

2Q17 Quarterly Earnings

July 27, 2017

2Q17 Earnings and Financial Status

futureconfident

[Unit : KRW bn]

Category	2Q17	1Q17	QoQ
Revenue	1,454.3	1,304.8	+11.5%
Li-ion Battery	987.6	823.1	+20.0%
Electronic Materials	465.5	480.5	-3.1%
Operating Profit (%)	5.5 (0.4%)	-67.3 (-5.2%)	Turned Black
Pre-Tax Profit (%)	231.6 (15.9%)	84.4 (6.5%)	+174.3%
Net Profit (%)	186.6 (12.8%)	81.7 (6.3%)	+128.5%

Category	Jun. 30, 2017	Mar. 31, 2017	QoQ
Assets	15,244.1	14,682.1	+562.0
Current	3,490.8	3,484.6	+6.2
Non-current	11,753.3	11,197.5	+555.8
Liabilities	4,085.5	3,898.3	+187.2
Current	2,258.2	2,230.4	+27.8
Non-current	1,827.3	1,667.9	+159.4
Shareholders' Equity	11,158.6	10,783.8	+374.8
Paid-in Capital	356.7	356.7	-
Cash & cash equiv. *	1,353.4	1,512.1	-158.7
Debt	1,140.6	916.8	+223.8

* Include short-term financial products

Li-ion Battery

[Large-sized LIB]

□ 2Q, revenue increase 40% YoY

- xEV revenue up on new model for EU customer
- ESS hit BEP in 1H17 as mix improved

□ 2H, xEV market to rise on new models, ESS to show sharp growth on seasonality

- xEV revenue growth driven by EU customers, ESS driven by local & EU Utility/Commercial
- 2H17 profitability improve as revenue increase

[Small-sized LIB]

□ 2Q, solid revenue growth

- Cylindrical growth in Non-IT led by P/Tool & E-bike
- Polymer profit improved by sales in new S/phone

□ 2H, market to grow on cylindrical Non-IT and polymer in flagship S/phones

- Cylindrical revenue to grow as entering into new non-IT market and flagship S/phones
- Enhance profitability from bigger flagship sales and profit-oriented operation

2Q17 Earnings and Forecast

Materials

[Electronic Materials]

□ 2Q, margin improved on better mix

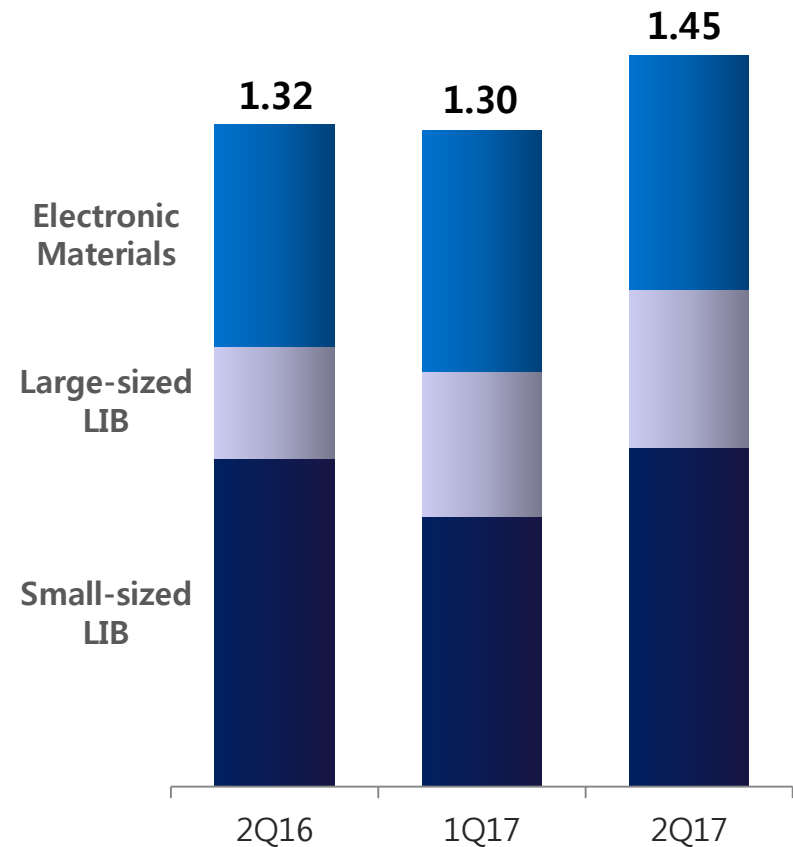
- Semi revenue rose in QoQ on strong demand, DP & PV Paste revenue dip in QoQ

□ 2H, bullish forecast in semi, mobile OLED expands within DP

- Semi expands in high-end products and seek new business opportunities
- Polarizer pursue higher M/S in China and OLED shipment regularize in new projects

[Revenue]

(Unit : KRW tn)



Appendix

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Sustainability Indices**

SAMSUNG SDI



In Collaboration with RobecoSAM

Income Statement

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[Unit : KRW bn]

Category	2Q16	3Q16	4Q16	FY16	1Q17	2Q17
Revenue	1,317.2	1,290.0	1,302.9	5,200.8	1,304.8	1,454.3
COGS	1,084.9	1,109.5	1,108.9	4,450.3	1,089.4	1,186.0
Gross Profit	232.3	180.5	194.0	750.5	215.4	268.3
(%)	(17.6%)	(14.0%)	(14.9%)	(14.4%)	(16.5%)	(18.4%)
Operating Profit	-54.2	-110.4	-58.0	-926.3	-67.3	5.5
(%)	(-4.1%)	(-8.6%)	(-4.5%)	(-17.8%)	(-5.2%)	(0.4%)
Non-operating Profit	8.0	105.5	157.6	105.6	151.7	226.1
Pre-tax Profit	-46.2	-4.9	99.6	-820.7	84.4	231.6
(%)	(-3.5%)	(-0.4%)	(7.6%)	(-15.8%)	(6.5%)	(15.9%)
Tax	0.8	30.3	91.9	57.8	2.7	45.0
Discontinued Operations*	1,002.8	0.0	0.0	1,089.6	0.0	0.0
Net Profit	955.8	-35.2	7.7	211.1	81.7	186.6
(%)	(72.6%)	(-2.7%)	(0.6%)	(4.1%)	(6.3%)	(12.8%)
NP less Minority Interests	961.1	-34.1	7.5	219.4	80.9	193.1
(%)	(73.0%)	(-2.6%)	(0.6%)	(4.2%)	(6.2%)	(13.3%)
Depreciation	105.9	104.5	110.8	455.0	106.2	110.3
CAPEX	181.2	188.2	277.0	775.9	183.6	368.2

* Disposal of stake in Lotte Advanced Materials Co., Ltd. (former Samsung SDI Chemical)

Balance Sheet

[Unit : KRW bn]

Category	Jun. 30, 2016	Sept. 30, 2016	Dec. 31, 2016	Mar. 31, 2017	Jun. 30, 2017
Total Assets	15,886.7	15,243.8	14,900.3	14,682.1	15,244.1
Current Assets	5,375.3	4,589.1	3,958.3	3,484.6	3,490.8
Quick Assets	4,665.4	3,833.6	3,149.8	2,718.8	2,624.5
Inventory & Others	709.9	755.5	808.5	765.8	866.4
Non-current Assets	10,511.4	10,654.7	10,942.0	11,197.5	11,753.3
Investment Assets	6,915.1	7,111.0	7,215.3	7,437.9	7,822.6
Tangible Assets	2,352.3	2,309.7	2,503.8	2,587.3	2,754.1
Intangible Assets	950.3	954.7	941.7	927.5	929.3
Other Assets	293.7	279.3	281.2	244.8	247.3
Liabilities	4,685.3	4,126.8	3,936.2	3,898.3	4,085.5
Current Liabilities	2,809.2	2,308.3	2,212.8	2,230.4	2,258.2
Non-current Liabilities	1,876.1	1,818.5	1,723.4	1,667.9	1,827.3
Shareholders' Equity	11,201.4	11,117.0	10,964.1	10,783.8	11,158.6
Paid-in Capital	356.7	356.7	356.7	356.7	356.7