

# 3Q16 Quarterly Earnings

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October 27, 2016

# 3Q16 Earnings and Financial Status

futureconfident

(Unit : KRW bn)

Category	3Q16	2Q16	QoQ
<b>Revenue</b>	1,290.0	1,317.2	-2.1%
<b>LIB</b>	850.1	874.4	-2.8%
<b>Electronic Materials</b>	438.6	441.6	-0.7%
<b>Operating Profit (%)</b>	-110.4 (-8.6%)	-54.2 (-4.1%)	Loss Continues
<b>Pre-Tax Profit (%)</b>	-4.9 (-0.4%)	-46.2 (-3.5%)	Loss Continues
<b>Profit from<sup>※</sup> Discontinued Operations</b>	-	1,002.8	-
<b>Net Profit (%)</b>	-35.2 (-2.7%)	955.8 (72.6%)	Turned Red

Category	Sep. 30, '16	Jun. 30, '16	QoQ
<b>Assets</b>	15,243.8	15,886.7	-642.9
<b>Current</b>	4,589.1	5,375.3	-786.2
<b>Non-Current</b>	10,654.7	10,511.4	+143.3
<b>Liabilities</b>	4,126.8	4,685.3	-558.5
<b>Current</b>	2,308.3	2,809.2	-500.9
<b>Non-Current</b>	1,818.5	1,876.1	-57.6
<b>Shareholders' Equity</b>	11,117.0	11,201.4	-84.4
<b>Paid-in Capital</b>	356.7	356.7	-
<b>Cash &amp; cash equiv.<sup>※</sup></b>	2,493.5	3,459.0	-965.5
<b>Debt</b>	1,054.2	1,354.4	-300.2

※ Disposal of stake in Lotte Advanced Materials Co., Ltd. (SDI Chemical)

※ Include short-term financial products

# 3Q16 Earnings and Forecast

## LIB

### [Small-sized LIB]

#### □ 3Q revenue down on weak cylindrical sales

- Cylindrical leadership in P/Tool remain firm, EV sales growth in China limited in QoQ
- Polymer revenue up in QoQ despite flagship sales issue

#### □ 4Q cylindrical Non-IT demand to pull LIB market

- Cylindrical seek fresh demand as China EV policy uncertainty remains
- Polymer to make up 3Q loss as major US customer 's new S/Phone sales increases

### [Large-sized LIB]

#### □ 3Q revenue up on growing xEV sales

- xEV sales up as major Europe customer 's new model sales expanded despite China policy risks  
→ Invest in Europe's new facility (Hungary)
- ESS orders driven by local & overseas utility demand

#### □ 4Q firm xEV/ESS growth on seasonality

- xEV revenue/back-log orders growth by Europeans
- ESS revenue to jump on firm US utility demand

# 3Q16 Earnings and Forecast

## Electronic Materials

### [Electronic materials]

#### □ 3Q bottom line improved led by Semi · OLED

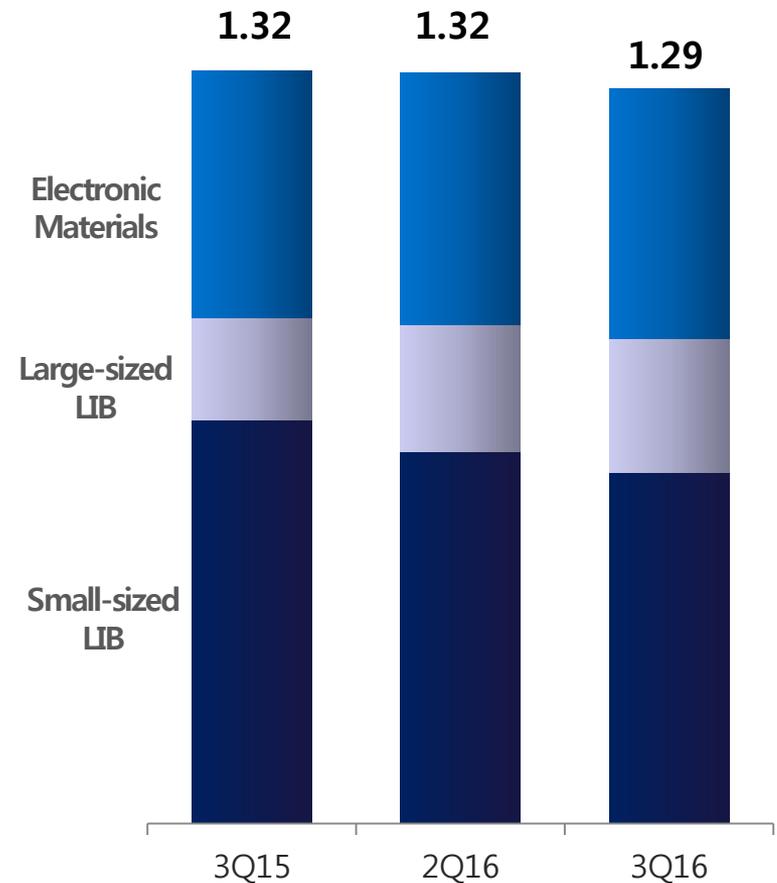
- Semi materials shipment growth driven by recovery demand in DRAM
- Display materials improved as LCD sector recovered and solid OLED sales into non-affiliates

#### □ 4Q Semi · Display demand to expand as strong IT market outlook

- Semi to show sturdy growth as benefit from migration and solid demand from DRAM·NAND
- New polarizer film in China to help expand into new overseas customers and keep profitability

### [Revenue]

(Unit : KRW tn)



# Appendix

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**Dow Jones  
Sustainability Indices**

**SAMSUNG SDI**



In Collaboration with RobecoSAM

# Income Statement

(Unit : KRW bn)

Category	3Q15	4Q15	FY15	1Q16	2Q16	3Q16
<b>Revenue</b>	1,320.8	1,257.9	4,954.8	1,290.7	1,317.2	1,290.0
<b>COGS</b>	1,093.5	1,080.4	4,114.7	1,146.9	1,084.9	1,109.5
<b>Gross Profit</b>	227.3	177.5	840.1	143.8	232.3	180.5
(%)	(17.2%)	(14.1%)	(17.0%)	(11.1%)	(17.6%)	(14.0%)
<b>Operating Profit</b>	-47.9	-127.4	-267.5	-703.8	-54.2	-110.4
(%)	(-3.6%)	(-10.1%)	(-5.4%)	(-54.5%)	(-4.1%)	(-8.6%)
<b>Non-operating Profit</b>	659.2	-236.8	97.4	-165.4	8.0	105.5
<b>Pre-tax Profit</b>	611.3	-364.2	-170.1	-869.2	-46.2	-4.9
(%)	(46.3%)	(-29.0%)	(-3.4%)	(-67.3%)	(-3.5%)	(-0.4%)
<b>Tax</b>	156.4	-95.9	-39.2	-65.1	0.8	30.3
<b>Discontinued Operations</b> ※	47.5	36.9	156.5	86.8	1,002.8	0.0
<b>Net Profit</b>	502.5	-231.4	25.7	-717.2	955.8	-35.2
(%)	(38.0%)	(-18.4%)	(0.5%)	(-55.6%)	(72.6%)	(-2.7%)
<b>NP less Minority Interests</b>	499.2	-201.5	53.8	-715.1	961.1	-34.1
(%)	(37.8%)	(-16.0%)	(1.1%)	(-55.5%)	(73.0%)	(-2.6%)
<b>Depreciation</b>	138.4	139.3	538.0	133.8	105.9	104.5
<b>CAPEX</b>	132.3	149.7	608.7	130.3	214.6	190.3

※ Disposal of stake in Lotte Advanced Materials Co., Ltd. (SDI Chemical)

# Balance Sheet

(Unit : KRW bn)

Category	Sep. 30, '15	Dec. 31, '15	Mar. 31, '16	Jun. 30, '16	Sep. 30, '16
<b>Total Assets</b>	16,522.9	16,225.3	15,256.8	15,886.7	15,243.8
<b>Current Assets</b>	4,014.6	4,773.9	5,075.5	5,375.3	4,589.1
<b>Quick Assets</b>	3,262.9	3,165.5	3,276.0	4,665.4	3,833.6
<b>Inventory &amp; Others</b>	751.7	1,608.4	1,799.5	709.9	755.5
<b>Non-current Assets</b>	12,508.3	11,451.4	10,181.3	10,511.4	10,654.7
<b>Investment Assets</b>	7,447.9	6,609.1	6,735.9	6,915.1	7,111.0
<b>Tangible Assets</b>	3,488.5	3,229.0	2,159.2	2,352.3	2,309.7
<b>Intangible Assets</b>	1,310.4	1,277.6	964.9	950.3	954.7
<b>Other Assets</b>	261.5	335.7	321.3	293.7	279.3
<b>Liabilities</b>	4,906.5	4,972.1	5,028.7	4,685.3	4,126.8
<b>Current Liabilities</b>	3,049.5	3,201.3	3,357.4	2,809.2	2,308.3
<b>Non-current Liabilities</b>	1,857.0	1,770.8	1,671.3	1,876.1	1,818.5
<b>Shareholders' Equity</b>	11,616.4	11,253.2	10,228.1	11,201.4	11,117.0
<b>Paid-in Capital</b>	356.7	356.7	356.7	356.7	356.7