

Q4 '11 Earnings Release

January 31, 2012

SAMSUNG

SAMSUNG SDI

Results are preliminary and unaudited. Therefore, the figures in this material are subject to change during the independent auditing process.

Please note that statements that describe the company's business strategy, outlook, plans or objectives are also forward-looking statements. All such forward-looking assumptions and statements involve known and unknown risks, and uncertainties that could cause actual results to be materially different than those expressed in this material.

Q4 '11 / FY'11 Results

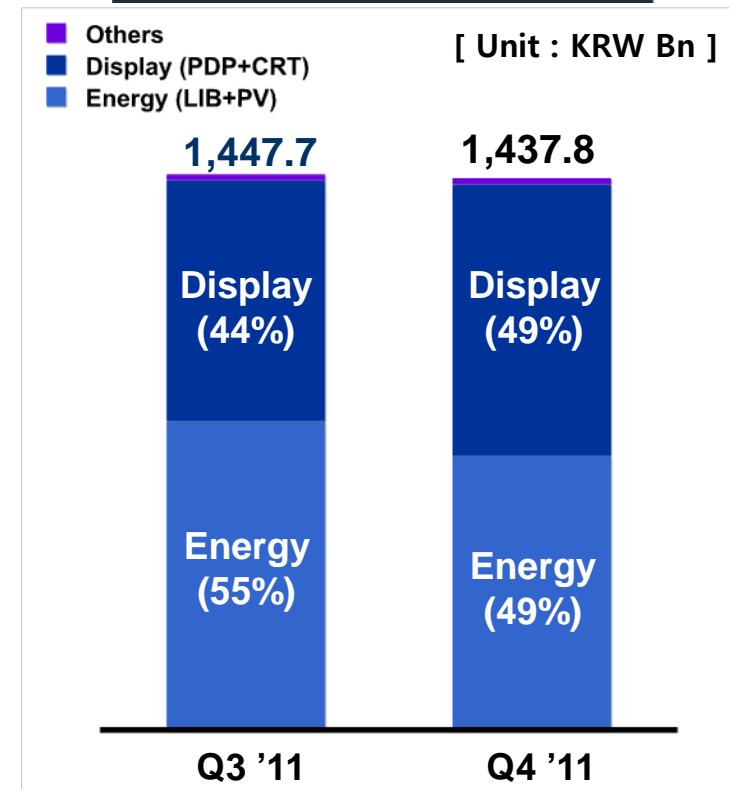
Q4'11 Results

[Unit : KRW Bn]

	Q4 '10	Q3 '11	Q4 '11	YoY	QoQ
Revenue	1,245.0	1,447.7	<u>1,437.8</u>	192.8	-9.9
Operating Profit (%)	14.7 (1.2%)	43.0 (3.0%)	<u>11.1</u> <u>(0.8%)</u>	-3.6	-31.9
Pre-Tax Profit (%)	77.4 (6.2%)	135.9 (9.4%)	<u>100.0</u> <u>(7.0%)</u>	+22.6	-35.9
Net Profit (%)	81.3 (6.5%)	100.0 (6.9%)	<u>54.9</u> <u>(3.8%)</u>	-26.4	-45.1

※ Net Profit excluding minority interests

Revenue

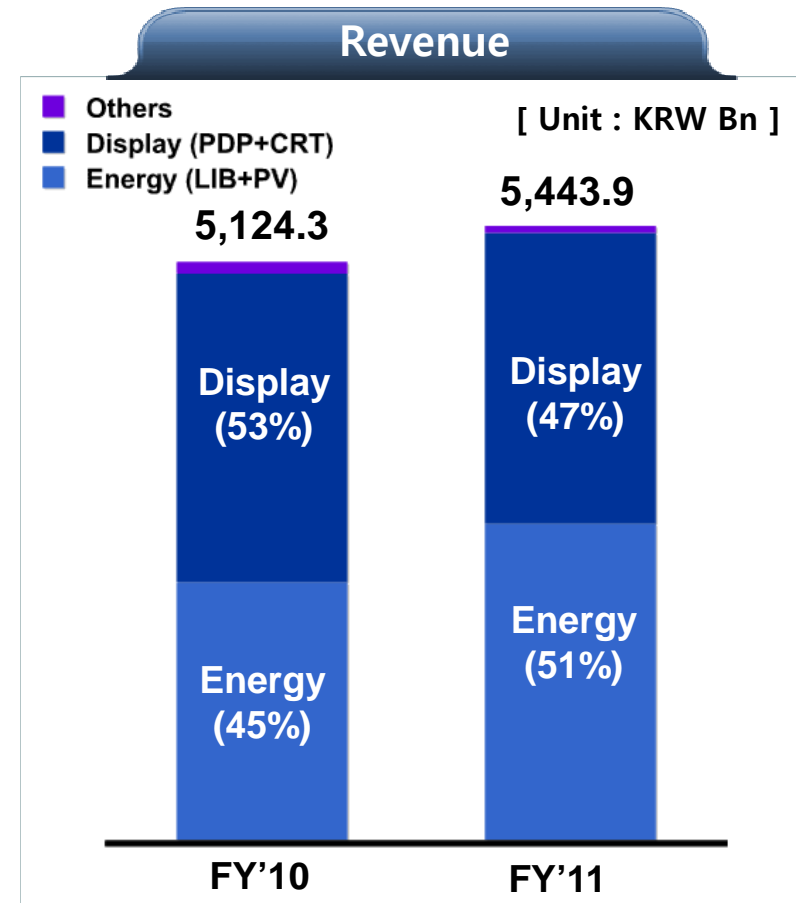


FY'11 Results

[Unit : KRW Bn]

	FY'10	FY'11	YoY
Revenue	5,124.3	<u>5,443.9</u>	+319.6
Operating Profit (%)	286.8 (5.6%)	<u>203.7</u> <u>(3.7%)</u>	-83.1
Pre-Tax Profit (%)	422.6 (8.2%)	<u>478.1</u> <u>(8.8%)</u>	+55.5
Net Profit (%)	356.1 (6.9%)	<u>320.1</u> <u>(5.9%)</u>	-36.0

※ Net Profit excluding minority interests

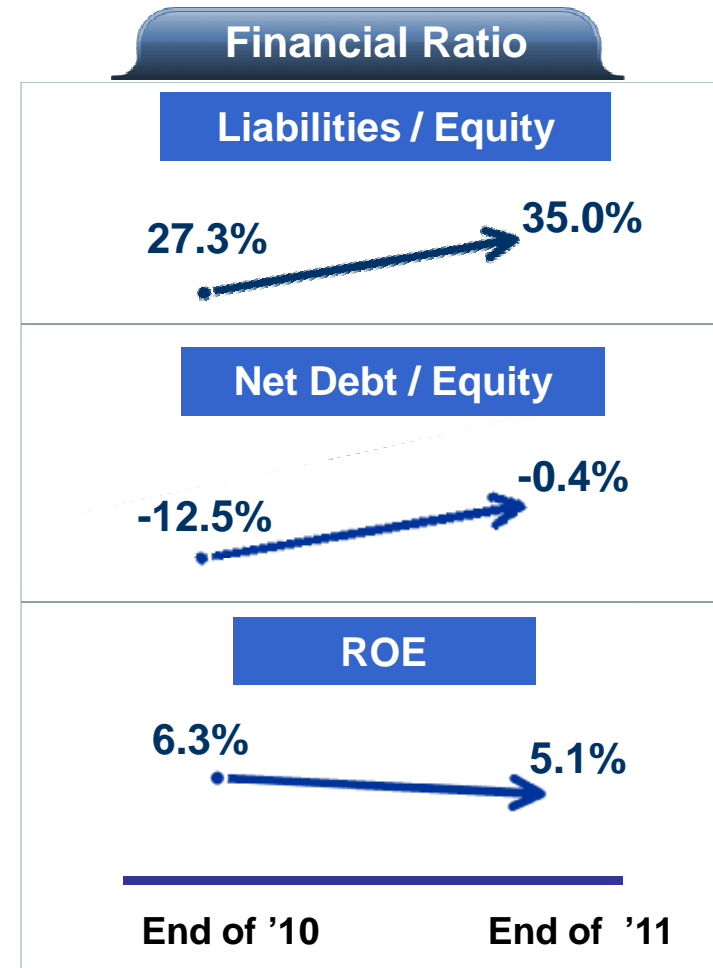


FY'11 Financial Status

[Unit : KRW Bn]

	End of '10	End of '11	YoY
Assets	7,933.6	<u>8,527.4</u>	+593.8
Liabilities	1,702.7	<u>2,212.9</u>	+510.2
Equity	6,230.9	<u>6,314.5</u>	+83.6
Cash Equiv.	1,136.8	<u>785.3</u>	-351.5
Debt	358.4	<u>761.4</u>	+403.0

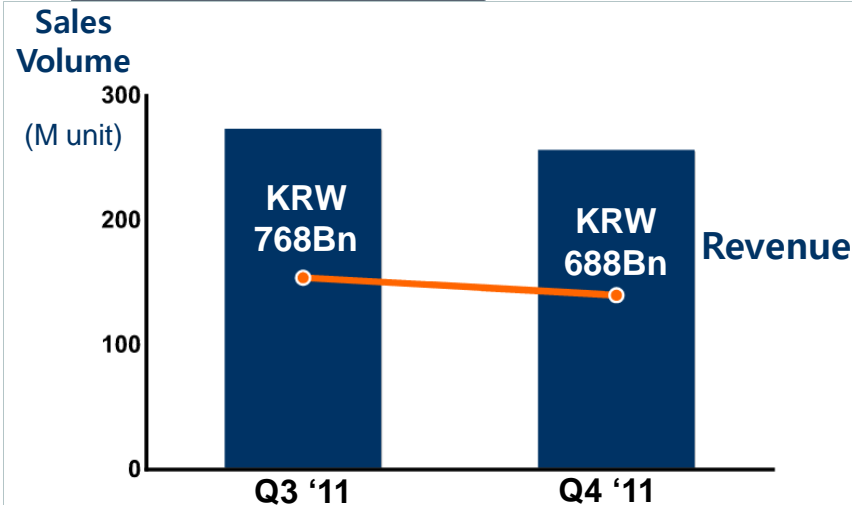
※ Cash Equiv. Includes Short-term Financial Instruments



'11 Results & Market Outlook

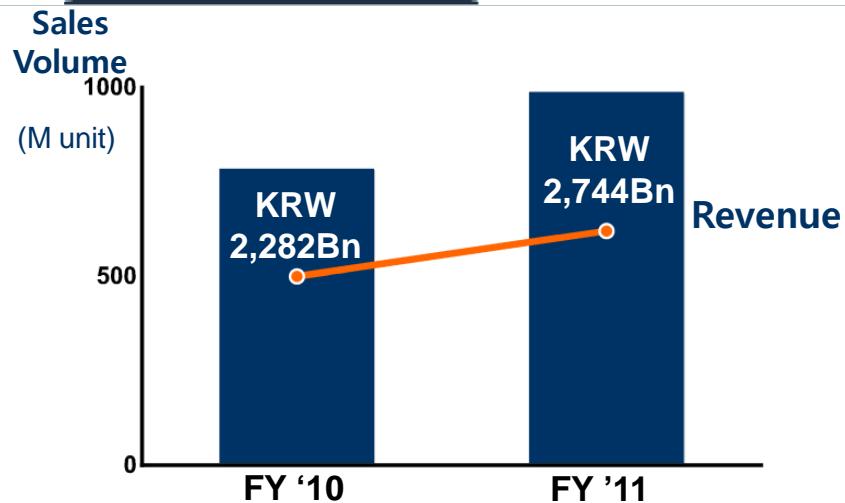
LIB Q4'11 & FY'11 Results

Q4 '11



- » Q4'11 Revenue QoQ 10% ↓ due to Weak Demand
 - IT Demand Decreased under Financial Crisis in Europe
 - Depressed Note PC Production caused by Thailand Flood
- » Profitability Worsened by Decline in Sales & Utilization ratio

FY'11



- » FY '11 Revenue YoY 20% ↑
 - Preemptive Response to High-Growth Markets (Tablet PC - Smartphone)
 - Continuous Development of New Application Markets & Customers
- » Positioning of Industry Top Supplier
 - Pris-Polymer Capa. Expansions : over 30%
 - Product & Technology Leadership Enhanced throughout Product Differentiations

LIB '12 Market Outlook

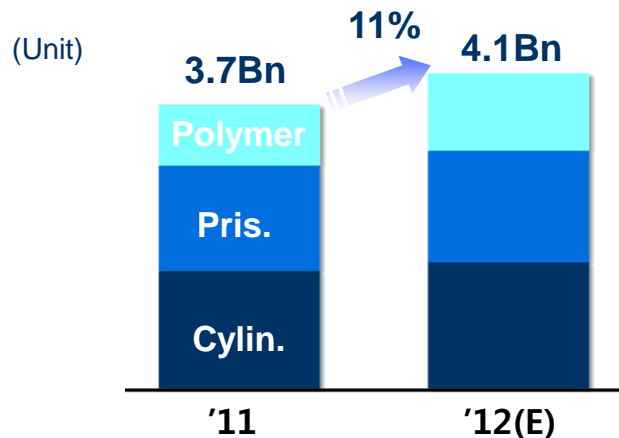
Set Demand

	(Unit)		
	FY'11	FY'12(E)	YoY
Note PC	204M	<u>215M</u>	5% ↑
Tablet	60M	<u>100M</u>	67% ↑
HHP (Smartphone)	1,400M (448M)	<u>1,530M</u> (592M)	9% ↑ (32% ↑)

- » **Surging Growth in Tablet PC & Smartphone**
 - Tablet PC (67%↑) : New Low-end Products Launched
 - Smartphone (32%↑) : Expansion of Mass-Market Models
- » **Slowdown in Note PC Growth (5%) due to Tablet PC's Penetration**
 - Expecting Windows 8 Effect & Ultrabook (2H '12)

[IDC, Gartner, SDI Marketing]

LIB Cell Demand



- » **'12 LIB Cell Demand 4.1Bn (YoY 11%↑)**
 - Polymer : Tablet PC - Slim NPC↑ → Large-sized LIB↑
 - Pris. : Demand↑ for High-Density Products for Smartphone
 - Cylin. : Accelerating Adoption of LIB for New Applications (E-Bike, P/T)

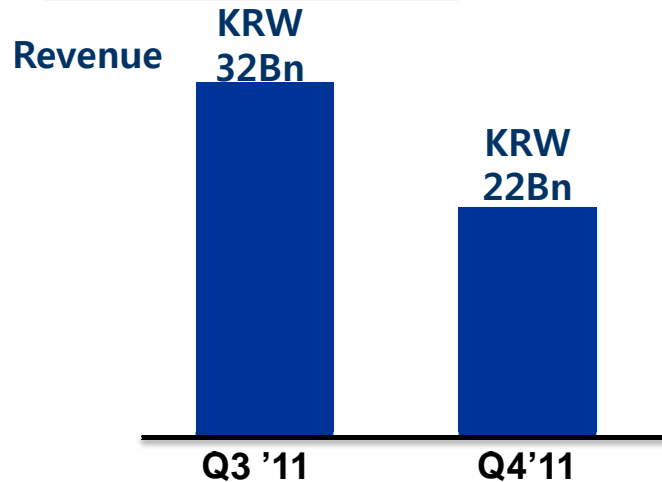
→ **SDI : Localization to Strengthen Global Competitiveness (Production & Sales)**

[IIT, TSR, SDI Marketing]

※ Grey Market Excluded

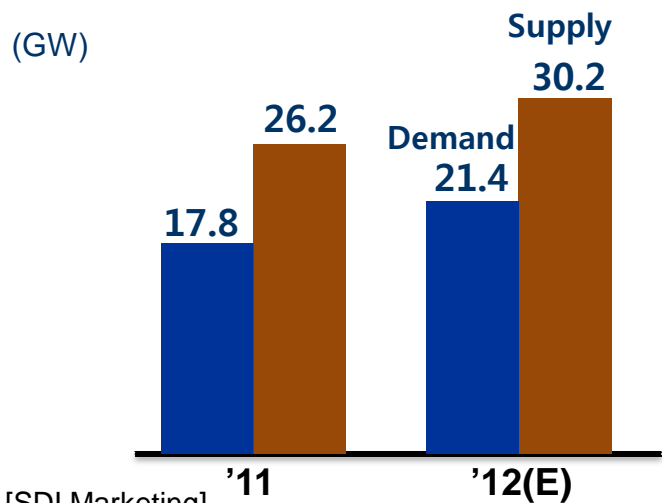
PV 4Q '11 Results & '12 Market Outlook

Q4 '11



- » Q4'11 Revenue : KRW 22Bn (QoQ 35%↓)
- Intentional Reduction in Sales Volume against Sharp Price Decline

PV Market



- » '12 Module Demand : 21.4GW (YoY 17%↑)
- Stagnant EU Market under Financial Crisis
- Fast Growth in Asian & US Markets
- » '12 Module Supply : 30.2GW (YoY 15%↑)
- Continuous Pricing Pressure from Oversupply

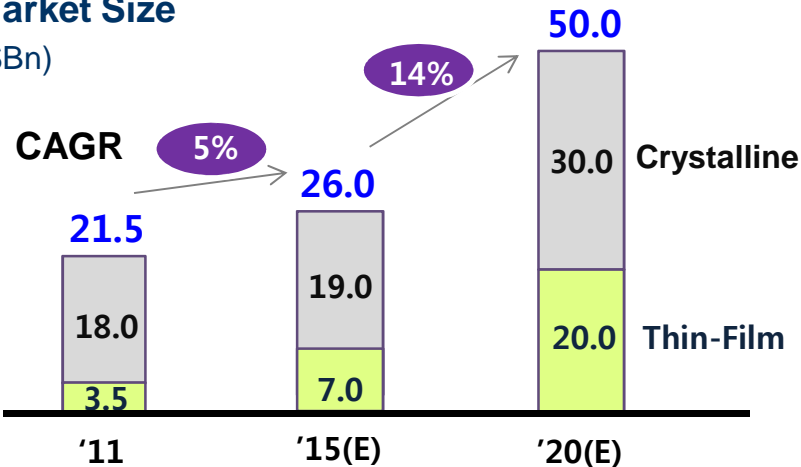
[SDI Marketing]

PV Market Outlook & Strategies

Market Outlook

Market Size

(\$Bn)



[SDI Marketing]

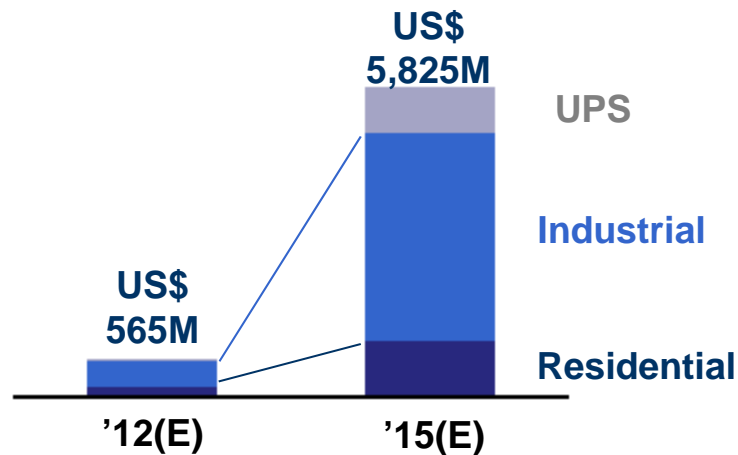
- » PV Market : Sustainable Growth at a CAGR of 10%
 - Strengthening Government Policies & Supports for PV Industry
 - Spread of Grid Parity
- » Thin-film Market : High Growth at a CAGR of 21%
 - Improvement in Power Conversion Efficiency & Cost Competitiveness

Strategies

- » Short-term : Risk Management in Line with Market
 - / Focus on R&D for Early-Commercialization of Thin-Film
- » Mid-term : Boosting Mass-Production of Thin-Film Type as a Leader
 - Targeting All Segments (Residential / Commercial / Utility)
 - Differentiated Customer Focused Value Proposition with PV + ESS Solution

ESS Market Outlook & Strategies

LIB-ESS Market



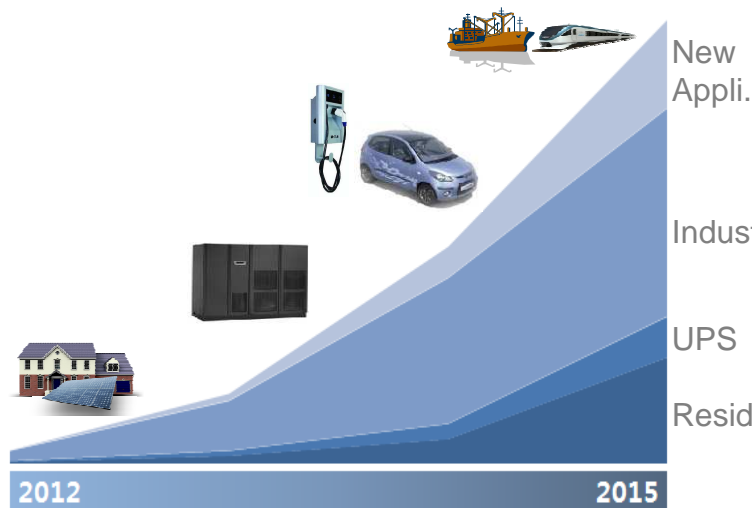
※ SDI Marketing (System Market)

Market Size

- System : \$565M/ '12 → \$5,825M/ '15 (10x)
- Pack : \$253M/ '12 → \$2,622M/ '15

Market Trends

- Initial Growth Focused on Residential ESS (JP/EU)
- Industrial ESS(UPS, Power Utilities) Market Expansion ('13 ~)



Leading Residential ESS Market (JP/EU)

- Entry into Japanese Market with Nichicon
- Expansion into EU Markets

LIB-UPS Market Creation (Replacement of Lead-acid)

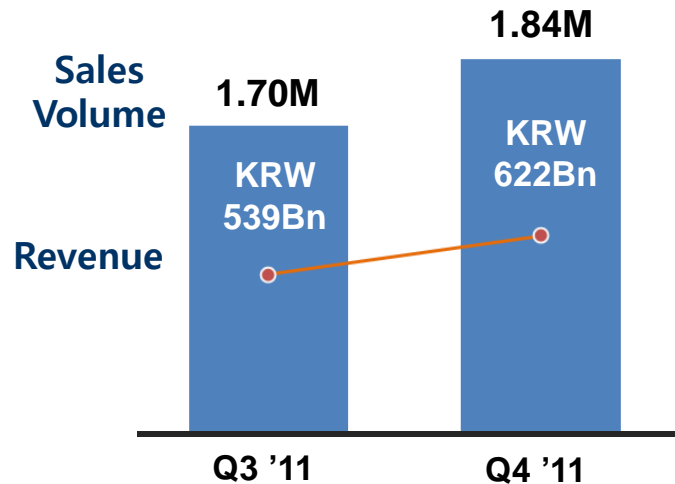
- Early Adoption of LIB for D/Center & Industrial Markets

R&D of New Applications

- Packaged Products : Industrial ESS + PV (US/EU)
- Telegraphic Translators, Charging Stations for xEVs

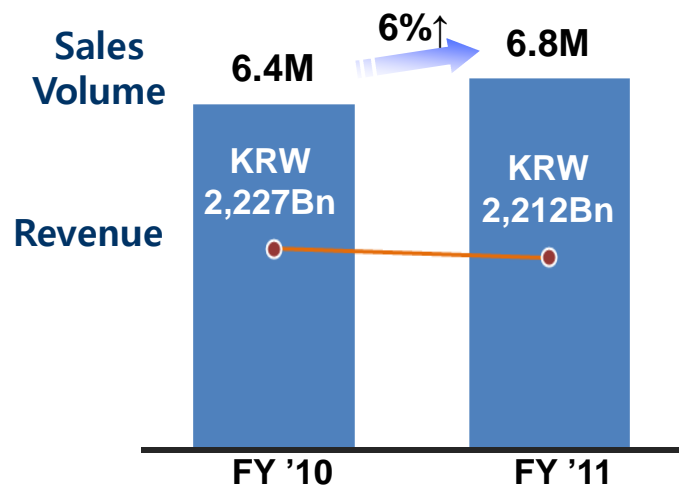
PDP Q4'11 & FY'11 Results

Q4 '11



- » Q4'11 Sales Volume 1.84M (QoQ 9%↑), Revenue KRW 622 Bn (QoQ 15% ↑)
- High Demand during Holiday Season in Developed Market (US QoQ 41%↑ / EU QoQ 83%↑)
- Revenue Growth driven by Increase Sales of Full HD/High-end Panel
- Steady Sales in Emerging Market (SE Asia & Russia)

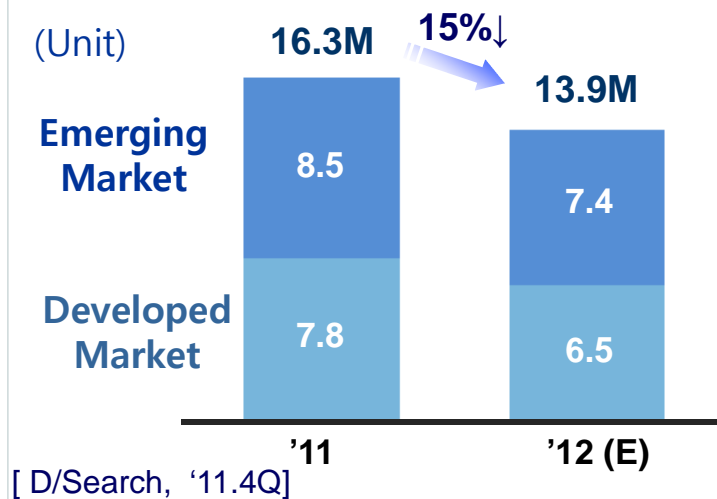
FY '11



- » FY'11 Sales Volume YoY 6%↑, Revenue YoY 2%↓
- Line-up of Distinguished Products (Slim & 3D)
- Synergy from Co-operation with SEC
- Sales of over 1M for China Market
- » Growth of Sales Volume & M/S, Despite of Slowdown in PDP Market

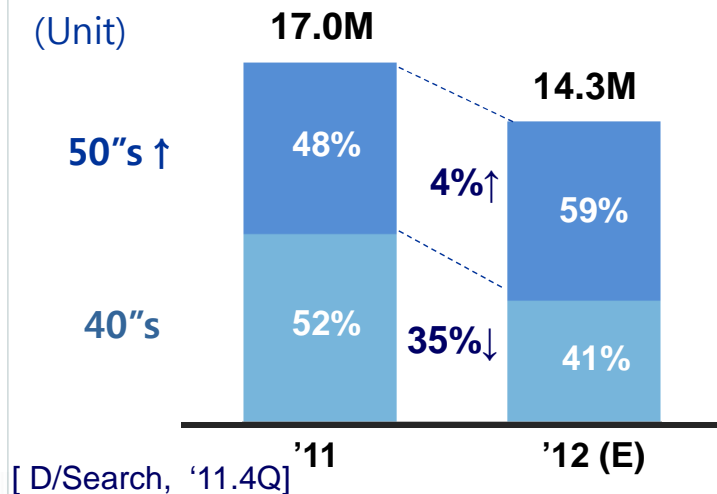
PDP '12 Market Outlook

PDP TV Market



- » '12 PDP TV :13.9M (YoY 15%↓)
 - Pricing Pressure from LCD TV (Direct LED, 1 Lamp CCFL)
 - Weakened Replacement Demand due to High FPTV Penetration Ratio in Developed Market
- » High Volatility in PDP Demand/Supply with Peers Downsizing TV Biz.

PDP Module Market



- » '12 PDP Module Demand : 14.3M (YoY 16%↓)
 - 40''s : 35% ↓, 50''s↑ : 4% ↑
- » Reinforcing Co-operation with SEC to Maintain PDP Market
 - Gaining M/S in PDP Module Market
 - Launching Low Cost PDP Models Focusing on Emerging Market

※ Reference : Income Statement

[Unit : KRW Bn]

	Q4 '10	FY'10	Q1 '11	Q2 '11	Q3 '11	Q4 '11	FY'11
Revenue	1,245.0	5,124.3	1,209.0	1,349.4	1,447.7	1,437.8	5,443.9
COGS	1,084.2	4,334.0	1,079.1	1,141.6	1,276.0	1,263.9	4,760.6
Gross Profit (%)	160.8 (12.9%)	790.3 (15.4%)	130.0 (10.7%)	207.7 (15.4%)	171.7 (11.9%)	173.9 (12.1%)	683.3 (12.6%)
Operating Profit (%)	14.7 (1.2%)	286.8 (5.6%)	60.3 (5.0%)	89.3 (6.6%)	43.0 (3.0%)	11.1 (0.8%)	203.7 (3.7%)
Non-Operating Income	62.7	135.8	51.4	41.2	92.9	88.9	274.4
Pre-Tax Profit (%)	77.4 (6.2%)	422.6 (8.2%)	111.7 (9.2%)	130.5 (9.7%)	135.9 (9.4%)	100.0 (7.0%)	478.1 (8.8%)
Tax Expenses	-6.0	37.5	28.2	35.7	24.3	38.8	127.0
Minority Interests	2.1	29.0	4.8	8.3	11.6	6.3	31.0
Net Income (%)	81.3 (6.5%)	356.1 (6.9%)	78.7 (6.5%)	86.5 (6.4%)	100.0 (6.9%)	54.9 (3.8%)	320.1 (5.9%)
Depreciation & Amortization	91.0	363.3	94.3	103.6	114.0	118.2	430.1
EBITDA (%)	164.1 (13.2%)	772.0 (15.1%)	203.2 (16.8%)	233.6 (17.3%)	250.2 (17.3%)	219.1 (15.2%)	906.1 (16.6%)
CAPEX	141.0	314.6	144.4	97.2	85.0	83.5	410.1

※ EBITDA = Net Income + Depreciation & Amortization + Minority Interests + Tax Expenses (Net) + Interests Expenses (Net)

※ Reference : Balance Sheet

[Unit : KRW Bn]

	End of '10	End of Q1 '11	End of Q2 '11	End of Q3 '11	End of '11
Assets	7,933.6	8,127.2	8,529.8	8,789.4	8,527.4
Current Assets	2,451.5	2,176.8	2,350.3	2,634.6	2,364.1
Quick Assets	1,967.4	1,692.5	1,776.1	2,002.3	1,780.5
Inventories	484.1	484.3	574.2	632.3	583.6
Non-Current Assets	5,482.1	5,950.4	6,179.5	6,154.8	6,163.3
Investment Assets	3,456.6	3,876.7	4,126.5	3,950.9	3,985.4
Property & Equipment	1,727.0	1,782.1	1,760.4	1,893.6	1,827.2
Intangible Assets	78.9	80.1	85.8	100.2	140.3
Others	219.6	211.5	206.8	210.1	210.4
Liabilities	1,702.7	1,939.0	2,160.1	2,437.9	2,212.9
Current Liabilities	1,098.4	1,317.5	1,510.1	2,013.0	1,750.0
Non-Current Liabilities	604.3	621.5	650.0	424.9	462.9
Shareholder's Equity	6,230.9	6,188.2	6,369.7	6,351.5	6,314.5
Capital Stocks	240.7	240.7	240.7	240.7	240.7