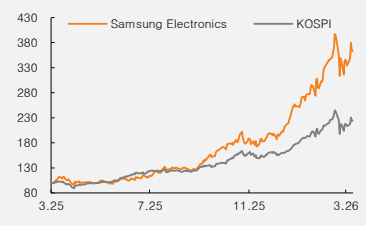


(Maintain)	Buy
Target price	W300,000
Current price (3/20/26)	W199,400
Upside	50.5%

OP (26F, Wbn)	251,015
Consensus OP (26F, Wbn)	197,711
EPS growth (26F, %)	424.6
Market EPS growth (26F, %)	118.0
P/E (26F, x)	5.8
Market P/E (26F, x)	9.2
KOSPI	5,781.20

Market cap (Wbn)	1,180,376
Shares (mn)	5,920
Free float (%)	75.1
Foreign ownership (%)	49.5
Beta (12M)	1.21
52-week low (W)	53,000
52-week high (W)	218,000

(%)	1M	6M	12M
Absolute	4.9	150.2	231.2
Relative	5.4	49.1	51.1



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Samsung Electronics

Positive momentum continues

Reflecting continued strength in memory pricing

We maintain our target price for Samsung Electronics (SEC) at W300,000. We slightly raised our earnings estimates to reflect the uptrend in memory prices but left our target price unchanged, as it still implies sufficient upside from the current share price. While 12-month forward P/E remains low in absolute terms, P/B is near the upper end of the historical range. That said, if the elevated ROE level is sustained, we believe the valuation floor could rise.

Concerns have recently emerged over a potential peak in memory prices. However, we expect prices to remain high, supported by: 1) the structural advancement in smartphone specifications; 2) latent demand arising from the divergence in supply/demand dynamics between data center and consumer IT applications; and 3) current structural constraints on capacity expansion. Accordingly, we expect the current high ROE level to be sustained.

Memory contract prices remain firm. As of mid-March, TrendForce's 4Q26 PC DRAM contract price estimate for DDR5 is holding steady, while its estimate for DDR4 has been revised up by an additional 2.9%. On a per-Gb basis, DRAM price forecasts are trending toward US\$2.1, whereas our current 4Q26 ASP/Gb assumption for conventional DRAM stands at only US\$1.8, suggesting further upside to our estimates.

For 1Q26, we forecast revenue at W124tr (+32.2% QoQ) and operating profit at W41.3tr (+105.9% QoQ). By division, we forecast operating profit at W3.5tr for DX (OP margin: 6.3%) and W37.2tr for DS (OP margin: 55.3%). For memory, we forecast DRAM and NAND bit growth at +4.3% and +8.0%, respectively, and blended ASP growth at +55.4% and +53%, respectively. Meanwhile, we expect foundry losses to narrow to roughly W1tr.

For 2026, we now look for revenue of W601tr (+80% YoY) and operating profit of W251tr (+476% YoY), up 1.5% and 3.0% from our previous estimates, respectively. Our bit growth projections remain unchanged (+25% for DRAM and +20% for NAND), but we raised our ASP growth forecasts (+3.0%p for DRAM and +9.9%p for NAND), reflecting ongoing memory price strength. We forecast NAND OP margin to improve to 61.6%.

In its corporate value enhancement plan disclosure on Mar. 19, SEC reaffirmed its intention to allocate up to 50% of three-year cumulative free cash flow to special shareholder returns. We forecast 2026 net profit attributable to owners of the parent at W226tr. Assuming a 25% payout ratio (the eligibility threshold for the dividend income separate taxation scheme taking effect this year), we estimate 2026 DPS at W8,610, implying a dividend yield of 4.3% (based on the current price).

Additionally, recent positive developments such as foundry orders from Nvidia, a reported HBM4 supply deal with OpenAI, and reports of long-term supply agreements with big tech companies could serve as valuation catalysts.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	300,871	333,606	601,224	758,733	846,872
OP (Wbn)	32,726	43,601	251,015	360,846	409,863
OP margin (%)	10.9	13.1	41.8	47.6	48.4
NP (Wbn)	33,621	44,261	231,920	339,213	394,608
EPS (W)	4,950	6,564	34,432	50,361	58,585
ROE (%)	9.0	10.8	42.9	41.2	33.3
P/E (x)	10.7	18.3	5.8	4.0	3.4
P/B (x)	0.9	1.9	2.0	1.3	1.0
Dividend yield (%)	2.7	1.4	0.8	0.8	0.8

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

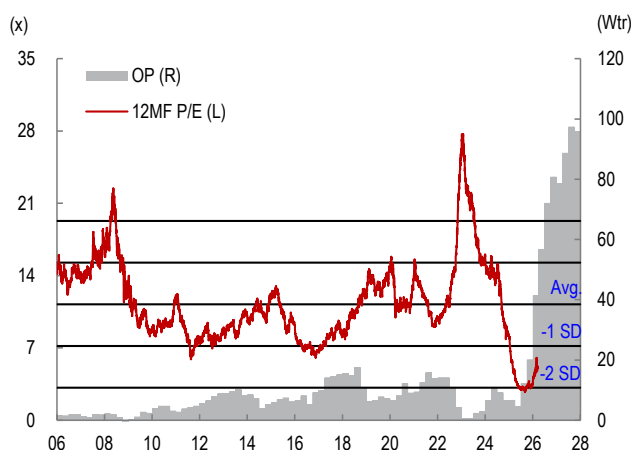
Source: Company data, Mirae Asset Securities Research estimates

Table 1. SEC: SOTP valuation

	2026F EBITDA (Wtr)	Target EV/EBITDA (x)	Implied EV	Notes
Operating value (Wtr)	295.9	6.4	1,882.6	
DX	14.4	6.9	98.9	
MX/NW	11.9	6.9	82.5	50% discount to avg. of Xiaomi and Apple
VD/DA	2.5	6.6	16.4	Avg. of LG Electronics and Whirlpool
DS	273.1	6.4	1,743.3	
Memory	263.4	6.3	1,647.0	Avg. of SK Hynix, Micron, and Kioxia
Foundry/LSI	9.7	9.9	96.3	10% discount to avg. of TSMC, GlobalFoundries, and Intel
Samsung Display	6.3	4.3	26.6	Avg. of Innolux, BOE, and AUO
Harman	2.1	6.5	13.8	Avg. of Hyundai Mobis and HL Mando
	Market cap (Wtr)	Stake (%)	Value	
Equity stake value (Wtr)			111.0	
Listed			57.6	
Samsung Biologics	80.4	31.2	25.1	
Samsung Epis Holdings	15.3	38.6	5.9	
SEMCO	28.2	23.7	6.7	
Samsung SDI	32.4	19.4	6.3	
Samsung SDS	13.3	22.6	3.0	
Other			10.7	
Unlisted			53.3	
Net debt (Wtr)			-104.2	
Fair market cap (Wtr)			2,042	50% discount to equity stake value reflected
No. of shares (mn)			6,793	Common + preferred
Fair value/share (W)			300,657	
Target price (W)			300,000	
Current price (W)			199,400	
Upside (%)			50.5	

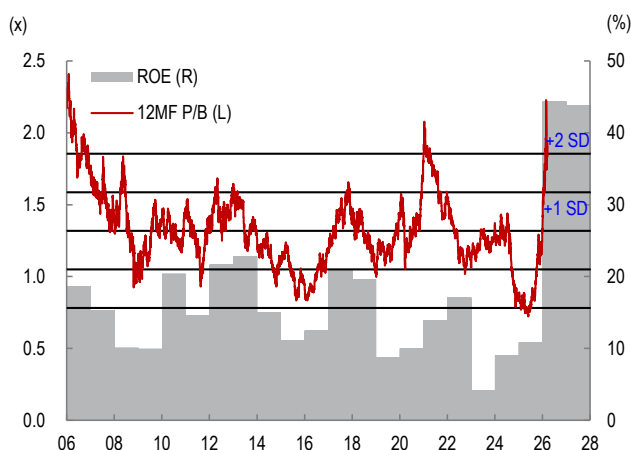
Source: LSEG, Mirae Asset Securities Research

Figure 1. SEC: 12-month forward P/E



Source: LSEG, Mirae Asset Securities Research

Figure 2. SEC: 12-month forward P/B



Source: LSEG, Mirae Asset Securities Research

Table 2. SEC: Earnings outlook

(Wtr, %)

	1Q25	2Q25	3Q25	4Q25	1Q26F	2Q26F	3Q26F	4Q26F	2024	2025	2026F	2027F
USD/KRW	1,453	1,402	1,386	1,450	1,450	1,440	1,440	1,440	1,363	1,422	1,443	1,426
QoQ/YoY	4.0	-3.5	-1.2	4.6	0.0	-0.7	0.0	0.0	4.4	4.3	1.4	-1.2
Revenue	79.1	74.6	86.1	93.8	124.0	140.4	162.2	174.6	300.9	333.6	601.2	758.7
DX	51.7	43.6	48.4	44.3	56.4	45.7	47.9	47.6	174.9	188.0	197.5	218.7
DS	25.1	27.9	33.1	44.0	67.3	92.3	109.2	120.3	111.1	130.1	389.1	523.8
Samsung Display	5.9	6.4	8.1	9.5	5.6	6.1	7.7	9.3	29.2	29.8	28.6	32.1
Harman	3.4	3.8	4.0	4.6	3.2	4.6	4.5	4.6	14.3	15.8	17.0	18.4
QoQ/YoY	4.4	-5.8	15.4	9.0	32.2	13.2	15.5	7.7	16.2	10.9	80.2	26.2
DX	27.6	-15.8	11.0	-8.4	27.2	-18.8	4.7	-0.7	2.9	7.5	5.1	10.7
DS	-16.5	10.9	18.8	32.9	52.9	37.1	18.3	10.2	66.8	17.2	199.0	34.6
Samsung Display	-27.8	8.7	27.0	17.2	-41.3	8.7	27.0	20.9	-5.9	2.3	-4.0	12.1
Harman	-12.9	12.0	3.2	15.9	-29.1	41.5	-1.1	0.7	-0.8	10.6	7.5	8.5
OP	6.7	4.7	12.2	20.1	41.3	56.8	72.1	80.8	32.7	43.6	251.0	360.8
DX	4.7	3.3	3.5	1.3	3.5	1.8	2.4	1.9	12.4	12.9	9.6	15.4
DS	1.1	0.4	7.0	16.4	37.2	54.1	68.2	76.8	15.1	24.9	236.3	338.9
Samsung Display	0.5	0.5	1.2	2.0	0.2	0.4	1.1	1.7	3.7	4.1	3.4	4.7
Harman	0.3	0.5	0.4	0.3	0.3	0.4	0.4	0.4	1.3	1.5	1.5	1.6
QoQ/YoY	3.0	-30.1	160.2	65.0	105.9	37.4	26.9	12.0	398.3	33.2	475.7	43.8
DX	108.0	-29.6	4.3	-61.5	165.3	-48.8	30.7	-21.4	-13.5	3.3	-25.4	60.5
DS	-61.4	-68.3	1,896.4	134.7	126.7	45.5	26.1	12.5	TTB	64.7	850.7	43.4
Samsung Display	-46.8	2.4	158.8	59.7	-88.1	80.8	149.6	58.7	-32.9	10.3	-18.0	39.6
Harman	-21.6	57.6	-13.1	-23.9	-5.4	34.1	-0.9	0.7	11.4	17.1	-1.0	7.4
OP margin	8.4	6.3	14.1	21.4	33.3	40.4	44.5	46.3	10.9	13.1	41.8	47.6
DX	9.1	7.6	7.2	3.0	6.3	4.0	5.0	3.9	7.1	6.8	4.9	7.0
DS	4.4	1.3	21.1	37.3	55.3	58.6	62.5	63.8	13.6	19.1	60.7	64.7
Samsung Display	7.9	7.4	15.1	20.6	4.2	7.0	13.7	17.9	12.8	13.8	11.8	14.7
Harman	9.0	12.6	10.6	7.0	9.3	8.8	8.8	8.8	9.2	9.7	8.9	8.8
EBITDA	18.2	16.0	24.0	32.3	54.6	70.2	85.6	94.4	75.4	90.5	304.8	417.1
DX	5.8	4.4	4.6	2.5	4.8	3.1	3.6	3.1	16.7	17.3	14.6	20.4
DS	10.6	9.7	16.8	26.5	48.2	65.3	79.5	88.2	49.9	63.6	281.2	386.3
Samsung Display	1.1	1.1	1.9	2.6	1.0	1.1	1.8	2.4	6.4	6.8	6.3	7.6
Harman	0.4	0.6	0.6	0.5	0.5	0.6	0.6	0.6	1.9	2.1	2.1	2.2
QoQ/YoY	1.2	-11.9	49.6	34.7	68.9	28.7	21.8	10.3	66.6	20.1	236.7	36.9
DX	73.7	-24.0	4.6	-45.2	89.6	-36.2	18.2	-14.1	-10.6	4.1	-16.0	39.8
DS	-14.1	-8.6	72.6	58.1	81.9	35.4	21.7	11.0	227.1	27.6	341.9	37.4
Samsung Display	-26.8	0.7	65.0	40.6	-63.8	19.6	55.0	34.9	-28.1	6.1	-7.8	21.3
Harman	-15.9	38.9	-10.0	-15.5	-3.4	22.7	-0.7	0.5	9.1	12.7	1.4	5.2
Capex	12.0	11.1	9.2	20.4	17.4	17.6	17.6	17.9	53.6	52.7	70.5	84.2
DS	10.9	9.8	7.8	19.0	16.3	16.3	16.3	16.3	46.3	47.5	65.3	78.7
Samsung Display	0.5	0.8	0.8	0.7	0.5	0.7	0.7	0.8	4.8	2.8	2.7	2.9
Other	0.6	0.5	0.5	0.8	0.5	0.6	0.6	0.7	2.5	2.4	2.5	2.6
QoQ/YoY	-32.6	-7.5	-17.5	122.9	-14.8	1.4	0.0	1.3	1.0	-1.9	33.9	19.5
DS	-31.4	-10.7	-20.3	143.1	-13.8	0.0	0.0	0.0	-4.3	2.6	37.6	20.4
Samsung Display	-48.8	61.2	4.2	-20.1	-20.2	25.0	0.0	20.0	102.7	-42.2	-5.0	10.0
Other	-36.2	-6.2	0.5	49.8	-33.8	20.1	0.0	16.7	7.5	-6.1	4.6	6.3
FCF	6.2	4.9	14.8	11.9	37.2	52.6	67.9	76.6	21.7	37.9	234.3	332.9
DS	-0.3	-0.1	9.0	7.6	31.9	49.0	63.1	71.9	3.6	16.2	215.9	307.7
Samsung Display	0.6	0.3	1.0	2.0	0.4	0.5	1.1	1.6	1.6	4.0	3.6	4.7
Other	5.9	4.7	4.8	2.4	4.9	3.1	3.7	3.1	16.6	17.7	14.8	20.5

Source: Company data, Mirae Asset Securities Research

Table 3. SEC: Earnings forecast revisions

(Wtr, %, %p)

	1Q26F			2026F			2027F		
	Revised	Previous	Chg.	Revised	Previous	Chg.	Revised	Previous	Chg.
USD/KRW	1,450	1,450	0.0	1,443	1,443	0.0	1,426	1,426	0.0
Revenue	124.0	123.1	0.7	601.2	592.4	1.5	758.7	741.6	2.3
DX	56.4	56.4	0.0	197.5	197.5	0.0	218.7	218.7	0.0
DS	67.3	66.4	1.4	389.1	380.3	2.3	523.8	506.6	3.4
Samsung Display	5.6	5.6	0.0	28.6	28.6	0.0	32.1	32.1	0.0
Harman	3.2	3.2	0.0	17.0	17.0	0.0	18.4	18.4	0.0
OP	41.3	40.6	1.9	251.0	243.8	3.0	360.8	346.8	4.0
DX	3.5	3.5	0.0	9.6	9.6	0.0	15.4	15.4	0.0
DS	37.2	36.5	2.1	236.3	229.1	3.2	338.9	324.9	4.3
Samsung Display	0.2	0.2	0.0	3.4	3.4	0.0	4.7	4.7	0.0
Harman	0.3	0.3	0.0	1.5	1.5	0.0	1.6	1.6	0.0
OP margin	33.3	33.0	0.4	41.8	41.2	0.6	47.6	46.8	0.8
DX	6.3	6.3	0.0	4.9	4.9	0.0	7.0	7.0	0.0
DS	55.3	54.9	0.4	60.7	60.2	0.5	64.7	64.1	0.6
Samsung Display	4.2	4.2	0.0	11.8	11.8	0.0	14.7	14.7	0.0
Harman	9.3	9.3	0.0	8.9	8.9	0.0	8.8	8.8	0.0
EBITDA	54.6	53.8	1.4	304.8	297.4	2.5	417.1	402.7	3.6
DX	4.8	4.8	0.0	14.6	14.6	0.0	20.4	20.4	0.0
DS	48.2	47.5	1.6	281.2	273.9	2.7	386.3	371.9	3.9
Samsung Display	1.0	1.0	0.0	6.3	6.3	0.0	7.6	7.6	0.0
Harman	0.5	0.5	0.0	2.1	2.1	0.0	2.2	2.2	0.0
Capex	17.4	16.7	4.3	70.5	67.6	4.3	84.2	81.4	3.5
DS	16.3	15.6	4.6	65.3	62.5	4.6	78.7	75.8	3.8
Samsung Display	0.5	0.5	0.0	2.7	2.7	0.0	2.9	2.9	0.0
Other	0.5	0.5	0.0	2.5	2.5	0.0	2.6	2.6	0.0
FCF	37.2	37.2	0.1	234.3	229.8	1.9	332.9	321.3	3.6
DS	31.9	31.9	0.1	215.9	211.4	2.1	307.7	296.1	3.9
Samsung Display	0.4	0.4	0.0	3.6	3.6	0.0	4.7	4.7	0.0
Other	4.9	4.9	0.0	14.8	14.8	0.0	20.5	20.5	0.0

Source: Mirae Asset Securities Research

Table 4. SEC: DS earnings outlook

(Wtr, %)

	1Q25	2Q25	3Q25	4Q25	1Q26F	2Q26F	3Q26F	4Q26F	2024	2025F	2026F	2027F
Revenue	25.1	27.9	33.1	44.0	67.3	92.3	109.2	120.3	111.1	130.1	389.1	523.8
DRAM	13.2	14.5	18.7	28.0	45.4	63.1	76.3	84.0	54.4	74.4	268.8	372.9
NAND	5.8	6.7	8.0	9.2	15.2	21.1	25.5	28.1	30.1	29.7	89.9	115.4
Foundry/LSI	6.1	6.7	6.4	6.9	6.8	8.0	7.4	8.2	26.6	26.0	30.5	35.5
QoQ/YoY	-16.5	10.9	18.8	32.9	52.9	37.1	18.3	10.2	66.8	17.2	199.0	34.6
DRAM	-15.8	9.8	28.9	49.6	62.1	39.2	20.9	10.1	89.8	36.8	261.2	38.7
NAND	-19.3	14.0	19.7	14.8	65.3	39.4	20.8	10.0	94.5	-1.3	202.9	28.4
Foundry/LSI	-15.1	10.5	-4.0	6.8	-1.1	18.4	-8.0	11.4	18.4	-2.1	16.9	16.7
OP	1.1	0.4	7.0	16.4	37.2	54.1	68.2	76.8	15.1	24.9	236.3	338.9
DRAM	3.7	3.6	7.1	15.9	30.4	42.4	52.7	58.6	16.8	30.4	184.1	264.8
NAND	-0.8	-0.5	0.7	2.6	7.8	12.3	16.4	18.8	3.5	2.0	55.4	75.7
Foundry/LSI	-1.8	-2.7	-0.8	-2.1	-1.0	-0.6	-0.9	-0.6	-5.3	-7.6	-3.1	-1.6
QoQ/YoY	-61.4	-68.3	1,896.4	134.7	126.7	45.5	26.1	12.5	TTB	64.7	850.7	43.4
DRAM	-21.4	-2.0	95.9	124.3	90.7	39.3	24.5	11.0	TTB	80.4	505.9	43.9
NAND	TTR	RR	TTB	259.6	200.0	57.5	33.0	14.5	TTB	-42.1	2,607.2	36.7
Foundry/LSI	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR
OP margin	4.4	1.3	21.1	37.3	55.3	58.6	62.5	63.8	13.6	19.1	60.7	64.7
DRAM	28.0	25.0	38.0	57.0	67.0	67.1	69.1	69.7	31.0	40.8	68.5	71.0
NAND	-13.0	-8.0	9.1	28.5	51.7	58.4	64.3	66.9	11.8	6.9	61.6	65.6
Foundry/LSI	-30.3	-41.0	-13.1	-31.3	-15.3	-7.4	-12.5	-7.0	-19.9	-29.1	-10.3	-4.6
EBITDA	10.4	9.5	16.6	26.3	48.0	65.1	79.3	88.0	49.2	62.8	280.4	385.5
DRAM	6.8	6.9	10.8	20.0	35.0	47.2	57.8	64.0	27.2	44.6	204.0	285.7
NAND	1.8	2.1	3.6	5.7	11.0	15.3	19.1	21.3	13.5	13.1	66.7	88.0
Foundry/LSI	1.8	0.5	2.2	0.6	2.1	2.6	2.3	2.7	8.4	5.1	9.7	11.7
Capex	10.9	9.8	7.8	19.0	16.3	16.3	16.3	16.3	46.3	47.5	65.3	78.7
DRAM	5.5	4.9	3.5	6.6	9.0	9.0	9.0	3.3	18.4	20.5	30.3	35.6
NAND	3.3	3.4	2.3	3.8	2.5	2.5	2.5	10.0	13.0	12.8	17.3	20.0
Foundry/LSI	2.2	1.5	1.9	8.6	4.9	4.9	4.9	3.0	14.9	14.2	17.7	23.1

Source: Company data, Mirae Asset Securities Research

Table 5. SEC: Memory revenue outlook

	1Q25	2Q25	3Q25	4Q25	1Q26F	2Q26F	3Q26F	4Q26F	2024	2025F	2026F	2027F
USD/KRW	1,453	1,402	1,386	1,450	1,450	1,440	1,440	1,440	1,363	1,422	1,443	1,426
QoQ/YoY (%)	4.0	-3.5	-1.2	4.6	0.0	-0.7	0.0	0.0	4.4	4.3	1.4	-1.2
DRAM												
Revenue (US\$bn)	9.1	10.4	13.5	19.3	31.3	43.8	53.0	58.3	39.8	52.3	186.4	261.6
QoQ/YoY (%)	-19.1	13.7	30.4	43.0	62.1	40.1	20.9	10.1	81.8	31.2	256.8	40.3
Bit shipments (bn Gb)	20.5	22.8	26.2	26.7	27.8	29.5	30.9	32.1	88.8	96.1	120.4	144.3
QoQ/YoY (%)	1.0	11.0	15.0	2.0	4.3	6.0	4.8	3.8	13.0	8.3	25.2	19.9
ASP (US\$)	0.44	0.45	0.52	0.72	1.12	1.49	1.71	1.82	0.45	0.54	1.55	1.81
QoQ/YoY (%)	-19.9	2.5	13.4	40.2	55.4	32.2	15.3	6.1	60.8	21.1	184.9	17.0
Conventional												
Revenue (US\$bn)	8.1	9.0	11.4	16.8	28.5	40.4	47.8	51.2	33.0	45.3	167.8	230.1
QoQ/YoY (%)	2.9	11.0	25.9	47.4	70.0	41.8	18.5	7.1	62.3	37.1	270.6	37.1
Bit shipments (bn Gb)	19.9	21.9	24.7	25.0	25.7	27.0	27.8	28.3	83.7	91.4	108.8	127.4
QoQ/YoY (%)	11.1	9.9	13.1	0.9	3.0	5.0	3.0	2.0	8.2	9.3	19.0	17.1
ASP (US\$)	0.41	0.41	0.46	0.67	1.11	1.50	1.72	1.81	0.39	0.50	1.54	1.81
QoQ/YoY (%)	-7.4	0.9	11.3	46.0	65.0	35.0	15.0	5.0	50.1	25.5	211.4	17.1
HBM												
Revenue (US\$bn)	1.0	1.3	2.1	2.5	2.8	3.5	5.2	7.1	6.8	7.0	18.6	31.4
QoQ/YoY (%)	-71.1	37.1	61.1	19.5	10.3	23.7	49.1	37.6	336.8	2.5	166.9	69.1
% of DRAM	10.6	12.8	15.8	13.2	9.0	7.9	9.8	12.2	17.1	13.3	10.0	12.0
Shipments (bn Gb)	0.6	0.9	1.5	1.8	2.1	2.5	3.1	3.8	5.1	4.7	11.6	16.9
QoQ/YoY (%)	-74.1	45.2	61.1	20.7	22.6	17.8	24.2	19.6	334.2	-7.7	145.0	46.1
% of DRAM	3.0	4.0	5.5	6.6	7.7	8.6	10.1	11.7	5.8	4.9	9.6	11.7
ASP (US\$)	1.56	1.47	1.47	1.46	1.31	1.38	1.65	1.90	1.3	1.5	1.6	1.9
QoQ/YoY (%)	11.6	-5.5	0.0	-1.0	-10.0	5.0	20.0	15.0	0.6	11.1	8.9	15.7
NAND												
Revenue (US\$bn)	4.0	4.8	5.8	6.3	10.5	14.7	17.7	19.5	22.1	20.9	62.3	80.9
QoQ/YoY (%)	-22.5	18.2	21.2	9.7	65.2	40.4	20.8	10.0	86.4	-5.4	198.7	29.8
Shipments (bn GB)	61.6	77.6	85.4	76.9	83.0	89.7	94.1	94.1	298.1	301.6	361.0	411.1
QoQ/YoY (%)	-10.0	26.0	10.0	-10.0	8.0	8.0	5.0	0.0	11.0	1.2	19.7	13.9
ASP (US\$)	0.07	0.06	0.07	0.08	0.13	0.16	0.19	0.21	0.07	0.07	0.17	0.20
QoQ/YoY (%)	-13.8	-6.2	10.1	21.9	53.0	30.0	15.0	10.0	67.9	-6.4	149.5	14.0

Source: Company data, Mirae Asset Securities Research

Table 6. SEC: DS earnings forecast revisions

(Wtr, %, %p)

	1Q26F			2026F			2027F		
	Revised	Previous	Chg.	Revised	Previous	Chg.	Revised	Previous	Chg.
Revenue	67.3	66.4	1.4	389.1	380.3	2.3	523.8	506.6	3.4
DRAM	45.4	44.5	2.0	268.8	263.5	2.0	372.9	365.8	1.9
NAND	15.2	15.2	0.0	89.9	86.3	4.1	115.4	105.3	9.5
Foundry/LSI	6.8	6.8	0.0	30.5	30.5	0.0	35.5	35.5	0.0
OP	37.2	36.5	2.1	236.3	229.1	3.2	338.9	324.9	4.3
DRAM	30.4	29.7	2.5	184.1	179.9	2.3	264.8	258.6	2.4
NAND	7.8	7.8	0.0	55.4	52.3	5.8	75.7	68.2	11.1
Foundry/LSI	-1.0	-1.0	RR	-3.1	-3.1	RR	-1.6	-1.9	RR
OP margin	55.3	54.9	0.4	60.7	60.2	0.5	64.7	64.1	0.6
DRAM	67.0	66.7	0.3	68.5	68.3	0.2	71.0	70.7	0.3
NAND	51.7	51.7	0.0	61.6	60.6	1.0	65.6	64.7	0.9
Foundry/LSI	-15.3	-15.3	0.0	-10.3	-10.2	-0.1	-4.6	-5.3	0.8
[Memory est.]									
DRAM									
Bit growth	4.3	3.3	1.0	25.2	24.1	1.1	19.9	19.9	-0.0
ASP chg.	55.4	53.8	1.7	184.9	181.9	3.0	17.0	17.1	-0.0
Conventional									
Bit growth	3.0	3.0	0.0	19.0	18.2	0.9	17.1	17.1	0.0
ASP chg.	65.0	65.0	0.0	211.4	209.3	2.0	17.1	17.1	0.0
HBM									
Bit growth	22.6	7.2	15.3	145.0	132.7	12.3	46.1	46.1	0.0
ASP chg.	-10.0	-10.0	0.0	8.9	9.0	-0.1	15.7	15.7	0.0
NAND									
Bit growth	8.0	8.0	0.0	19.7	19.7	0.0	13.9	13.9	0.0
ASP chg.	53.0	53.0	0.0	149.5	139.6	9.9	14.0	8.4	5.6

Source: Mirae Asset Securities Research

Table 7. SEC: Shareholder return estimates

(Wtr)

	50% of 3Y FCF (W9.6tr/year)			50% of 3Y FCF (W9.8tr/year)			50% of 3Y FCF (W9.8tr/year)		
	2018	2019	2020	2021	2022	2023	2024	2025	2026F
NP (owners of the parent)	43.9	21.5	26.1	39.2	54.7	14.5	33.6	44.3	226.6
Operating cash flow	67.0	45.4	65.3	65.1	62.2	44.1	73.0	85.3	309.6
Capex	29.6	25.4	37.6	47.1	49.4	57.6	51.4	47.5	67.1
FCF	37.5	20.0	27.7	18.0	12.8	-13.5	21.6	37.8	242.5
% of FCF to be returned to shareholders	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0
Regular dividend pool	18.7	10.0	13.8	9.0	6.4	-6.7	10.8	18.9	121.3
Regular dividend payout	9.6	9.6	9.6	9.8	9.8	9.8	9.8	9.8	9.8
Special dividend pool (cumulative)	9.1	9.5	13.8	-0.8	-4.2	-20.8	1.0	8.3	110.2
Share repurchases	0.9	0.0	0.0	0.0	0.0	0.0	1.8	8.2	0.0
Special dividend payout	0.2	0.0	10.7	0.0	0.0	0.0	0.0	1.3	47.3
Total dividend payout	9.8	9.6	20.3	9.8	9.8	9.8	9.8	11.1	57.1
Dividend payout ratio (%)	22.3	44.7	78.0	25.0	17.9	67.8	29.2	25.1	25.2
Common stock	8.6	8.5	17.9	8.6	8.6	8.6	8.6	9.8	50.2
Preferred stock	1.2	1.2	2.5	1.2	1.2	1.2	1.2	1.3	6.9
Total shareholder returns	10.7	9.6	20.3	9.8	9.8	9.8	11.6	19.3	57.1
No. of shares (ending, mn)									
Common stock	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,920	5,920
(Treasury stock)	0	0	0	0	0	0	33	92	92
Preferred stock	823	823	823	823	823	823	823	816	816
(Treasury stock)	0	0	0	0	0	0	5	14	14
Adj. DPS (W)									
Common stock	1,416	1,416	2,994	1,444	1,444	1,444	1,446	1,668	8,610
Preferred stock	1,417	1,417	2,995	1,445	1,445	1,445	1,447	1,669	8,611
Avg. share price (W)									(Current)
Common stock	46,830	46,583	57,153	79,156	63,935	67,457	71,610	71,448	199,800
Preferred stock	38,148	37,996	49,780	72,033	58,195	56,442	58,790	57,355	139,200
Dividend yield (%)									
Common stock	3.0	3.0	5.2	1.8	2.3	2.1	2.0	2.3	4.3
Preferred stock	3.7	3.7	6.0	2.0	2.5	2.6	2.5	2.9	6.2
Net cash (ending)	83.6	88.7	103.7	105.3	108.0	82.8	97.3	104.3	246.3

Source: Company data, Mirae Asset Securities Research

Samsung Electronics (005930 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	333,606	601,224	758,733	846,872
Cost of revenue	202,236	220,162	250,237	284,139
GP	131,370	381,062	508,496	562,733
SG&A expenses	87,769	130,048	147,651	152,870
OP (adj.)	43,601	251,015	360,846	409,863
OP	43,601	251,015	360,846	409,863
Non-operating profit	5,880	8,099	17,942	30,675
Net financial income	3,987	6,988	16,831	29,564
Net income from associates	683	711	712	711
Pretax profit	49,481	259,114	378,788	440,538
Income tax	4,275	22,990	33,427	38,777
Profit from continuing operations	45,207	236,123	345,361	401,761
Profit from discontinued operations	0	0	0	0
NP	45,207	236,123	345,361	401,761
Attributable to owners	44,261	231,920	339,213	394,608
Attributable to minority interests	946	4,204	6,149	7,153
Total comprehensive income	51,291	241,323	350,561	406,961
Attributable to owners	49,904	236,471	343,512	398,777
Attributable to minority interests	1,387	4,853	7,049	8,183
EBITDA	90,528	304,766	417,088	469,224
FCF	37,793	201,672	318,770	373,627
EBITDA margin (%)	27.1	50.7	55.0	55.4
OP margin (%)	13.1	41.8	47.6	48.4
Net margin (%)	13.3	38.6	44.7	46.6

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	85,315	268,729	395,739	454,681
NP	45,207	236,123	345,361	401,761
Non-cash income/expenses	52,396	68,926	72,010	67,747
Depreciation	43,606	50,251	52,741	55,860
Amortization	3,321	3,501	3,501	3,501
Other	5,469	15,174	15,768	8,386
Chg. in working capital	-9,614	-20,435	-5,152	-5,730
Chg. in AR & other receivables	-2,535	-44,002	-13,286	-14,776
Chg. in inventory	-3,591	-45,301	-13,678	-15,212
Chg. in AP & other payables	-3,257	12,504	3,567	3,968
Income tax	-7,137	-22,990	-33,427	-38,777
Cash flow from investing activities	-68,512	-128,750	-97,830	-103,896
Chg. in PP&E	-47,372	-67,057	-76,969	-81,053
Chg. in intangible assets	-4,617	-4,000	-4,000	-4,000
Chg. in financial assets	-9,056	-58,493	-17,661	-19,642
Other	-7,467	800	800	799
Cash flow from financing activities	-13,478	-11,028	-11,012	-11,012
Chg. in financial liabilities	5,909	0	0	0
Chg. in equity	0	0	0	0
Dividends	-9,897	-11,028	-11,012	-11,012
Other	-9,490	0	0	0
Chg. in cash	4,151	128,358	288,430	340,904
Beginning balance	53,706	57,856	186,215	474,645
Ending balance	57,856	186,215	474,645	815,549

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	247,685	539,393	877,145	1,272,903
Cash & equivalents	57,856	186,215	474,645	815,549
AR & other receivables	58,609	109,050	124,280	141,218
Inventory	52,637	97,938	111,616	126,828
Other current assets	78,583	146,190	166,604	189,308
Non-current assets	319,257	348,416	376,722	406,395
Investments in associates	13,772	25,625	29,204	33,184
PP&E	215,305	232,111	256,339	281,533
Intangible assets	29,481	29,980	30,479	30,978
Total assets	566,942	887,809	1,253,867	1,679,298
Current liabilities	106,411	175,580	197,483	221,842
AP & other payables	34,405	57,742	65,806	74,775
Short-term financial liabilities	18,752	18,752	18,752	18,752
Other current liabilities	53,254	99,086	112,925	128,315
Non-current liabilities	24,210	39,464	44,070	49,192
Long-term financial liabilities	6,487	6,487	6,487	6,487
Other non-current liabilities	17,723	32,977	37,583	42,705
Total liabilities	130,622	215,044	241,552	271,034
Equity attributable to owners	424,313	656,554	989,955	1,378,752
Capital stock	898	898	898	898
Capital surplus	4,404	4,404	4,404	4,404
Retained earnings	402,136	623,027	951,228	1,334,825
Minority interests	12,007	16,211	22,360	29,512
Shareholders' equity	436,320	672,765	1,012,315	1,408,264

Key valuation metrics/ratios

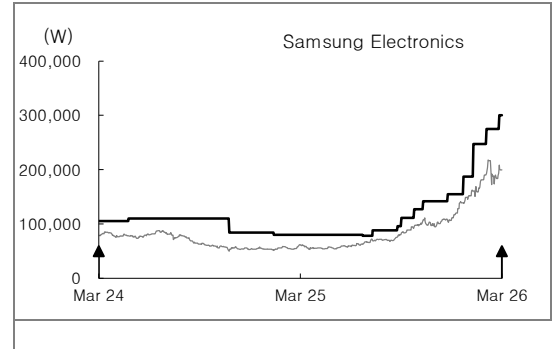
	2025	2026F	2027F	2028F
P/E (x)	18.3	5.8	4.0	3.4
P/CF (x)	8.3	4.4	3.2	2.9
P/B (x)	1.9	2.0	1.3	1.0
EV/EBITDA (x)	7.7	3.4	1.7	0.8
EPS (W)	6,564	34,432	50,361	58,585
CFPS (W)	14,474	45,289	61,965	69,705
BPS (W)	63,976	98,456	147,954	205,677
DPS (W)	1,668	1,668	1,668	1,668
Dividend payout ratio (%)	21.6	4.1	2.8	2.4
Dividend yield (%)	1.4	0.9	0.9	0.9
Revenue growth (%)	10.9	80.2	26.2	11.6
EBITDA growth (%)	20.1	236.7	36.9	12.5
OP growth (%)	33.2	475.7	43.8	13.6
EPS growth (%)	32.6	424.6	46.3	16.3
AR turnover (x)	7.0	8.2	7.5	7.3
Inventory turnover (x)	6.4	8.0	7.2	7.1
AP turnover (x)	15.9	11.4	9.2	9.1
ROA (%)	8.4	32.5	32.3	27.4
ROE (%)	10.8	42.9	41.2	33.3
ROIC (%)	13.2	67.3	84.7	87.7
Debt-to-equity ratio (%)	29.9	32.0	23.9	19.2
Current ratio (%)	232.8	307.2	444.2	573.8
Net debt-to-equity ratio (%)	-23.1	-42.7	-58.6	-67.7
Interest coverage ratio (x)	72.0	315.3	453.3	514.9

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
Samsung Electronics (005930)	03/18/26	Buy	300,000
	02/23/26	Buy	275,000
	01/30/26	Buy	247,000
	01/12/26	Buy	187,000
	12/15/25	Buy	155,000
	10/31/25	Buy	142,000
	10/15/25	Buy	127,000
	09/22/25	Buy	111,000
	09/15/25	Buy	96,000
	08/01/25	Buy	88,000
	07/14/25	Buy	78,000
	02/03/25	Buy	80,000
	11/14/24	Buy	84,000
	05/16/24	Buy	110,000
	01/03/24	Buy	105,000



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	79.76%	1.19%	19.05%	0%
Investment banking services	83.33%	0%	16.67%	0%

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

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