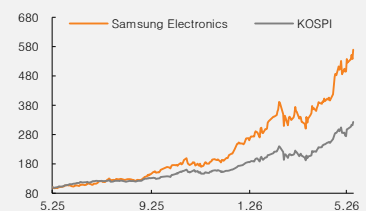


(Maintain)	Buy
Target price	₩550,000
Current price (5/29/26)	₩317,000
Upside	73.5%

OP (26F, Wbn)	371,443
Consensus OP (26F, Wbn)	351,662
EPS growth (26F, %)	598.4
Market EPS growth (26F, %)	239.0
P/E (26F, x)	6.9
Market P/E (26F, x)	9.2
KOSPI	8,476.15

Market cap (Wbn)	1,853,270
Shares (mn)	5,846
Free float (%)	75.9
Foreign ownership (%)	48.3
Beta (12M)	1.22
52-week low (W)	56,100
52-week high (W)	317,000

(%)	1M	6M	12M
Absolute	40.3	215.4	465.1
Relative	10.7	46.1	81.4



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Samsung Electronics

Additional upside from large-scale shareholder returns

Shareholder returns: An additional driver alongside structural growth

Samsung Electronics (SEC) operates under a three-year shareholder return framework, returning 50% of cumulative free cash flow (FCF) generated over each three-year period. Under the current (2024-26) program, the company pays an annual base dividend of ₩9.8tr (approximately ₩30tr over three years) and pays a special dividend if FCF exceeds its target. With 2026 marking the final year of the current cycle, a special dividend payout appears likely given the likelihood of excess FCF generation.

That said, uncertainty remains regarding the treatment of M&A spending in the FCF calculation. Under the 2018-20 shareholder return policy, cash outflows related to M&As were explicitly excluded from FCF calculations. However, this exclusion clause was removed starting with the 2021-23 framework. Accordingly, we consider multiple scenarios based on shareholder return method (cash dividends vs. share buybacks/cancellations) and the treatment of M&A spending in FCF calculations.

Assuming a minimum payout ratio of 25%—the threshold required to qualify for separate taxation of dividend income—we estimate shareholder returns under four scenarios: 100% cash dividends (scenario 1); 70% cash dividends and 30% share buybacks/cancellations (scenario 2); and M&A scenarios that differ in whether related spending is deducted from FCF (scenarios 3 and 4). Based on these scenarios, we estimate dividend yields at 3.7-6.5% for common shares and 5.8-10.1% for preferred shares (based on the current share price).

These dividend yield levels should provide solid downside support for shares. In addition, preferred shares are currently trading at a 36% discount to common shares, which is excessive compared to the historical average of 22%. Considering that the discount narrowed to as low as 5% ahead of the Mar. 2021 special dividend resolution, investors should watch for a potential narrowing of the preferred share discount ahead of the anticipated special dividend resolution in Mar. 2027.

Moreover, we believe SEC is highly likely to increase base dividends starting next year. The fixed annual dividend of ₩9.6-9.8tr over the past nine years has been based on returning 50% of three-year cumulative FCF of around ₩60tr. From 2026 onward, however, annual FCF is likely to exceed ₩200tr. As such, we expect either an increase in the fixed dividend or a higher FCF return ratio.

Undervalued based on earnings fundamentals alone

We forecast operating profit at ₩89tr for 2Q26 and ₩371tr for 2026, higher than the consensus estimates of ₩88tr and ₩352tr, respectively. The stock is currently trading at 2026F and 2027F P/Es of 6.9x and 5x, respectively, and 2026F and 2027F P/Bs of 2.8x and 1.9x, respectively. We maintain our target price of ₩550,000, which corresponds to a 2026F P/E of 12x.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	300,871	333,606	708,851	909,707	981,701
OP (Wbn)	32,726	43,601	371,443	499,525	512,103
OP margin (%)	10.9	13.1	52.4	54.9	52.2
NP (Wbn)	33,621	44,261	305,783	424,790	460,678
EPS (W)	4,950	6,564	45,841	63,891	69,289
ROE (%)	9.0	10.8	52.7	46.8	36.7
P/E (x)	10.7	18.3	6.9	5.0	4.6
P/B (x)	0.9	1.9	2.8	1.9	1.5
Dividend yield (%)	2.7	1.4	3.7	5.2	5.5

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

Source: Company data, Mirae Asset Securities Research estimates

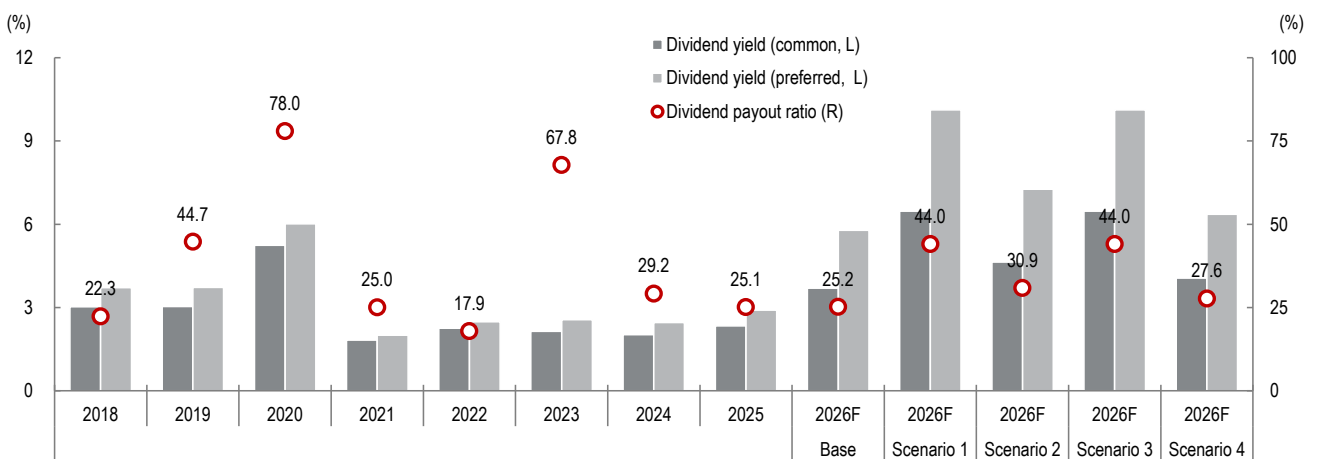
Table 1. SEC: Shareholder return estimates

(Wtr)

	2018	2019	2020	2021	2022	2023	2024	2025	2026F				
									Base	Scen. 1	Scen. 2	Scen. 3	Scen. 4
NP (owners of the parent)	43.9	21.5	26.1	39.2	54.7	14.5	33.6	44.3	305.8	305.8	305.8	305.8	305.8
Operating cash flow	67.0	45.4	65.3	65.1	62.2	44.1	73.0	85.3	346.8	346.8	346.8	346.8	346.8
(Capex)	29.6	25.4	37.6	47.1	49.4	57.6	51.4	47.5	78.4	78.4	78.4	78.4	78.4
(M&A)									0.0	0.0	0.0	100.0	100.0
FCF	37.5	20.0	27.7	18.0	12.8	-13.5	21.6	37.8	268.4	268.4	268.4	268.4	168.4
% of FCF returned to shareholders	50.0	50.0	50.0	50.0	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	134.2	134.2	134.2	134.2	84.2
Regular dividend payout	9.6	9.6	9.6	9.8	9.8	9.8	9.8	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	124.8	124.8	124.8	124.8	74.8
Share repurchases	0.9	0.0	0.0	0.0	0.0	0.0	1.8	6.6	0.0	0.0	40.4	0.0	0.0
Special dividend payout	0.2	0.0	10.7	0.0	0.0	0.0	0.0	1.3	67.1	124.8	84.6	124.8	74.7
Total dividend payout	9.8	9.6	20.3	9.8	9.8	9.8	9.8	11.1	76.9	134.6	94.4	134.6	84.5
Dividend payout ratio (%)	22.3	44.7	78.0	25.0	17.9	67.8	29.2	25.1	25.2	44.0	30.9	44.0	27.6
Common stock	8.6	8.5	17.9	8.6	8.6	8.6	8.6	9.8	67.5	118.2	83.2	118.2	74.2
Preferred stock	1.2	1.2	2.5	1.2	1.2	1.2	1.2	1.3	9.4	16.4	11.2	16.4	10.3
Total shareholder returns	10.7	9.6	20.3	9.8	9.8	9.8	11.6	17.7	76.9	134.6	134.8	134.6	84.5
Total shareholder return ratio	24.3	44.7	78.0	25.0	17.9	67.8	34.6	40.0	25.2	44.0	44.1	44.0	27.6
Cumulative FCF return ratio	28.5	35.3	47.7	54.5	63.8	170.5	53.9	49.4	32.4	50.0	50.1	50.0	50.0
No. of shares (ending, mn)													
Common stock	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,920	5,846	5,846	5,744	5,846	5,846
(Treasury stock)	0	0	0	0	0	0	33	92	82	82	82	82	82
Preferred stock	823	823	823	823	823	823	823	816	802	802	762	802	802
(Treasury stock)	0	0	0	0	0	0	5	14	0	0	0	0	0
EPS (W)	6,024	3,166	3,841	5,777	8,057	2,131	4,950	6,563	45,811	45,811	46,999	45,811	45,811
Adj. DPS (W)													
Common stock	1,416	1,416	2,994	1,444	1,444	1,444	1,446	1,668	11,716	20,500	14,700	20,500	12,870
Preferred stock	1,417	1,417	2,995	1,445	1,445	1,445	1,447	1,669	11,717	20,501	14,701	20,501	12,871
Avg. share price (W)									(Current)				
Common stock	46,830	46,583	57,153	79,156	63,935	67,457	71,610	71,448	317,000	317,000	317,000	317,000	317,000
Preferred stock	38,148	37,996	49,780	72,033	58,195	56,442	58,790	57,355	202,500	202,500	202,500	202,500	202,500
Dividend yield (%)													
Common stock	3.0	3.0	5.2	1.8	2.3	2.1	2.0	2.3	3.7	6.5	4.6	6.5	4.1
Preferred stock	3.7	3.7	6.0	2.0	2.5	2.6	2.5	2.9	5.8	10.1	7.3	10.1	6.4
Net cash (ending)	83.6	88.7	103.7	105.3	108.0	82.8	97.3	104.3	354.1	354.1	354.1	354.1	354.1

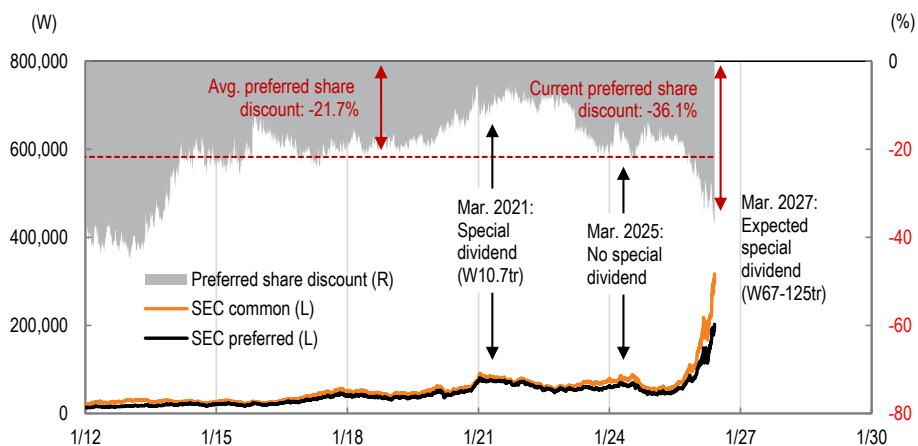
Source: Company data, Mirae Asset Securities Research

Figure 1. SEC: Dividend yield and payout ratio scenarios



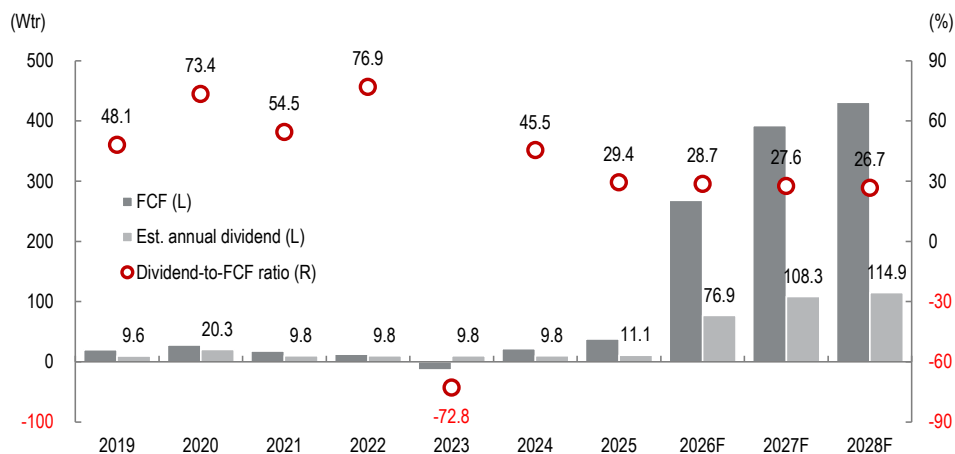
Source: Company data, Mirae Asset Securities Research

Figure 2. Common vs. preferred share discount trend



Source: Company data, Mirae Asset Securities Research

Figure 3. SEC: Annual FCF and dividend outlook



Source: Company data, Mirae Asset Securities Research

Table 2. SEC: SOTP valuation (based on our May 27 report)

	12MF EBITDA (Wtr)	EV/EBITDA (x)	Implied EV	Notes
Operating value (Wtr)	490.9	7.1	3,488.0	
DX	12.3	7.4	91.4	
MX/NW	10.5	7.6	80.3	50% discount to avg. of Xiaomi and Apple
VD/DA	1.8	6.0	11.1	Avg. of LG Electronics and Whirlpool
DS	469.6	7.1	3,353.6	
Memory	460.0	7.0	3,211.7	Avg. of Micron and Kioxia
Foundry/LSI	9.6 (2027F)	14.7	141.9	Avg. of foundry peers
Samsung Display	6.8	4.3	29.0	Avg. of Innolux, BOE, and AUO
Harman	2.2	6.5	13.9	Avg. of Hyundai Mobis and HL Mando
	Market cap	Stake (%)	Value	
Equity stake value (Wtr)			120.2	
Listed			66.6	
Samsung Biologics	68.7	31.2	21.4	
Samsung Epis Holdings	13.2	31.2	4.1	
SEMCO	68.6	23.7	16.3	
Samsung SDI	56.8	19.4	11.0	
Samsung SDS	12.9	22.6	2.9	
Other			10.9	
Unlisted			53.6	
Net debt (Wtr)			-119.2	
Fair market cap (Wtr)			3,667	50% discount to equity stake value reflected
No. of shares (mn)			6,649	Common + preferred
Fair value/share (W)			551,590	
Target price (W)			550,000	
Current price (W)			317,000	
Upside (%)			73.5	
Implied 2026F P/E (x)			12.0	
Implied 2026F P/B (x)			5.0	

Source: LSEG, Mirae Asset Securities Research

Table 3. SEC: Earnings outlook

(Wtr, %)

	1Q26	2Q26F	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
USD/KRW	1,464	1,500	1,500	1,500	1,470	1,470	1,470	1,470	1,363	1,422	1,491	1,470
QoQ/YoY	1.0	2.4	0.0	0.0	-2.0	0.0	0.0	0.0	4.4	4.3	4.8	-1.4
Revenue	133.9	170.6	195.0	209.4	220.2	222.9	236.2	230.5	300.9	333.6	708.9	909.7
DX	52.7	45.5	48.1	45.1	55.2	49.8	56.8	52.1	174.9	188.0	191.4	213.8
DS	81.7	122.7	141.9	157.1	162.6	169.6	173.4	171.6	111.1	130.1	503.4	677.3
Samsung Display	6.7	6.1	7.7	9.3	7.0	7.0	9.2	10.0	29.2	29.8	29.8	33.3
Harman	3.8	4.6	4.5	4.6	3.6	5.5	5.2	4.6	14.3	15.8	17.5	18.9
QoQ/YoY	42.7	27.4	14.3	7.4	5.1	1.3	5.9	-2.4	16.2	10.9	112.5	28.3
DX	18.9	-13.7	5.8	-6.1	22.2	-9.8	14.0	-8.3	2.9	7.5	1.8	11.7
DS	85.7	50.2	15.6	10.8	3.5	4.3	2.2	-1.1	66.8	17.2	286.8	34.5
Samsung Display	-29.4	-9.5	27.0	20.9	-24.4	-0.9	32.5	8.8	-5.9	2.3	-0.3	11.9
Harman	-17.0	20.9	-1.1	0.7	-21.2	52.8	-5.2	-12.4	-0.8	10.6	11.0	8.1
OP	57.2	89.2	106.8	118.2	122.2	125.1	127.6	124.7	32.7	43.6	371.4	499.5
DX	3.0	1.1	1.8	1.1	3.4	2.6	3.6	2.7	12.4	12.9	6.9	12.3
DS	53.7	87.2	103.6	115.0	117.6	121.2	121.9	119.6	15.1	24.9	359.5	480.2
Samsung Display	0.4	0.4	1.0	1.7	0.8	0.8	1.6	2.0	3.7	4.1	3.5	5.2
Harman	0.2	0.4	0.4	0.4	0.3	0.5	0.5	0.4	1.3	1.5	1.4	1.7
QoQ/YoY	185.1	55.9	19.8	10.6	3.4	2.4	2.0	-2.3	398.3	33.2	751.9	34.5
DX	124.6	-64.0	65.4	-39.6	218.3	-24.5	37.7	-24.0	-13.5	3.3	-46.0	77.3
DS	227.2	62.5	18.7	11.0	2.2	3.1	0.6	-1.9	TTB	64.7	1,346.1	33.6
Samsung Display	-79.6	4.7	150.5	58.8	-52.4	-3.1	113.5	19.0	-32.9	10.3	-14.1	45.9
Harman	-37.5	103.0	-0.9	0.7	-18.3	44.2	-4.6	-10.9	11.4	17.1	-7.7	18.0
OP margin	42.8	52.3	54.8	56.4	55.5	56.1	54.0	54.1	10.9	13.1	52.4	54.9
DX	5.7	2.4	3.7	2.4	6.2	5.2	6.3	5.2	7.1	6.8	3.6	5.8
DS	65.7	71.1	73.0	73.2	72.3	71.4	70.3	69.7	13.6	19.1	71.4	70.9
Samsung Display	6.0	6.9	13.6	17.9	11.3	11.0	17.8	19.4	12.8	13.8	11.9	15.5
Harman	5.3	8.8	8.8	8.8	9.2	8.6	8.7	8.8	9.2	9.7	8.1	8.8
EBITDA	70.5	102.6	120.3	131.9	136.2	139.4	142.1	139.5	75.4	90.5	425.2	557.3
DX	4.2	2.3	3.0	2.3	4.7	3.8	4.8	4.0	16.7	17.3	11.9	17.3
DS	64.7	98.4	114.8	126.5	129.4	133.3	134.2	132.2	49.9	63.6	404.4	529.1
Samsung Display	1.1	1.1	1.8	2.4	1.5	1.5	2.4	2.7	6.4	6.8	6.4	8.1
Harman	0.4	0.6	0.6	0.6	0.5	0.6	0.6	0.6	1.9	2.1	2.0	2.3
QoQ/YoY	118.1	45.6	17.3	9.7	3.3	2.4	1.9	-1.8	66.6	20.1	369.7	31.1
DX	68.1	-45.3	30.4	-23.4	101.5	-18.0	25.5	-17.8	-10.6	4.1	-31.3	45.0
DS	144.1	52.0	16.6	10.2	2.3	3.0	0.6	-1.5	227.1	27.6	535.4	30.8
Samsung Display	-57.5	1.8	55.0	34.9	-36.5	-1.6	58.4	13.2	-28.1	6.1	-5.3	25.3
Harman	-25.2	58.4	-0.7	0.5	-13.3	30.2	-3.5	-8.2	9.1	12.7	-3.4	12.5
Capex	11.2	18.8	18.8	26.3	22.0	22.2	22.2	22.5	53.6	52.7	75.1	88.9
DS	10.2	17.5	17.5	24.8	20.8	20.8	20.8	20.8	46.3	47.5	69.9	83.3
Samsung Display	0.6	0.7	0.7	0.8	0.6	0.7	0.7	0.9	4.8	2.8	2.7	2.9
Other	0.4	0.6	0.6	0.8	0.5	0.7	0.7	0.8	2.5	2.4	2.4	2.6
QoQ/YoY	-45.1	67.5	0.0	40.4	-16.6	1.2	0.0	1.2	1.0	-1.9	42.5	18.4
DS	-46.2	71.4	0.0	41.7	-15.9	0.0	0.0	0.0	-4.3	2.6	47.3	19.2
Samsung Display	-9.9	10.7	0.0	14.2	-22.9	25.0	0.0	20.0	102.7	-42.2	-3.9	8.8
Other	-48.9	52.8	0.0	33.8	-34.0	20.4	0.0	17.0	7.5	-6.1	2.6	6.6
FCF	59.3	83.8	101.5	105.6	114.3	117.2	119.9	117.1	21.7	37.9	350.2	468.4
DS	54.5	80.9	97.3	101.7	108.6	112.5	113.3	111.4	3.6	16.2	334.5	445.8
Samsung Display	0.5	0.5	1.1	1.6	0.9	0.8	1.6	1.8	1.6	4.0	3.7	5.1
Other	4.2	2.4	3.1	2.2	4.8	4.0	4.9	3.9	16.6	17.7	12.0	17.5

Note: FCF = EBITDA - capex

Source: Company data, Mirae Asset Securities Research

Table 4. SEC: DS earnings outlook

(Wtr, %)

	1Q26	2Q26F	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
Revenue	81.7	122.7	141.9	157.1	162.6	169.6	173.4	171.6	111.1	130.1	503.4	677.3
DRAM	55.6	85.6	99.4	109.6	114.0	117.6	119.1	120.0	54.4	74.4	350.2	470.6
NAND	19.2	29.0	35.1	39.3	40.5	43.6	44.8	42.1	30.1	29.7	122.7	171.0
Foundry/LSI	6.9	8.0	7.4	8.2	8.1	8.4	9.6	9.5	26.6	26.0	30.6	35.7
QoQ/YoY	85.7	50.2	15.6	10.8	3.5	4.3	2.2	-1.1	66.8	17.2	286.8	34.5
DRAM	98.6	54.1	16.1	10.2	4.1	3.1	1.3	0.8	89.8	36.8	370.6	34.4
NAND	109.9	50.9	20.8	12.2	2.9	7.8	2.6	-5.9	94.5	-1.3	313.5	39.4
Foundry/LSI	0.6	16.5	-8.0	11.4	-1.1	3.6	13.9	-1.4	18.4	-2.1	17.3	16.7
OP	53.7	87.2	103.6	115.0	117.6	121.2	121.9	119.6	15.1	24.9	359.5	480.2
DRAM	42.9	68.5	80.1	87.7	89.7	91.3	91.4	92.1	16.8	30.4	279.2	364.4
NAND	11.9	19.8	24.8	28.3	28.8	30.9	31.4	28.6	3.5	2.0	84.9	119.7
Foundry/LSI	-1.1	-1.1	-1.4	-1.1	-1.0	-1.0	-0.9	-1.1	-5.3	-7.6	-4.6	-3.9
QoQ/YoY	227.2	62.5	18.7	11.0	2.2	3.1	0.6	-1.9	TTB	64.7	1,346.1	33.6
DRAM	169.0	59.6	17.0	9.5	2.2	1.8	0.1	0.8	TTB	80.4	818.9	30.5
NAND	354.8	66.9	25.2	14.1	1.7	7.3	1.6	-9.0	TTB	-42.1	4,050.0	41.0
Foundry/LSI	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR
OP margin	65.7	71.1	73.0	73.2	72.3	71.4	70.3	69.7	13.6	19.1	71.4	70.9
DRAM	77.2	80.0	80.6	80.1	78.7	77.7	76.7	76.7	31.0	40.8	79.7	77.4
NAND	61.7	68.3	70.8	72.0	71.2	70.8	70.1	67.8	11.8	6.9	69.2	70.0
Foundry/LSI	-15.7	-13.3	-18.6	-13.4	-11.7	-12.4	-9.0	-11.2	-19.9	-29.1	-15.1	-11.0
EBITDA	64.5	98.2	114.6	126.3	129.2	133.1	134.0	132.0	49.2	62.8	403.6	528.3
DRAM	47.5	73.3	85.2	93.2	95.3	97.0	97.1	98.0	27.2	44.6	299.1	387.3
NAND	15.0	22.8	27.5	30.9	31.8	33.9	34.3	31.4	13.5	13.1	96.2	131.4
Foundry/LSI	2.0	2.1	1.9	2.2	2.1	2.2	2.6	2.6	8.4	5.1	8.2	9.6
Capex	10.2	17.5	17.5	24.8	20.8	20.8	20.8	20.8	46.3	47.5	69.9	83.3
DRAM	5.6	9.6	9.6	9.5	9.9	9.9	9.9	9.9	18.4	20.5	34.3	39.7
NAND	1.5	2.6	2.6	11.1	5.1	5.1	5.1	5.1	13.0	12.8	17.9	20.6
Foundry/LSI	3.1	5.2	5.2	4.2	5.8	5.8	5.8	5.8	14.9	14.2	17.7	23.1

Source: Company data, Mirae Asset Securities Research

Table 5. SEC: Memory revenue outlook

	1Q26	2Q26F	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
USD/KRW	1,464	1,500	1,500	1,500	1,470	1,470	1,470	1,470	1,363	1,422	1,491	1,470
QoQ/YoY (%)	1.0	2.4	0.0	0.0	-2.0	0.0	0.0	0.0	4.4	4.3	4.8	-1.4
DRAM												
Revenue (US\$bn)	37.9	57.1	66.3	73.0	77.6	80.0	81.0	81.6	39.8	52.3	234.3	320.1
QoQ/YoY (%)	96.6	50.4	16.1	10.2	6.2	3.1	1.3	0.8	81.8	31.2	348.5	36.6
Bit shipments (bn Gb)	27.4	29.3	30.9	32.2	34.3	35.9	36.5	36.6	88.8	96.1	119.8	143.3
QoQ/YoY (%)	2.7	6.8	5.4	4.4	6.4	4.6	1.9	0.1	13.0	8.3	24.6	19.6
ASP (US\$)	1.38	1.95	2.15	2.27	2.26	2.23	2.22	2.23	0.45	0.54	1.96	2.23
QoQ/YoY (%)	91.4	40.9	10.1	5.6	-0.2	-1.4	-0.6	0.7	60.8	21.1	260.0	14.2
NAND												
Revenue (US\$bn)	13.0	19.4	23.4	26.2	27.5	29.7	30.5	28.7	22.1	20.9	81.9	116.3
QoQ/YoY (%)	104.9	49.4	20.8	12.2	5.0	7.8	2.6	-5.9	86.4	-5.4	292.5	42.0
Shipments (bn GB)	83.8	86.3	90.6	92.4	97.1	106.8	115.3	111.8	298.1	301.6	353.1	431.0
QoQ/YoY (%)	9.0	3.0	5.0	2.0	5.0	10.0	8.0	-3.0	11.0	1.2	17.1	22.0
ASP (US\$)	0.15	0.22	0.26	0.28	0.28	0.28	0.26	0.26	0.07	0.07	0.23	0.27
QoQ/YoY (%)	88.0	45.0	15.0	10.0	0.0	-2.0	-5.0	-3.0	67.9	-6.4	235.2	16.4

Source: Company data, Mirae Asset Securities Research

Samsung Electronics (005930 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	333,606	708,851	909,707	981,701
Cost of revenue	202,236	196,990	242,654	299,757
GP	131,370	511,861	667,053	681,944
SG&A expenses	87,769	140,418	167,528	169,841
OP (adj.)	43,601	371,443	499,525	512,103
OP	43,601	371,443	499,525	512,103
Non-operating profit	5,880	10,474	31,030	63,274
Net financial income	3,987	9,622	30,736	62,984
Net income from associates	683	856	833	830
Pretax profit	49,481	381,917	530,555	575,377
Income tax	4,275	75,328	104,645	113,486
Profit from continuing operations	45,207	306,589	425,910	461,891
Profit from discontinued operations	0	0	0	0
NP	45,207	306,589	425,910	461,891
Attributable to owners	44,261	305,783	424,790	460,678
Attributable to minority interests	946	806	1,119	1,214
Total comprehensive income	51,291	319,500	425,910	461,891
Attributable to owners	49,904	315,930	421,151	456,730
Attributable to minority interests	1,387	3,570	4,759	5,161
EBITDA	90,528	424,353	557,303	573,976
FCF	37,793	264,746	394,205	423,883
EBITDA margin (%)	27.1	59.9	61.3	58.5
OP margin (%)	13.1	52.4	54.9	52.2
Net margin (%)	13.3	43.1	46.7	46.9

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	85,315	343,130	479,161	518,149
NP	45,207	306,589	425,910	461,891
Non-cash income/expenses	52,396	120,623	130,742	111,433
Depreciation	43,606	49,398	54,278	58,372
Amortization	3,321	3,512	3,501	3,501
Other	5,469	67,713	72,963	49,560
Chg. in working capital	-9,614	-28,449	-3,694	-4,786
Chg. in AR & other receivables	-2,535	-60,441	-11,477	-14,870
Chg. in inventory	-3,591	-63,289	-11,816	-15,309
Chg. in AP & other payables	-3,257	14,508	2,927	3,792
Income tax	-7,137	-65,201	-104,645	-113,486
Cash flow from investing activities	-68,512	-163,319	-104,213	-118,033
Chg. in PP&E	-47,372	-78,326	-84,956	-94,266
Chg. in intangible assets	-4,617	-4,049	-4,000	-4,000
Chg. in financial assets	-9,056	-83,690	-15,257	-19,767
Other	-7,467	2,746	0	0
Cash flow from financing activities	-13,478	-12,748	-79,456	-108,349
Chg. in financial liabilities	5,909	2,900	0	0
Chg. in equity	0	0	0	0
Dividends	-9,897	-7,307	-79,456	-108,349
Other	-9,490	-8,341	0	0
Chg. in cash	4,151	163,041	293,234	288,591
Beginning balance	53,706	57,856	220,897	514,131
Ending balance	57,856	220,897	514,131	802,722

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	247,685	644,439	980,280	1,324,073
Cash & equivalents	57,856	220,897	514,131	802,722
AR & other receivables	58,609	130,778	143,935	160,980
Inventory	52,637	117,452	129,268	144,577
Other current assets	78,583	175,312	192,946	215,794
Non-current assets	319,257	367,462	401,731	442,129
Investments in associates	13,772	30,731	33,822	37,828
PP&E	215,305	241,154	271,832	307,726
Intangible assets	29,481	30,018	30,517	31,017
Total assets	566,942	1,011,901	1,382,010	1,766,202
Current liabilities	106,411	216,337	236,014	261,509
AP & other payables	34,405	76,770	84,493	94,500
Short-term financial liabilities	18,752	20,737	20,737	20,737
Other current liabilities	53,254	118,830	130,784	146,272
Non-current liabilities	24,210	46,950	50,928	56,083
Long-term financial liabilities	6,487	7,401	7,401	7,401
Other non-current liabilities	17,723	39,549	43,527	48,682
Total liabilities	130,622	263,286	286,942	317,592
Equity attributable to owners	424,313	735,262	1,080,596	1,432,925
Capital stock	898	898	898	898
Capital surplus	4,404	4,404	4,404	4,404
Retained earnings	402,136	696,999	1,042,333	1,394,662
Minority interests	12,007	13,353	14,472	15,685
Shareholders' equity	436,320	748,615	1,095,068	1,448,610

Key valuation metrics/ratios

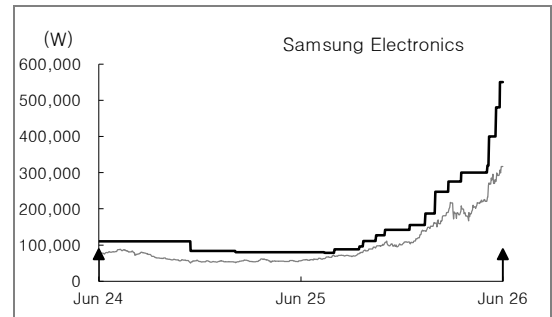
	2025	2026F	2027F	2028F
P/E (x)	18.3	6.9	5.0	4.6
P/CF (x)	8.3	4.9	3.8	3.7
P/B (x)	1.9	2.8	1.9	1.5
EV/EBITDA (x)	7.7	4.0	2.5	1.9
EPS (W)	6,564	45,841	63,891	69,289
CFPS (W)	14,474	64,044	83,724	86,232
BPS (W)	63,976	112,561	164,501	217,494
DPS (W)	1,668	11,709	16,500	17,500
Dividend payout ratio (%)	21.6	22.0	22.3	21.8
Dividend yield (%)	1.4	3.9	5.5	5.9
Revenue growth (%)	10.9	112.5	28.3	7.9
EBITDA growth (%)	20.1	368.8	31.3	3.0
OP growth (%)	33.2	751.9	34.5	2.5
EPS growth (%)	32.6	598.4	39.4	8.4
AR turnover (x)	7.0	8.6	7.6	7.4
Inventory turnover (x)	6.4	8.3	7.4	7.2
AP turnover (x)	15.9	9.4	7.9	8.8
ROA (%)	8.4	38.8	35.6	29.3
ROE (%)	10.8	52.7	46.8	36.7
ROIC (%)	13.2	85.9	97.8	90.5
Debt-to-equity ratio (%)	29.9	35.2	26.2	21.9
Current ratio (%)	232.8	297.9	415.3	506.3
Net debt-to-equity ratio (%)	-23.1	-46.0	-59.6	-66.4
Interest coverage ratio (x)	72.0	442.5	624.6	644.1

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
Samsung Electronics (005930)	05/27/26	Buy	550,000
	05/20/26	Buy	480,000
	05/07/26	Buy	400,000
	05/04/26	Buy	320,000
	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



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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