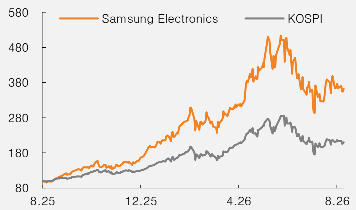
MIRAE ASSET Securities

Equity Research
September 7, 2026

(Maintain)	Buy
Target price	▲ W400,000
Current price (9/4/26)	W255,500
Upside	56.6%

OP (26F, Wbn)	370,057
Consensus OP (26F, Wbn)	392,753
EPS growth (26F, %)	564.8
Market EPS growth (26F, %)	283.0
P/E (26F, x)	5.9
Market P/E (26F, x)	6.4
KOSPI	6,687.21
Market cap (Wbn)	1,493,724
Shares (mn)	5,846
Free float (%)	75.4
Foreign ownership (%)	46.7
Beta (12M)	1.26
52-week low (W)	69,500
52-week high (W)	362,500

(%)	1M	6M	12M
Absolute	6.5	48.4	264.5
Relative	1.2	13.0	74.5



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Samsung Electronics

HBM to offset macro concerns

Earnings growth intact despite a stronger won

We raise our target price for Samsung Electronics (SEC) by 8.1% to W400,000 (from W370,000). While we revised up our DRAM ASP growth forecasts by 4.8%p for 2026 and 0.3%p for 2027, we lowered our operating profit estimates by 5.7% and 4.2%, respectively, reflecting a stronger won (USD/KRW rate assumption lowered from 1,553 to 1,400). Meanwhile, with the current quarter entering its final month, our 12-month forward valuation now incorporates earnings through 3Q27 (vs. 2Q27 previously).

We forecast operating profit at W106tr for 3Q26, W118tr for 4Q26, and W536tr for 2027. We project DRAM ASP to continue rising, by 16.5% QoQ in 3Q26, 5.4% QoQ in 4Q26, and 22.6% YoY in 2027. Although price growth for commodity DRAM should moderate in 2027, HBM should continue to drive overall DRAM pricing higher, with bit growth of 57% and ASP growth of 49% (vs. 16% and 20% for commodity DRAM, respectively).

Memory leadership to remain intact amid advances in HBM technology

Launched on Sep. 3, GPT-6 Astra has a 1.05mn-token context window, offers a Fast mode with up to twice the processing speed at twice the standard price, and applies higher pricing to prompts exceeding 272,000 tokens. Because generating each token requires the model weights and the entire KV cache to be read again, longer contexts increase memory bandwidth requirements per token. The higher pricing for faster processing and long-context prompts suggests that memory is a key cost driver.

The Jalapeno ASIC was designed around this bottleneck, with OpenAI emphasizing user latency and energy efficiency rather than throughput per chip. User latency is determined by decoding speed, which in turn depends on memory bandwidth. Among recently introduced ASICs, Jalapeno is the only one to feature HBM4, providing 216GiB of capacity and 15.4TB/s of bandwidth.

Meanwhile, because transitioning to newer HBM generations also increases I/O power consumption, the industry is exploring custom HBM architectures. By fabricating the base die on an advanced logic process, these designs reduce the base die's circuit footprint and overall size and move the memory controller—which occupies 5–10% of the XPU die—from the XPU to the base die. Nvidia's NVHBM (unveiled on Aug. 26) adopts a similar architecture and offers up to 30% higher bandwidth and 15% lower power consumption than HBM4E.

SEC has also unveiled zHBM, which eliminates the power consumed by the lateral interconnects used in 2.5D packaging. By stacking DRAM directly on top of the XPU and distributing the I/O connections, zHBM targets a 70% reduction in I/O power consumption and more than 2.3x the bandwidth of HBM5. This would free up approximately 100W for additional GPU compute. As further bandwidth gains increasingly depend on base die fabrication and wafer bonding, memory manufacturers could gain greater control over the value chain.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	300,871	333,606	713,635	953,514	993,124
OP (Wbn)	32,726	43,601	370,057	535,682	504,112
OP margin (%)	10.9	13.1	51.9	56.2	50.8
NP (Wbn)	33,621	44,261	291,087	424,487	416,133
EPS (W)	4,950	6,564	43,637	63,846	62,589
ROE (%)	9.0	10.8	49.6	44.4	30.6
P/E (x)	10.7	18.3	5.9	4.0	4.1
P/B (x)	0.9	1.9	2.2	1.4	1.1
Dividend yield (%)	2.7	1.4	0.7	0.7	0.7

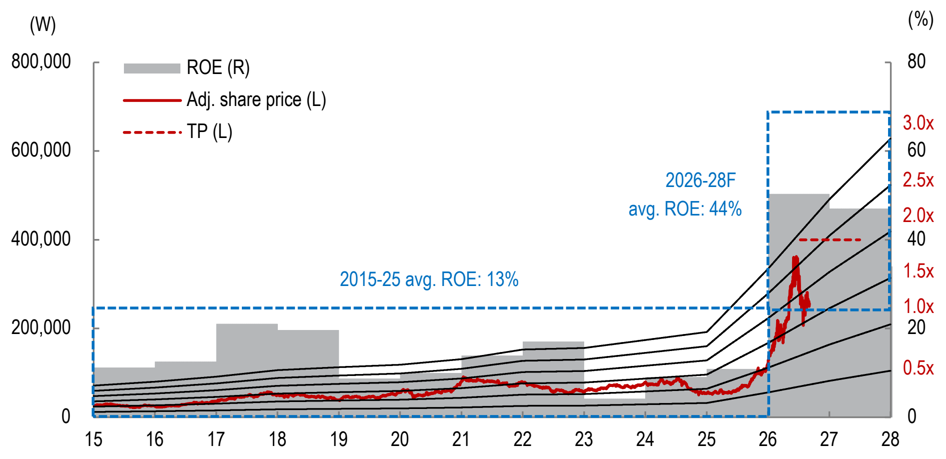
Notes: Under consolidated K-IFRS; NP is attributable to owners of the parent
Source: Company data, Mirae Asset Securities Research estimates

Table 1. SEC: SOTP valuation

	12MF EBITDA Through 2Q27F (previous)	12MF EBITDA Through 3Q27F (revised)	EV/EBITDA (x)	Implied EV	Notes
Operating value (Wtr)	**504.9**	**554.4**	**4.2**	**2,352.1**	
DX	7.9	11.0	**7.3**	80.5	
MX/NW	6.1	8.7	**7.6**	66.8	50% discount to Xiaomi/Apple avg.
VD/DA	1.8	2.3	**6.0**	13.7	Avg. of LG Electronics and Whirlpool
DS	**487.8**	**533.4**	**4.2**	**2,224.7**	
Memory	478.7	524.3	4.0	2,089.9	**10% discount to Micron/Kioxia avg.**
Foundry/LSI	9.1	9.1	14.7	134.8	**Avg. of foundry peers**
Samsung Display	**7.1**	**7.8**	**4.3**	**33.2**	Avg. of Innolux, BOE, and AUO
Harman	**2.2**	**2.2**	**6.1**	**13.6**	Avg. of Hyundai Mobis and HL Mando
	Market cap	**Stake (%)**		**Value**	
Equity stake value (Wtr)				**122.2**	
Listed				68.6	
Samsung Biologics	67.0	31.2		20.9	
Samsung Epis Holdings	8.9	31.2		2.8	
SEMCO	104.6	23.7		24.8	
Samsung SDI	44.2	19.4		8.6	
Samsung SDS	18.4	22.6		4.2	
Other				7.4	
Unlisted				53.6	
Net debt (Wtr)				-236.0	3Q26F
Fair market cap (Wtr)				2,649	50% discount to equity stake value reflected
No. of shares (mn)				6,649	Common + preferred
Fair value/share (W)				398,449	
Target price (W)				**400,000**	
Current price (W)				**255,500**	
Upside (%)				**56.6**	
Implied 2027F P/E (x)				**6.3**	
Implied 2027F P/B (x)				**2.4**	

Source: LSEG, Mirae Asset Securities Research

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



Source: Company data, Mirae Asset Securities Research

Table 2. SEC: Earnings forecast revisions (Wtr, %, %p)

	3Q26F			2026F			2027F		
	Revised	Previous	Chg.	Revised	Previous	Chg.	Revised	Previous	Chg.
USD/KRW	**1,400**	**1,553**	**-9.8**	**1,443**	**1,518**	**-5.0**	**1,405**	**1,524**	**-7.8**
Revenue	**197.4**	**212.9**	**-7.2**	**713.6**	**737.7**	**-3.3**	**953.5**	**979.3**	**-2.6**
DX	47.2	49.8	-5.1	192.4	197.1	-2.4	214.0	223.6	-4.3
DS	145.0	158.3	-8.4	513.4	533.5	-3.8	719.3	737.0	-2.4
Samsung Display	7.7	7.7	0.0	31.2	31.2	0.0	34.9	34.9	0.0
Harman	4.5	4.5	0.0	17.6	17.6	0.0	19.0	19.0	0.0
OP	**105.7**	**119.8**	**-11.8**	**370.1**	**392.5**	**-5.7**	**535.7**	**558.9**	**-4.2**
DX	0.7	1.0	-23.1	3.1	3.5	-12.0	9.3	10.4	-10.5
DS	103.4	117.2	-11.7	361.7	383.5	-5.7	518.7	540.3	-4.0
Samsung Display	1.0	1.2	-10.7	3.8	4.0	-6.2	5.8	6.2	-7.8
Harman	0.4	0.4	-2.3	1.4	1.5	-1.3	1.7	1.7	-2.2
OP margin	**53.5**	**56.3**	**-2.8**	**51.9**	**53.2**	**-1.3**	**56.2**	**57.1**	**-0.9**
DX	1.6	1.9	-0.4	1.6	1.8	-0.2	4.4	4.7	-0.3
DS	71.3	74.0	-2.7	70.5	71.9	-1.4	72.1	73.3	-1.2
Samsung Display	13.5	15.1	-1.6	12.1	12.9	-0.8	16.5	17.9	-1.4
Harman	8.9	9.1	-0.2	8.2	8.3	-0.1	8.9	9.1	-0.2

Source: Mirae Asset Securities Research

Table 3. SEC: DS earnings forecast revisions (Wtr, %, %p)

	3Q26F			2026F			2027F		
	Revised	Previous	Chg.	Revised	Previous	Chg.	Revised	Previous	Chg.
Revenue	**145.0**	**158.3**	**-8.4**	**513.4**	**533.5**	**-3.8**	**719.3**	**737.0**	**-2.4**
DRAM	100.7	109.9	-8.4	354.5	366.3	-3.2	514.3	517.6	-0.6
NAND	37.0	41.0	-9.8	129.7	137.9	-6.0	170.7	185.2	-7.8
Foundry/LSI	7.4	7.4	0.0	29.2	29.2	0.0	34.3	34.3	0.0
OP	**103.4**	**117.2**	**-11.7**	**361.7**	**383.5**	**-5.7**	**518.7**	**540.3**	**-4.0**
DRAM	81.5	90.6	-10.0	285.9	298.3	-4.1	419.2	424.7	-1.3
NAND	23.8	27.5	-13.5	82.7	90.2	-8.4	106.1	118.5	-10.4
Foundry/LSI	-1.9	-0.9	RR	-6.9	-5.1	RR	-6.6	-2.8	RR
OP margin	**71.3**	**74.0**	**-2.7**	**70.5**	**71.9**	**-1.4**	**72.1**	**73.3**	**-1.2**
DRAM	81.0	82.4	-1.5	80.7	81.4	-0.8	81.5	82.0	-0.5
NAND	64.4	67.1	-2.8	63.8	65.4	-1.7	62.1	64.0	-1.8
Foundry/LSI	-25.4	-12.4	-13.0	-23.7	-17.4	-6.3	-19.3	-8.2	-11.0
[Memory est.]									
DRAM									
Bit growth	5.4	5.4	0.0	25.3	23.3	2.0	21.0	15.8	5.2
ASP chg.	16.5	14.6	1.8	277.1	272.2	4.8	22.6	22.3	0.3
NAND									
Bit growth	5.0	5.0	0.0	13.8	13.8	0.0	19.6	19.6	0.0
ASP chg.	15.0	15.0	0.0	280.2	280.2	0.0	12.5	12.5	0.0

Source: Mirae Asset Securities Research

Table 4. SEC: Earnings outlook (Wtr, %)

	1Q26	2Q26	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
USD/KRW	**1,464**	**1,502**	**1,400**	**1,405**	**1,405**	**1,405**	**1,405**	**1,405**	**1,363**	**1,422**	**1,443**	**1,405**
QoQ/YoY	1.0	2.6	-6.8	0.4	0.0	0.0	0.0	0.0	4.4	4.3	1.4	-2.6
Revenue	**133.9**	**171.5**	**197.4**	**210.8**	**228.4**	**237.7**	**250.8**	**236.6**	**300.9**	**333.6**	**713.6**	**953.5**
DX	52.7	48.0	47.2	44.5	53.8	52.2	56.3	51.7	174.9	188.0	192.4	214.0
DS	81.7	127.5	145.0	159.1	172.0	180.8	188.5	178.0	111.1	130.1	513.4	719.3
Samsung Display	6.7	7.5	7.7	9.3	7.0	8.6	9.2	10.0	29.2	29.8	31.2	34.9
Harman	3.8	4.6	4.5	4.6	3.6	5.5	5.2	4.6	14.3	15.8	17.6	19.0
QoQ/YoY	**42.7**	**28.1**	**15.1**	**6.8**	**8.3**	**4.1**	**5.5**	**-5.7**	**16.2**	**10.9**	**113.9**	**33.6**
DX	18.8	-8.8	-1.6	-5.8	20.8	-2.9	7.7	-8.1	2.9	7.5	2.4	11.2
DS	85.7	56.0	13.8	9.7	8.1	5.1	4.3	-5.5	66.8	17.2	294.5	40.1
Samsung Display	-29.5	12.0	2.6	20.9	-24.5	22.7	7.1	8.8	-5.9	2.3	4.5	12.0
Harman	-16.5	20.2	-1.2	0.7	-20.6	51.9	-5.3	-12.4	-0.8	10.6	11.2	8.0
OP	**57.2**	**89.5**	**105.7**	**117.7**	**129.4**	**136.5**	**140.6**	**129.2**	**32.7**	**43.6**	**370.1**	**535.7**
DX	3.0	-0.8	0.7	0.2	2.5	2.3	2.7	1.9	12.4	12.9	3.1	9.3
DS	53.7	89.2	103.4	115.4	125.8	132.3	135.7	124.9	15.1	24.9	361.7	518.7
Samsung Display	0.4	0.7	1.0	1.7	0.8	1.4	1.6	1.9	3.7	4.1	3.8	5.8
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**	**56.4**	**18.1**	**11.3**	**10.0**	**5.5**	**3.0**	**-8.1**	**398.3**	**33.2**	**748.7**	**44.8**
DX	122.2	TTR	TTB	-79.6	1,548.2	-8.5	17.7	-27.8	-13.5	3.3	-76.2	205.7
DS	227.0	66.2	16.0	11.5	9.0	5.2	2.6	-8.0	TTB	64.7	1,355.0	43.4
Samsung Display	-81.5	93.0	48.6	59.4	-52.8	78.6	16.9	19.1	-32.9	10.3	-8.6	53.1
Harman	-30.6	80.2	1.3	0.6	-17.8	43.1	-4.6	-10.8	11.4	17.1	-6.3	17.1
OP margin	**42.8**	**52.2**	**53.5**	**55.8**	**56.7**	**57.4**	**56.0**	**54.6**	**10.9**	**13.1**	**51.9**	**56.2**
DX	5.6	-1.7	1.6	0.3	4.6	4.3	4.7	3.7	7.1	6.8	1.6	4.4
DS	65.7	70.0	71.3	72.5	73.1	73.2	72.0	70.1	13.6	19.1	70.5	72.1
Samsung Display	5.4	9.3	13.5	17.8	11.1	16.2	17.7	19.4	12.8	13.8	12.1	16.5
Harman	5.8	8.7	8.9	8.9	9.2	8.7	8.8	8.9	9.2	9.7	8.2	8.9
EBITDA	**69.6**	**102.5**	**121.7**	**133.8**	**145.8**	**153.1**	**157.2**	**146.1**	**75.4**	**90.5**	**427.6**	**602.1**
DX	4.2	0.4	2.0	1.4	3.7	3.5	3.9	3.2	16.7	17.3	7.9	14.3
DS	63.9	100.1	117.2	129.3	139.9	146.6	150.1	139.5	49.9	63.6	410.5	576.2
Samsung Display	1.0	1.4	1.8	2.4	1.5	2.1	2.4	2.7	6.4	6.8	6.6	8.7
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	**115.4**	**47.3**	**18.7**	**10.0**	**8.9**	**5.0**	**2.7**	**-7.1**	**66.6**	**20.1**	**372.4**	**40.8**
DX	64.8	-90.5	402.0	-29.6	166.3	-5.7	11.4	-18.9	-10.6	4.1	-54.2	80.4
DS	141.0	56.6	17.1	10.3	8.2	4.8	2.4	-7.1	227.1	27.6	545.0	40.4
Samsung Display	-60.7	33.0	28.2	34.9	-36.6	40.5	11.0	13.2	-28.1	6.1	-3.0	31.9
Harman	-21.8	50.8	-0.1	0.5	-13.0	29.8	-3.5	-8.2	9.1	12.7	-2.8	11.9
Capex	**11.2**	**16.8**	**17.3**	**23.7**	**22.3**	**22.6**	**22.6**	**22.8**	**53.6**	**52.7**	**69.0**	**90.4**
DS	10.2	15.4	16.0	22.3	21.2	21.2	21.2	21.2	46.3	47.5	63.9	84.9
Samsung Display	0.6	0.7	0.7	0.7	0.6	0.7	0.7	0.9	4.8	2.8	2.7	2.9
Other	0.5	0.6	0.7	0.7	0.5	0.6	0.6	0.7	2.5	2.4	2.4	2.6
QoQ/YoY	**-44.9**	**49.1**	**3.3**	**36.8**	**-5.7**	**1.1**	**0.0**	**1.1**	**1.0**	**-1.9**	**31.0**	**31.0**
DS	-46.2	51.2	3.7	39.7	-5.0	0.0	0.0	0.0	-4.3	2.6	34.6	32.8
Samsung Display	-11.7	26.9	-11.0	-0.9	-11.2	25.0	0.0	20.0	102.7	-42.2	-5.0	10.0
Other	-42.2	31.8	11.0	4.8	-23.0	19.9	0.0	16.6	7.5	-6.1	1.1	6.5
FCF (EBITDA – capex)	**58.4**	**85.7**	**104.4**	**110.1**	**123.4**	**130.5**	**134.6**	**123.2**	**21.7**	**37.9**	**358.6**	**511.7**
DS	53.7	84.7	101.2	107.0	118.7	125.4	128.9	118.3	3.6	16.2	346.6	491.3
Samsung Display	0.5	0.6	1.1	1.7	0.9	1.4	1.6	1.8	1.6	4.0	3.9	5.8
Other	4.2	0.5	2.0	1.4	3.8	3.7	4.0	3.1	16.6	17.7	8.1	14.7

Source: Company data, Mirae Asset Securities Research

Table 5. SEC: DS earnings outlook (Wtr, %)

	1Q26	2Q26	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
Revenue	**81.7**	**127.5**	**145.0**	**159.1**	**172.0**	**180.8**	**188.5**	**178.0**	**111.1**	**130.1**	**513.4**	**719.3**
DRAM	54.6	88.0	100.7	111.1	122.1	129.6	133.6	129.0	54.4	74.4	354.5	514.3
NAND	20.1	32.8	37.0	39.7	41.7	44.2	45.3	39.6	30.1	29.7	129.7	170.7
Foundry/LSI	6.9	6.7	7.4	8.2	8.2	7.0	9.6	9.5	26.6	26.0	29.2	34.3
QoQ/YoY	**85.7**	**56.0**	**13.8**	**9.7**	**8.1**	**5.1**	**4.3**	**-5.5**	**66.8**	**17.2**	**294.5**	**40.1**
DRAM	95.3	61.0	14.4	10.4	9.9	6.1	3.1	-3.4	89.8	36.8	376.4	45.1
NAND	119.6	63.1	12.6	7.5	5.0	5.8	2.6	-12.7	94.5	-1.3	337.1	31.7
Foundry/LSI	1.1	-4.0	11.0	11.4	-0.6	-14.6	37.4	-1.4	18.4	-2.1	12.2	17.2
OP	**53.7**	**89.2**	**103.4**	**115.4**	**125.8**	**132.3**	**135.7**	**124.9**	**15.1**	**24.9**	**361.7**	**518.7**
DRAM	43.2	70.4	81.5	90.8	100.4	106.3	109.1	103.4	16.8	30.4	285.9	419.2
NAND	11.9	21.0	23.8	26.0	26.9	28.1	28.1	23.1	3.5	2.0	82.7	106.1
Foundry/LSI	-1.4	-2.2	-1.9	-1.5	-1.5	-2.1	-1.4	-1.6	-5.3	-7.6	-6.9	-6.6
QoQ/YoY	**227.0**	**66.2**	**16.0**	**11.5**	**9.0**	**5.2**	**2.6**	**-8.0**	**TTB**	**64.7**	**1,355.0**	**43.4**
DRAM	170.7	63.1	15.8	11.4	10.5	5.9	2.6	-5.2	TTB	80.4	841.1	46.6
NAND	354.6	76.9	13.2	9.3	3.5	4.4	-0.0	-17.8	TTB	-42.1	3,941.8	28.3
Foundry/LSI	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR
OP margin	**65.7**	**70.0**	**71.3**	**72.5**	**73.1**	**73.2**	**72.0**	**70.1**	**13.6**	**19.1**	**70.5**	**72.1**
DRAM	79.0	80.0	81.0	81.7	82.2	82.0	81.7	80.2	31.0	40.8	80.7	81.5
NAND	59.0	64.0	64.4	65.4	64.5	63.6	62.0	58.3	11.8	6.9	63.8	62.1
Foundry/LSI	-20.0	-33.3	-25.4	-17.6	-18.4	-29.9	-14.8	-16.7	-19.9	-29.1	-23.7	-19.3
EBITDA	**63.7**	**99.9**	**117.0**	**129.1**	**139.7**	**146.4**	**149.9**	**139.3**	**49.2**	**62.8**	**409.7**	**575.3**
DRAM	47.4	75.1	87.7	97.3	106.8	112.8	115.6	110.0	27.2	44.6	307.5	445.2
NAND	14.8	24.0	27.5	29.6	30.7	31.9	31.7	26.7	13.5	13.1	95.9	121.0
Foundry/LSI	1.5	0.7	1.9	2.2	2.2	1.7	2.6	2.6	8.4	5.1	6.3	9.1
Capex	**10.2**	**15.4**	**16.0**	**22.3**	**21.2**	**21.2**	**21.2**	**21.2**	**46.3**	**47.5**	**63.9**	**84.9**
DRAM	5.6	7.7	8.0	7.6	10.2	10.2	10.2	10.2	18.4	20.5	28.9	40.7
NAND	2.5	3.9	4.0	6.9	5.3	5.3	5.3	5.3	13.0	12.8	17.3	21.1
Foundry/LSI	2.0	3.9	4.0	7.9	5.8	5.8	5.8	5.8	14.9	14.2	17.7	23.1

Source: Company data, Mirae Asset Securities Research

Table 6. SEC: Memory revenue outlook

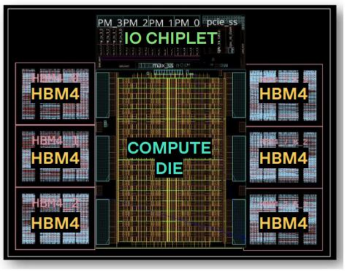
	1Q26	2Q26	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F
USD/KRW	**1,464**	**1,502**	**1,400**	**1,405**	**1,405**	**1,405**	**1,405**	**1,405**	**1,363**	**1,422**	**1,443**	**1,405**
QoQ/YoY (%)	1.0	2.6	-6.8	0.4	0.0	0.0	0.0	0.0	4.4	4.3	1.4	-2.6
DRAM												
Revenue (US$bn)	37.3	58.6	71.9	79.1	86.9	92.3	95.1	91.8	39.8	52.3	246.9	366.1
QoQ/YoY (%)	93.4	57.0	22.7	10.0	9.9	6.1	3.1	-3.4	81.8	31.2	372.6	48.2
Bit shipments (bn Gb)	27.0	29.7	31.3	32.6	34.7	36.4	37.3	37.3	88.8	96.1	120.5	145.8
QoQ/YoY (%)	**1.0**	**10.0**	**5.4**	**4.4**	**6.4**	**5.0**	**2.3**	**0.1**	**13.0**	**8.3**	**25.3**	**21.0**
ASP (US$)	1.38	1.98	2.30	2.42	2.50	2.53	2.55	2.46	0.45	0.54	2.05	2.51
QoQ/YoY (%)	**91.5**	**42.8**	**16.5**	**5.4**	**3.3**	**1.1**	**0.7**	**-3.5**	**60.8**	**21.1**	**277.1**	**22.6**
NAND												
Revenue (US$bn)	13.8	21.9	26.4	28.3	29.7	31.4	32.2	28.2	22.1	20.9	90.3	121.5
QoQ/YoY (%)	117.4	59.0	20.8	7.1	5.0	5.8	2.6	-12.7	86.4	-5.4	332.7	34.6
Shipments (bn GB)	83.0	83.4	87.5	89.3	93.7	101.2	109.3	106.1	298.1	301.6	343.2	410.4
QoQ/YoY (%)	**8.0**	**0.4**	**5.0**	**2.0**	**5.0**	**8.0**	**8.0**	**-3.0**	**11.0**	**1.2**	**13.8**	**19.6**
ASP (US$)	0.17	0.26	0.30	0.32	0.32	0.31	0.29	0.27	0.07	0.07	0.26	0.30
QoQ/YoY (%)	**101.3**	**58.4**	**15.0**	**5.0**	**0.0**	**-2.0**	**-5.0**	**-10.0**	**67.9**	**-6.4**	**280.2**	**12.5**

Source: Company data, Mirae Asset Securities Research

Figure 2. Specifications of OpenAI's Jalapeno ASIC

Specifications

Jalapeño ASIC	
Matrix compute	mxfp8 x mxfp8 = 3.4 PFLOP/s mxfp8 x mxfp4 = 6.7 PFLOP/s mxfp4 x mxfp4 = 13.4 PFLOP/s
Memory system	15.4 TB/s, 216 GiB
Scale-up network	Local = 128 ASICs @ 600 GB/s Global = 2048 ASICs @ 200 GB/s
Power	700 W
Jalapeño system (2048 ASICs)	
Matrix compute	mxfp4 x mxfp4 = 27 EFLOP/s
Memory system	32 PB/s, 432 TiB

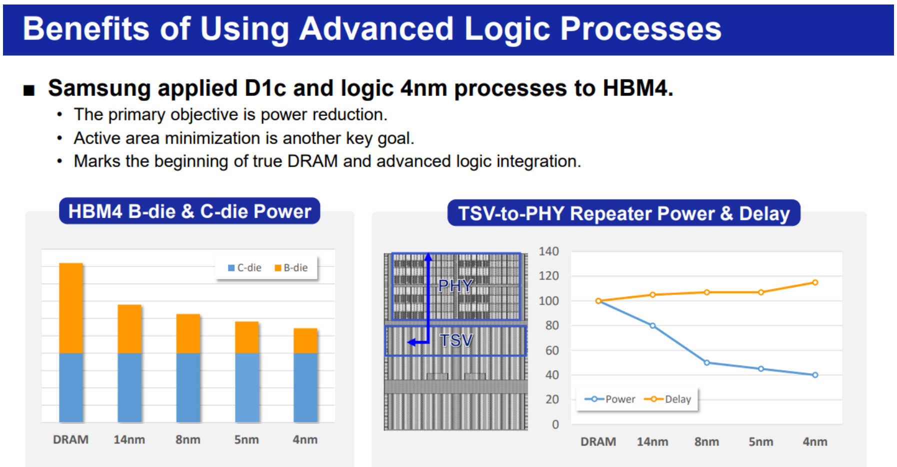


Package floorplan

Most important spec: perf/W on end-to-end workloads

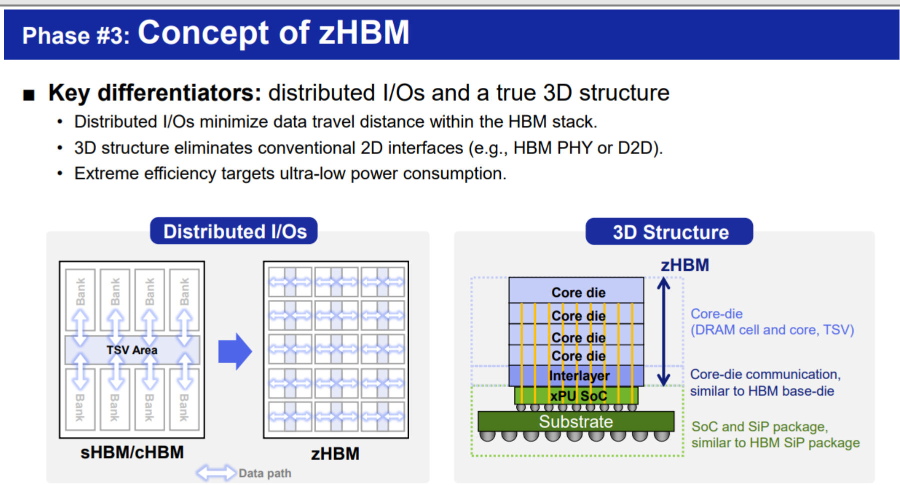
Source: OpenAI, Mirae Asset Securities Research

Figure 3. HBM base die power consumption by process node



Source: Company materials, Mirae Asset Securities Research

Figure 4. zHBM overview



Source: Company materials, Mirae Asset Securities Research

Samsung Electronics (005930 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	**333,606**	**713,635**	**953,514**	**993,124**
Cost of revenue	**202,236**	**223,207**	**278,685**	**347,586**
GP	**131,370**	**490,428**	**674,829**	**645,538**
SG&A expenses	**87,769**	**120,371**	**139,147**	**141,427**
OP (adj.)	**43,601**	**370,057**	**535,682**	**504,112**
OP	**43,601**	**370,057**	**535,682**	**504,112**
Non-operating profit	**5,880**	**11,544**	**25,496**	**46,022**
Net financial income	3,987	6,697	18,306	31,798
Net income from associates	683	914	894	889
Pretax profit	49,481	381,601	561,178	550,134
Income tax	4,275	89,581	135,573	132,905
Profit from continuing operations	45,207	292,021	425,605	417,229
Profit from discontinued operations	0	0	0	0
NP	**45,207**	**292,021**	**425,605**	**417,229**
Attributable to owners	44,261	291,087	424,487	416,133
Attributable to minority interests	946	934	1,118	1,096
Total comprehensive income	**51,291**	**319,017**	**425,605**	**417,229**
Attributable to owners	49,904	313,631	417,856	409,633
Attributable to minority interests	1,387	5,386	7,749	7,597
EBITDA	90,528	427,612	602,087	573,550
FCF	37,793	269,556	400,851	382,105
EBITDA margin (%)	27.1	59.9	63.1	57.8
OP margin (%)	13.1	51.9	56.2	50.8
Net margin (%)	13.3	40.8	44.5	41.9

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	**247,685**	**606,758**	**1,005,387**	**1,375,282**
Cash & equivalents	57,856	180,299	526,793	857,717
AR & other receivables	58,609	131,672	147,770	159,804
Inventory	52,637	118,254	132,713	143,521
Other current assets	78,583	176,533	198,111	214,240
Non-current assets	**319,257**	**417,033**	**459,081**	**514,708**
Investments in associates	13,772	30,941	34,724	37,551
PP&E	215,305	238,879	262,691	298,014
Intangible assets	29,481	29,598	30,020	30,443
Total assets	**566,942**	**1,023,791**	**1,464,468**	**1,889,990**
Current liabilities	**106,411**	**211,851**	**235,930**	**253,928**
AP & other payables	34,405	77,295	86,745	93,809
Short-term financial liabilities	18,752	14,916	14,916	14,916
Other current liabilities	53,254	119,640	134,269	145,203
Non-current liabilities	**24,210**	**47,311**	**52,180**	**55,819**
Long-term financial liabilities	6,487	7,493	7,493	7,493
Other non-current liabilities	17,723	39,818	44,687	48,326
Total liabilities	**130,622**	**259,162**	**288,109**	**309,747**
Equity attributable to owners	**424,313**	**749,928**	**1,160,540**	**1,563,329**
Capital stock	898	898	898	898
Capital surplus	4,404	4,404	4,404	4,404
Retained earnings	402,136	676,934	1,090,401	1,495,515
Minority interests	**12,007**	**14,700**	**15,818**	**16,914**
Shareholders' equity	**436,320**	**764,628**	**1,176,358**	**1,580,243**

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	**85,315**	**345,690**	**487,490**	**483,289**
NP	45,207	292,021	425,605	417,229
Non-cash income/expenses	52,396	155,619	182,973	169,846
Depreciation	43,606	53,985	62,828	65,861
Amortization	3,321	3,569	3,577	3,577
Other	5,469	98,065	116,568	100,408
Chg. in working capital	-9,614	-47,371	-4,520	-3,379
Chg. in AR & other receivables	-2,535	-58,673	-14,044	-10,498
Chg. in inventory	-3,591	-63,845	-14,458	-10,808
Chg. in AP & other payables	-3,257	11,976	3,582	2,677
Income tax	-7,137	-61,289	-135,573	-132,905
Cash flow from investing activities	**-68,512**	**-199,455**	**-123,339**	**-136,193**
Chg. in PP&E	-47,372	-75,980	-86,640	-101,184
Chg. in intangible assets	-4,617	-3,725	-4,000	-4,000
Chg. in financial assets	-9,056	-84,726	-18,669	-13,955
Other	-7,467	-35,024	-14,030	-17,054
Cash flow from financing activities	**-13,478**	**-29,883**	**-13,875**	**-13,345**
Chg. in financial liabilities	5,909	-2,830	0	0
Chg. in equity	0	0	0	0
Dividends	-9,897	-11,103	-11,020	-11,020
Other	-9,490	-15,950	-2,855	-2,325
Chg. in cash	**4,151**	**122,443**	**346,494**	**330,924**
Beginning balance	53,706	57,856	180,299	526,793
Ending balance	57,856	180,299	526,793	857,717

Key valuation metrics/ratios

	2025	2026F	2027F	2028F
P/E (x)	18.3	5.9	4.0	4.1
P/CF (x)	8.3	3.8	2.8	2.9
P/B (x)	1.9	2.2	1.4	1.1
EV/EBITDA (x)	7.7	3.2	1.6	1.1
EPS (W)	6,564	43,637	63,846	62,589
CFPS (W)	14,474	67,107	91,534	88,300
BPS (W)	63,976	114,976	176,735	237,317
DPS (W)	1,668	1,682	1,682	1,682
Dividend payout ratio (%)	21.6	3.3	2.3	2.3
Dividend yield (%)	1.4	0.7	0.7	0.7
Revenue growth (%)	10.9	113.9	33.6	4.2
EBITDA growth (%)	20.1	372.4	40.8	-4.7
OP growth (%)	33.2	748.7	44.8	-5.9
EPS growth (%)	32.6	564.8	46.3	-2.0
AR turnover (x)	7.0	8.6	7.8	7.4
Inventory turnover (x)	6.4	8.4	7.6	7.2
AP turnover (x)	15.9	10.5	9.0	10.2
ROA (%)	8.4	36.7	34.2	24.9
ROE (%)	10.8	49.6	44.4	30.6
ROIC (%)	13.2	78.5	89.8	75.3
Debt-to-equity ratio (%)	29.9	33.9	24.5	19.6
Current ratio (%)	232.8	286.4	426.1	541.6
Net debt-to-equity ratio (%)	-23.1	-40.6	-57.4	-64.6
Interest coverage ratio (x)	72.0	449.1	766.7	721.5

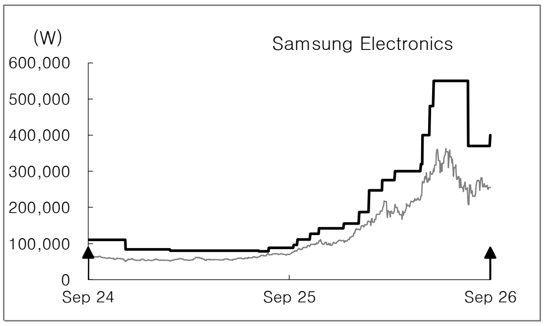
Source: Company data, Mirae Asset Securities Research estimates

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Samsung Electronics (005930)	09/07/26	Buy	400,000
	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		Sector ratings	
Buy	Expected 12-month return: +20% or greater	Overweight	Expected to outperform the market over 12 months
Hold	Expected 12-month return: Greater than -10% and less than +10%	Neutral	Expected to perform in line with the market over 12 months
Sell	Expected 12-month return: -10% or less	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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