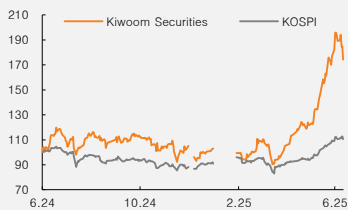


(Downgrade)	Hold
Target price	▲ W232,000
Current price (7/4/25)	W210,500
Upside	10.2%

OP (25F, Wbn)	1,456
Consensus OP (25F, Wbn)	1,160
EPS growth (25F, %)	31.4
Market EPS growth (25F, %)	25.5
P/E (25F, x)	5.1
Market P/E (25F, x)	11.1
KOSPI	3,054.28

Market cap (Wbn)	5,324
Shares outstanding (mn)	25
Free float (%)	53.2
Foreign ownership (%)	25.3
Beta (12M)	1.38
52-week low (W)	109,200
52-week high (W)	236,500

(%)	1M	6M	12M
Absolute	21.7	82.6	54.8
Relative	10.4	46.0	43.2



Mirae Asset Securities Co., Ltd.

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Kiwoom Securities

Further upside to hinge on continuation of market rally

Downgrade to Hold, but lift TP to W232,000

We downgrade our rating on Kiwoom Securities to Hold (from Buy), but lift our target price to W232,000 (from W170,000), applying a 2025F target P/B of 1.0x. In its corporate value enhancement plan, management stated that the stock was undervalued at a P/B below 1.0x and pledged to conduct buybacks/cancellations until that threshold was reached. With the stock now trading near 1.0x, its undervaluation has been largely resolved based on management's own metric. Consequently, we expect the company's shareholder return policy to shift its focus from buybacks toward dividends. Further share price upside will likely depend on a continued market rally and a corresponding increase in BPS.

For 2Q25, we expect net profit attributable to owners of the parent to come in 35% above the consensus, supported by: 1) higher brokerage income resulting from increased trading volumes and expanded margin loan balances; and 2) improved trading income amid a bullish stock market.

We estimate net fee/commission income grew 8.4% YoY and 8.1% QoQ on a consolidated basis and 16% YoY and 8.5% QoQ on a standalone basis. This solid performance was likely driven by increased domestic stock market trading volume. (IB/other fee income was likely flat YoY and QoQ.)

Interest income likely climbed 27% YoY and 12% QoQ on a consolidated basis and 15% YoY and 5% QoQ on a standalone basis. Since loan interest represents a large portion of Kiwoom Securities' overall interest income, the company stands to benefit significantly from expanded margin balances.

We believe trading/financial product income grew significantly YoY and QoQ on both a consolidated and standalone basis, likely thanks to strong equity market conditions.

(Dec.)	2023	2024	2025F	2026F	2027F
Net operating revenue (Wbn)	1,160	1,846	2,300	2,327	2,563
OP (Wbn)	565	1,098	1,456	1,468	1,634
NP (Wbn)	436	835	1,059	1,069	1,192
EPS (W)	15,776	31,260	41,067	41,471	46,203
BPS (W)	178,306	210,068	231,821	260,887	293,988
P/E (x)	6.3	3.7	5.1	5.1	4.6
P/B (x)	0.60	0.60	0.90	0.80	0.72
ROE (%)	9.3	16.0	18.0	16.3	16.1
Shareholder return yield (%)	3.0	8.8	7.3	5.2	5.7
Equity (Wbn)	4,904	5,632	6,183	6,956	7,837

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: TP calculation

(W, x, %)

	Value	Notes
Previous TP	170,000	
2025F ROE	15.1	Mirae Asset Securities est.
Adj. discount rate	20.1	
Target P/B	0.75	
2025F BPS	226,469	Mirae Asset Securities est.
Revised TP	232,000	
2025F ROE	18.0	Mirae Asset Securities est.
Adj. discount rate	18.0	
Target P/B	1.00	
2025F BPS	231,821	Mirae Asset Securities est.
Current price	210,500	
Upside	10.2	
Rating	Hold	

Source: Company data, Mirae Asset Securities Research

Table 2. Kiwoom Securities: Earnings and forecasts (consolidated)

(Wbn, %)

	1Q25	2Q25F	3Q25F	4Q25F	YoY	QoQ	2025F
Net operating revenue	524	629	593	553	27.9	20.0	2,300
Net fee/commission income	212	229	233	224	8.4	8.1	898
Interest income	181	202	207	199	26.5	11.8	789
Trading/financial products	127	193	146	144	84.7	51.7	609
Other	5	6	8	-15	-67.0	14.9	4
SG&A expenses	199	213	211	220	18.7	7.3	844
OP	325	416	382	332	33.1	27.8	1,456
Pretax profit	326	409	384	327	33.6	25.4	1,446
Taxes	90	108	101	86	45.9	19.3	386
Consolidated NP	236	301	283	241	29.7	27.8	1,060
NP attr. to owners of the parent	235	301	282	241	29.8	27.8	1,059

Source: Company data, Mirae Asset Securities Research

Table 3. Kiwoom Securities: Earnings and forecasts (standalone)

(Wbn)

	1Q25	2Q25F	3Q25F	4Q25F	YoY	QoQ	2025F
Net operating revenue	455	527	489	452	29.9	15.8	1,923
Net fee/commission income	203	220	224	216	16.3	8.5	863
Fee/commission income	259	281	286	275	12.9	8.5	1,102
Brokerage	185	205	208	202	16.6	11.1	800
WM	4	4	4	3	25.4	-4.2	16
IB/other	71	72	74	70	3.0	2.3	287
Fee/commission expenses	56	61	62	60	2.1	8.5	239
Interest income	113	120	122	118	14.9	5.4	473
Trading/financial products	119	185	138	136	68.0	55.0	579
Other	19	2	5	-18	0.0	-88.1	8
SG&A expenses	159	174	171	181	23.8	9.1	685
OP	295	353	318	271	33.1	19.5	1,238
Pretax profit	308	362	335	282	32.0	17.6	1,286
Taxes	77	96	88	74	41.9	23.4	336
Consolidated NP	230	266	247	207	28.8	15.6	951

Source: Company data, Mirae Asset Securities Research

Kiwoom Securities (039490 KS)

Income statement (standalone)

(Wbn)	2024	2025F	2026F	2027F
Net operating revenue	1,605	1,923	1,931	2,129
Net fee/commission income	753	863	855	937
Fees/commissions	981	1,102	1,092	1,197
Brokerage	714	800	791	865
WM	12	16	14	16
IB/other	255	287	287	316
Fee/commission expenses	228	239	237	260
Interest income	397	473	470	515
Trading/financial products	440	579	597	668
Other	14	8	8	8
SG&A expenses	580	685	700	771
OP	1,025	1,238	1,231	1,358
Non-OP	92	82	82	82
Non-operating expenses	27	33	33	33
Pretax profit	1,090	1,286	1,280	1,407
Taxes	275	336	338	372
NP	815	951	942	1,036

Balance sheet (standalone)

(Wbn)	2024	2025F	2026F	2027F
Assets	45,678	53,867	60,320	67,474
Cash/deposits	6,985	6,513	7,293	8,158
Securities	30,290	34,539	38,676	43,263
Loans	4,374	5,391	5,611	5,624
Tangible assets	97	113	126	141
Intangible assets	61	64	71	80
Investment properties	2	2	2	2
Other	3,869	7,246	8,540	10,206
Liabilities	40,706	48,419	54,219	60,650
Deposits	12,662	14,496	16,233	18,158
Borrowings/debentures	22,863	25,467	28,518	31,900
Provisions for other est. liabilities	31	32	36	40
Deferred tax liabilities	0	0	0	0
Other	5,149	8,423	9,433	10,551
Equity	4,972	5,448	6,101	6,825
Capital stock	145	145	145	145
Capital surplus	1,038	1,038	1,038	1,038
Retained earnings	3,908	4,365	5,018	5,741
Other	-120	-100	-100	-100

ROA breakdown (standalone)

(%)	2024	2025F	2026F	2027F
Net operating revenue				
Net fee/commission income	46.9	44.9	44.3	44.0
Fees/commissions	61.1	57.3	56.6	56.2
Brokerage	44.5	41.6	41.0	40.6
WM	0.8	0.8	0.7	0.8
IB/other	15.9	14.9	14.9	14.8
Interest income	24.8	24.6	24.4	24.2
Trading/financial products	27.4	30.1	30.9	31.4
Other	0.9	0.4	0.4	0.4
Asset turnover ratio				
Net fee/commission income	1.65	1.60	1.42	1.39
Fees/commissions	2.15	2.05	1.81	1.77
Brokerage	1.56	1.49	1.31	1.28
WM	0.03	0.03	0.02	0.02
IB/other	0.56	0.53	0.48	0.47
Interest income	0.87	0.88	0.78	0.76
Trading/financial products	0.96	1.07	0.99	0.99
Other	0.03	0.02	0.01	0.01

Financial statement (consolidated)

(Wbn)	2024	2025F	2026F	2027F
Net operating revenue	1,846	2,300	2,327	2,563
Net fee/commission income	804	898	890	972
Interest income	623	789	788	871
Trading/financial products	350	609	627	699
Other	68	4	21	21
SG&A expenses	748	844	858	929
OP	1,098	1,456	1,468	1,634
Non-OP	166	104	104	104
Non-operating expenses	172	114	118	118
Pretax profit	1,092	1,446	1,455	1,620
Taxes	257	386	384	428
NP	835	1,060	1,071	1,193
Attr. to owners of the parent	835	1,059	1,069	1,192
Minority interests	0	1	1	1
Assets	55,688	66,786	73,986	81,332
Liabilities	50,057	60,603	67,029	73,495
Equity	5,632	6,183	6,956	7,837

Investment indicators

(x, %, W)	2024	2025F	2026F	2027F
Valuation				
P/B	0.60	0.90	0.80	0.72
P/E	3.7	5.1	5.1	4.6
Payout ratio	6.5	5.2	5.2	5.7
Per-share indicators				
BPS	210,068	231,821	260,887	293,988
EPS	31,260	41,067	41,471	46,203
DPS	7,500	11,000	11,000	12,000
Growth				
BPS	17.8	10.4	12.5	12.7
EPS	98.1	31.4	1.0	11.4
Profitability				
ROE	16.0	18.0	16.3	16.1
ROA	1.60	1.70	1.50	1.53
Cost-to-income ratio	36.1	35.6	36.2	36.2
OP margin	59.5	63.3	63.1	63.8
Pretax margin	59.2	62.9	62.5	63.2
Net margin	45.2	46.1	46.0	46.5
Financial leverage (stand-alone)	9.2	9.9	9.9	9.9

ROA breakdown (consolidated)

(%)	2024	2025F	2026F	2027F
Net operating revenue				
Net fee/commission income	43.5	39.0	38.3	37.9
Interest income	33.8	34.3	33.9	34.0
Trading/financial products	19.0	26.5	27.0	27.3
Other	3.7	0.2	0.9	0.8
Asset turnover ratio				
Net fee/commission income	1.44	1.34	1.20	1.19
Interest income	1.12	1.18	1.07	1.07
Trading/financial products	0.63	0.91	0.85	0.86
Other	0.12	0.01	0.03	0.03

No. of shares & dividend payout ratio

('000, %)	2024	2025F	2026F	2027F
Issued shares (year-end)	28,345	28,345	28,345	28,345
Common	25,527	25,527	25,527	25,527
Preferred	2,818	2,818	2,818	2,818
Dividend payout ratio	24.6	27.3	27.0	26.2
Common	21.4	24.7	24.5	24.0
Preferred	3.3	2.6	2.6	2.3

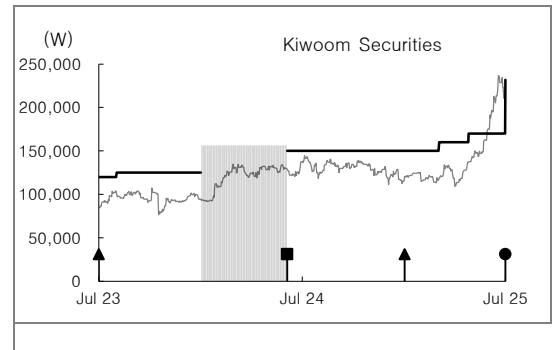
Source: Company data, Mirae Asset Securities Research estimates

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Kiwoom Securities (039490)	07/07/25	Hold	232,000
	05/02/25	Buy	170,000
	03/10/25	Buy	160,000
	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



Stock ratings

Buy	Expected 12-month return: +20% or greater
Hold	Expected 12-month return: Greater than -10% and less than +10%
Sell	Expected 12-month return: -10% or less

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

As of May 12, 2025, the Trading Buy rating category has been removed from our investment rating system.

Stocks expected to deliver a 12-month return between +10% and less than +20% may be rated either Buy or Hold at the discretion of the research analyst.

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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