

3Q18 Quarterly Earnings

October 26, 2018

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM 

SAMSUNG SDI

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This document is provided for the convenience of investors only, before the external audit on our 3Q18 financial results is completed. The audit outcomes may Cause some parts of this document to change.

3Q18 Earnings and Financial Status

[Unit : KRW bn]

Category	3Q18	2Q18	QoQ
Revenue	2,522.8	2,248.0	+12.2%
Li-ion Battery	1,922.3	1,727.3	+11.3%
Electronic Materials	598.2	518.8	+15.3%
Operating Profit (%)	241.5 (9.6%)	152.8 (6.8%)	+58.0%
Pre-tax Profit (%)	306.3 (12.1%)	141.2 (6.3%)	+116.9%
Net Profit (%)	214.1 (8.5%)	104.7 (4.7%)	+104.5%

Category	Sept. 30, 2018	June 30, 2018	QoQ
Assets	18,426.0	16,890.5	+1,535.5
Current	5,362.6	4,601.9	+760.7
Non-current	13,063.4	12,288.6	+774.8
Liabilities	6,390.6	5,134.8	+1,255.8
Current	3,461.7	3,224.9	+236.8
Non-current	2,928.9	1,909.9	+1,019.0
Shareholders' Equity	12,035.4	11,755.7	+279.7
Paid-in Capital	356.7	356.7	-
Cash & cash equiv. *	1,838.5	1,310.6	+527.9
Debt	2,768.1	1,963.1	+805.0

*Include short-term financial instruments

3Q18 Earnings and Forecast

Li-ion Battery

[Large-sized LIB]

□ 3Q, sharp revenue increased in YoY

- xEV, shipment increased for EVs to Europe
- ESS, solid sales in domestic commercial & US utility

□ 4Q, revenue growth to continue

- xEV, new model shipments to increase to Europe
- ESS, firm domestic utility · commercial & global UPS demand

[Small-sized LIB]

□ 3Q, revenue leap on high seasonality

- Cylindrical, high value & output demand enlarged
- Polymer, main customers launched new phones

□ 4Q, forecast strong sales to continue

- Cylindrical, solid Non-IT product demand
- Polymer, maintain shipments to major customers and China sales to increase

3Q18 Earnings and Forecast

Electronic Materials

[Electronic Materials]

□ 3Q, revenue grew in all operations

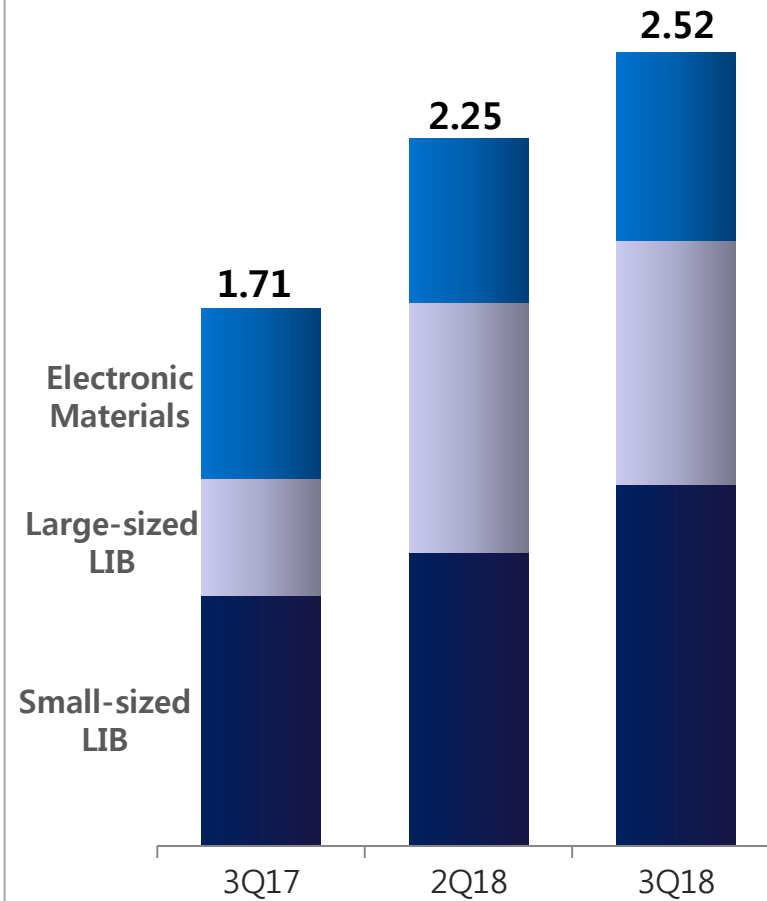
- Semi materials growth led by memory
- DP shipment enlarged & diversified customers

□ 4Q, maintain revenue in QoQ

- Semi materials to strengthen customer list
- Polarizer to increase large TV · mobile shipment
- OLED to prepare for new platform approval and expand sales in China

[Revenue]

(Unit : KRW tn)



Appendix

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Income Statement

[Unit : KRW bn]

Category	3Q18	2Q18	1Q18	FY17	4Q17	3Q17	2Q17	1Q17
Revenue *	2,522.8	2,248.0	1,908.9	6,346.6	1,852.2	1,721.0	1,468.5	1,304.8
COGS *	1,921.8	1,763.8	1,532.6	5,180.8	1,495.5	1,394.1	1,201.0	1,090.1
Gross Profit	601.0	484.2	376.3	1,165.8	356.7	326.9	267.5	214.7
(%)	(23.8%)	(21.5%)	(19.7%)	(18.4%)	(19.3%)	(19.0%)	(18.2%)	(16.5%)
Operating Profit	241.5	152.8	72.0	116.9	118.6	60.2	5.5	-67.3
(%)	(9.6%)	(6.8%)	(3.8%)	(1.8%)	(6.4%)	(3.5%)	(0.4%)	(-5.2%)
Non-operating Profit	64.8	-11.6	125.5	707.2	214.6	114.7	226.1	151.7
Pre-tax Profit	306.3	141.2	197.5	824.1	333.2	174.9	231.6	84.4
(%)	(12.1%)	(6.3%)	(10.3%)	(13.0%)	(18.1%)	(10.2%)	(15.9%)	(6.5%)
Tax	92.2	36.5	37.2	180.9	93.2	39.9	45.0	2.7
Net Profit	214.1	104.7	160.3	643.2	240.0	135.0	186.6	81.7
(%)	(8.5%)	(4.7%)	(8.4%)	(10.2%)	(12.9%)	(7.9%)	(12.8%)	(6.3%)
NP less Minority Interests	214.9	106.7	125.3	657.2	237.6	145.7	193.1	80.9
(%)	(8.5%)	(4.7%)	(6.6%)	(10.4%)	(12.8%)	(8.5%)	(13.3%)	(6.2%)
Depreciation	154.2	138.8	129.4	460.8	125.2	119.0	110.3	106.3
CAPEX	534.7	351.2	240.1	940.9	197.1	194.8	369.1	180.0

* Reflected the retrospective application of K-IFRS 1115

Balance Sheet

[Unit : KRW bn]

Category	Sept. 30, '18	June 30, '18	Mar. 31, '18	Dec. 31, '17	Sept. 30, '17	June 30, '17	Mar. 31, '17
Assets	18,426.0	16,890.5	16,343.3	15,741.7	15,600.3	15,244.1	14,682.1
Current	5,362.6	4,601.9	4,250.3	3,584.6	3,715.1	3,490.8	3,484.6
Cash & cash equiv. *	1,838.5	1,310.6	915.1	1,260.9	1,111.4	1,353.4	1,512.1
A/R & Others	2,036.7	1,927.3	2,215.1	1,357.1	1,683.3	1,350.4	1,795.8
Inventory	1,487.4	1,364.0	1,120.2	966.6	920.5	787.0	686.4
Non-current	13,063.4	12,288.6	12,093.0	12,157.1	11,885.2	11,753.3	11,197.5
Investment	7,943.4	7,635.9	7,649.8	8,005.2	7,775.5	7,756.0	7,368.2
Tangible & Intangible	4,903.1	4,369.2	4,145.9	3,827.8	3,793.4	3,683.4	3,514.8
Others	216.9	283.5	297.3	324.1	316.3	313.9	314.5
Liabilities	6,390.6	5,134.8	4,697.1	4,289.7	4,342.4	4,085.5	3,898.3
Current	3,461.7	3,224.9	3,003.8	2,664.1	2,772.8	2,353.4	2,230.4
Non-current	2,928.9	1,909.9	1,693.3	1,625.6	1,569.6	1,732.1	1,667.9
Shareholders' Equity	12,035.4	11,755.7	11,646.2	11,452.0	11,257.9	11,158.6	10,783.8
Paid-in Capital	356.7	356.7	356.7	356.7	356.7	356.7	356.7

* Include short-term financial instruments

* Reflected the retrospective application of K-IFRS 1115