

Hyundai announces buyback, to double hybrid lineup

HYUNDAI MOTOR PLANS to double its lineup of hybrid cars as demand for pure electric vehicles slows, and announced a 4 trillion won (\$3 billion) share buyback as part of a plan to boost investor returns.

Unveiling a new strategy at its 2024 investor day on Wednesday, the world's third-biggest carmaker said it will increase the number of hybrids in its lineup to 14 — moving beyond compact and mid-size cars to add large and luxury vehicles. However, it kept its EV sales target unchanged at 2 million a year by 2030.

Hyundai shares jumped as much as 5.5% in Seoul trading on Wednesday and closed up 4.7% as investors welcomed the buyback and the company's commitment to pay a minimum annual dividend of 10,000 won a share — the key planks in a strategy to target a total shareholder return of 35% from 2025 to 2027.

"The shareholder return, which is the key interest of investors, is particularly impressive," said James Hong, an analyst at Macquarie Securities Korea. "Overall, it beat market expectations," he said, adding that the 4 trillion won share buyback over three years was bigger than expected.

The move to accelerate the production of hybrids comes amid a broad slowdown in EV demand globally. Ford Motor, Porsche and Mercedes-Benz Group have all walked back their EV ambitions in recent months, while Tesla is well off the pace of 1.8 million cars sold last year.

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