

4Q14 Quarterly Earnings

January 26, 2015

4Q14 and FY14 Earnings

futureconfident

[bn KRW]

Category	4Q14	3Q14	QoQ	FY14
Revenue	1,910.1	1,891.8	+1.0%	5,474.2
LIB	859.2	793.9	+8.2%	3,323.3
Chemical	645.0	704.0	-8.4%	1,349.0
Electronic Materials	404.8	392.9	+3.1%	801.9
Operating Profit (%)	37.2 (1.9%)	32.6 (1.7%)	+14.5%	70.8 (1.3%)
Pre-tax Income (%)	-38.6 (-2.0%)	70.0 (3.7%)	Turned Red	199.4 (3.6%)
Profit from Discontinued Operations	-105.0	-62.9	-	-232.4
Net Income (%)	-128.8 (-6.7%)	-12.9 (-0.7%)	-	-80.3 (-1.5%)

※ Chemical & Electronic materials reflected from 3Q14 post merger (2014.7.1) with Cheil Industries

※ PDP and Solar division reflected in discontinued operations

FY14 Financial Status

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[bn KRW]

Category	FY14	3Q14	QoQ	FY13	YoY
Assets	15,968.5	16,087.5	-119.0	10,555.7	+5,412.8
Current	3,535.5	3,571.0	-35.5	2,063.2	+1,472.3
Non-current	12,433.0	12,516.5	-83.5	8,492.5	+3,940.5
Liabilities	4,141.6	4,365.9	-224.3	3,013.3	+1,128.3
Current Liabilities	2,254.2	2,379.2	-125.0	1,527.0	+727.2
Non-current Liabilities	1,887.4	1,986.6	-99.2	1,486.3	+400.1
Shareholders Equity	11,826.9	11,721.6	+105.3	7,542.4	+4,284.5
Paid-in Capital	356.7	356.7	-	240.7	+116.0
Cash & cash equiv.	1,654.4	1,475.8	+178.6	755.2	+899.2
Debt	1,777.8	1,875.4	-97.6	1,184.2	+593.6

Analysis & Outlook

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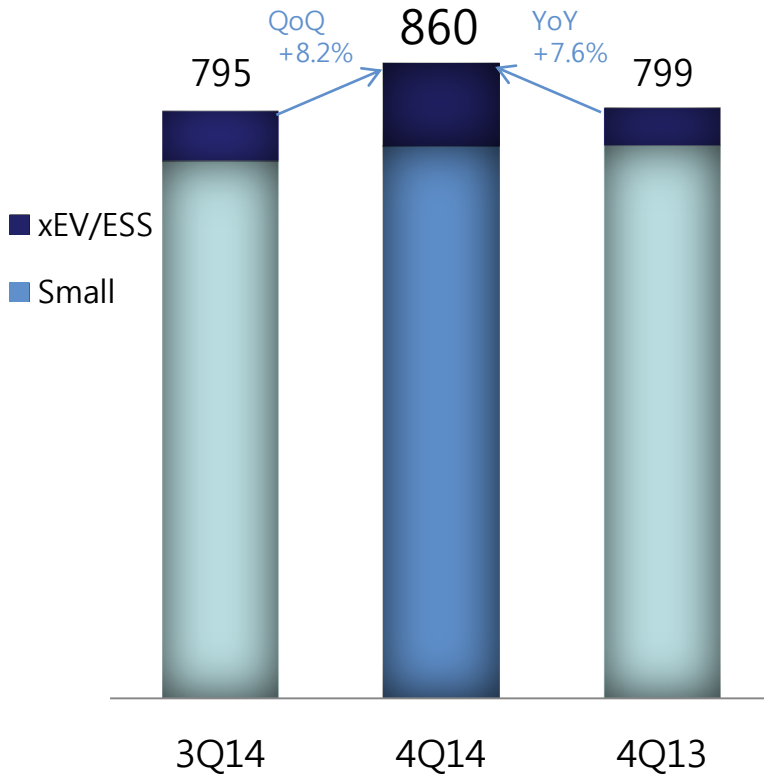
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Sustainability Indices**

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SAMSUNG SDI



Revenue
(bn KRW)



4Q14 Analysis & Outlook

[4Q14 Analysis]

Revenue rose as shipment increased to the new markets / high-end products

- Timely sales to a major customer's new models
- Sales of high-power / high-capacity non-IT products and to new applications enlarged

[FY15 Outlook]

FY15 LIB Cell Demand : 50bn cells (+8% YoY)

- Polymer growth led by S/Phone and wearable, cylindrical growth led by non-IT demand
- Maintain M/S No. 1 by strengthening market leadership

4Q14 Analysis & Outlook

[4Q14 Analysis]

□ Revenue increased and built up back-log orders

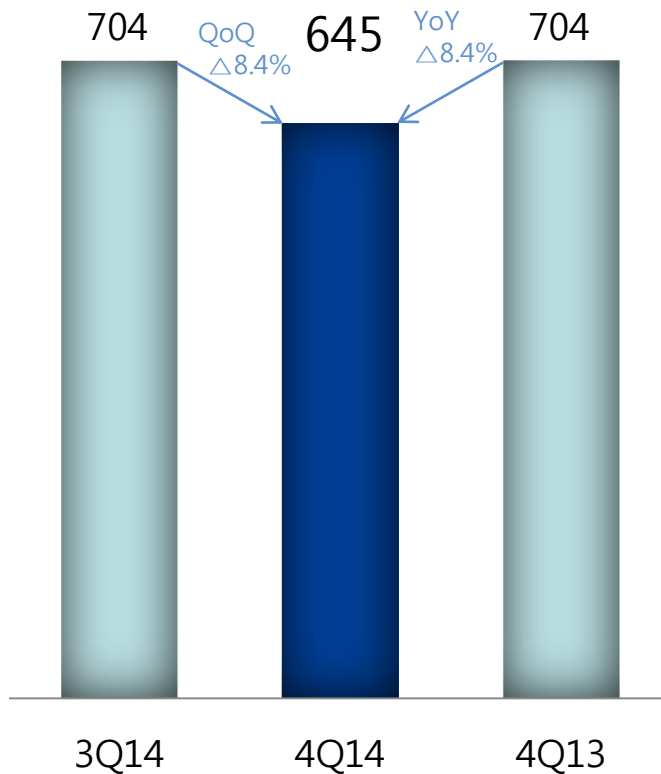
- xEV - Revenue growth with shipment increase to major OEMs
 - More back-log orders for long-term growth
- ESS - revenue expanded, M/S No.1 in FY14 LIB ESS market (B3)

[FY15 Outlook]

□ FY15 xEV/ESS LIB demand to rise

- xEV - Market expansion driven by PHEV/EV
 - Seek to win more orders from existing and new OEMs
- ESS - Market demand to jump by 2X driven by Utility/Residential sector (2GWh)

Revenue
(bn KRW)



4Q14 Analysis & Outlook

[4Q14 Analysis]

Revenue retreated due to weak seasonality

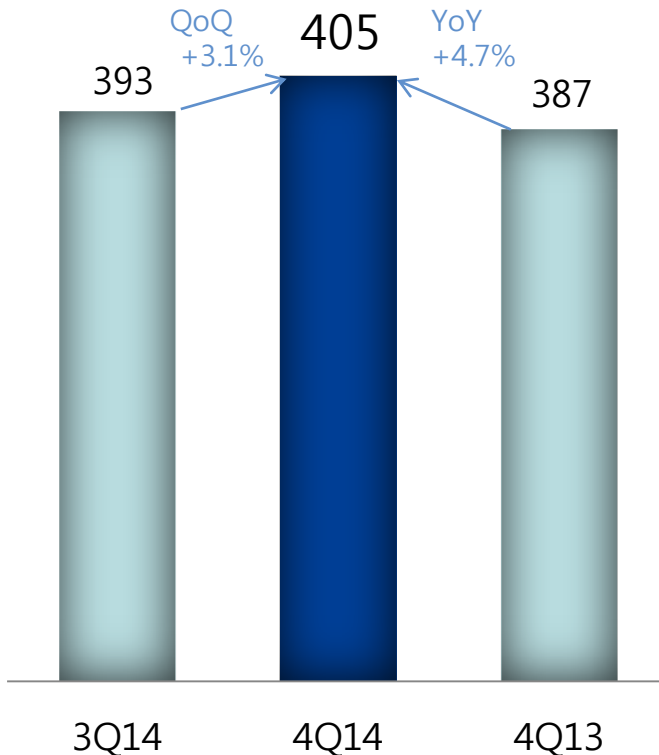
- Sluggish demand & maintenance shut-down caused minor profitability pull back in QoQ
- Cost cutting & strategic operations on low-end products

[FY15 Outlook]

Improve profitability by building-up business competence to offset limited sector growth

- Secure competitiveness edge through executing profit focused operational strategies
- Improve product mix, cost cut and etc. to minimize impact from falling oil price

Revenue
(bn KRW)



4Q14 Analysis & Outlook

[4Q14 Analysis]

QoQ earnings improved based on solid demand

- Revenue from semi & display materials slowed-down due to weak seasonality but profitability improved

[FY15 Outlook]

Stable earnings enhancement from steady industry growth

- Semi-materials to show improved earnings benefitting from strong memory cycle
- Display materials to show steady growth from large TV demand as UHD TV shipment increases

Appendix

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Sustainability Indices**

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Income Statement

[bn KRW]

Category	4Q13	FY13	3Q14	4Q14	FY14
Revenue	820.0	3,428.5	1,891.8	1,910.1	5,474.2
COGS	681.6	2,812.0	1,570.3	1,546.6	4,545.5
Gross Profit	138.4	616.5	321.5	363.5	928.7
(%)	(16.9%)	(18.0%)	(17.0%)	(19.0%)	(17.0%)
Operating Profit	-46.5	-11.3	32.6	37.2	70.8
(%)	(-5.7%)	(-0.3%)	(1.7%)	(1.9%)	(1.3%)
Non-operating Profit	118.2	524.5	37.4	-75.8	128.6
Pre-tax Income	71.7	513.2	70.0	-38.6	199.4
(%)	(8.7%)	(15.0%)	(3.7%)	(-2.0%)	(3.6%)
Tax	9.6	105.4	20.0	-14.9	47.3
Discontinued Operation	-252.4	-259.9	-62.9	-105.0	-232.4
Net Income	-190.3	147.9	-12.9	-128.8	-80.3
(%)	(-23.2%)	(4.3%)	(-0.7%)	(-6.7%)	(-1.5%)
NI less minority interests	-196.1	130.6	-13.0	-129.0	-83.8
(%)	(-23.9%)	(3.8%)	(-0.7%)	(-6.8%)	(-1.5%)
Depreciation	92.0	341.7	156.5	156.0	505.4
CAPEX	126.5	616.2	145.8	102.8	384.9

※ Chemical & Electronic materials reflected from 3Q14 post merger (July 1, 2014) with Cheil Industries

※ PDP and Solar division reflected in discontinued operations

Balance Sheet

[bn KRW]

Category	FY13	1/7/1※	3Q14	FY14
Total Assets	10,555.7	16,414.6	16,087.5	15,968.5
Current Assets	2,063.2	3,787.5	3,571.0	3,535.6
Quick Assets	1,537.4	2,909.4	2,732.3	2,760.5
Inventory & others	525.8	878.1	838.7	775.0
Non-current Assets	8,492.5	12,627.1	12,516.5	12,433.0
Investment Assets	6,355.3	7,687.1	7,601.9	7,605.1
Tangible Assets	1,788.0	3,376.1	3,375.1	3,324.9
Non-tangible Assets	167.0	1,340.6	1,308.8	1,278.9
Other Assets	182.2	223.3	230.7	224.1
Liabilities	3,013.3	4,642.5	4,365.9	4,141.6
Current Liabilities	1,527.0	2,066.8	2,379.3	2,254.2
Non-current Liabilities	1,486.3	2,575.7	1,986.6	1,887.4
Shareholders Equity	7,542.4	11,772.1	11,721.6	11,826.9
Paid-in Capital	240.7	356.7	356.7	356.7

※ Merger effective date