HD HYUNDAI ELECTRIC

4Q 2025 Earning Release

Feb 06th 2026

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1. 4Q 2025 Consolidated Earnings

4Q25 Summary

- Both revenue and operating profit increased on the back of strong deliveries of high-margin power equipment to North America, setting a new all-time high
- Marginal decline in backlog, reflecting order seasonality and inventory reductions driven by strong sales recognition

(Consolidated Basis, UNIT : KRW bn)

	4Q24	3Q25	4Q25	QoQ	YoY
Sales	815.7	995.4	**1,163.2**	16.9%	42.6%
Operating Profit	166.3	247.1	**320.9**	29.9%	93.0%
OP Margin(%)	20.4%	24.8%	**27.6%**	2.8%p	7.2%p
Non-Operating Profit & Loss	-1.1	3.3	**-4.9**	-	-
Net income Before taxes	165.2	250.4	**316.0**	26.2%	91.3%
Net Profit	127.2	191.1	**245.3**	28.4%	92.8%
Controlling Shareholder's N/I	129.3	191.1	**245.0**	28.2%	89.5%
Order (USD mil.)	791	1,212	**730**	-39.8%	-7.7%
Backlog(USD mil)	5,541	6,983	**6,731**	-3.6%	21.5%

Note) Figures based on HE's Consolidated Financial Statement (Consolidated assets : Hyundai Tech Center Hungary, Hyundai Electric Switzerland, Yang Zhong(China) Corporation, Shanghai R&D Center, Middle East Corporation, Alabama Corporation, Atlanta Sales Corporation, HD Europe GmbH, HD Hyundai Plaspo, Yeocheon Energy, DaebulGreen1)

2. 2025 Annual Consolidated Earnings & 2026 Business Plans

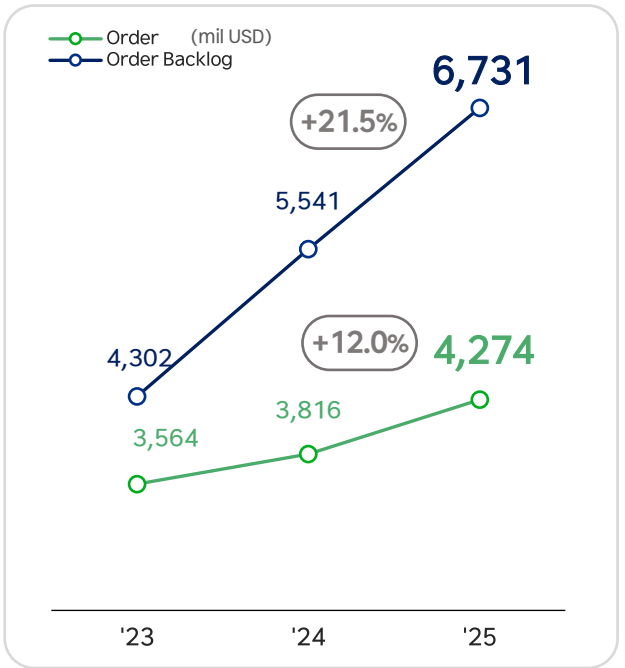
2025 Summary

Order: USD 4.274 bn, exceeding annual guidance by USD 452 mn (backlog :USD 6.7 bn)
Sales: KRW 4.0795 tn, YoY 22.8% increase
Operating Profit: KRW 995.3 bn, YoY 48.8% growth (OPM: 24.4%)

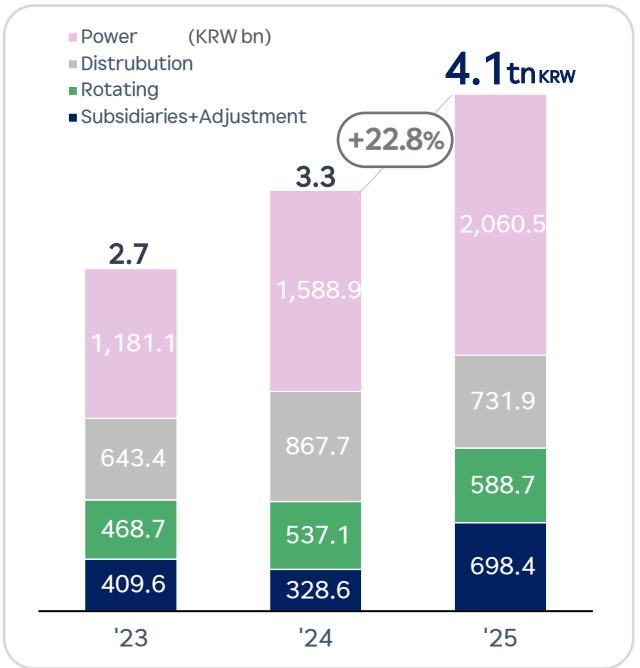
2026 Plans

Targeting sustainable growth in 2026 with new target → Order: USD 4.222 bn & Sales: KRW 4.35 tn

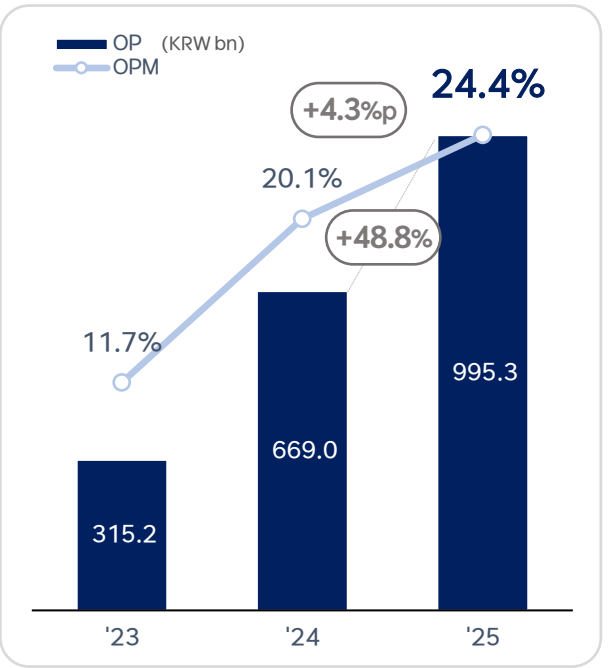
Order



Sale



Operating Margin · OPM



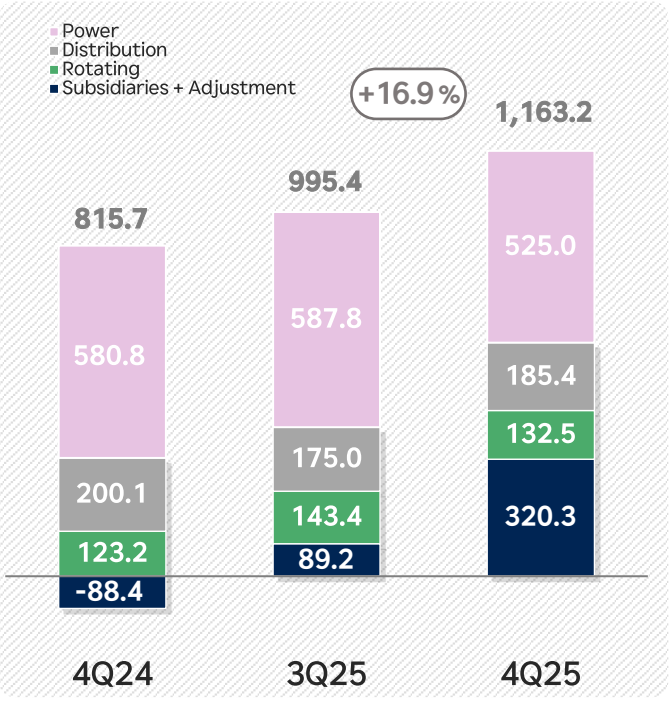
※ Order Backlog : Amount based on accumulative orders excluding delivered amounts

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3. Sales Analysis by Segment

Sales by Segment

(UNIT : KRW bn)



Analysis by Segment

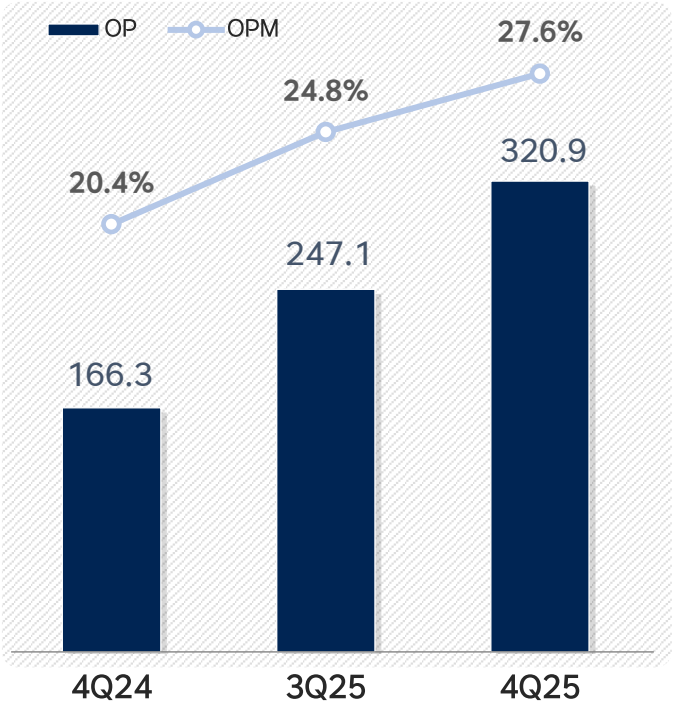
		QoQ	YoY
Power	• Power transformer performance improved in the overseas market (Middle East & Europe) • In accordance with the contractual delivery schedule, GIS sales in the Middle East declined	-10.4%	-9.6%
Distribution	• Revenue increased QoQ across all major distribution product lines - Domestic: switchgear & transformer growth related to semiconductor industry - Overseas: LV circuit breaker improved	5.9%	-7.3%
Rotating	• Overseas revenue declined QoQ due to changes in delivery schedules, but domestic revenue growth continued	-7.6%	7.5%
Subsidiaries	• Significant QoQ sales growth at the Atlanta subsidiary, driven by robust deliveries to the North American market	259.1%	-

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4. Operating Profit Analysis

Operating Profit Trend

(UNIT : KRW bn)



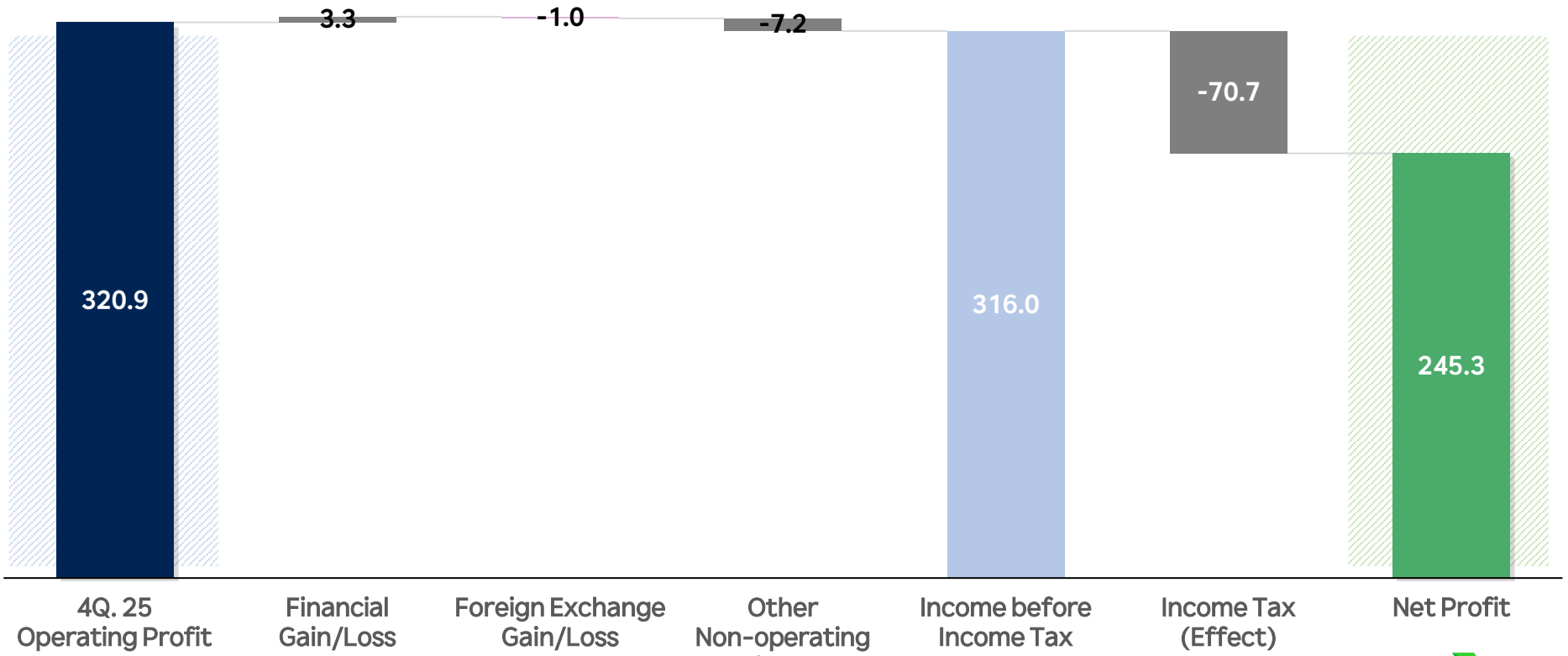
OP Analysis by Segments

		QoQ	YoY
Power	• Significant profitability increase driven by power transformer across both domestic & overseas markets	2.8%p	7.2%p
Distribution	• Distribution segment profitability declined • Switchgear profit improved in domestic & Middle East market • Overseas LV circuit breaker sales increased alongside improved profitability		
Rotating	• LV motor profit & profitability both improved, while rotating machinery margin declined due to cost recognition (E.g., R&D)		
Subsidiaries	• Growth momentum sustained & Inventory levels decreased supported by high-margin projects deliveries to North America		

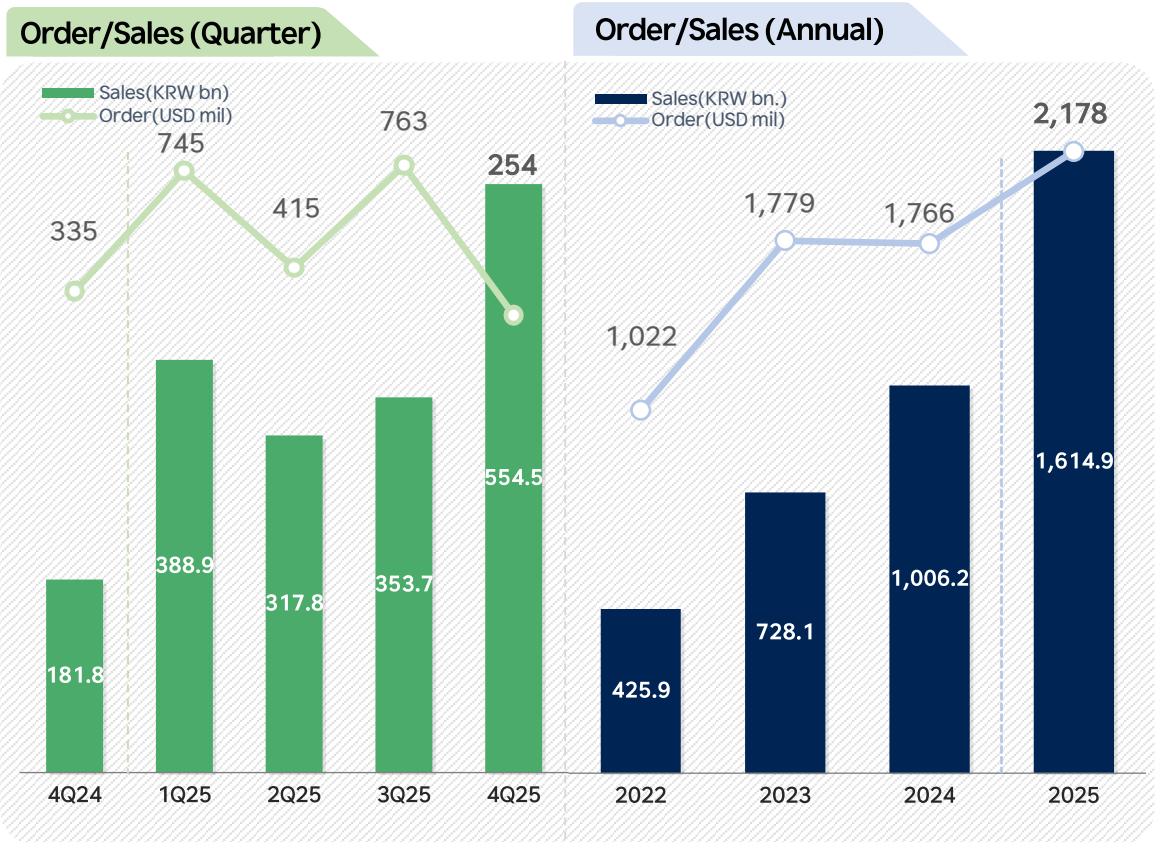
주1. K-IFRS 연결재무제표 기준

4Q25 Non-Operating Profit and Loss & Net Profit

(UNIT : KRW bn)



1) North America



Analysis(QoQ)

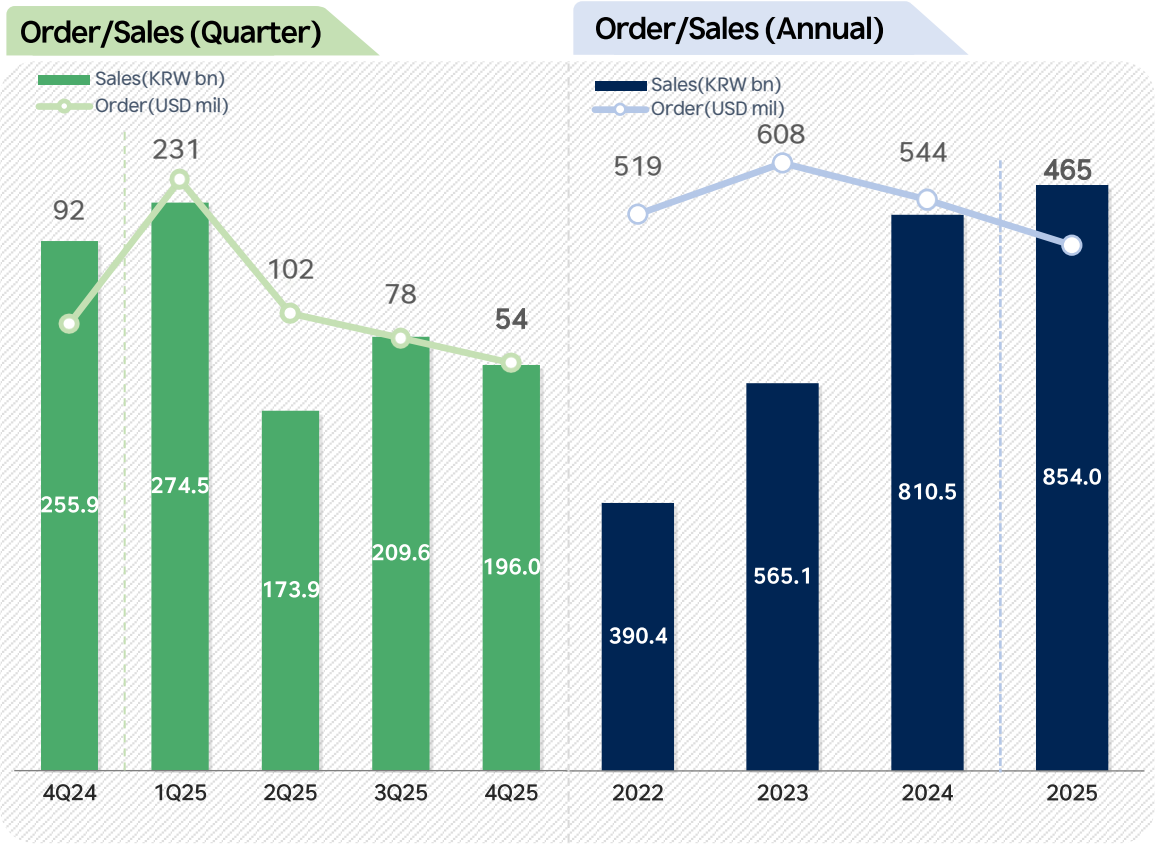
	QoQ	YoY
ORDER • QoQ decreased due to the base effect of various large- scale orders, growth momentum sustained in annual order performance	-66.7%	-24.2%
SALES • Revenue and margin growth sustained across the power segment • Expanded the revenue base through proactive order in take in distribution segment	56.8%	205.0%

OUTLOOK

- Federal Energy Regulatory Commission (FERC) initiated rulemaking discussions to shorten transmission interconnection periods for large loads (E.g., Data centers) → Efforts to ease grid bottlenecks.
- The U.S. is expected to require 100 GW of new power supply by 2030, with data centers accounting for 50 GW of incremental demand.

* Source: U.S. Department of Energy, Resource Adequacy Report (Jul 7, 2025)

2) Middle East



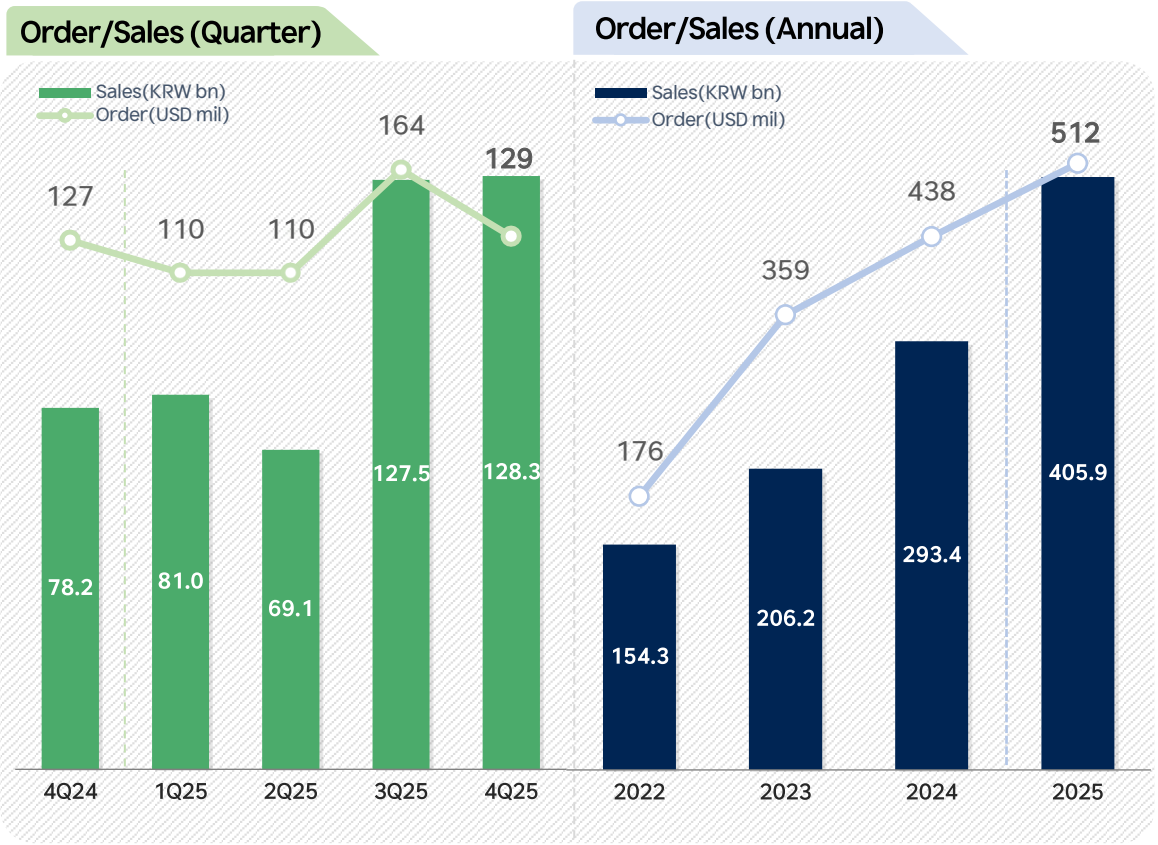
Analysis(QoQ)

	QoQ	YoY
ORDER • Orders moderated as pre-allocated production slots were largely filled, while order profitability remained strong • Targets to expand market & competitive edge in eco-friendly power equipment	-30.8%	-41.3%
SALES • Based on the contractual delivery schedule, GIS revenue decreased while expansion in revenue & margin of power transformer sustained • Distribution & Rotating segment performance improved QoQ	-6.5%	-23.4%

OUTLOOK

- Saudi Arabia's renewable rollout(NREP/Vision 2030) and energy transition agenda (Saudi Green Initiative) is expected to sustain structurally linked demand cycle (generation → transmission & distribution)
- The GCC countries' cross-border grid interconnection expansion plans → Continued power infrastructure investment momentum across the Middle East (US$3.5bn)

3) Europe



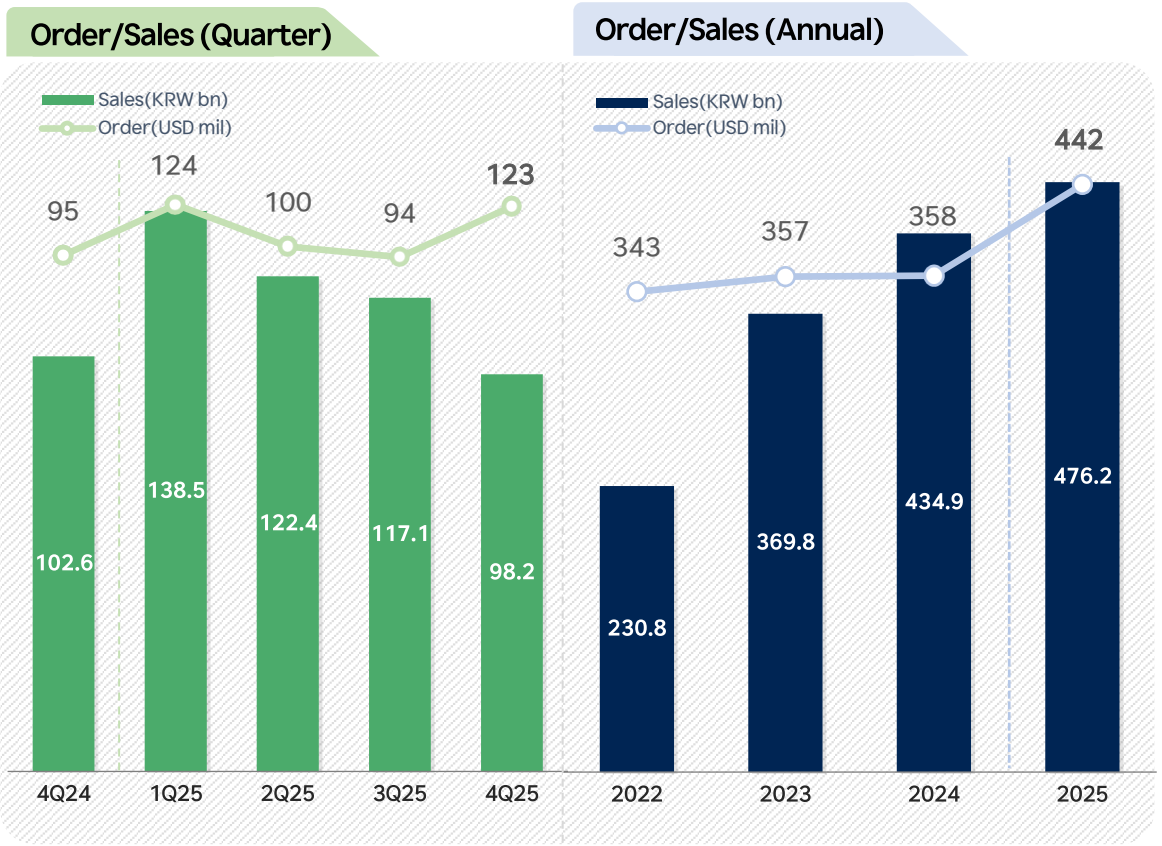
Analysis(QoQ)

	QoQ	YoY
ORDER • Orders declined QoQ due to a high base effect, but solid trend continued • Expansion in long-term visibility continued supported by strong order backlog	-21.3%	1.6%
SALES • Revenue remained at record high levels based on a strong order backlog, maintaining a stable trajectory • Marine switchgear declined marginally, but power segment continued to grow	0.6%	64.1%

OUTLOOK

- EU proposed a significant expansion of the CEF energy budget for '28–'34 to around five times the prior period (approx. EUR 29.9bn)
  - prioritizing power grid infrastructure investment
  - Support renewable energy projects (solar & wind)
  - Enhance cross-border transmission across EU

4) Marine Product



Analysis(QoQ)

	QoQ	YoY
ORDER • Orders increased supported by higher container vessel orders at domestic and Chinese shipyards	30.9%	29.5%
SALES • Revenue decreased QoQ due to lower overseas sales, while profitability of marine switchgear improved	-16.1%	-4.3%

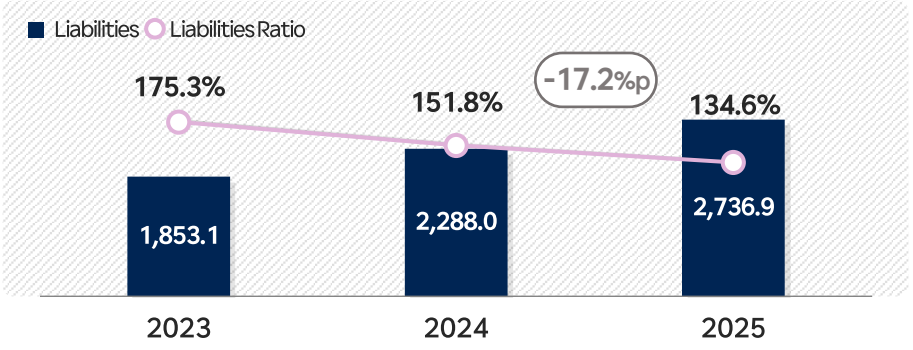
OUTLOOK

- LNG carrier newbuild orders are expected to rise on the back of new LNG investments in the U.S. and Africa, supporting 2025-level growth momentum
- In line with the expanding market share of Chinese shipyards, local sales capabilities in China will be strengthened through the joint sales structure (Shanghai & Yangzhou Subsidiaries)

7. Key Financial Statement

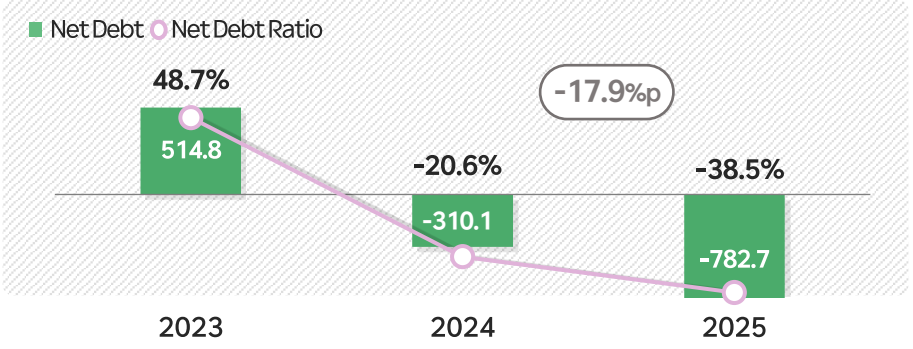
Liabilities / Equity Ratio

(UNIT : KRW bn)



Net Debt / Equity Ratio

(UNIT : KRW bn)



Financial Statement

(UNIT : KRW bn)

	2023	2024	2025
Current Assets	1,973.0	2,763.7	3,426.3
Cash and Cash Equivalents	176.1	569.8	950.8
Non-current assets	937.2	1,031.8	1,343.5
Assets	2,910.2	3,795.5	4,769.8
Current liabilities	1,497.4	2,001.1	2,548.7
Non-current liabilities	355.7	286.9	188.2
Total Debt	715.5	293.7	186.1
Net Debt	514.8	-310.1	-782.7
Liabilities	1,853.1	2,288.0	2,736.9
Other components of equity	660.4	691.6	710.2
Retained Earnings	396.6	815.9	1,322.7
Equity	1,057.0	1,507.5	2,032.9

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