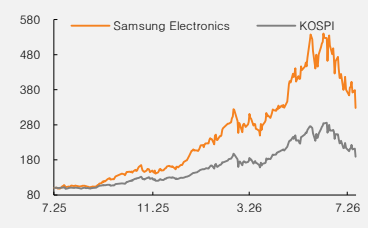


(Maintain)	Buy
Target price	▼ W370,000
Current price (7/28/26)	W220,000
Upside	68.2%

OP (26F, Wbn)	397,370
Consensus OP (26F, Wbn)	383,000
EPS growth (26F, %)	647.4
Market EPS growth (26F, %)	261.0
P/E (26F, x)	4.5
Market P/E (26F, x)	6.2
KOSPI	6,023.66

Market cap (Wbn)	1,286,181
Shares (mn)	5,846
Free float (%)	75.6
Foreign ownership (%)	46.5
Beta (12M)	1.21
52-week low (W)	67,600
52-week high (W)	362,500

(%)	1M	6M	12M
Absolute	-35.2	35.5	212.5
Relative	-9.5	16.3	66.5



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Samsung Electronics

Dividend appeal has increased sharply

Shareholder returns in focus following sell-off

We maintain our Buy rating on Samsung Electronics (SEC) but lower our target price to W370,000 (from W550,000). Just as the share price correction driven by lower NAND contract price forecasts had seemed to largely run its course, sentiment was further hit by concerns over China's production of homegrown lithography equipment. That said, we believe the latter issue will have a limited impact on earnings through 2028. As such, we left our earnings estimates unchanged but lowered our target multiple for the memory business.

Our target EV/EBITDA for the memory business is based on the current trading multiples of global peers and reflects our view that SEC's valuation discount should eventually narrow. While the recent industry-wide sell-off appears excessive, we believe a reduction in our target price is nevertheless warranted. At the current share price, the stock is trading at a 2026F P/E of 4.5x and P/B of 1.9x—both exceptionally low in absolute terms.

For 2Q26, SEC reported preliminary revenue of W171tr (+28% QoQ) and operating profit of W89.4tr (+56% QoQ). Key points to watch during the Jul. 30 conference call include: 1) the terms of long-term agreements and the share of supply covered by them; 2) whether the memory supply shortage is expected to worsen in 2027 vs. 2026; 3) 2026F/2027F HBM shipment growth; and 4) whether the board approves an additional share buyback.

While memory ASPs are likely to continue rising next year, the pace of growth should inevitably moderate YoY. In our view, the focus should now shift to SEC's ability to translate higher profitability into greater shareholder value. While investors await clearer evidence that stronger earnings are sustainable, we believe the company has an opportunity to bring its long-term strategy and investor expectations into closer alignment by delivering on shareholder returns and articulating a new strategic vision.

If SEC follows through on its plan to return 50% of cumulative 2024–26 free cash flow to shareholders, 2026 dividend yield could reach 6.7–9.3% for common shares and 9.3–13.0% for preferred shares. In addition, the company holds W18tr worth of treasury shares acquired in 1Q26 for employee compensation purposes (at purchase prices of W183,000–196,000). Given the scale of expected bonus payments, additional repurchases will likely be required. Of note, the current share price has fallen back toward the levels at which the company repurchased shares in 1Q26.

We expect 2027 to mark the first year of a meaningful step-up in shareholder returns. Over the past nine years, SEC has paid annual base dividends of approximately W10tr, or roughly W360 per share each quarter—equivalent to distributing 50% of an assumed three-year FCF of W60tr. Now, with cumulative free cash flow expected to exceed W800tr over 2027–29 even under conservative assumptions, the base dividend level is likely to rise substantially.

Despite the stock having fallen more than 50% from its peak, we see no indication of any meaningful deterioration in fundamentals. With the current share price implying a significantly higher dividend yield, we continue to recommend increasing exposure.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	300,871	333,606	720,178	951,918	1,032,094
OP (Wbn)	32,726	43,601	397,370	575,897	602,523
OP margin (%)	10.9	13.1	55.2	60.5	58.4
NP (Wbn)	33,621	44,261	327,247	489,315	541,237
EPS (W)	4,950	6,564	49,058	73,596	81,405
ROE (%)	9.0	10.8	55.4	50.9	39.1
P/E (x)	10.7	18.3	4.5	3.0	2.7
P/B (x)	0.9	1.9	1.9	1.2	0.9
Dividend yield (%)	2.7	1.4	5.3	7.5	8.0

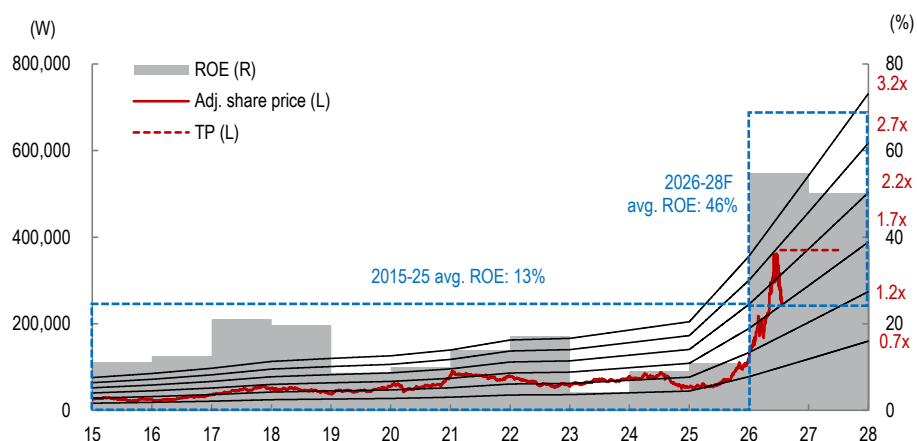
Notes: Under consolidated K-IFRS; NP is attributable to owners of the parent

Source: Company data, Mirae Asset Securities Research estimates

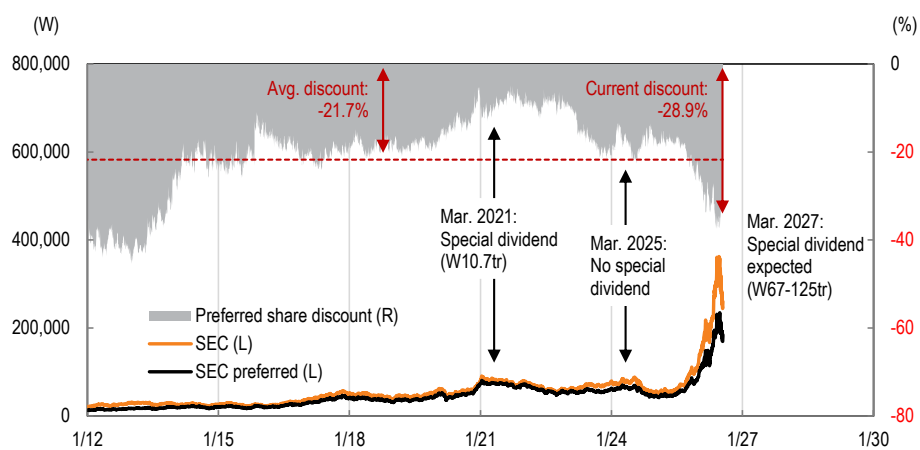
Table 1. SEC: SOTP valuation

	12MF EBITDA	EV/EBITDA (x)		Implied EV	Notes
		Previous	Revised		
Operating value (Wtr)	511.5	6.6	4.5	2,310.6	
DX	12.3	7.4	7.4	100.4	
MX/NW	10.5	7.6	7.6	86.5	50% discount to avg. of Xiaomi and Apple
VD/DA	1.8	6.0	6.0	13.8	Avg. of LG Electronics and Whirlpool
DS	490.1	6.6	4.4	2,161.2	
Memory	480.5	6.4	4.1	2,007.9	10% discount to avg. of Micron and Kioxia
Foundry/LSI	9.6 (2027F)	14.7	15.8	153.3	Avg. of foundry peers
Samsung Display	6.8	4.3	4.3	30.1	Avg. of Innolux, BOE, and AUO
Harman	2.2	8.1	8.1	19.0	Avg. of Hyundai Mobis and HL Mando
	Market value	Stake (%)	Value		
Equity stake value (Wtr)			136.1		
Listed			82.5		
Samsung Biologics	59.9	31.2	18.7		
Samsung Epis Holdings	10.3	31.2	3.2		
SEMCO	166.4	23.7	39.4		
Samsung SDI	43.0	19.4	8.3		
Samsung SDS	16.1	22.6	3.6		
Other			9.2		
Unlisted			53.6		
Net debt (Wtr)			-119.2		
Fair market cap (Wtr)			2,498		50% discount to equity stake value reflected
No. of shares (mn)			6,649		Common + preferred
Fair value/share (W)			375,697		
Target price (W)			370,000		
Current price (W)			220,000		As of Jul. 28
Upside (%)			68.2		
Implied 2026F P/E (x)			7.8		
Implied 2026F P/B (x)			3.3		

Source: LSEG, Mirae Asset Securities Research

Figure 1. SEC: 12-month forward P/B vs. ROE

Source: Company data, Mirae Asset Securities Research

Figure 2. SEC: Preferred share discount trend

Source: Company data, Mirae Asset Securities Research

Table 2. 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	315.9	315.9	315.9	315.9	315.9
Operating cash flow	67.0	45.4	65.3	65.1	62.2	44.1	73.0	85.3	360.0	360.0	360.0	360.0	360.0
(Capex)	29.6	25.4	37.6	47.1	49.4	57.6	51.4	47.5	79.3	79.3	79.3	79.3	79.3
(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	280.7	280.7	280.7	280.7	180.7
% 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	140.4	140.4	140.4	140.4	90.4
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	130.9	130.9	130.9	130.9	80.9
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	83.8	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	93.6	134.6	84.5
Dividend payout ratio (%)	22.3	44.7	78.0	25.0	17.9	67.8	29.2	25.1	24.4	42.6	29.6	42.6	26.8
Common stock	8.6	8.5	17.9	8.6	8.6	8.6	8.6	9.8	67.5	118.2	82.6	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	11.0	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	134.0	134.6	84.5
Total shareholder return ratio (%)	24.3	44.7	78.0	25.0	17.9	67.8	34.6	40.0	24.4	42.6	42.4	42.6	26.8
Cumulative FCF return ratio (%)	28.5	35.3	47.7	54.5	63.8	170.5	53.9	49.4	31.2	48.2	48.0	48.2	47.4
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	5,699	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	751	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	47,333	47,333	48,970	47,333	47,333
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	220,000	220,000	220,000	220,000	220,000
Preferred stock	38,148	37,996	49,780	72,033	58,195	56,442	58,790	57,355	158,200	158,200	158,200	158,200	158,200
Dividend yield (%)													
Common stock	3.0	3.0	5.2	1.8	2.3	2.1	2.0	2.3	5.3	9.3	6.7	9.3	5.9
Preferred stock	3.7	3.7	6.0	2.0	2.5	2.6	2.5	2.9	7.4	13.0	9.3	13.0	8.1
Net cash (ending)	83.6	88.7	103.7	105.3	108.0	82.8	97.3	104.3	364.7	364.7	364.7	364.7	364.7

Source: Company data, Mirae Asset Securities Research

Table 3. SEC: Earnings outlook

(Wtr, %)

	1Q26	2Q26P	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
USD/KRW	1,464	1,502	1,553	1,555	1,524	1,524	1,524	1,524	1,363	1,422	1,518	1,524
QoQ/YoY	1.0	2.6	3.4	0.2	-2.0	0.0	0.0	0.0	4.4	4.3	6.7	0.4
Revenue	133.9	171.0	201.0	214.3	227.7	237.8	246.1	240.4	300.9	333.6	720.2	951.9
DX	52.7	48.7	49.1	46.1	56.3	56.4	58.1	53.2	174.9	188.0	196.6	224.1
DS	81.7	119.8	147.0	161.2	169.2	178.3	182.2	180.5	111.1	130.1	509.8	710.2
Samsung Display	6.7	6.7	7.7	9.3	7.0	7.7	9.2	10.0	29.2	29.8	30.4	34.0
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	27.7	17.5	6.6	6.3	4.4	3.5	-2.3	16.2	10.9	115.9	32.2
DX	18.9	-7.7	1.0	-6.2	22.2	0.2	3.1	-8.5	2.9	7.5	4.6	14.0
DS	85.7	46.7	22.7	9.7	5.0	5.4	2.2	-0.9	66.8	17.2	291.7	39.3
Samsung Display	-29.4	-0.0	14.9	20.9	-24.4	9.5	19.9	8.8	-5.9	2.3	1.9	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	89.4	120.0	130.8	138.4	144.9	147.7	144.9	32.7	43.6	397.4	575.9
DX	3.0	2.1	1.9	1.2	3.6	3.2	3.7	2.8	12.4	12.9	8.1	13.3
DS	53.7	86.0	116.6	127.5	133.7	140.2	141.8	139.6	15.1	24.9	383.8	555.3
Samsung Display	0.4	0.7	1.0	1.7	0.8	1.1	1.6	2.0	3.7	4.1	3.8	5.4
Harman	0.2	0.6	0.4	0.4	0.3	0.5	0.5	0.4	1.3	1.5	1.6	1.7
QoQ/YoY	185.1	56.2	34.2	9.0	5.8	4.7	1.9	-1.9	398.3	33.2	811.4	44.9
DX	124.6	-30.9	-9.0	-38.0	204.5	-11.1	17.7	-23.6	-13.5	3.3	-36.7	63.7
DS	227.2	60.1	35.6	9.4	4.8	4.9	1.1	-1.5	TTB	64.7	1,443.8	44.7
Samsung Display	-79.6	66.1	58.0	58.8	-52.4	32.5	56.2	19.0	-32.9	10.3	-8.2	43.9
Harman	-37.5	203.9	-33.8	0.7	-18.3	44.2	-4.6	-10.9	11.4	17.1	5.5	3.2
OP margin	42.8	52.3	59.7	61.0	60.8	61.0	60.0	60.3	10.9	13.1	55.2	60.5
DX	5.7	4.3	3.8	2.5	6.3	5.6	6.4	5.4	7.1	6.8	4.1	5.9
DS	65.7	71.8	79.3	79.1	79.0	78.6	77.8	77.4	13.6	19.1	75.3	78.2
Samsung Display	6.0	9.9	13.6	17.9	11.3	13.6	17.8	19.4	12.8	13.8	12.4	16.0
Harman	5.3	13.2	8.8	8.8	9.2	8.6	8.7	8.8	9.2	9.7	9.2	8.8
EBITDA	70.5	102.8	133.4	144.5	152.5	159.4	162.2	159.8	75.4	90.5	451.2	633.9
DX	4.2	3.3	3.1	2.4	4.8	4.4	5.0	4.1	16.7	17.3	13.1	18.3
DS	64.7	97.1	127.8	139.0	145.6	152.4	154.1	152.3	49.9	63.6	428.7	604.4
Samsung Display	1.1	1.4	1.8	2.4	1.5	1.8	2.4	2.7	6.4	6.8	6.7	8.3
Harman	0.4	0.8	0.6	0.6	0.5	0.6	0.6	0.6	1.9	2.1	2.2	2.3
QoQ/YoY	118.1	45.8	29.8	8.4	5.5	4.5	1.8	-1.5	66.6	20.1	398.4	40.5
DX	68.1	-21.9	-5.6	-22.9	99.3	-8.3	12.7	-17.7	-10.6	4.1	-24.5	39.5
DS	144.1	50.1	31.6	8.8	4.7	4.7	1.1	-1.1	227.1	27.6	573.6	41.0
Samsung Display	-57.5	23.7	27.6	34.9	-36.5	17.0	33.2	13.2	-28.1	6.1	-1.7	24.9
Harman	-25.2	115.6	-27.1	0.5	-13.3	30.2	-3.5	-8.2	9.1	12.7	6.2	2.3
Capex	11.2	19.0	19.0	26.8	22.5	22.8	22.8	23.0	53.6	52.7	76.0	91.1
DS	10.2	17.7	17.7	25.2	21.4	21.4	21.4	21.4	46.3	47.5	70.9	85.5
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	69.6	0.0	41.2	-16.1	1.1	0.0	1.1	1.0	-1.9	44.4	19.8
DS	-46.2	73.7	0.0	42.4	-15.3	0.0	0.0	0.0	-4.3	2.6	49.3	20.7
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 (EBITDA – capex)	59.3	83.8	114.4	117.7	130.0	136.6	139.4	136.8	21.7	37.9	375.2	542.8
DS	54.5	79.4	110.1	113.8	124.2	131.0	132.7	131.0	3.6	16.2	357.8	518.9
Samsung Display	0.5	0.7	1.1	1.6	0.9	1.0	1.6	1.8	1.6	4.0	4.0	5.4
Other	4.2	3.6	3.2	2.3	4.9	4.5	5.1	4.0	16.6	17.7	13.4	18.5

Source: Company data, Mirae Asset Securities Research

Table 4. SEC: DS earnings outlook

(Wtr, %)

	1Q26	2Q26P	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
Revenue	81.7	119.8	147.0	161.2	169.2	178.3	182.2	180.5	111.1	130.1	509.8	710.2
DRAM	55.6	80.8	101.1	111.7	118.5	123.9	125.5	126.8	54.4	74.4	349.1	494.7
NAND	19.2	30.9	38.5	41.3	42.5	45.9	47.1	44.3	30.1	29.7	130.0	179.7
Foundry/LSI	6.9	8.2	7.4	8.2	8.1	8.6	9.6	9.5	26.6	26.0	30.7	35.8
QoQ/YoY	85.7	46.7	22.7	9.7	5.0	5.4	2.2	-0.9	66.8	17.2	291.7	39.3
DRAM	98.6	45.4	25.1	10.5	6.2	4.5	1.3	1.0	89.8	36.8	369.1	41.7
NAND	109.9	60.4	24.8	7.3	2.9	7.8	2.6	-5.9	94.5	-1.3	338.1	38.3
Foundry/LSI	0.6	18.4	-9.5	11.4	-1.1	5.4	12.0	-1.4	18.4	-2.1	17.8	16.6
OP	53.7	86.0	116.6	127.5	133.7	140.2	141.8	139.6	15.1	24.9	383.8	555.3
DRAM	42.9	66.1	88.4	97.1	102.5	106.6	107.5	108.4	16.8	30.4	294.5	425.1
NAND	11.9	21.4	29.5	31.6	32.1	34.5	35.2	32.2	3.5	2.0	94.4	134.0
Foundry/LSI	-1.1	-1.5	-1.4	-1.1	-0.9	-1.0	-0.8	-1.0	-5.3	-7.6	-5.1	-3.8
QoQ/YoY	227.2	60.1	35.6	9.4	4.8	4.9	1.1	-1.5	TTB	64.7	1,443.8	44.7
DRAM	169.0	54.0	33.9	9.8	5.6	4.0	0.8	0.9	TTB	80.4	869.2	44.4
NAND	354.8	80.4	37.7	6.9	1.8	7.5	1.9	-8.4	TTB	-42.1	4,514.2	42.0
Foundry/LSI	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR
OP margin	65.7	71.8	79.3	79.1	79.0	78.6	77.8	77.4	13.6	19.1	75.3	78.2
DRAM	77.2	81.8	87.5	86.9	86.5	86.1	85.6	85.6	31.0	40.8	84.4	85.9
NAND	61.7	69.5	76.6	76.3	75.5	75.3	74.8	72.8	11.8	6.9	72.6	74.6
Foundry/LSI	-15.7	-18.7	-18.6	-13.4	-11.6	-11.5	-8.8	-10.9	-19.9	-29.1	-16.6	-10.6
EBITDA	64.5	96.9	127.6	138.8	145.4	152.2	153.9	152.1	49.2	62.8	427.9	603.6
DRAM	47.5	70.9	93.5	102.5	108.1	112.4	113.2	114.4	27.2	44.6	314.4	448.1
NAND	15.0	24.4	32.2	34.1	35.1	37.5	38.0	35.1	13.5	13.1	105.7	145.8
Foundry/LSI	2.0	1.6	1.9	2.2	2.1	2.3	2.6	2.6	8.4	5.1	7.7	9.7
Capex	10.2	17.7	17.7	25.2	21.4	21.4	21.4	21.4	46.3	47.5	70.9	85.5
DRAM	5.6	9.7	9.7	9.8	10.3	10.3	10.3	10.3	18.4	20.5	34.9	41.1
NAND	1.5	2.7	2.7	11.4	5.3	5.3	5.3	5.3	13.0	12.8	18.2	21.3
Foundry/LSI	3.1	5.3	5.3	4.0	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	2Q26P	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
USD/KRW	1,464	1,502	1,553	1,555	1,524	1,524	1,524	1,524	1,363	1,422	1,518	1,524
QoQ/YoY (%)	1.0	2.6	3.4	0.2	-2.0	0.0	0.0	0.0	4.4	4.3	6.7	0.4
DRAM												
Revenue (US\$bn)	37.9	53.8	65.1	71.8	77.8	81.3	82.4	83.2	39.8	52.3	228.7	324.6
QoQ/YoY (%)	96.6	41.8	21.0	10.3	8.3	4.5	1.3	1.0	81.8	31.2	337.6	42.0
Bit shipments (bn Gb)	27.4	28.5	30.1	31.4	33.5	35.1	35.9	36.0	88.8	96.1	117.5	140.5
QoQ/YoY (%)	2.7	4.0	5.5	4.5	6.4	5.0	2.3	0.1	13.0	8.3	22.2	19.6
ASP (US\$)	1.38	1.89	2.16	2.28	2.32	2.31	2.29	2.31	0.45	0.54	1.95	2.31
QoQ/YoY (%)	91.4	36.3	14.7	5.6	1.8	-0.5	-0.9	0.9	60.8	21.1	258.1	18.7
NAND												
Revenue (US\$bn)	13.0	20.6	24.8	26.6	27.9	30.1	30.9	29.1	22.1	20.9	84.9	117.9
QoQ/YoY (%)	104.9	58.6	20.8	7.1	5.0	7.8	2.6	-5.9	86.4	-5.4	306.9	38.9
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	0.24	0.27	0.29	0.29	0.28	0.27	0.26	0.07	0.07	0.24	0.27
QoQ/YoY (%)	88.0	54.0	15.0	5.0	0.0	-2.0	-5.0	-3.0	67.9	-6.4	247.5	13.8

Source: Company data, Mirae Asset Securities Research

Samsung Electronics (005930 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	333,606	720,178	951,918	1,032,094
Cost of revenue	202,236	180,536	202,075	252,655
GP	131,370	539,642	749,843	779,439
SG&A expenses	87,769	142,273	173,946	176,916
OP (adj.)	43,601	397,370	575,897	602,523
OP	43,601	397,370	575,897	602,523
Non-operating profit	5,880	11,354	35,248	73,470
Net financial income	3,987	9,967	34,954	73,181
Net income from associates	683	856	833	830
Pretax profit	49,481	408,724	611,145	675,993
Income tax	4,275	80,616	120,541	133,331
Profit from continuing operations	45,207	328,109	490,604	542,662
Profit from discontinued operations	0	0	0	0
NP	45,207	328,109	490,604	542,662
Attributable to owners	44,261	327,247	489,315	541,237
Attributable to minority interests	946	862	1,289	1,426
Total comprehensive income	51,291	341,020	490,604	542,662
Attributable to owners	49,904	337,209	485,122	536,599
Attributable to minority interests	1,387	3,810	5,482	6,064
EBITDA	90,528	450,298	633,867	664,812
FCF	37,793	284,515	456,095	502,539
EBITDA margin (%)	27.1	62.5	66.6	64.4
OP margin (%)	13.1	55.2	60.5	58.4
Net margin (%)	13.3	45.4	51.4	52.4

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	247,685	669,838	1,073,360	1,497,707
Cash & equivalents	57,856	236,408	587,151	952,963
AR & other receivables	58,609	133,831	150,129	168,204
Inventory	52,637	120,194	134,831	151,064
Other current assets	78,583	179,405	201,249	225,476
Non-current assets	319,257	369,073	406,003	448,469
Investments in associates	13,772	31,448	35,278	39,525
PP&E	215,305	242,048	274,649	312,368
Intangible assets	29,481	30,018	30,517	31,017
Total assets	566,942	1,038,911	1,479,362	1,946,176
Current liabilities	106,411	220,903	245,279	272,313
AP & other payables	34,405	78,563	88,130	98,740
Short-term financial liabilities	18,752	20,737	20,737	20,737
Other current liabilities	53,254	121,603	136,412	152,836
Non-current liabilities	24,210	47,873	52,801	58,267
Long-term financial liabilities	6,487	7,401	7,401	7,401
Other non-current liabilities	17,723	40,472	45,400	50,866
Total liabilities	130,622	268,776	298,080	330,580
Equity attributable to owners	424,313	756,726	1,166,585	1,599,472
Capital stock	898	898	898	898
Capital surplus	4,404	4,404	4,404	4,404
Retained earnings	402,136	718,462	1,128,321	1,561,208
Minority interests	12,007	13,409	14,698	16,124
Shareholders' equity	436,320	770,135	1,181,283	1,615,596

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	85,315	363,811	543,165	599,047
NP	45,207	328,109	490,604	542,662
Non-cash income/expenses	52,396	125,585	142,611	121,497
Depreciation	43,606	49,416	54,470	58,789
Amortization	3,321	3,512	3,501	3,501
Other	5,469	72,657	84,640	59,207
Chg. in working capital	-9,614	-29,306	-4,576	-5,075
Chg. in AR & other receivables	-2,535	-63,105	-14,217	-15,768
Chg. in inventory	-3,591	-66,031	-14,637	-16,233
Chg. in AP & other payables	-3,257	15,187	3,626	4,021
Income tax	-7,137	-70,489	-120,541	-133,331
Cash flow from investing activities	-68,512	-167,772	-109,970	-121,469
Chg. in PP&E	-47,372	-79,239	-87,070	-96,508
Chg. in intangible assets	-4,617	-4,049	-4,000	-4,000
Chg. in financial assets	-9,056	-87,230	-18,899	-20,961
Other	-7,467	2,746	-1	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	178,552	350,743	365,812
Beginning balance	53,706	57,856	236,408	587,151
Ending balance	57,856	236,408	587,151	952,963

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

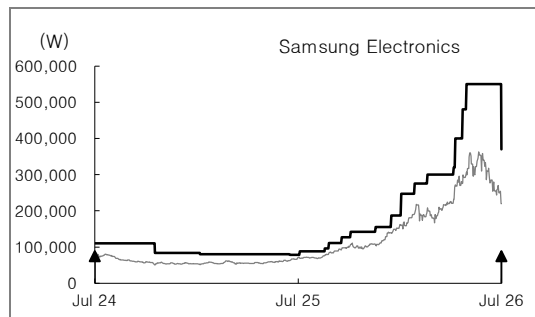
	2025	2026F	2027F	2028F
P/E (x)	18.3	4.5	3.0	2.7
P/CF (x)	8.3	3.2	2.3	2.2
P/B (x)	1.9	1.9	1.2	0.9
EV/EBITDA (x)	7.7	2.4	1.1	0.5
EPS (W)	6,564	49,058	73,596	81,405
CFPS (W)	14,474	68,014	95,240	99,894
BPS (W)	63,976	115,789	177,434	242,543
DPS (W)	1,668	11,709	16,500	17,500
Dividend payout ratio (%)	21.6	20.6	19.4	18.6
Dividend yield (%)	1.4	3.9	5.5	5.9
Revenue growth (%)	10.9	115.9	32.2	8.4
EBITDA growth (%)	20.1	397.4	40.8	4.9
OP growth (%)	33.2	811.4	44.9	4.6
EPS growth (%)	32.6	647.4	50.0	10.6
AR turnover (x)	7.0	8.6	7.7	7.4
Inventory turnover (x)	6.4	8.3	7.5	7.2
AP turnover (x)	15.9	8.4	6.4	7.1
ROA (%)	8.4	40.9	39.0	31.7
ROE (%)	10.8	55.4	50.9	39.1
ROIC (%)	13.2	91.5	111.4	104.5
Debt-to-equity ratio (%)	29.9	34.9	25.2	20.5
Current ratio (%)	232.8	303.2	437.6	550.0
Net debt-to-equity ratio (%)	-23.1	-47.2	-62.1	-69.3
Interest coverage ratio (x)	72.0	473.4	720.1	757.9

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
Samsung Electronics (005930)	07/29/26	Buy	370,000
	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	83.02%	0%	16.35%	0.63%
Investment banking services	86.67%	0%	13.33%	0%

* Based on recommendations in the last 12-months (as of June 30, 2026)

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