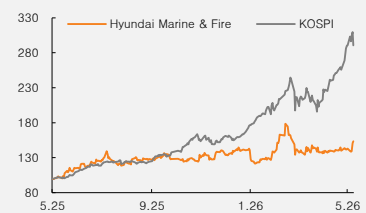


(Maintain)	Hold
Target price	▲ W32,000
Current price (5/15/26)	W33,350
Upside	-4.0%

OP (26F, Wbn)	1,034
Consensus OP (26F, Wbn)	1,001
EPS growth (26F, %)	30.7
Market EPS growth (26F, %)	229.0
P/E (26F, x)	3.6
Market P/E (26F, x)	8.3
KOSPI	7,493.18

Market cap (Wbn)	2,843
Shares outstanding (mn)	85
Free float (%)	69.1
Foreign ownership (%)	37.0
Beta (12M)	0.21
52-week low (W)	21,800
52-week high (W)	38,800

(%)	1M	6M	12M
Absolute	10.8	15.0	48.6
Relative	-9.9	-38.4	-48.0



Mirae Asset Securities Co., Ltd.

Tae Joon Jeong, CFA

taejoon.jeong@miraeasset.com

Hyundai Marine & Fire

Earnings beat estimates on reversal of onerous contract costs

Maintain Hold; raise TP to W32,000

We raise our target price for Hyundai Marine & Fire (Hyundai M&F) to W32,000 (from W27,000), applying a P/B of 0.4x (unchanged) to our 2026 BPS estimate. Our BPS estimate increased significantly, as other comprehensive income is improving amid a sharp rise in market interest rates (which are likely to remain on an upward trend). That said, with our target price implying 4.0% downside, we maintain our Hold rating.

1Q26 earnings beat estimates

For 1Q26, the company posted net profit of W223.3bn, well above our estimate (W130.3bn) and the consensus (W157.2bn). Underwriting profit benefited from an W81bn reversal of onerous contract costs following regulators' decision to raise the cap on premium increases for indemnity health insurance policies. The reversal was larger relative to peers, reflecting Hyundai M&F's higher share of onerous contracts. Meanwhile, investment profit came in well below recurring levels due to large losses on DLS products, but the result was still better than feared thanks to favorable stock market conditions. The K-ICS ratio rose to 207.2%, supported by higher interest rates.

Dividends still unlikely

Despite the rise in its capital ratio, Hyundai M&F's distributable profits remained in negative territory (-W1.4tr) in 1Q26, showing little change QoQ. Unless regulators announce an additional reduction in the surrender value reserve requirement, dividend payments are likely to remain difficult.

As the reserve system is designed to protect consumers from potential harm that could arise when insurers recognize liabilities at market values below their cost-based values, we believe a further reduction in the reserve ratio is unlikely in the near term.

(Dec.)	2024	2025F	2026F	2027F	2028F
Underwriting profit (Wbn)	1,043	396	655	856	1,008
OP (Wbn)	1,395	726	1,034	1,364	1,516
NP (Wbn)	1,031	561	730	963	1,073
EPS (W)	13,033	7,045	9,204	12,169	13,574
BPS (W)	62,835	62,278	80,658	92,938	106,623
P/E (x)	1.9	4.4	3.6	2.7	2.5
P/B (x)	0.39	0.49	0.41	0.36	0.31
ROE (%)	18.7	11.4	13.0	14.1	13.7
Shareholder return yield (%)	0.0	0.0	0.0	0.0	0.0
K-ICS ratio (%)	157.0	190.1	204.8	200.2	204.3

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

Source: Company data, Mirae Asset Securities Research estimates

Mirae Asset Securities Research AI translation

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Table 1. Hyundai M&F: TP calculation

(W, x, %)

	Value	Notes
Previous TP	27,000	
2026F ROE	12.0	Mirae Asset Securities est.
Adj. discount rate	30.0	
Target P/B	0.40	
2025F BPS	67,594	Mirae Asset Securities est.
Revised TP	32,000	
2026F ROE	13.0	Mirae Asset Securities est.
Adj. discount rate	32.5	
Target P/B	0.40	
2026F BPS	80,658	Mirae Asset Securities est.
Current price	33,350	
Upside	-4.0	
Rating	Hold	

Source: Company data, Mirae Asset Securities Research

Table 2. Hyundai M&F: 1Q26 review

(Wbn, %)

	Mirae Asset	Preliminary	Notes
Underwriting profit	214	302	
CSM release	237	241	
RA release	37	38	
Experience variance	-78	-75	
Other expenses	18	98	Reversal of W81bn in onerous contract costs
Investment profit	-28	6	
Excl. insurance fin. gains/losses	174	260	
OP	186	308	
Non-OP	-6	-9	
Pretax profit	180	299	
Taxes	49	76	
NP	130	223	

Source: Company data, Mirae Asset Securities Research

Table 3. Hyundai M&F: Earnings and forecasts

(Wbn)

	1Q26	2Q26F	3Q26F	4Q26F	2025	2026F	2027F
Underwriting profit	302	232	155	-35	396	655	856
CSM release	241	245	252	224	964	963	947
RA release	38	38	38	38	138	152	152
Experience variance	-75	-41	-68	-94	-306	-278	-119
Other expenses	98	-9	-68	-203	-400	-182	-123
Investment profit	6	115	115	143	330	380	507
Excl. insurance fin. gains/losses	260	343	343	371	1,282	1,316	1,417
OP	308	347	270	109	726	1,034	1,364
Non-OP	-9	-9	-9	-9	-32	-35	-35
Pretax profit	299	339	261	100	694	999	1,328
Taxes	76	93	72	27	133	268	365
NP	223	245	189	72	561	730	963

Source: Company data, Mirae Asset Securities Research

Hyundai Marine & Fire (001450 KS)

Income statement

(Wbn)	2025	2026F	2027F	2028F
Underwriting profit	396	655	856	1,008
CSM release	964	963	947	972
RA release	138	152	152	152
Adj. for experience variance	-306	-278	-119	-40
Other	-400	-182	-123	-76
Investment profit	330	380	507	507
Excl. insurance fin. gains/losses	1,282	1,316	1,417	1,417
FVPL valuation gains/losses	-10	-95	-95	-95
Disposal gains/losses	-267	-7	0	0
OP	726	1,034	1,364	1,516
Non-OP	-32	-35	-35	-35
Pretax profit	694	999	1,328	1,480
Tax	133	268	365	407
Tax rate	19.2	26.9	27.5	27.5
NP	561	730	963	1,073

Key ratios

(x, %, W, Wbn)	2025	2026F	2027F	2028F
P/E	4.4	3.6	2.7	2.5
P/B	0.49	0.41	0.36	0.31
Dividend yield	0.0	0.0	0.0	0.0
EPS	7,045	9,204	12,169	13,574
BPS	62,278	80,658	92,938	106,623
DPS	0	0	0	0
ROE	11.4	13.0	14.1	13.7
ROA	1.15	1.47	1.88	2.00
K-ICS ratio	190.1	204.8	200.2	204.3
Available capital	13,958	15,013	16,231	17,534
Required capital	7,341	7,329	8,107	8,581
Dividend payout ratio	0.0	0.0	0.0	0.0
Common	0.0	0.0	0.0	0.0
Preferred	0.0	0.0	0.0	0.0

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet

(Wbn)	2025	2026F	2027F	2028F
Assets	49,646	50,000	52,328	54,756
Cash	1,647	1,563	1,636	1,712
Financial assets	34,596	34,327	35,925	37,592
FVPL	8,426	8,279	8,664	9,066
FVOCI	25,341	25,128	26,298	27,518
AC	0	0	0	0
Other assets	13,403	14,111	14,768	15,453
Liabilities	44,762	43,675	45,040	46,396
Insurance liabilities	34,853	33,157	34,522	35,877
BEL	20,319	18,991	20,145	21,322
CSM	8,902	8,644	8,899	9,129
RA	2,079	1,833	1,788	1,737
Other	3,553	3,690	3,690	3,690
Other liabilities	9,909	10,518	10,518	10,518
Equity	4,883	6,325	7,288	8,361
Capital stock	45	45	45	45
Capital surplus	113	45	45	45
Retained earnings	7,953	8,752	9,715	10,788
Surrender value reserves	3,917	4,415	4,815	5,215
Capital adj.	-68	-68	-68	-68
AOCI	-3,159	-2,449	-2,449	-2,449
Hybrid securities	0	0	0	0

CSM chg.

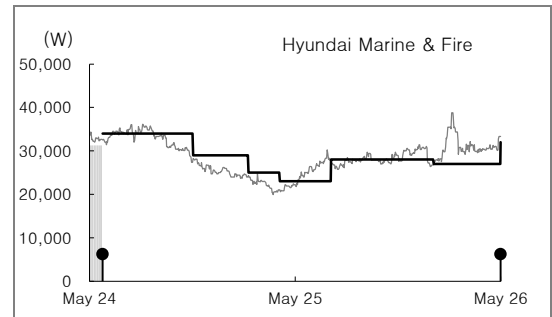
(Wbn)	2025	2026F	2027F	2028F
Starting CSM	8,248	8,902	8,644	8,919
New business	2,088	2,021	2,021	2,021
Discount unwind	316	304	304	304
Adj.	-800	-1,623	-1,123	-1,123
Release	-951	-959	-947	-972
Ending CSM	8,902	8,644	8,899	9,129

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Hyundai Marine & Fire (001450)	05/18/26	Hold	32,000
	01/19/26	Hold	27,000
	07/21/25	Hold	28,000
	04/21/25	Hold	23,000
	02/24/25	Hold	25,000
	11/18/24	Hold	29,000
	06/10/24	Hold	34,000



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	80.84%	0%	18.56%	0.6%
Investment banking services	86.67%	0%	13.33%	0%

* Based on recommendations in the last 12-months (as of March 31, 2026)

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Mirae Asset Securities International Network

Mirae Asset Securities Co., Ltd. (Seoul)

One-Asia Equity Sales Team
Mirae Asset Center 1 Building
26 Eulji-ro 5-gil, Jung-gu, Seoul 04539
Korea

Tel: 82-2-3774-2124

Mirae Asset Securities (USA) Inc.

810 Seventh Avenue, 37th Floor
New York, NY 10019
USA

Tel: 1-212-407-1000

Mirae Asset Securities (Singapore) Pte. Ltd.

6 Battery Road, #11-01
Singapore 049909
Republic of Singapore

Tel: 65-6671-9845

Mirae Asset Investment Advisory (Beijing) Co., Ltd

2401B, 24th Floor, East Tower, Twin Towers
B12 Jianguomenwai Avenue, Chaoyang District
Beijing 100022
China

Tel: 86-10-6567-9699

Ho Chi Minh Representative Office

7F, Saigon Royal Building
91 Pasteur St.
District 1, Ben Nghe Ward, Ho Chi Minh City
Vietnam

Tel: 84-8-3910-7715

Mirae Asset Securities (HK) Ltd.

Units 8501, 8507-8508, 85/F
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong SAR
Tel: 852-2845-6332

Mirae Asset Wealth Management (Brazil) CCTVM

Rua Funchal, 418, 18th Floor, E-Tower Building
Vila Olimpia
Sao Paulo - SP
04551-060
Brazil
Tel: 55-11-2789-2100

Mirae Asset Securities (Vietnam) LLC

7F, Saigon Royal Building
91 Pasteur St.
District 1, Ben Nghe Ward, Ho Chi Minh City
Vietnam

Tel: 84-8-3911-0633 (ext.110)

Beijing Representative Office

2401A, 24th Floor, East Tower, Twin Towers
B12 Jianguomenwai Avenue, Chaoyang District
Beijing 100022
China

Tel: 86-10-6567-9699 (ext. 3300)

Mirae Asset Capital Markets (India) Pvt Ltd

1st Floor, Tower 4, Equinox Business Park,
LBS Marg, Off BKC, Kurla (West), Mumbai - 400 070
India

Tel: 91-22-62661300 / 48821300

Mirae Asset Securities (UK) Ltd.

41st Floor, Tower 42
25 Old Broad Street,
London EC2N 1HQ
United Kingdom

Tel: 44-20-7982-8000

PT. Mirae Asset Sekuritas Indonesia

District 8, Treasury Tower Building Lt. 50
Sudirman Central Business District
Jl. Jend. Sudirman, Kav. 52-54
Jakarta Selatan 12190
Indonesia
Tel: 62-21-5088-7000

Mirae Asset Securities Mongolia UTsk LLC

#406, Blue Sky Tower, Peace Avenue 17
1 Khoroo, Sukhbaatar District
Ulaanbaatar 14240
Mongolia

Tel: 976-7011-0806

Shanghai Representative Office

38T31, 38F, Shanghai World Financial Center
100 Century Avenue, Pudong New Area
Shanghai 200120
China

Tel: 86-21-5013-6392
