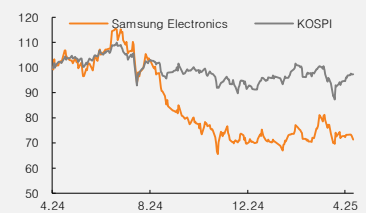


|                        |                |
|------------------------|----------------|
| (Maintain)             | <b>Buy</b>     |
| Target price           | <b>W80,000</b> |
| Current price (5/2/25) | W54,300        |
| Upside                 | 47.3%          |

|                            |          |
|----------------------------|----------|
| OP (25F, Wbn)              | 33,964   |
| Consensus OP (25F, Wbn)    | 32,331   |
| EPS growth (25F, %)        | 5.5      |
| Market EPS growth (25F, %) | 25.8     |
| P/E (25F, x)               | 10.4     |
| Market P/E (25F, x)        | 9.3      |
| KOSPI                      | 2,559.79 |

|                       |         |
|-----------------------|---------|
| Market cap (Wbn)      | 321,436 |
| Shares (mn)           | 5,920   |
| Free float (%)        | 75.7    |
| Foreign ownership (%) | 49.7    |
| Beta (12M)            | 1.35    |
| 52-week low (W)       | 49,900  |
| 52-week high (W)      | 87,800  |

| (%)      | 1M   | 6M   | 12M   |
|----------|------|------|-------|
| Absolute | -7.7 | -6.9 | -30.4 |
| Relative | -9.6 | -7.5 | -27.0 |



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# Samsung Electronics

## Solid fundamentals deserve attention

### Recommendation and valuation

We maintain our 12-month target price of W80,000 on Samsung Electronics (SEC). Currently, the stock is not pricing in any potential upside from either securing customer certification for HBM3E or achieving an acceptable yield in the 2nm foundry process. While the outcomes remain uncertain, we believe that success on either front would prompt a swift re-rating toward a more normalized valuation. At present, the stock trades at a P/B of 0.8x, which we view as materially undervalued.

Our investment case for SEC is grounded in the firm's solid fundamentals. While sentiment on the stock has soured due to the lack of a clear strategic direction and the perception of lost technological leadership, we believe SEC's robust cash generation and solid financial structure deserve recognition. Despite ongoing geopolitical uncertainties, the company has continued to spend W12tr per quarter on capex and W9tr on R&D while still managing to increase its net cash position by more than W12tr over the past year. The smartphone and TV businesses remain strong, helping to offset the weakness in components.

Accordingly, we see strong upside potential at the current valuation. Our target price is based on a sum-of-the-parts (SOTP) valuation and implies a 2025F P/E of 12x and 2025F P/B of 1.2x, which look undemanding relative to the firm's historical growth and profitability. Of note, the stock is trading at the lowest valuation among global peers.

### 2Q25 outlook

DS earnings were sluggish in 1Q25 due to reduced HBM shipments and lower foundry utilization. However, the division is likely to improve in 2Q25, helping to offset a seasonal slowdown in smartphone sales. Contract prices for conventional memory products recently surged over 20% amid preemptive orders ahead of potential tariffs. While it is unclear whether price momentum will continue through year-end (as the recent spike does not reflect a fundamental improvement in end-market demand), it is encouraging that channel inventories are normalizing.

For 2Q25, we look for revenue of W75.1tr (-5.0% QoQ; 2.1% lower than our previous estimate) and operating profit of W7.2tr (+6.8% QoQ; 5.7% higher than our previous estimate). Our operating profit estimates by business unit are: W2.8tr for DX, W3.3tr for DS, W0.6tr for Samsung Display, and W0.4tr for Harman. We revised up our DS operating profit estimate by 22.8% while lowering our estimate for Samsung Display by 31.7%. We expect quarterly operating profit to continue rising throughout the year.

| (Dec.)             | 2023    | 2024    | 2025F   | 2026F   | 2027F   |
|--------------------|---------|---------|---------|---------|---------|
| Revenue (Wbn)      | 258,935 | 300,871 | 320,197 | 348,635 | 375,057 |
| OP (Wbn)           | 6,567   | 32,726  | 33,964  | 45,098  | 56,672  |
| OP margin (%)      | 2.5     | 10.9    | 10.6    | 12.9    | 15.1    |
| NP (Wbn)           | 14,473  | 33,621  | 35,228  | 46,361  | 58,202  |
| EPS (W)            | 2,131   | 4,950   | 5,224   | 6,883   | 8,641   |
| ROE (%)            | 4.1     | 9.0     | 8.7     | 10.6    | 12.1    |
| P/E (x)            | 36.8    | 10.7    | 10.4    | 7.9     | 6.3     |
| P/B (x)            | 1.5     | 0.9     | 0.9     | 0.8     | 0.7     |
| Dividend yield (%) | 1.8     | 2.7     | 2.7     | 2.7     | 2.7     |

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

Source: Company data, Mirae Asset Securities Research estimates

Table 1. SEC: Valuation table

|                          | 2025F EBITDA | Target EV/EBITDA (x) | Implied EV    | Notes   |
|--------------------------|--------------|----------------------|---------------|---|
| Operating value (Wtr)    | <b>81.2</b>  | <b>5.0</b>           | <b>408.2</b>  |   |
| DX                       | 17.9         | 11.5                 | 206.3         |   |
| MX/NW                    | 15.4         | 12.6                 | 194.3         | 50% discount to avg. multiple of Xiaomi and Apple                 |
| VD/DA                    | 2.5          | 4.8                  | 12.0          | Avg. multiple of LG Electronics and Whirlpool                     |
| DS                       | 55.4         | 3.2                  | 175.5         |   |
| Memory                   | 46.2         | 2.8                  | 127.3         | 20% discount to avg. multiple of SK Hynix and Micron              |
| Foundry/LSI              | 9.3          | 5.2                  | 48.2          | 30% discount to avg. multiple of TSMC, GlobalFoundries, and Intel |
| Samsung Display          | 5.8          | 3.1                  | 17.9          | Avg. multiple of Innolux, BOE, and AUO                            |
| Harman                   | 2.0          | 4.3                  | 8.5           | Avg. multiple of Hyundai Mobis and HL Mando                       |
|                          | Market cap   | Stake (%)            | Value         |   |
| Equity stake value (Wtr) |              |                      | <b>87.9</b>   |   |
| Listed                   |              |                      | 34.6          |   |
| Samsung Biologics        | 77.2         | 31.2                 | 24.1          |   |
| SEMCO                    | 8.8          | 23.7                 | 2.1           |   |
| Samsung SDI              | 11.9         | 19.6                 | 2.3           |   |
| Samsung SDS              | 10.0         | 22.6                 | 2.3           |   |
| Other                    |              |                      | 3.9           |   |
| Unlisted                 |              |                      | 53.3          |   |
| Net debt (Wtr)           |              |                      | -94.0         |   |
| Fair market cap (Wtr)    |              |                      | 546           | 50% discount to equity stake value reflected                      |
| No. of shares (mn)       |              |                      | 6,793         | Common stock + preferred stock                                    |
| Fair value per share (W) |              |                      | 80,406        |   |
| <b>Target price (W)</b>  |              |                      | <b>80,000</b> |   |
| <b>Current price (W)</b> |              |                      | <b>54,300</b> |   |
| <b>Upside (%)</b>        |              |                      | <b>47.3</b>   |   |

Source: LSEG, Mirae Asset Securities Research

Table 2. SEC: Earnings outlook

(Wtr, %)

|                  | 1Q24         | 2Q24         | 3Q24         | 4Q24         | 1Q25P        | 2Q25F        | 3Q25F        | 4Q25F        | 2023         | 2024         | 2025F        | 2026F        |
|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>USD/KRW</b>   | <b>1,329</b> | <b>1,371</b> | <b>1,357</b> | <b>1,396</b> | <b>1,453</b> | <b>1,457</b> | <b>1,455</b> | <b>1,455</b> | <b>1,306</b> | <b>1,363</b> | <b>1,455</b> | <b>1,455</b> |
| QoQ/YoY          | 0.5          | 3.2          | -1.0         | 2.9          | 4.0          | 0.3          | -0.1         | 0.0          | 1.1          | 4.4          | 6.7          | 0.0          |
| <b>Revenue</b>   | <b>71.9</b>  | <b>74.1</b>  | <b>79.1</b>  | <b>75.8</b>  | <b>79.1</b>  | <b>75.1</b>  | <b>82.9</b>  | <b>83.1</b>  | <b>258.9</b> | <b>300.9</b> | <b>320.2</b> | <b>348.6</b> |
| DX               | 47.3         | 42.1         | 45.0         | 40.5         | 51.7         | 42.7         | 46.7         | 43.7         | 170.0        | 174.9        | 184.8        | 194.9        |
| DS               | 23.1         | 28.6         | 29.3         | 30.1         | 25.1         | 28.6         | 31.8         | 33.3         | 66.6         | 111.1        | 118.8        | 134.8        |
| Samsung Display  | 5.4          | 7.6          | 8.0          | 8.1          | 5.9          | 7.3          | 8.1          | 8.5          | 31.0         | 29.1         | 29.8         | 33.4         |
| Harman           | 3.2          | 3.6          | 3.5          | 3.9          | 3.4          | 4.2          | 3.4          | 4.1          | 14.4         | 14.2         | 15.0         | 16.2         |
| <b>QoQ/YoY</b>   | <b>6.1</b>   | <b>3.0</b>   | <b>6.8</b>   | <b>-4.2</b>  | <b>4.4</b>   | <b>-5.0</b>  | <b>10.4</b>  | <b>0.1</b>   | <b>-14.3</b> | <b>16.2</b>  | <b>6.4</b>   | <b>8.9</b>   |
| DX               | 19.6         | -11.0        | 6.9          | -10.0        | 27.7         | -17.5        | 9.5          | -6.5         | -6.8         | 2.9          | 5.7          | 5.4          |
| DS               | 6.7          | 23.4         | 2.5          | 2.8          | -16.6        | 14.1         | 10.9         | 5.0          | -32.4        | 66.8         | 7.0          | 13.4         |
| Samsung Display  | -44.2        | 42.0         | 4.6          | 1.3          | -27.2        | 24.1         | 10.7         | 4.6          | -9.9         | -6.0         | 2.3          | 12.0         |
| Harman           | -18.5        | 13.1         | -2.5         | 10.5         | -12.8        | 22.4         | -19.4        | 22.1         | 8.9          | -1.0         | 5.3          | 7.8          |
| <b>OP</b>        | <b>6.6</b>   | <b>10.4</b>  | <b>9.2</b>   | <b>6.5</b>   | <b>6.7</b>   | <b>7.2</b>   | <b>9.9</b>   | <b>10.2</b>  | <b>6.6</b>   | <b>32.7</b>  | <b>34.0</b>  | <b>45.1</b>  |
| DX               | 4.1          | 2.7          | 3.4          | 2.3          | 4.7          | 2.8          | 3.6          | 2.8          | 14.4         | 12.4         | 13.9         | 15.5         |
| DS               | 1.9          | 6.5          | 3.9          | 2.9          | 1.1          | 3.3          | 5.2          | 5.9          | -14.9        | 15.1         | 15.4         | 24.0         |
| Samsung Display  | 0.3          | 1.0          | 1.5          | 0.9          | 0.5          | 0.6          | 0.9          | 1.0          | 5.6          | 3.7          | 3.0          | 3.8          |
| Harman           | 0.2          | 0.3          | 0.4          | 0.4          | 0.3          | 0.4          | 0.3          | 0.4          | 1.2          | 1.3          | 1.4          | 1.6          |
| <b>QoQ/YoY</b>   | <b>133.9</b> | <b>58.1</b>  | <b>-12.1</b> | <b>-29.3</b> | <b>3.2</b>   | <b>6.8</b>   | <b>39.1</b>  | <b>2.2</b>   | <b>-84.9</b> | <b>398.3</b> | <b>3.8</b>   | <b>32.8</b>  |
| DX               | 55.6         | -33.2        | 23.9         | -32.7        | 107.1        | -40.2        | 27.2         | -20.6        | 12.9         | -13.5        | 11.9         | 11.2         |
| DS               | TTB          | 237.0        | -40.1        | -25.9        | -61.6        | 197.0        | 58.8         | 12.8         | TTR          | TTB          | 2.1          | 55.6         |
| Samsung Display  | -83.1        | 196.5        | 49.8         | -42.6        | -42.5        | 20.5         | 46.7         | 14.7         | -6.5         | -32.9        | -19.7        | 28.0         |
| Harman           | -29.8        | 32.9         | 11.0         | 10.1         | -23.3        | 41.8         | -40.5        | 62.5         | 33.3         | 11.4         | 6.3          | 15.4         |
| <b>OP margin</b> | <b>9.2</b>   | <b>14.1</b>  | <b>11.6</b>  | <b>8.6</b>   | <b>8.5</b>   | <b>9.5</b>   | <b>12.0</b>  | <b>12.2</b>  | <b>2.5</b>   | <b>10.9</b>  | <b>10.6</b>  | <b>12.9</b>  |
| DX               | 8.6          | 6.5          | 7.5          | 5.6          | 9.1          | 6.6          | 7.6          | 6.5          | 8.5          | 7.1          | 7.5          | 7.9          |
| DS               | 8.3          | 22.6         | 13.2         | 9.5          | 4.4          | 11.4         | 16.3         | 17.6         | -22.3        | 13.6         | 13.0         | 17.8         |
| Samsung Display  | 6.3          | 13.2         | 18.9         | 10.7         | 8.5          | 8.2          | 10.9         | 12.0         | 18.0         | 12.8         | 10.1         | 11.5         |
| Harman           | 7.5          | 8.8          | 10.1         | 10.0         | 8.8          | 10.2         | 7.6          | 10.0         | 8.2          | 9.2          | 9.3          | 9.9          |
| <b>EBITDA</b>    | <b>16.6</b>  | <b>20.6</b>  | <b>20.2</b>  | <b>18.0</b>  | <b>18.2</b>  | <b>19.2</b>  | <b>22.0</b>  | <b>22.3</b>  | <b>45.2</b>  | <b>75.4</b>  | <b>81.7</b>  | <b>94.6</b>  |
| DX               | 5.1          | 3.8          | 4.4          | 3.3          | 5.8          | 3.9          | 4.7          | 3.9          | 18.6         | 16.7         | 18.3         | 19.9         |
| DS               | 9.9          | 14.6         | 13.0         | 12.4         | 11.1         | 13.3         | 15.2         | 15.9         | 15.2         | 49.9         | 55.4         | 65.2         |
| Samsung Display  | 1.0          | 1.7          | 2.2          | 1.5          | 1.2          | 1.3          | 1.6          | 1.7          | 8.9          | 6.4          | 5.8          | 6.7          |
| Harman           | 0.4          | 0.5          | 0.5          | 0.5          | 0.4          | 0.6          | 0.4          | 0.6          | 1.7          | 1.9          | 2.0          | 2.2          |
| <b>QoQ/YoY</b>   | <b>30.8</b>  | <b>24.2</b>  | <b>-1.6</b>  | <b>-11.1</b> | <b>1.1</b>   | <b>5.5</b>   | <b>14.7</b>  | <b>1.2</b>   | <b>-45.2</b> | <b>66.6</b>  | <b>8.5</b>   | <b>15.7</b>  |
| DX               | 38.5         | -26.3        | 17.3         | -24.5        | 73.7         | -32.6        | 19.5         | -15.7        | 9.9          | -10.6        | 10.0         | 8.5          |
| DS               | 77.1         | 47.5         | -11.4        | -4.6         | -10.6        | 19.9         | 14.8         | 4.7          | -71.1        | 227.1        | 11.2         | 17.5         |
| Samsung Display  | -63.5        | 66.2         | 30.6         | -29.1        | -21.9        | 8.4          | 21.5         | 8.3          | -18.8        | -28.1        | -8.9         | 15.0         |
| Harman           | -19.5        | 22.1         | 4.5          | 9.6          | -15.8        | 28.0         | -30.1        | 39.5         | 19.6         | 9.1          | 6.4          | 10.7         |
| <b>Capex</b>     | <b>11.3</b>  | <b>12.1</b>  | <b>12.4</b>  | <b>17.8</b>  | <b>12.0</b>  | <b>12.3</b>  | <b>13.1</b>  | <b>14.6</b>  | <b>53.1</b>  | <b>53.6</b>  | <b>52.0</b>  | <b>59.7</b>  |
| DS               | 9.7          | 9.9          | 10.7         | 16.0         | 10.9         | 11.1         | 11.5         | 12.6         | 48.4         | 46.3         | 46.1         | 54.2         |
| Samsung Display  | 1.1          | 1.8          | 1.0          | 1.0          | 0.5          | 0.7          | 1.0          | 1.3          | 2.4          | 4.8          | 3.5          | 3.2          |
| Other            | 0.5          | 0.4          | 0.7          | 0.9          | 0.6          | 0.5          | 0.5          | 0.6          | 2.4          | 2.5          | 2.3          | 2.3          |
| <b>QoQ/YoY</b>   | <b>-31.1</b> | <b>7.0</b>   | <b>2.8</b>   | <b>43.2</b>  | <b>-32.6</b> | <b>2.4</b>   | <b>6.5</b>   | <b>11.7</b>  | <b>-0.0</b>  | <b>1.0</b>   | <b>-3.1</b>  | <b>14.8</b>  |
| DS               | -35.3        | 2.5          | 8.4          | 48.7         | -31.7        | 1.6          | 4.2          | 9.5          | 1.0          | -4.3         | -0.3         | 17.5         |
| Samsung Display  | 42.7         | 55.3         | -46.2        | 1.8          | -48.4        | 35.4         | 50.0         | 32.2         | -4.4         | 102.7        | -26.9        | -9.0         |
| Other            | -26.6        | -15.5        | 74.4         | 17.4         | -30.8        | -9.9         | 0.0          | 19.3         | -14.3        | 7.5          | -8.1         | -2.2         |
| <b>FCF</b>       | <b>5.2</b>   | <b>8.5</b>   | <b>7.8</b>   | <b>0.2</b>   | <b>6.2</b>   | <b>6.9</b>   | <b>8.9</b>   | <b>7.7</b>   | <b>-7.9</b>  | <b>21.7</b>  | <b>29.7</b>  | <b>34.9</b>  |
| DS               | 0.2          | 4.7          | 2.2          | -3.6         | 0.2          | 2.2          | 3.7          | 3.3          | -33.1        | 3.6          | 9.3          | 10.9         |
| Samsung Display  | -0.1         | -0.1         | 1.2          | 0.6          | 0.7          | 0.6          | 0.6          | 0.4          | 6.5          | 1.6          | 2.3          | 3.5          |
| Other            | 5.1          | 3.9          | 4.4          | 3.2          | 5.3          | 4.1          | 4.7          | 4.0          | 18.7         | 16.6         | 18.1         | 20.4         |

Source: Company data, Mirae Asset Securities Research

Table 3. SEC: Earnings forecast revisions

(Wtr, %, %p)

|                  | 2Q25F        |              |             | 2025F        |              |             | 2026F        |              |              |
|------------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|--------------|
|                  | Revised      | Previous     | Chg.        | Revised      | Previous     | Chg.        | Revised      | Previous     | Chg.         |
| <b>USD/KRW</b>   | <b>1,457</b> | <b>1,440</b> | <b>1.2</b>  | <b>1,455</b> | <b>1,438</b> | <b>1.2</b>  | <b>1,455</b> | <b>1,440</b> | <b>1.0</b>   |
| <b>Revenue</b>   | <b>75.1</b>  | <b>76.7</b>  | <b>-2.1</b> | <b>320.2</b> | <b>326.1</b> | <b>-1.8</b> | <b>348.6</b> | <b>367.6</b> | <b>-5.2</b>  |
| DX               | 42.7         | 44.6         | -4.4        | 184.8        | 188.1        | -1.8        | 194.9        | 195.4        | -0.3         |
| DS               | 28.6         | 27.8         | 3.0         | 118.8        | 119.8        | -0.8        | 134.8        | 147.1        | -8.3         |
| Samsung Display  | 7.3          | 8.1          | -9.9        | 29.8         | 32.4         | -8.1        | 33.4         | 39.3         | -15.0        |
| Harman           | 4.2          | 4.2          | 0.0         | 15.0         | 15.2         | -1.5        | 16.2         | 16.5         | -2.0         |
| <b>OP</b>        | <b>7.2</b>   | <b>6.8</b>   | <b>5.7</b>  | <b>34.0</b>  | <b>34.1</b>  | <b>-0.4</b> | <b>45.1</b>  | <b>54.7</b>  | <b>-17.6</b> |
| DX               | 2.8          | 2.8          | 0.1         | 13.9         | 12.5         | 11.3        | 15.5         | 13.2         | 17.1         |
| DS               | 3.3          | 2.7          | 22.8        | 15.4         | 16.7         | -7.8        | 24.0         | 33.9         | -29.3        |
| Samsung Display  | 0.6          | 0.9          | -31.7       | 3.0          | 3.5          | -14.4       | 3.8          | 5.9          | -35.0        |
| Harman           | 0.4          | 0.4          | 0.9         | 1.4          | 1.4          | -0.1        | 1.6          | 1.7          | -3.4         |
| <b>OP margin</b> | <b>9.5</b>   | <b>8.8</b>   | <b>0.7</b>  | <b>10.6</b>  | <b>10.5</b>  | <b>0.1</b>  | <b>12.9</b>  | <b>14.9</b>  | <b>-1.9</b>  |
| DX               | 6.6          | 6.3          | 0.3         | 7.5          | 6.6          | 0.9         | 7.9          | 6.8          | 1.2          |
| DS               | 11.4         | 9.6          | 1.8         | 13.0         | 13.9         | -1.0        | 17.8         | 23.1         | -5.3         |
| Samsung Display  | 8.2          | 10.9         | -2.6        | 10.1         | 10.8         | -0.7        | 11.5         | 15.0         | -3.5         |
| Harman           | 10.2         | 10.1         | 0.1         | 9.3          | 9.1          | 0.1         | 9.9          | 10.1         | -0.1         |
| <b>EBITDA</b>    | <b>19.2</b>  | <b>18.8</b>  | <b>2.3</b>  | <b>81.7</b>  | <b>82.2</b>  | <b>-0.5</b> | <b>94.6</b>  | <b>104.0</b> | <b>-9.0</b>  |
| DX               | 3.9          | 3.9          | 0.1         | 18.3         | 16.9         | 8.4         | 19.9         | 17.6         | 12.8         |
| DS               | 13.3         | 12.6         | 5.2         | 55.4         | 56.5         | -1.9        | 65.2         | 74.9         | -12.9        |
| Samsung Display  | 1.3          | 1.6          | -18.0       | 5.8          | 6.4          | -8.5        | 6.7          | 8.8          | -24.0        |
| Harman           | 0.6          | 0.6          | 0.6         | 2.0          | 2.0          | -0.1        | 2.2          | 2.2          | -2.5         |
| <b>Capex</b>     | <b>12.3</b>  | <b>11.1</b>  | <b>10.7</b> | <b>52.0</b>  | <b>52.6</b>  | <b>-1.2</b> | <b>59.7</b>  | <b>60.6</b>  | <b>-1.4</b>  |
| DS               | 11.1         | 9.1          | 21.0        | 46.1         | 45.7         | 0.9         | 54.2         | 53.8         | 0.7          |
| Samsung Display  | 0.7          | 1.5          | -53.3       | 3.5          | 4.8          | -26.9       | 3.2          | 4.6          | -30.0        |
| Other            | 0.5          | 0.5          | 6.5         | 2.3          | 2.0          | 14.5        | 2.3          | 2.1          | 6.6          |
| <b>FCF</b>       | <b>6.9</b>   | <b>7.7</b>   | <b>-9.9</b> | <b>29.7</b>  | <b>29.6</b>  | <b>0.5</b>  | <b>34.9</b>  | <b>43.4</b>  | <b>-19.7</b> |
| DS               | 2.2          | 3.4          | -36.8       | 9.3          | 10.7         | -13.5       | 10.9         | 21.0         | -48.0        |
| Samsung Display  | 0.6          | 0.1          | 333.1       | 2.3          | 1.5          | 49.6        | 3.5          | 4.2          | -17.5        |
| Other            | 4.1          | 4.1          | 0.6         | 18.1         | 17.3         | 4.9         | 20.4         | 18.2         | 12.5         |

Source: Mirae Asset Securities Research

Table 4. SEC: DS earnings outlook

(Wtr, %)

|                  | 1Q24        | 2Q24         | 3Q24         | 4Q24         | 1Q25P        | 2Q25F        | 3Q25F       | 4Q25F       | 2023         | 2024         | 2025F        | 2026F        |
|------------------|-------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|
| <b>Revenue</b>   | <b>23.1</b> | <b>28.6</b>  | <b>29.3</b>  | <b>30.1</b>  | <b>25.1</b>  | <b>28.6</b>  | <b>31.8</b> | <b>33.3</b> | <b>66.6</b>  | <b>111.1</b> | <b>118.8</b> | <b>134.8</b> |
| DRAM             | 10.7        | 13.5         | 14.5         | 15.7         | 13.4         | 15.6         | 16.9        | 18.4        | 28.7         | 54.4         | 64.4         | 71.7         |
| NAND             | 6.8         | 8.3          | 7.7          | 7.2          | 5.7          | 6.7          | 8.2         | 8.0         | 15.5         | 30.1         | 28.6         | 34.4         |
| Foundry/LSI      | 5.6         | 6.8          | 7.0          | 7.1          | 6.0          | 6.3          | 6.6         | 6.9         | 22.5         | 26.6         | 25.8         | 28.7         |
| <b>QoQ/YoY</b>   | <b>6.7</b>  | <b>23.4</b>  | <b>2.5</b>   | <b>2.8</b>   | <b>-16.6</b> | <b>14.1</b>  | <b>10.9</b> | <b>5.0</b>  | <b>-32.4</b> | <b>66.8</b>  | <b>7.0</b>   | <b>13.4</b>  |
| DRAM             | 1.8         | 25.9         | 7.9          | 8.1          | -14.5        | 16.4         | 8.3         | 8.7         | -35.0        | 89.8         | 18.4         | 11.3         |
| NAND             | 30.7        | 21.7         | -6.3         | -6.4         | -21.8        | 18.8         | 21.4        | -2.1        | -36.8        | 94.5         | -5.0         | 20.4         |
| Foundry/LSI      | -5.7        | 20.8         | 2.6          | 2.1          | -16.0        | 4.6          | 6.0         | 4.2         | -24.9        | 18.4         | -2.8         | 11.1         |
| <b>OP</b>        | <b>1.9</b>  | <b>6.5</b>   | <b>3.9</b>   | <b>2.9</b>   | <b>1.1</b>   | <b>3.3</b>   | <b>5.2</b>  | <b>5.9</b>  | <b>-14.9</b> | <b>15.1</b>  | <b>15.4</b>  | <b>24.0</b>  |
| DRAM             | 2.4         | 5.0          | 4.8          | 4.7          | 3.4          | 3.9          | 4.7         | 5.7         | -1.2         | 16.8         | 17.7         | 21.4         |
| NAND             | 0.3         | 1.9          | 0.9          | 0.4          | -0.3         | -0.2         | 1.0         | 0.9         | -10.2        | 3.5          | 1.4          | 3.9          |
| Foundry/LSI      | -0.8        | -0.4         | -1.9         | -2.2         | -2.0         | -0.4         | -0.6        | -0.7        | -3.5         | -5.3         | -3.6         | -1.3         |
| <b>QoQ/YoY</b>   | <b>TTB</b>  | <b>237.0</b> | <b>-40.1</b> | <b>-25.9</b> | <b>-61.6</b> | <b>197.0</b> | <b>58.8</b> | <b>12.8</b> | <b>TTR</b>   | <b>TTB</b>   | <b>2.1</b>   | <b>55.6</b>  |
| DRAM             | 123.9       | 111.7        | -3.8         | -1.7         | -27.9        | 14.4         | 21.5        | 20.0        | TTR          | TTB          | 4.9          | 21.0         |
| NAND             | TTB         | 459.8        | -51.1        | -61.0        | TTR          | RR           | TTB         | -16.2       | TTR          | TTB          | -61.1        | 186.9        |
| Foundry/LSI      | RR          | RR           | RR           | RR           | RR           | RR           | RR          | RR          | TTR          | RR           | RR           | RR           |
| <b>OP margin</b> | <b>8.3</b>  | <b>22.6</b>  | <b>13.2</b>  | <b>9.5</b>   | <b>4.4</b>   | <b>11.4</b>  | <b>16.3</b> | <b>17.6</b> | <b>-22.3</b> | <b>13.6</b>  | <b>13.0</b>  | <b>17.8</b>  |
| DRAM             | 22.0        | 37.0         | 33.0         | 30.0         | 25.3         | 24.9         | 27.9        | 30.8        | -4.1         | 31.0         | 27.4         | 29.8         |
| NAND             | 5.0         | 23.0         | 12.0         | 5.0          | -5.0         | -3.1         | 12.4        | 10.7        | -66.1        | 11.8         | 4.8          | 11.5         |
| Foundry/LSI      | -13.8       | -6.4         | -26.6        | -30.9        | -33.6        | -6.5         | -8.3        | -9.6        | -15.5        | -19.9        | -14.1        | -4.7         |
| <b>EBITDA</b>    | <b>9.9</b>  | <b>14.6</b>  | <b>13.0</b>  | <b>12.4</b>  | <b>11.1</b>  | <b>13.3</b>  | <b>15.2</b> | <b>15.9</b> | <b>15.2</b>  | <b>49.9</b>  | <b>55.4</b>  | <b>65.2</b>  |
| DRAM             | 4.5         | 7.2          | 7.2          | 7.3          | 7.4          | 7.9          | 8.7         | 9.7         | 8.3          | 26.2         | 33.6         | 40.2         |
| NAND             | 2.5         | 4.1          | 3.4          | 2.9          | 2.5          | 2.6          | 3.8         | 3.7         | -0.3         | 12.9         | 12.6         | 15.0         |
| Foundry/LSI      | 2.9         | 3.3          | 2.3          | 2.2          | 1.2          | 2.8          | 2.7         | 2.6         | 7.2          | 10.7         | 9.3          | 10.0         |
| <b>Capex</b>     | <b>9.7</b>  | <b>9.9</b>   | <b>10.7</b>  | <b>16.0</b>  | <b>10.9</b>  | <b>11.1</b>  | <b>11.5</b> | <b>12.6</b> | <b>48.4</b>  | <b>46.3</b>  | <b>46.1</b>  | <b>54.2</b>  |
| DRAM             | 3.8         | 3.9          | 4.3          | 6.4          | 5.0          | 5.1          | 5.3         | 5.8         | 13.1         | 18.4         | 21.1         | 27.8         |
| NAND             | 2.7         | 2.8          | 3.0          | 4.5          | 2.9          | 3.0          | 3.1         | 3.4         | 13.1         | 13.0         | 12.4         | 11.2         |
| Foundry/LSI      | 3.1         | 3.2          | 3.5          | 5.1          | 3.0          | 3.0          | 3.2         | 3.5         | 22.3         | 14.9         | 12.7         | 15.2         |

Source: Company data, Mirae Asset Securities Research

**Table 5. SEC: Memory revenue outlook**

|                       | 1Q24         | 2Q24         | 3Q24         | 4Q24         | 1Q25P        | 2Q25F        | 3Q25F        | 4Q25F        | 2023         | 2024         | 2025F        | 2026F        |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>USD/KRW</b>        | <b>1,329</b> | <b>1,371</b> | <b>1,357</b> | <b>1,396</b> | <b>1,453</b> | <b>1,457</b> | <b>1,455</b> | <b>1,455</b> | <b>1,306</b> | <b>1,363</b> | <b>1,455</b> | <b>1,455</b> |
| QoQ/YoY (%)           | 0.5          | 3.2          | -1.0         | 2.9          | 4.0          | 0.3          | -0.1         | 0.0          | 1.1          | 4.4          | 6.7          | 0.0          |
| <b>DRAM</b>           |              |              |              |              |              |              |              |              |              |              |              |              |
| Revenue (US\$bn)      | 8.1          | 9.8          | 10.7         | 11.3         | 9.2          | 10.7         | 11.6         | 12.7         | 21.9         | 39.8         | 44.3         | 49.3         |
| QoQ/YoY (%)           | 1.3          | 22.0         | 9.0          | 5.1          | -17.8        | 16.0         | 8.5          | 8.7          | -36.6        | 81.8         | 11.2         | 11.3         |
| Bit shipments (bn Gb) | 22.3         | 23.1         | 23.1         | 20.3         | 20.5         | 22.7         | 22.7         | 24.3         | 78.5         | 88.8         | 90.2         | 95.3         |
| QoQ/YoY (%)           | -15.0        | 4.0          | -0.3         | -12.0        | 1.0          | 10.8         | -0.2         | 7.0          | 9.8          | 13.0         | 1.6          | 5.6          |
| Bit M/S (%)           | 39.4         | 38.8         | 36.4         | 30.4         | 30.0         | 31.4         | 28.8         | 29.6         | 37.5         | 36.1         | 29.9         | 25.6         |
| ASP (US\$)            | 0.36         | 0.42         | 0.46         | 0.55         | 0.45         | 0.47         | 0.51         | 0.52         | 0.28         | 0.45         | 0.49         | 0.52         |
| QoQ/YoY (%)           | 19.1         | 17.3         | 9.3          | 19.5         | -18.6        | 4.7          | 8.7          | 1.6          | -42.3        | 60.8         | 9.4          | 5.4          |
| <b>Conventional</b>   |              |              |              |              |              |              |              |              |              |              |              |              |
| Revenue (US\$bn)      | 7.4          | 8.8          | 8.9          | 7.7          | 7.8          | 9.0          | 9.0          | 9.2          | 20.2         | 32.8         | 35.1         | 37.9         |
| QoQ/YoY (%)           | 2.7          | 18.9         | 1.0          | -12.8        | 0.3          | 16.6         | -0.1         | 1.9          | -40.0        | 62.0         | 6.9          | 8.1          |
| Bit shipments (bn Gb) | 21.7         | 22.4         | 21.7         | 17.8         | 19.4         | 21.5         | 20.9         | 21.9         | 77.3         | 83.6         | 83.7         | 87.7         |
| QoQ/YoY (%)           | -15.0        | 2.8          | -2.9         | -18.1        | 9.0          | 11.0         | -3.0         | 5.0          | 8.8          | 8.2          | 0.1          | 4.8          |
| ASP (US\$)            | 0.34         | 0.39         | 0.41         | 0.44         | 0.40         | 0.42         | 0.43         | 0.42         | 0.26         | 0.39         | 0.42         | 0.43         |
| QoQ/YoY (%)           | 20.8         | 15.7         | 4.0          | 6.4          | -8.0         | 5.0          | 3.0          | -3.0         | -44.8        | 49.7         | 6.7          | 3.1          |
| <b>HBM</b>            |              |              |              |              |              |              |              |              |              |              |              |              |
| Revenue (US\$bn)      | 0.7          | 1.0          | 1.8          | 3.5          | 1.5          | 1.7          | 2.6          | 3.4          | 1.7          | 7.0          | 9.2          | 11.4         |
| QoQ/YoY (%)           | -12.1        | 56.2         | 76.4         | 93.0         | -57.7        | 13.4         | 54.5         | 32.6         | 105.7        | 324.8        | 31.2         | 23.6         |
| % of DRAM             | 8.2          | 10.5         | 17.0         | 31.2         | 16.0         | 15.7         | 22.3         | 27.2         | 7.5          | 17.6         | 20.8         | 23.1         |
| Bit shipments (bn Gb) | 0.5          | 0.8          | 1.4          | 2.5          | 1.1          | 1.2          | 1.8          | 2.4          | 1.3          | 5.2          | 6.5          | 7.5          |
| QoQ/YoY (%)           | -15.0        | 53.7         | 73.0         | 84.9         | -55.5        | 8.0          | 50.0         | 30.0         | 153.1        | 312.4        | 25.6         | 15.9         |
| % of DRAM             | 2.3          | 3.4          | 5.9          | 12.4         | 5.5          | 5.3          | 8.0          | 9.7          | 1.6          | 5.8          | 7.2          | 7.9          |
| ASP (US\$)            | 1.29         | 1.31         | 1.34         | 1.39         | 1.32         | 1.39         | 1.43         | 1.46         | 1.3          | 1.4          | 1.4          | 1.5          |
| QoQ/YoY (%)           | 3.4          | 1.6          | 2.0          | 4.3          | -5.0         | 5.0          | 3.0          | 2.0          | -18.7        | 3.0          | 4.5          | 6.6          |
| <b>NAND</b>           |              |              |              |              |              |              |              |              |              |              |              |              |
| Revenue (US\$bn)      | 5.1          | 6.0          | 5.7          | 5.2          | 3.9          | 4.6          | 5.6          | 5.5          | 11.8         | 22.1         | 19.6         | 23.6         |
| QoQ/YoY (%)           | 30.0         | 17.9         | -5.4         | -9.0         | -24.8        | 18.5         | 21.5         | -2.2         | -38.3        | 86.4         | -10.9        | 20.4         |
| Bit shipments (bn Gb) | 80.8         | 77.5         | 71.3         | 68.5         | 61.6         | 70.9         | 83.6         | 86.1         | 268.5        | 298.1        | 302.3        | 353.0        |
| QoQ/YoY (%)           | -3.0         | -4.0         | -8.0         | -4.0         | -10.0        | 15.0         | 18.0         | 3.0          | 16.5         | 11.0         | 1.4          | 16.8         |
| Bit M/S (%)           | 39.2         | 38.5         | 31.5         | 29.7         | 30.2         | 30.8         | 31.0         | 31.2         | 35.7         | 34.5         | 30.9         | 30.6         |
| ASP (US\$)            | 0.06         | 0.08         | 0.08         | 0.08         | 0.06         | 0.07         | 0.07         | 0.06         | 0.04         | 0.07         | 0.06         | 0.07         |
| QoQ/YoY (%)           | 34.0         | 22.8         | 2.8          | -5.3         | -16.5        | 3.0          | 3.0          | -5.0         | -47.0        | 67.9         | -12.2        | 3.1          |

Source: Company data, Mirae Asset Securities estimates

**Table 6. SEC: DS earnings forecast revisions**

(Wtr, %, %p)

|                      | 2Q25F       |             |             | 2025F        |              |             | 2026F        |              |              |
|----------------------|-------------|-------------|-------------|--------------|--------------|-------------|--------------|--------------|--------------|
|                      | Revised     | Previous    | Chg.        | Revised      | Previous     | Chg.        | Revised      | Previous     | Chg.         |
| <b>Revenue</b>       | <b>28.6</b> | <b>27.8</b> | <b>3.0</b>  | <b>118.8</b> | <b>119.8</b> | <b>-0.8</b> | <b>134.8</b> | <b>147.1</b> | <b>-8.3</b>  |
| DRAM                 | 15.6        | 15.2        | 2.5         | 64.4         | 65.6         | -1.9        | 71.7         | 87.0         | -17.6        |
| NAND                 | 6.7         | 6.8         | -0.3        | 28.6         | 28.7         | -0.4        | 34.4         | 30.0         | 14.6         |
| Foundry/LSI          | 6.3         | 5.8         | 8.2         | 25.8         | 25.5         | 1.4         | 28.7         | 30.0         | -4.4         |
| <b>OP</b>            | <b>3.3</b>  | <b>2.7</b>  | <b>22.8</b> | <b>15.4</b>  | <b>16.7</b>  | <b>-7.8</b> | <b>24.0</b>  | <b>33.9</b>  | <b>-29.3</b> |
| DRAM                 | 3.9         | 4.0         | -3.3        | 17.7         | 19.2         | -8.0        | 21.4         | 30.9         | -30.8        |
| NAND                 | -0.2        | -0.1        | RR          | 1.4          | 1.0          | 36.7        | 3.9          | 2.4          | 66.7         |
| Foundry/LSI          | -0.4        | -1.2        | RR          | -3.6         | -3.5         | RR          | -1.3         | 0.7          | TTR          |
| <b>OP margin</b>     | <b>11.4</b> | <b>9.6</b>  | <b>1.8</b>  | <b>13.0</b>  | <b>13.9</b>  | <b>-1.0</b> | <b>17.8</b>  | <b>23.1</b>  | <b>-5.3</b>  |
| DRAM                 | 24.9        | 26.4        | -1.5        | 27.4         | 29.3         | -1.8        | 29.8         | 35.5         | -5.7         |
| NAND                 | -3.1        | -1.7        | -1.4        | 4.8          | 3.5          | 1.3         | 11.5         | 7.9          | 3.6          |
| Foundry/LSI          | -6.5        | -21.4       | 14.9        | -14.1        | -13.8        | -0.3        | -4.7         | 2.2          | -6.9         |
| <b>[Memory est.]</b> |             |             |             |              |              |             |              |              |              |
| DRAM                 |             |             |             |              |              |             |              |              |              |
| Bit growth           | 10.8        | 13.2        | -2.4        | 1.6          | 1.5          | 0.1         | 5.6          | 17.7         | -12.0        |
| ASP chg.             | 4.7         | -3.3        | 8.0         | 9.4          | 12.9         | -3.5        | 5.4          | 12.5         | -7.1         |
| <b>Conventional</b>  |             |             |             |              |              |             |              |              |              |
| Bit growth           | 11.0        | 13.0        | -2.0        | 0.1          | -3.6         | 3.7         | 4.8          | 16.0         | -11.1        |
| ASP chg.             | 5.0         | -5.0        | 10.0        | 6.7          | 0.1          | 6.6         | 3.1          | 10.6         | -7.4         |
| <b>HBM</b>           |             |             |             |              |              |             |              |              |              |
| Bit growth           | 8.0         | 15.0        | -7.0        | 25.6         | 84.3         | -58.7       | 15.9         | 32.0         | -16.1        |
| % of DRAM            | 5.3         | 10.2        | -4.9        | 7.2          | 10.6         | -3.4        | 7.9          | 11.9         | -4.0         |
| ASP chg.             | 5.0         | 0.0         | 5.0         | 4.5          | 8.2          | -3.8        | 6.6          | 7.4          | -0.8         |
| NAND                 |             |             |             |              |              |             |              |              |              |
| Bit growth           | 15.0        | 15.0        | 0.0         | 1.4          | 0.1          | 1.3         | 16.8         | 17.0         | -0.2         |
| ASP chg.             | 3.0         | -5.0        | 8.0         | -12.2        | -9.6         | -2.6        | 3.1          | -10.7        | 13.8         |

Source: Mirae Asset Securities Research

## Samsung Electronics (005930 KS)

## Income statement (summarized)

| (Wbn)                               | 2024           | 2025F          | 2026F          | 2027F          |
|-------------------------------------|----------------|----------------|----------------|----------------|
| <b>Revenue</b>                      | <b>300,871</b> | <b>320,197</b> | <b>348,635</b> | <b>375,057</b> |
| <b>Cost of revenue</b>              | <b>186,562</b> | <b>200,429</b> | <b>211,084</b> | <b>219,533</b> |
| <b>GP</b>                           | <b>114,309</b> | <b>119,768</b> | <b>137,551</b> | <b>155,524</b> |
| <b>SG&amp;A expenses</b>            | <b>81,583</b>  | <b>85,804</b>  | <b>92,452</b>  | <b>98,852</b>  |
| <b>OP (adj.)</b>                    | <b>32,726</b>  | <b>33,964</b>  | <b>45,098</b>  | <b>56,672</b>  |
| <b>OP</b>                           | <b>32,726</b>  | <b>33,964</b>  | <b>45,098</b>  | <b>56,672</b>  |
| <b>Non-operating profit</b>         | <b>4,804</b>   | <b>4,378</b>   | <b>5,242</b>   | <b>6,487</b>   |
| Net financial income                | 3,915          | 4,377          | 5,242          | 6,488          |
| Net income from associates          | 751            | 0              | 0              | 0              |
| Pretax profit                       | 37,530         | 38,342         | 50,340         | 63,159         |
| Income tax                          | 3,078          | 2,285          | 2,888          | 3,588          |
| Profit from continuing operations   | 34,451         | 36,057         | 47,451         | 59,572         |
| Profit from discontinued operations | 0              | 0              | 0              | 0              |
| <b>NP</b>                           | <b>34,451</b>  | <b>36,057</b>  | <b>47,451</b>  | <b>59,572</b>  |
| Attributable to owners              | 33,621         | 35,228         | 46,361         | 58,202         |
| Attributable to minority interests  | 830            | 829            | 1,091          | 1,369          |
| <b>Total comprehensive income</b>   | <b>51,296</b>  | <b>36,057</b>  | <b>47,451</b>  | <b>59,572</b>  |
| Attributable to owners              | 50,048         | 35,363         | 46,539         | 58,426         |
| Attributable to minority interests  | 1,248          | 693            | 913            | 1,146          |
| EBITDA                              | 75,357         | 81,736         | 94,578         | 107,745        |
| FCF                                 | 21,576         | 29,772         | 36,204         | 47,194         |
| EBITDA margin (%)                   | 25.0           | 25.5           | 27.1           | 28.7           |
| OP margin (%)                       | 10.9           | 10.6           | 12.9           | 15.1           |
| Net margin (%)                      | 11.2           | 11.0           | 13.3           | 15.5           |

## Cash flow statement (summarized)

| (Wbn)                                      | 2024           | 2025F          | 2026F          | 2027F          |
|--|----------------|----------------|----------------|----------------|
| <b>Operating cash flow</b>                 | <b>72,983</b>  | <b>81,777</b>  | <b>95,927</b>  | <b>108,931</b> |
| NP   | 34,451         | 36,057         | 47,451         | 59,572         |
| Non-cash income/expenses                   | 42,947         | 45,526         | 46,974         | 48,020         |
| Depreciation                               | 39,650         | 44,707         | 46,416         | 48,008         |
| Amortization                               | 2,981          | 3,065          | 3,065          | 3,065          |
| Other                                      | 316            | -2,246         | -2,507         | -3,053         |
| Chg. in working capital                    | -1,568         | -2,051         | -1,005         | -1,714         |
| Chg. in AR & other receivables             | -3,139         | -4,180         | -2,049         | -3,493         |
| Chg. in inventory                          | 2,541          | -4,960         | -2,431         | -4,144         |
| Chg. in AP & other payables                | -1,539         | 1,185          | 581            | 991            |
| Income tax                                 | -6,450         | -2,285         | -2,888         | -3,588         |
| <b>Cash flow from investing activities</b> | <b>-85,382</b> | <b>-59,851</b> | <b>-64,690</b> | <b>-68,654</b> |
| Chg. in PP&E                               | -51,250        | -52,006        | -59,723        | -61,737        |
| Chg. in intangible assets                  | -2,319         | -2,200         | -2,200         | -2,200         |
| Chg. in financial assets                   | -36,218        | -5,645         | -2,767         | -4,717         |
| Other                                      | 4,405          | 0              | 0              | 0              |
| <b>Cash flow from financing activities</b> | <b>-7,797</b>  | <b>-9,700</b>  | <b>-9,666</b>  | <b>-9,666</b>  |
| Chg. in financial liabilities              | 6,644          | 0              | 0              | 0              |
| Chg. in equity                             | 0              | 0              | 0              | 0              |
| Dividends                                  | -10,889        | -9,700         | -9,666         | -9,666         |
| Other                                      | -3,552         | 0              | 0              | 0              |
| <b>Chg. in cash</b>                        | <b>-15,375</b> | <b>13,175</b>  | <b>20,980</b>  | <b>29,603</b>  |
| Beginning balance                          | 69,081         | 53,706         | 66,881         | 87,861         |
| Ending balance                             | 53,706         | 66,881         | 87,861         | 117,464        |

Source: Company data, Mirae Asset Securities Research estimates

## Balance sheet (summarized)

| (Wbn)                                | 2024           | 2025F          | 2026F          | 2027F          |
|--------------------------------------|----------------|----------------|----------------|----------------|
| <b>Current assets</b>                | <b>227,062</b> | <b>256,846</b> | <b>285,967</b> | <b>329,449</b> |
| Cash & equivalents                   | 53,706         | 66,881         | 87,861         | 117,464        |
| AR & other receivables               | 53,246         | 58,348         | 60,849         | 65,113         |
| Inventory                            | 51,755         | 56,714         | 59,145         | 63,290         |
| Other current assets                 | 68,355         | 74,903         | 78,112         | 83,582         |
| <b>Non-current assets</b>            | <b>287,470</b> | <b>295,111</b> | <b>308,144</b> | <b>322,016</b> |
| Investments in associates            | 12,592         | 13,799         | 14,390         | 15,399         |
| PP&E                                 | 205,945        | 213,244        | 226,551        | 240,279        |
| Intangible assets                    | 23,739         | 22,874         | 22,009         | 21,145         |
| <b>Total assets</b>                  | <b>514,532</b> | <b>551,957</b> | <b>594,111</b> | <b>651,465</b> |
| <b>Current liabilities</b>           | <b>93,326</b>  | <b>100,796</b> | <b>104,457</b> | <b>110,699</b> |
| AP & other payables                  | 30,918         | 33,880         | 35,333         | 37,808         |
| Short-term financial liabilities     | 15,380         | 15,380         | 15,380         | 15,380         |
| Other current liabilities            | 47,028         | 51,536         | 53,744         | 57,511         |
| <b>Non-current liabilities</b>       | <b>19,014</b>  | <b>20,457</b>  | <b>21,165</b>  | <b>22,371</b>  |
| Long-term financial liabilities      | 3,950          | 3,950          | 3,950          | 3,950          |
| Other non-current liabilities        | 15,064         | 16,507         | 17,215         | 18,421         |
| <b>Total liabilities</b>             | <b>112,340</b> | <b>121,253</b> | <b>125,621</b> | <b>133,069</b> |
| <b>Equity attributable to owners</b> | <b>391,688</b> | <b>419,371</b> | <b>456,066</b> | <b>504,602</b> |
| Capital stock                        | 898            | 898            | 898            | 898            |
| Capital surplus                      | 4,404          | 4,404          | 4,404          | 4,404          |
| Retained earnings                    | 370,513        | 396,041        | 432,736        | 481,272        |
| <b>Minority interests</b>            | <b>10,504</b>  | <b>11,333</b>  | <b>12,424</b>  | <b>13,794</b>  |
| <b>Shareholders' equity</b>          | <b>402,192</b> | <b>430,704</b> | <b>468,490</b> | <b>518,396</b> |

## Key valuation metrics/ratios

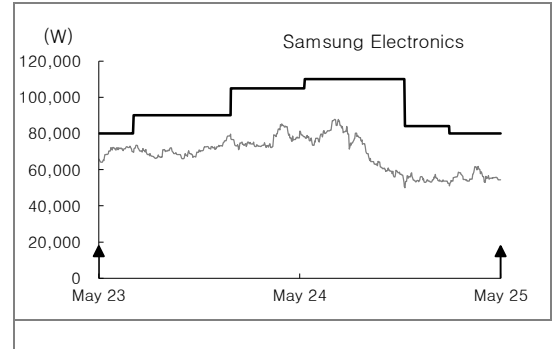
|                              | 2024   | 2025F  | 2026F  | 2027F  |
|------------------------------|--------|--------|--------|--------|
| P/E (x)                      | 10.7   | 10.4   | 7.9    | 6.3    |
| P/CF (x)                     | 4.7    | 4.5    | 3.9    | 3.4    |
| P/B (x)                      | 0.9    | 0.9    | 0.8    | 0.7    |
| EV/EBITDA (x)                | 3.6    | 3.2    | 2.5    | 1.9    |
| EPS (W)                      | 4,950  | 5,224  | 6,883  | 8,641  |
| CFPS (W)                     | 11,394 | 12,098 | 14,019 | 15,974 |
| BPS (W)                      | 57,930 | 62,531 | 67,979 | 75,185 |
| DPS (W)                      | 1,446  | 1,446  | 1,446  | 1,446  |
| Dividend payout ratio (%)    | 25.0   | 23.6   | 17.9   | 14.3   |
| Dividend yield (%)           | 2.7    | 2.7    | 2.7    | 2.7    |
| Revenue growth (%)           | 16.2   | 6.4    | 8.9    | 7.6    |
| EBITDA growth (%)            | 66.6   | 8.5    | 15.7   | 13.9   |
| OP growth (%)                | 398.3  | 3.8    | 32.8   | 25.7   |
| EPS growth (%)               | 132.3  | 5.5    | 31.8   | 25.5   |
| AR turnover (x)              | 7.5    | 7.0    | 7.1    | 7.3    |
| Inventory turnover (x)       | 5.8    | 5.9    | 6.0    | 6.1    |
| AP turnover (x)              | 15.8   | 15.5   | 15.2   | 15.0   |
| ROA (%)                      | 7.1    | 6.8    | 8.3    | 9.6    |
| ROE (%)                      | 9.0    | 8.7    | 10.6   | 12.1   |
| ROIC (%)                     | 10.6   | 10.7   | 13.7   | 16.4   |
| Debt-to-equity ratio (%)     | 27.9   | 28.2   | 26.8   | 25.7   |
| Current ratio (%)            | 243.3  | 254.8  | 273.8  | 297.6  |
| Net debt-to-equity ratio (%) | -23.2  | -26.0  | -29.0  | -32.8  |
| Interest coverage ratio (x)  | 36.2   | 36.0   | 47.8   | 60.0   |

# Appendix 1

## Important disclosures and disclaimers

### Two-year rating and TP history

| Company                      | Date     | Rating | TP (W)  |
|------------------------------|----------|--------|---------|
| Samsung Electronics (005930) | 02/03/25 | Buy    | 80,000  |
|                              | 11/14/24 | Buy    | 84,000  |
|                              | 05/16/24 | Buy    | 110,000 |
|                              | 01/03/24 | Buy    | 105,000 |
|                              | 07/10/23 | Buy    | 90,000  |
|                              | 11/04/22 | Buy    | 80,000  |



### 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        | 83.98% | 6.63%       | 8.84%  | 0.55% |
| Investment banking services | 88.24% | 0%          | 11.76% | 0%    |

\* Based on recommendations in the last 12-months (as of March 31, 2025)

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