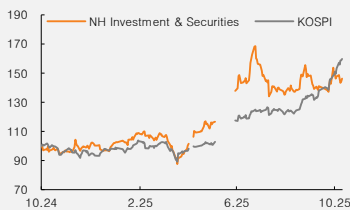


(Maintain)	Buy
Target price	▲ W28,000
Current price (10/30/25)	W20,100
Upside	39.3%

OP (25F, Wbn)	1,245
Consensus OP (25F, Wbn)	1,151
EPS growth (25F, %)	30.5
Market EPS growth (25F, %)	29.6
P/E (25F, x)	7.9
Market P/E (25F, x)	14.6
KOSPI	4,086.89

Market cap (Wbn)	7,163
Shares outstanding (mn)	356
Free float (%)	36.8
Foreign ownership (%)	13.4
Beta (12M)	0.92
52-week low (W)	12,200
52-week high (W)	23,450

(%)	1M	6M	12M
Absolute	3.5	30.9	44.9
Relative	-13.3	-18.1	-8.0



Mirae Asset Securities Co., Ltd.

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NH Investment & Securities

Strong dividend appeal

Maintain Buy and raise TP to W28,000

We raise our target price for NH Investment & Securities (NH I&S) to W28,000 (from W24,000), which implies a 5.0% dividend yield (based on a projected 2026 DPS of W1,400) and corresponds to a 2026F P/B of 1.11x. Given that the KOSPI's 12-month forward P/B is currently above 1x, we expect NH I&S's P/B to exceed that level as well. With our target price implying 39.3% upside, we reiterate our Buy rating.

3Q25 earnings beat expectations

For 3Q25, NH I&S reported net profit attributable to owners of the parent of W283.1bn, exceeding both our estimate (W241.5bn) and the consensus (W227.3bn) by a wide margin. That said, standalone net profit for the securities business (W229.4bn) was broadly in line with our estimate (W230.8bn). The earnings beat was mainly driven by strong trading/financial product income (on both a consolidated and standalone basis), with some additional contributions from one-off gains arising from the valuation of non-marketable assets.

2026 dividend yield projected at 7% (based on the current share price)

In 2026, we forecast net profit attributable to owners of the parent to grow 21.4% YoY, with net fee/commission income rising 26% on increased trading volume and net interest income growing 14.7% YoY on higher margin loan balances. We also expect trading income to expand 23.1% YoY, driven by continued equity market strength.

Under its shareholder return policy, the company aims to: 1) pay a minimum annual DPS of W500; and 2) implement share buybacks/cancellations (alongside cash dividends) if ROE falls below COE. Given favorable market conditions, we expect the stock to trade above 1x P/B, suggesting that ROE will likely exceed COE in 2026. As a result, we expect shareholder returns next year to take the form of cash dividends only. Accordingly, we forecast 2026 dividend payout ratio at 44.6% and dividend yield at 7% (based on the current share price).

(Dec.)	2023	2024	2025F	2026F	2027F
Net operating revenue (Wbn)	1,678	2,012	2,543	3,028	2,926
OP (Wbn)	726	901	1,245	1,563	1,514
NP (Wbn)	556	687	921	1,119	1,083
EPS (W)	1,582	1,960	2,559	2,973	2,876
BPS (W)	21,757	23,474	23,664	25,249	26,787
P/E (x)	6.5	7.1	8.0	6.8	7.0
P/B (x)	0.47	0.59	0.85	0.80	0.75
ROE (%)	7.8	8.7	10.9	12.2	11.1
Shareholder return yield (%)	7.7	7.9	6.4	7.0	6.7
Equity (Wbn)	7,613	8,119	8,868	9,462	10,038

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

Source: Company data, Mirae Asset Securities Research estimates

Table 1. NH I&S: 3Q25 review (standalone)

(Wbn)

	Mirae Asset	3Q25	Notes
Net operating revenue	560	629	
Net fee/commission income	278	293	
Fee/commission income	343	391	
Brokerage	175	189	
WM	27	38	
IB/other	141	164	
Fee/commission expenses	65	98	
Interest income	209	218	
Trading/financial products	25	80	Valuation gains on non-marketable assets
Other	48	37	
SG&A expenses	252	300	SG&A ratio (47.7%) exceeded estimate (45.0%)
OP	308	329	
Pretax profit	314	312	
Taxes	83	83	
Consolidated NP	231	229	

Source: Company data, Mirae Asset Securities Research

Table 2. NH I&S: 3Q25 review (consolidated)

(Wbn)

	Mirae Asset	3Q25	Notes
Net operating revenue	587	713	Solid performance of consolidated subsidiaries
Net fee/commission income	287	307	
Interest income	240	243	
Trading/financial products	10	108	
Other	50	54	
SG&A expenses	274	321	SG&A ratio (35.5%) below estimate (46.6%)
OP	313	391	
Pretax profit	328	372	
Taxes	87	89	
Consolidated NP	242	283	
NP attr. to owners of the parent	242	283	

Source: Company data, Mirae Asset Securities Research

Table 3. NH I&S: Earnings and forecasts (consolidated)

(Wbn, %)

	1Q25	2Q25	3Q25	4Q25F	2024	2025F	2026F
Net operating revenue	557	639	713	634	2,012	2,543	3,028
Net fee/commission income	259	298	307	374	955	1,239	1,562
Interest income	214	228	243	260	802	946	1,085
Trading/financial products	-38	51	108	-21	57	99	122
Other	122	62	54	21	198	259	259
SG&A expenses	268	317	321	391	1,111	1,297	1,465
OP	289	322	391	243	901	1,245	1,563
Pretax profit	277	320	372	236	925	1,204	1,522
Taxes	69	63	89	62	238	283	403
Consolidated NP	208	257	283	173	687	922	1,119
NP attr. to owners of the parent	208	257	283	173	687	921	1,119

Source: Company data, Mirae Asset Securities Research

Table 4. NH I&S: TP calculation

(W, x, %)

	Value	Notes
Previous TP	24,000	
2025F ROE	10.0	Mirae Asset Securities est.
Adj. discount rate	10.0	
Target P/B	1.00	
2025F BPS	23,854	Mirae Asset Securities est.
Revised TP	28,000	
2026F ROE	12.2	Mirae Asset Securities est.
Adj. discount rate	11.0	
Target P/B	1.11	
2026F BPS	25,249	Mirae Asset Securities est.
Current price	20,100	
Upside	39.3	
Rating	Buy	

Source: Company data, Mirae Asset Securities Research

NH Investment & Securities (005940 KS)

Income statement (standalone)

(Wbn)	2024	2025F	2026F	2027F
Net operating revenue	1,903	2,365	2,851	2,749
Net fee/commission income	951	1,190	1,505	1,433
Fees/commissions	1,144	1,525	1,937	1,845
Brokerage	510	757	1,200	1,074
WM	106	130	140	143
IB/other	527	638	597	628
Fee/commission expenses	193	334	432	412
Interest income	680	836	985	943
Trading/financial products	151	185	208	220
Other	121	153	153	153
SG&A expenses	1,024	1,211	1,379	1,327
OP	879	1,154	1,473	1,422
Non-OP	46	28	28	28
Non-operating expenses	75	77	77	77
Pretax profit	850	1,104	1,423	1,373
Taxes	224	276	376	362
NP	626	828	1,047	1,010

Balance sheet (stand-alone)

(Wbn)	2024	2025F	2026F	2027F
Assets	59,281	76,501	82,001	87,351
Cash/deposits	5,685	9,031	9,680	10,312
Securities	38,168	44,088	47,257	50,340
Loans	8,089	11,229	11,533	10,477
Tangible assets	129	107	115	123
Intangible assets	49	51	55	59
Investment properties	54	53	57	60
Other	7,106	11,942	13,304	15,980
Liabilities	51,889	68,397	73,374	78,220
Deposits	7,458	10,221	11,162	11,935
Borrowings/debentures	36,760	45,057	48,139	51,283
Provisions for other est. liabilities	116	71	76	81
Deferred tax liabilities	0	0	0	0
Other	7,555	13,047	13,997	14,921
Equity	7,392	8,105	8,627	9,130
Capital stock	1,783	1,944	1,944	1,944
Capital surplus	1,885	2,373	2,373	2,373
Retained earnings	3,485	3,504	4,026	4,530
Other	240	284	284	284

ROA breakdown (standalone)

(%)	2024	2025F	2026F	2027F
Net operating revenue				
Net fee/commission income	50.0	50.3	52.8	52.1
Fees/commissions	60.1	64.5	67.9	67.1
Brokerage	26.8	32.0	42.1	39.1
WM	5.6	5.5	4.9	5.2
IB/other	27.7	27.0	20.9	22.8
Interest income	35.7	35.4	34.5	34.3
Trading/financial products	7.9	7.8	7.3	8.0
Other	6.3	6.5	5.4	5.6
Asset turnover ratio				
Net fee/commission income	1.60	1.56	1.84	1.64
Fees/commissions	1.93	1.99	2.36	2.11
Brokerage	0.86	0.99	1.46	1.23
WM	0.18	0.17	0.17	0.16
IB/other	0.89	0.83	0.73	0.72
Interest income	1.15	1.09	1.20	1.08
Trading/financial products	0.25	0.24	0.25	0.25
Other	0.20	0.20	0.19	0.18

Financial statement (consolidated)

(Wbn)	2024	2025F	2026F	2027F
Net operating revenue	2,012	2,543	3,028	2,926
Net fee/commission income	955	1,239	1,562	1,489
Interest income	802	946	1,085	1,044
Trading/financial products	57	99	122	134
Other	198	259	259	259
SG&A expenses	1,111	1,297	1,465	1,413
OP	901	1,245	1,563	1,514
Non-OP	113	78	78	78
Non-operating expenses	89	119	119	119
Pretax profit	925	1,204	1,522	1,473
Taxes	238	283	403	390
NP	687	922	1,119	1,083
Attr. to owners of the parent	687	921	1,119	1,083
Minority interests	0	0	0	0
Assets	62,427	79,707	85,303	90,750
Liabilities	54,308	70,839	75,841	80,712
Equity	8,119	8,868	9,462	10,038

Investment indicators

(x, %, W)	2024	2025F	2026F	2027F
Valuation				
P/B	0.59	0.85	0.80	0.75
P/E	7.1	8.0	6.8	7.0
Dividend yield	6.8	5.7	7.0	6.7
Per-share indicators				
BPS	23,474	23,664	25,249	26,787
EPS	1,960	2,559	2,973	2,876
DPS	950	1,150	1,400	1,350
Growth				
BPS	7.9	0.8	6.7	6.1
EPS	23.9	30.5	16.2	-3.2
Profitability				
ROE	8.7	10.9	12.2	11.1
ROA	1.15	1.30	1.36	1.23
Cost-to-income ratio	53.8	51.2	48.4	48.3
OP margin	44.8	49.0	51.6	51.7
Pretax margin	46.0	47.4	50.3	50.3
Net margin	34.1	36.2	37.0	37.0
Financial leverage (standalone)	7.1	8.2	8.2	8.2

ROA breakdown (consolidated)

(%)	2024	2025F	2026F	2027F
Net operating revenue				
Net fee/commission income	47.4	48.7	51.6	50.9
Interest income	39.9	37.2	35.8	35.7
Trading/financial products	2.8	3.9	4.0	4.6
Other	9.9	10.2	8.6	8.9
Asset turnover ratio				
Net fee/commission income	1.53	1.55	1.83	1.64
Interest income	1.28	1.19	1.27	1.15
Trading/financial products	0.09	0.12	0.14	0.15
Other	0.32	0.33	0.30	0.29

No. of shares & dividend payout ratio

('000, %)	2024	2025F	2026F	2027F
Issued shares (year-end)				
Common	346,363	375,215	375,215	375,215
Preferred	327,492	356,344	356,344	356,344
Dividend payout ratio				
Common	48.0	46.8	46.9	46.8
Preferred	45.2	44.4	44.5	44.3
Preferred	2.7	2.5	2.4	2.4

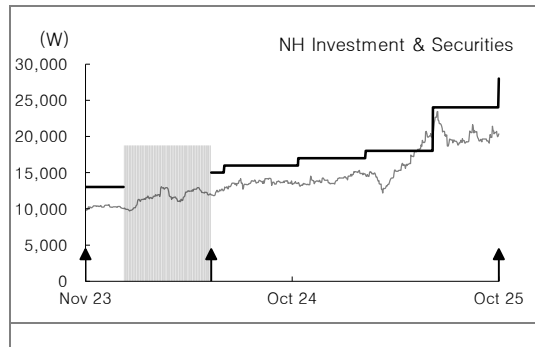
Source: Company data, Mirae Asset Securities Research estimates

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
NH Investment & Securities (005940)	10/31/25	Buy	28,000
	07/07/25	Buy	24,000
	03/10/25	Buy	18,000
	11/11/24	Buy	17,000
	07/03/24	Buy	16,000
	06/10/24	Buy	15,000
	01/08/24	No Coverage	
	05/31/23	Buy	13,000



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	78.61%	1.73%	19.08%	0.58%
Investment banking services	84.62%	0%	15.38%	0%

* Based on recommendations in the last 12-months (as of September 30, 2025)

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