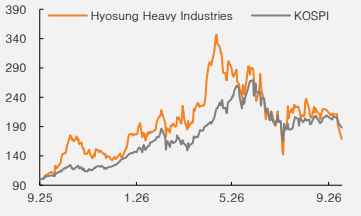
MIRAE ASSET Securities

Equity Research
October 13, 2026

(Maintain)	**Buy**
Target price	▼ **W4,400,000**
Current price (10/12/26)	W2,242,000
Upside	96.3%

OP (26F, Wbn)	984
Consensus OP (26F, Wbn)	1,114
EPS growth (26F, %)	24.4
Market EPS growth (26F, %)	278.0
P/E (26F, x)	32.3
Market P/E (26F, x)	6.2
KOSPI	6,384.24
Market cap (Wbn)	20,906
Shares (mn)	9
Free float (%)	55.9
Foreign ownership (%)	25.9
Beta (12M)	1.11
52-week low (W)	1,446,000
52-week high (W)	4,601,000

(%)	1M	6M	12M
Absolute	-21.4	-23.7	49.7
Relative	-15.0	-30.0	-15.4



Mirae Asset Securities Co., Ltd.

Taehyoung Kim
taehyoung.kim@miraeasset.com

298040 KS · Power Infrastructure

Hyosung Heavy Industries

Medium/long-term catalysts remain intact

3Q26 preview: Below-consensus results likely amid delayed revenue recognition

For 3Q26, we expect Hyosung Heavy Industries to report revenue of W1.74tr (+7.4% YoY; 8.7% below the consensus) and operating profit of W281.6bn (+28.1% YoY; 10.6% below the consensus). We believe delayed revenue recognition for some shipments in the heavy industries division (an issue that also affected 2Q26) will drive an earnings miss. Geopolitical risks likely hampered efforts to secure vessel space for deliveries to the Middle East, while deliveries to US customers appear to have been deferred because the related substation sites were not yet ready. Meanwhile, the company hedges currency exposure on a project-by-project basis, which should limit the impact of FX fluctuations on operating profit from existing orders.

Medium/long-term catalysts remain intact

Order momentum remains strong. In 3Q26, the company secured W386.6bn in extra-high-voltage transformer orders from US hyperscalers. These orders are significant because they show hyperscalers procuring grid equipment directly (vs. the traditional utility-led procurement model). With US data center operators increasingly focused on securing their own power supply, we believe hyperscalers' direct investment in power grid infrastructure is only beginning.

Through its joint venture with Quanta Services, the company has secured a US production base for gas circuit breakers, which should strengthen its medium/long-term competitiveness in securing orders. Production is scheduled to begin in October. Initially, the company plans to supply products to the US facility for final processing and assembly. While the earnings contribution should be limited this year, we expect a meaningful revenue contribution from 2027. As Quanta Services has strong EPC capabilities in US transmission infrastructure, we expect the partnership to enable Hyosung Heavy Industries to expand beyond its transformer-focused business into integrated solutions encompassing gas-insulated switchgear (GIS), static synchronous compensators (STATCOM), and other equipment for which EPC capabilities are key.

Maintain Buy, but lower TP by 12% to W4,400,000

We maintain our Buy rating on Hyosung Heavy Industries but lower our target price by 12% to W4,400,000 (from W5,000,000), reflecting a reduction in our target multiple following the sector-wide valuation contraction. That said, the company remains on track to meet its full-year order guidance, and medium/long-term growth drivers remain intact. Key drivers include growth in high-margin orders (primarily from North America), the Quanta joint venture, and the shift toward higher voltages. We see little reason to interpret near-term earnings weakness as a sign of deteriorating fundamentals or slowing industry growth. Once earnings expectations are adjusted, attention should turn to the company's medium/long-term growth potential, supported by rising US power grid investment and local production capabilities.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	4,895	5,969	6,611	7,639	8,943
OP (Wbn)	362	747	984	1,355	1,884
OP margin (%)	7.4	12.5	14.9	17.7	21.1
NP (Wbn)	223	520	647	994	1,429
EPS (W)	23,876	55,755	69,360	106,648	153,255
ROE (%)	14.9	24.4	24.4	29.3	31.8
P/E (x)	16.5	31.9	32.3	21.0	14.6
P/B (x)	1.9	7.1	7.1	5.4	4.1
Dividend yield (%)	1.3	0.4	0.4	0.7	0.9

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

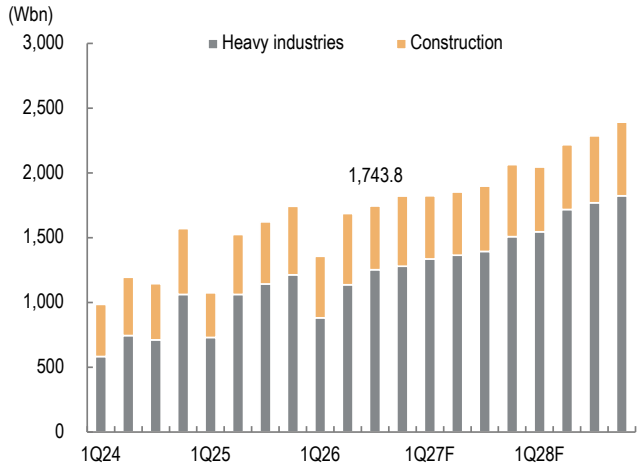
Analysts who prepared this report are registered as research analysts in Korea but not in any other jurisdiction, including the US.
Please see analyst certifications and important disclosures & disclaimers in Appendix 1 at the end of the report.

Table 1. Hyosung Heavy Industries: Quarterly/annual earnings and forecasts (Wbn)

	1Q26	2Q26	3Q26F	4Q26F	1Q27F	2Q27F	3Q27F	4Q27F	2024	2025	2026F	2027F	2028F
New orders	4,901	4,243	2,885	2,944	2,925	2,918	2,930	3,122	8,691	9,645	14,973	11,894	12,919
Heavy industries	4,175	3,324	2,285	2,279	2,323	2,317	2,305	2,429	5,835	7,627	12,062	9,374	10,298
Construction	726	919	600	666	602	601	625	692	2,856	2,018	2,911	2,520	2,621
Revenue	1,358.2	1,687.0	1,743.8	1,821.7	1,824.7	1,852.6	1,897.4	2,064.0	4,893.1	5,964.4	6,610.7	7,638.7	8,942.8
Heavy industries	880.7	1,137.1	1,252.5	1,279.0	1,336.1	1,366.0	1,393.8	1,507.8	3,100.3	4,148.3	4,549.4	5,603.7	6,856.9
Construction	476.7	549.1	491.3	542.6	488.6	486.6	503.6	556.2	1,792.8	1,816.1	2,059.7	2,035.0	2,085.9
OP	152.3	264.3	281.6	285.6	317.3	320.4	335.0	382.5	360.6	742.9	983.9	1,355.2	1,884.2
Heavy industries	117.7	229.8	258.0	261.1	289.1	295.4	311.1	357.6	315.1	698.8	866.6	1,253.2	1,781.0
Construction	34.4	34.4	23.6	24.5	28.1	25.1	23.9	24.9	47.3	47.7	116.9	101.9	103.3
YoY (%)													
New orders	123.7	58.8	65.9	-3.3	-40.3	-31.2	1.5	6.0	24.1	11.0	55.2	-20.6	8.6
Heavy industries	107.8	51.3	56.9	15.9	-44.3	-30.3	0.9	6.6	61.4	30.7	58.1	-22.3	9.9
Construction	299.3	93.8	112.0	-38.3	-17.2	-34.6	4.0	4.0	-15.7	-29.3	44.3	-13.4	4.0
Revenue	26.2	10.6	7.4	4.5	34.3	9.8	8.8	13.3	13.8	21.9	10.8	15.6	17.1
Heavy industries	20.5	7.2	9.5	5.5	51.7	20.1	11.3	17.9	20.2	33.8	9.7	23.2	22.4
Construction	38.5	18.5	2.5	2.5	2.5	-11.4	2.5	2.5	4.2	1.3	13.4	-1.2	2.5
OP	48.8	60.9	28.1	9.6	108.3	21.2	18.9	33.9	39.8	106.0	32.4	37.7	39.0
Heavy industries	30.6	36.4	31.9	6.8	145.7	28.5	20.6	37.0	80.6	121.8	24.0	44.6	42.1
Construction	184.3	-919.0	-1.7	55.4	-18.2	-27.1	1.2	1.3	-43.3	0.8	145.2	-12.8	1.3
OP margin (%)													
Overall	11.2	15.7	16.2	15.7	17.4	17.3	17.7	18.5	7.4	12.5	14.9	17.7	21.1
Heavy industries	13.4	20.2	20.6	20.4	21.6	21.6	22.3	23.7	10.2	16.8	19.0	22.4	26.0
Construction	7.2	6.3	4.8	4.5	5.8	5.2	4.7	4.5	2.6	2.6	5.7	5.0	5.0
Pretax profit	129.1	236.9	249.8	254.1	305.8	311.5	301.8	349.9	223.6	625.8	869.8	1,268.9	1,883.9
NP attr. to owners	87.3	172.6	191.8	195.1	237.7	244.7	237.2	274.8	222.6	519.9	646.8	994.4	1,429.0
YoY (%)	-32.3	68.7	18.9	6.7	102.7	29.1	13.7	24.3	68.7	91.6	12.2	33.1	22.7
Net margin (%)	6.4	10.2	11.0	10.7	13.0	13.2	12.5	13.3	4.5	8.7	9.8	13.0	16.0
EPS	9,358	18,509	20,571	20,922	25,497	26,240	25,438	29,474	23,876.0	55,755	69,360	106,648	153,255
YoY (%)	-14.6	86.5	27.7	11.5	172.5	41.8	23.7	40.9	92.0	133.5	24.4	53.8	43.7

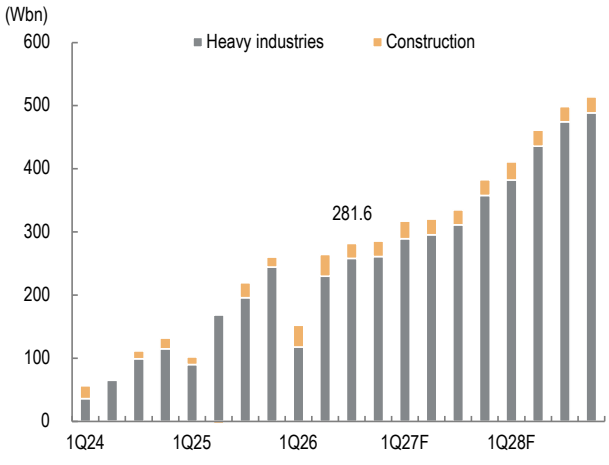
Source: Company data, Mirae Asset Securities Research

Figure 1. Hyosung Heavy Industries: Quarterly revenue outlook



Source: Company data, Mirae Asset Securities Research

Figure 2. Hyosung Heavy Industries: Quarterly OP outlook



Source: Company data, Mirae Asset Securities Research

Table 2. Hyosung Heavy Industries: TP calculation

	Value	Notes
2028F NP attr. to owners of the parent (Wbn)	1,429.0	
No. of shares (mn)	9.3	
2028F EPS (W)	153,255.4	
Target P/E (x)	28.9	Avg. 2028F P/E of extra-high-voltage transformer peers
Target price (W)	4,400,000	Rounded
Current price (W)	2,242,000	Oct. 12 closing price
Upside (%)	96.3%	Buy rating

Source: Company data, Mirae Asset Securities Research

Table 3. Hyosung Heavy Industries: Annual earnings and forecasts (Wbn)

	2023	2024	2025	2026F	2027F	2028F
New orders	7,004	8,691	9,645	14,973	11,894	12,919
Heavy industries	3,615	5,835	7,627	12,062	9,374	10,298
Construction	3,389	2,856	2,018	2,911	2,520	2,621
Backlog	11,385	19,541	24,390	28,521	32,776	36,753
Heavy industries	6,388	10,839	15,340	19,319	23,090	26,531
Construction	4,997	8,702	9,049	9,202	9,687	10,222
Revenue	4,300.6	4,893.1	5,964.4	6,610.7	7,638.7	8,942.8
Heavy industries	2,580.3	3,100.3	4,148.3	4,549.4	5,603.7	6,856.9
Construction	1,720.3	1,792.8	1,816.1	2,059.7	2,035.0	2,085.9
OP	257.9	360.6	742.9	983.9	1,355.2	1,884.2
Heavy industries	174.5	315.1	698.8	866.6	1,253.2	1,781.0
Construction	83.4	47.3	47.7	116.9	101.9	103.3
YoY (%)						
New orders	-	24.1	11.0	55.2	-20.6	8.6
Heavy industries	-	61.4	30.7	58.1	-22.3	9.9
Construction	-	-15.7	-29.3	44.3	-13.4	4.0
Backlog	-	71.6	24.8	16.9	14.9	12.1
Heavy industries	-	69.7	41.5	25.9	19.5	14.9
Construction	-	74.2	4.0	1.7	5.3	5.5
Revenue	-	13.8	21.9	10.8	15.6	17.1
Heavy industries	-	20.2	33.8	9.7	23.2	22.4
Construction	-	4.2	1.3	13.4	-1.2	2.5
OP	-	39.8	106.0	32.4	37.7	39.0
Heavy industries	-	80.6	121.8	24.0	44.6	42.1
Construction	-	-43.3	0.8	145.2	-12.8	1.3
OP margin (%)						
Overall	6.0	7.4	12.5	14.9	17.7	21.1
Heavy industries	6.8	10.2	16.8	19.0	22.4	26.0
Construction	4.8	2.6	2.6	5.7	5.0	5.0
Pretax profit	169.7	223.6	625.8	869.8	1,268.9	1,883.9
NP attr. to owners	116.0	222.6	519.9	646.8	994.4	1,429.0
YoY (%)	1,035.4	92.0	133.5	24.4	53.8	43.7
Net margin (%)	2.7	4.5	8.7	9.8	13.0	16.0
EPS (W)	12,438	23,876.0	55,755	69,360	106,648	153,255
YoY (%)	1,035.4	92.0	133.5	24.4	53.8	43.7

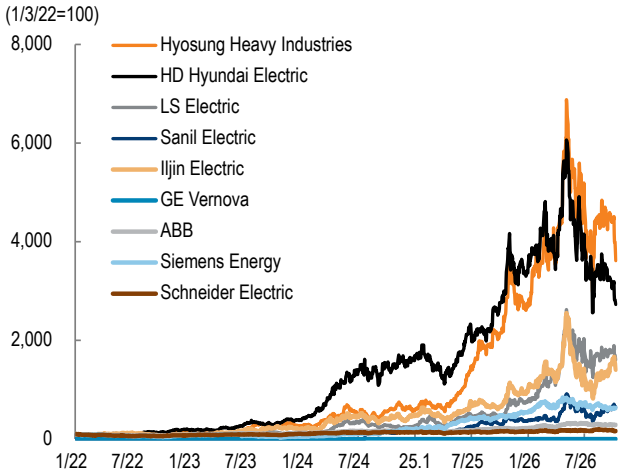
Source: Company data, Mirae Asset Securities Research

Table 4. Hyosung Heavy Industries: Peer valuation table (Wtr, %, x)

Company	Market cap	Earnings metrics (2026F)			Earnings metrics (2028F)			Valuation (2026F)			Valuation (2028F)		
		Revenue	OP	OP margin	Revenue	OP	OP margin	P/E	P/B	EV/EBITDA	P/E	P/B	EV/EBITDA
Hyosung Heavy Industries	22.6	7.7	1.2	15.5	10.8	2.2	20.1	26.7	6.8	17.9	14.0	3.8	10.0
Sanil Electric	7.1	0.7	0.3	37.7	1.2	0.5	40.8	31.0	8.7	24.0	17.6	5.2	13.5
LS Electric	29.8	7.0	0.8	11.0	10.1	1.4	14.2	51.2	11.2	33.1	27.0	6.6	18.9
HD Hyundai Electric	22.7	5.0	1.3	26.2	6.9	2.0	29.2	22.2	7.8	15.4	14.4	4.6	10.2
Iljin Electric	3.8	2.6	0.3	10.8	2.8	0.3	11.6	19.1	4.7	12.6	14.9	3.1	10.5
GE Vernova	385.6	66.6	6.4	9.6	87.8	16.5	18.7	42.7	18.8	40.8	28.9	10.9	20.6
GE Vernova T&D	16.4	1.0	0.2	25.3	1.6	0.4	25.4	89.4	39.4	66.4	52.3	19.2	39.9
Siemens Energy	203.3	71.3	8.3	11.7	92.4	15.1	16.4	32.8	10.7	17.2	17.8	7.3	10.6
Hitachi	233.9	94.7	10.6	11.2	118.8	15.8	13.3	32.1	4.2	15.4	21.6	3.5	11.3
Hitachi Energy	21.0	1.2	0.2	13.7	2.4	0.4	17.3	142.5	27.2	114.8	60.6	15.8	44.7
ABB	252.4	54.9	10.7	19.4	67.6	14.3	21.1	28.5	9.0	21.5	22.8	6.5	16.4
Avg.								51.2	14.8	37.5	28.9	8.6	20.4

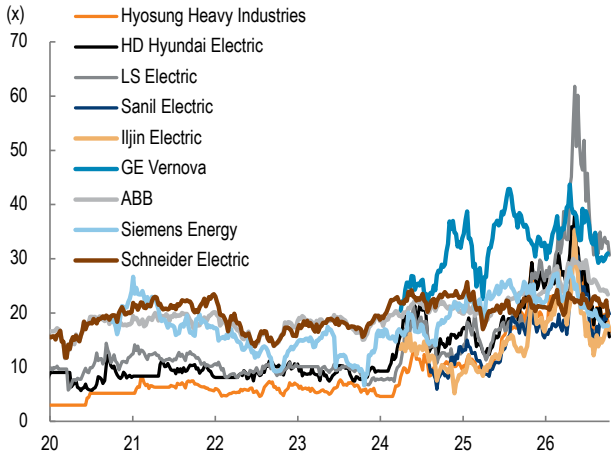
Source: Bloomberg, Mirae Asset Securities Research

Figure 3. Global peers: Relative share performance



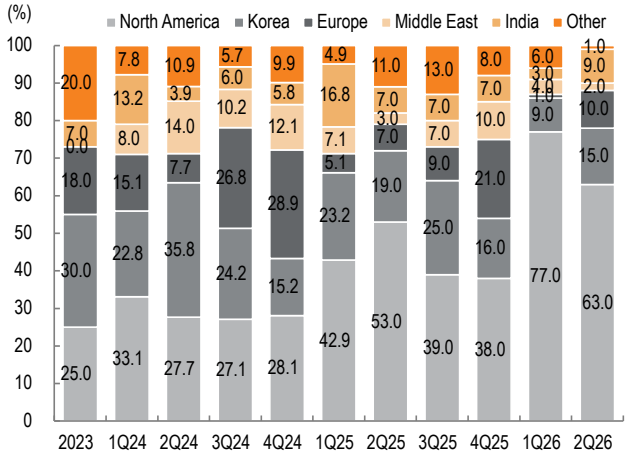
Source: Bloomberg, Mirae Asset Securities Research

Figure 4. Global peers: 24-month forward P/E trends



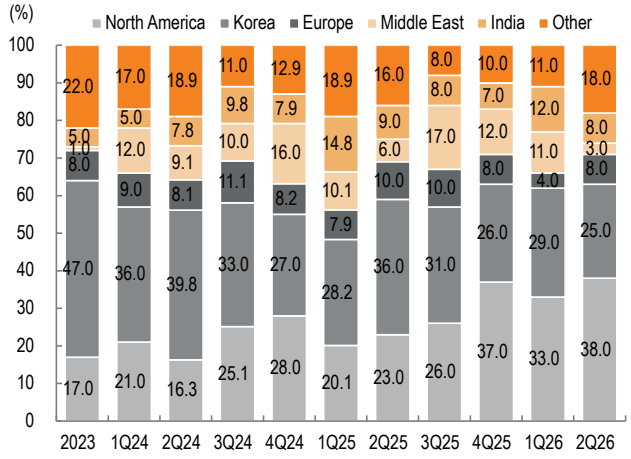
Source: Bloomberg, Mirae Asset Securities Research

Figure 5. Hyosung Heavy Industries: New orders by region



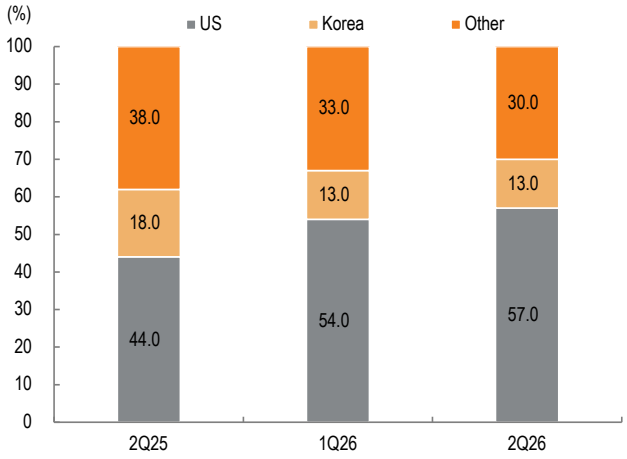
Source: Company data, Mirae Asset Securities Research

Figure 6. Hyosung Heavy Industries: Revenue by region



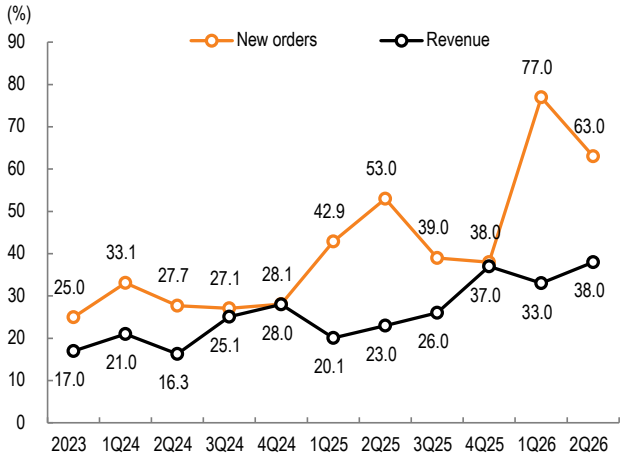
Source: Company data, Mirae Asset Securities Research

Figure 7. Hyosung Heavy Industries: Backlog by region



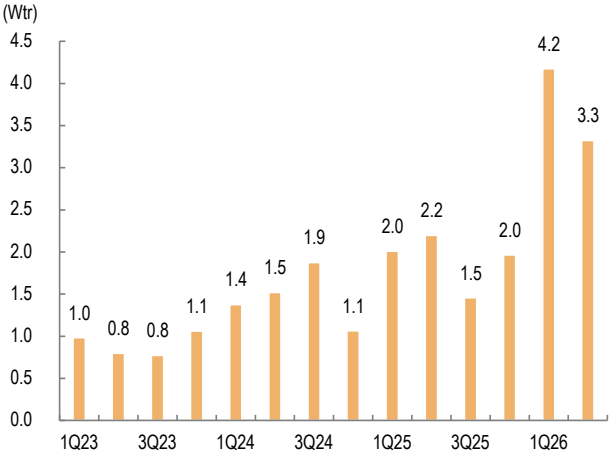
Source: Company data, Mirae Asset Securities Research

Figure 8. Hyosung Heavy Industries: North America share of new orders vs. revenue



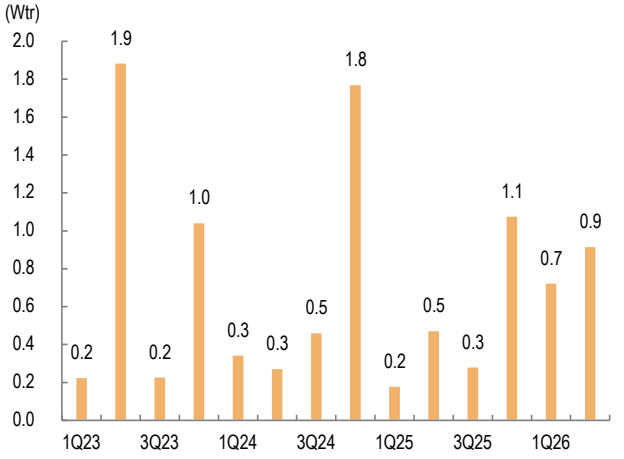
Source: Company data, Mirae Asset Securities Research

Figure 9. Hyosung Heavy Industries: Heavy industries orders



Source: Company data, Mirae Asset Securities Research

Figure 10. Hyosung Heavy Industries: Construction orders



Source: Company data, Mirae Asset Securities Research

Hyosung Heavy Industries (298040 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	**5,969**	**6,611**	**7,639**	**8,943**
Cost of revenue	**4,716**	**5,075**	**5,639**	**6,301**
GP	**1,253**	**1,536**	**2,000**	**2,642**
SG&A expenses	**506**	**552**	**644**	**758**
OP (adj.)	**747**	**984**	**1,355**	**1,884**
OP	**747**	**984**	**1,355**	**1,884**
Non-operating profit	**-121**	**-114**	**-86**	**0**
Net financial income	-21	19	68	155
Net income from associates	-3	-6	0	0
Pretax profit	626	870	1,269	1,884
Income tax	123	225	279	463
Profit from continuing operations	503	645	990	1,420
Profit from discontinued operations	0	0	0	0
NP	**503**	**645**	**990**	**1,420**
Attributable to owners	520	647	994	1,429
Attributable to minority interests	-17	-2	-5	-9
Total comprehensive income	**473**	**691**	**990**	**1,420**
Attributable to owners	490	689	993	1,425
Attributable to minority interests	-16	2	-3	-5
EBITDA	833	1,090	1,485	2,025
FCF	330	635	943	1,490
EBITDA margin (%)	14.0	16.5	19.4	22.6
OP margin (%)	12.5	14.9	17.7	21.1
Net margin (%)	8.7	9.8	13.0	16.0

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	**3,738**	**5,244**	**6,599**	**8,639**
Cash & equivalents	217	416	1,128	2,297
AR & other receivables	1,344	1,591	1,803	2,090
Inventory	1,278	1,818	2,059	2,388
Other current assets	899	1,419	1,609	1,864
Non-current assets	**3,490**	**4,053**	**4,298**	**4,490**
Investments in associates	47	111	125	145
PP&E	2,307	2,573	2,735	2,815
Intangible assets	122	118	118	119
Total assets	**7,228**	**9,297**	**10,897**	**13,129**
Current liabilities	**3,561**	**5,267**	**5,893**	**6,742**
AP & other payables	809	1,108	1,255	1,455
Short-term financial liabilities	498	809	842	886
Other current liabilities	2,254	3,350	3,796	4,401
Non-current liabilities	**1,177**	**948**	**1,022**	**1,122**
Long-term financial liabilities	637	395	395	395
Other non-current liabilities	540	553	627	727
Total liabilities	**4,738**	**6,215**	**6,915**	**7,864**
Equity attributable to owners	**2,352**	**2,946**	**3,850**	**5,142**
Capital stock	47	47	47	47
Capital surplus	892	892	892	892
Retained earnings	829	1,405	2,310	3,601
Minority interests	**138**	**136**	**132**	**123**
Shareholders' equity	**2,490**	**3,082**	**3,982**	**5,265**

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	**493**	**946**	**1,216**	**1,692**
NP	503	645	990	1,420
Non-cash income/expenses	317	261	342	449
Depreciation	69	87	111	121
Amortization	17	19	19	20
Other	231	155	212	308
Chg. in working capital	-281	169	96	130
Chg. in AR & other receivables	-436	-338	-198	-269
Chg. in inventory	-312	-493	-242	-328
Chg. in AP & other payables	187	200	121	165
Income tax	-155	-251	-279	-463
Cash flow from investing activities	**-213**	**-479**	**-432**	**-411**
Chg. in PP&E	-162	-310	-272	-202
Chg. in intangible assets	-16	-13	-20	-20
Chg. in financial assets	18	-464	-139	-189
Other	-53	308	-1	0
Cash flow from financing activities	**-313**	**-234**	**-57**	**-93**
Chg. in financial liabilities	-177	68	33	45
Chg. in equity	0	0	0	0
Dividends	-47	-70	-90	-137
Other	-89	-232	0	-1
Chg. in cash	**-32**	**199**	**713**	**1,168**
Beginning balance	249	217	416	1,128
Ending balance	217	416	1,128	2,297

Key valuation metrics/ratios

	2025	2026F	2027F	2028F
P/E (x)	31.9	32.3	21.0	14.6
P/CF (x)	20.3	23.1	15.7	11.2
P/B (x)	7.1	7.1	5.4	4.1
EV/EBITDA (x)	20.8	19.5	13.8	9.5
EPS (W)	55,755	69,360	106,648	153,255
CFPS (W)	87,918	97,166	142,773	200,509
BPS (W)	252,285	315,979	413,023	551,536
DPS (W)	7,500	9,618	14,763	21,187
Dividend payout ratio (%)	13.9	13.9	13.9	13.9
Dividend yield (%)	0.4	0.3	0.5	0.8
Revenue growth (%)	21.9	10.8	15.6	17.1
EBITDA growth (%)	91.3	30.9	36.2	36.4
OP growth (%)	106.1	31.7	37.7	39.0
EPS growth (%)	133.5	24.4	53.8	43.7
AR turnover (x)	5.3	4.7	4.8	4.9
Inventory turnover (x)	5.5	4.3	3.9	4.0
AP turnover (x)	7.2	6.4	5.8	5.6
ROA (%)	7.5	7.8	9.8	11.8
ROE (%)	24.4	24.4	29.3	31.8
ROIC (%)	22.9	24.2	38.0	49.2
Debt-to-equity ratio (%)	190.3	201.7	173.6	149.4
Current ratio (%)	105.0	99.6	112.0	128.1
Net debt-to-equity ratio (%)	24.0	8.1	-12.6	-32.7
Interest coverage ratio (x)	12.7	23.2	31.3	42.1

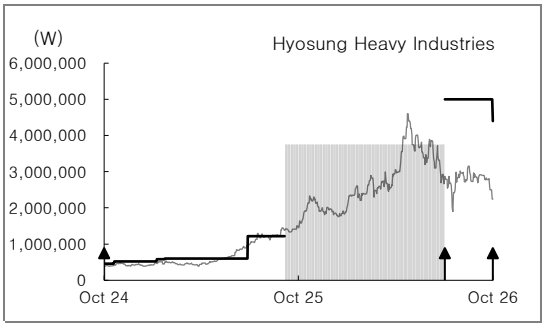
Source: Company data, Mirae Asset Securities Research estimates

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Hyosung Heavy Industries (298040)	10/13/26	Buy	4,400,000
	07/15/26	Buy	5,000,000
	09/18/25	No Coverage	
	07/10/25	Buy	1,220,000
	02/04/25	Buy	600,000
	01/20/25	Buy	580,000
	11/01/24	Buy	520,000
	09/26/24	Buy	460,000



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	89.66%	0%	9.77%	0.57%
Investment banking services	92.86%	0%	7.14%	0%

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

Disclosures

As of the publication date, Mirae Asset Securities Co., Ltd. has acted as a liquidity provider for equity-linked warrants backed by shares of Hyosung Heavy Industries as an underlying asset; other than this, Mirae Asset Securities has no other special interests in the covered companies.

Analyst certification

The research analysts who prepared this report (the "Analysts") are registered with the Korea Financial Investment Association and are subject to Korean securities regulations. They are neither registered as research analysts in any other jurisdiction nor subject to the laws or regulations thereof. Each Analyst responsible for the preparation of this report certifies that (i) all views expressed in this report accurately reflect the personal views of the Analyst about any and all of the issuers and securities named in this report and (ii) no part of the compensation of the Analyst was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report. Mirae Asset Securities Co., Ltd. ("Mirae Asset Securities") policy prohibits its Analysts and members of their households from owning securities of any company in the Analyst's area of coverage, and the Analysts do not serve as an officer, director, or advisory board member of the subject companies. Except as otherwise specified herein, the Analysts have not received any compensation or any other benefits from the subject companies in the past 12 months and have not been promised the same in connection with this report. Like all employees of Mirae Asset Securities, the Analysts receive compensation that is determined by overall firm profitability, which includes revenues from, among other business units, the institutional equities, investment banking, proprietary trading, and private client divisions. At the time of publication of this report, the Analysts do not know or have reason to know of any actual, material conflict of interest of the Analyst or Mirae Asset Securities except as otherwise stated herein.

Disclaimers

This report was prepared by Mirae Asset Securities, a broker-dealer registered in the Republic of Korea and a member of the Korea Exchange. Information and opinions contained herein have been compiled in good faith and from sources believed to be reliable, but such information has not been independently verified and Mirae Asset Securities makes no guarantee, representation or warranty, express or implied, as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein or of any translation into English from the Korean language. In case of an English translation of a report prepared in the Korean language, the original Korean language report may have been made available to investors in advance of this report.
The intended recipients of this report are sophisticated institutional investors who have substantial knowledge of the local business environment, its common practices, laws, and accounting principles, and no person whose receipt or use of this report would violate any laws or regulations or subject Mirae Asset Securities or any of its affiliates to registration or licensing requirements in any jurisdiction shall receive or make any use hereof.
This report is for general information purposes only and is not and shall not be construed as an offer or a solicitation of an offer to effect transactions in any securities or other financial instruments. The report does not constitute investment advice to any person, and such person shall not be treated as a client of Mirae Asset Securities by virtue of receiving this report. This report does not take into account the particular investment objectives, financial situations, or needs of individual clients. The report is not to be relied upon in substitution for the exercise of independent judgment. Information and opinions contained herein are as of the date hereof and are subject to change without notice. The price and value of the investments referred to in this report and the income from them may depreciate or appreciate, and investors may incur losses on investments. Past performance is not a guide to future performance. Future

returns are not guaranteed, and a loss of original capital may occur. Mirae Asset Securities, its affiliates, and their directors, officers, employees, and agents do not accept any liability for any loss arising out of the use hereof.
Mirae Asset Securities may have issued other reports that are inconsistent with, and reach different conclusions from, the opinions presented in this report. The reports may reflect different assumptions, views, and analytical methods of the analysts who prepared them. Mirae Asset Securities may make investment decisions that are inconsistent with the opinions and views expressed in this research report. Mirae Asset Securities, its affiliates, and their directors, officers, employees, and agents may have long or short positions in any of the subject securities at any time and may make a purchase or sale, or offer to make a purchase or sale, of any such securities or other financial instruments from time to time in the open market or otherwise, in each case either as principals or agents. Mirae Asset Securities and its affiliates may have had, or may be expecting to enter into, business relationships with the subject companies to provide investment banking, market-making, or other financial services as are permitted under applicable laws and regulations.
No part of this document may be copied or reproduced in any manner or form or redistributed or published, in whole or in part, without the prior written consent of Mirae Asset Securities. For further information regarding company-specific information as it pertains to the representations and disclosures in this Appendix 1, please contact compliance@miraeasset.us.com or +1 (212) 407-1000.

Distribution
United Kingdom: This report is being distributed by Mirae Asset Securities (UK) Ltd. in the United Kingdom only to (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), and (ii) high net worth companies and other persons to whom it may lawfully be communicated, falling within Article 49(2)(A) to (E) of the Order (all such persons together being referred to as "Relevant Persons"). This report is directed only at Relevant Persons. Any person who is not a Relevant Person should not act or rely on this report or any of its contents.
United States: Mirae Asset Securities is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This report is distributed in the U.S. by Mirae Asset Securities (USA) Inc., a member of FINRA/SIPC, to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6(b)(4) under the U.S. Securities Exchange Act of 1934, as amended. All U.S. persons that receive this document by their acceptance hereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Mirae Asset Securities or its affiliates. Any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Mirae Asset Securities (USA) Inc. Mirae Asset Securities (USA) Inc. accepts responsibility for the contents of this report in the U.S., subject to the terms hereof, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through Mirae Asset Securities. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. persons absent registration or an applicable exemption from the registration requirements.
Hong Kong SAR: This report is distributed in Hong Kong SAR by Mirae Asset Securities (HK) Limited, which is regulated by the Hong Kong Securities and Futures Commission. The contents of this report have not been reviewed by any regulatory authority in Hong Kong SAR. This report is for distribution only to professional investors within the meaning of Part I of Schedule 1 to the Securities and Futures Ordinance of Hong Kong SAR (Cap. 571, Laws of Hong Kong SAR) and any rules made thereunder and may not be redistributed in whole or in part in Hong Kong SAR to any person.
India: This report is being distributed by Mirae Asset Capital Markets (India) Private Limited ("MACM") in India to the customers based in India and is personal information only for those authorised recipient(s). MACM is inter alia a Securities and Exchange Board of India ("SEBI") registered Research Analyst in India and is not registered outside India. MACM and Mirae Asset, Korea are group entities. MACM makes no guarantee, representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information and opinions contained herein. The user assumes the entire risk of any use made of this information. This report has been provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipient must read the entire Appendix 1 to the report carefully for Important Disclosures & Disclaimers.
All other jurisdictions: Customers in all other countries who wish to effect a transaction in any securities referenced in this report should contact Mirae Asset Securities or its affiliates only if distribution to or use by such customer of this report would not violate applicable laws and regulations and not subject Mirae Asset Securities and its affiliates to any registration or licensing requirement within such jurisdiction.

Mirae Asset Securities International Network

Mirae Asset Securities Co., Ltd. (Seoul)
One-Asia Equity Sales Team
Mirae Asset Center 1 Building
26 Eulji-ro 5-gil, Jung-gu, Seoul 04539
Korea

Tel: 82-2-3774-2124

Mirae Asset Securities (HK) Ltd.
Units 8501, 8507-8508, 85/F
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong SAR
Tel: 852-2845-6332

Mirae Asset Securities (UK) Ltd.
41st Floor, Tower 42
25 Old Broad Street,
London EC2N 1HQ
United Kingdom

Tel: 44-20-7982-8000

Mirae Asset Securities (USA) Inc.
810 Seventh Avenue, 37th Floor
New York, NY 10019
USA

Tel: 1-212-407-1000

Mirae Asset Wealth Management (Brazil) CCTVM
Rua Funchal, 418, 18th Floor, E-Tower Building
Vila Olimpia
Sao Paulo - SP
04551-060
Brazil
Tel: 55-11-2789-2100

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

Mirae Asset Securities (Singapore) Pte. Ltd.
6 Battery Road, #11-01
Singapore 049909
Republic of Singapore

Tel: 65-6671-9845

Mirae Asset Securities (Vietnam) LLC
7F, Saigon Royal Building
91 Pasteur St.
District 1, Ben Nghe Ward, Ho Chi Minh City
Vietnam

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

Mirae Asset Securities Mongolia UTsK LLC
#406, Blue Sky Tower, Peace Avenue 17
1 Khoroo, Sukhbaatar District
Ulaanbaatar 14240
Mongolia

Tel: 976-7011-0806

Mirae Asset Investment Advisory (Beijing) Co., Ltd
2401B, 24th Floor, East Tower, Twin Towers
B12 Jianguomenwai Avenue, Chaoyang District
Beijing 100022
China

Tel: 86-10-6567-9699

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

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

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

Tel: 86-21-5013-6392

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

Tel: 84-8-3910-7715

Mirae Asset Capital Markets (India) Pvt Ltd
1st Floor, Tower 4, Equinox Business Park,
LBS Marg, Off BKC, Kurla (West), Mumbai - 400 070
India

Tel: 91-22-62661300 / 48821300