

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Financial Statements

(Unaudited)

June 30, 2013 and 2012

(With Independent Auditors' Review Report Thereon)

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Independent Auditors' Review Report

Based on a report originally issued in Korean

The Board of Directors and Stockholders
Samsung SDI Co., Ltd.:

Reviewed financial statements

We have reviewed the accompanying condensed consolidated interim financial statements of Samsung SDI Co., Ltd. and its subsidiaries (the "Group") which comprise the condensed consolidated statement of financial position as of June 30, 2013, the condensed consolidated statements of comprehensive income (loss) for the three- and six-month periods ended June 30, 2013 and 2012, the condensed consolidated statements of changes in equity and cash flows for the six-month periods ended June 30, 2013 and 2012, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with Korean International Financial Reporting Standards ("K-IFRS") No. 1034 '*Interim Financial Reporting*', and for such internal control as management determines is necessary to enable the preparation of condensed consolidation financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' review responsibility

Our responsibility is to issue a report on these condensed consolidated interim financial statements based on our reviews.

We conducted our reviews in accordance with Review Standards for Quarterly and Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of Korea and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements referred to above are not prepared, in all material respects, in accordance with K-IFRS No. 1034 '*Interim Financial Reporting*'.

Highlights

As discussed in note 3 to the condensed consolidated interim financial statements, the Group adopted amendments to K-IFRS No.1001, '*Presentation of Financial Statements*' from the annual period ended December 31, 2012 and separately presents operating income on the consolidated statements of comprehensive income (loss), which is calculated as revenue less: 1) cost of sales, and 2) selling, general and administrative expenses. The Group applied this change in accounting policies retrospectively and accordingly restated the comparative information of the consolidated statements of comprehensive income (loss) for the three- and six-month periods ended June 30, 2012.

Other matter

The statement of financial position of the Group as of December 31, 2012, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, which are not accompanying this report, were audited by us and our report thereon, dated March 2, 2013, expressed an unqualified opinion. The accompanying condensed consolidated statement of financial position of the Group as of December 31, 2012, presented for comparative purposes, is not different from that audited by us from which it was derived in all material respects.

The procedures and practices utilized in the Republic of Korea to review such condensed consolidated interim financial statements may differ from those generally accepted and applied in other countries. Accordingly, this report and the accompanying condensed consolidated interim financial statements are for use by those knowledgeable about Korean review standards and their application in practice.

KPMG Samjong Accounting Corp.

Seoul, Korea
August 14, 2013

This report is effective as of August 14, 2013, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed consolidated interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Financial Position

As of June 30, 2013 and December 31, 2012
(Unaudited)

(In thousands of won)

	<u>Note</u>	<u>2013</u>	<u>2012</u>
Assets			
Cash and cash equivalents	4,6 ₩	907,631,283	946,516,332
Trade and other receivables, net	4,7,30	851,972,527	776,407,709
Inventories, net	8	597,045,258	558,451,773
Other investments	4,9	70,915,116	65,011,477
Other assets	10	<u>95,490,556</u>	<u>68,469,041</u>
Total current assets		<u>2,523,054,740</u>	<u>2,414,856,332</u>
Long-term trade and other receivables, net	4,7,30	5,459,215	5,570,544
Equity method investments	11	4,280,976,512	4,004,966,280
Property, plant and equipment, net	2,5,12	2,172,707,786	1,971,102,028
Intangible assets, net	5,13	166,791,242	171,007,082
Investments in real estate	5,14	33,940,892	34,078,481
Deferred tax assets	28	59,400,979	164,181,243
Other non-current investments	4,9	1,675,096,921	2,047,301,194
Other non-current assets	10,13	<u>83,716,322</u>	<u>82,024,108</u>
Total non-current assets		<u>8,478,089,869</u>	<u>8,480,230,960</u>
Total assets	₩	<u>11,001,144,609</u>	<u>10,895,087,292</u>
Liabilities and Equity			
Trade and other payables	4,15,17,19,30 ₩	1,245,283,492	1,317,601,806
Income tax payable	28	21,395,481	17,689,999
Advance received		870,768	9,320,359
Unearned revenue		957,954	667,546
Short-term borrowings	4,16	<u>680,955,417</u>	<u>658,761,555</u>
Total current liabilities		<u>1,949,463,112</u>	<u>2,004,041,265</u>
Trade and other payables	4,15,17,19,30	21,118,152	16,118,217
Long-term borrowings	4,16	787,299,492	474,292,540
Employee benefits	18	73,239,020	42,592,368
Deferred tax liabilities	28	<u>645,618,471</u>	<u>793,561,300</u>
Total non-current liabilities		<u>1,527,275,135</u>	<u>1,326,564,425</u>
Total liabilities		<u>3,476,738,247</u>	<u>3,330,605,690</u>
Capital stock	1,20	240,681,185	240,681,185
Capital surplus	20	1,258,544,976	1,258,440,118
Other capital	21	(163,412,417)	(163,787,925)
Accumulated other comprehensive income	22	864,230,178	1,051,350,256
Retained earnings	23	<u>5,120,014,091</u>	<u>4,986,541,200</u>
Equity attributable to owners of the Parent Company		<u>7,320,058,013</u>	<u>7,373,224,834</u>
Non-controlling interests	31	<u>204,348,349</u>	<u>191,256,768</u>
Total equity		<u>7,524,406,362</u>	<u>7,564,481,602</u>
Total liabilities and equity	₩	<u>11,001,144,609</u>	<u>10,895,087,292</u>

See accompanying notes to the condensed consolidated interim financial statements.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

For the three- and six-month periods ended June 30, 2013 and 2012
(Unaudited)

(In thousands of won, except earnings per share)

	Note	June 30, 2013		June 30, 2012 (Restated)	
		Three-month	Six-month	Three-month	Six-month
Revenue	5,30 ₩	1,306,853,447	2,515,045,728	1,477,401,363	2,854,092,855
Cost of sales	8,18,25,30	(1,089,986,112)	(2,144,560,357)	(1,221,309,033)	(2,416,375,096)
Gross profit		216,867,335	370,485,371	256,092,330	437,717,759
Selling, general and administrative expense	18,24,25	(184,593,782)	(371,493,567)	(173,463,741)	(338,220,091)
Operating income (loss)		32,273,553	(1,008,196)	82,628,589	99,497,668
Other income	26	10,916,225	56,880,906	4,580,108	57,538,687
Other expenses	26	(16,818,006)	(20,337,868)	(3,238,244)	(6,028,427)
Finance income	27	67,315,638	116,593,711	44,840,064	102,544,610
Finance costs	27	(69,335,550)	(121,717,894)	(48,428,497)	(109,176,584)
Share of profit of equity accounted investees	11	148,030,322	250,961,164	85,920,083	187,128,950
Income before income tax		172,382,182	281,371,823	166,302,103	331,504,904
Income tax expense	28	(39,837,590)	(68,240,580)	(50,154,335)	(96,547,790)
Net income	₩	132,544,592	213,131,243	116,147,768	234,957,114
Other comprehensive loss					
Items that will not be reclassified to profit or loss:					
Defined benefit plan actuarial losses		-	(5,949,326)	-	-
Items that may be reclassified subsequently to profit or loss:					
Loss on derivatives evaluation		(179,658)	(110,406)	-	-
Net change in fair value of available-for-sale financial assets		(315,693,629)	(361,939,645)	(231,438,693)	(58,417,242)
Change in unrealized holding gain on equity method investments		15,325,732	27,765,365	793,496	(954,133)
Change in gain (loss) on translation of foreign operations		39,245,716	79,456,053	(8,125,564)	(11,520,798)
Tax effect		74,986,480	82,331,799	57,275,726	17,186,843
Total comprehensive income (loss)	₩	(53,770,767)	34,685,083	(65,347,267)	181,251,784
Net income attributable to:					
Owners of the Parent Company	5,31	129,152,388	206,805,674	105,329,378	217,340,169
Non-controlling interests	31	3,392,204	6,325,569	10,818,390	17,616,945
Total comprehensive income (loss) attributable to:					
Owners of the Parent Company		(64,514,232)	13,736,270	(75,868,792)	164,827,318
Non-controlling interests		10,743,465	20,948,813	10,521,525	16,424,466
Earnings per share	29				
Basic earnings per share (won)		2,978	4,769	2,429	5,013
Diluted earnings per share (won)		2,978	4,769	2,429	5,012

See accompanying notes to the condensed consolidated interim financial statements.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Changes in Equity

For the six-month periods ended June 30, 2013 and 2012

(Unaudited)

<i>(In thousands of won)</i>		Capital stock	Capital surplus	Other capital	Accumulated other comprehensive income	Retained earnings	Non-controlling interests	Total equity
Balance at January 1, 2012	₩	240,681,185	1,258,119,974	(165,394,676)	1,173,911,801	3,610,804,370	196,404,567	6,314,527,221
Comprehensive income								
Net income		-	-	-	-	217,340,169	17,616,945	234,957,114
Change in fair value of available-for-sale financial assets		-	-	-	(45,392,373)	-	-	(45,392,373)
Change in equity of associates and joint ventures		-	-	-	(18,800)	-	-	(18,800)
Change in loss on translation of foreign operations		-	-	-	(7,101,679)	-	(1,192,478)	(8,294,157)
Total comprehensive income		-	-	-	(52,512,852)	217,340,169	16,424,467	181,251,784
Transactions with owners of the Company, recognized directly in equity								
Dividends to owners of the Company		-	-	-	-	(67,333,747)	(7,949,034)	(75,282,781)
Exercise of share options		-	320,144	1,606,751	-	-	-	1,926,895
Balance at June 30, 2012	₩	240,681,185	1,258,440,118	(163,787,925)	1,121,398,949	3,760,810,792	240,880,000	6,422,423,119
Balance at January 1, 2013	₩	240,681,185	1,258,440,118	(163,787,925)	1,051,350,256	4,986,541,200	191,256,768	7,564,481,602
Comprehensive income								
Net income		-	-	-	-	206,805,674	6,325,569	213,131,243
Actuarial loss		-	-	-	-	(5,949,326)	-	(5,949,326)
Loss on valuation of derivatives		-	-	-	(110,406)	-	-	(110,406)
Change in fair value of available-for-sale financial assets		-	-	-	(273,796,710)	-	-	(273,796,710)
Change in equity of associates and joint ventures		-	-	-	21,046,147	-	-	21,046,147
Change in gain on translation of foreign operations		-	-	-	65,740,891	-	14,623,244	80,364,135
Total comprehensive income		-	-	-	(187,120,078)	200,856,348	20,948,813	34,685,083
Transactions with owners of the Company, recognized directly in equity								
Dividends to owners of the Company		-	-	-	-	(67,383,457)	(7,857,232)	(75,240,689)
Exercise of share options		-	104,858	375,508	-	-	-	480,366
Balance at June 30, 2013	₩	240,681,185	1,258,544,976	(163,412,417)	864,230,178	5,120,014,091	204,348,349	7,524,406,362

See accompanying notes to the condensed consolidated interim financial statements.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Cash Flows

For the six-month periods ended June 30, 2013 and 2012

(Unaudited)

(In thousands of won)

	2013	2012
Cash flows from operating activities		
Net income	₩ 213,131,243	234,957,114
Adjustments for:		
Defined benefit liabilities	25,308,741	18,005,228
Loss on valuation of inventories	4,178,540	10,215,220
Depreciation	195,076,139	228,554,584
Amortization	18,133,482	14,931,461
Bad debt expense	10,918	1,444,027
Other bad debt expense	182,962	-
Commission fee	2,330,750	1,493,643
Share of profit of equity accounted investees	(250,961,164)	(187,128,950)
Gain on disposal of associates and joint ventures	-	(9,810)
Foreign currency translations loss	29,488,569	12,586,927
Foreign currency translations gain	(26,047,745)	(5,970,363)
Gains on valuation of derivatives	(2,326,905)	-
Loss on sale of property, plant and equipment	7,252,338	945,739
Gain on sale of property, plant and equipment	(1,017,632)	(618,675)
Loss on impairment of property, plant and equipment	19,555	1,130,621
Reversal of loss on impairment of property, plant and equipment	(520,760)	-
Loss on sale of intangible assets	266,287	-
Loss on sale of investments	2,304,799	-
Gain on sale of investments	-	(610,718)
Miscellaneous losses	122,590	1,771,545
Miscellaneous income	(15,120,000)	(29,908,586)
Income tax expense	68,240,580	96,547,790
Interest expense	16,007,216	10,836,080
Interest income	(9,504,329)	(10,923,013)
Dividends income	(19,163,051)	(19,145,705)
Changes in assets and liabilities:		
Trade receivables	(23,859,281)	(109,219,842)
Other receivables	75,498,184	30,745,865
Other current assets	(33,631,679)	15,266,653
Inventories	(14,385,720)	(61,273,674)
Non-current other receivables	1,500,346	(626,313)
Non-current other assets	43,845	1,749,563
Trade payables	(31,040,268)	56,234,202
Other payables	(87,550,686)	(39,007,364)
Advance received	(8,171,892)	(2,159,814)
Unearned revenue	(623,936)	(1,134,355)
Non-current other payables	12,230,438	3,373,043
Payment of retirement and employee benefits	(7,895,234)	(5,775,797)
Plan assets	5,000,694	3,848,760
Transfer in from (to) related parties for employee benefits	2,429,892	(56,668)
Interest received	6,485,974	10,172,291
Interest paid	(17,485,736)	(10,517,902)
Dividends received	19,163,051	19,145,705
Income taxes paid	(21,902,990)	(43,261,717)
Net cash provided by operating activities	133,198,125	246,606,795

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Cash Flows, Continued

For the six-month periods ended June 30, 2013 and 2012

(Unaudited)

	<u>2013</u>	<u>2012</u>
Cash flows from investing activities		
Sale of other investments	₩ 15,775,276	22,719,305
Proceeds from disposal of associates and joint ventures	-	2,677,597
Proceeds from sale of property, plant and equipment	24,894,653	5,738,688
Proceeds from sale of investment property	-	905,740
Acquisition of other investments	(8,506,893)	(11,605,522)
Acquisition of other non-current assets	(9,430,072)	(16,635,082)
Acquisition of property, plant and equipment	(463,533,954)	(212,017,090)
Acquisition of intangible assets	(22,591)	-
Net cash used in investing activities	<u>(440,823,581)</u>	<u>(208,216,364)</u>
Cash flows from financing activities		
Proceeds from short-term borrowings	588,629,576	426,900,208
Proceeds from long-term borrowings	106,246,638	-
Exercise of share options	513,843	2,029,104
Issuance of bonds	199,242,600	-
Repayment of short-term borrowings	(533,247,868)	(462,495,088)
Repayment of current portion of long-term borrowings	(65,000,000)	(28,832,500)
Dividends paid	(75,240,689)	(67,333,747)
Net cash provided by (used in) financing activities	<u>221,144,100</u>	<u>(129,732,023)</u>
Net decrease in cash and cash equivalents	(86,481,356)	(91,341,592)
Cash and cash equivalents at January 1	946,516,332	757,661,035
Effect of exchange rate fluctuations on cash held	47,596,307	7,811,359
Cash and cash equivalents at June 30	<u>₩ 907,631,283</u>	<u>674,130,802</u>

See accompanying notes to the condensed consolidated interim financial statements.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Interim Financial Statements

June 30, 2013
(Unaudited)

1. Reporting entity

Samsung SDI Co., Ltd. (the "Parent Company") was incorporated on January 20, 1970 under the Investment Promotion Law of the Republic of Korea with paid-in capital of ₩200 million. In 1979, the Parent Company was listed on the Korea Exchange (formerly, Korean Stock Exchange). The consolidated financial statements of the Parent Company comprise the Parent Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly controlled entities. The Group is engaged in the manufacture and sale of plasma display panels and rechargeable batteries.

The Parent Company's head office is located in Kiheung, Gyeong-gi Do, and its factories are located in Ulsan and Cheon-An, Chungcheongnam-Do. In addition to these local business sites, the Parent Company also has 16 subsidiaries operating in the United States, Malaysia, Vietnam, Germany, Mexico, Hong Kong, China, Japan, Brazil, Hungary, and Korea.

Under its Articles of Incorporation, the Parent Company is authorized to issue 100,000 thousand shares of capital stock with a par value of ₩5,000 per share. As of June 30, 2013, 47,176,237 shares of capital stock (including 1,617,896 preferred shares) have been issued and are outstanding, and the Parent Company's paid-in-capital amounts to ₩240,681 million. The major stockholder of the Parent Company is Samsung Electronics Co., Ltd. (ownership: 19.68%). The Parent Company is allowed to retire its stock through a board resolution within the amount that would be paid as dividends to stockholders. Pursuant to the resolution made by the board of directors on October 18, 2004, the Parent Company retired 930,000 common shares and 30,000 preferred shares, which were acquired at ₩99,333 million on December 8, 2004 through appropriation of retained earnings. Due to the share retirement, the par value of the outstanding shares in the amount of ₩235,881 million (₩227,792 million for common stock and ₩8,089 million for preferred stock, excluding the retired shares) is different from the paid-in capital.

Under its Articles of Incorporation, the Parent Company is authorized to issue 30,000 thousand non-voting preferred shares. Holders of preferred shares issued before February 28, 1997 are entitled to receiving additional dividends of 1% of its par value per annum. As of June 30, 2013, 1,617,896 shares of non-cumulative and non-voting preferred stocks are eligible for these additional dividends.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
Notes to the Condensed Consolidated Interim Financial Statements

June 30, 2013

(Unaudited)

1. Reporting entity, Continued

(1) The list of subsidiaries as of June 30, 2013 and December 31, 2012 is as follows:

(In thousands of won, except number of shares and percentage of ownership)

Subsidiaries	Location	Primary business	Capital stock as of June 30, 2013	Percentage of ownership (**)	
				June 30, 2013	December 31, 2012
Samsung SDI America, Inc. ("SDIA")	U.S.A.	Manufacturing and sale of PDP, sale of rechargeable battery	28,626,950	91.70%	91.70%
Samsung SDI Germany GmbH ("SDIG") (*)	Germany	Supporting sales in Europe region	22,400,891	100.00%	100.00%
Samsung SDI Hungary Rt. ("SDIHU")	Hungary	Manufacturing and sale of PDP	4,860,887	100.00%	100.00%
Samsung SDI Europe GmbH ("SDIEU") (*)	Germany	Sale of rechargeable battery, etc.	1,558,180	100.00%	100.00%
Samsung SDI (Malaysia) Sdn, Bhd. ("SDI(M)")	Malaysia	Manufacturing and sale of CPT	43,581,363	68.60%	68.60%
Samsung SDI Vietnam Ltd. ("SDIV") (*)	Vietnam	Manufacturing and sale of rechargeable battery	17,326,000	100.00%	100.00%
Samsung SDI Energy Malaysia Sdn, Bhd. ("SDIEM")	Malaysia	Manufacturing and sale of rechargeable battery	11,781,000	100.00%	100.00%
Samsung SDI (Hong Kong) Ltd. ("SDIHK")	Hong Kong	Sale of rechargeable battery, PDP	261,864,048	95.90%	95.90%
Samsung SDI Japan Co., Ltd. ("SDIJ") (*)	Japan	Purchase and sale of PDP, raw materials of rechargeable battery	4,210,454	100.00%	100.00%
Samsung SDI China Co., Ltd. ("SDIC")(*)	China	Supporting sales in China region	2,267,400	100.00%	100.00%
Samsung SDI Brazil Ltda. ("SDIB")	Brazil	Supporting sales in South America region	117,239,846	95.90%	95.90%
SVIC 15 Fund ("SVIC 15")	Korea	Investments in new technology venture business	30,000,000	99.00%	99.00%
SB LiMotive Co.,Ltd.(***)	Korea	Manufacturing and sale of automotive rechargeable battery	-	-	100.00%
Subsidiary of SDIA					
Samsung SDI Mexico, S.A. de C.V. ("SDIM")	Mexico	Manufacturing of PDP	2,854,723	91.70%	91.70%
Subsidiaries of SDIHK					
Shenzhen Samsung SDI Co., Ltd. ("SSDI") (*)	China	Manufacturing and sale of CRT, PDP	148,353,146	76.70%	76.70%
Tianjin Samsung SDI Co., Ltd. ("TSDI") (*)	China	Manufacturing and sale of rechargeable battery	113,123,338	76.70%	76.70%
Shanghai Samsung SVA Electronic Devices Co., Ltd. ("SSED") (*)	China	Manufacturing and sale of rechargeable battery, sale of VFD	47,671,714	57.90%	57.90%

(*) In accordance with the local laws and regulations, no shares have been issued and ownership interest has been measured based on investments.

(**) Effective ownership interest has been measured based on ownership of the parent company and its subsidiaries considering the control structure.

(***) On January 1, 2013, the Parent Company merged SB Limotive Co.,Ltd., a subsidiary.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
Notes to the Condensed Consolidated Interim Financial Statements

June 30, 2013

(Unaudited)

1. Reporting entity, Continued

(2) Condensed statement of financial position as of June 30, 2013 and condensed statement of comprehensive income (loss) for six-month period ended June 30, 2013 of subsidiaries are as follows:

(In thousands of won)

Subsidiaries	Assets	Liabilities	Equity	Revenue	Net income (loss)	Total comprehensive income (loss)
Samsung SDI America, Inc. ("SDIA")	₩ 159,064,659	81,466,825	77,597,834	267,021,464	4,902,917	14,641,997
Samsung SDI Germany GmbH ("SDIG")	42,218,109	2,291,693	39,926,416	-	(306,689)	1,424,648
Samsung SDI Hungary Rt. ("SDIHU")	70,801,299	13,472,342	57,328,957	77,102,856	(2,469,290)	1,271,334
Samsung SDI Europe GmbH ("SDIEU")	4,241,493	1,240,076	3,001,417	5,096,210	621,747	774,883
Samsung SDI (Malaysia) Sdn. Bhd. ("SDI(M)")	155,203,472	47,624,202	107,579,270	3,804,349	(2,199,783)	(1,693,142)
Samsung SDI Vietnam Ltd. ("SDIV")	169,212,125	135,668,465	33,543,660	270,727,161	5,812,265	7,628,128
Samsung SDI Energy Malaysia Sdn. Bhd. ("SDIEM")	448,081,479	443,097,294	4,984,185	109,901,135	(1,319,037)	(1,226,522)
Samsung SDI (Hong Kong) Ltd. ("SDIHK")	494,090,305	107,404,255	386,686,050	396,494,402	21,253,059	31,073,022
Samsung SDI Japan Co., Ltd. ("SDIJ")	7,444,541	3,689,469	3,755,072	10,364,582	(5,688)	(261,099)
Samsung SDI Brazil Ltda. ("SDIB")	44,787,269	9,399,310	35,387,959	-	17,264	(71,219)
Samsung SDI China Co., Ltd. ("SDIC")	3,527,505	795,747	2,731,758	3,633,831	232,285	458,175
SVIC 15 Fund ("SVIC 15")	26,556,009	141,128	26,414,881	-	(2,435,267)	(126,600)
Samsung SDI Mexico, S.A. de C.V. ("SDIM")	18,591,779	3,507,525	15,084,254	11,063,178	2,821,535	3,643,619
Shenzhen Samsung SDI Co., Ltd. ("SSDI")	468,136,803	214,122,382	254,014,421	399,189,857	15,917,508	36,307,326
Tianjin Samsung SDI Co., Ltd. ("TSDI")	663,882,056	340,126,285	323,755,771	634,217,269	8,772,438	34,416,116
Shanghai Samsung SVA Electronic Devices Co., Ltd. ("SSED")	145,523,525	88,033,050	57,490,475	225,139,911	885,671	5,611,353

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2. Basis of preparation

(1) Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with Korean International Financial Reporting Standards ("K-IFRS"), as prescribed in the Act on External Audits of Corporations.

These condensed consolidated interim financial statements were prepared in accordance with K-IFRS No. 1034, 'Interim Financial Reporting' as part of the period covered by the Group's K-IFRS annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2012. These condensed consolidated interim financial statements do not include all of the disclosures required for full annual financial statements.

(2) Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements in conformity with K-IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Beginning January 1, 2013, the Group determined to change the useful life of machinery of a division from five years to eight years in order to improve the usefulness of the accounting information based on the accumulated historical experience of an additional machinery. As a result of this change in accounting estimates, the Group's depreciation expense under the new useful life was ₩8,175,071 thousand lower than it would have been under the previous useful life for the six-month period ended June 30, 2013. Assuming that the Group holds the machinery until the end of the estimated useful life, such decreases in depreciation expense for the years ending December 31, 2013, 2014 and 2015 are expected to be ₩16,350,142 thousand, ₩12,739,643 thousand and ₩9,356,961 thousand, respectively, due to the estimated useful life changes.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as of and for the year ended December 31, 2012.

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3. Significant accounting policies

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as of and for the year ended December 31, 2012. The following changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending December 31, 2013.

(1) Changes in accounting policies

(i) K-IFRS No. 1001, 'Presentation of Financial Statements'

The Group has applied the amendments to K-IFRS No. 1001, 'Presentation of Financial Statements' since January 1, 2013. The amendments require presenting in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

(ii) K-IFRS No.1110, 'Consolidated Financial Statements'

The Group adopted K-IFRS No.1110, 'Consolidated Financial Statements' since January 1, 2013. As a result, the Group has changed its accounting policy with respect to determining whether it has control over and consequently whether it consolidates its investees. K-IFRS No. 1110 introduces a new control model that is applicable to all investees; among other things, it requires the consolidation of an investee if the Group controls the investee on the basis of *de facto* circumstances.

(iii) K-IFRS No.1111, 'Joint Arrangements'

The Group adopted K-IFRS No.1111, 'Joint Arrangements' since January 1, 2013. The standard classifies joint arrangements into two types - joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. The standard requires a joint operator to recognize and measure the assets and liabilities (and recognize the related revenues and expenses) in relation to its interest in the arrangement in accordance with relevant IFRSs applicable to the particular assets, liabilities, revenues and expenses. The standard requires a joint venturer to recognize an investment and to account for that investment using the equity method.

(iv) K-IFRS No.1112, 'Disclosure of Interests in Other Entities'

The Group adopted K-IFRS No.1112, 'Disclosure of Interests in Other Entities' since January 1, 2013. The standard brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Group is currently assessing the disclosure requirements for interests in subsidiaries, interests in joint arrangements and associates and unconsolidated structured entities in comparison with the existing disclosures. The standard requires the disclosure of information about the nature, risks and financial effects of these interests.

(v) Amendments to K-IFRS No. 1019, 'Employee Benefits'

The Group has applied the amendments to K-IFRS No. 1019, 'Employee Benefits' since January 1, 2013. The standard requires recognition of actuarial gains and losses immediately in other comprehensive income and to calculate expected return on plan assets based on the rate used to discount the defined benefit obligation.

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3. Significant accounting policies, Continued

(1) Changes in accounting policies, Continued

(vi) K-IFRS No. 1113, 'Fair Value Measurement'

The Group adopted K-IFRS No. 1113, 'Fair Value Measurement' since January 1, 2013. The standard defines fair value and a single framework for fair value, and requires disclosures about fair value measurements.

(2) Impact of changes in accounting policy

(i) K-IFRS No. 1001, 'Presentation of Financial Statements'

From the annual period ended December 31, 2012, the Group adopted K-IFRS No. 1001, 'Presentation of Financial Statements', and separately presented operating income (loss) after deducting cost of sales and selling, general and administrative expense from revenue on the comprehensive income statement.

The following table summarises the adjustments made to the Group's statements of comprehensive income for the three- and six-month periods ended June 30, 2012 in the retrospective application of such change in accounting policy.

(In won)

	June 30, 2012	
	Three-month	Six-month
Operating income before adoption of the amendment	₩ 83,970,452,504	151,007,928,396
Listing of the difference		
Other income (note26)	(4,580,108,300)	(57,538,687,082)
Other expense (note26)	3,238,244,259	6,028,426,111
Operating income after adoption of the amendment	₩ 82,628,588,463	99,497,667,425

(3) New standards and interpretations not yet adopted

The following new standards, interpretations and amendments to existing standards have been published and are mandatory for the Group for annual periods beginning after January 1, 2013, and the Group has not early adopted them.

(i) Amendments to K-IFRS No. 1032, 'Financial Instruments: Presentation'

The amendments clarified the application guidance related to 'offsetting a financial asset and a financial liability'. The amendment is mandatorily effective for periods beginning on or after January 1, 2014 with early application permitted.

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4. Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

(1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Most customers have been transacting with the Group for many years and impairment loss has not occurred very often. In addition, the Group reviews credit rating of new customers prior to the determination of payment terms and also re-examines the credit rating of customers on a regular basis.

The Group sets allowances for estimated losses from accounts receivable and investment assets. In addition, the Group reports present conditions and countermeasures of delinquent financial assets and takes reasonable steps depending on the reasons for delay in order to manage the credit risk.

1) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The Group limits its exposure to credit risk by depositing cash and cash equivalents in financial institutions that have a high credit rate. The maximum exposure to credit risk at the reporting date was as follows:

<i>(In thousands of won)</i>	June 30, 2013	December 31, 2012
Cash and cash equivalents	₩ 907,631,283	946,516,332
Trade and other receivables	864,467,870	788,387,043
Held-to-maturity financial assets	47,555	57,330
Available-for-sale financial assets	1,615,332,414	1,979,576,859
Financial assets	32,100,073	40,804,700
Guarantee deposits	96,292,094	91,873,782
Derivatives	2,239,901	-
Total	₩ <u>3,518,111,190</u>	<u>3,847,216,046</u>

The maximum exposure to credit risk for trade and other receivables at the reporting date by geographic region was as follows:

<i>(In thousands of won)</i>	June 30, 2013	December 31, 2012
Domestic	₩ 112,566,289	114,335,571
North America	21,450,858	27,654,635
Euro zone	5,803,678	10,069,650
China	315,858,318	564,195,835
Other	408,788,727	72,131,352
Total	₩ <u>864,467,870</u>	<u>788,387,043</u>

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4. Financial risk management, Continued

(1) Credit risk, Continued

2) Impairment loss

As of June 30, 2013 and December 31, 2012, the aging of trade receivables and balance of impairment are as follows:

(In thousands of won)

	June 30, 2013		December 31, 2012	
	Gross	Impairment	Gross	Impairment
Not past due	₩ 782,241,536	-	676,200,580	-
Past due 0-30 days	5,932,174	-	2,358,925	-
Past due 31-60 days	3,622,361	-	44,536	-
Past due 61-365 days	44,424	-	161,736	-
Total	₩ 791,840,495	-	678,765,777	-

3) Financial assets that are past due but not impaired

Financial assets that are past due but not impaired as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

	June 30, 2013			December 31, 2012		
	Carrying amount	6 months or less	More than 6 months	Carrying amount	6 months or less	More than 6 months
Trade receivables	₩ 9,598,959	9,598,959	-	2,565,197	2,565,197	-

(2) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its cash flows through long-term and short-term management strategies and ensures it has sufficient cash on demand to meet expected operational expenses. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The Group establishes short-term and long-term cash management plans to manage liquidity risk. The Group matches maturity structures of financial assets and liabilities through analyzing and reviewing cash flow budget and actual cash flows. Management believes that the Group is able to redeem its financial liabilities through operating cash flows and cash inflows of financial assets.

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4. Financial risk management, Continued

(2) Liquidity risk, Continued

Maturity analysis of financial liabilities as of June 30, 2013 is as follows:

(In thousands of won)

		Carrying amount	Contractual Cash flow	1 year or less	More than 1 year or less than 5 years
Short-term borrowings	₩	680,955,417	681,481,644	681,481,644	-
Long-term borrowings		787,299,493	854,016,163	25,518,052	828,498,111
Total	₩	<u>1,468,254,910</u>	<u>1,535,497,807</u>	<u>706,999,696</u>	<u>828,498,111</u>

(3) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Exchange rate risk

The Group has exposure to the exchange rate risk for the sale, purchase, and borrowing of currencies not denominated in functional currency. Main currencies used for these transactions are EUR, USD, JPY and etc. The Group manages the exchange rate risk through currency forward transactions as considered necessary in order to hedge the exchange risk.

Carrying amounts of monetary assets and liabilities expressed as other than functional currency as of June 30, 2013 and December 31, 2012 are as follows:

(In thousands of won)

		June 30, 2013			December 31, 2012		
		USD	EUR	JPY, etc	USD	EUR	JPY, etc
Monetary assets:							
Cash and cash equivalents	₩	148,871,156	-	156,199	151,857,714	-	288,399
Trade and other receivables		1,280,517,245	7,040,514	6,735,097	1,151,756,936	21,877,308	8,336,270
Other investments		229,743	3,393	-	230,579	4,549	264,876
Total	₩	<u>1,429,618,144</u>	<u>7,043,907</u>	<u>6,891,296</u>	<u>1,303,845,229</u>	<u>21,881,857</u>	<u>8,889,545</u>
Monetary liabilities:							
Trade and other payables	₩	982,890,180	2,944,220	96,347,033	853,045,041	32,410,376	19,752,491
Borrowings		760,896,683	-	-	599,202,003	-	-
Total	₩	<u>1,743,786,863</u>	<u>2,944,220</u>	<u>96,347,033</u>	<u>1,452,247,044</u>	<u>32,410,376</u>	<u>19,752,491</u>

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4. Financial risk management, Continued

(3) Market risk, Continued

1) Exchange rate risk, Continued

The following significant exchange rates were applied for the six-month period ended June 30, 2013:

Currency	Average rate		Reporting date spot rate	
	Six-month period ended June 30, 2013	Six-month period ended June 30, 2012	June 30, 2013	December 31, 2012
USD	1,103.66	1,141.74	1,149.70	1,071.10
EUR	1,449.21	1,481.12	1,498.23	1,416.26
JPY	11.56	14.33	11.67	12.48

Effects on net income (loss) as a result of change in interest rate as of June 30, 2013 and December 31, 2012 are as follows:

(In thousands of won)

Currency	June 30, 2013		December 31, 2012	
	If increased by 5%	If decreased by 5%	If increased by 5%	If decreased by 5%
USD	₩ (11,906,994)	11,906,994	(5,624,429)	5,624,429
EUR	155,378	(155,378)	(399,031)	399,031
JPY, etc	(3,390,372)	3,390,372	(411,706)	411,706

2) Interest rate risk

The Group entered into interest rate swaps contracts in order to hedge the interest rate fluctuation risk for certain borrowings.

(i) At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was as follows:

(In thousands of won)

	June 30, 2013	December 31, 2012
Fixed interest rate:		
Short-term borrowings	₩ -	148,437,301
Long-term borrowings	598,712,627	399,328,651
Subtotal	₩ 598,712,627	547,765,952
Floating interest rate:		
Short-term borrowings	680,955,417	510,324,254
Long-term borrowings	188,586,866	74,963,889
Subtotal	₩ 869,542,283	585,288,143
Total	₩ 1,468,254,910	1,133,054,095

(ii) Fair value sensitivity analysis for fixed rate instruments

Debentures at amortized cost bear fixed interest rates. Therefore a change in interest rates at the reporting date would not affect profit or loss.

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4. Financial risk management, Continued

(3) Market risk, Continued

2) Interest rate risk, Continued

(iii) Cash flow sensitivity analysis for variable rate instruments

A change of one percent point in interest rates at the reporting date would have increased (decreased) equity and net income by the amounts shown below. This analysis assumes that all other variables remain constant.

(In thousands of won)

		June 30, 2013			
		Equity		Net income	
Item		If increased by 1%	If decreased by 1%	If increased by 1%	If decreased by 1%
Variable rate instruments	₩	(6,591,131)	6,591,131	(6,591,131)	6,591,131

(In thousands of won)

		December 31, 2012			
		Equity		Net income	
Item		If increased by 1%	If decreased by 1%	If increased by 1%	If decreased by 1%
Variable rate instruments	₩	(4,436,484)	4,436,484	(4,436,484)	4,436,484

3) Other market price risk

Market price risk arises from the available-for-sale financial assets that the Group possesses. Major investments within the portfolio are managed separately and the approval of the board of directors is necessary for important acquisition or sale decisions.

The effect on other comprehensive income (gains/losses on valuation of available-for-sale financial assets), when the price of listed equity financial assets, among the available-for-sale financial assets that the Group possesses at June 30, 2013, from a change in fair value of these financial assets of five percent is as follows:

(In thousands of won)

Item		If increased by 5%	If decreased by 5%
Total comprehensive income, net of tax effect	₩	44,482,242	(44,482,242)

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4. Financial risk management, Continued

(4) Capital management

The Group's capital management is to maintain a sound capital structure and to maximize stockholders' profit. The Group uses financial ratios such as debt ratio and net borrowings ratio as a capital management indicator to achieve the optimum capital structure. Debt ratio is calculated as total liabilities divided by total equity and net borrowings ratio is calculated as net borrowings divided by total equity.

(In thousands of won)

		June 30, 2013	December 31, 2012
Debt to equity ratio:			
Total liabilities	₩	3,476,738,247	3,330,605,690
Total equity		7,524,406,362	7,564,481,602
Debt to equity ratio		46.2%	44.0%
Net borrowings to equity ratio:			
Borrowings	₩	1,468,254,910	1,133,054,095
Less : Cash and cash equivalents		(907,631,283)	(946,516,332)
Less : Short-term financial instruments		(25,436,734)	(25,425,864)
Net borrowings		535,186,893	161,111,899
Net borrowings ratio		7.1%	2.1%

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4. Financial risk management, Continued

(5) Fair values

1) Fair value versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

(In thousands of won)

Item	June 30, 2013		December 31, 2012	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Assets carried at fair value				
Available-for-sale financial assets	₩ 1,615,332,414	1,615,332,414	1,979,576,859	1,979,576,859
Derivatives	2,239,901	2,239,901	-	-
Subtotal	₩ 1,617,572,315	1,617,572,315	1,979,576,859	1,979,576,859
Assets carried at amortized cost				
Cash and cash equivalents	907,631,283	907,631,283	946,516,332	946,516,332
Trade receivables and other receivables	857,431,742	857,431,742	781,978,253	781,978,253
Held-to-maturity investments	47,555	47,555	57,330	57,330
Financial instruments	32,100,073	32,100,073	40,804,700	40,804,700
Guarantee deposits	96,292,094	96,292,094	91,873,782	91,873,782
Subtotal	₩ 1,893,502,747	1,893,502,747	1,861,230,397	1,861,230,397
Total financial assets	₩ 3,511,075,062	3,511,075,062	3,840,807,256	3,840,807,256
Financial liabilities:				
Liabilities carried at amortized cost				
Borrowings	₩ 1,468,254,910	1,472,602,338	1,133,054,095	1,135,375,103
Trade payables and other payables	1,266,401,644	1,266,401,644	1,025,582,558	1,025,582,558
Total financial liabilities	₩ 2,734,656,554	2,739,003,982	2,158,636,653	2,160,957,661

2) Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at each period end plus an adequate credit spread, and were as follows:

	June 30, 2013	December 31, 2012
Borrowings	3.28%	3.26%

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4. Financial risk management, Continued

(5) Fair values, Continued

3) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- "Level 1" indicates quoted prices in active markets for identical assets or liabilities. Instruments included in "Level 1" are composed of listed equity securities that are classified as available-for-sale financial assets.
- The Group uses a valuation technique to estimate fair values of financial instruments which are not traded in an active market. If the significant inputs which are required for a fair value measurement are observable directly or indirectly in a market, the fair value input is classed as "Level 2".
- On the other hand, if the significant inputs are not based on observable market data, the fair value input for that instrument is classed as "Level 3".

Among unlisted equity securities, the fair value of Samsung Everland Inc. is estimated using continuous probability distribution of value per share in accordance with estimated price per share calculated by the net value method, applying value of assets and the discounted cash flow method applying weighted average cost of capital based on the estimated cash flow. The fair value of Samsung Total Petrochemicals Co., LTD. is measured based on estimated price per share using the net value method. The fair value of Samsung Venture Investment Corporation is estimated using the probability distribution of value per share in accordance with estimated price per share calculated by the free cashflows to equity method. These unlisted equity securities are classed as "Level 3".

The fair values of financial instruments based on the fair value hierarchy as of June 30, 2013 and December 31, 2012 are summarized as follows:

<i>(In thousands of won)</i>		Level 1	Level 2	Level 3	Total
June 30, 2013:					
Financial assets					
Available-for-sale financial assets	₩	1,173,150,435	-	426,633,552	1,599,783,987
Derivatives		-	2,239,901	-	2,239,901
December 31, 2012:					
Financial assets					
Available-for-sale financial assets	₩	1,546,429,539	-	417,698,952	1,964,128,491

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4. Financial risk management, Continued

(6) Transfer of financial assets

There has been no disposal of total transferred financial assets as of June 30, 2013 and December 31, 2012 and the details are summarized as follows:

(In thousands of won)

Item	Foreign currency trade receivable	
	June 30, 2013	December 31, 2012
Carrying amount of assets	₩ 551,765,681	337,023,478
Carrying amount of associated liabilities	551,765,681	337,023,478

5. Segments Information

(1) Operating segments

1) The Group has two reportable segments, which are summarized as follows:

Segment	Main business
Display	Manufacture and sale of Plasma Display Panels and Cathode Ray Tube
Energy and other	Manufacture and sale of rechargeable batteries and other

2) The operating segment of the consolidated group is decided by the management, which establishes the strategic decision making. The management reviews the operating income for each operating segment in order to decide on resource allocation for each operating segment and assess the segments' performance. Most of the revenue is comprised of goods sold. As for products, the distinction is based on revenue-production, which is classified by display and energy and other. The following table provides information for each operating segment for the six-month periods ended June 30, 2013 and 2012.

(In thousands of won)

	Display		Energy and other		Total	
	2013	2012	2013	2012	2013	2012
External revenue	₩ 832,309,511	1,222,592,026	1,682,736,217	1,631,500,829	2,515,045,728	2,854,092,855
Depreciation expenses	43,083,400	102,325,202	151,992,739	120,509,478	195,076,139	222,834,680
Amortization	3,461,470	3,783,877	14,672,012	11,795,837	18,133,482	15,579,714
Operating income (loss)	(20,742,489)	29,918,036	19,734,293	69,579,631	(1,008,196)	99,497,667

The total asset and liabilities for each operating segment has not been shown as these figures have not been regularly reported to the chief operating decision maker.

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5. Segments Information, Continued

(2) Geographical information

The Group has operated in the global markets such as Korea (the Parent Company's domicile), North America, Europe, South America, China and Southeast Asia. The following table provides information for each geographical region as of and for the six-month periods ended June 30, 2013 and 2012.

(In thousands of won)

		June 30, 2013		June 30, 2012	
		Revenue	Non-current assets (*)	Revenue	Non-current assets (*)
Republic of Korea	₩	1,059,912,436	1,576,992,180	2,439,929,834	1,504,204,280
North America		365,481,048	26,884,841	395,890,509	26,483,255
Europe and South America		464,806,011	28,156,521	204,911,622	28,428,395
China		906,405,060	365,511,230	1,892,216,250	405,007,648
Southeast Asia		1,215,179,256	415,028,913	286,174,491	197,771,809
Consolidation adjustments		(1,496,738,083)	(39,133,765)	(2,365,029,851)	14,292,204
Total	₩	<u>2,515,045,728</u>	<u>2,373,439,920</u>	<u>2,854,092,855</u>	<u>2,176,187,591</u>

(*) Non-current assets include amounts of property, plant and equipment, intangible assets and investment property and represent book value as of June 30, 2013 and December 31, 2012.

6. Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

		June 30, 2013	December 31, 2012
Cash on hand	₩	1,301,523	700,534
Demand deposits		689,280,679	853,539,280
Short-term investments		217,049,081	92,276,518
Total	₩	<u>907,631,283</u>	<u>946,516,332</u>

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7. Trade and Other Receivables

(1) Trade and other receivables as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

	June 30, 2013		December 31, 2012	
	Current	Non-current	Current	Non-current
Loans	₩ 471,387	4,168,067	831,742	3,923,966
Present value discount	-	(893,512)	-	(538,082)
Allowance	(1,490)	-	(3,350)	-
Other account receivable	35,408,276	100,000	32,745,456	100,000
Allowance	(558,777)	-	(377,480)	-
Accrued income	7,224,951	-	4,206,596	-
VAT receivables	25,254,694	-	67,813,507	-
Trade account receivable	789,287,176	2,553,319	676,212,458	2,553,319
Allowance	(5,113,690)	(468,659)	(5,021,220)	(468,659)
Total	₩ <u>851,972,527</u>	<u>5,459,215</u>	<u>776,407,709</u>	<u>5,570,544</u>

(2) Changes in allowance for trade and other receivables for the six-month period ended June 30, 2013 and the year ended December 31, 2012 were summarized as follows:

(In thousands of won)

	2013		2012	
	Current	Non-current	Current	Non-current
Beginning balance	₩ 5,402,050	468,659	5,412,384	550,119
(Reversal of) Bad debt expense	271,907	-	(10,334)	(81,460)
Ending balance	₩ <u>5,673,957</u>	<u>468,659</u>	<u>5,402,050</u>	<u>468,659</u>

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
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8. Inventories

(1) Inventories as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

		June 30, 2013		
		Acquisition cost	Allowance for valuation	Carrying amount
Finished goods	₩	207,104,325	(23,638,609)	183,465,716
Semi-finished goods		164,547,515	(10,909,383)	153,638,132
Raw materials		198,404,746	(3,531,142)	194,873,604
Supplies		7,025,432	-	7,025,432
Materials-in-transit		58,042,374	-	58,042,374
Total	₩	<u>635,124,392</u>	<u>(38,079,134)</u>	<u>597,045,258</u>

(In thousands of won)

		December 31, 2012		
		Acquisition cost	Allowance for valuation	Carrying amount
Finished goods	₩	228,107,481	(17,946,905)	210,160,576
Semi-finished goods		128,923,602	(11,159,649)	117,763,953
Raw materials		165,130,512	(4,441,775)	160,688,737
Supplies		6,390,061	-	6,390,061
Materials-in-transit		63,448,446	-	63,448,446
Total	₩	<u>592,000,102</u>	<u>(33,548,329)</u>	<u>558,451,773</u>

(2) The amounts of inventories recognized as cost of goods sold and loss on valuation of inventories reflected to cost of goods sold for the six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won)

		2013	2012
Inventories recognized as cost of goods sold	₩	2,140,381,817	2,406,159,876
Loss on valuation of inventories		4,178,540	10,215,220
Total	₩	<u>2,144,560,357</u>	<u>2,416,375,096</u>

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
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9. Other Investments

(1) Other investments as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

		June 30, 2013		December 31, 2012	
		Current	Non-current	Current	Non-current
Held to maturity investments	₩	-	47,555	-	57,330
Available-for-sale financial assets		-	1,615,332,414	-	1,979,576,859
Financial instruments		25,436,734	6,663,339	25,425,864	15,378,836
Guarantee deposits		43,238,481	53,053,613	39,585,613	52,288,169
Derivatives		2,239,901	-	-	-
Total	₩	70,915,116	1,675,096,921	65,011,477	2,047,301,194

(2) Available-for-sale financial assets as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

		Acquisition cost	Unrealized gain (loss)			Carrying amount
			Beginning balance	Changes in unrealized gain or loss	Ending balance	
June 30, 2013						
Listed equity securities	₩	393,798,575	1,152,630,964	(373,279,104)	779,351,860	1,173,150,435
Unlisted equity securities		79,719,541	351,122,979	11,339,459	362,462,438	442,181,979
Total	₩	473,518,116	1,503,753,943	(361,939,645)	1,141,814,298	1,615,332,414
Tax effect	₩		(364,342,383)	88,142,935	(276,199,448)	
December 31, 2012						
Listed equity securities	₩	393,798,575	1,242,639,812	(90,008,848)	1,152,630,964	1,546,429,539
Unlisted equity securities		82,024,341	316,777,350	34,345,629	351,122,979	433,147,320
Total	₩	475,822,916	1,559,417,162	(55,663,219)	1,503,753,943	1,979,576,859
Tax effect	₩		(375,761,215)	11,418,832	(364,342,383)	

The Group estimates fair values of certain unlisted equity securities as follows:

- 1) The fair value of Samsung Everland Inc. is estimated using continuous probability distribution of value per share in accordance with estimated price per share calculated by the net value method, applying value of assets and the discounted cash flow method applying weighted average cost of capital based on the estimated cash flow. The acquisition cost and the carrying value of the listed security are ₩10,000 million and ₩217,316 million, respectively, as of June 30, 2013.
- 2) The fair value of Samsung Total Petrochemicals Co., Ltd. is measured based on estimated price per share using the net value method. The acquisition cost and the carrying value of the listed security are ₩50,985 million and ₩203,264 million, respectively, as of June 30, 2013.

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9. Other Investments, Continued

(2) Available-for-sale financial assets as of June 30, 2013 and December 31, 2012 are summarized as follows, Continued:

3) The fair value of Samsung Venture Investment Corporation is estimated using probability distribution of value per share in accordance with estimated price per share calculated by the free cashflows to equity method. The acquisition cost and the carrying value of the listed security are ₩4,900 million and ₩6,053 million, respectively, as of June 30, 2013.

Other unlisted equity securities such as LOGIPA Co., Ltd., The Korea Economic Daily, Korea Housing Guarantee Co., Ltd., iMarketAsia Co., Ltd., Polyplus Battery Company, Intellectual Discovery Co., Ltd., Human Reshine New Material Co., Ltd., Panax E-Tec, and EN Technologies Inc. are valued as acquisition costs net of impairment loss as they are nonmarketable and fair value cannot be reliably estimated. The carrying value of those securities are ₩15,448 million.

10. Other Current Assets and Non-current Assets

Other current assets and non-current assets as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

	June 30, 2013		December 31, 2012	
	Current	Non-current	Current	Non-current
Advance payments	₩ 20,031,874	-	27,541,741	-
Prepaid expenses	72,919,471	62,869,672	37,477,266	61,458,476
Prepaid corporate income tax	2,539,211	20,846,650	3,450,034	20,565,632
Total	₩ <u>95,490,556</u>	<u>83,716,322</u>	<u>68,469,041</u>	<u>82,024,108</u>

11. Investments in Associates

(1) Investments in associates as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

	June 30, 2013		December 31, 2012	
	Percentage of ownership	Carrying amount	Percentage of ownership	Carrying amount
Associates:				
Samsung Display Co., Ltd. ("SDC") (*)	15.2%	4,218,630,763	15.2%	3,933,617,302
SSH Ltd. ("SSH")	40.0%	271,412	40.0%	258,320
Samsung B.P. Chemicals Co., Ltd. ("SBPC")	29.2%	43,621,536	29.2%	48,011,618
Samsung Economic Research Institute Co., Ltd. ("SERI")	28.6%	18,452,801	28.6%	23,079,040
Total		<u>4,280,976,512</u>		<u>4,004,966,280</u>

(*) While the Group owns less than 20% of Samsung Display's common shares, the Group classified Samsung Display as an associate because the Group has voting rights through representation in the board of directors.

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11. Investments in Associates, Continued

(2) Summarized financial information of associates as of and for six-month period ended June 30, 2013 and as of and for the year ended December 31, 2012 are summarized as follows:

(In thousands of won)

	June 30, 2013			
	SDC	SSH	SBPC	SERI
Current assets	₩ 12,765,340,027	687,600	117,519,018	34,323,061
Non-current assets	24,117,513,257	-	184,636,160	56,772,709
Current liabilities	6,448,064,707	9,070	113,245,979	13,035,480
Non-current liabilities	2,238,354,728	-	39,558,739	13,540,005
Revenue	15,081,114,440	672	147,880,748	61,269,112
Profit (loss) from continuing operations	1,825,225,411	(1,192)	(3,641,495)	(21,518,177)
Other comprehensive income	217,332,748	-	-	-
Total comprehensive income (loss)	1,903,097,053	(4,871)	(4,379,333)	(15,907,067)

(In thousands of won)

	December 31, 2012			
	SDC	SSH	SBPC	SERI
Current assets	₩ 11,605,284,596	654,257	120,970,161	63,936,806
Non-current assets	23,338,930,521	-	188,613,656	46,323,206
Current liabilities	6,328,756,224	8,457	105,644,959	16,714,398
Non-current liabilities	2,627,546,734	-	40,909,066	13,118,262
Revenue	21,737,346,733	2,901	370,580,082	154,490,743
Profit (loss) from continuing operations	2,459,635,331	(7,571)	9,007,800	(2,315,969)
Other comprehensive income	(82,279,311)	-	(1,888,439)	-
Total comprehensive income (loss)	2,246,799,025	(7,741)	11,376,664	174,341

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
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11. Investments in Associates, Continued

(3) Changes in investments in associates for the six-month period ended June 30, 2013 and the year ended December 31, 2012 were as follows:

(i) 2013

(In thousands of won)

Company	January 1, 2013	Acquisition	Disposal	Dividends received	Share of profits and loss on investments	Other capital movements	June 30, 2013
SDC	₩ 3,933,617,302	-	-	-	256,780,325	28,233,136	4,218,630,763
SSH	258,320	-	-	-	(1,949)	15,041	271,412
SBPC	48,011,618	-	-	(2,716,297)	(1,127,185)	(546,600)	43,621,536
SERI	23,079,040	-	-	-	(4,690,027)	63,788	18,452,801
Total	₩ 4,004,966,280	-	-	(2,716,297)	250,961,164	27,765,365	4,280,976,512

(ii) 2012

(In thousands of won)

Company	January 1, 2012	Acquisition	Disposal	Dividends received	Share of profits and loss on investments	Other capital movements	Other	December 31, 2012
SBL(*)	₩ 106,267,485	-	(85,550,981)	-	(37,291,043)	1,806,054	14,768,485	-
SDC	1,708,114,560	-	-	-	536,738,389	(30,712,669)	1,719,477,022	3,933,617,302
SSH	275,286	-	-	-	(3,096)	(13,870)	-	258,320
SBPC	51,474,692	-	-	(7,214,253)	4,194,920	(443,741)	-	48,011,618
SERI	24,146,953	-	-	-	48,453	(982,295)	(134,071)	23,079,040
ESI(**)	5,641,519	-	(7,466,545)	-	543,566	1,281,460	-	-
SVIC 4 (**)	3,107,717	-	(2,667,787)	-	(439,930)	-	-	-
Total	₩ 1,899,028,212	-	(95,685,313)	(7,214,253)	503,791,259	(29,065,061)	1,734,111,436	4,004,966,280

(*) During the year ended December 31, 2012, the Company additionally acquired 50% of the SBL's shares, which transferred SBL from an associate to a subsidiary. Also, as mentioned in note 32 to the financial statements, there was a merger of SBL during the six-month period ended June 30, 2013.

(**) The Company liquidated ESI and SVIC4 during the year ended December 31, 2012.

SAMSUNG SDI CO., LTD. AND SUBSIDIARIES
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12. Property, Plant and Equipment

(1) Changes in property, plant and equipment for the six-month period ended June 30, 2013 and the year ended December 31, 2012 were as follows:

(In thousands of won)

		Land	Buildings	Structures	Machinery	Vehicles	Tools, furniture and fixtures	Construction in progress	Total
Acquisition cost									
Jan.1, 2012	₩	121,745,072	1,359,797,499	477,527,116	3,047,473,691	14,549,356	306,428,857	153,652,063	5,481,173,654
Acquisitions		-	6,447,540	2,388,005	20,239,376	389,932	22,758,213	483,519,461	535,742,527
Disposals		-	(8,485,100)	(985,622)	(360,899,476)	(1,292,794)	(29,337,025)	(1,240,017)	(402,240,034)
Other		3,603,240	39,063,842	28,206,302	203,344,535	502,097	30,683,734	(347,381,453)	(41,977,703)
Increase from business combination		-	59,749,413	13,040,439	115,347,466	401,667	21,696,521	59,622,719	269,858,225
Exchange rate fluctuations		4,377,174	(5,932,370)	(15,590,077)	(37,057,297)	(311,172)	(3,806,914)	(7,083,291)	(65,403,947)
Dec.31, 2012	₩	129,725,486	1,450,640,824	504,586,163	2,988,448,295	14,239,086	348,423,386	341,089,482	5,777,152,722
Acquisitions		7,351,822	8,703,488	6,122,729	6,886,505	578,732	15,265,287	373,628,494	418,537,057
Disposals		(7,976,423)	(45,685,112)	(46,083,120)	(113,111,655)	(738,200)	(24,776,280)	(886,750)	(239,257,540)
Other		5,971,080	41,834,315	10,612,365	191,560,080	339,020	14,216,355	(343,018,740)	(78,485,525)
Exchange rate fluctuations		(4,409,712)	10,508,815	19,694,736	42,938,042	377,890	5,473,303	6,184,369	80,767,443
Jun.30, 2013	₩	130,662,253	1,466,002,330	494,932,873	3,116,721,267	14,796,528	358,602,051	376,996,855	5,958,714,157
Accumulated depreciation									
Jan.1, 2012	₩	-	620,287,397	259,499,970	2,275,770,615	11,110,046	247,341,053	-	3,414,009,081
Disposals		-	(7,136,681)	(688,493)	(253,818,560)	(1,089,253)	(26,308,034)	-	(289,041,021)
Depreciation		-	68,871,370	21,044,267	290,710,990	1,239,364	39,417,958	-	421,283,949
Other		-	-	-	(223,823)	(513)	(5,715)	-	(230,051)
Increase from business combination		-	6,608,015	1,444,422	47,264,173	166,811	13,031,249	-	68,514,670
Exchange rate fluctuations		-	(6,386,582)	(7,272,339)	(32,889,418)	(205,650)	(2,376,065)	-	(49,130,054)
Dec.31, 2012	₩	-	682,243,519	274,027,827	2,326,813,977	11,220,805	271,100,446	-	3,565,406,574
Disposals		-	(21,743,566)	(41,231,364)	(67,912,194)	(581,066)	(20,300,835)	-	(151,769,025)
Depreciation		-	35,412,041	11,128,569	119,384,930	659,881	28,459,230	-	195,044,651
Other		-	(2,795,750)	(1,661,837)	(50,282,785)	(179,215)	(10,680,507)	-	(65,600,094)
Exchange rate fluctuations		-	8,988,547	9,213,453	31,419,005	255,001	3,173,448	-	53,049,454
Jun.30, 2013	₩	-	702,104,791	251,476,648	2,359,422,933	11,375,406	271,751,782	-	3,596,131,560

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12. Property, Plant and Equipment, Continued

(1) Changes in property, plant and equipment for the six-month period ended June 30, 2013 and the year ended December 31, 2012 were as follows, Continued:

		Land	Buildings	Structures	Machinery	Vehicles	Tools, furniture and fixtures	Construction in progress	Total
Accumulated impairment									
Jan. 1, 2012	₩	-	98,384,108	35,565,507	100,426,603	257,268	5,329,452	-	239,962,938
Disposals		-	(476,796)	(78,549)	(22,123,367)	-	(1,431,933)	-	(24,110,645)
Impairment		647,661	-	-	28,411,947	-	3,281,443	-	32,341,051
Impairment (reversal)		-	(2,389,168)	-	-	-	-	-	(2,389,168)
Increase from business combination		-	-	-	-	-	1,604,691	-	1,604,691
Exchange rate fluctuations		(5,197)	(2,833,244)	(1,673,977)	(2,722,722)	(24,198)	(100,048)	-	(7,359,386)
Dec. 31, 2012	₩	642,464	92,684,900	33,812,981	103,992,461	233,070	8,683,605	-	240,049,481
Disposals		(642,464)	(15,629,769)	(2,953,606)	(33,572,017)	-	(2,674,552)	-	(55,472,408)
Impairment		-	(520,760)	-	-	-	19,555	-	(501,205)
Other		-	-	-	(595,827)	-	(1,008,864)	-	(1,604,691)
Exchange rate fluctuations		-	3,591,571	1,985,612	655,111	10,782	87,428	-	6,330,504
Jun. 30, 2013	₩	-	80,125,942	32,844,987	70,479,728	243,852	5,107,172	-	188,801,681
Government subsidy									
Jan. 1, 2012	₩	-	-	-	-	-	-	-	-
Acquisition		-	-	-	633,790	-	55,657	-	689,447
Depreciation offset		-	-	-	(86,614)	-	(8,194)	-	(94,808)
Dec. 31, 2012	₩	-	-	-	547,176	-	47,463	-	594,639
Acquisition		-	-	-	224,273	-	360,319	-	584,592
Depreciation offset		-	-	-	(83,574)	-	(22,527)	-	(106,101)
Jun. 30, 2013	₩	-	-	-	687,875	-	385,255	-	1,073,130
Carrying amount									
Jan. 1, 2012	₩	121,745,072	641,125,994	182,461,639	671,276,473	3,182,042	53,758,352	153,652,063	1,827,201,635
Dec. 31, 2012		129,083,022	675,712,405	196,745,355	557,094,681	2,785,211	68,591,872	341,089,482	1,971,102,028
Jun. 30, 2013		130,662,253	683,771,597	210,611,238	686,130,731	3,177,270	81,357,842	376,996,855	2,172,707,786

Other increase or decrease includes reclassification of construction-in-progress and the amount immediately expensed from construction-in progress.

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13. Intangible Assets

(1) Changes in intangible assets for the six-month period ended June 30, 2013 and the year ended December 31, 2012 were as follows:

		(In thousands of won)			
		Exclusive facility usage rights	Others	Goodwill	Total
Acquisition cost					
Jan.1, 2012	₩	94,535,621	173,270,849	11,342,211	279,148,681
Acquisitions		-	-	-	-
Disposals		(25,937,403)	(248,892)	-	(26,186,295)
Other		13,994,621	13,003,462	-	26,998,083
Increases from business combination		148,102	19,371,547	29,322,981	48,842,630
Exchange rate fluctuations		(1,303,667)	6,705,274	-	5,401,607
Dec.31, 2012	₩	<u>81,437,274</u>	<u>212,102,240</u>	<u>40,665,192</u>	<u>334,204,706</u>
Acquisitions		-	22,591	-	22,591
Disposals		(538,998)	(2,672,976)	-	(3,211,974)
Other		7,151,761	(24,354)	-	7,127,407
Exchange rate fluctuations		862,383	3,622,868	-	4,485,251
Jun.30, 2013	₩	<u><u>88,912,420</u></u>	<u><u>213,050,369</u></u>	<u><u>40,665,192</u></u>	<u><u>342,627,981</u></u>
Accumulated depreciation					
Jan.1, 2012	₩	49,904,578	77,604,981	-	127,509,559
Amortization		6,402,036	24,409,381	-	30,811,417
Disposals		(20,828,212)	(248,892)	-	(21,077,104)
Other		-	(30,606)	-	(30,606)
Increases from business combination		68,363	3,828,965	-	3,897,328
Exchange rate fluctuations		(1,014,091)	6,673,839	-	5,659,748
Dec.31, 2012	₩	<u>34,532,674</u>	<u>112,237,668</u>	<u>-</u>	<u>146,770,342</u>
Amortization		3,369,812	14,763,670	-	18,133,482
Disposals		(133,387)	(667,196)	-	(800,583)
Other		(75,806)	(4,148,571)	-	(4,224,377)
Exchange rate fluctuations		862,384	3,458,448	-	4,320,832
Jun.30, 2013	₩	<u><u>38,555,677</u></u>	<u><u>125,644,019</u></u>	<u><u>-</u></u>	<u><u>164,199,696</u></u>
Accumulated impairment					
Jan.1, 2012	₩	-	-	11,342,210	11,342,210
Impairment		378,125	2,061,812	-	2,439,937
Increases from business combination		-	2,645,135	-	2,645,135
Dec.31, 2012	₩	<u>378,125</u>	<u>4,706,947</u>	<u>11,342,210</u>	<u>16,427,282</u>
Impairment		-	-	-	-
Disposals		(139,327)	(2,005,778)	-	(2,145,105)
Other		-	(2,645,134)	-	(2,645,134)
Jun.30, 2013	₩	<u><u>238,798</u></u>	<u><u>56,035</u></u>	<u><u>11,342,210</u></u>	<u><u>11,637,043</u></u>
Carrying amount					
Jan.1, 2012	₩	44,631,043	95,665,868	1	140,296,912
Dec.31, 2012		46,526,475	95,157,625	29,322,982	171,007,082
Jun.30, 2013		50,117,945	87,350,315	29,322,982	166,791,242

Other amounts include reclassification of long-term prepaid expenses to exclusive facility usage rights and of construction-in-progress to other intangible assets.

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13. Intangible Assets, Continued

(2) Amortization expense

Amortization expenses are classified to manufacturing cost and selling, general and administrative expenses, and the Group recognizes the manufacturing cost as cost of sales when the inventory is sold.

(3) Research & development expenses

Research & development expenses in selling, general and administrative expenses recognized during the six-month periods ended June 30, 2013 and 2012 were ₩31,262 million and ₩26,744 million, respectively.

14. Investment Property

Changes in investment property for the six-month period ended June 30, 2013 and the year ended December 31, 2012 were as follows:

	2013			2012		
	Land	Buildings	Total	Land	Buildings	Total
Beginning balance	₩ 32,152,237	1,926,244	34,078,481	41,449,579	13,304,240	54,753,819
Reclassification	-	-	-	(3,603,240)	-	(3,603,240)
Disposal	-	-	-	(295,022)	-	(295,022)
Depreciation	-	(137,589)	(137,589)	-	(2,544,856)	(2,544,856)
Other	-	-	-	(5,399,080)	(8,833,140)	(14,232,220)
Ending balance	₩ 32,152,237	1,788,655	33,940,892	32,152,237	1,926,244	34,078,481

Investment property consists of land and buildings in Cheon-an and land in Ulsan which were rented to SDC and STM.

15. Trade Payables and Other Liabilities

Trade payables and other liabilities as of June 30, 2013 and December 31, 2012 are summarized as follows:

	June 30, 2013		December 31, 2012	
	Current	Non-current	Current	Non-current
Trade payables	₩ 387,603,413	-	361,549,375	-
Accounts payable	163,473,241	-	177,292,979	-
Accrued expenses	401,716,304	-	449,846,972	-
Other (Note 17 and 19)	292,490,534	21,118,153	328,912,480	16,118,217
Total	₩ 1,245,283,492	21,118,153	1,317,601,806	16,118,217

Other includes provisions, withholdings, and guarantee deposits received.

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16. Borrowings and Debentures

(1) Borrowings as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

		<u>June 30, 2013</u>	<u>December 31, 2012</u>
Short-term borrowings			
Current portion of long-term borrowings in won	₩	-	65,000,000
Disposals of trade receivable		551,765,681	337,023,478
Short-term borrowings in foreign currency		129,189,736	256,738,077
Subtotal	₩	<u>680,955,417</u>	<u>658,761,555</u>
Long-term borrowings			
Debentures	₩	398,712,627	199,328,651
Long-term borrowings in won		200,000,000	200,000,000
Long-term borrowings in foreign currency		188,586,866	74,963,889
Subtotal	₩	<u>787,299,493</u>	<u>474,292,540</u>
Total	₩	<u>1,468,254,910</u>	<u>1,133,054,095</u>

(2) Debentures as of June 30, 2013 and December 31, 2012 are as summarized follows:

(In thousands of won)

<u>Borrower</u>	<u>Type</u>	<u>Classification</u>	<u>Date of maturity</u>	<u>Annual interest rate (%)</u>		<u>June 30, 2013</u>	<u>December 31, 2012</u>	
Parent Company	Corporate bonds	Unsecured	2015.9.14	3.19	₩	200,000,000	200,000,000	
			2016.4.5	2.72		<u>200,000,000</u>	-	
Less discount on debentures						<u>(1,287,373)</u>	<u>(671,349)</u>	
Total						₩	<u>398,712,627</u>	<u>199,328,651</u>

(3) Long-term borrowings as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

<u>Borrower</u>	<u>Financial institution</u>	<u>Description</u>	<u>Annual interest rate (%)</u>		<u>June 30, 2013</u>	<u>December 31, 2012</u>		
Parent Company	Korea Development Bank	Won currency loans	4.16	₩	100,000,000	100,000,000		
	Shinhan Bank		4.00		100,000,000	100,000,000		
SDIEM	Standard Chartered	Foreign currency loans	LIBOR 3M + 1.50		188,586,866	74,963,889		
SBL	Kookmin Bank	Won currency loans	5.11		-	65,000,000		
Less current portion of long-term borrowings						<u>-</u>	<u>(65,000,000)</u>	
Total						₩	<u>388,586,866</u>	<u>274,963,889</u>

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17. Provisions

Changes in provisions for the six-month period ended June 30, 2013 and the year ended December 31, 2012 were as follows:

(In thousands of won)

		Current			Non-current	Total
		Royalty expenses	Quality assurance	Incentives	Incentives	
Balance at Jan. 1, 2013	₩	81,402,256	35,758,984	6,646,960	11,238,373	135,046,573
Provisions made		17,644,915	6,739,901	-	6,050,830	30,435,646
Provisions used		(29,790,758)	(21,982,577)	(6,646,960)	(365,407)	(58,785,702)
Balance at June 30, 2013	₩	<u>69,256,413</u>	<u>20,516,308</u>	<u>-</u>	<u>16,923,796</u>	<u>106,696,517</u>
Balance at Jan. 1, 2012	₩	91,549,764	33,343,189	6,646,960	20,056,660	151,596,573
Provisions made		17,533,614	13,727,057	6,676,960	20,042,328	57,979,959
Provisions used		(27,681,122)	(11,311,262)	(6,676,960)	(30,466,360)	(76,135,704)
Others		-	-	-	1,605,745	1,605,745
Balance at Dec. 31, 2012	₩	<u>81,402,256</u>	<u>35,758,984</u>	<u>6,646,960</u>	<u>11,238,373</u>	<u>135,046,573</u>

The Group recognizes a warranty provision for the estimated costs of future repairs and recalls as accrued expenses, based on past experience.

The Group has long-term incentive plans for its executives based on a three-year management performance criteria and has made a provision for the estimated incentive costs for the current year.

Royalty expenses in relation to the technology usage agreement which have not been determined are recorded as accrued expense based on expected future royalty expenses. The payment timing of some royalty expenses may be changeable according to negotiations with respective companies.

The details of lawsuits for provisions have not been shown as it may affect the investigation result and pending lawsuits.

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18. Employee Benefits

(1) Employee benefit liabilities as of June 30, 2013 and December 31, 2012 are summarized as follows:

1) Defined benefit obligation

<i>(In thousands of won)</i>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
Present value of defined benefit obligations		
Beginning balance	₩ 218,593,855	143,461,978
Current service costs	24,282,091	34,951,743
Interests	4,405,617	7,443,532
Effects from transfer from affiliates	2,429,892	1,606,246
Cost effects from disposal of business	-	(695,038)
Payments of severance benefits	(7,546,176)	(14,147,314)
Defined benefit plan actuarial gain	5,949,326	36,319,871
Payments of defined contribution plan	(349,057)	(541,245)
Increases by business combination	-	10,242,577
Exchange rate fluctuations	(23,315)	(48,495)
Ending balance	247,742,233	218,593,855
Fair value of plan assets	(174,503,213)	(176,001,487)
Total	₩ <u>73,239,020</u>	<u>42,592,368</u>

2) Other liabilities for employee benefits as of June 30, 2013 and December 31, 2012 are summarized as follows:

<i>(In thousands of won)</i>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
Liabilities for paid absence	₩ 27,311,012	31,475,535
Long-term incentive provisions	16,923,796	17,885,333
Total	₩ <u>44,234,808</u>	<u>49,360,868</u>

(2) Expenses for employee benefits for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

<i>(In thousands of won)</i>	<u>June 30, 2013</u>		<u>June 30, 2012</u>	
	<u>Three-month</u>	<u>Six-month</u>	<u>Three-month</u>	<u>Six-month</u>
Current service costs	₩ 12,140,858	24,282,091	8,374,298	16,803,927
Interests	2,202,808	4,405,617	1,860,883	3,721,766
Interest income	(1,736,724)	(3,473,448)	(1,260,232)	(2,520,465)
Payment on defined contribution plans	3,691	94,481	-	-
Total	₩ <u>12,610,633</u>	<u>25,308,741</u>	<u>8,974,949</u>	<u>18,005,228</u>

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19. Commitments and Contingencies

- (1) As of June 30, 2013 the Group has been provided a guarantee of ₩1,165 million by Seoul Guarantee Insurance Co., Ltd. in relation to a court deposit and licensing procedures.
- (2) In December 2005, Samsung Motor Inc's Creditors ("the Creditors") filed a civil action lawsuit against Mr. Kun Hee Lee, chairman of Samsung Electronics Co., Ltd. and 28 Samsung Group affiliates including the Group, which seeks ₩2,450,000 million and damages for breach of contract and etc. based on the agreement entered in September 1999. During the year ended December 31, 2010, shares of Samsung Life Insurance Co., Ltd. ("SLI") owned by the creditors were disposed of and ₩877,600 million was deposited into an escrow account and majority of the claims for this case were settled. The deposited amount of ₩877,600 million was the summation of surplus over ₩70,000 per disposed share. On January 11, 2011, the Seoul High Court sentenced Samsung Group affiliates to pay ₩600,000 million and late payment penalty. In accordance with the Seoul High Court order, ₩620,400 million (which includes penalties and interest owed) was paid to the Creditors from the funds held in escrow. Samsung Group affiliates including the Company and the Creditors all have appealed to the Korean Supreme Court. The Group is unable to reasonably estimate effects on the consolidated financial statements as the ultimate outcome of this case and the amount burden to the Group are uncertain.
- (3) In December 2012, the European Commission imposed the fine of EUR 150,840 thousand to the Group for Cathod Ray Tubes (CRT) price fixing, and the Group has appealed the decision to a court. Also, the Group is under investigations on CRT price fixing from the appropriate authorities of Japan and other countries, and buyers from the United States and three other countries claimed for civil damages. Estimated losses concerning the investigations have been recognized by the Group, However, actual losses may be different from the amount estimated by the Group and the difference can be significant. In addition, concerning the lawsuits, the proceedings are in progress, and neither result of the lawsuits nor the impact on the financial statements can be reasonably determined. Based on legal advice, the management does not expect the outcome of the action to have a material effect on the Group's financial position. The Group does not disclose the details as it could affect the result of the investigations and the pending litigations.
- (4) In addition to the litigation described in (2), (3) above, as of June 30, 2013, the Group is a defendant in seven cases in domestic and foreign jurisdictions arising from the ordinary course of business. However, the detailed information has not been disclosed as such disclosures may be prejudicial to the outcome of these cases. While the amount and the timing of outflow of resources from the litigations are uncertain, as of June 30, 2013, the impact on the consolidated financial statements cannot be reasonably estimated.
- (5) As of June 30, 2013, the Group has entered into agreements with Shinhan Bank and twelve other banks in relation to bank overdrafts for up to maximum of ₩26,100 million, USD 190,000 thousand, EUR 50,000 thousand, CNY 1,000,000 thousand. The Group has also entered into contracts of limits on general purpose loans with Woori Bank and two others for up to maximum of ₩150,000 million.
- (6) As of June 30, 2013, the Group has entered into agreements with Korea Exchange Bank and the other bank in relation to trade finance for up to a maximum of ₩80,000 million and agreements with Woori Bank and three other banks in relation to import credits for up to a maximum of USD 140,700 thousand.
- (7) As of June 30, 2013, the Group has entered into agreements with Agricultural Bank of China and the other bank in relation to discount trade notes receivable for up to a maximum of CNY 500,000 thousand, and agreements with Woori Bank and eight other banks to discount export trade accounts receivable for up to a maximum of USD 844,840 thousand and MYR 168,000 thousand.
- (8) As of June 30, 2013, the Group has entered into agreements with Woori Bank and three other banks in relation to accounts receivable loan for up to a maximum of ₩94,000 million.

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19. Commitments and Contingencies, Continued

- (9) In accordance with technical license agreements, the Group recorded royalty expenses of ₩4,925 million and ₩20,692 million for six-month periods ended June 30, 2013 and 2012, respectively.
- (10) In accordance with technology usage agreements, the Group recorded royalty income of ₩1,139 million for the six-month period ended June 30, 2012 but due to the termination of the agreements, the Group did not record any royalty income for the six-month period ended June 30, 2013.
- (11) As of June 30, 2013, the Group provides guarantees up to a maximum of ₩24,371 million relating to the borrowings for housing rental to its employees.

20. Capital Stock and Capital Surplus

(1) Capital stock

Common shares and preferred shares issued and outstanding as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In shares)

Classification	June 30, 2013		
	Issued shares	Treasury shares	Outstanding shares
Common shares			
January, 1	45,558,341	2,195,849	43,362,492
Exercise of share options	-	(7,590)	7,590
June, 30	<u>45,558,341</u>	<u>2,188,259</u>	<u>43,370,082</u>
Preferred shares	<u>1,617,896</u>	<u>108,400</u>	<u>1,509,496</u>

(In shares)

Classification	December 31, 2012		
	Issued shares	Treasury shares	Outstanding shares
Common shares			
January, 1	45,558,341	2,228,989	43,329,352
Exercise of share options	-	(33,140)	33,140
December, 31	<u>45,558,341</u>	<u>2,195,849</u>	<u>43,362,492</u>
Preferred shares	<u>1,617,896</u>	<u>108,400</u>	<u>1,509,496</u>

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20. Capital Stock and Capital Surplus, Continued

(2) Capital surplus as of June 30, 2013 and December 31, 2012 are summarized as follows:

<i>(In thousands of won)</i>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
Capital in excess of par value	₩ 1,195,810,753	1,195,810,753
Other capital surpluses	62,734,223	62,629,365
Total	₩ <u>1,258,544,976</u>	<u>1,258,440,118</u>

(3) Dividends declared by the Parent Company during the six-month period ended June 30, 2013 are summarized as follows. There is no income tax effect relating to these dividends.

<i>(In thousands of won)</i>	<u>June 30, 2013</u>
Common share (₩1,500 per share)	₩ 65,043,738
Preferred share (₩1,550 per share)	2,339,719
Total	₩ <u>67,383,457</u>

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21. Other Capital

(1) Other capital as of June 30, 2013 and December 31, 2012 are summarized as follows:

<i>(In thousands of won)</i>		June 30, 2013	December 31, 2012
Treasury shares	₩	(167,664,083)	(168,229,205)
Share options		4,251,666	4,441,280
Total	₩	(163,412,417)	(163,787,925)

(2) As of June 30, 2013, the Group has common stock of 2,195,849 shares and preferred stock of 108,400 shares acquired for market value as treasury (other capital) and the Group is planning to dispose of these shares according to market conditions.

(3) Share based payment

1) The terms and conditions of grants as of June 30, 2013 are summarized as follows:

(In won, except number of options)

	Sixth
Date of grant	2004. 4. 23
Number of shares granted	90,000
Remaining shares	80,359
Exercise Price	166,900
Payment method	Stock
Exercisable period	Ten years
Vesting conditions	Two years of service

2) The estimated fair value was calculated using the modified fair value method and the assumptions applied to this method are summarized as follows:

	Sixth
Risk free rate	4.55%
Expected exercise period	3 years
Expected volatility	48.15%
Expected dividend yield	1.84%
Expected forfeiture rate	0%

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21. Other Capital, Continued

(3) Share based payment, Continued

3) The number and weighted average exercise price of share options as of June 30, 2013 and December 31, 2012 are as follows:

(In won, except number of options)

	June 30, 2013		December 31, 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at beginning	87,949	₩ 158,339	121,089	₩ 131,761
Exercised	7,590	67,700	33,140	61,228
Exercisable at end	<u>80,359</u>	<u>₩ 166,900</u>	<u>87,949</u>	<u>₩ 158,339</u>

The weighted average stock price as of share option exercising date is ₩140,854. The weighted average remaining exercisable period is 0.81 years.

Expenses arising from the above share-based payments were fully recognized, there were no expense recognized for the six-month periods ended June 30, 2013.

22. Accumulated Other Comprehensive Income

Accumulated other comprehensive income as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

	June 30, 2013	December 31, 2012
Loss in fair value of derivatives	₩ (111,279)	(873)
Gain in fair value of available-for-sale financial assets	865,614,852	1,139,411,562
Unrealized holding gain on equity method investments	65,937,602	37,566,606
Unrealized holding loss on equity method investments	(60,575,122)	(53,250,273)
Loss on translation of foreign operations	(6,635,875)	(72,376,766)
Total	<u>₩ 864,230,178</u>	<u>1,051,350,256</u>

23. Retained Earnings

Retained earnings as of June 30, 2013 and December 31, 2012 are summarized as follows:

(In thousands of won)

	June 30, 2013	December 31, 2012
Legal reserve	₩ 120,340,592	115,265,000
Discretionary reserve	5,264,428,000	2,818,228,000
Unappropriated retained earnings (Undisposed deficit)	(264,754,500)	2,053,048,200
Total	<u>₩ 5,120,014,092</u>	<u>4,986,541,200</u>

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24. Selling, General and Administrative Expenses

Details of selling, general and administrative expenses for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won)

	June 30, 2013		June 30, 2012	
	Three-month	Six-month	Three-month	Six-month
Salaries and wages	₩ 78,313,443	134,905,377	55,984,053	104,014,921
Defined benefit liabilities	5,544,928	11,004,978	3,735,177	7,757,714
Employee fringe benefits	16,755,297	34,045,439	13,996,712	27,383,244
Depreciation	22,274,588	43,321,781	18,813,312	37,493,893
Research and development expenses	9,422,862	31,262,265	14,512,142	26,744,069
Supplies and repair cost	4,739,592	10,260,046	4,117,511	7,444,290
Power and water cost	2,447,931	5,109,114	2,071,143	4,632,968
Transportation cost	7,704,489	14,354,538	5,920,408	10,556,616
Insurance expenses	2,136,243	4,054,769	3,764,361	7,948,709
Selling and distribution cost	12,523,516	24,113,472	13,989,976	27,203,147
Fees and commissions	18,239,096	38,964,669	18,028,477	36,065,151
Rental expenses	1,888,026	3,437,113	2,527,350	4,469,709
Bad debt expenses	-	79,089	1,051,300	1,470,932
Reversal of bad debt expenses	(199,878)	-	-	-
Others	2,803,649	16,580,917	14,951,819	35,034,728
Total	₩ <u>184,593,782</u>	<u>371,493,567</u>	<u>173,463,741</u>	<u>338,220,091</u>

25. Nature of Expenses

The nature of expenses for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won)

	June 30, 2013		June 30, 2012	
	Three-month	Six-month	Three-month	Six-month
Salaries and wages	₩ 172,663,532	320,451,123	137,801,045	262,139,160
Defined benefit liabilities	12,610,633	25,308,741	8,974,949	18,005,228
Employee fringe benefits	46,209,070	92,856,906	38,550,916	76,552,465
Depreciation	99,954,621	195,076,139	116,531,106	228,554,584
Amortization	9,273,259	18,133,482	5,836,720	14,931,461
Total	₩ <u>340,711,115</u>	<u>651,826,391</u>	<u>307,694,736</u>	<u>600,182,898</u>

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26. Other Income and Other Expenses

(1) Other income for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won)

		June 30, 2013		June 30, 2012	
		Three-month	Six-month	Three-month	Six-month
Dividends income	₩	311	19,163,051	-	19,145,705
Rental income		212,104	396,751	95,465	187,315
Reversal of allowance for doubtful accounts		-	68,170	257,804	26,904
Bad debt expenses adjustment		(413,380)	-	-	-
Gain on disposal of associates		-	-	9,810	9,810
Gain on sale of property, plant and equipment		548,423	1,017,632	475,158	618,675
Gain on sale of investment assets		-	-	610,718	610,718
Reversal of loss on impairment of property, plant and equipment		-	520,760	-	-
Miscellaneous income		10,568,768	35,714,542	3,131,153	36,939,560
Total	₩	<u>10,916,226</u>	<u>56,880,906</u>	<u>4,580,108</u>	<u>57,538,687</u>

(2) Other expenses for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won)

		June 30, 2013		June 30, 2012	
		Three-month	Six-month	Three-month	Six-month
Bad debt expenses-other	₩	-	182,962	-	-
Reversal of bad debt expenses-other		(11,936)	-	-	-
Loss on disposition of investments		2,304,799	2,304,799	-	-
Donation		2,822,105	3,331,892	101,339	248,247
Loss on disposal of property, plant and equipment		6,576,266	7,252,338	58,994	945,739
Loss on impairment for property, plant and equipment		-	19,555	1,130,621	1,130,621
Loss on disposal of intangible assets		193,991	266,287	-	-
Miscellaneous losses		4,932,781	6,980,035	1,947,290	3,703,819
Total	₩	<u>16,818,006</u>	<u>20,337,868</u>	<u>3,238,244</u>	<u>6,028,426</u>

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27. Finance Income and Finance Costs

(1) Finance income and costs for the three- and six-month periods ended June 30, 2013 were as follows:

(In thousands of won)

	Interest		Foreign currency		Foreign exchange		Derivative		Other comprehensive	
	income / expense		transaction gain / loss		translations gain / loss		instruments		income / loss	
	Three-month	Six-month	Three-month	Six-month	Three-month	Six-month	Three-month	Six-month	Three-month	Six-month
Cash and cash equivalents	₩ 4,429,431	8,973,899	2,259,695	3,569,547	(205)	1	-	-	-	-
Loans and receivables	62,420	22,063	19,799,652	35,481,264	7,482,564	21,273,378	-	-	-	-
Available-for-sale financial assets	-	-	-	-	-	-	-	-	(238,658,403)	(273,796,710)
Financial instruments	228,740	508,368	465	465	(12,192)	15,892	1,519,306	2,326,905	(179,658)	(110,406)
Other financial liabilities	(8,487,072)	(16,007,216)	(18,682,432)	(36,558,653)	(10,620,284)	(24,730,095)	-	-	-	-
Total	₩ (3,766,481)	(6,502,886)	3,377,380	2,492,623	(3,150,117)	(3,440,824)	1,519,306	2,326,905	(238,838,061)	(273,907,116)

(2) Finance income and costs for the three- and six-month periods ended June 30, 2012 were as follows:

(In thousands of won)

	Interest		Foreign currency		Foreign currency		Other comprehensive	
	income / expense		transaction gain / loss		translations gain / loss		income / loss	
	Three-month	Six-month	Three-month	Six-month	Three-month	Six-month	Three-month	Six-month
Cash and cash equivalents	₩ 4,727,261	9,349,591	1,685,969	(519,516)	(222)	541	-	-
Loans and receivables	60,914	139,413	24,341,147	8,292,971	(12,355,448)	(8,968,747)	-	-
Available-for-sale financial assets	-	-	-	-	-	-	(176,363,301)	(45,392,373)
Financial instruments	260,627	1,434,009	163	(10,826)	3,082	(186)	-	-
Other financial liabilities	(5,294,106)	(10,836,081)	(26,734,069)	(7,864,970)	9,716,249	2,351,827	-	-
Total	₩ (245,304)	86,932	(706,790)	(102,341)	(2,636,339)	(6,616,565)	(176,363,301)	(45,392,373)

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28. Income Tax Expense

Income tax expenses for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won)

	June 30, 2013		June 30, 2012	
	Three-month	Six-month	Three-month	Six-month
Current income taxes	₩ 13,160,493	21,902,991	34,560,728	43,261,717
Deferred income taxes from changes in temporary differences	59,308,103	89,935,215	23,153,927	70,425,049
Deferred income taxes from changes in tax credit carry forward	(32,917,175)	(44,835,693)	(7,755,276)	(17,061,575)
Deferred income taxes recorded in stockholders' equity	137,455	103,978	(15,179)	(102,209)
Others	148,714	1,134,089	210,135	24,808
Income tax expense	₩ <u>39,837,590</u>	<u>68,240,580</u>	<u>50,154,335</u>	<u>96,547,790</u>

29. Earnings Per Share

(1) Basic earnings per share

1) Basic earnings per share for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won, except earnings per share)

	June 30, 2013		June 30, 2012	
	Three-month	Six-month	Three-month	Six-month
Net income attributable to common shares outstanding	₩ 129,152,388	206,805,674	105,329,378	217,340,169
Weighted average number of common shares outstanding (basic)	<u>43,370,082</u>	<u>43,367,709</u>	<u>43,361,089</u>	<u>43,352,930</u>
Basic earnings per share (won)	₩ <u>2,978</u>	<u>4,769</u>	<u>2,429</u>	<u>5,013</u>

2) Weighted average number of common shares outstanding is calculated as follows:

(In shares)

	June 30, 2013		June 30, 2012	
	Three-month	Six-month	Three-month	Six-month
Issued ordinary shares at January 1	45,558,341	45,558,341	45,558,341	45,558,341
Treasury stock	<u>(2,188,259)</u>	<u>(2,190,632)</u>	<u>(2,197,252)</u>	<u>(2,205,411)</u>
Weighted average number of common shares outstanding (basic)	<u>43,370,082</u>	<u>43,367,709</u>	<u>43,361,089</u>	<u>43,352,930</u>

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29. Earnings Per Share, Continued

(2) Diluted earnings per share

1) Diluted earnings per share for the three- and six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won, except earnings per share)

	June 30, 2013		June 30, 2012	
	Three-month	Six-month	Three-month	Six-month
Net income attributable to common shares outstanding	₩ 129,152,388	206,805,674	105,329,378	217,340,169
Weighted average number of common shares outstanding (diluted)	43,370,082	43,368,908	43,365,787	43,362,171
Diluted earnings per share (won)	₩ 2,978	4,769	2,429	5,012

2) Weighted average number of common shares outstanding (diluted) is calculated as follows:

(In shares)

	June 30, 2013		June 30, 2012	
	Three-month	Six-month	Three-month	Six-month
Weighted average number of common shares outstanding (basic)	43,370,082	43,367,709	43,361,089	43,352,930
Effect of share options on issue (unexercised)	-	-	3,927	3,927
Effect of share options on issue (exercised)	-	1,199	771	5,314
Weighted average number of common shares outstanding (diluted)	43,370,082	43,368,908	43,365,787	43,362,171

(3) Anti-dilutive potential common shares

There are potentially dilutive share options which were not included in the calculation of the diluted earnings per share due to their anti-dilutive effect for the six-month period ended June 30, 2013. Details of these share options were as follows:

Item	Exercise period	Number of shares to be issued	Exercise price
Share options (6 th)	Apr. 24, 2006 to Apr. 23, 2014	80,359	₩166,900 per share

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30. Related Parties

(1) Significant transactions with related parties for the six-month periods ended June 30, 2013 and 2012 were as follows:

(In thousands of won)

	2013		2012	
	Revenues	Expenses	Revenues	Expenses
Major stockholder				
Samsung Electronics Co., Ltd. ("SEC")	₩ 113,117,270	27,508,222	121,556,150	45,802,049
Subsidiary				
SBL	-	-	19,907,261	2,551,905
Associates				
SDC	34,850,728	290,685	38,162,115	8,935
SERI	-	1,461,547	-	788,555
Samsung Japan Co., Ltd.	-	-	39,375,028	57,072,334
Samsung International Inc.	259,775,376	26,023,661	368,705,968	6,219,152
Samsung Electronics Display (M) Sdn Bhd.	82,260,746	-	88,782,176	-
Samsung Electronics Vietnam Co., Ltd.	223,229,844	-	121,084,505	-
Tianjin Samsung Electronics Co., Ltd.	62,053,329	108,668	47,701,462	-
Samsung Electronics Suzhou Computer Co., Ltd.	80,365,370	-	96,089,097	-
Samsung Electronics Hungarian Rt.	62,697,971	3,479,220	175,371,417	-
Thai-Samsung Electronics Co., Ltd.	54,700,055	-	79,711,647	-
Other associates	333,977,464	79,779,546	262,396,718	81,238,831
Total	₩ 1,307,028,153	138,651,549	1,458,843,544	193,681,761

(2) Details of significant account balances with related parties as of June 30, 2013 and December 31, 2012 are as follows:

(In thousands of won)

	2013		2012	
	Receivables	Payables	Receivables	Payables
Major stockholder				
Samsung Electronics Co., Ltd. ("SEC")	₩ 21,197,874	6,865,288	24,691,937	3,774,692
Associates				
SDC	157,248	483,231	3,168	15,558
SERI	-	440,049	-	1,091,651
Samsung Japan Co., Ltd.	-	-	-	54,340
Samsung International Inc.	18,927,357	1,654,363	17,728,219	5,784
Samsung Electronics Display (M) Sdn Bhd.	14,188,708	-	5,808,987	-
Samsung Electronics Vietnam Co., Ltd.	44,848,071	-	33,804,377	-
Tianjin Samsung Electronics Co., Ltd.	3,618,043	-	11,154,941	-
Samsung Electronics Suzhou Computer Co., Ltd.	28,363,826	-	18,050,407	-
Samsung Electronics Hungarian Rt.	4,783,009	-	5,515	-
Thai-Samsung Electronics Co., Ltd.	3,327,223	-	1,010,433	-
Other associates	103,022,799	18,045,244	56,993,574	21,798,898
Total	₩ 242,434,158	27,488,175	169,251,558	26,740,923

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30. Related Parties, Continued

(3) Personnel compensation in total to registered officers (the "Key management") who have the authority and responsibility in the planning, directing, and control of the Group is ₩1,120 million and ₩1,074 million, for the six-month periods ended June 30, 2013 and 2012, respectively. As of June 30, 2013 and December 31, 2012, liabilities related to long-term employee benefits are ₩3,093 million and ₩3,349 million, respectively. In addition, liabilities related to retirement benefits as of June 30, 2013 and December 31, 2012 are ₩5,126 million and ₩4,386 million, respectively.

31. Non-controlling interest

Non-controlling interests for the six-month periods ended June 30, 2013 and 2012 were calculated as follows:

(i) 2013

(In thousands of won)

	SDI(M)	United States (SDIA and 1 other)	China (TSDI and 3 others)	Others	Six-months ended June 30, 2013
Current assets	107,888	136,058	1,096,027	39,234	1,379,207
Non-current assets	47,315	41,598	675,606	32,109	796,628
Current liabilities	47,624	84,031	749,685	9,540	890,880
Non-current liabilities	-	943	-	-	943
Net assets	107,579	92,682	1,021,948	61,803	1,284,012
Carrying amount of					
non-controlling interests	30,157	7,592	165,416	1,183	204,348
Sales	3,804	278,084	1,655,041	-	1,936,929
Net income or loss	(2,200)	7,725	46,829	(2,418)	49,936
Total comprehensive income	(982)	8,461	57,372	1,265	66,116
Distributed net income or loss of					
non-controlling interests	(690)	644	6,395	(23)	6,326
Cash flow from operating activities	(13,704)	(1,333)	49,566	(937)	33,592
Cash flow from investing activities	(20,017)	(948)	(39,321)	7	(60,279)
Cash flow from financing activities					
before payment on dividends of					
non-controlling interest	-	(33,098)	(39,409)	-	(72,507)
Changes on cash and cash					
equivalents	(33,721)	(35,379)	(29,164)	(930)	(99,194)

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31. Non-controlling interest, Continued

Non-controlling interests for the six-month periods ended June 30, 2013 and 2012 were calculated as follows, Continued:

(ii) 2012

(In thousands of won)

	SDI(M)	United States (SDIA and 1 other)	China (TSDI and 3 others)	Others	Six-months ended June 30, 2012
Current assets	104,386	157,640	1,192,349	41,428	1,495,803
Non-current assets	85,342	34,214	658,846	36,906	815,308
Current liabilities	35,473	86,345	908,934	10,241	1,040,993
Non-current liabilities	-	938	-	-	938
Net assets	154,255	104,571	942,261	68,093	1,269,180
Carrying amount of					
non-controlling interests	44,842	8,582	150,158	1,298	204,880
Sales	110,556	395,890	1,892,216	-	2,398,662
Net income or loss	11,313	42,890	84,496	152	138,851
Total comprehensive income	6,701	68,965	14,616	(200)	90,082
Distributed net income or loss of					
non-controlling interests	3,555	648	13,403	11	17,617
Cash flow from operating activities	3,819	(6,378)	91,539	(325)	88,655
Cash flow from investing activities	(503)	2,993	(33,055)	(2,310)	(32,875)
Cash flow from financing activities					
before payment on dividends of					
non-controlling interest	(12,726)	(40,523)	(19,117)	-	(72,366)
Changes on cash and cash					
equivalents	(9,410)	(43,908)	39,367	(2,635)	(16,586)

Details on cash flow of each subsidiary are converted into won before consolidation.

32. Merger with subsidiary

The Parent Company decided to merge SB Limotive Co., Ltd. ("SBL"), which of the Parent Company retained 100% of the shares at the Board of Directors meeting held on October 26, 2012, and the Parent Company merged SBL on January 1, 2013.