Korea 3Q26 earnings preview by sector

Top ideas into results season

Following the in-line preliminary earnings from SEC, miss from LGE, and beat from LGES last week, our Korea coverage's 3Q26 earnings season will start the week of October 19. Combining earnings beat/miss expectations and other catalysts, we provide **key bottom-up pre-results trading ideas. Top picks: SK Hynix, SEMCO, Hana, KB, LS Electric, and Samsung Life. Top Avoids: Hanmi Semiconductor, Hyundai M&F, and KEPCO.** We also provide sector-level earnings outlooks (Positive: **Tech**, **Banks**, **Life insurers** and **Nuclear EPC;** Negative: **Defense**, **Internet, Non-life insurers, Power Equipment, Shipbuilders** and **Utilities**).

- **12M fwd Street earnings revisions since July**. We've seen broadly positive EPS revisions across sectors. **Energy** led the upgrade cycle, followed by **Industrials**, **Tech**, **Materials, Consumer Staples, Financials**, and **Healthcare**. In contrast, **Consumer Discretionary** saw modest EPS cuts, while **Utilities** stood out for the sharpest downgrades.
- **Sector preview summary.** We expect positive momentum from **Tech** (memory cycle strength through 2028); **Banks** (steady loan-driven NII, well-managed credit costs); **Life insurers** (higher yields, whole life mix tailwind); and **Nuclear EPC** (solid orders, improving housing margins). In contrast, we expect weak momentum from **Defense** (FX headwinds, lackluster delivery trends); **Internet** (subdued ad/ecommerce growth, lackluster AI service execution, margin miss); **Non-life insurers** (slow underwriting recovery, equity-market-driven valuation losses, subdued new business profitability); **Power Equipment** (order delays); **Shipbuilders** (FX headwinds, fewer working days); and **Utilities** (commodity price/interest-rate headwinds).
- **Top ideas into results season.** Correlation between beat/miss profiles and share performance weakened in 2Q, as the Tech-led market correction drove broad-based outperformance in non-Tech sectors regardless of earnings results. After the market reset, we re-focus on earnings results-driven stock selection. Combining 3Q beat/miss expectations and other catalysts, our top ideas into results season are: Top picks: **SK Hynix**, **SEMCO**, **Hana**, **KB**, **LS Electric**, and **Samsung Life**. Top Avoids: **Hanmi Semiconductor**, **Hyundai M&F**, and **KEPCO**.
- **3Q26 KOSPI performance.** KOSPI's 3Q move was volatile, marked by a sharp drop, brief rebound and another leg lower, with the index now trading 28% below July levels. **Tech** (-33%) momentum reversed despite continued earnings-upcycle hopes. **Energy** was the clear outperformer, rising 20%, while all other sectors declined led by **Industrials** (-32%), **Consumer Discretionary** (-27%) and **Utilities** (-22%), suggesting the correction has broadened beyond Tech. MSCI Korea is trading at 4x 1yr fwd P/E, or 6x excluding SEC/SKH, which is ~60% below the 10-year avg of each.
- **Fund flows since July.** Foreigners remained net sellers of the KOSPI, with W50T of outflows. Retail turned net sellers at W0.9T. Local institutions provided modest support with W1.5T net buying, but other corporates emerged as the key buyers of W49T, driven by SEC/SKH share repurchases.

Korea Equity Strategy

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See page 15 for analyst certification and important disclosures, including non-US analyst disclosures.

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3Q26 preview

Table 1: 3Q26 preview summary by sector

Sector	Outlook	J.P. Morgan View
Auto & Auto Parts	Neutral	For OEMs, the key divergence lies in volumes: **HMC** is expected to come in below consensus, weighed down by strike disruptions and model cycle gaps, while **Kia** should be broadly in line with Street Consensus on resilient volume growth. FX headwinds and lingering commodity cost inflation add further pressure across the board. For parts makers, 3Q should be a non-event, as well-known headwinds including FX and commodity costs are already reflected in Street estimates.
Banks	Slightly positive	3Q26 earnings should be broadly solid within market expectations, particularly for large banking groups. We expect resilient earnings driven by: 1) steady NII supported by consistent loan growth, largely offsetting initially weak NIM in an early-stage rate-hike cycle, 2) subdued fee income given softer capital markets-related fees, but sustaining 1Q26 levels on solid long-term WM demand, and 3) better-managed credit costs with no major credit events. In addition, CET1 capital ratios should continue to strengthen with ongoing RWA controls and FX tailwinds, which should support progressive shareholder returns. On shareholder returns, we expect 3Q26 earnings season to be an eventful quarter, with additional buybacks likely to be unveiled by Shinhan/Hana/BNK/iM following the recent completion of the prior quarter's programs.
Defense	Negative	We expect a weak 3Q earnings season for all covered Korean defense names. We have most confidence in Hanwha Aerospace in terms of mid-term earnings stream with likely resumption of deliveries to Poland and Romania in 4Q, while its order pipeline is also relatively more imminent, coming from MENA customers. LIG D&A also share the same order outlook narrative, but 4Q being an off-season could spark further investor concern, although this is well known. KAI's focus should be less on earnings and more on the government's stance on privatization especially during the upcoming parliamentary committees (13th and 20th) which could also have implications on Hanwha Aerospace's share price. For Hyundai Rotem, we think the constant delays in order wins could lead to 2027 earnings downside risk - company guidance on Peru and Poland will be crucial during the 3Q conference call. We still believe the most important element is the order outlook, and is how we base our order of preference: **Hanwha Aerospace > LIG D&A > KAI > Hyundai Rotem.**
Energy (Oil & Chem)	Neutral	We expect the Korea energy sector to report a mixed result, with refining posting a strong beat due to robust refining margins, a move away from spot VLCC exposure and higher lubricant spreads. We continue to like **SK innovation**. Conversely, we expect naphtha crackers (Lotte chem, LGC's chems division) to report a large operating loss as companies struggle to pass through feedstock price inflation and NCC margins deteriorate.
Healthcare	Neutral	3Q26 earnings for Korea healthcare names are likely to be mixed; in-line results in large cap biologics names vs. earnings misses in SMID-cap names depending on 1) overseas business exposure on FX headwinds and 2) company specific volume expansion momentum and cost disciplines. **Samsung Biologics (OW)** should meet market expectations with a solid 3Q OP driven by robust production volume expansion : 1) commercial production ramp-up at Plant 5 and 2) initial sales contribution from the U.S. Rockville plant, offsetting labor strike-related sales opportunity loss (~W150bn). **Celltrion (N)** released prelim results in line with its guidance owing to gradual uptake in new biosimilar sales. **Classys (OW)** is likely to miss market expectations due to softer domestic recovery and increased marketing spending amid FX headwinds. On the other hand, **APR (OW)** will likely report weaker earnings due to 1) soft top-line and translation losses on KRW strength and 2) elevated costs for logistics, although growth momentum should remain robust in US and EU. **HK inno.N (OW)** is falling behind market expectations, owing to 1) temporary slowdown in K-CAB sales on inventory de-stocking, 2) lower royalty income from China, and 3) extended loss in H&B. **Yuhan (UW)** and **SKBP (N)** should deliver softer earnings due to FX headwinds and increased R&D cost burdens.
Insurance (Life)	Slightly positive	Higher yields bode well for whole life policy sales at life insurers. A shift in product mix towards whole life products should also help life insurers better absorb underwriting deterioration from medical inflation. For Samsung Life specifically, any update on its total shareholder return plan, particularly regarding the use of SEC related gains, would likely be viewed positively by investors. That said, rising yields and volatile equity markets are not entirely favourable for life insurers, as they could weigh on the investment profit line and solvency capital base.
Insurance (Non-life)	Negative	We expect a weaker than expected profit trend for non-life insurers, with pressure from both insurance profit and investment profit. Unfavourable equity market movements in 3Q26, together with higher yields, are expected to result in valuation losses through the P/L. Meanwhile, the underwriting recovery remains slow, with the long-term risk loss ratio continuing to face pressure despite early signs of improvement since July. Similar to 1H26, we also expect new business sales to remain under pressure in terms of both volume and profitability, measured by CSM multiple. However, Korean Re stands out to us, with lower larger scale catastrophe losses and stable investment profit continuing into 3Q26 despite the volatile macro environment.

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Table 2: 3Q26 preview summary by sector (cont'd)

Sector	Outlook	Preview
Internet & Game & Entertainment	Neutral	On the platform side, ad/ecommerce rev growth is likely to be disappointing across the industry due mainly to larger than expected negative impact from Chuseok timing difference and high base effect (consumption voucher boost in 3Q25). AI related narratives (B2C: user engagement and monetization, B2B: AI DC business progress) remain subdued amid ongoing cost pressure from AI execution. **Kakao** is expected to slightly miss Street consensus earnings on the back of subdued Talk Biz rev growth and softened earnings contribution from subsidiaries. The spin-off plan appears to weigh on investor sentiment (e.g. potential Holdco discount increase at Kakao X). **CPNG's** 3Q results are likely to be uninspiring (broadly in line with guidance) due mainly to larger than expected negative impact from Chuseok timing difference. On the gaming side, we expect FX headwind on top line and non-OP line item across the sector. **Krafton** is expected to miss Street consensus OP due mainly to delayed monetization of PUBG PC from 3Q to 4Q. **NC** is expected to slightly beat Street consensus OP thanks to one off gains and relatively resilient Lineage Classic's rev momentum. We expect **Shift Up** and **Pearl Abyss** to deliver consensus in-line 3Q OP, supported by resilient rev momentum of Nikke (Shift Up) and Crimson Desert (Pearl Abyss). On the K-pop side, earnings outlook should diverge driven by mega-IP monetization and younger IP scale-up. We expect **HYBE** 3Q OP to be in line with Street consensus, on the back of the ongoing BTS's world tour along with supports from younger IPs, while **JYP** is likely to miss due to lighter TWICE activity and limited contribution from younger IPs.
Nuclear EPC	Slightly positive	3Q new orders were solid overall, although nuclear orders remained muted. We do not expect a meaningful earnings beat or miss for 3Q, but quarterly volatility may persist given uneven project progress. **HDEC's** upward order revisions should partially offset site-related cost overruns, while previously problematic overseas projects are nearing completion and housing margins continue to improve.
Power Equipment	Slightly negative	Power equipment names will likely post divergent earnings trends. **Hyundai Electric/Hyosung Heavy's** earnings may miss consensus on delay in orders delivery and other factors. **LS Electric's** earnings may slightly beat consensus on robust delivery for US AIDC orders and solid margin.
Shipbuilding	Negative	We expect 3Q26 earnings season to be generally weak across our covered shipbuilding names, as we expect Hanwha Ocean, KSOE, HHI, and Hanwha Engine to miss due to FX headwinds and fewer working days, while HD HMS and Samsung Heavy should print largely in-line earnings. We recommend to await more clarity on the near-term catalysts including commercial order outlook, AIDC order trends, and updates on the navy business, which together shoud alleviate concerns on mid-term earnings, where the market seems to have the deepest concerns. We believe **HD HMS** offers a relative safe-haven during the 3Q26 earnings season, given its higher earnings visibility and limited risk from FX headwinds.
Technology	Positive	We expect 3Q memory earnings to be the floor in the next 12-18M as S-D tightness extends to 2028 reinforcing our view of higher for longer cycle. **SEC (OW)** 3Q earnings were in-line to recently lowered consensus numbers driven by F/X headwind, and we expect similar trend for **SKH (OW)**. Heading into 3Q earnings season, we expect investors will check for evidence to gain confidence in 2027 earnings including: 1) room for EPS upward revision (HBM execution and price negotiation, memory ASP upside amidst growing LTA mix, etc.); 2) shareholder return upside; and 3) S-D tightness visibility. **LGE (N)** reported an earnings miss from rising logistics/marketing expenses and we see a likely LGIT (OW) earnings miss from F/X headwind. In the component space, we remain constructive on **SEMCO (OW)** on MLCC entering price hike cycle and ABF substrate order visibility, **ISU Petasys (OW)** on attractive setup from stabilizing wallet shares, immune from CCL cost hikes, and MTK TPUv8 leverage, and **ISC (OW)** on rubber socket M/S gain and CPU lever. We continue to like **LGIT (OW)** on ABF substrate option value but F/X headwind and slow iPhone component build related EPS risk could persist in the near-term. We remain Neutral in **Leeno (N)** given the distant smartphone market recovery and **LGD (N)** due to muted panel demand and rising pricing pressure risk. Lastly, we are **UW on Hanmi** on 3Q earnings miss and stretched valuation.
Telecom	Neutral	**KT** is expected to print weaker than expected parent OP due mainly to lingering data-breach related pressure on its wireless service business, which is expected to be offset by resilient earnings momentum of subsidiaries.
Utilities	Negative	**KEPCO**'s 3Q results are likely to reflect continued margin pressure amid a challenging macro backdrop, including elevated commodity prices and higher interest rates.

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Table 3: J.P. Morgan Korea coverage: JPMe 3Q26 vs consensus, Y/Y and Q/Q comparison

Wbn, %

	JPMe			Consensus			vs. Consensus			Q/Q			Y/Y		
Sector	Sales	OP	NP	Sales	OP	NP	Sales	OP	NP	Sales	OP	NP	Sales	OP	NP
Auto & Auto Parts	96,667	5,710	5,263	95,901	5,807	5,216	1%	-2%	1%	-6%	-14%	-13%	3%	15%	12%
Banks			5,914			5,831			1%			-4%			7%
Battery Material	31,826	1,699	1,506	30,409	1,343	591	5%	27%	155%	7%	73%	417%	24%	28%	187%
Defense	11,115	1,486	1,140	11,572	1,629	907	-4%	-9%	26%	-16%	-15%	21%	13%	16%	46%
Energy	62,778	4,390	3,331	64,086	3,526	2,333	-2%	25%	43%	-7%	-24%	102%	26%	208%	6361%
Healthcare	4,843	1,437	1,084	4,885	1,496	1,166	-1%	-4%	-7%	2%	-2%	-5%	16%	12%	-4%
Insurance			2,312			2,208			5%			-23%			15%
Internet & Game	16,626	775	564	16,475	881	632	1%	-12%	-11%	4%	2%	1108%	13%	-13%	-46%
Nuclear EPC	11,177	519	202	11,655	535	256	-4%	-3%	-21%	-4%	-10%	-27%	-5%	105%	4132%
Power Equipment	4,653	758	560	4,735	807	608	-2%	-6%	-8%	6%	4%	12%	21%	34%	37%
Retail	12,295	686	394	12,324	670	375	0%	2%	5%	3%	29%	42%	5%	34%	99%
Shipbuilding	22,038	3,326	2,531	21,900	3,400	2,478	1%	-2%	2%	-11%	-14%	-19%	19%	47%	60%
Technology	338,733	181,894	137,806	340,725	185,137	144,819	-1%	-2%	-5%	14%	19%	-17%	119%	629%	436%
Utilities	27,681	2,435	1,172	27,642	2,270	1,977	0%	7%	-41%	26%	116%	338%	0%	-57%	-69%
JPM Korea coverage	**650,914**	**205,920**	**164,395**	**652,738**	**208,199**	**169,876**	**0%**	**-1%**	**-3%**	**6%**	**16%**	**-14%**	**49%**	**347%**	**243%**
ex-Technology	**312,181**	**24,026**	**26,589**	**312,013**	**23,062**	**25,057**	**0%**	**4%**	**6%**	**-2%**	**-4%**	**10%**	**11%**	**14%**	**20%**
ex-Utilities	**623,233**	**203,485**	**163,223**	**625,096**	**205,929**	**167,899**	**0%**	**-1%**	**-3%**	**5%**	**15%**	**-14%**	**52%**	**404%**	**270%**
ex-Technology, Utilities	**284,500**	**21,591**	**25,417**	**284,371**	**20,792**	**23,080**	**0%**	**4%**	**10%**	**-4%**	**-10%**	**6%**	**12%**	**40%**	**38%**

Source: Bloomberg Finance L.P., J.P. Morgan estimates.

Table 4: 3Q26 Earnings Calendar

MON	TUE	WED	THU	FRI
During the week:				
Oct-19	**Oct-20**	**Oct-21**	**Oct-22**	**Oct-23**
Hyundai Rotem 1410		Samsung Biologics 1630 LS Electric	LGD 1400	Hana FG 1500
During the week: Hanmi Semiconductor, Celltrion*, HK inno.N*, Yuhan**				
Oct-26	**Oct-27**	**Oct-28**	**Oct-29**	**Oct-30**
HD Hyundai Marine Solution 1330 BNK FG 1530 IBK 1630	ISC 1100 Shinhan FG 1400 Hanwha Ocean 1400 SKC 1400 HD Hyundai Electric LGIT*	SKH 0900 SEMCO 1300 KSOE/HHI 1500 Samsung C&T 1600 LGE 1600 iM FG 1600	SEC 1000 SDI 1000 SK Inno 1100 Samsung SDS 1400 HMC 1410 Enerbility 1545 KB FG 1600 Samsung Heavy* Hanwha Aerospace* HSC*	Mobis 1010 Kia 1400 HDEC 1400 Mando 1600 Hyundai Autoever Hyosung Heavy
During the week: APR, Hanwha Engine, GS Retail, Coupang*, Kakao Pay, Netmarble**				
Nov-02	**Nov-03**	**Nov-04**	**Nov-05**	**Nov-06**
PFM 1100 POSCO	LGES 1000 HYBE 1600 KAI 1600	Kakao Bank 1000 SKBP 1030 Hyundai Department Store 1500* SK Telecom 1600* S-Oil*	Kakao 0900 Ecopro BM 1400 LG Chem 1400 LG Corp*	Naver 0900 Lotte Shopping 0930 Coway 1000 Lotte Chem 1600 LIG D&A* Amorepacific* BGF Retail*
During the week: JYP, KEPCO*, Robotis*, Hanwha Life, Leeno, ISU Petasys, Classys*, Pearl Abyss*, CJ Logistics*				
Nov-09	**Nov-10**	**Nov-11**	**Nov-12**	**Nov-13**
KEPCO E&C (No call) Kumho Petchem*	Shinsegae 1400* KT Corp 1500 Krafton 1600 LG H&H*	SHIFT UP (No call)*	NC 0900 Samsung Life 1000 Samsung F&M 1400 DB Insurance 1600	Hyundai M&F 1400* Korean Re*
During the week: Cosmax, Kolmar, SK Inc				
Nov-16	**Nov-17**	**Nov-18**	**Nov-19**	**Nov-20**
Seoul Guarantee Insurance				

Source: Company data. * Tentative.

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Key bottom-up ideas into results season

The correlation between beat/miss profile and share performance weakened in 2Q, as the Tech-led market correction drove broad-based relative outperformance across non-Tech sectors, regardless of earnings results. After the market reset, we re-focus on earnings results-driven stock selection. Combining 3Q beat/miss expectations and other catalysts, we provide key bottom-up ideas into results season: Top picks: **SK Hynix**, **SEMCO**, **Hana**, **KB**, **LS Electric**, and **Samsung Life**. Top Avoids: **Hanmi Semiconductor**, **Hyundai M&F**, and **KEPCO**.

Table 5: 3Q26 key bottom-up ideas into results

Sector	3Q26 earnings momentum		Pre-results trading idea		Comment
	Top Beat	Top Miss	Top Pick	Top Avoid	
Technology	SEMCO (OW)	LGIT (OW), Hanmi (UW)	SKH (OW), SEMCO (OW)	Hanmi (UW)	We are positive on SEMCO on MLCC entering multi-year price hike cycle and extended ABF orders (2030 and beyond). We also like SKH on HBM ASP upside, longer up-cycle (duration bet), and shareholder return upside. We are UW in Hanmi from 3Q earnings miss and stretched valuation.
Auto & Auto Parts		HMC (OW)			We expect HMC's 3Q OP to come in well below consensus, weighed down by weak volumes from strike disruptions and model cycle gaps, with FX headwinds and lingering commodity cost inflation adding further pressure.
Banks			KB (OW) / Hana (OW)		KB/Shinhan/Hana are all expected to report solid earnings due to 1) stable NII with steady loan growth offsetting weaker NIM, 2) subdued fee income but still holding up above 1Q26 levels, and 3) well-controlled credit costs. After sector-wide share price correction, KB is likely to regain share price momentum towards higher fair P/B stemming from improving ROE. Hana also remains attractive as compelling valuation, FX tailwinds, and expected share buyback program during earnings season.
Insurance	Samsung Life (OW)	Hyundai M&F (N)	Samsung Life (OW)	Hyundai M&F (N)	We expect another solid quarter for Samsung Life. We anticipate relatively stable insurance profit potential, supported by strong new life sales across both health insurance and whole life insurance, as the company continues to capture Korea's wealth effect and demographic shifts. Investment profit at the standalone Samsung Life level is also expected to remain solid. However, a relatively smaller earnings contribution from subsidiaries, including Samsung Asset Management and Samsung Securities, could be an adverse earnings driver on a consolidated profit basis. We also believe the 3Q26 results call would be the key opportunity for Samsung Life to provide clarity on the use of SEC related gains, as it is the final official communication window before the FY26 dividend proposal. By contrast, Hyundai M&F's net profit is likely to come in below expectations, with valuation losses weighing on investment profit and limited improvement in underwriting profit. We also do not expect any relaxation of surrender value reserve related accounting within 2026, leaving Hyundai M&F's dividend resumption outlook opaque for 2026 as well.
Power Equipment	LS Electric (N)		LS Electric (N)		LS Electric's earnings are likely to beat consensus on robust delivery and margin for the AIDC orders.
Utilities		KEPCO (UW)		KEPCO (UW)	KEPCO's 3Q results are likely to reflect continued margin pressure amid a challenging macro backdrop, including elevated commodity prices and higher interest rates.

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Table 6: 2Q26 J.P. Morgan picks: Share price performance since July 2026 and last 12 months

Ticker	Company	Beat/Miss	Pre-results earnings revision	Relative perf to KOSPI	1 year Performance
Pre-results Top Pick					
079550 KS	LIG D&A	In-line	0.4%	25.1%	28.9%
259960 KS	Krafton	Beat	16.5%	21.9%	-33.1%
042660 KS	Hanwha Ocean	Strong Beat	6.5%	19.5%	-33.9%
012450 KS	Hanwha Aerospace	Strong Beat	-2.9%	15.0%	-9.9%
207940 KS	Samsung Biologics	Miss	1.8%	10.4%	-19.1%
105560 KS	KB Financial Group	In-line	7.6%	8.0%	43.7%
055550 KS	Shinhan Financial Group	Beat	0.7%	7.2%	38.3%
064350 KS	Hyundai Rotem	Miss	-2.6%	6.1%	-51.5%
010120 KS	LS Electric	Beat	2.4%	6.0%	203.4%
005930 KS	Samsung Electronics	In-line	2.7%	-1.9%	154.9%
032830 KS	Samsung Life Insurance	In-line	-5.1%	3.5%	48.4%
009150 KS	Samsung Electro-Mechanics	Beat	5.1%	-8.2%	597.8%
Average				**9.4%**	
Pre-results Top Avoid					
051900 KS	LG H&H	Beat	39.4%	23.2%	-6.9%
015760 KS	KEPCO	Significant miss	0.2%	12.7%	-22.6%
042700 KS	Hanmi Semiconductor	Beat	11.1%	0.1%	73.7%
Average				**12.0%**	
2Q26 Earnings Top Beat					
079550 KS	LIG D&A	In-line	0.4%	25.1%	28.9%
259960 KS	Krafton	Beat	16.5%	21.9%	-33.1%
042660 KS	Hanwha Ocean	Strong Beat	6.5%	19.5%	-33.9%
012450 KS	Hanwha Aerospace	Strong Beat	-2.9%	15.0%	-9.9%
105560 KS	KB Financial Group	In-line	7.6%	8.0%	43.7%
055550 KS	Shinhan Financial Group	Beat	0.7%	7.2%	38.3%
066570 KS	LG Electronics	In-line	45.3%	6.3%	114.8%
064350 KS	Hyundai Rotem	Miss	-2.6%	6.1%	-51.5%
010120 KS	LS Electric	Beat	2.4%	6.0%	203.4%
032830 KS	Samsung Life Insurance	In-line	-5.1%	3.5%	48.4%
009150 KS	Samsung Electro-Mechanics	Beat	5.1%	-8.2%	597.8%
Average				**10.0%**	
2Q26 Earnings Top Miss					
010140 KS	Samsung Heavy Industries	Miss	-8.1%	13.8%	-10.8%
047810 KS	Korea Aerospace Industries	Significant miss	-5.9%	13.3%	13.0%
015760 KS	KEPCO	Significant miss	0.2%	12.7%	-22.6%
005380 KS	Hyundai Motor Company	In-line	-11.5%	0.1%	41.2%
298040 KS	Hyosung Heavy Industries	Miss	0.9%	-9.3%	47.0%
Average				**6.1%**	

Source: Bloomberg Finance L.P., J.P. Morgan. Performance measured from our 2Q preview note release date up to the day beforethe earnings release. For terms/methodology used in the analysis, please see Table 9. * excluded from the average calculation. Past performance is not an indicator of future results.

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Table 7: 2Q26 pre-results: Top 30 performers

Ticker	Company	Sector	Beat/Miss	Pre-results earnings revision	Relative Perf to KOSPI	
					Pre-results	Post-results
096770 KS	SK Innovation Co Ltd	Energy	Strong Beat	3.6%	50.7%	-7.9%
090430 KS	Amorepacific Corp	Consumer	Beat	8.9%	48.8%	-12.9%
352820 KS	HYBE	Others	Beat	6.0%	47.1%	-18.0%
018260 KS	Samsung SDS	Technology	In-line	2.5%	38.9%	-2.7%
051900 KS	LG H&H	Consumer	Beat	39.4%	37.9%	6.2%
139130 KS	iM Financial Group	Banks	In-line	-5.1%	37.1%	-0.7%
259960 KS	Krafton	Internet & Game	Beat	16.5%	36.9%	-17.8%
138930 KS	BNK Financial Group	Banks	Miss	-3.8%	35.3%	-16.1%
035420 KS	Naver	Internet & Game	In-line	-8.0%*	34.6%	-12.2%
010950 KS	S-Oil Corp	Energy	In-line	16.3%	34.5%	17.0%
192820 KS	Cosmax	Consumer	Beat	0.2%	32.8%	33.9%
000100 KS	Yuhan Corp.	Healthcare	Strong Beat	2.9%	32.8%	-4.6%
067160 KS	SOOP	Internet & Game	Big Miss	-8.1%	31.6%	-39.3%
086790 KS	Hana Financial Group	Banks	Miss	134.3%	30.3%	14.9%
024110 KS	Industrial Bank of Korea	Banks	In-line	-4.6%	28.6%	0.0%
105560 KS	KB Financial Group	Banks	In-line	7.6%	28.6%	8.8%
017670 KS	SK Telecom	Telecom	In-line	5.5%	28.5%	-3.1%
068270 KS	Celltrion	Healthcare	In-line	13.6%	27.7%	22.5%
377300 KS	Kakao Pay	Internet & Game	Strong Beat	12.4%	26.1%	-4.5%
207940 KS	Samsung Biologics	Healthcare	Miss	1.8%	25.8%	20.3%
009540 KS	HD KSOE	Shipbuilding	Beat	5.2%	25.4%	-7.9%
052690 KS	KEPCO E&C	E&C	Big Miss	0.0%	25.3%	-20.5%
001450 KS	Hyundai Marine & Fire Insurance	Insurance	Strong Beat	1.1%	23.5%	21.7%
251270 KS	Netmarble	Internet & Game	Miss	-9.3%	23.3%	-11.9%
000270 KS	Kia Corp	Auto & Auto Parts	Miss	0.2%	23.2%	2.0%
011780 KS	Kumho Petrochemical	Energy	Strong Beat	81.1%	22.7%	-13.7%
007070 KS	GS Retail	Retail	Beat	-0.5%	22.1%	-12.4%
047810 KS	Korea Aerospace Industries	Defense	Big Miss	-5.9%	22.0%	-6.6%
000120 KS	CJ Logistics	Others	In-line	-9.8%	21.7%	-13.0%
035720 KS	Kakao	Internet & Game	Strong Beat	1.8%	21.6%	-10.9%
Average				10.8%	30.8%	-3.0%

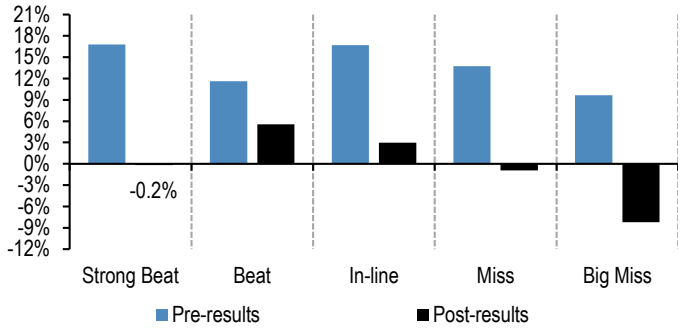
Source: Bloomberg Finance L.P. Note: Share price movement from 30 days before the earnings release to the day before the release. For terms/methodology used in the analysis, please see Table 9. * excluded from the average calculation.

Table 8: 2Q26 pre-results: Bottom 30 performers

Ticker	Company	Sector	Beat/Miss	Pre-results earnings revision	Relative Perf to KOSPI	
					Pre-results	Post-results
042700 KS	Hanmi Semiconductor	Technology	Beat	11.1%	-23.5%	-3.1%
009150 KS	Samsung Electro-Mechanics	Technology	Beat	5.1%	-19.0%	26.0%
298040 KS	Hyosung Heavy Industries	Power Equipment	Miss	0.9%	-16.5%	30.6%
000660 KS	SK hynix	Technology	Miss	1.4%	-13.6%	-10.0%
011070 KS	LG Innotek	Technology	Strong Beat	14.7%	-11.4%	-7.7%
307950 KS	Hyundai Autoever	Auto & Auto Parts	Beat	0.1%	-9.5%	20.5%
028260 KS	Samsung C&T	Conglomerates	Beat	-0.1%	-8.0%	7.9%
066970 KS	L&F	Battery Material	Big Miss	6.8%	-5.8%	27.8%
095340 KS	ISC	Technology	In-line	0.0%	-5.5%	16.0%
009830 KS	Hanwha Solutions Corp	Energy	Beat	50.7%*	-4.1%	39.5%
034230 KS	Paradise Co	Casino	Big Miss	-5.9%	-3.8%	-3.5%
005930 KS	Samsung Electronics	Technology	In-line	2.7%	-2.5%	5.1%
034730 KS	SK Inc	Conglomerates	Strong Beat	0.0%	-1.9%	-1.3%
058470 KS	Leeno Industrial	Technology	Beat	3.0%	-1.5%	-5.0%
005380 KS	Hyundai Motor Company	Auto & Auto Parts	In-line	-11.5%	-0.5%	3.6%
032830 KS	Samsung Life Insurance	Insurance	In-line	-5.1%	0.0%	-2.9%
011790 KS	SKC	Battery Material	Beat	0.0%	0.4%	8.7%
035900 KS	JYP	Others	Big Miss	-7.6%	0.5%	-23.3%
000720 KS	Hyundai E&C	E&C	Beat	12.3%	0.9%	15.1%
007660 KS	ISU Petasys	Technology	In-line	0.0%	1.1%	17.2%
034220 KS	LG Display	Technology	Big Miss	-18038.1%*	1.4%	4.7%
064350 KS	Hyundai Rotem	Defense	Miss	-2.6%	2.2%	0.1%
010120 KS	LS Electric	Power Equipment	Beat	2.4%	2.4%	13.7%
329180 KS	HD Hyundai Heavy Industries	Shipbuilding	Beat	0.3%	2.6%	-1.1%
161890 KS	Kolmar Korea	Consumer	Beat	1.3%	2.7%	19.1%
003670 KS	POSCO Future M	Battery Material	Big Miss	23.9%	3.7%	16.2%
000810 KS	Samsung Fire & Marine Insurance	Insurance	Beat	2.1%	4.8%	5.7%
247540 KS	Ecopro BM	Battery Material	Big Miss	-7.0%	5.5%	-4.0%
214150 KS	Classys	Healthcare	Miss	-5.4%	5.8%	-39.4%
030200 KS	KT Corp.	Telecom	Beat	-2.9%	6.8%	-6.7%
Average				1.4%	-2.9%	5.6%

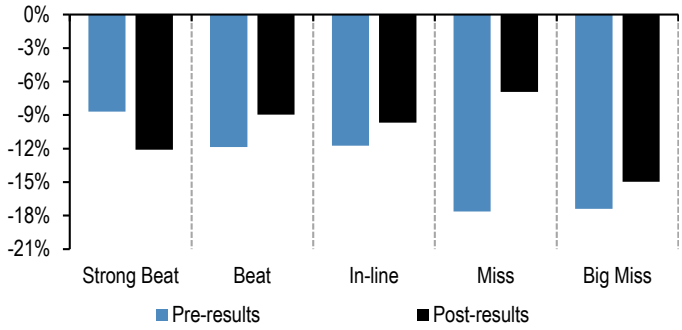
Source: Bloomberg Finance L.P. Note: Share price movement from 30 days before the earnings release to the day before the release. For terms/methodology used in the analysis, please see Table 9. * excluded from the average calculation.

Figure 1: JPM Korea coverage: 2Q26 pre-results vs post-results share price performance



Source: Bloomberg Finance L.P. Note: Pre-results performance: Share price movement from 30 days before the earnings release to the day before the release. Post-results performance: Share price movement from 1 day before the earnings release to 15 days after the release. For terms/methodology used in the analysis, please see Table 10. Past performance is not an indicator of future results.

Figure 2: JPM Korea coverage: 1Q26 pre-results vs post-results share price performance



Source: Bloomberg Finance L.P. Note: Pre-results performance: Share price movement from 30 days before the earnings release to the day before the release. Post-results performance: Share price movement from 1 day before the earnings release to 15 days after the release. For terms/methodology used in the analysis, please see Table 10. Past performance is not an indicator of future results.

Table 9: Terms/methodology for analysis

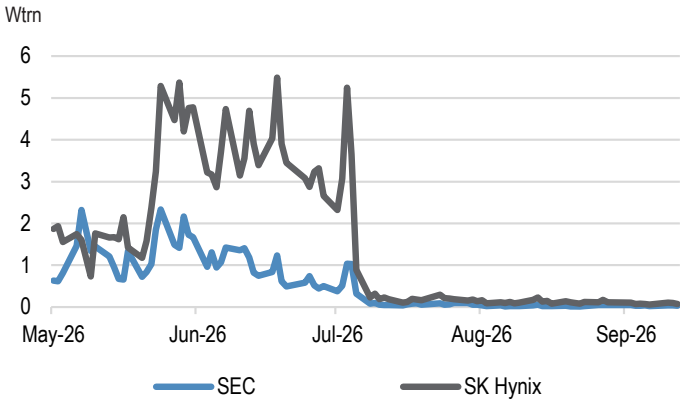
Term	Description
Pre-results share performance	Share price movement from 30 days before the earnings release to the day before the release.
Post-results share performance	Share price movement from 1 day before the earnings release to 15 days after the release.
Pre-results earnings revisions	Earnings revisions from 30 days before the earnings release to the earnings date
Strong Beat/Significant Miss	Earnings 20% above/below Consensus
In-line	Earnings within +5%~-5% range of Consensus.
Beat/Miss	Earnings 20%~5% above/below Consensus.
** All sectors except Banks/Insurance based on OP estimates; Banks/Insurance based on NP*	

Source: J.P. Morgan.

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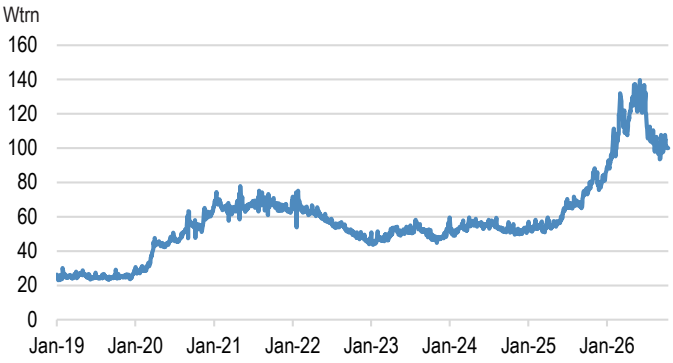
Index/sector performance and earnings revisions

Figure 3: KODEX leveraged ETF: Retail daily trading volume



Source: Korea Exchange. Note: Trading volume is based on the sum of daily purchases/sells.

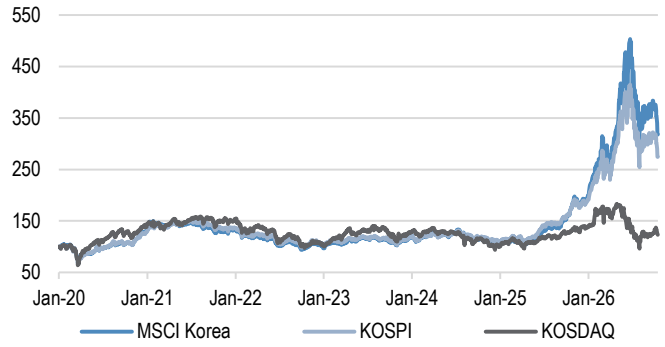
Figure 4: Investor deposit



Source: Korea Exchange.

Figure 5: Relative performance of Korean equity indices since 2020

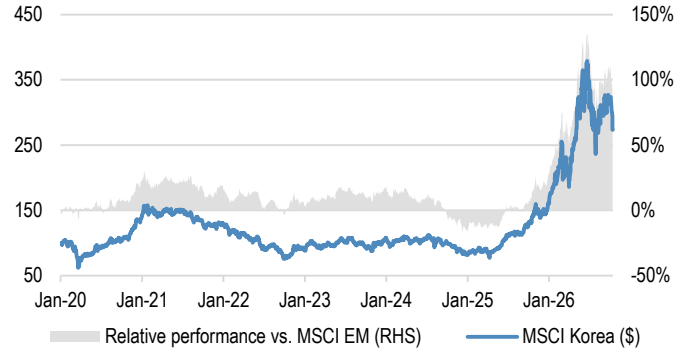
2020/1/1 indexed as 100



Source: MSCI, Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

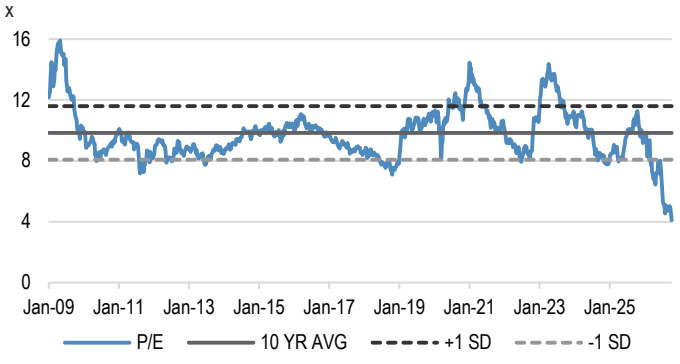
Figure 6: MSCI Korea: Relative performance vs MSCI EM since 2020

2020/1/1 indexed as 100, %p (RHS)



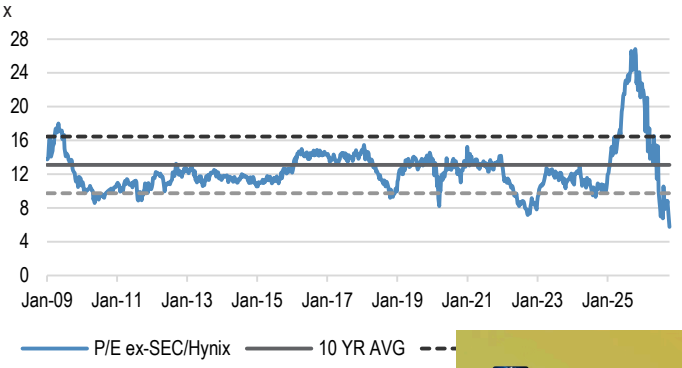
Source: MSCI, Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 7: MSCI Korea 12M fwd P/E (since Jan-09)



Source: Bloomberg Finance L.P., J.P. Morgan estimates.

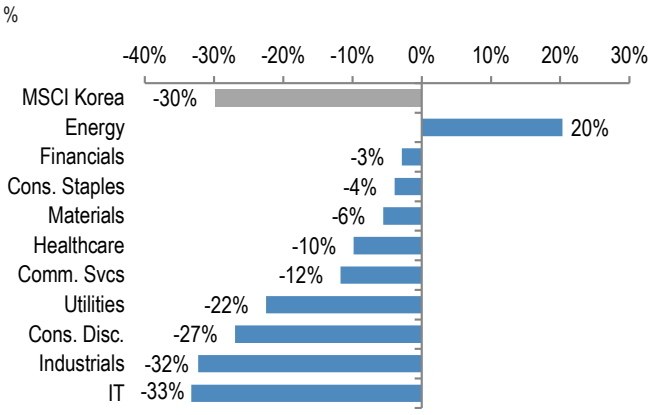
Figure 8: MSCI Korea 12M fwd P/E ex-SEC/SK hynix (since Jan-09)



Source: Bloomberg Finance L.P., J.P. Morgan estimates.

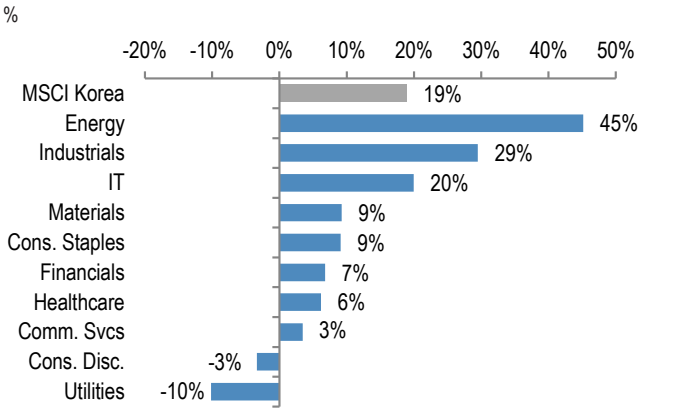
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Figure 9: MSCI Korea subsector performance (Since Jul-26)



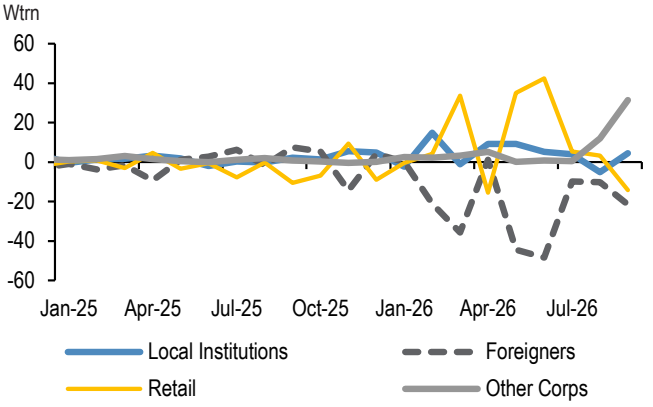
Source: Bloomberg Finance L.P., J.P. Morgan. Note: Past performance is not an indicator of future results.

Figure 10: MSCI Korea subsector 12M fwd EPS revisions (Since Jul-26)



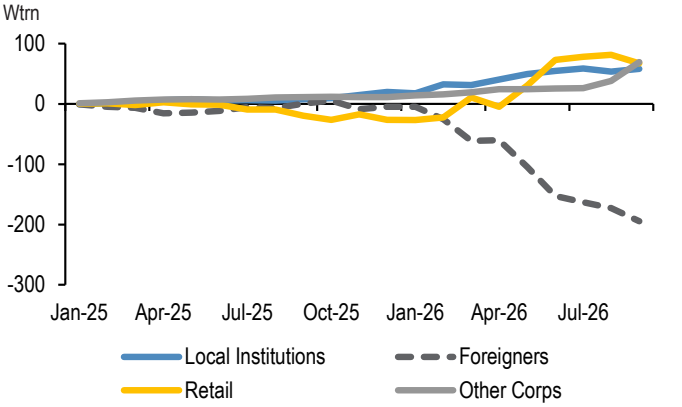
Source: Bloomberg Finance L.P., J.P. Morgan. Note: Past performance is not an indicator of future results.

Figure 11: Monthly fund flow by investor type



Source: Bloomberg Finance L.P.

Figure 12: Cumulative fund flow by investor type



Source: Bloomberg Finance L.P.

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Table 10: Top 10 Stocks Bought by Investor Type (Since Jul-26)

Wbn

Foreigners			Local institutions			Retail Investors		
Ticker	Company	Amount (Wbn)	Ticker	Company	Amount (Wbn)	Ticker	Company	Amount (Wbn)
316140 KS	Woori Financial Group Inc	1,061	005930 KS	Samsung Electronics Co Ltd	1,868	009150 KS	Samsung Electro-Mechanics Co	1,718
011070 KS	LG Innotek Co Ltd	699	047050 KS	Posco International Corp	966	005380 KS	Hyundai Motor Co	1,095
402340 KS	SK Square Co Ltd	463	105560 KS	KB Financial Group Inc	717	005935 KS	Samsung Electronics Co Ltd	1,081
096770 KS	SK Innovation Co Ltd	456	047810 KS	Korea Aerospace Industries Lt	380	000660 KS	SK hynix Inc	695
003490 KS	Korean Air Lines Co Ltd	421	138040 KS	Meritz Financial Group Inc	365	034020 KS	Doosan Enerbility Co Ltd	688
012330 KS	Hyundai Mobis Co Ltd	366	005935 KS	Samsung Electronics Co Ltd	284	298040 KS	Hyosung Heavy Industries Corp	433
071050 KS	Korea Investment Holdings Co	335	005380 KS	Hyundai Motor Co	228	251270 KS	Netmarble Corp	370
000270 KS	Kia Corp	330	009150 KS	Samsung Electro-Mechanics Co	223	042660 KS	Hanwha Ocean Co Ltd	358
006800 KS	Mirae Asset Securities Co Ltd	320	042700 KS	Hanmi Semiconductor Co Ltd	196	267260 KS	HD Hyundai Electric Co Ltd	292
042700 KS	Hanmi Semiconductor Co Ltd	299	402340 KS	SK Square Co Ltd	191	001440 KS	Taihan Cable & Solution Co Lt	283

Source: Korea Exchange.

Table 11: Top 10 Stocks Sold by Investor Type (Since Jul-26)

Foreigners			Local institutions			Retail Investors		
Ticker	Company	Amount (Wbn)	Ticker	Company	Amount (Wbn)	Ticker	Company	Amount (Wbn)
000660 KS	SK hynix Inc	-29,013	000660 KS	SK hynix Inc	-5,098	096770 KS	SK Innovation Co Ltd	-1,042
005930 KS	Samsung Electronics Co Ltd	-12,936	196170 KS	Alteogen Inc	-312	066570 KS	LG Electronics Inc	-725
005935 KS	Samsung Electronics Pref	-2,011	012450 KS	Hanwha Aerospace Co Ltd	-112	003490 KS	Korean Air Lines Co Ltd	-663
009150 KS	Samsung Electro-Mechanics Co	-1,410	222800 KS	SIMMTECH Co Ltd	-92	036930 KS	Jusung Engineering Co Ltd	-662
034020 KS	Doosan Enerbility Co Ltd	-1,015	009830 KS	Hanwha Solutions Corp	-52	068270 KS	Celltrion Inc	-599
105560 KS	KB Financial Group Inc	-806	078930 KS	GS Holdings Corp	-46	005930 KS	Samsung Electronics Co Ltd	-518
017670 KS	SK Telecom Co Ltd	-533	120110 KS	Kolon Industries Inc	-37	010950 KS	S-Oil Corp	-470
000150 KS	Doosan Co Ltd	-494	310210 KS	Voronoi Inc	-37	042700 KS	Hanmi Semiconductor Co Ltd	-418
055550 KS	Shinhan Financial Group Co	-470	226950 KS	OliX Pharmaceuticals Inc	-33	006360 KS	GS Engineering & Construction	-380
007660 KS	IsuPetasys Co Ltd	-451	028300 KS	HLB Co Ltd	-33	090430 KS	Amorepacific Corp	-378

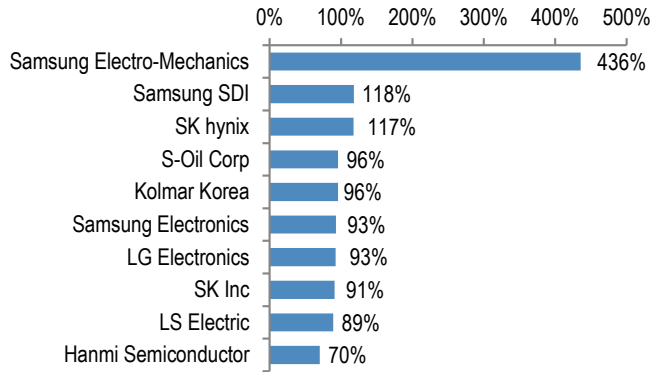
Source: Korea Exchange.

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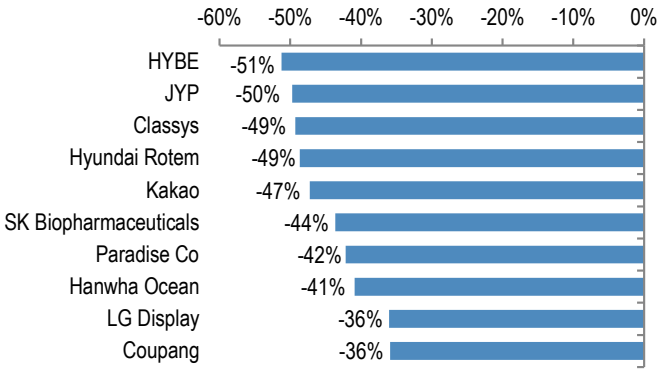
Single-stock performance

Figure 13: JPM Korea coverage: Best 10 performers since 1 January 2026



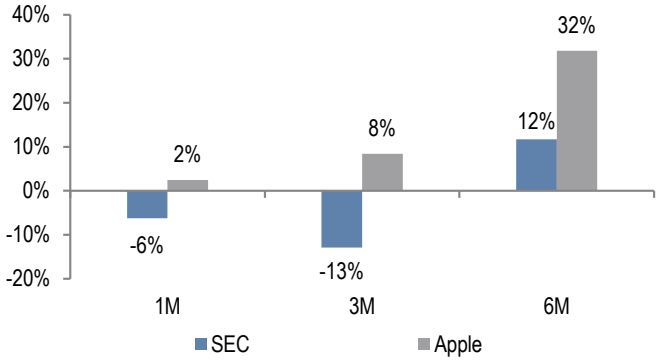
Source: Bloomberg Finance L.P., J.P. Morgan. Note: Past performance is not an indicator of future results.

Figure 14: JPM Korea coverage: Worst 10 performers since 1 January 2026



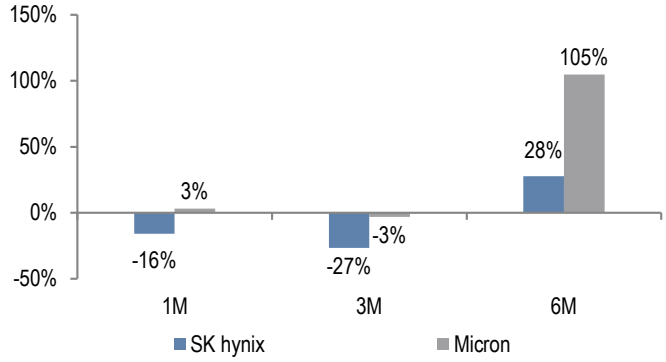
Source: Bloomberg Finance L.P., J.P. Morgan. Note: Past performance is not an indicator of future results.

Figure 15: SEC vs Apple share price performance



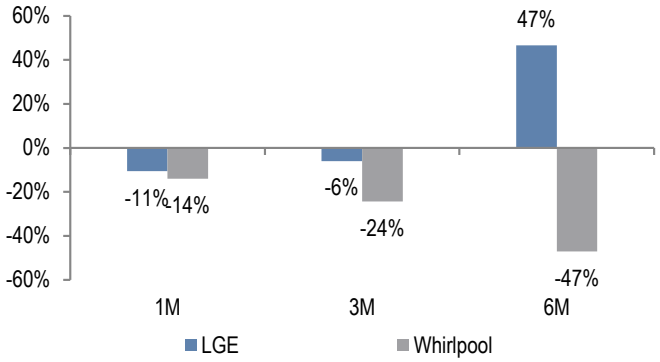
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 16: SK hynix vs Micron share price performance



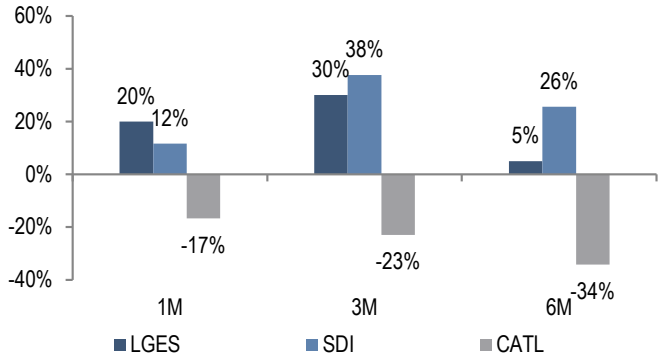
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 17: LGE vs Whirlpool share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

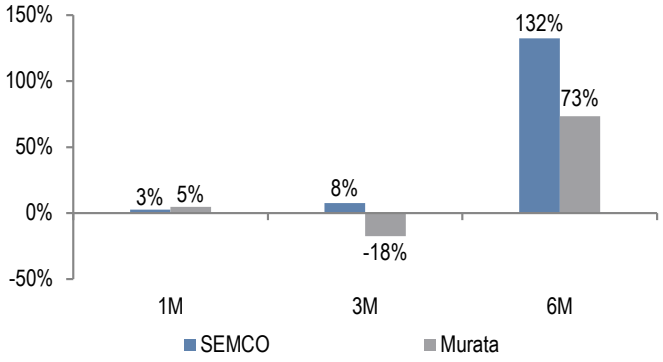
Figure 18: LGES vs SDI vs CATL share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

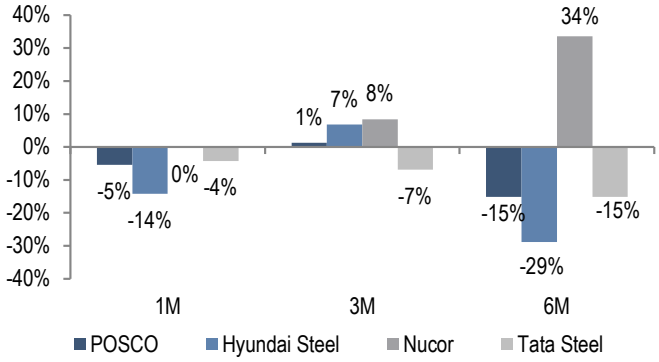
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Figure 19: SEMCO vs Murata share price performance



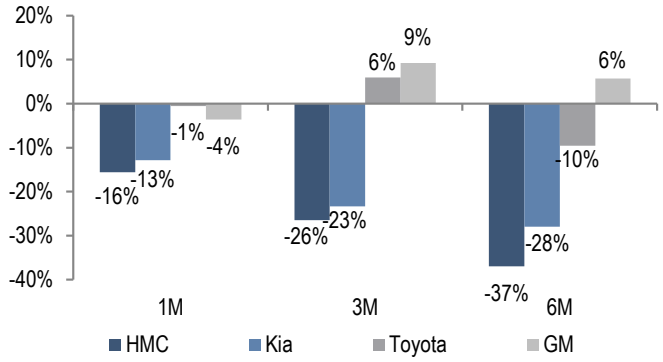
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 20: Korea steel vs global peers' share price performance



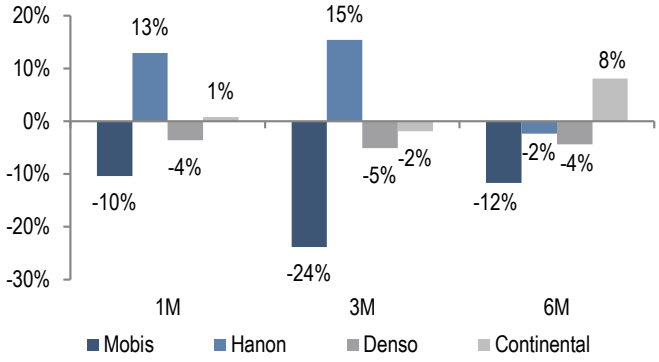
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 21: Korea auto OEMs vs global peers' share price performance



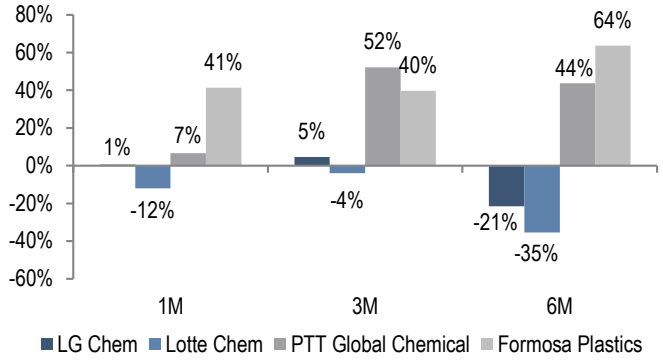
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 22: Korea auto parts vs global peers' share price performance



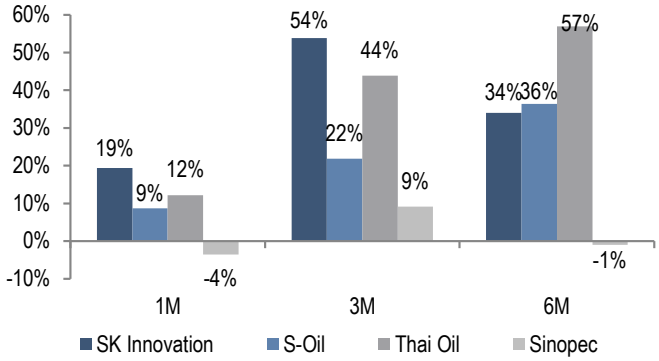
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 23: Korea petrochemicals vs global peers' share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

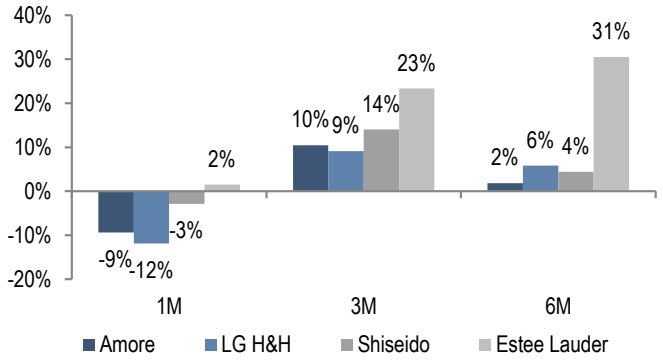
Figure 24: Korea refining vs global peers' share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

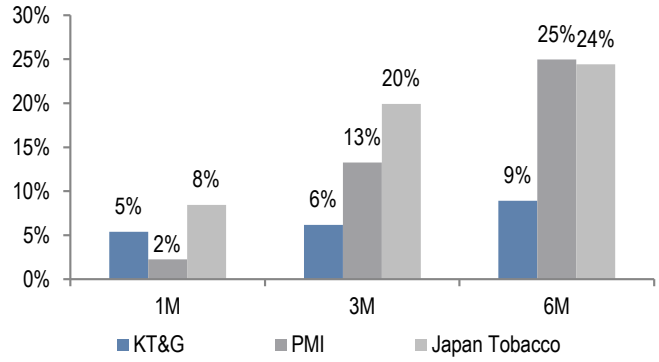
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Figure 25: Korea cosmetics vs global peers' share price performance



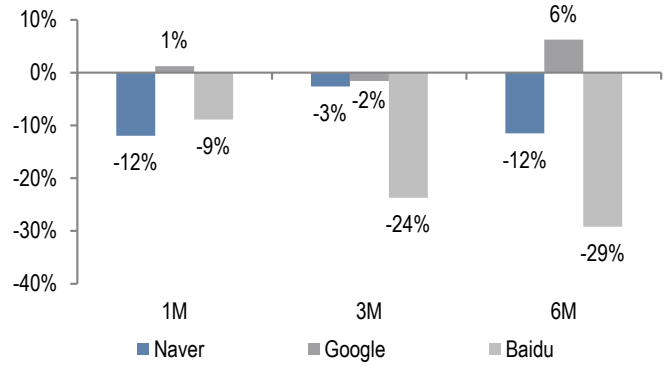
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 26: KT&G vs global peers' share price performance



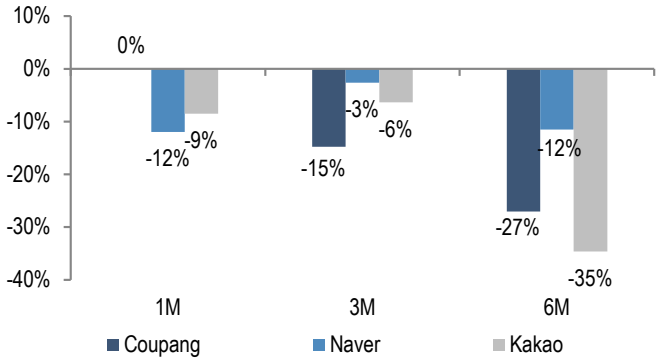
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 27: Naver vs global peers' share price performance



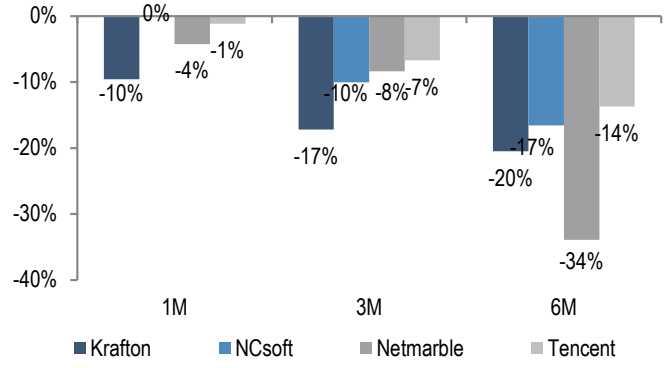
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 28: Coupang vs Naver vs Kakao share price performance



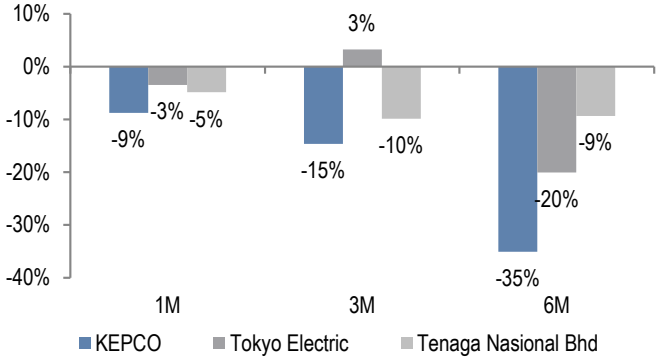
Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 29: Korea gaming vs Tencent share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

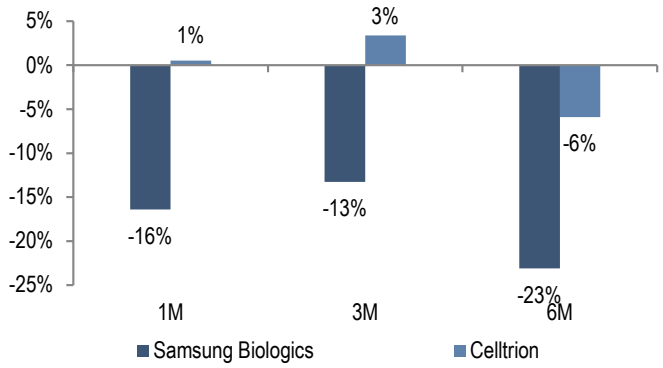
Figure 30: KEPCO vs global peers' share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

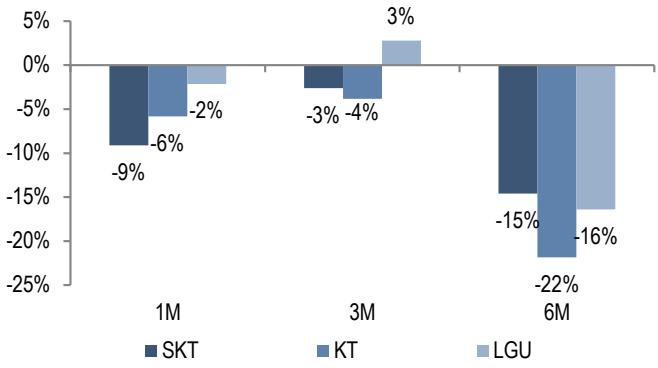
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Figure 31: Korea healthcare share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.

Figure 32: Korea telecom share price performance



Source: Bloomberg Finance L.P. Note: Past performance is not an indicator of future results.