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Platform Business Team

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▶ AT A GLANCE

Recommend	BUY	
Target price	KRW96,000	38.5%
Current price	KRW69,300	
Market cap	KRW2.1t/USD1.5b	
Shares (float)	30,058,498 (45.1%)	
52-week high/low	KRW96,400/KRW59,100	
Avg daily trading value (60-day)	KRW6.2b/ USD4.5m	

▶ ONE-YEAR PERFORMANCE

	1M	6M	12M
Studio Dragon (%)	9.7	-17.0	-22.3
Vs Kosdaq (%pts)	7.4	2.9	9.2

▶ KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	96,000	96,000	0.0%
2022E EPS	2,232	2,189	2.0%
2023E EPS	2,662	2,654	0.3%

▶ SAMSUNG vs THE STREET

No of estimates	13
Target price	102,769
Recommendation	4.0

BUY★★★: 5 / BUY: 4 / HOLD: 3 / SELL: 2 / SELL★★★: 1

Studio Dragon (253450)

Record-breaking top-line growth vs limited profitability

- Studio Dragon's 3Q operating profit was in line with consensus but operating margin was only 8.3% (down 4.3%pts y-y). Its sales hit an all-time high on recognition of sales from some dramas (broadcast in 4Q).
- The original content supplied to a new OTT platform was not quite profitable but should become lucrative based on good feedbacks from the platform and its subscribers.
- Studio Dragon is in the last stage of renewing its contract with Netflix, and is also in talks with other OTT service providers for long-term contracts. Its lackluster earnings may lead to higher share-price volatility in the short term but its long-term growth potential remains solid.

WHAT'S THE STORY?

3Q review: Studio Dragon reported 3Q sales of KRW228.9b (up 97.2% y-y) and operating profit of KRW18.9b (up 29.9% y-y), the former far beating consensus but the latter in line. At a glance, operating profit met market expectations but we find it regrettable since the firm booked sales of some dramas, which were supposed to be booked in 4Q results—eg, The Big Door Prize (7 out of 10 episodes; Apple TV Plus), Shadow Detective (8 episodes; Disney Plus), Connect (12 episodes), and The Fabulous (8 episodes). Gross margin and operating margin slipped 6.1%pts and 4.3%pts y-y, each, to 12% and 8.3% because the original content supplied to a new OTT platform, still in early stage, was not as lucrative as expected—but profitability should improve later based on the good feedbacks from the new platform and its viewers.

4Q preview: Because some of the dramas (to be aired in 4Q) were already booked in 3Q, market expectations about 4Q results should be moderated. The firm will recognize sales of: 1) original content to OTT platforms—including The Big Door Prize (3 episodes; Apple TV Plus), The Glory (8 episodes; Netflix), The Island (Tving and Amazon Prime); and 2) dramas aired simultaneously—eg, Under the Queen's Umbrella, Behind Every Star, and Alchemy of Souls Part 2. We expect 4Q operating profit to reach KRW16.1b (up 154.3% y-y), down from our previous estimate of KRW21.5b.

(Continued on the next page)

SUMMARY 3Q RESULTS

(KRWb)	3Q22	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	228.9	97.2	45.3	60.0	60.4
Operating profit	18.9	29.9	-29.9	3.1	0.8
Pre-tax profit	25.5	37.9	-15.2	34.1	23.9
Net profit	17.8	20.4	-30.3	25.1	21.3
Margins (%)					
Operating profit	8.3				
Pre-tax profit	11.1				
Net profit	7.8				

Source: Company data, FnGuide, Samsung Securities estimates

VALUATION SUMMARY

	2021	2022E	2023E
Valuations (x)			
P/E	69.9	31.1	26.0
P/B	4.0	2.6	2.4
EV/EBITDA	17.7	10.5	8.6
Div yield (%)	0.0	0.0	0.0
EPS growth (% y-y)	24.6	71.5	19.3
ROE (%)	6.0	9.1	9.7
Per-share data (KRW)			
EPS	1,301	2,232	2,662
BVPS	22,785	26,208	28,870
DPS	0	0	0

Maintaining BUY: Studio Dragon is in the final stage of renewing its contract with Netflix on better terms and conditions. Its margin should improve further from 2023. Quality of its content is confirmed by the fact that many other global OTT platforms are eager to sign long-term contracts with the Korean production firm. It is regrettable that its original content was not as profitable as had been expected. But in 2023, its top- and bottom-line should head north altogether because it should produce more multi-season original content for global OTT platforms and has well diversified its distribution channels this year. It is also capitalizing on quality IP to scale up its global operations, positive to long-term growth potential. We maintain our KRW96,000 target price (based on 12.2x 12-month forward P/E).

Table 1. Results and forecasts

(KRWb)	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22E	2020	2021	2022E	2023E
Sales	120.3	161.4	106.3	137.7	117.1	106.0	116.1	147.9	121.1	157.5	228.9	150.2	525.7	487.1	657.6	736.1
Programing	45.2	65.4	45.7	40.7	43.8	28.2	36.2	53.2	35.4	43.8	59.4	40.4	197.0	161.3	178.9	193.1
Distribution	66.9	75.7	50.9	86.3	63.2	67.5	64.9	79.8	77.7	103.9	165.8	100.4	279.7	275.5	447.8	510.4
Others	8.2	20.3	9.7	10.7	10.1	10.3	15.0	14.9	8.0	9.8	3.8	9.5	48.9	50.3	31.0	32.5
Gross profit	16.7	21.8	21.3	15.0	23.7	20.3	21.0	14.8	25.5	35.4	27.4	24.8	74.8	79.8	113.1	137.8
SG&A	5.1	4.9	5.3	10.4	5.8	6.5	6.4	8.4	7.4	8.4	8.4	8.7	25.7	27.2	32.9	35.3
Operating profit	11.6	16.9	16.0	4.6	17.9	13.8	14.6	6.3	18.1	27.0	18.9	16.1	49.1	52.6	80.2	102.5
Non-operating profit	0.4	0.3	-0.8	-7.5	3.2	0.3	3.9	-7.9	2.0	3.0	6.5	-4.5	-7.6	-0.6	7.0	3.3
Pre-tax profit	12.0	17.2	15.2	-2.9	21.1	14.0	18.5	-1.6	20.1	30.0	25.5	11.6	41.5	52.0	87.2	105.8
Net profit (controlling)	8.5	13.4	10.6	-2.9	15.6	9.5	14.8	-0.8	15.6	25.6	17.8	8.0	29.6	39.0	67.0	80.0
Gross margin	13.8	13.5	20.0	10.9	20.2	19.2	18.1	10.0	21.1	22.5	12.0	16.5	14.2	16.4	17.2	18.7
Operating margin	9.7	10.4	15.1	3.3	15.3	13.0	12.6	4.3	15.0	17.1	8.3	10.7	9.3	10.8	12.2	13.9
Net margin (controlling)	7.1	8.3	10.0	-2.1	13.3	8.9	12.8	-0.5	12.9	16.2	7.8	5.3	5.6	8.0	10.2	10.9
Chg (% y-y)																
Sales	7.6	25.9	-19.0	41.3	-2.7	-34.3	9.2	7.4	3.4	48.5	97.2	1.5	12.2	-7.3	35.0	11.9
Programing	2.5	12.6	-24.9	-10.9	-3.2	-56.9	-20.8	30.7	-19.1	55.4	64.0	-24.1	-5.6	-18.1	10.9	7.9
Distribution	19.1	25.5	-15.2	101.6	-5.5	-10.8	27.7	-7.5	23.0	53.8	155.2	25.7	27.6	-1.5	62.5	14.0
Other	-29.2	107.1	-6.4	20.2	24.0	-49.3	54.0	39.3	-21.5	-5.1	-74.8	-36.5	20.4	2.9	-38.4	5.1
Gross profit	11.1	41.7	39.2	585.3	42.2	-6.9	-1.3	-1.7	7.8	74.0	30.5	68.2	56.2	6.7	41.8	21.8
SG&A	28.4	5.8	21.3	67.6	14.0	33.6	21.0	-19.1	27.7	28.1	31.7	3.3	34.0	5.8	21.2	7.0
Operating profit	5.5	56.3	46.8	nm	53.6	-18.2	-9.0	37.6	1.4	95.7	29.9	154.3	71.1	7.0	52.5	27.9
Non-operating profit	-79.7	-69.4	nm	nm	642.7	-20.8	nm	nm	-37.8	1,085.2	67.8	nm	nm	nm	nm	-52.8
Pre-tax profit	-9.2	44.5	16.2	nm	75.3	-18.2	21.3	nm	-4.6	113.7	37.9	nm	25.4	25.2	67.7	21.4
Net profit (controlling)	-7.3	82.1	-8.0	nm	82.2	-29.1	39.6	nm	0.4	170.2	20.5	nm	12.1	31.8	71.6	19.4
Gross margin	0.4	1.5	8.4	8.7	6.4	5.7	-1.9	-0.9	0.9	3.3	-6.1	6.6	4.0	2.2	0.8	1.5
Operating margin	-0.2	2.0	6.8	7.5	5.6	2.6	-2.5	0.9	-0.3	4.1	-4.3	6.5	3.2	1.5	1.4	1.7
Net margin (controlling)	-1.1	2.6	1.2	-0.4	6.2	0.7	2.8	1.6	-0.4	7.3	-5.0	5.8	-0.0	2.4	2.2	0.7

Source: Company data, Samsung Securities

Table 2. Drama lineup (2022)

Year	No.	Channel	Title	Air dates	Episodes	Writers	Director	Cast	Days
2022	1	tvN	Bad and Crazy	Dec 17, 2021-Jan 28, 2022	12	Kim Saebom	Yoo Seondong	Lee Dongwook, Wi Hajoong	Fri, Sat
	2		Bulgasal: The Immortal Souls	Dec 18, 2021-Feb 6, 2022	16	Kwon Sora	Jang Yeongwoo	Lee Jinwook, Kwon Nara	Sat, Sun
	3		Ghost Doctor	Jan 3-Feb 22	16	Kim Sunsoo	Boo Seongcheol	Jung Jihoon, Kim Beom	Mon, Tue
	4		Twenty-Five Twenty-One	Feb 12-Apr 3	16	Kwon Doeun	Jung Jihyun	Kim Taeri, Nam Joohyuk	Sat, Sun
	5		Military Prosecutor Doberman	Feb 28-Apr 26	16	Yoon Hyeonho	Jin Changgyoo	Ahn Bohyun, Jo Boah	Mon, Tue
	6		Our Blues	Apr 9-Jun 12	20	Noh Heekyung	Kim Kyutae	Lee Byunghyun, Han Jimin	Sat, Sun
	7		Shooting Stars	Apr 22-Jun 11	16	Choi Youngwoo	Lee Soohyun	Lee Sungkyung	Fri, Sat
	8		The Murderer's Shopping List	Apr 27-May 19	8	Han Jiwan	Lee Eonhee	Lee Kwangsoo, Seolhyun	Wed, Thu
	9		OPENing	May 2-Aug 5	14	Lee Yiyoung	Cho Eunsol	Park Hyoju	Fri
	10		Eve	Jun 1-Jul 21	16	Yoon Youngmi	Park Bongseob	Seo Yeji, Park Byungeun	Wed, Thu
	11		Link: Eat, Love, Die	Jun 6-Jul 26	16	Kwon Kiyeong	Hong Jongchan	Yeo Jingoo, Moon Gayoung	Mon, Tue
	13		Alchemy Of Souls :Part 1	Jun 18-Aug 21	20	Hong sisters	Park Joonhwa	Lee Jaewook, Hwang Minhyeon	Sat, Sun
	14		Adamas	Jul 27-Sep 15	16	Choi Taekang	Park Seungwoo	Ji Sung, Seo Jihye	Wed, Thu
	15		Joseon Psychiatrist Yoo Se Poong 1	Aug 1-Sep 6	12	Park Seulki	Park Wongook	Kim Minjae, Kim Hyanggi, Kim Sangkyung	Mon, Tue
	16		Little Women	Sep 3-Oct 9	12	Jung Seokyung	Kim Heewon	Kim Goeun, Nam Jihyun	Sat, Sun
	17		Mental Coach Je Gal Gil	Sep 12-Nov 1	16	Kim Bandi	Son Junghyun	Jung Woo, Lee Yoomi, Kwon Yool	Mon, Tue
	18		Blind	Sep 16-Nov 5	16	Kwon Kikyung	Shin Yonghwi	Ok Taecyeon, Ha Seokjin, Jung Eunji	Fri, Sat
	19		Shrubb	Oct 15-Dec 4	16	Park Bara	Kim Hyungsik	Kim Hyesoo, Bae Hyunsung	Sat, Sun
	20		Call My Agent	Nov 7-Dec 13	12	Park Soyoun	Baek Seungryong	Lee Seojin, Kwak Sunyoung	Wed, Thu
	21		Alchemy of Souls: Part 2	Dec 10, 2022-Jan 15, 2023	10	Hong sisters	Park Joonhwa	Lee Jaewook, Hwang Minhyun	Sat, Sun
	22		Missing: The Other Side 2	Dec 2022	14	Ban Giri, Jeong Soyeong	Min Yeonhong, Lee Yerim	Go Su, Heo Junho, Ahn Sohui	Fri, Sat
	23		MBC	Big Mouse	Jul 29-Sep 17	16	Kim Haram	Oh Choonghwan	Lee Jongsuk, Im Yoonah
24	OCN	A Superior Day	Mar 13-May 1	8	Lee Jihyun	Jo Namhyung	Jingoo, Ha Dokwon	Sun	
25	Tving	The King of Pigs	Mar 18-Apr 22	12	Tak Jaeyoung	Kim Daejin	Kim Dongwook, Chae Jeongahn	Fri	
26		Strange	Apr 29	6	Yeon Sangho	Jang Geonjae	Shin Hyunbin, Koo Kyohwan	Fri	
27		Yumi's Cells 2	Jun 10-Jul 22	14	Song Jaejeong	Lee Sangyeob	Kim Goeun, Jinyoung	Fri	
28		Ants are Riding	Aug 12-Sep 16	12	Lim Yeonsoo	Choi Jiyoung	Hong Jonghyun, Han Jieun	Fri	
29		Island Part1	Dec 2022	6	Jang Yunmi	Park Baejong	Kim Namgil, Lee Dahee		
30	Coupang Play	Unicorn	Aug 26-Sep 29	12	Yoo Byungjae	Kim Hyeyoung	Shin Hakyun, Won JinA	Fri	
31	Disney+	Shadow Detective	Oct 2022	8	Im Changse	Han Donghwa	Lee Sunghee, Jin Goo		
32		Connect	Dec 2022	6	Song Jinsun	Miike Takashi	Jung Haein, Go Kyungpyo		
33	Apple TV+	The Big Door Prize	2022	10	David West Read				
34	Netflix	Juvenile Justice	Feb 25	10	Kim Minseok	Hong Jongchan	Kim Hyesoo, Kim Muyeol		
35		The Fabulous	Nov-4 (Delayed)	1	Kim Jihee, Im Jinsun	Kim Junghyun	Chae Soomin, Choi Minho		
36		The Glory 1	2022	8	Kim Eun-sook	Ahn Gilho	Song Hyekyo, Lee Dohyun		

Note: Titles highlighted in green are streaming through Netflix, grey iQiyi Global, light blue Tving, and orange Disney+

Source: Company data, Samsung Securities

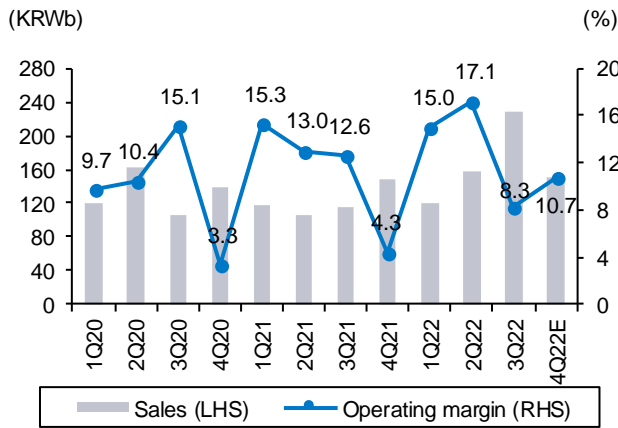
Table 3. Drama lineup (2023)

Year	No.	Channel	Title	Air dates	Episodes	Writers	Director	Cast	Days
2023	1	tvN	Joseon Psychiatrist Yoo Se Poong 2	Jan 2023	12	Park Seulki	Park Wongook	Kim Minjae, Kim Hyanggi, Kim Sangkyung	Mon, Tue
	2		Youth Monthly Talk	2023	20	Jung Hyunjung	Lee Jongjae	Park Hyungsik, Jeon Sony	Sony
	3		When the Stars Gossip	2023		Seo Sookhyang	Park Sinwoo	Lee Minho, Gong Hyojin	
	4		Tale of the Nine Tailed	2023		Han Woori	Kang Shinyho	Lee Dongwook, Kim Soyeon, Kim Bum	
	5		Stealer- Seven Joseon Notices	2023	12	Shin Kyungil	Choi Joon Bae	Joo Won, Lee Joo Woo	
	6		Ita Scandal	2023		Yang Heeseung	Yoo Jewon	Jeon Doyeon, Jung Kyungho	
	7		Arthdal Chronicles 2	2023		Kim Younghyun, Park Sangyun	Kim Gwangsik	Shin Sekyung, Lee Junki	
	8	TVING	Duty After School	2023	10	Lee Namgyu	Seong Yongil	Shin Hyunsoo	
	9		Island Part2	2023	6	Jang Yunmi	Park Baejong	Kim Namgil, Lee Dahee	
	10	Netflix	Thief: Sound of the Sword	2023		Han Junghoon	Hwang Joonhyuk	Kim Namgil, Seo Hyun	
	11		The Glory 2	2023	8	Kim Eunsook	Ahn Gilho	Song Hyekyo, Lee Dohyun	
	12		Celebrity	2023	12	Kim Yiyoung	Kim Chulkyu	Lee Chunga, Park Kyuyoung	
	13		Gyeongseong Creature	2023	10	Kang Eungyeong	Jeong Dongyun	Park Seojun, Han Sohee	
	14		The Girl Downstairs	2023	8		Lee Jeonghyo	Bae Suzy, Yang Sejong	
	15		Sweet Home 2, 3	2023			Lee Eungbok	Park Gyuyoung, Lee Siyoung	
	16		Juvenile Justice 2	2023		Kim Minseok	Hong Jongchan	Kim Hyesoo	
	17	Coupang Play	Chronicles of Crime	2023		Kim Jinwook	Kim Hongseon	Jang Geunseok, Heo Sungtae	
TBD	1		The Price of Confession	TBD			Lee Eungbok	Song Hyekyo, Han Sohee	
	2		Queen of Tears	TBD		Park Jieun			
	3		Plotters (Joint with Universal Studios)	TBD					
	4	Netflix	Gyeongseong Creature 2	TBD		Kang Eungyeong	Jeong Dongyun	Park Seojun, Han Sohee	

Note: Titles highlighted in green are streaming through Netflix, grey iQiyi Global, light blue Tving, and orange Disney+

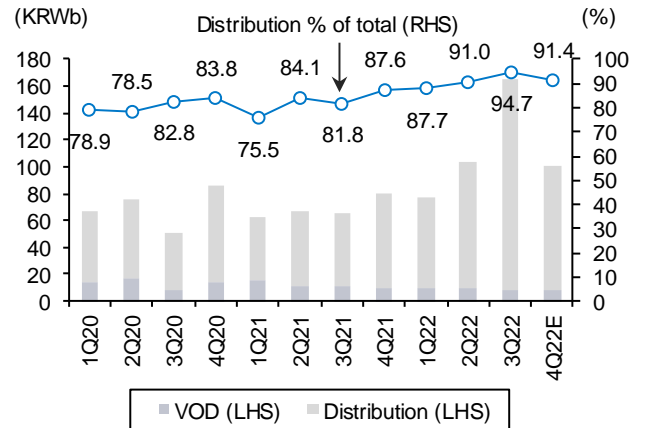
Source: Company data, Samsung Securities

Chart 1. Quarterly sales and operating margin



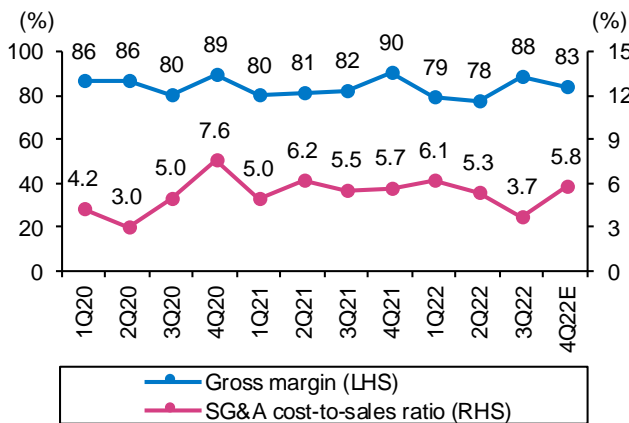
Source: Company data, Samsung Securities

Chart 2. VOD sales and distribution sales



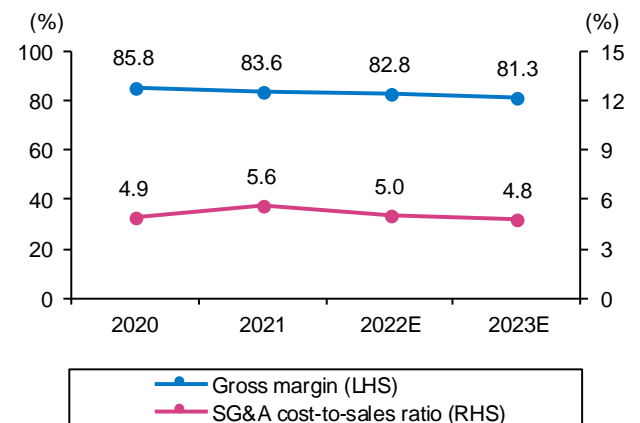
Source: Company data, Samsung Securities

Chart 3. Quarterly gross margin vs SG&A cost-to-sales ratio



Source: Company data, Samsung Securities

Chart 4. Annual gross margin vs SG&A cost-to-sales ratio



Source: Company data, Samsung Securities

Chart 5. Shadow Detective (Disney+ original; Oct 26)



Source: Company data, Samsung Securities

Chart 6. Connect (Disney+ original; December)



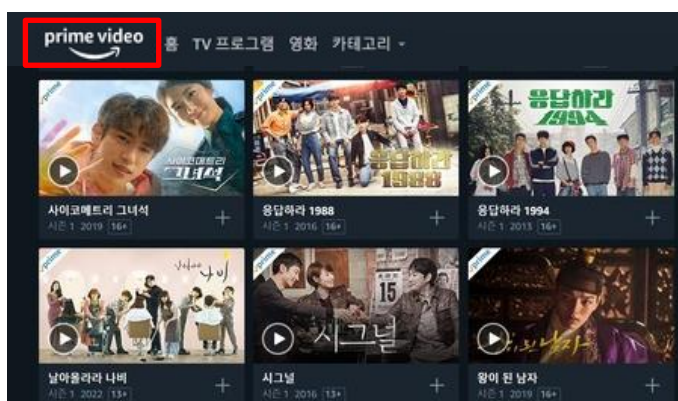
Source: Company data, Samsung Securities

Chart 7. Island (TVING/Amazon prime video; December)



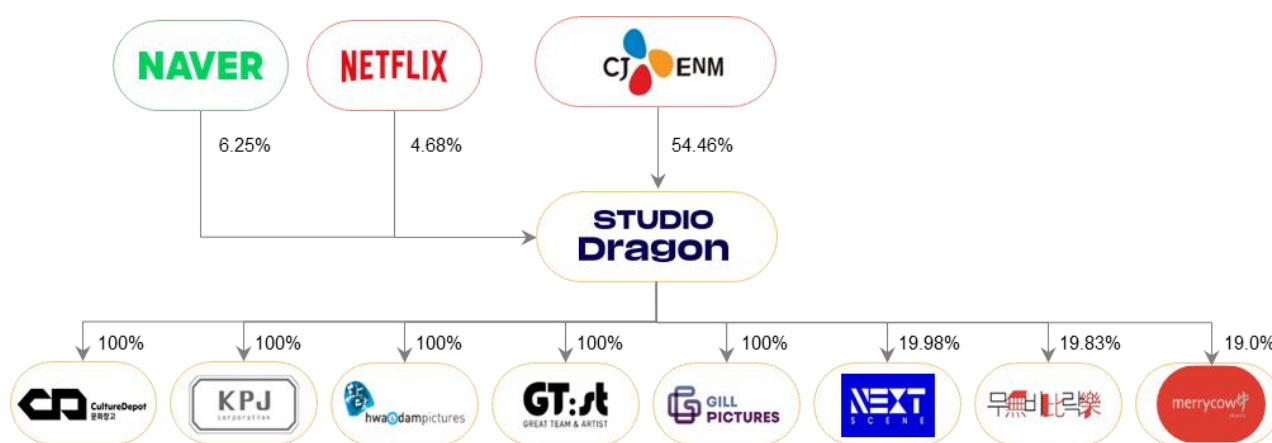
Source: Company data, Samsung Securities

Chart 8. Amazon Prime bought rights to distribute old dramas



Source: Company data, Amazon Prime, Samsung Securities

Chart 9. Ownership structure



Note: As of 2Q22; Gil Pictures acquired in Sep 2022

Source: Company data, Samsung Securities

Table 4. Changes to full-year forecasts

(KRWb)	2022E			2023E		
	Previous	Revised	Chg (%)	Previous	Revised	Chg (%)
Sales	598.3	657.6	9.9	713.8	736.1	3.1
Operating profit	84.9	80.2	-5.6	102.4	102.5	0.1
Operating margin (% , %pts)	14.2	12.2	-2.0	14.3	13.9	-0.4
Pre-tax profit	84.6	87.2	3.1	105.4	105.8	0.4
Net profit (controlling)	65.7	67.0	2.0	79.7	80.0	0.4

Source: Company data, Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2020	2021	2022E	2023E	2024E
Sales	526	487	658	736	861
Cost of goods sold	451	407	545	598	701
Gross profit	75	80	113	138	160
Gross margin (%)	14.2	16.4	17.2	18.7	18.6
SG&A expenses	26	27	33	35	38
Operating profit	49	53	80	103	122
Operating margin (%)	9.3	10.8	12.2	13.9	14.2
Non-operating gains (losses)	-8	-1	7	3	4
Financial profit	10	14	31	24	25
Financial costs	14	10	20	16	13
Equity-method gains (losses)	0	0	0	0	0
Other	-4	-5	-4	-5	-7
Pre-tax profit	42	52	87	106	127
Taxes	12	13	20	26	31
Effective tax rate (%)	28.7	24.9	23.2	24.4	24.4
Profit from continuing operations	30	39	67	80	96
Profit from discontinued operations	0	0	0	0	0
Net profit	30	39	67	80	96
Net margin (%)	5.6	8.0	10.2	10.9	11.1
Net profit (controlling interests)	30	39	67	80	96
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	165	152	188	222	254
EBITDA margin (%)	31.4	31.1	28.5	30.1	29.5
EPS (parent-based) (KRW)	1,044	1,301	2,232	2,662	3,183
EPS (consolidated) (KRW)	1,044	1,301	2,232	2,662	3,183
Adjusted EPS (KRW)*	1,044	1,301	2,232	2,662	3,183

Cash flow statement

Year-end Dec 31 (KRWb)	2020	2021	2022E	2023E	2024E
Cash flow from operations	5	-8	134	225	208
Net profit	30	39	67	80	96
Non-cash profit and expenses	135	119	127	143	159
Depreciation	3	4	2	1	1
Amortization	113	95	105	118	130
Other	19	20	19	24	28
Changes in A/L from operating activities	-144	-155	-40	28	-15
Cash flow from investments	-16	27	-128	-143	-162
Change in tangible assets	-7	-2	0	0	0
Change in financial assets	47	0	0	0	0
Other	-56	28	-128	-143	-162
Cash flow from financing	0	-3	-5	-1	-1
Change in debt	1	0	-4	0	0
Change in equity	149	0	0	0	0
Dividends	0	0	0	0	0
Other	-150	-4	-1	-1	-1
Change in cash	-11	16	50	73	37
Cash at beginning of year	60	49	65	115	188
Cash at end of year	49	65	115	188	225
Gross cash flow	165	158	194	223	255
Free cash flow	-2	-11	134	225	208

Note: * Excluding one-off items

** Fully diluted, excluding one-off items

*** From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Balance sheet

Year-end Dec 31 (KRWb)	2020	2021	2022E	2023E	2024E
Current assets	228	233	310	381	431
Cash & equivalents	49	65	115	188	225
Accounts receivable	107	124	155	150	164
Inventories	0	0	0	0	0
Other current assets	73	44	40	43	42
Fixed assets	529	652	665	700	744
Investment assets	180	241	231	240	249
Tangible assets	8	8	5	4	3
Intangible assets	230	298	318	343	373
Other long-term assets	111	105	110	113	118
Total assets	757	884	975	1,082	1,174
Current liabilities	132	184	168	193	188
Accounts payable	6	17	16	24	27
Short-term debt	0	0	0	0	0
Other current liabilities	126	167	152	169	162
Long-term liabilities	16	17	19	21	22
Bonds & long-term debt	0	0	0	0	0
Other long-term liabilities	16	17	19	21	22
Total liabilities	148	200	187	214	211
Owners of parent equity	609	684	788	868	963
Capital stock	15	15	15	15	15
Capital surplus	470	470	470	470	470
Retained earnings	123	162	229	309	404
Other	1	37	74	74	74
Non-controlling interests' equity	0	0	0	0	0
Total equity	609	684	788	868	963
Net debt	-38	-54	-108	-181	-218

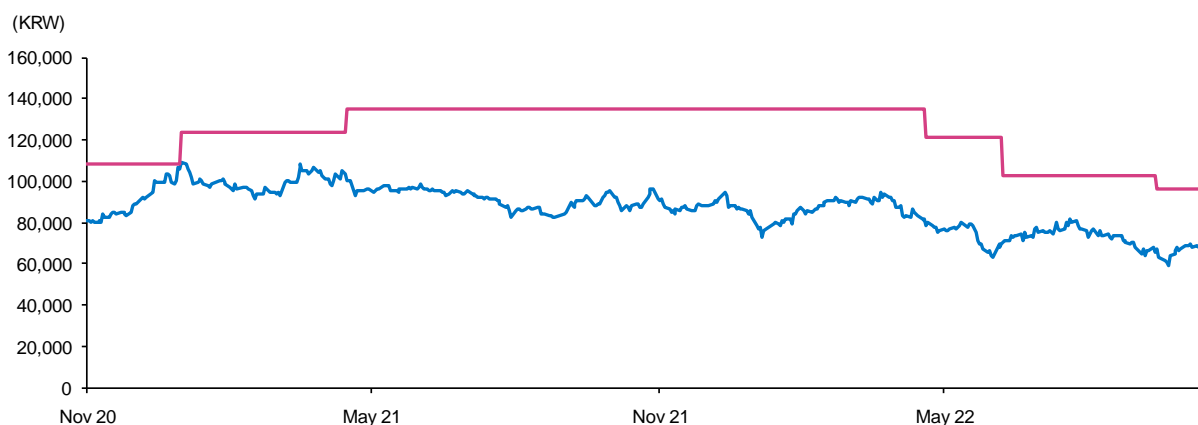
Financial ratios

Year-end Dec 31	2020	2021	2022E	2023E	2024E
Growth (%)					
Sales	12.2	-7.3	35.0	11.9	17.0
Operating profit	71.1	7.0	52.5	27.9	19.2
Net profit	12.1	31.8	71.6	19.4	19.6
Adjusted EPS**	10.9	24.6	71.5	19.3	19.6
Per-share data (KRW)					
EPS (parent-based)	1,044	1,301	2,232	2,662	3,183
EPS (consolidated)	1,044	1,301	2,232	2,662	3,183
Adjusted EPS**	1,044	1,301	2,232	2,662	3,183
BVPS	20,309	22,785	26,208	28,870	32,053
DPS (common)	0	0	0	0	0
Valuations (x)					
P/E***	88.7	69.9	31.1	26.0	21.8
P/B***	4.6	4.0	2.6	2.4	2.2
EV/EBITDA	16.6	17.7	10.5	8.6	7.3
Ratios (%)					
ROE	5.7	6.0	9.1	9.7	10.4
ROA	4.4	4.8	7.2	7.8	8.5
ROIC	11.2	10.9	14.7	17.3	19.4
Payout ratio	0.0	0.0	0.0	0.0	0.0
Dividend yield (common)	0.0	0.0	0.0	0.0	0.0
Net debt to equity	-6.3	-7.8	-13.7	-20.8	-22.6
Interest coverage (x)	84.8	67.6	122.9	200.8	239.4

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Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2020/1/14	2021/1/14	2021/1/22	5/7	2022/5/7	2022/5/12	6/30	10/6
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	108000	108000	124000	135000	135000	121000	103000	96000
Gap* (average)	-23.70	-5.37	-19.74	-33.60	-39.75	-39.04	-28.47	
(max or min)**	-3.98	-1.02	-12.50	-25.78	-39.56	-33.88	-20.87	

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

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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

Percentage of ratings in 12 months prior to 2022.09.30

BUY(84%)-HOLD(16%)-SELL(0%)

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