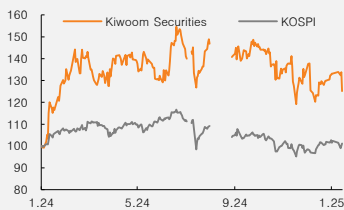


(Maintain)	Buy
Target price	W150,000
Current price (2/5/25)	W117,000
Upside	28.2%

OP (24, Wbn)	1,098
Consensus OP (24F, Wbn)	1,162
EPS growth (24, %)	97.1
Market EPS growth (24F, %)	68.4
P/E (24, x)	3.7
Market P/E (24F, x)	10.7
KOSPI	2,509.27

Market cap (Wbn)	2,987
Shares outstanding (mn)	26
Free float (%)	50.8
Foreign ownership (%)	25.7
Beta (12M)	0.75
52-week low (W)	107,700
52-week high (W)	144,600

(%)	1M	6M	12M
Absolute	1.5	-1.3	6.9
Relative	-1.2	-3.9	10.4



Mirae Asset Securities Co., Ltd.

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Kiwoom Securities

Solid fundamentals for securities business

Maintain Trading Buy and TP of W150,000

We maintain our Trading Buy rating and target price of W150,000 on Kiwoom Securities. While 4Q24 net profit attributable to owners of the parent fell short of estimates, standalone net profit met expectations and remained solid. Brokerage income on overseas stock trading remained strong, making up for weakness in the domestic segment, and interest income beat estimates due to rising yields on securities assets.

For 4Q24, net profit attributable to owners of the parent came in at W146.1bn, below our estimate (W162.3bn) and the consensus (W180.2bn). The sluggish performance was largely due to soft trading gains on securities (with impairment losses likely recognized on consolidated alternative assets, funds, etc.). Standalone net profit was W153.5bn, largely in line with our estimate of W161bn.

Net fee/commission income was in line with estimates (+51.3% YoY, +8.9% QoQ on a consolidated basis; +55.4% YoY, +3.5% QoQ on a standalone basis). Brokerage income on overseas stock trading increased sharply (+228.1% YoY, +51.6% QoQ), surpassing domestic brokerage income for the first time.

Interest income beat estimates (+7% YoY, +25.7% QoQ on a consolidated basis; -4% YoY, +34.5% QoQ on a standalone basis), supported by higher yields on securities assets.

Income from trading/financial products swung to a loss on a consolidated basis (missing estimates) but met expectations on a standalone basis (+10.2% YoY, -34.7% QoQ). We believe impairment losses were booked following the revaluation of consolidated assets.

(Dec.)	2022	2023	2024	2025F	2026F
Net operating revenue (Wbn)	1,269	1,160	1,846	1,832	2,245
OP (Wbn)	656	565	1,098	1,074	1,364
NP (Wbn)	507	436	835	834	1,047
EPS (W)	17,920	15,776	31,088	31,339	39,356
BPS (W)	164,805	178,306	209,728	231,307	258,742
P/E (x)	4.7	6.3	3.7	3.7	3.0
P/B (x)	0.50	0.60	0.60	0.50	0.50
ROE (%)	11.5	9.3	16.0	14.2	16.0
Shareholder return yield (%)	3.6	3.0	8.8	10.9	10.4
Equity (Wbn)	4,593	4,904	5,632	6,207	6,938

Notes: Under consolidated K-IFRS; NP is attributable to owners of the parent

Source: Company data, Mirae Asset Securities Research estimates

Table 1. Kiwoom Securities: 4Q24 review (standalone)

(Wbn)

	Mirae Asset	4Q24	Notes
Net operating revenue	339	370	
Net fee/commission income	195	195	
Fee/commission income	251	248	
Brokerage	186	188	
WM	3	3	
IB/other	62	58	
Fee/commission expenses	55	53	
Interest income	73	115	Higher yields on securities assets
Trading/financial products	72	78	
Other	-2	-18	
SG&A expenses	136	170	SG&A ratio (46.0%) surpassed estimate (40.0%)
OP	203	200	
Pretax profit	219	210	
Taxes	58	57	
Consolidated NP	161	154	

Source: Company data, Mirae Asset Securities Research

Table 2. Kiwoom Securities: 4Q24 review (consolidated)

(Wbn)

	Mirae Asset	4Q24	Notes
Net operating revenue	394	403	
Net fee/commission income	202	212	
Interest income	124	176	
Trading/financial products	67	-8	Impairment losses recognized on consolidated alternative assets and funds
Other	1	23	
SG&A expenses	177	223	SG&A ratio (55.3%) exceeded estimate (45.0%)
OP	217	180	
Pretax profit	220	175	
Taxes	58	28	
Consolidated NP	162	146	
NP attr. to owners of the parent	162	146	

Source: Company data, Mirae Asset Securities Research

Table 3. Kiwoom Securities: Earnings and forecasts

(Wbn)

	1Q24	2Q24	3Q24	4Q24	2023	2024	2025F
Net operating revenue	505	492	446	403	1,160	1,846	1,832
Net fee/commission income	186	211	195	212	650	804	861
Interest income	147	160	140	176	645	623	707
Trading/financial products	152	104	103	-8	308	350	196
Other	20	17	8	23	-443	68	68
SG&A expenses	167	180	178	223	595	748	758
OP	338	312	268	180	565	1,098	1,074
Pretax profit	338	306	274	175	585	1,092	1,133
Taxes	93	74	62	28	144	257	299
Consolidated NP	245	232	212	146	441	835	834
NP attr. to owners of the parent	245	232	212	146	436	835	834

Source: Company data, Mirae Asset Securities Research

Kiwoom Securities (039490 KS)

Income statement (standalone)

(Wbn)	2023	2024F	2025F	2026F
Net operating revenue	920	1,605	1,543	1,906
Net fee/commission income	591	753	791	894
Fees/commissions	841	981	1,007	1,139
Brokerage	656	714	729	837
WM	15	12	14	13
IB/other	170	255	265	288
Fee/commission expenses	250	228	217	245
Interest income	457	397	453	533
Trading/financial products	357	440	285	466
Other	-485	14	14	14
SG&A expenses	448	580	590	714
OP	472	1,025	953	1,193
Non-OP	63	92	66	66
Non-operating expenses	85	27	48	48
Pretax profit	451	1,090	970	1,210
Taxes	113	275	256	319
NP	338	815	714	891

Balance sheet (standalone)

(Wbn)	2023	2024F	2025F	2026F
Assets	43,353	45,678	49,917	55,193
Cash/deposits	5,953	6,985	7,634	8,440
Securities	29,795	30,290	33,101	36,600
Loans	3,951	4,374	4,265	5,423
Tangible assets	68	97	106	117
Intangible assets	61	61	67	74
Investment properties	28	2	2	2
Other	3,496	3,869	4,743	4,537
Liabilities	39,081	40,706	44,484	49,186
Deposits	13,199	12,662	13,837	15,300
Borrowings/debentures	21,680	22,863	24,985	27,626
Provisions for other est. liabilities	33	31	34	38
Deferred tax liabilities	0	0	0	0
Other	4,168	5,149	5,627	6,222
Equity	4,273	4,972	5,433	6,007
Capital stock	145	145	145	145
Capital surplus	1,038	1,038	1,038	1,038
Retained earnings	3,250	3,908	4,297	4,882
Other	-161	-120	-48	-58

ROA breakdown (standalone)

(%)	2023	2024F	2025F	2026F
Net operating revenue				
Net fee/commission income	64.3	46.9	51.3	46.9
Fees/commissions	91.4	61.1	65.3	59.7
Brokerage	71.3	44.5	47.3	43.9
WM	1.6	0.8	0.9	0.7
IB/other	18.5	15.9	17.1	15.1
Interest income	49.6	24.8	29.3	27.9
Trading/financial products	38.8	27.4	18.5	24.4
Other	-52.7	0.9	0.9	0.7
Asset turnover ratio				
Net fee/commission income	1.36	1.65	1.58	1.62
Fees/commissions	1.94	2.15	2.02	2.06
Brokerage	1.51	1.56	1.46	1.52
WM	0.04	0.03	0.03	0.02
IB/other	0.39	0.56	0.53	0.52
Interest income	1.05	0.87	0.91	0.97
Trading/financial products	0.82	0.96	0.57	0.84
Other	-1.12	0.03	0.03	0.02

Financial statement (consolidated)

(Wbn)	2023	2024F	2025F	2026F
Net operating revenue	1,160	1,846	1,832	2,245
Net fee/commission income	650	804	861	964
Interest income	645	623	707	837
Trading/financial products	308	350	196	376
Other	-443	68	68	68
SG&A expenses	595	748	758	882
OP	565	1,098	1,074	1,364
Non-OP	113	166	115	115
Non-operating expenses	92	172	56	56
Pretax profit	585	1,092	1,133	1,423
Taxes	144	257	299	376
NP	441	835	834	1,047
Attr. to owners of the parent	436	835	834	1,047
Minority interests	4	0	1	1
Assets	52,046	55,688	58,763	66,517
Liabilities	47,142	50,057	52,557	59,580
Equity	4,904	5,632	6,207	6,938

Investment indicators

(x, %, W)	2023	2024F	2025F	2026F
Valuation				
P/B	0.60	0.60	0.50	0.50
P/E	6.3	3.7	3.7	3.0
Payout ratio	3.0	6.5	6.4	8.5
Per-share indicators				
BPS	178,306	209,728	231,307	258,742
EPS	15,776	31,088	31,339	39,356
DPS	3,000	7,500	7,500	10,000
Growth				
BPS	8.2	17.6	10.3	11.9
EPS	-12.0	97.1	0.8	25.6
Profitability				
ROE	9.3	16.0	14.2	16.0
ROA	0.90	1.60	1.50	1.70
Cost-to-income ratio	48.7	36.1	38.2	37.4
OP margin	48.7	59.5	58.6	60.7
Pretax margin	50.5	59.2	61.9	63.4
Net margin	37.6	45.2	45.5	46.6
Financial leverage (standalone)	10.1	9.2	9.2	9.2

ROA breakdown (consolidated)

(%)	2023	2024F	2025F	2026F
Net operating revenue				
Net fee/commission income	56.0	43.5	47.0	42.9
Interest income	55.6	33.8	38.6	37.3
Trading/financial products	26.6	19.0	10.7	16.8
Other	-38.2	3.7	3.7	3.0
Asset turnover ratio				
Net fee/commission income	1.25	1.44	1.46	1.45
Interest income	1.24	1.12	1.20	1.26
Trading/financial products	0.59	0.63	0.33	0.57
Other	-0.85	0.12	0.12	0.10

No. of shares & dividend payout ratio

('000, %)	2023	2024F	2025F	2026F
Issued shares (year-end)	29,045	28,345	28,345	28,345
Common	26,227	25,527	25,099	24,587
Preferred	2,818	2,818	2,818	2,818
Dividend payout ratio	20.2	24.6	24.3	24.4
Common	16.8	21.4	21.0	21.8
Preferred	3.4	3.3	3.3	2.6

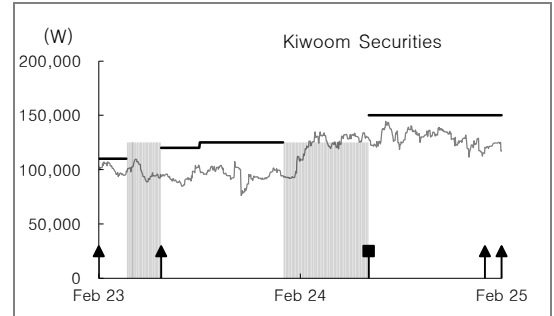
Source: Company data, Mirae Asset Securities Research estimates

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
Kiwoom Securities (039490)	01/07/25	Buy	150,000
	06/10/24	Trading Buy	150,000
	01/08/24	No Coverage	
	08/09/23	Buy	125,000
	05/31/23	Buy	120,000
	03/30/23	No Coverage	
	10/27/22	Buy	110,000



Stock ratings

Buy	Expected 12-month performance: +20% or greater
Trading Buy	Expected 12-month performance: +10% to +20%
Hold	Expected 12-month performance: -10% to +10%
Sell	Expected 12-month performance: -10% or worse

Sector ratings

Overweight	Expected to outperform the market over 12 months
Neutral	Expected to perform in line with the market over 12 months
Underweight	Expected to underperform the market over 12 months

Rating and TP history: Share price (—), TP (—), Not Rated (■), Buy (▲), Trading Buy (■), Hold (●), Sell (◆)

* Our investment rating is a guide to the expected return of the stock over the next 12 months.

* Outside of the official ratings of Mirae Asset Securities Co., Ltd., analysts may call trading opportunities should technical or short-term material developments arise.

* The TP was determined by the research analyst through valuation methods discussed in this report, in part based on estimates of future earnings.

* TP achievement may be impeded by risks related to the subject securities and companies, as well as general market and economic conditions.

Ratings distribution and investment banking services

	Buy	Trading Buy	Hold	Sell
Ratings distribution	84.62%	7.14%	8.24%	0%
Investment banking services	85.71%	0%	14.29%	0%

* Based on recommendations in the last 12-months (as of December 31, 2024)

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