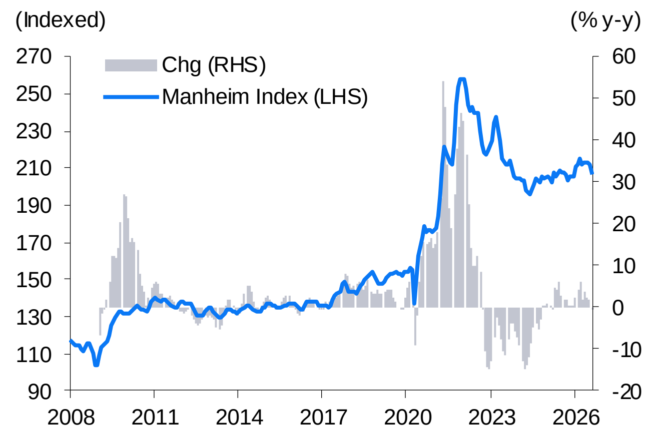
Source: Auto Data Bowl, Samsung Securities

China: Average dealer inventories



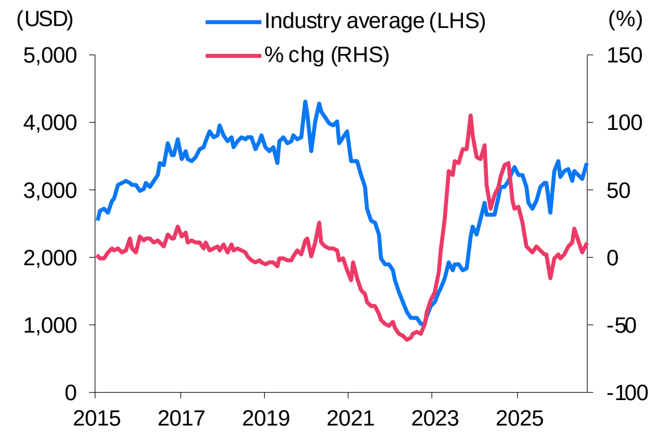
Source: Auto Data Bowl, Samsung Securities

US: Used vehicle value index



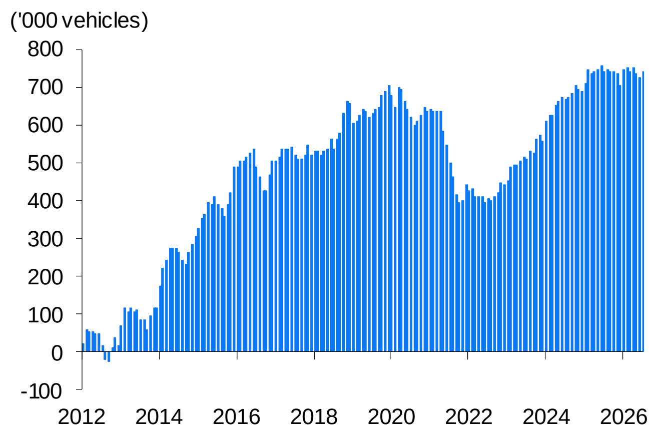
Source: Manheim, Samsung Securities

US: Average incentives per vehicle



Source: Auto Data Bowl (TrueCar until 2022, J.D. Power and GlobalData as of 2023), Samsung Securities

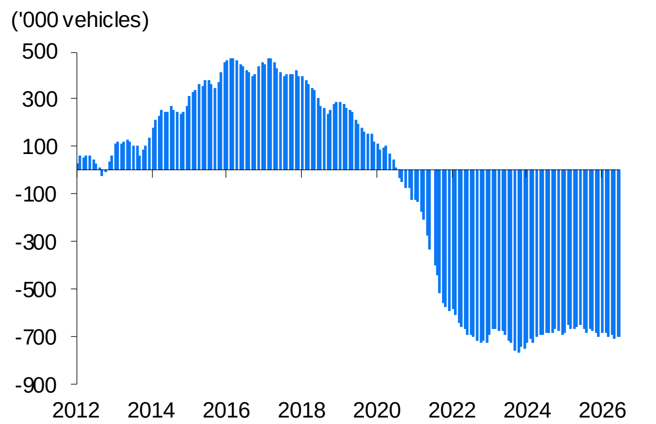
HMC: Global inventory (shipments less retail sales)



Note: As of Jul 2026

Source: Company data, Samsung Securities

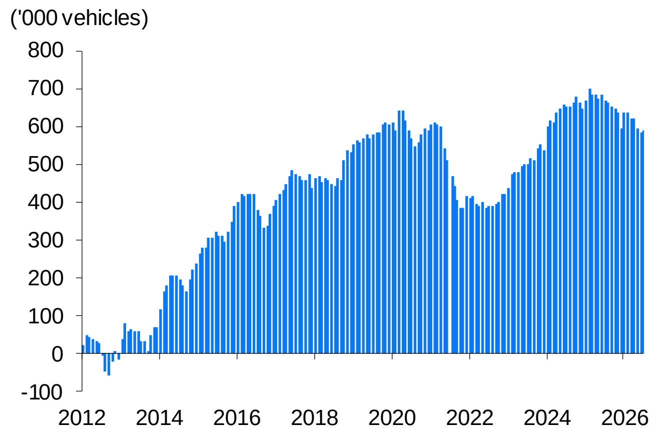
Kia: Global inventory (shipments less retail sales)



Note: As of Jul 2026

Source: Company data, Samsung Securities

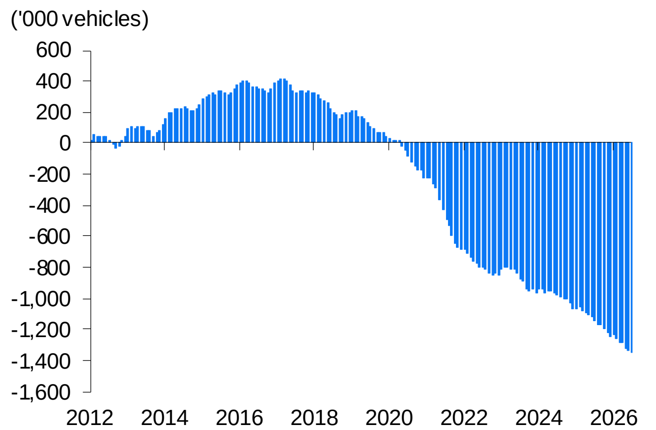
HMC: Global inventory ex China (shipments less retail sales)



Note: As of Jul 2026

Source: Company data, Samsung Securities

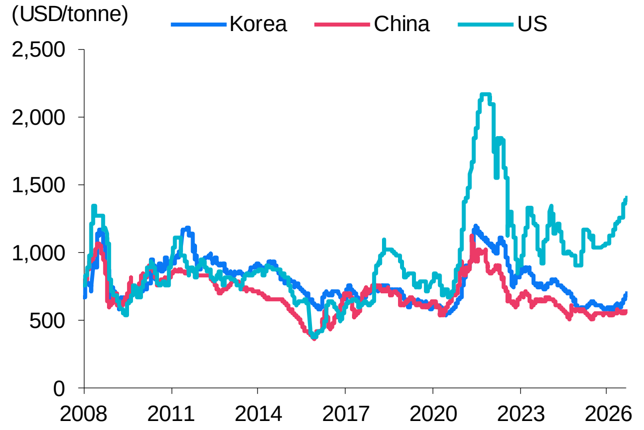
Kia: Global inventory ex China (shipments less retail sales)



Note: As of Jul 2026

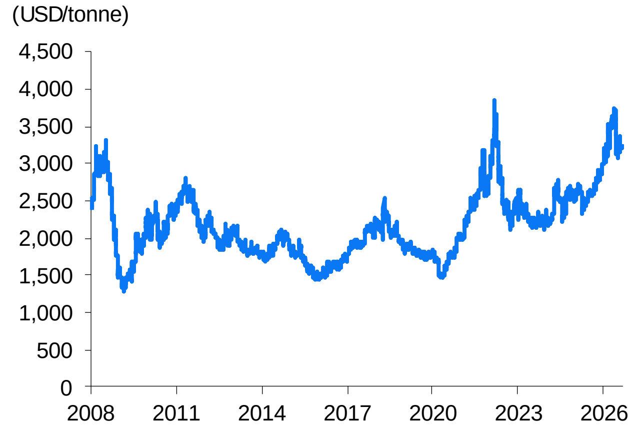
Source: Company data, Samsung Securities

Cold rolled steel price



Source: Bloomberg, Samsung Securities

Aluminum price

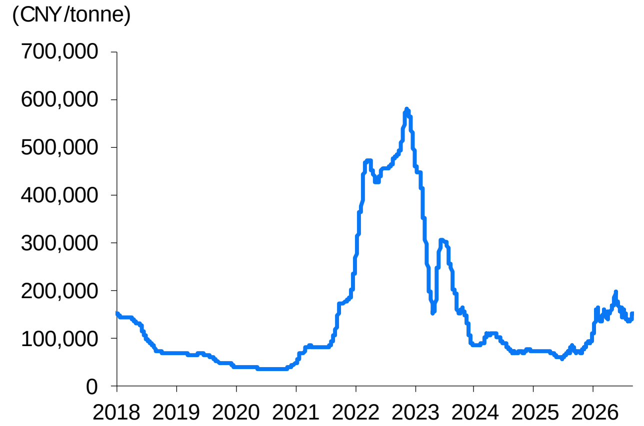


Source: Bloomberg, Samsung Securities

Iron ore price

Source: Bloomberg, Samsung Securities

Lithium carbonate price



Source: Bloomberg, Samsung Securities

HMC: August shipments, by model

(Units)	Aug 2026	Aug 2025	Chg (% y-y)	Jul 2026	Chg (% m-m)
Domestic shipments					
Sedans	12,735	20,153	(36.8)	18,614	(31.6)
Avante	1,462	7,655	(80.9)	2,624	(44.3)
Sonata	3,105	3,527	(12.0)	4,584	(32.3)
Grandeur	5,931	5,139	15.4	8,532	(30.5)
G70	83	199	(58.3)	71	16.9
G80	1,460	2,826	(48.3)	1,933	(24.5)
G90	270	577	(53.2)	279	(3.2)
Ioniq 6	424	230	84.3	591	(28.3)
SUVs/MPVs	13,542	26,981	(49.8)	19,914	(32.0)
Casper	1,017	1,247	(18.4)	1,307	(22.2)
Venue	407	813	(49.9)	953	(57.3)
Kona	1,034	3,013	(65.7)	2,756	(62.5)
Tucson	526	3,873	(86.4)	1,376	(61.8)
Nexo	276	1,203	(77.1)	960	(71.3)
Ioniq 5	1,372	1,662	(17.4)	1,833	(25.2)
Ioniq 9	770	926	(16.8)	1,215	(36.6)
Santa Fe	3,596	3,303	8.9	3,822	(5.9)
Palisade	1,812	5,232	(65.4)	2,545	(28.8)
GV60	86	91	(5.5)	130	(33.8)
GV70	1,406	2,983	(52.9)	1,700	(17.3)
GV80	1,240	2,635	(52.9)	1,317	(5.8)
LCV	6,503	8,994	(27.7)	7,281	(10.7)
HCV	1,553	2,202	(29.5)	2,304	(32.6)
Total domestic shipments (A)	**34,333**	**58,330**	**(41.1)**	**48,113**	**(28.6)**
Total overseas shipments (B)	**254,241**	**277,811**	**(8.5)**	**270,573**	**(6.0)**
Total global shipments (A+B)	**288,574**	**336,141**	**(14.2)**	**318,686**	**(9.4)**

Source: Company data, Samsung Securities

HMC: Retail sales in US, by model

(Units)	Aug 2026	Aug 2025	Chg (% y-y)	Jan-Aug 2026	Jan- Aug 2025	Chg (% y-y)
Elantra	17,747	15,282	16.1	114,701	102,404	12.0
Ioniq 5	3,818	7,773	-50.9	28,184	32,683	-13.8
Ioniq 6	28	1,047	-97.3	1,345	8,318	-83.8
Ioniq 9	589	1,016	-42.0	6,147	3,102	98.2
Kona	6,165	7,083	-13.0	48,374	53,200	-9.1
Palisade	12,729	15,560	-18.2	88,355	85,992	2.7
Santa Cruz	1,654	2,313	-28.5	13,191	18,845	-30.0
Santa Fe	13,512	12,840	5.2	90,888	92,046	-1.3
Sonata	6,899	4,793	43.9	49,174	42,192	16.5
Tucson	21,197	17,954	18.1	158,523	147,670	7.3
Venue	2,639	2,862	-7.8	21,143	20,892	1.2
Genesis	7,635	7,925	-3.7	53,670	51,974	3.3
Total	**94,612**	**96,448**	**-1.9**	**673,695**	**659,318**	**2.2**

Source: Company data, Samsung Securities

Kia: Aug shipments, by model

(Units)	Aug 2026	Aug 2025	Chg (% y-y)	Jul 2026	Chg (% m-m)
Domestic shipments					
Sedans	9,758	12,045	(19.0)	13,113	(25.6)
Morning	1,410	2,080	(32.2)	3,408	(58.6)
Ray	3,718	3,484	6.7	5,178	(28.2)
EV4	743	1,124	(33.9)	849	(12.5)
K5	1,920	3,238	(40.7)	2,362	(18.7)
K8	1,938	1,976	(1.9)	1,259	53.9
K9	29	143	(79.7)	57	(49.1)
RV	26,233	28,013	(6.4)	36,040	(27.2)
EV3	3,174	2,317	37.0	3,467	(8.5)
EV5	3,146	-	n/a	3,434	(8.4)
EV6	420	1,080	(61.1)	1,070	(60.7)
EV9	312	112	178.6	442	(29.4)
Carnival	4,186	6,031	(30.6)	6,917	(39.5)
Seltos	3,307	4,238	(22.0)	7,427	(55.5)
Niro	1,039	1,062	(2.2)	1,307	(20.5)
Sportage	3,874	5,755	(32.7)	5,381	(28.0)
Sorento	6,397	6,531	(2.1)	6,153	4.0
Tasman	378	887	(57.4)	442	(14.5)
Commercial vehicles	4,222	3,443	22.6	5,451	(22.5)
PV5	1,744	161	983.2	2,472	(29.4)
Military vehicles	152	174	(12.6)	81	87.7
Total domestic shipments (A)	**40,365**	**43,675**	**(7.6)**	**54,685**	**(26.2)**
Total overseas shipments (B)	**226,310**	**210,268**	**7.6**	**243,383**	**(7.0)**
Total global shipments (A+B)	**266,675**	**253,943**	**5.0**	**298,068**	**(10.5)**

Source: Company data, Samsung Securities

Kia: Retail sales in US, by model

(Units)	Aug 2026	Aug 2025	Chg (% y-y)	Jan-Aug 2026	Jan- Aug 2025	Chg (% y-y)
EV9	1,789	2,679	-33.2	10,474	9,354	12.0
EV6	712	1,796	-60.4	5,429	8,961	-39.4
EV3	6	-	n/a	6	-	n/a
K4/Forte	12,881	12,091	6.5	98,554	98,814	-0.3
K5	7,523	6,847	9.9	52,611	47,291	11.2
Soul	-	5,548	-100.0	3,480	36,339	-90.4
Niro	2,983	3,124	-4.5	18,472	17,663	4.6
Seltos	9,214	5,574	65.3	50,525	35,430	42.6
Sportage	18,723	18,023	3.9	129,713	119,587	8.5
Sorento	9,880	8,626	14.5	68,266	67,510	1.1
Telluride	12,693	12,177	4.2	98,111	84,090	16.7
Carnival	7,389	6,522	13.3	54,736	45,602	20.0
Total	**83,793**	**83,007**	**0.9**	**590,377**	**570,641**	**3.5**

Source: Company data, Samsung Securities

(Appendix) Valuations: Global automakers

Company	Currency	Price	Performance (%)			Market cap		P/E (x)			P/B (x)			ROE (%)		
			1M	3M	1Y	(Local bil)	(USDb)	2026E	2026E	2027E	2026E	2026E	2027E	2026E	2026E	2027E
Automakers																
Toyota	JPY	3,156	2.9	3.7	9.9	46,061.8	288.5	11.0	10.3	9.2	1.1	1.0	0.9	10.2	9.5	10.2
Honda	JPY	1,710	5.2	17.7	4.1	7,751.4	48.6	n/a	12.7	8.1	0.6	0.5	0.5	(2.1)	4.8	6.8
Nissan	JPY	328.5	(2.3)	(17.2)	(1.2)	1,220.0	7.6	n/a	39.9	8.3	0.3	0.2	0.2	(11.0)	0.8	3.2
Tata	INR	317.8	(6.5)	(19.3)	(21.5)	1,170.4	12.3	152.7	11.3	6.5	1.0	1.0	0.8	0.7	8.3	12.6
Maruti Suzuki	INR	13,434.0	(5.6)	2.3	(9.2)	4,223.7	44.4	26.2	26.3	21.7	3.9	3.7	3.4	15.6	13.7	15.2
GM	USD	86.3	(2.9)	3.6	47.2	75.7	75.7	6.6	5.9	6.0	1.2	1.0	0.9	17.8	18.1	17.4
Ford	USD	13.9	(5.4)	(20.4)	17.9	55.3	55.3	7.6	7.2	6.7	1.6	1.4	1.2	18.2	20.2	19.6
Stellantis	USD	5.4	(5.9)	(32.1)	(43.7)	15.7	15.7	9.7	5.0	3.0	0.2	0.2	0.2	1.6	4.5	6.7
Tesla	USD	348.8	12.1	(20.0)	4.5	1,377.4	1,377.4	211.6	157.6	111.1	13.5	12.4	11.3	5.6	6.5	7.9
Rivian	USD	16.1	5.6	(1.4)	18.4	23.3	23.3	n/a	n/a	n/a	4.4	7.6	17.3	(68.1)	(76.3)	(135.6)
Lucid	USD	5.0	(32.1)	(23.5)	(74.7)	2.0	2.0	n/a	n/a	n/a	n/a	n/a	n/a	(256.8)	(663.6)	(930.1)
Canoo	USD	0.0	207.7	1,900.0	1,233.3	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nio	USD	4.4	(10.5)	(22.0)	(31.5)	10.9	10.9	n/a	30.4	13.8	10.1	7.6	5.1	(3.3)	50.7	34.2
Xpeng	USD	11.5	(11.3)	(29.9)	(45.1)	11.0	11.0	n/a	432.9	25.2	2.7	2.6	2.5	(10.9)	1.0	8.3
Li Auto	USD	12.2	(10.3)	(18.5)	(47.6)	12.7	12.7	n/a	27.7	15.5	1.7	1.7	1.6	(3.7)	2.9	5.8
Volkswagen	EUR	78.2	3.2	(16.2)	(23.4)	39.0	45.2	4.7	3.6	3.1	0.2	0.2	0.2	4.3	5.5	6.0
Porsche	EUR	45.9	7.6	(1.9)	1.4	41.8	48.5	24.8	21.3	16.5	1.8	1.7	1.6	7.2	8.1	10.1
Mercedes-Benz Group	EUR	46.9	0.5	(9.7)	(11.9)	45.2	52.4	8.6	7.1	6.1	0.5	0.5	0.4	5.5	6.6	7.5
BMW	EUR	62.2	4.4	(17.0)	(30.5)	38.3	44.4	9.8	7.1	5.7	0.4	0.4	0.4	4.4	5.8	6.9
Renault	EUR	29.6	8.7	0.2	(11.8)	8.8	10.2	5.0	4.7	4.5	0.4	0.4	0.3	7.1	7.4	7.3
Ferrari	EUR	364.0	7.0	23.3	(10.5)	63.8	74.0	36.8	33.1	30.6	14.5	12.6	10.9	40.8	39.4	37.3
Great Wall	HKD	7.9	(13.1)	(24.2)	(57.6)	129.0	16.5	6.1	5.0	4.3	0.6	0.6	0.5	10.3	11.4	11.8
BYD	HKD	87.2	(7.4)	(4.5)	(23.8)	880.2	112.3	17.1	13.3	11.0	2.5	2.1	1.8	14.8	16.4	17.0
BAIC	HKD	0.8	(6.9)	(33.1)	(60.5)	6.5	0.8	n/a	n/a	n/a	0.1	0.1	0.1	(3.5)	(2.3)	(1.9)
Guangzhou	HKD	2.2	(8.5)	(16.7)	(39.1)	51.0	6.5	n/a	n/a	122.9	0.2	0.2	0.2	(5.9)	(2.8)	0.1
Geely	HKD	17.6	(11.1)	(6.5)	(10.0)	189.8	24.2	7.5	6.2	5.3	1.5	1.3	1.1	20.5	21.2	21.1
SAIC	CNY	10.4	(8.1)	(15.6)	(44.7)	119.6	17.8	10.7	9.4	8.3	0.4	0.4	0.4	3.7	4.1	4.4
Changan	CNY	7.1	(10.2)	(10.7)	(43.8)	63.0	9.4	16.0	12.2	11.1	0.9	0.8	0.8	5.1	6.3	7.0
HMC	KRW	402,000	5.0	(45.2)	82.7	82,312.6	60.2	9.7	8.5	7.7	0.8	0.8	0.7	8.2	8.7	8.8
Kia	KRW	130,900	1.3	(23.1)	23.7	51,105.1	37.4	6.0	5.4	5.0	0.8	0.7	0.6	13.4	13.4	13.0

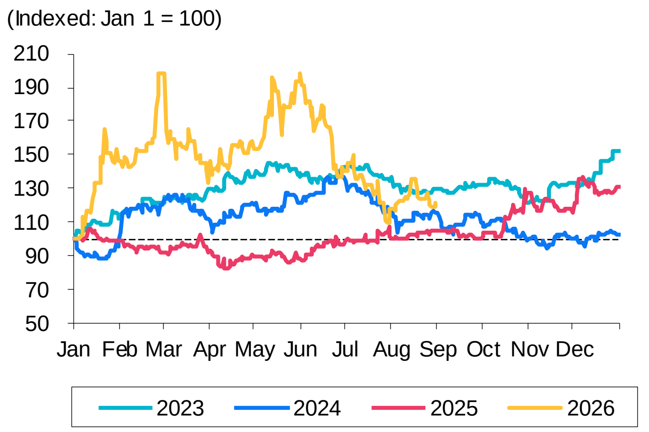
(Continued on the next page)

(Appendix) Valuations: Global parts makers, tire makers, ride-hailing firms, and ETFs

Company	Currency	Price	Performance (%)			Market cap		P/E (x)			P/B (x)			ROE (%)		
			1M	3M	1Y	(Local bil)	(USDb)	2026E	2026E	2027E	2026E	2026E	2027E	2026E	2026E	2027E
Parts makers																
Continental	EUR	70.9	(1.5)	0.2	25.8	14.2	16.4	11.8	10.7	9.6	3.1	2.7	2.3	26.3	27.1	25.0
Valeo	EUR	14.5	(2.9)	8.9	39.5	3.5	4.1	10.5	7.8	6.3	1.0	0.9	0.8	9.1	11.4	13.6
Autoliv	EUR	105.0	(0.9)	(3.7)	1.0	7.7	8.9	12.1	10.2	9.1	3.4	3.0	2.6	28.2	30.6	30.7
Faurecia	EUR	9.1	2.1	(20.5)	(20.4)	1.8	2.1	47.2	6.3	4.3	0.6	0.6	0.5	(7.1)	8.4	13.6
JCI	USD	139.6	(4.8)	4.1	30.6	84.6	84.6	27.6	23.1	19.8	6.3	5.6	4.9	22.5	24.6	25.5
Magna	USD	65.9	(4.0)	1.7	43.5	17.6	17.6	9.3	8.4	8.1	1.5	1.4	1.2	15.5	15.7	15.0
BorgWarner	USD	64.1	0.5	(10.8)	49.9	13.1	13.1	12.3	10.7	9.3	2.2	1.9	1.7	17.8	18.1	18.8
Visteon	USD	102.0	(2.4)	(13.8)	(17.7)	2.7	2.7	11.9	9.8	7.9	1.7	1.6	1.4	14.7	16.4	18.5
Denso	JPY	1,935	(1.7)	1.4	(9.4)	5,632.7	35.3	12.5	12.3	10.6	1.0	0.9	0.8	8.2	7.4	8.1
NiAug	JPY	2,581	(0.4)	(7.6)	(19.6)	3,078.0	19.3	23.0	16.0	13.9	1.6	1.5	1.4	7.5	9.7	10.0
Sumitomo E.	JPY	2,221	1.7	(29.4)	111.4	7,053.4	44.2	22.1	19.7	16.5	2.7	2.4	2.2	13.2	12.5	14.0
Aisin Seiki	JPY	2,251	1.2	(6.7)	(8.2)	1,634.3	10.2	11.5	10.1	8.5	0.8	0.7	0.7	7.2	7.2	8.2
Mobis	KRW	454,000	(3.6)	(41.5)	42.5	40,778.5	29.8	9.8	8.6	8.0	0.8	0.7	0.7	8.2	8.6	8.6
Hyundai AutoEver	KRW	419,500	16.9	(54.2)	138.9	11,504.4	8.4	52.7	43.4	34.5	5.7	5.2	4.6	11.3	12.5	14.1
Wia	KRW	59,900	4.9	(34.4)	19.1	1,629.0	1.2	10.6	8.8	7.8	0.4	0.4	0.4	4.1	4.9	5.2
Hanon	KRW	3,510	6.2	(37.7)	5.6	3,602.2	2.6	14.5	12.7	10.7	0.9	0.8	0.8	6.1	6.7	7.3
Mando	KRW	51,800	15.9	(17.0)	45.1	2,432.4	1.8	12.2	10.1	9.0	0.9	0.8	0.8	7.2	8.1	8.5
Huayu	CNY	15.5	(8.4)	(7.5)	(19.3)	48.7	7.2	6.7	6.2	5.7	0.7	0.6	0.6	10.4	10.6	10.5
Nexteer	HKD	5.1	20.8	3.6	(26.2)	12.7	1.6	10.0	8.4	7.3	0.7	0.7	0.6	7.4	8.2	8.6
Tire makers																
Bridgestone	JPY	4,145	4.5	20.4	23.7	5,529.6	34.6	14.4	12.8	11.4	1.4	1.3	1.2	9.7	10.4	10.9
Sumitomo R.	JPY	2,245	(1.5)	7.9	29.0	590.5	3.7	10.2	8.0	7.1	0.8	0.7	0.7	7.9	9.3	10.1
Yokohama	JPY	7,429	(3.1)	3.5	35.2	1,236.2	7.7	9.2	8.5	7.6	1.0	0.9	0.9	11.6	11.6	11.7
Michelin	EUR	35.2	0.5	11.6	13.7	24.2	28.0	13.5	11.2	9.8	1.3	1.3	1.2	9.7	11.4	12.0
Goodyear	USD	6.4	(8.6)	4.1	(25.1)	1.8	1.8	n/a	14.0	5.7	0.6	0.6	0.5	(2.5)	4.3	9.6
Hankook	KRW	66,600	(0.3)	(0.1)	65.9	8,250.1	6.0	6.2	5.3	5.1	0.6	0.6	0.5	10.4	11.0	10.8
Kumho	KRW	7,320	4.3	55.1	47.6	2,102.7	1.5	5.3	5.2	4.6	0.9	0.7	0.6	17.4	15.1	14.6
Nexen	KRW	6,420	3.9	(2.3)	9.6	627.0	0.5	4.9	4.1	3.6	0.3	0.3	0.3	6.2	7.1	7.6
Cheng Shin	TWD	30.9	1.5	(4.6)	(18.7)	100.2	3.2	22.1	21.5	22.4	1.2	1.1	1.1	5.2	5.4	5.1
Ride hailing																
UBER	USD	78.8	12.0	12.0	(15.9)	161.0	161.0	23.9	17.7	14.3	5.3	4.3	3.4	23.4	26.8	27.6
LYFT	USD	17.7	11.6	25.4	9.1	6.7	6.7	14.4	9.4	8.1	2.0	1.9	1.7	10.9	13.2	14.5
ETF																
Global X Autonomous	USD	34.6	3.5	(16.9)	33.0	0.4	0.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ARK Autonomous Tech	USD	122.3	6.3	(14.4)	24.9	1.9	1.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
iShares Self-Driving EV	USD	37.0	3.4	(17.7)	4.6	0.2	0.2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kraneshares Electric Vehicle	USD	30.9	4.5	(14.1)	14.6	0.1	0.1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Evolve Automobile InAugation	CAD	26.8	0.8	(27.0)	10.9	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

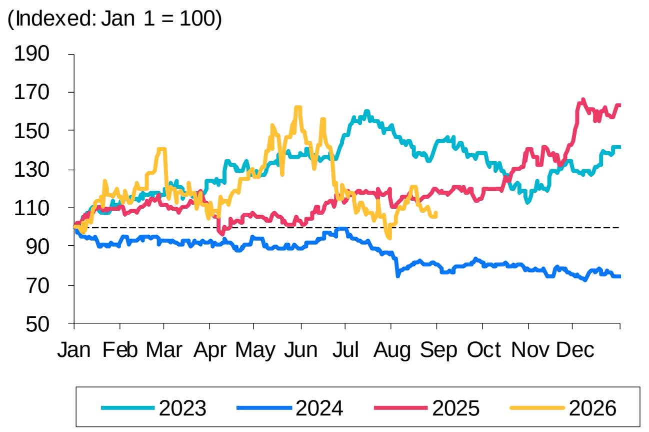
Note: As of Aug 31, close
Source: Bloomberg, Samsung Securities

Korean auto index



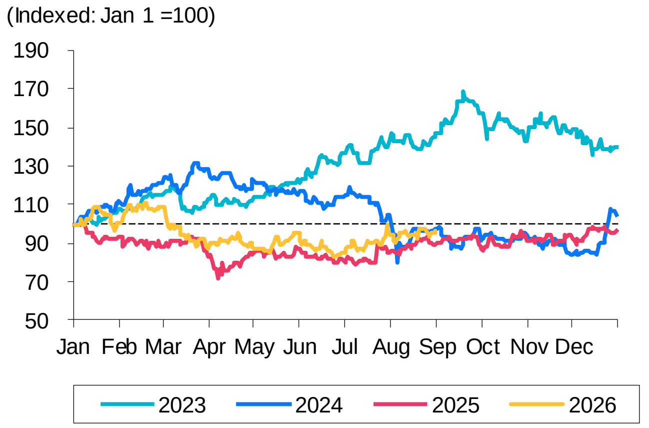
Note: Average of HMC and Kia
Source: Bloomberg, Samsung Securities

Korean auto parts index



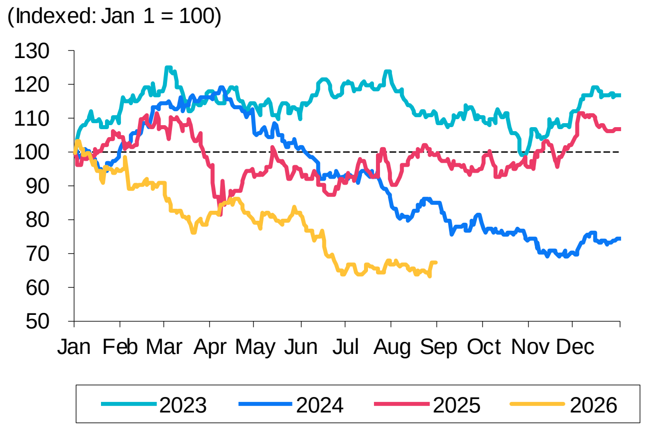
Note: Average of 9 covered auto parts firms, including Mobis, AutoEver, and Mando
Source: Bloomberg, Samsung Securities

Japanese auto index



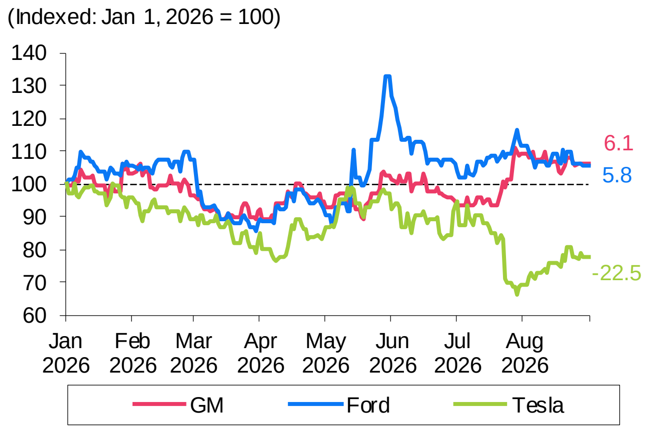
Note: Average of Toyota, Honda, and Nissan
Source: Bloomberg, Samsung Securities

European auto index



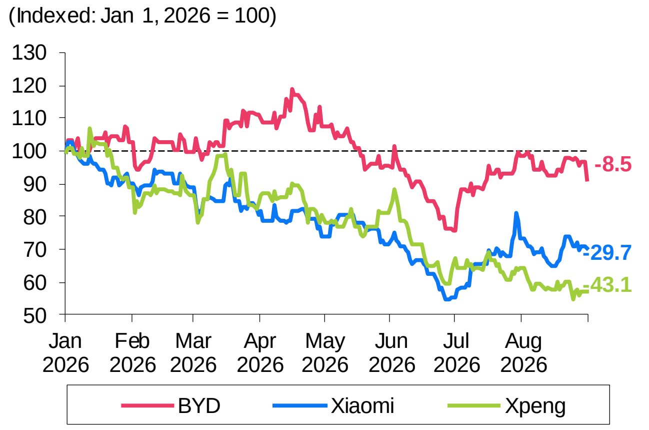
Note: Average of VW, Stellantis, BMW, and MBG
Source: Bloomberg, Samsung Securities

US auto index



Source: Bloomberg, Samsung Securities

China auto index



Source: Bloomberg, Samsung Securities

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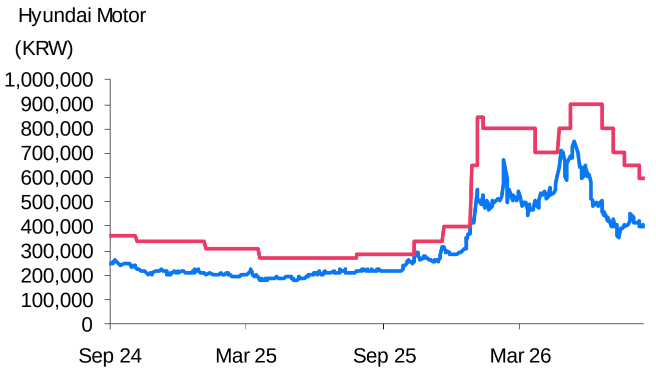
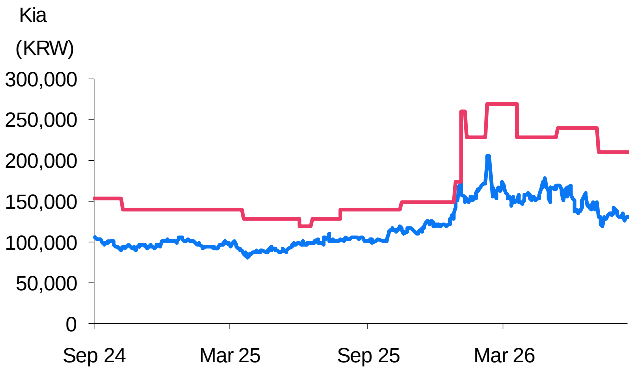
Target price changes in past two years





Rating changes over past two years (adjusted share prices)

Hyundai Motor

Date	2024/7/26	10/25	2025/1/24	4/7	8/14	10/31	12/8	2026/1/14	1/22	1/30	4/7	4/10
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	360000	340000	310000	270000	285000	340000	400000	650000	850000	800000	800000	700000
Gap* (average)	-32.30	-37.27	-34.90	-26.06	-20.49	-20.69	-22.55	-27.91	-40.91	-35.99	-37.66	-23.42
(max or min)**	-28.06	-33.38	-28.39	-17.41	-7.02	-7.35	1.50	-15.54	-37.88	-15.75	-36.50	-12.43
Date	5/11	5/27	7/7	7/23	8/7	8/27						
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY						
Target price (KRW)	800000	900000	800000	700000	650000	600000						
Gap* (average)	-17.04	-34.07	-46.14	-44.99	-35.69							
(max or min)**	-11.00	-16.67	-50.13	-49.86	-38.00							

Kia

Date	2024/7/29	10/28	2025/4/7	6/20	7/7	8/14	11/3	2026/1/14	1/22	1/29	2/25	4/7
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	155000	140000	130000	120000	130000	140000	150000	175000	260000	230000	270000	230000
Gap* (average)	-34.54	-30.66	-30.49	-17.88	-21.50	-24.00	-20.38	-7.53	-40.63	-30.12	-39.27	-30.51
(max or min)**	-27.68	-23.79	-23.38	-15.75	-15.08	-14.36	-9.33	-1.66	-38.85	-24.35	-23.70	-21.96
Date	6/1	7/24										
Recommendation	BUY	BUY										
Target price (KRW)	240000	210000										
Gap* (average)	-36.89											
(max or min)**	-29.08											

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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- **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%)

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