

2Q15 Quarterly Earnings

July 30, 2015

2Q15 Earning and Financial Status

futureconfident

[Unit : bn KRW]

Category	2Q15	1Q15	QoQ
Revenue	1,843.9	1,865.9	-1.2%
LIB	780.0	795.0	-1.9%
Chemicals	667.3	666.4	+0.1%
Electronic Materials	395.9	403.8	-2.0%
Operating Profit (%)	△3.7 (△0.2%)	6.8 (0.4%)	Turned Red
Pre-tax Profit (%)	△400.7 (△21.7%)	80.7 (4.3%)	Turned Red
Net Profit (%)	△310.0 (△16.8%)	64.6 (3.5%)	Turned Red

Category	2Q15	1Q15	QoQ
Assets	16,040.7	16,119.4	-78.7
Current	3,460.0	3,607.9	-147.9
Non-current	12,580.7	12,511.5	+69.2
Liabilities	4,457.6	4,277.3	+180.3
Current	2,773.4	2,465.7	+307.7
Non-current	1,684.2	1,811.6	-127.4
Shareholders Equity	11,583.1	11,842.1	-259.0
Paid-in Capital	356.7	356.7	-
Cash & Cash Equiv.	1,373.3	1,706.9	-333.6
Debt	1,899.7	1,784.7	+115.0

※ Chemicals & Electronic Materials reflected from 3Q14 post merger with Cheil Industries Inc. (July 1, 2014)

※ Cash & cash equiv. including Short-term financial products

Analysis & Outlook

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SAMSUNG SDI



In Collaboration with RobecoSAM

2Q15 Analysis & 2H15 Outlook

LIB

[2Q15]

Small-sized

- Non-IT shipment expanded including power tool, E-bike, and new applications
- Profitability pull back as major customer's tepid S/phone sales and tougher market competition

Large-sized

- Revenue rose as major EV model sales in Europe/US enhanced and China contribution begins
- Secured long-term growth platform as contract won from a new European OEM
- Revenue expansion led by Home ESS/UPS

[2H15]

Small-sized

- Reinforce non-IT leadership with outstanding high-powered products and expand into new apps
- Profits to recover as shipment and productivity improve with major customer's new S/phones

Large-sized

- Ramping up new production line at Ulsan and China to contribute in '15/'16 revenue
- China revenue to grow in full-scale and expect to win more back-log orders in Europe/China
- Aiming to win utility ESS orders in Korea/US and forecast sturdy revenue growth

2Q15 Analysis & 2H15 Outlook

Chemicals

[2Q15]

Firm profitability as market spread improved and cost cut effort shine

- Improved profit as PC spread expanded
- Additional profit improvement by maximizing internal cost reduction

[2H15]

Stable profitability with strong seasonality

- Spread in 2H to narrow in-line with rising raw material cost
- Demand to escalate on seasonality and enhance sales of high-end products

Electronic Materials

[2Q15]

Solid profit driven by upbeat semi-materials

- Semi-materials revenue and profits enhanced from better demand of processing materials
- Display materials revenue down on weak demand and close out unprofitable product

[2H15]

Steady revenue and profitability despite weak demand

- Semi-materials to benefit from migration demand and a major customer ramping up new production line
- Display materials to diversify customers and new model penetration to lift revenue

Appendix

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Income Statement

[Unit : bn KRW]

Category	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15
Revenue	837.1	835.2	1,891.8	1,910.1	5,474.2	1,865.9	1,843.9
COGS	718.2	710.4	1,570.3	1,546.6	4,545.5	1,512.8	1,511.8
Gross Profit	118.9	124.8	321.5	363.5	928.7	353.1	332.1
(%)	(14.2%)	(14.9%)	(17.0%)	(19.0%)	(17.0%)	(18.9%)	(18.0%)
Operating Profit	-24.3	25.3	32.6	37.2	70.8	6.8	-3.7
(%)	(-2.9%)	(3.0%)	(1.7%)	(1.9%)	(1.3%)	(0.4%)	(-0.2%)
Non-operating Profit	106.1	60.9	37.4	-75.8	128.6	73.9	-397.0
Pre-tax Profit	81.7	86.2	70.0	-38.6	199.4	80.7	-400.7
(%)	(9.8%)	(10.3%)	(3.7%)	(-2.0%)	(3.6%)	(4.3%)	(-21.7%)
Tax	18.6	23.5	20.0	-14.9	47.3	16.1	-90.7
Discontinued Operations	-22.2	-42.2	-62.9	-105.1	-232.4	0	0
Net Profit	40.9	20.5	-12.9	-128.8	-80.3	64.6	-310.0
(%)	(4.9%)	(2.5%)	(-0.7%)	(-6.7%)	(-1.5%)	(3.5%)	(-16.8%)
NP less Minority Interests	39.1	19.1	-13.0	-129.1	-83.8	59.7	-303.4
(%)	(4.7%)	(2.3%)	(-0.7%)	(-6.8%)	(-1.5%)	(3.2%)	(-16.5%)
Depreciation	98.3	94.6	156.5	156.0	505.4	156.4	156.2
CAPEX	63.2	66.9	145.8	102.8	384.9	163.6	167.0

※ Chemicals & Electronic Materials reflected from 3Q14 post merger with Cheil Industries Inc. (July 1, 2014)

※ PDP and Solar division reflected in discontinued operations

Balance Sheet

[Unit : bn KRW]

Category	FY14	1Q15	2Q15
Total Assets	15,968.5	16,119.4	16,040.7
Current Assets	3,535.5	3,607.9	3,460.0
Quick Assets	2,760.5	2,850.1	2,718.6
Inventory & Others	775.0	757.8	741.4
Non-current Assets	12,433.0	12,511.5	12,580.7
Investment Assets	7,605.1	7,695.0	7,612.4
Tangible Assets	3,324.9	3,379.2	3,400.2
Intangible Assets	1,278.9	1,231.6	1,303.6
Other Assets	224.1	205.7	264.5
Liabilities	4,141.6	4,277.3	4,457.6
Current Liabilities	2,254.2	2,465.7	2,773.4
Non-current Liabilities	1,887.4	1,811.6	1,684.2
Shareholders Equity	11,826.9	11,842.1	11,583.1
Paid-in Capital	356.7	356.7	356.7

※ Chemicals & Electronic Materials reflected from 3Q14 post merger with Cheil Industries Inc. (July 1, 2014)