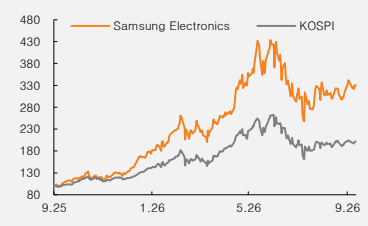


(Maintain)	Buy
Target price	W400,000
Current price (10/2/26)	W276,000
Upside	44.9%

OP (26F, Wbn)	371,209
Consensus OP (26F, Wbn)	381,225
EPS growth (26F, %)	566.7
Market EPS growth (26F, %)	281.0
P/E (26F, x)	6.3
Market P/E (26F, x)	6.8
KOSPI	7,003.74

Market cap (Wbn)	1,613,573
Shares (mn)	5,846
Free float (%)	74.9
Foreign ownership (%)	46.4
Beta (12M)	1.28
52-week low (W)	89,000
52-week high (W)	362,500

(%)	1M	6M	12M
Absolute	10.2	54.7	210.1
Relative	3.2	15.6	57.2



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005930 KS • Semiconductors

Samsung Electronics

An industry first: Quarterly memory revenue likely exceeds US\$100bn

Memory demand to outpace supply for longer than expected

We maintain our target price of W400,000 on Samsung Electronics (SEC) and believe now is an opportune time to increase exposure. DRAM shipments slightly exceeded expectations in 3Q26, and we estimate that quarterly memory revenue surpassed US\$100bn—a first for the semiconductor industry. We raise our operating profit forecasts for 3Q26 and 2027 to W106.1tr and W537tr, respectively (from W105.7tr and W536tr).

We expect memory supply/demand conditions to be tighter in 2028 than in 2027. A significant portion of 2027 shipment volumes has already been committed, and discussions with customers are increasingly shifting to allocations for 2028. New long-term supply agreements are also being signed at higher prices than existing contracts negotiated under 1H26 market conditions. Meanwhile, supply growth is likely to be constrained by a combination of diminishing gains from process node migrations and an increasing share of capacity allocated to HBM.

Although industry capex is rising, recent investments are directed toward cleanroom capacity scheduled to come online from late 2028 onward. Even facilities slated to come online in 2027 will likely need several more quarters to reach meaningful shipment volumes. According to Micron's outlook released last week, industry DRAM bit shipment growth is expected to slow to the low-20% range in 2027. These conditions should favor SEC, with its DRAM capacity of 790,000 wafers per month (33.2% of industry capacity).

On the demand side, the recent expansion in agentic AI has increased demand for CPU compute, driving increases in LPDDR, DDR, and SSD content. Server shipments should grow in the high-teens range for two consecutive years. Some customers are limiting memory content per server in order to ship more systems with the available supply, but this reflects supply constraints rather than weaker demand, and the impact on aggregate bit demand should be limited.

Technological advantages in HBM4 and beyond, alongside high dividend yield

We expect HBM prices to reset sharply higher at the start of 2027, narrowing the profitability gap with conventional DRAM. HBM base dies are becoming increasingly important as some functions are moved from accelerator logic chips to the base die to maximize accelerators' computing performance. SEC's in-house 4nm base die capabilities could give it a competitive edge in this area.

SEC announced plans to return W90-110tr to shareholders in 2026, with around W30tr in cash dividends expected to be paid in 4Q26. At the current share price, the estimated 2026 dividend yield (including dividends already paid) is 6.5% for common shares and 8.9% for preferred shares. With 2027 free cash flow (EBITDA minus capex) estimated at W519tr, the projected 2027 dividend yield at the current share price would reach 14%, assuming the company maintains its existing policy of returning 50% of free cash flow to shareholders.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	300,871	333,606	720,961	963,478	1,002,841
OP (Wbn)	32,726	43,601	371,209	537,771	502,915
OP margin (%)	10.9	13.1	51.5	55.8	50.1
NP (Wbn)	33,621	44,261	291,887	426,044	415,281
EPS (W)	4,950	6,564	43,757	64,080	62,461
ROE (%)	9.0	10.8	49.7	44.5	30.4
P/E (x)	10.7	18.3	6.3	4.3	4.4
P/B (x)	0.9	1.9	2.4	1.6	1.2
Dividend yield (%)	2.7	1.4	0.6	0.6	0.6

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

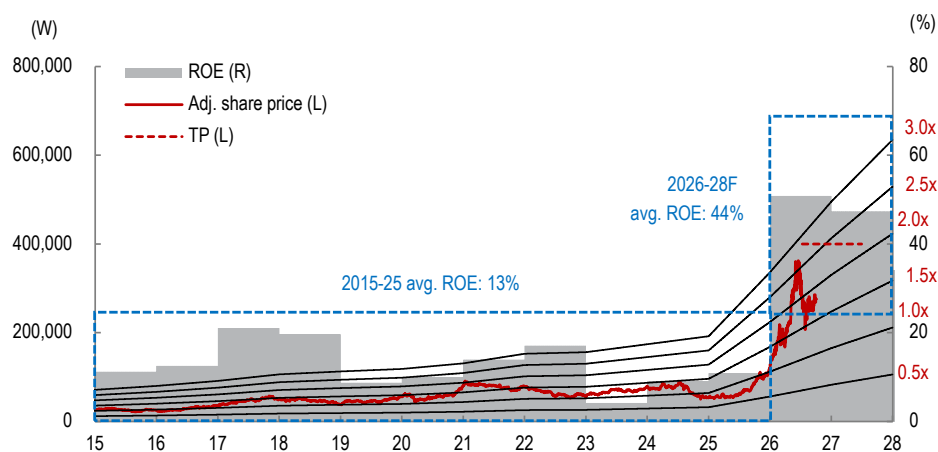
Source: Company data, Mirae Asset Securities Research estimates

Table 1. SEC: SOTP valuation

	12MF EBITDA	EV/EBITDA (x)	Implied EV	Notes
Operating value (Wtr)	557.3	4.2	2,355.6	
DX	9.1	7.3	66.4	
MX/NW	7.0	7.6	53.5	50% discount to Xiaomi/Apple avg.
VD/DA	2.1	6.0	12.8	LG Electronics/Whirlpool avg.
DS	538.1	4.2	2,243.7	
Memory	529.0	4.0	2,108.8	10% discount to Micron/Kioxia avg.
Foundry/LSI	9.1	14.7	134.9	Avg. of foundry peers
Samsung Display	7.8	4.3	33.2	Innolux/BOE/AUO avg.
Harman	2.2	5.5	12.3	Hyundai Mobis/HL Mando avg.
	Market cap	Stake	Value	
Equity stake value (Wtr)			123.5	
Listed			69.9	
Samsung Biologics	62.7	31.2	19.6	
Samsung Epis Holdings	9.1	31.2	2.8	
SEMCO	118.1	23.7	28.0	
Samsung SDI	42.6	19.4	8.3	
Samsung SDS	17.0	22.6	3.8	
Other			7.4	
Unlisted			53.6	
Net debt (Wtr)			-231.6	3Q26F
Fair market cap (Wtr)			2,649	50% discount to equity stake value
No. of shares (mn)			6,649	Common + preferred
Fair value/share (W)			398,419	
Target price (W)			400,000	
Current price (W)			276,000	As of Oct. 2
Upside (%)			44.9	
Implied 2027F P/E (x)			6.2	
Implied 2027F P/B (x)			2.4	

Source: LSEG, Mirae Asset Securities Research

Figure 1. SEC: 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	1,421	1,400	1.5	1,447	1,443	0.3	1,400	1,405	-0.4
Revenue	202.5	197.4	2.6	721.0	713.6	1.0	963.5	953.5	1.0
DX	47.6	47.2	0.7	192.7	192.4	0.1	213.5	214.0	-0.2
DS	149.8	145.0	3.3	520.5	513.4	1.4	729.6	719.3	1.4
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	106.1	105.7	0.4	371.2	370.1	0.3	537.8	535.7	0.4
DX	-1.1	0.7	TTR	1.2	3.1	-60.7	9.3	9.3	-0.4
DS	105.8	103.4	2.2	364.7	361.7	0.8	520.8	518.7	0.4
Samsung Display	1.0	1.0	0.0	3.8	3.8	0.0	5.8	5.8	0.0
Harman	0.4	0.4	0.0	1.4	1.4	0.0	1.7	1.7	0.0
OP margin	52.4	53.5	-1.1	51.5	51.9	-0.4	55.8	56.2	-0.4
DX	-2.3	1.6	-3.9	0.6	1.6	-1.0	4.4	4.4	-0.0
DS	70.6	71.3	-0.7	70.1	70.5	-0.4	71.4	72.1	-0.7
Samsung Display	13.5	13.5	0.0	12.1	12.1	0.0	16.5	16.5	0.0
Harman	8.9	8.9	0.0	8.2	8.2	0.0	8.9	8.9	0.0

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	149.8	145.0	3.3	520.5	513.4	1.4	729.6	719.3	1.4
DRAM	104.9	100.7	4.2	361.1	354.5	1.9	525.2	514.3	2.1
NAND	37.5	37.0	1.5	130.1	129.7	0.3	170.1	170.7	-0.4
Foundry/LSI	7.4	7.4	0.0	29.2	29.2	0.0	34.3	34.3	0.0
OP	105.8	103.4	2.2	364.7	361.7	0.8	520.8	518.7	0.4
DRAM	84.1	81.5	3.1	289.5	285.9	1.2	422.7	419.2	0.8
NAND	24.0	23.8	1.0	82.6	82.7	-0.1	104.8	106.1	-1.2
Foundry/LSI	-2.3	-1.9	RR	-7.4	-6.9	RR	-6.6	-6.6	RR
OP margin	70.6	71.3	-0.7	70.1	70.5	-0.4	71.4	72.1	-0.7
DRAM	80.1	81.0	-0.8	80.2	80.7	-0.5	80.5	81.5	-1.0
NAND	64.0	64.4	-0.3	63.5	63.8	-0.2	61.6	62.1	-0.6
Foundry/LSI	-31.6	-25.4	-6.2	-25.3	-23.7	-1.6	-19.3	-19.3	0.0
[Memory est.]									
DRAM									
Bit growth	8.1	5.4	2.7	27.0	25.3	1.7	22.3	21.0	1.4
ASP chg.	16.6	16.5	0.1	278.1	277.1	1.0	22.3	22.6	-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	1,421	1,400	1,400	1,400	1,400	1,400	1,363	1,422	1,447	1,400
QoQ/YoY	1.0	2.6	-5.4	-1.5	0.0	0.0	0.0	0.0	4.4	4.3	1.7	-3.2
Revenue	133.9	171.5	202.5	213.1	230.8	240.3	253.4	239.1	300.9	333.6	721.0	963.5
DX	52.7	48.0	47.6	44.4	53.7	52.1	56.1	51.6	174.9	188.0	192.7	213.5
DS	81.7	127.5	149.8	161.4	174.5	183.4	191.2	180.6	111.1	130.1	520.5	729.6
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	18.1	5.2	8.3	4.1	5.5	-5.6	16.2	10.9	116.1	33.6
DX	18.8	-8.8	-0.9	-6.6	20.8	-2.9	7.7	-8.1	2.9	7.5	2.5	10.8
DS	85.7	56.0	17.5	7.7	8.1	5.1	4.3	-5.5	66.8	17.2	300.0	40.2
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	106.1	118.3	130.1	137.1	141.1	129.5	32.7	43.6	371.2	537.8
DX	3.0	-0.8	-1.1	0.1	2.5	2.3	2.7	1.9	12.4	12.9	1.2	9.3
DS	53.7	89.2	105.8	116.1	126.4	132.9	136.3	125.2	15.1	24.9	364.7	520.8
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	18.6	11.5	9.9	5.4	2.9	-8.2	398.3	33.2	751.4	44.9
DX	122.2	TTR	RR	TTB	1,597.3	-8.6	17.7	-27.8	-13.5	3.3	-90.7	675.6
DS	227.0	66.2	18.6	9.8	8.9	5.1	2.5	-8.1	TTB	64.7	1,367.1	42.8
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	52.4	55.5	56.4	57.1	55.7	54.2	10.9	13.1	51.5	55.8
DX	5.6	-1.7	-2.3	0.3	4.6	4.3	4.7	3.7	7.1	6.8	0.6	4.4
DS	65.7	70.0	70.6	71.9	72.5	72.5	71.3	69.3	13.6	19.1	70.1	71.4
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	122.2	134.5	146.4	153.7	157.7	146.4	75.4	90.5	428.8	604.2
DX	4.2	0.4	0.1	1.4	3.7	3.5	3.9	3.2	16.7	17.3	6.1	14.3
DS	63.9	100.1	119.5	130.0	140.6	147.2	150.7	139.8	49.9	63.6	413.5	578.3
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	19.2	10.1	8.9	4.9	2.6	-7.2	66.6	20.1	373.6	40.9
DX	64.8	-90.5	-65.5	921.7	166.5	-5.7	11.4	-18.9	-10.6	4.1	-64.9	134.8
DS	141.0	56.6	19.5	8.7	8.1	4.7	2.3	-7.2	227.1	27.6	549.7	39.8
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	23.8	22.3	22.5	22.5	22.8	53.6	52.7	69.1	90.1
DS	10.2	15.4	16.0	22.4	21.2	21.2	21.2	21.2	46.3	47.5	64.0	84.7
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	3.5	37.1	-6.3	1.1	0.0	1.1	1.0	-1.9	31.2	30.5
DS	-46.2	51.2	3.9	40.1	-5.6	0.0	0.0	0.0	-4.3	2.6	34.9	32.2
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	58.4	85.7	104.8	110.7	124.2	131.1	135.2	123.6	21.7	37.9	359.7	514.0
DS	53.7	84.7	103.5	107.6	119.4	126.1	129.5	118.7	3.6	16.2	349.5	493.6
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	0.2	1.4	3.8	3.7	4.0	3.1	16.6	17.7	6.3	14.6

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	149.8	161.4	174.5	183.4	191.2	180.6	111.1	130.1	520.5	729.6
DRAM	54.6	88.0	104.9	113.6	124.7	132.4	136.4	131.7	54.4	74.4	361.1	525.2
NAND	20.1	32.8	37.5	39.6	41.6	44.0	45.1	39.4	30.1	29.7	130.1	170.1
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	17.5	7.7	8.1	5.1	4.3	-5.5	66.8	17.2	300.0	40.2
DRAM	95.3	61.0	19.2	8.3	9.8	6.1	3.1	-3.5	89.8	36.8	385.3	45.4
NAND	119.6	63.1	14.3	5.5	5.0	5.8	2.6	-12.7	94.5	-1.3	338.4	30.8
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	105.8	116.1	126.4	132.9	136.3	125.2	15.1	24.9	364.7	520.8
DRAM	43.2	70.4	84.1	91.8	101.3	107.3	110.0	104.1	16.8	30.4	289.5	422.7
NAND	11.9	21.0	24.0	25.7	26.6	27.7	27.7	22.7	3.5	2.0	82.6	104.8
Foundry/LSI	-1.4	-2.2	-2.3	-1.5	-1.5	-2.1	-1.4	-1.6	-5.3	-7.6	-7.4	-6.6
QoQ/YoY	227.0	66.2	18.6	9.8	8.9	5.1	2.5	-8.1	TTB	64.7	1,367.1	42.8
DRAM	170.7	63.1	19.4	9.2	10.4	5.8	2.5	-5.4	TTB	80.4	852.7	46.0
NAND	354.6	76.9	14.3	7.0	3.4	4.3	-0.1	-18.0	TTB	-42.1	3,939.4	26.8
Foundry/LSI	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR	RR
OP margin	65.7	70.0	70.6	71.9	72.5	72.5	71.3	69.3	13.6	19.1	70.1	71.4
DRAM	79.0	80.0	80.1	80.8	81.2	81.0	80.6	79.0	31.0	40.8	80.2	80.5
NAND	59.0	64.0	64.0	64.9	64.0	63.0	61.4	57.7	11.8	6.9	63.5	61.6
Foundry/LSI	-20.0	-33.3	-31.6	-17.6	-18.4	-29.9	-14.8	-16.7	-19.9	-29.1	-25.3	-19.3
EBITDA	63.7	99.9	119.3	129.8	140.4	147.0	150.4	139.6	49.2	62.8	412.7	577.4
DRAM	47.4	75.1	90.2	98.3	107.8	113.7	116.5	110.7	27.2	44.6	311.0	448.6
NAND	14.8	24.0	27.7	29.3	30.4	31.5	31.3	26.3	13.5	13.1	95.8	119.7
Foundry/LSI	1.5	0.7	1.4	2.2	2.2	1.7	2.6	2.6	8.4	5.1	5.8	9.1
Capex	10.2	15.4	16.0	22.4	21.2	21.2	21.2	21.2	46.3	47.5	64.0	84.7
DRAM	5.6	7.7	8.0	7.6	10.2	10.2	10.2	10.2	18.4	20.5	28.9	40.6
NAND	2.5	3.9	4.0	7.0	5.3	5.3	5.3	5.3	13.0	12.8	17.4	21.0
Foundry/LSI	2.0	3.9	4.0	7.8	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	1,421	1,400	1,400	1,400	1,400	1,400	1,363	1,422	1,447	1,400
QoQ/YoY (%)	1.0	2.6	-5.4	-1.5	0.0	0.0	0.0	0.0	4.4	4.3	1.7	-3.2
DRAM												
Revenue (US\$bn)	37.3	58.6	73.8	81.1	89.1	94.5	97.4	94.1	39.8	52.3	250.9	375.2
QoQ/YoY (%)	93.4	57.0	26.0	9.9	9.8	6.1	3.1	-3.5	81.8	31.2	380.2	49.5
Bit shipments (bn Gb)	27.0	29.7	32.1	33.4	35.6	37.3	38.2	38.3	88.8	96.1	122.1	149.4
QoQ/YoY (%)	1.0	10.0	8.1	4.3	6.4	5.0	2.3	0.1	13.0	8.3	27.0	22.3
ASP (US\$)	1.38	1.98	2.30	2.43	2.51	2.53	2.55	2.46	0.45	0.54	2.05	2.51
QoQ/YoY (%)	91.5	42.8	16.6	5.3	3.3	1.1	0.7	-3.6	60.8	21.1	278.1	22.3
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

Table 7. DRAM demand outlook

	1Q26	2Q26	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2026F	2027F	2028F
Total DRAM demand (bn Gb)	89.1	94.4	98.6	109.0	109.5	120.1	126.0	133.8	391	489	614
Mobile DRAM	29.8	30.1	33.9	39.3	36.7	40.2	40.2	43.4	133	160	190
PC DRAM	7.0	7.2	7.2	7.5	7.2	6.5	6.5	7.3	29	28	34
Server DRAM	37.6	41.3	40.7	44.1	47.1	53.5	57.1	58.7	164	216	269
Graphics DRAM	10.1	10.9	12.2	13.2	14.1	15.4	17.6	19.7	46	67	101
Bit demand growth (%)	7.0	5.9	4.4	10.6	0.4	9.7	4.9	6.2	28.9	25.1	25.4
Mobile DRAM	-1.2	1.1	12.5	16.0	-6.7	9.7	-0.1	7.9	23.2	20.6	18.7
PC DRAM	-13.2	2.9	0.3	3.6	-3.4	-10.8	1.1	11.6	-1.8	-4.9	23.5
Server DRAM	17.2	9.8	-1.6	8.6	6.6	13.6	6.8	2.8	41.9	32.1	24.2
Graphics DRAM	30.3	7.9	11.5	8.6	6.4	9.6	14.4	11.5	51.6	43.9	50.8
Bit share by application (%)	100	100	100	100	100	100	100	100	100	100	100
Mobile DRAM	33.4	31.9	34.4	36.1	33.5	33.5	31.9	32.4	34.0	32.8	31.0
PC DRAM	7.9	7.6	7.3	6.9	6.6	5.4	5.2	5.5	7.4	5.6	5.5
Server DRAM	42.2	43.8	41.3	40.5	43.0	44.5	45.3	43.9	41.9	44.2	43.8
Graphics DRAM	11.3	11.6	12.3	12.1	12.8	12.8	14.0	14.7	11.9	13.6	16.4
Volume (mn units)											
Smartphone production	284	275	249	264	249	245	244	262	1,072	1,000	1,041
PC shipments	56	60	56	50	48	52	57	58	222	216	222
Servers	6	6	6	6	6	7	7	7	23	27	29
Graphics	71	68	76	80	72	69	76	79	295	296	307
Volume growth (%)											
Smartphone production	-15.8	-3.1	-9.4	5.8	-5.5	-1.8	-0.2	7.4	-14.5	-6.7	4.1
PC shipments	-10.1	7.1	-6.9	-10.4	-3.5	8.4	9.5	0.5	-9.8	-2.8	2.7
Servers	6.2	0.8	3.1	-5.6	4.6	12.7	11.2	-3.2	13.0	17.1	8.0
Graphics	-13.4	-5.1	12.2	5.7	-10.0	-5.0	11.0	3.9	0.8	0.3	4.0
Content per unit (GB)											
Mobile	11.4	12.0	14.8	16.3	16.2	17.9	18.2	18.2	13.6	17.6	19.9
PC	14.1	14.5	14.9	16.8	15.6	16.0	16.5	18.6	15.1	16.7	18.1
Server	833	908	867	996	1,015	1,023	983	1,043	900	1,016	1,168
Graphics	17.8	20.2	20.1	20.6	24.4	28.1	29.0	31.1	19.7	28.2	40.9
Content growth (%)											
Mobile DRAM	13.8	5.1	23.1	10.5	-1.0	10.6	1.6	0.0	45.1	29.8	13.0
PC DRAM	-7.2	2.9	2.7	12.5	-7.2	2.7	2.8	12.6	9.8	11.1	8.0
Server DRAM	10.4	9.0	-4.5	15.0	1.9	0.8	-4.0	6.2	25.5	12.9	15.0
Graphics DRAM	50.6	13.7	-0.6	2.8	18.2	15.5	3.1	7.4	50.4	43.5	45.0

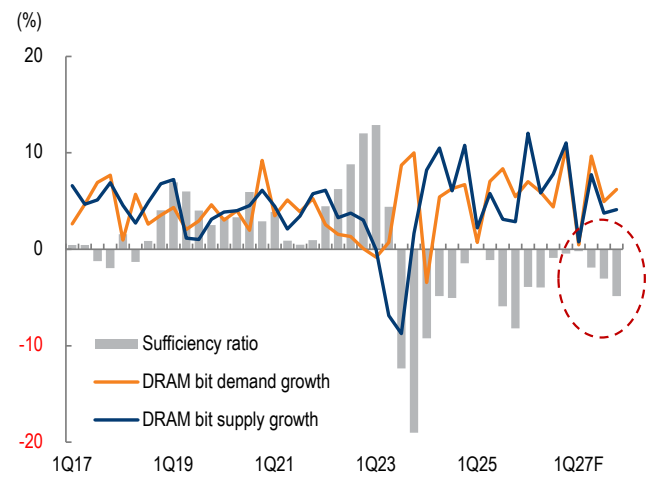
Source: TrendForce, Mirae Asset Securities Research estimates

Table 8. DRAM supply outlook

	1Q26	2Q26	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2026F	2027F	2028F
Supply/demand balance (%)	-3.9	-4.0	-0.9	-0.4	-0.1	-1.9	-3.0	-4.9	-2.2	-2.6	-2.6
Total DRAM production (bn Gb)	85.7	90.7	97.7	108.5	109.3	117.8	122.2	127.3	382.6	476.7	597.9
SEC	28.7	32.6	35.9	39.9	42.7	44.6	45.9	48.5	137.1	181.7	230.1
SK Hynix	26.2	25.8	29.0	32.1	30.6	35.2	35.6	35.6	113.2	136.9	168.6
Micron	19.8	20.7	21.3	24.2	23.5	24.5	26.3	27.9	86.0	102.1	125.8
CXMT	8.4	8.9	8.6	9.0	9.4	10.3	10.9	11.6	35.0	42.1	55.4
Nanya	1.2	1.2	1.3	1.6	1.3	1.3	1.5	1.6	5.3	5.7	6.9
Bit production growth (%)	12.0	5.8	7.8	11.0	0.8	7.7	3.8	4.1	31.5	24.6	25.4
SEC	3.5	13.9	10.1	11.1	6.9	4.5	3.0	5.6	22.2	32.6	26.7
SK Hynix	18.7	-1.7	12.4	10.6	-4.8	15.1	1.1	0.0	34.8	20.9	23.2
Micron	16.6	4.4	3.1	13.6	-3.0	4.1	7.4	6.2	40.8	18.7	23.2
CXMT	18.7	6.0	-3.6	4.6	4.5	9.0	5.6	6.4	42.1	20.2	31.6
Nanya	-4.6	2.8	5.3	19.5	-16.0	-2.7	19.3	4.5	22.1	7.3	20.3
Wafer capacity ('000 wpm)	1,995	2,074	2,164	2,222	2,334	2,397	2,466	2,546	2,114	2,436	2,806
SEC	640	670	720	750	805	815	835	855	695	828	958
SK Hynix	565	585	605	615	635	655	665	695	593	663	768
Micron	345	360	375	385	395	403	425	440	366	416	476
CXMT	290	300	300	300	320	340	350	360	298	343	393
Nanya	63	65	65	65	65	65	70	75	65	69	79
Wafer capacity growth (%)	1.5	4.0	4.3	2.7	5.0	2.7	2.9	3.2	11.0	15.2	15.2
SEC	-1.5	4.7	7.5	4.2	7.3	1.2	2.5	2.4	7.1	19.1	15.7
SK Hynix	3.7	3.5	3.4	1.7	3.3	3.1	1.5	4.5	13.4	11.8	15.8
Micron	1.5	4.3	4.2	2.7	2.6	2.0	5.5	3.5	10.2	13.5	14.4
CXMT	3.6	3.4	0.0	0.0	6.7	6.3	2.9	2.9	14.4	15.1	14.6
Nanya	1.6	3.2	0.0	0.0	0.0	0.0	7.7	7.1	11.7	6.6	14.5
Net capacity additions ('000 wpm)	44	74	95	58	112	78	69	80	271	339	370
SEC	0	25	50	30	55	25	20	20	105	120	130
P4	0	15	20	20	20	25	20	20	55	85	40
P5	0	0	0	0	0	0	0	0	0	0	90
SK Hynix	25	20	25	10	20	20	10	30	80	80	105
M15X	5	15	10	10	20	20	0	0	40	40	15
Y1	0	0	0	0	0	0	10	30	0	40	90
Micron	5	15	15	10	10	8	22	15	45	55	60
CXMT	10	10	0	0	20	20	10	10	20	60	50
Nanya	1	2	0	0	0	0	5	5	3	10	10

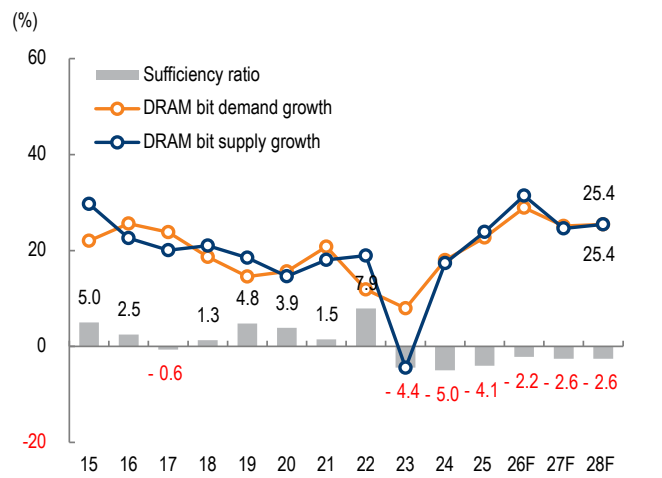
Source: TrendForce, Mirae Asset Securities Research estimates

Figure 2. DRAM sufficiency ratio trend and outlook (quarterly)



Source: Mirae Asset Securities Research

Figure 3. DRAM sufficiency ratio trend and outlook (annual)



Source: Mirae Asset Securities Research

Samsung Electronics (005930 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	333,606	720,961	963,478	1,002,841
Cost of revenue	202,236	228,644	285,679	357,753
GP	131,370	492,317	677,799	645,088
SG&A expenses	87,769	121,107	140,028	142,173
OP (adj.)	43,601	371,209	537,771	502,915
OP	43,601	371,209	537,771	502,915
Non-operating profit	5,880	11,450	25,465	46,092
Net financial income	3,987	6,677	18,335	31,853
Net income from associates	683	914	894	889
Pretax profit	49,481	382,659	563,236	549,007
Income tax	4,275	89,836	136,070	132,632
Profit from continuing operations	45,207	292,823	427,166	416,375
Profit from discontinued operations	0	0	0	0
NP	45,207	292,823	427,166	416,375
Attributable to owners	44,261	291,887	426,044	415,281
Attributable to minority interests	946	936	1,122	1,094
Total comprehensive income	51,291	319,819	427,166	416,375
Attributable to owners	49,904	314,419	419,388	408,793
Attributable to minority interests	1,387	5,400	7,778	7,581
EBITDA	90,528	428,764	604,182	572,337
FCF	37,793	269,827	402,592	381,470
EBITDA margin (%)	27.1	59.5	62.7	57.1
OP margin (%)	13.1	51.5	55.8	50.1
Net margin (%)	13.3	40.5	44.2	41.4

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	247,685	609,635	1,010,244	1,379,551
Cash & equivalents	57,856	178,599	526,653	856,907
AR & other receivables	58,609	133,085	149,314	161,373
Inventory	52,637	119,524	134,099	144,929
Other current assets	78,583	178,427	200,178	216,342
Non-current assets	319,257	417,500	459,361	514,768
Investments in associates	13,772	31,273	35,086	37,920
PP&E	215,305	239,013	262,609	297,705
Intangible assets	29,481	29,598	30,020	30,443
Total assets	566,942	1,027,135	1,469,606	1,894,318
Current liabilities	106,411	213,966	238,238	256,274
AP & other payables	34,405	78,125	87,651	94,730
Short-term financial liabilities	18,752	14,916	14,916	14,916
Other current liabilities	53,254	120,925	135,671	146,628
Non-current liabilities	24,210	47,739	52,646	56,293
Long-term financial liabilities	6,487	7,493	7,493	7,493
Other non-current liabilities	17,723	40,246	45,153	48,800
Total liabilities	130,622	261,704	290,884	312,567
Equity attributable to owners	424,313	750,729	1,162,898	1,564,833
Capital stock	898	898	898	898
Capital surplus	4,404	4,404	4,404	4,404
Retained earnings	402,136	677,734	1,092,758	1,497,019
Minority interests	12,007	14,702	15,824	16,918
Shareholders' equity	436,320	765,431	1,178,722	1,581,751

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	85,315	346,096	489,020	482,410
NP	45,207	292,823	427,166	416,375
Non-cash income/expenses	52,396	155,896	183,447	169,502
Depreciation	43,606	53,986	62,833	65,844
Amortization	3,321	3,569	3,577	3,577
Other	5,469	98,341	117,037	100,081
Chg. in working capital	-9,614	-47,768	-4,556	-3,386
Chg. in AR & other receivables	-2,535	-59,907	-14,157	-10,520
Chg. in inventory	-3,591	-65,115	-14,575	-10,830
Chg. in AP & other payables	-3,257	12,291	3,610	2,683
Income tax	-7,137	-61,545	-136,070	-132,632
Cash flow from investing activities	-68,512	-201,230	-123,278	-135,978
Chg. in PP&E	-47,372	-76,115	-86,429	-100,940
Chg. in intangible assets	-4,617	-3,725	-4,000	-4,000
Chg. in financial assets	-9,056	-86,365	-18,819	-13,984
Other	-7,467	-35,025	-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	120,742	348,054	330,253
Beginning balance	53,706	57,856	178,599	526,653
Ending balance	57,856	178,599	526,653	856,907

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

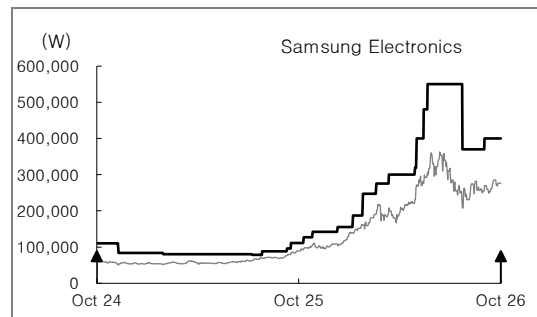
	2025	2026F	2027F	2028F
P/E (x)	18.3	6.3	4.3	4.4
P/CF (x)	8.3	4.1	3.0	3.1
P/B (x)	1.9	2.4	1.6	1.2
EV/EBITDA (x)	7.7	3.4	1.8	1.3
EPS (W)	6,564	43,757	64,080	62,461
CFPS (W)	14,474	67,268	91,840	88,120
BPS (W)	63,976	115,097	177,090	237,543
DPS (W)	1,668	1,682	1,682	1,682
Dividend payout ratio (%)	21.6	3.3	2.3	2.3
Dividend yield (%)	1.4	0.7	0.7	0.7
Revenue growth (%)	10.9	116.1	33.6	4.1
EBITDA growth (%)	20.1	373.6	40.9	-5.3
OP growth (%)	33.2	751.4	44.9	-6.5
EPS growth (%)	32.6	566.7	46.4	-2.5
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	10.7	9.1	10.4
ROA (%)	8.4	36.7	34.2	24.8
ROE (%)	10.8	49.7	44.5	30.4
ROIC (%)	13.2	78.6	90.0	75.0
Debt-to-equity ratio (%)	29.9	34.2	24.7	19.8
Current ratio (%)	232.8	284.9	424.0	538.3
Net debt-to-equity ratio (%)	-23.1	-40.6	-57.5	-64.6
Interest coverage ratio (x)	72.0	450.5	769.7	719.8

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
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

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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