COMPANY UPDATE

2026. 3. 23

Scan to go to
Research Center report database

EV/Mobility Team

Esther Yim
Team Leader
esther.yim@samsung.com

Hyunji Kim
Research Associate
hyunzi.kim@samsung.com

Hyundai AutoEver (307950)

Shares ready to soar

- With the appointment of Park Min-woo as head of the Advanced Vehicle Platform Division at Hyundai Motor Group (HMG), the group's transition towards software-defined vehicles (SDV) has gained greater visibility. The SDV transition should start in 2027 and Level 2+ autonomous driving features are expected to be introduced with 2027 model-year vehicles.
- Hyundai AutoEver's system integration (SI) division handles monitoring and control of HMG's Robot Metaplant Application Center (RMAC), robot production facilities, and data centers. Its software (SW) division is poised to see revenue growth from middleware solutions.
- As HMC/Kia's SDV roadmap is set to be clarified at Kia's upcoming CEO Investor Day (CID), Hyundai AutoEver should emerge as a key beneficiary. We upgrade the stock to BUY.

WHAT'S THE STORY?

Raising target price and investment rating: Hyundai AutoEver stands to benefit the most from Hyundai Motor Group's (HMG) expansion into robotics and transition to SDV.

- **Raising target by 41% to KRW550,000:** Our new target price is based on 42x the average of our 2027-2028 EPS forecasts. The multiple reflects the upper end of valuation levels seen during the company's first major business model transformation, and the use of the 2027–2028 EPS forecasts owes to HMC/Kia's SDV transition and robot production starting in 2027 and 2028, respectively.

(Continued on the next page)

SUMMARY FINANCIAL DATA

	2024	2025E	2026E	2027E
Revenue (KRWb)	3,714	4,252	4,720	5,463
Operating profit (KRWb)	224	255	307	407
Net profit (adj) (KRWb)	175	187	245	315
EPS (adj) (KRW)	6,228	6,654	8,754	11,251
EPS (adj) growth (% y-y)	24.0	6.8	31.5	28.5
EBITDA margin (%)	9.9	9.6	10.0	10.8
ROE (%)	10.4	10.3	12.4	14.4
P/E (adj) (x)	20.2	49.9	48.7	37.9
P/B (x)	2.0	5.0	5.8	5.2
EV/EBITDA (x)	8.0	20.8	23.1	18.3
Dividend yield (%)	1.4	0.6	0.6	0.8

Source: Company data, Samsung Securities estimates

AT A GLANCE

BUY

Target price	KRW550,000	29.1%
Current price	KRW426,000	
Market cap	KRW11.7t/USD7.8b	
Shares (float)	27,423,982 (24.5%)	
52-week high/low	KRW505,000/KRW110,100	
Avg daily trading value (60-day)	KRW167.9b/ USD111.9m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai AutoEver (%)	-2.9	153.6	220.3
Vs Kospi (%pts)	-4.3	51.6	46.1

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	550,000	550,000	0.0%
2025E EPS	6,654	6,654	0.0%
2026E EPS	8,754	8,754	0.0%

SAMSUNG vs THE STREET

No of estimates	10
Target price	531,111
Recommendation	3.7

※ Rating: 4 < → BUY, 3 = HOLD, 2 > → SELL

Since its IPO, AutoEver has undergone two significant business-model changes. The first took place in Apr 2021, with the merger of Hyundai MNSoft and Hyundai Autron. The second occurred in 2Q23 when Mobilgene (the firm's automotive middleware) was introduced to HMC and Kia vehicles. As AutoEver evolved from a traditional SI player to HMG's software provider, its P/E valuation climbed to 42x in 2021 and later to 35x in 2Q23. The third transformation—now underway—represents the most significant shift yet, with HMG's entry into the physical AI domain demanding the biggest expansion of its role in the group. We thus apply the historical peak valuation of 42x P/E to its valuation.

- **Expanded role required in robotics initiatives and SDV transition:** Since CES 2026, market attention has focused almost exclusively on HMG's robotics initiatives, leading to underappreciation of the urgency and strategic importance of HMG's SDV. SDV ought to be the group's more immediate priority as it will serve as foundational technology for robotics.

Mobilgene middleware to create more added value: AutoEver should shift from project-based development fees to a per-vehicle revenue model.

- **Role of middleware:** Mobilgene is a middleware platform built on AUTOSAR (automotive open system architecture), a standardized framework developed by legacy automakers and suppliers to unify vehicle software design. Key AUTOSAR standards include: 1) data transmission/reception protocols; 2) application layer architecture; 3) hardware abstraction and control methods; 4) software development tools and file formats; and 5) safety and security protocols.

  Middleware acts as the bridge between hardware (*eg*, chips) and software applications. Global market leadership in automotive middleware is held by three European firms—Vector, ETAS, and Elektrobit, with a combined market share of 70-80%. AutoEver developed Mobilgene to internalize middleware development for HMC/Kia autos.

- **Expanding role of middleware in SDV and advanced autonomy:** 1) Hardware abstraction: AI systems issue high-level commands (*eg*, 'reduce speed by 20%') without needing to know the specifics of each component. Middleware translates these commands into hardware-specific signals—*eg*, converting the command into the correct electric signal for the brake system.

  2) Data traffic management: For AI (and OS) to make accurate decisions, it must process massive sensor data in real time without delays or conflicts. Middleware ensures data flows efficiently and reliably to AI models.

  3) Core of OTA updates: SDV requires continuous software updates. When new algorithms are downloaded, middleware verifies compatibility with existing systems and safely deploys new features to individual ECUs.

- **Software revenue growth to resume:** AutoEver's software business consists of: 1) navigation software; and 2) Mobilgene. Navigation software has been driving earnings at the division (generating 70-80% of the division's software revenue), but the penetration of navigation systems in autos now exceeds 80%, leading to stalled growth. With SDV rollouts set to commence in 2027, Mobilgene's earnings contribution should surge. AutoEver's software sales should jump from KRW820b in 2025 to KRW1.1t in 2028.

AutoEver's SI revenue to sustain high growth: HMG's planned purchase of 50,000 Nvidia GPUs over 2026-2030 amid expansion of HMG's robotics business should create new SI revenue drivers for AutoEver.

- **ERP system replacement over 2022-2026:** Post-pandemic, HMG initiated group-wide ERP modernization to establish a digital environment. As a result, AutoEver's SI revenue grew from KRW745b in 2021 to KRW1.65t in 2025—a CAGR of 22%. SI revenue is projected to reach KRW2t in 2026 (up 20% y-y).
- **Construction of robot factory and RMAC:** At HMG's innovation center in Singapore (a smart factory model; Hyundai Motor Group Innovation Center Singapore [HMGICS]), AutoEver generated KRW50b in revenue in 2025. At traditional ICE plants, the firm generates SI revenue of KRW10b-20b per plant *pa*. With the planned launch of a robot production facility and RMAC in 2026, AutoEver's SI revenue should rise rapidly.
- **Robot monitoring revenue to begin in 2027:** HMG is aggressively investing in robotics, starting with their deployment in its US factories to boost productivity. AutoEver intends to acquire 30,000 Boston Dynamics Atlas robots by 2029.

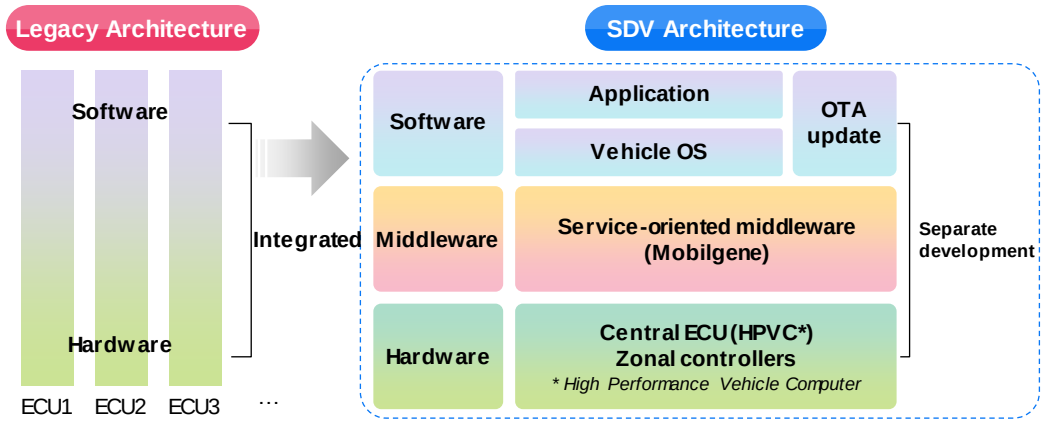
  To integrate robots into smart factories, a coordinated control system is required. AutoEver should integrate Atlas robots purchased from Boston Dynamics with HMG's smart factory systems before the robots are deployed in HMC/Kia's plants. For the 30,000 robots that are expected to be deployed, AutoEver should create sales of KRW1.6t *pa* (38% of its 2025 revenue), and for 50,000 robots deployed, it should generate sales of KRW2.3t *pa* (55%). The pilot deployment of Atlas robots at RMAC is expected to happen in 2027, triggering initial revenue streams. Profitability may be low initially due to high implementation costs.
- **Four potential roles in data center development:** AutoEver can play four roles in HMG's data center development. It could: 1) procure GPUs and build data center infrastructure for HMG; 2) manage data centers and allocate resources; 3) lease selected GPUs; and 4) integrate software with GPUs to launch GPU-as-a-Service (GPUaaS). As of end-2025, AutoEver sat on KRW800b in net cash (flat y-y). If AutoEver participates in the Blackwell GPU purchase (requiring USD3b), its role could expand beyond data center management into providing GPU-as-a-Service.

  HMG has announced a KRW9t investment in the Saemangeum area to build a data center and robotics cluster.

  To enhance autonomous driving algorithms and enable robots to achieve true intelligence, massive, high-quality training data are essential. HMC plans to begin collecting real-world driving data in late 2026 with its 'Pace Car' fleet. By 2028, it aims to have 7m autos running full-stack SDV systems.

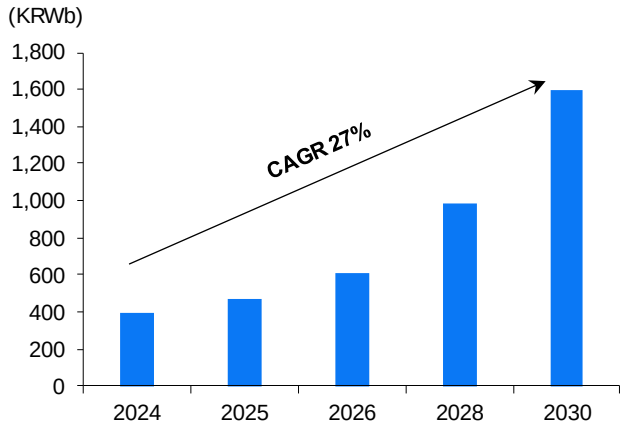
  For robotics, HMG should begin operating RMAC around August-September to train robots using simulated and real-world environments.
- **Subscription and cloud revenue growth:** AutoEver's subscription and cloud sales should grow from KRW30b-40b in 2021 to KRW500b in 2027, of which cloud revenue was previously estimated at KRW100b-150b. With HMG's data center growth, AutoEver's earnings should prove even stronger.

Architectural changes in SDVs: Separation of software and hardware



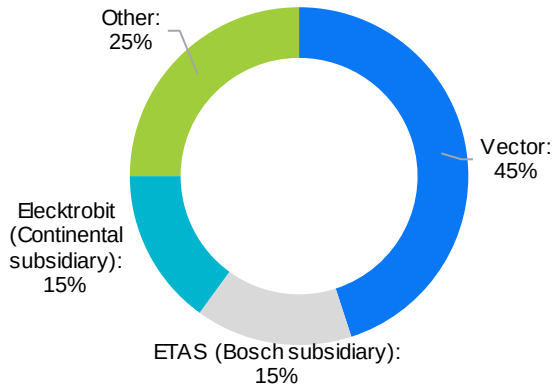
Source: Samsung Securities

SDV market outlook



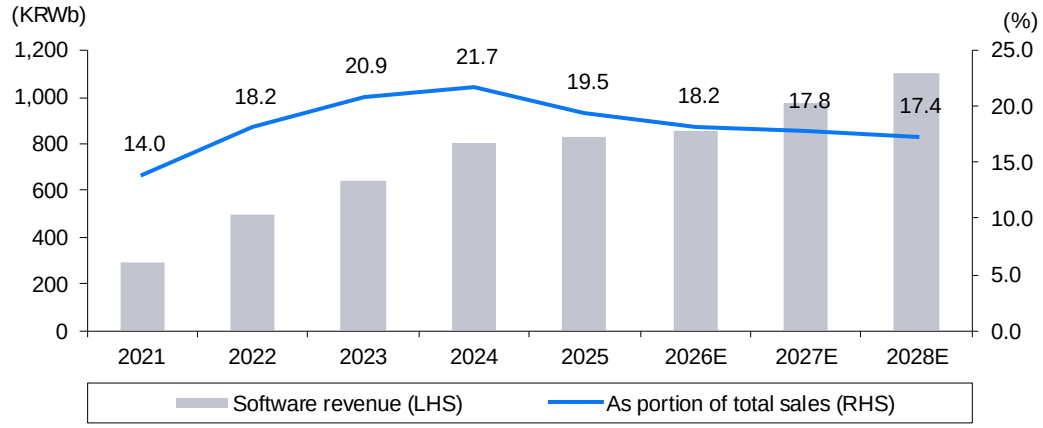
Source: S&P Global, Samsung Securities

Automotive middleware software market share



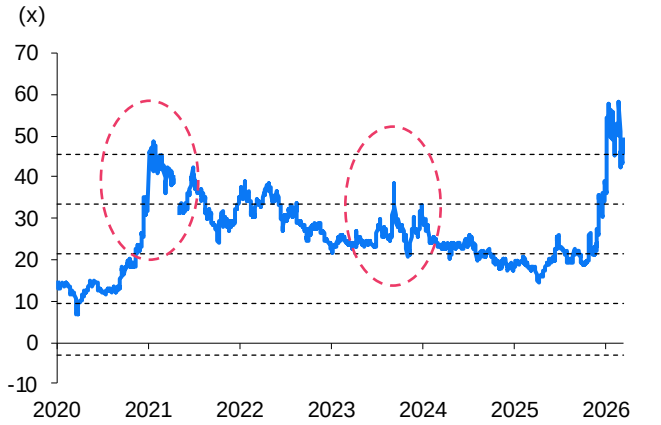
Source: Media, Samsung Securities

Hyundai AutoEver: Software division's revenue as portion of total sales



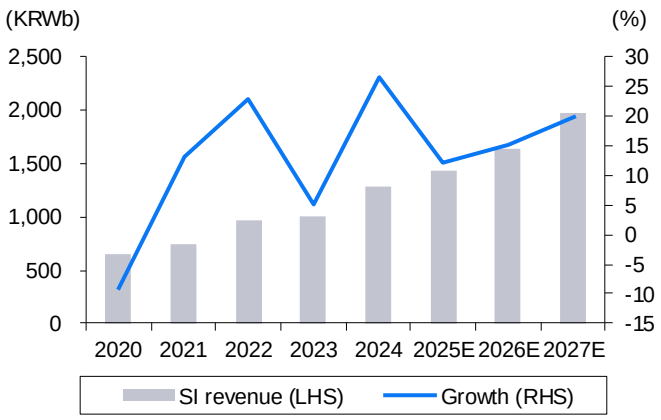
Source: Company data, Samsung Securities

Hyundai AutoEver: 12m forward P/E



Source: Bloomberg, Samsung Securities

Hyundai AutoEver: SI revenue and growth



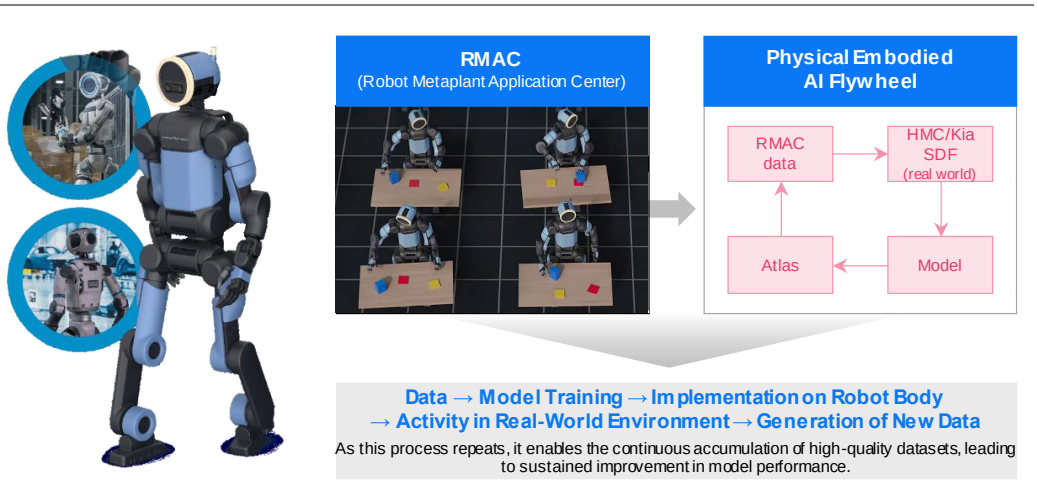
Source: Company data, Samsung Securities

Hyundai AutoEver: Estimated revenue from robotics

Number of units	Unit cost (USD)	Sales price* (USD)	AutoEver sales (USDm)	AutoEver sales** (KRWb)
5,000	130,000	143,000	143	207
10,000	50,992	56,091	561	813
20,000	37,659	41,425	828	1,201
30,000	33,214	36,536	1,096	1,589
40,000	30,992	34,091	1,364	1,977
50,000	29,659	32,625	1,631	2,365

Note: *Including systems integration;
**Assumes exchange rate of KRW1,450/USD
Source: Samsung Securities estimates

HMG: Embodied AI Flywheel



Source: Company data, Samsung Securities

Hyundai AutoEver: Results and forecasts

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025	2026E	2027E
KRW/USD (avg)	1,453	1,400	1,387	1,452	1,430	1,420	1,400	1,400	1,365	1,422	1,413	1,370
Revenue	833	1,042	1,054	1,323	975	1,144	1,164	1,438	3,714	4,252	4,720	5,463
Chg (% y-y)	13.9	13.5	16.5	14.1	17.0	9.7	10.4	8.7	21.2	14.5	11.0	15.7
SI	300	388	421	549	395	485	496	613	1,279	1,657	1,989	2,486
ITO	341	424	435	567	371	446	455	601	1,630	1,767	1,873	2,004
Car SW	192	230	198	207	209	213	213	224	804	828	859	973
Gross profit	70	123	116	137	101	112	116	173	395	445	502	629
Operating profit	27	81	71	76	58	79	70	101	224	255	307	407
Chg (% y-y)	(13.1)	18.7	34.8	5.3	116.4	(2.5)	(1.6)	31.7	23.7	13.8	20.4	32.5
Pre-tax profit	28	82	71	75	63	93	72	104	227	255	331	420
Net profit	20	60	53	54	46	69	53	77	175	187	245	315
Controlling profit	20	58	52	53	45	68	52	75	171	182	240	309
Chg (% y-y)	(22.9)	12.9	18.5	5.6	130.3	16.0	0.8	42.2	24.0	6.8	31.5	28.5
Margins (%)												
Gross profit	8.4	11.8	11.0	10.3	10.4	9.8	10.0	12.1	10.6	10.5	10.6	11.5
Operating profit	3.2	7.8	6.7	5.8	5.9	6.9	6.0	7.0	6.0	6.0	6.5	7.5
Net profit	2.4	5.7	5.0	4.1	4.7	6.0	4.6	5.3	4.7	4.4	5.2	5.8
Controlling profit	2.4	5.6	4.9	4.0	4.6	5.9	4.5	5.2	4.6	4.3	5.1	5.6

Source: Company data, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**3,065**	**3,714**	**4,252**	**4,720**	**5,463**
Cost of goods sold	2,726	3,319	3,807	4,218	4,834
Gross profit	**339**	**395**	**445**	**502**	**629**
Gross margin (%)	11.1	10.6	10.5	10.6	11.5
SG&A expenses	158	170	190	195	222
Operating profit	**181**	**224**	**255**	**307**	**407**
Operating margin (%)	5.9	6.0	6.0	6.5	7.5
Non-operating gains (losses)	**0**	**2**	**0**	**24**	**12**
Financial profit	28	28	29	32	37
Financial costs	6	11	11	10	10
Equity-method gains (losses)	-5	-4	-5	-0	-0
Other	-17	-10	-13	2	-14
Pre-tax profit	**182**	**227**	**255**	**331**	**420**
Taxes	41	51	69	86	105
Effective tax rate (%)	22.8	22.7	26.8	26.0	25.0
Profit from continuing operations	140	175	187	245	315
Profit from discontinued operations	0	0	0	0	0
Net profit	**140**	**175**	**187**	**245**	**315**
Net margin (%)	4.6	4.7	4.4	5.2	5.8
Net profit (controlling interests)	138	171	182	240	309
Net profit (non-controlling interests)	3	4	4	5	6
EBITDA	306	366	409	474	590
EBITDA margin (%)	10.0	9.9	9.6	10.0	10.8
EPS (parent-based) (KRW)	5,023	6,228	6,654	8,754	11,251
EPS (consolidated) (KRW)	5,116	6,388	6,811	8,942	11,482
Adjusted EPS (KRW)*	5,023	6,228	6,654	8,754	11,251

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**1,834**	**2,215**	**2,460**	**2,776**	**3,245**
Cash & equivalents	483	382	361	446	549
Accounts receivable	765	1,000	1,145	1,271	1,471
Inventories	5	3	4	4	5
Other current assets	582	829	950	1,054	1,220
Fixed assets	**1,009**	**1,134**	**1,187**	**1,247**	**1,313**
Investment assets	42	53	59	65	75
Tangible assets	113	184	194	202	220
Intangible assets	546	544	580	626	665
Other long-term assets	308	354	354	354	354
Total assets	**2,843**	**3,350**	**3,647**	**4,023**	**4,558**
Current liabilities	**923**	**1,242**	**1,365**	**1,516**	**1,754**
Accounts payable	312	431	493	547	633
Short-term debt	0	0	0	0	0
Other current liabilities	611	812	872	968	1,120
Long-term liabilities	**328**	**377**	**414**	**446**	**496**
Bonds & long-term debt	50	0	0	0	0
Other long-term liabilities	278	377	414	446	496
Total liabilities	**1,251**	**1,619**	**1,779**	**1,961**	**2,250**
Owners of parent equity	**1,580**	**1,705**	**1,839**	**2,027**	**2,267**
Capital stock	14	14	14	14	14
Capital surplus	773	773	773	773	773
Retained earnings	789	901	1,034	1,222	1,462
Other	4	18	18	18	18
Non-controlling interests' equity	**12**	**25**	**29**	**35**	**41**
Total equity	**1,592**	**1,731**	**1,869**	**2,062**	**2,308**
Net debt	-585	-565	-645	-775	-948

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**209**	**256**	**351**	**418**	**502**
Net profit	140	175	187	245	315
Non-cash profit and expenses	184	229	209	231	261
Depreciation	72	85	90	93	102
Amortization	53	57	64	73	81
Other	59	88	55	65	78
Changes in A/L from operating activities	-93	-121	-5	-4	-6
Cash flow from investments	**-180**	**-275**	**-260**	**-272**	**-323**
Change in tangible assets	-25	-85	-100	-100	-120
Change in financial assets	-111	-113	-60	-52	-83
Other	-44	-77	-100	-120	-120
Cash flow from financing	**-110**	**-90**	**-101**	**-55**	**-68**
Change in debt	22	31	-42	7	11
Change in equity	0	-0	0	0	0
Dividends	-33	-39	-49	-52	-69
Other	-98	-81	-11	-10	-10
Change in cash	-77	-100	-21	85	103
Cash at beginning of year	560	483	382	361	446
Cash at end of year	483	382	361	446	549
Gross cash flow	**325**	**404**	**396**	**476**	**576**
Free cash flow	**183**	**171**	**251**	**318**	**382**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	11.3	21.2	14.5	11.0	15.7
Operating profit	27.4	23.7	13.8	20.4	32.5
Net profit	20.8	24.9	6.6	31.3	28.4
Adjusted EPS**	20.9	24.0	6.8	31.5	28.5
Per-share data (KRW)					
EPS (parent-based)	5,023	6,228	6,654	8,754	11,251
EPS (consolidated)	5,116	6,388	6,811	8,942	11,482
Adjusted EPS**	5,023	6,228	6,654	8,754	11,251
BVPS	57,613	62,189	67,063	73,915	82,665
DPS (common)	1,430	1,780	1,900	2,500	3,200
Valuations (x)					
P/E***	42.1	20.2	49.9	48.7	37.9
P/B***	3.7	2.0	5.0	5.8	5.2
EV/EBITDA	17.1	8.0	20.8	23.1	18.3
Ratios (%)					
ROE	9.0	10.4	10.3	12.4	14.4
ROA	5.1	5.7	5.3	6.4	7.3
ROIC	13.0	13.8	13.2	15.1	19.0
Payout ratio	28.5	28.6	28.6	28.6	28.4
Dividend yield (common)	0.7	1.4	0.6	0.6	0.8
Net debt to equity	-36.7	-32.6	-34.5	-37.6	-41.1
Interest coverage (x)	29.9	20.1	23.5	30.9	39.0

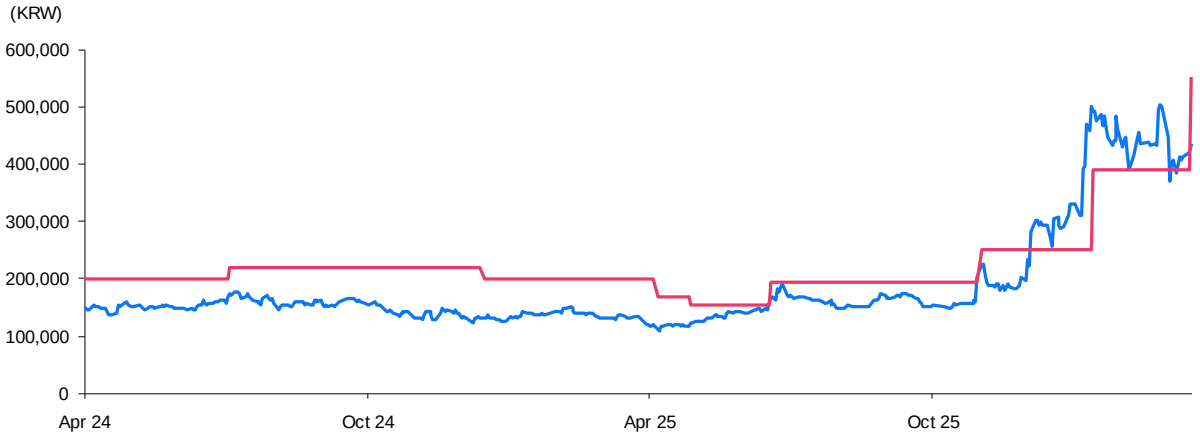
Note: *Excluding one-off items
**Fully diluted, excluding one-off items
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Compliance notice

- As of 3/20 2026, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 3/20 2026, Samsung Securities' holdings of shares and debt instruments convertible into shares of each company covered in this report would not, if such debt instruments were converted, exceed 1% of each company's outstanding shares.
- This report has been prepared without any undue external influence or interference, and accurately reflects the views of the analyst(s) covering the company or companies herein.
- All material presented in this report, unless specifically indicated otherwise, is under copyright to Samsung Securities.
- Neither the material nor its content (including copies) may be altered in any form, or by any means transmitted, copied, or distributed to another party, without prior express written permission from Samsung Securities.
- This memorandum is based upon information available to the public. While we have taken all reasonable care to ensure its reliability, we do not guarantee its accuracy or completeness. This memorandum is not intended to be an offer, or a solicitation of any offer, to buy or sell the securities mentioned herein. Samsung Securities shall not be liable whatsoever for any loss, direct or consequential, arising from the use of this memorandum or its contents. Statements made regarding affiliates of Samsung Securities are also based upon publicly available information and do not necessarily represent the views of management at such affiliates.
- This material has not been distributed to institutional investors or other third parties prior to its publication.

Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2023/10/30	2024/1/29	4/1	7/4	12/16	2025/4/7	4/29	6/19	11/3	2026/1/14	3/19
Recommendation	BUY	HOLD	BUY	BUY	BUY	BUY	BUY	BUY	BUY	HOLD	BUY
Target price (KRW)	200000	200000	200000	220000	200000	170000	155000	195000	250000	390000	550000
Gap* (average)	-13.82	-25.13	-24.37	-31.39	-32.39	-30.67	-10.17	-16.87	6.28	12.95	
(max or min)**	5.75	-20.65	-15.85	-19.41	-24.60	-29.18	3.87	4.36	100.40	-4.74	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

Samsung Securities uses the following investment ratings*

Company

BUY	Expected to increase in value by 15% or more within 12 months and is highly attractive within sector
HOLD	Expected to increase/decrease in value by less than 15% within 12 months
SELL	Expected to decrease in value by 15% or more within 12 months

Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

Percentage of ratings in 12 months prior to 2025.12.31

BUY (85.8%)·HOLD (14.2%)·SELL (0%)

Global Disclosures & Disclaimers

General

This research report is for information purposes only. It is not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This report does not provide individually tailored investment advice. This report does not take into account individual client circumstances, objectives, or needs and is not intended as recommendations of particular securities, financial instruments or strategies to any particular client. The securities and other financial instruments discussed in this report may not be suitable for all investors. The recipient of this report must make its own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser.

This report may not be altered, reproduced, distributed, transmitted or published in whole or in part for any purpose. References to "Samsung Securities" are references to any company in the Samsung Securities, Co., Ltd. group of companies.

Samsung Securities and/or other affiliated companies, its and their directors, officers, representatives, or employees may have long or short positions in any of the securities or other financial instruments mentioned in this report or of issuers described herein and may purchase and/or sell, or offer to purchase and/or sell, at any time, such securities or other financial instruments in the open market or otherwise, as either a principal or agent. Any pricing of securities or other financial instrument contained herein is as of the close of market for such day, unless otherwise stated. Opinions and estimates contained herein constitute our judgment as of the date of this report and are subject to change without notice.

The information provided in this report is provided "AS IS". Although the information contained herein has been obtained from sources believed to be reliable, no representation or warranty, either expressed or implied, is provided by Samsung Securities in relation to the accuracy, completeness or reliability of such information or that such information was provided for any particular purpose and Samsung Securities expressly disclaims any warranties of merchantability or fitness for a particular purpose. Furthermore, this report is not intended to be a complete statement or summary of the securities, markets or developments referred to herein.

Samsung Securities does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Samsung Securities, its affiliates, or any of its and their affiliates, directors, officers, employees or agents disclaim any and all responsibility or liability whatsoever for any loss (direct or consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice. Past performance is not indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned in this report. For investment advice, trade execution or other enquiries, clients should contact their local sales representative. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of Samsung Securities. Any analysis contained herein is based on numerous assumptions. Different assumptions may result in materially different results. Samsung Securities is under no obligation to update or keep current the information contained herein. Samsung Securities relies on information barriers to control the flow of information contained in one or more areas or groups within Samsung Securities into other areas or groups of Samsung Securities. Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other financial instruments. Samsung Securities makes no representation that any transaction can or could have been effected at those prices and any prices contained herein may not reflect Samsung Securities' internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by Samsung Securities or any other source may yield substantially different results. Additional information is available upon request.

For reports to be distributed to US:

Securities research is prepared, issued and exclusively distributed by Samsung Securities Co., Ltd., an organization licensed with the Financial Supervisory Service of South Korea. This research may be distributed in the United States only to major institutional investors as defined in Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended, and may not be circulated to any other person otherwise. All transactions by U.S. investors involving securities discussed in this report must be effected through Samsung Securities (America) Inc., a broker-dealer registered with the U.S. Securities & Exchange Commission and a member of the Financial Industry Regulatory Authority/SIPC, and not through any non-U.S. affiliate thereof. The analysts listed [on the front of this report] are employees of Samsung Securities Co., Ltd., or a non-U.S. affiliate thereof, and are not registered/qualified as research analysts under applicable U.S. rules and regulations and may not be subject to U.S. restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

For reports to be distributed to UK:

This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high-net-worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons").

Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

For reports to be distributed to Korea:

This report is for private circulation only, not for sale, and is issued and distributed only to persons permitted under the laws and regulations of Korea.

For reports to be distributed to Singapore:

This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Samsung Securities has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person.

Analyst certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of such analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research report. The analyst(s) principally responsible for the preparation of this research report receives compensation based on determination by research management and senior management (not including investment banking), based on the overall revenues, including investment banking revenues of Samsung Securities Co., Ltd. and its related entities and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Copyright © 2010 Samsung Securities Co., Ltd. All rights reserved. This report or any portion hereof may not be reprinted, sold or redistributed without the prior written consent of Samsung Securities America Inc

Samsung Securities

SAMSUNG SECURITIES

Samsung Electronics Bldg., 11, 74-gil,
Seochodae-ro, Seocho-gu, Seoul, Korea 06620
Tel: 02 2020 8000 / www.samsungpop.com

Family Center: 1588 2323

Voice Of Customer: 080 911 0900

For more information,
please call our sales representatives:

LONDON

Samsung Securities Europe Limited
1st Floor, 30 Gresham Street, London EC2V 7PG UK
Tel. 44-207-776-4311
Fax. 44-203-837-9219

NEW YORK

Samsung Securities America Limited
1330 Avenue of the Americas. 10th Floor. New York,
NY 10019
Tel: 1-212-972-2454
Fax: 1-212-972-2704

HONG KONG

Samsung Securities (Asia) Limited
Suite 4511, Two International Finance Center,
8 Finance Street, Central, Hong Kong
Tel: 852-3411-3608
Fax: 852-2114-0290

BEIJING

Samsung Securities Beijing Representative Office
Rm. 910, The Exchange Building No 118 JianGuo Lu, Chao Yang District, Beijing, China
Tel: 86-10-6522-1855 (extension 7891)
Fax: 86-10-6522-1855 (extension 7889)

TOKYO

Samsung Securities Tokyo Representative Office
#106-8532 19F, Roppongi T-Cube 3-1-1,
Roppongi Minato-ku Tokyo, Japan
Tel: 81-3-6333-2952
Fax: 81-3-6333-2953

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA