

SAMSUNG ELECTRONICS

Earnings Presentation:
3Q 2025 Financial Results

SAMSUNG

Disclaimer

The financial information in this document are consolidated earnings results based on K-IFRS.

This document is provided for the convenience of investors only before the external review on our 3Q 2025 financial results is completed. The Audit outcomes may cause some parts of this document to change.

This document contains "forward-looking statements" - that is statements related to future not past events. In this context "forward-looking statements" often address our expected future business and financial performance and often contain words such as "expects" "anticipates" "intends" "plans" "believes" "seeks" or "will". "Forward-looking statements" by their nature address matters that are to different degrees uncertain. For us particular uncertainties which could adversely or positively affect our future results include:

- The behavior of financial markets including fluctuations in exchange rates interest rates and commodity prices
- Strategic actions including dispositions and acquisitions · Unanticipated dramatic developments in our major businesses including DX (Digital eXperience) DS (Device Solutions)
- Numerous other matters at the national and international levels which could affect our future results

These uncertainties may cause our actual results to be materially different from those expressed in this document.

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PRESENTERS

3Q 2025 FINANCIAL
RESULTS

PERFORMANCE
BY BUSINESS SEGMENT

APPENDICES

Earnings Presentation

Presenters

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EVP
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Memory



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Foundry



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EVP
Samsung Display
Corp



Daniel Araujo,
VP
Mobile eXperience



Mark Kim,
VP
Visual Display



Daniel Oh,
EVP
Investor Relations

Device Solutions

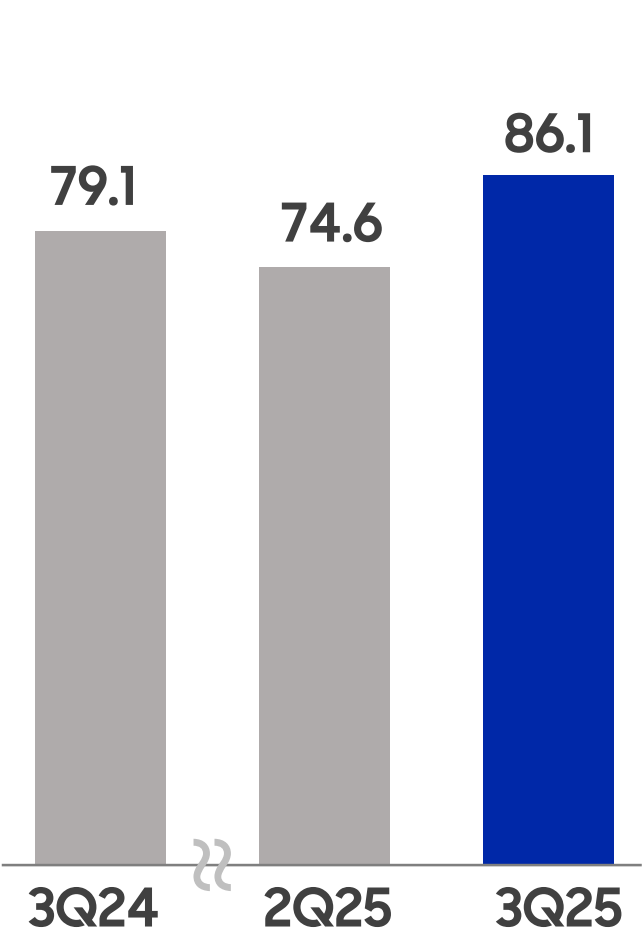
Device eXperience

3Q 2025 Highlights

Based on consolidated financial statements

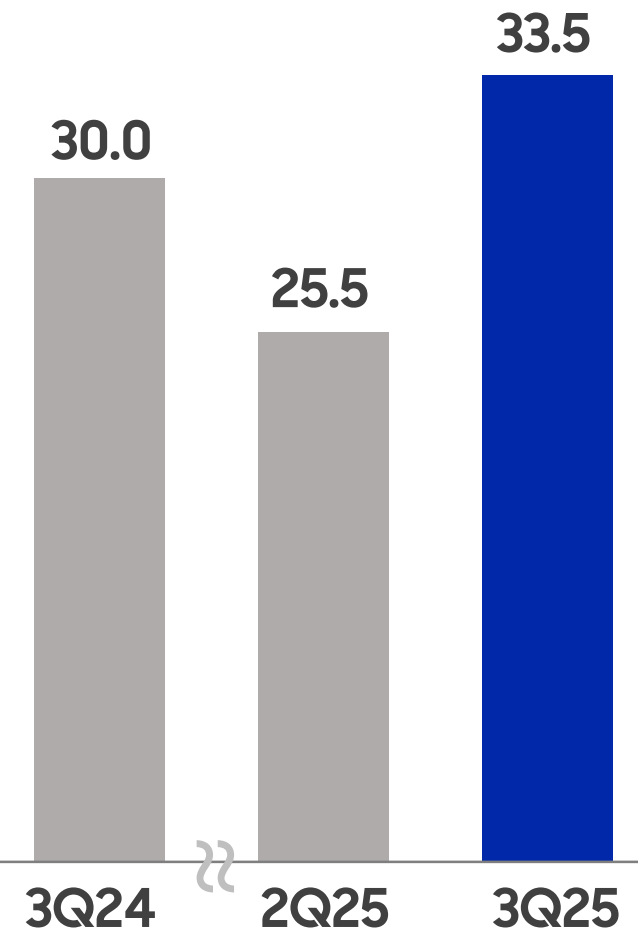
Revenue

KRW**86.1T**



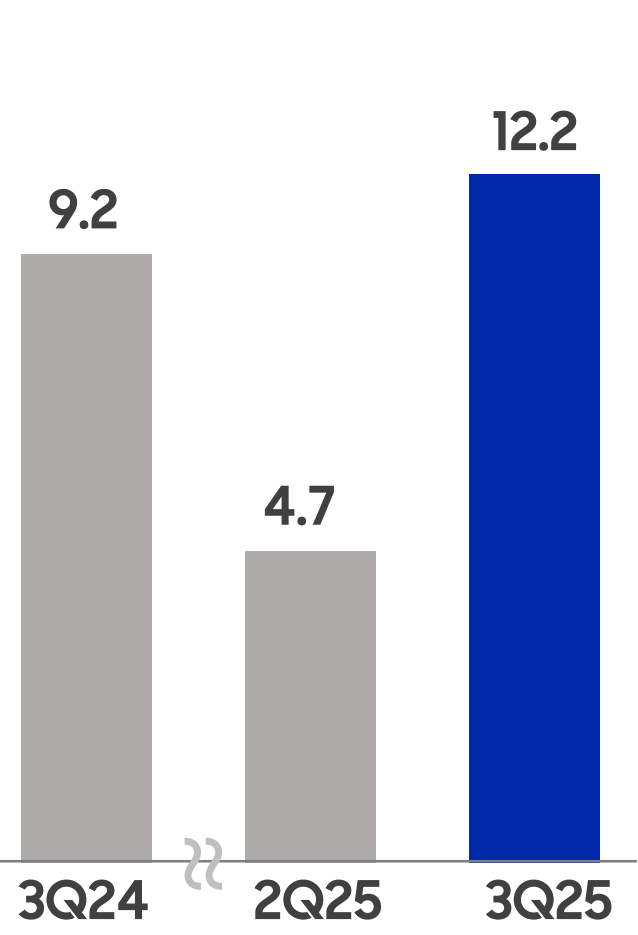
Gross Profit

KRW**33.5T**



Operating Profit

KRW**12.2T**

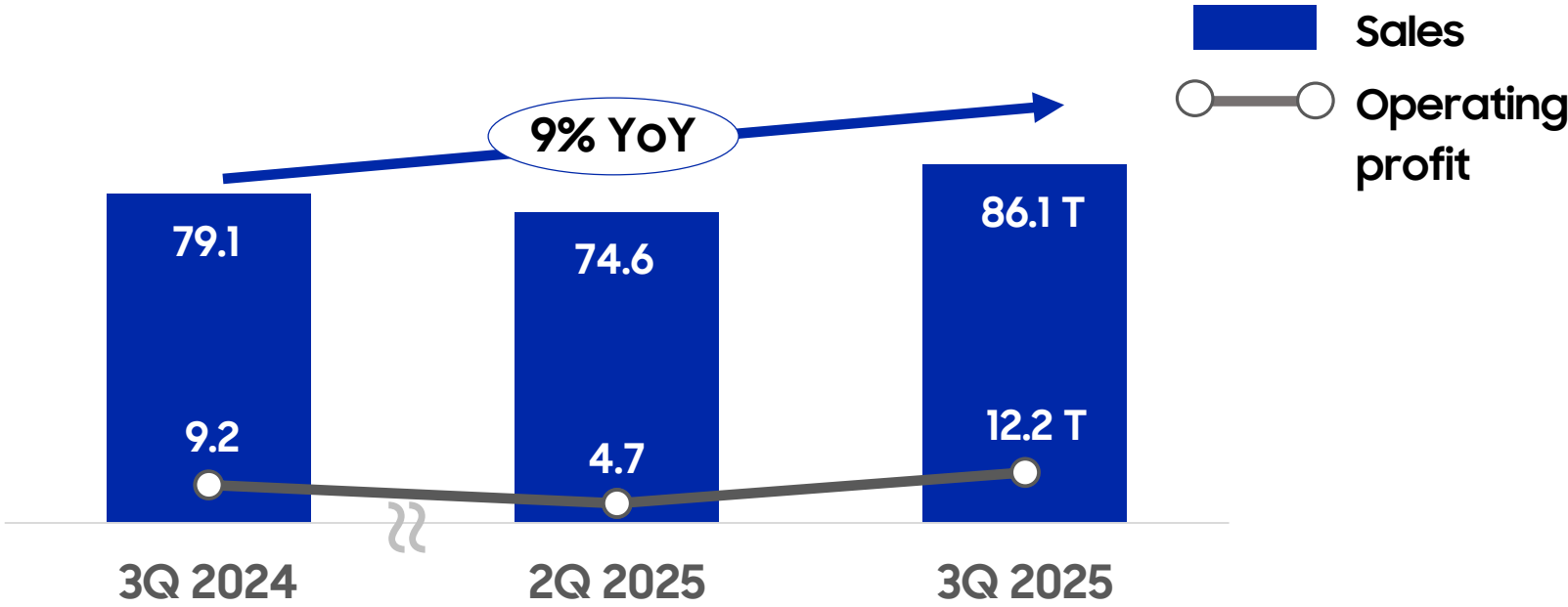


3Q 2025 Results & Financial Data

Based on consolidated financial statements

KRW trillion	3Q24	% of sales	2Q25	% of sales	3Q25	% of sales
Sales	79.1	100.0%	74.6	100.0%	86.1	100.0%
Cost of sales	49.1	62.1%	49.1	65.8%	52.6	61.1%
Gross profit	30.0	37.9%	25.5	34.2%	33.5	38.9%
SG&A expenses	20.8	26.3%	20.8	27.9%	21.3	24.8%
R&D expenses	8.9	11.2%	9.0	12.1%	8.8	10.3%
Operating profit	9.2	11.6%	4.7	6.3%	12.2	14.1%
Other non-operating income/expenses	0.2	-	0.02	-	(0.1)	-
Equity method gain/loss	0.2	-	0.2	-	0.3	-
Finance income/expenses	0.8	-	0.9	-	1.2	-
Profit before income tax	10.3	13.0%	5.8	7.7%	13.5	15.7%
Income tax	0.2	-	0.6	-	1.3	-
Net profit	10.1	12.8%	5.1	6.9%	12.2	14.2%
Profit attributable to owners of the parent	9.8	12.4%	4.9	6.6%	12.0	14.0%
Earnings per share (KRW)	1,440		737		1,802	

Sales and operating profit growth



Key profitability indicators

	3Q24	2Q25	3Q25
ROE	11%	5%	12%
Profitability (net profit/sales)	0.13	0.07	0.14
Asset turnover (sales/asset)	0.67	0.59	0.66
Leverage (asset/equity)	1.26	1.27	1.27
EBITDA margin	25%	20%	27%

Results by Business Segment

Sales

KRW trillion	3Q24	2Q25	3Q25	QoQ	YoY
Total	<u>79.1</u>	<u>74.6</u>	<u>86.1</u>	<u>15%↑</u>	<u>9%↑</u>
DX	<u>45.0</u>	<u>43.6</u>	<u>48.4</u>	<u>11%↑</u>	<u>8%↑</u>
MX / NW	30.5	29.2	34.1	17%↑	12%↑
MX	30.0	28.5	33.5	18%↑	12%↑
VD / DA	14.1	14.1	13.9	1%↓	1%↓
VD	7.6	7.0	7.3	4%↑	4%↓
DS	<u>29.3</u>	<u>27.9</u>	<u>33.1</u>	<u>19%↑</u>	<u>13%↑</u>
Memory	22.3	21.2	26.7	26%↑	20%↑
SDC	<u>8.0</u>	<u>6.4</u>	<u>8.1</u>	<u>27%↑</u>	<u>1%↑</u>
Harman	<u>3.5</u>	<u>3.8</u>	<u>4.0</u>	<u>3%↑</u>	<u>12%↑</u>

Operating profit

KRW trillion	3Q24	2Q25	3Q25	QoQ	YoY
Total	<u>9.2</u>	<u>4.7</u>	<u>12.2</u>	<u>7.5↑</u>	<u>3.0↑</u>
DX	<u>3.4</u>	<u>3.3</u>	<u>3.5</u>	<u>0.1↑</u>	<u>0.1↑</u>
MX / NW	2.8	3.1	3.6	0.5↑	0.7↑
VD / DA	0.5	0.2	(0.1)	0.3↓	0.6↓
DS	<u>3.9</u>	<u>0.4</u>	<u>7.0</u>	<u>6.6↑</u>	<u>3.1↑</u>
SDC	<u>1.5</u>	<u>0.5</u>	<u>1.2</u>	<u>0.8↑</u>	<u>0.3↓</u>
Harman	<u>0.4</u>	<u>0.5</u>	<u>0.4</u>	<u>0.1↓</u>	<u>0.1↑</u>

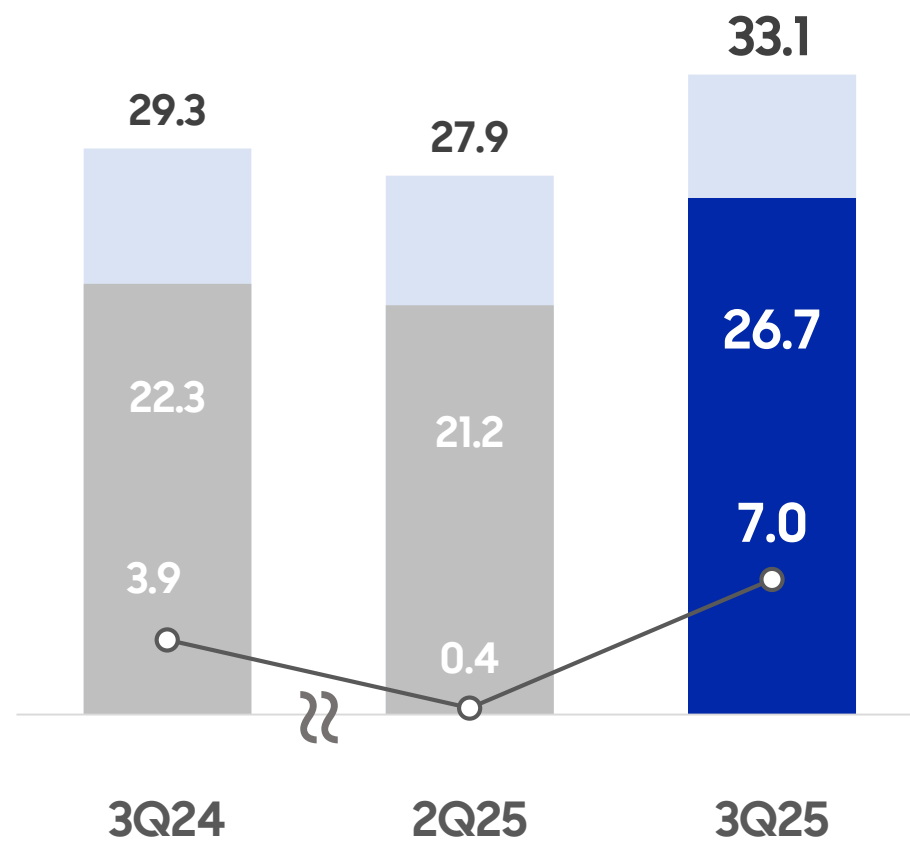
※ Sales and operating profit of each business stated above reflect the organizational structure as of December 2021 and the sales of business units include intersegment sales.
 ※ The DX Division provides earnings call materials based on the business structure before the reorganization to prevent confusion and to improve understanding among investors.
 ※ DX: Device eXperience MX: Mobile eXperience DS: Device Solutions
 ※ Sales and operating profit of VD/DA include the results of Health & Medical Equipment business.
 ※ Harman's sales and operating profit figures are based on Samsung Electronics' fiscal year and acquisition related expenses are reflected.

Memory

DS results

KRW trillion

■ Sales
■ Sales (Memory)
○ Operating Profit



3Q 2025 Results

Achieved Record-High Quarterly Revenue

- Sequentially expanded HBM3E sales in line with strong AI demand
- Proactively addressed strong demand across all applications

Significantly Improved Profit

- Enhanced profitability amid market price increase
- Sequential profit increase partially attributable to reduced one-time inventory value adjustments

4Q 2025 Outlook

Actively Respond to AI/Conventional Server Demand

- Cater to market needs with HBM3E, high-density eSSD, and other leading-edge products

Expand Sales of High-Value-Added Server Memory

- Utilize diverse high-performance products, such as industry-leading 128GB↑ DDR5, 24Gb GDDR7, etc.

2026 Outlook

Strategic Focus on HBM

- Prioritize the expansion of HBM4 business with differentiated performance to address increasing AI demand
- Aim to broaden HBM sales base to strengthen position in HBM market

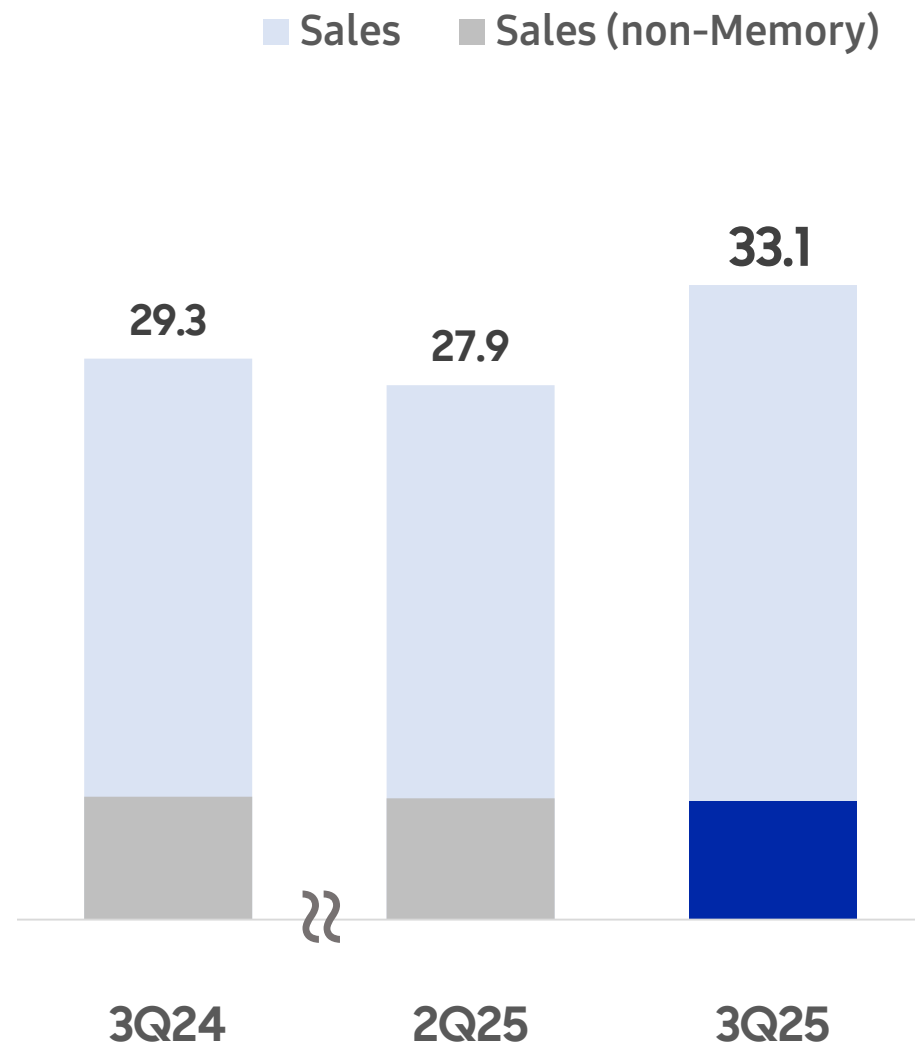
Concentrate on High-Value-Added Product Sales

- Seek to expand AI-related product sales with DDR5, LPDDR5x, high-density QLC SSD, etc.

S.LSI / Foundry

DS results

KRW trillion



3Q 2025 Results

S.LSI

- Maintained stable supply of premium SoCs
- Earnings stalled due to seasonality and customer inventory adjustments

Foundry

- Achieved record-high customer orders mainly on advanced nodes
- Started mass production of GAA 1st Gen. 2nm process
- Earnings improved substantially as one-off costs subsided and fab utilization improved

4Q 2025 Outlook

S.LSI

- Address ongoing weak demand from key customers by focusing on expanding sales of premium SoCs and image sensors

Foundry

- Aim for further earnings improvement through ramp-up of 2nm mass production, higher utilization, and cost optimization

2026 Outlook

S.LSI

- Strengthen Exynos competitiveness for key flagship models to secure market leadership
- Expand market presence by leveraging differentiated image sensor technologies

Foundry

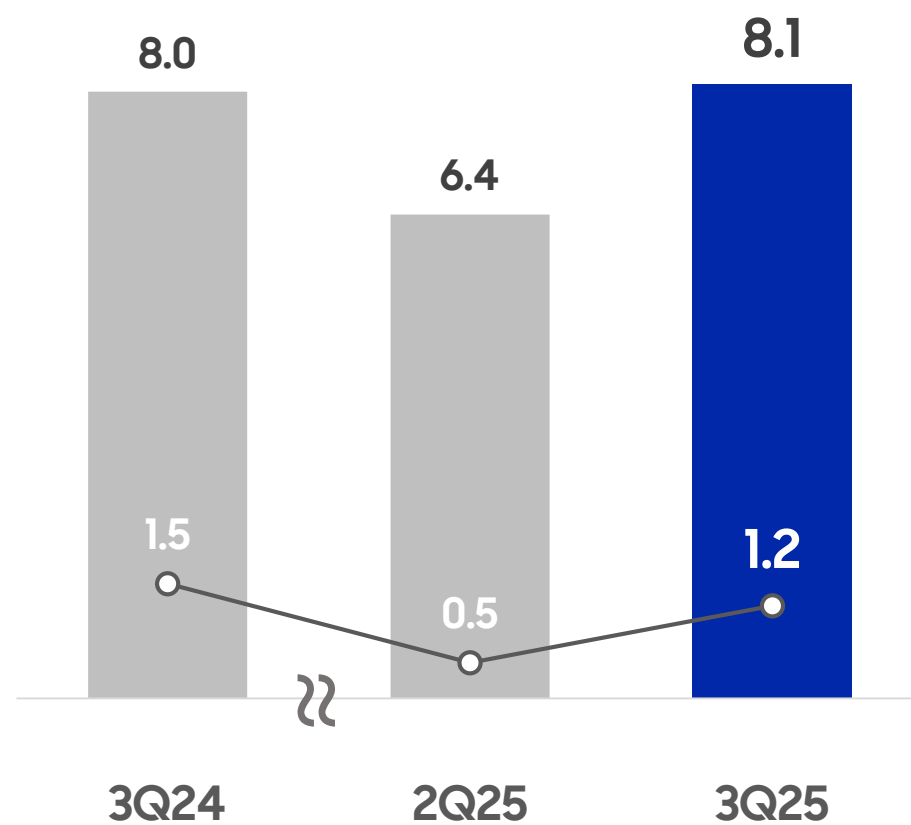
- Focus on mass production of GAA 2nd Gen. 2nm process, the performance- and power- optimized 4nm, and HBM4 base-die
- Ensure timely initial operation of the Taylor Fab in the U.S.

SDC (Samsung Display Corporation)

SDC results

KRW trillion

■ Sales
○ Operating Profit



3Q 2025 Results

Small & Medium

- Achieved improved performance driven by robust demand for flagship smartphones
- Enhanced results through proactive response to new product demand from key customers

Large

- Recorded increased unit sales, supported by the expanding demand for gaming monitors

4Q 2025 Outlook

Small & Medium

- Anticipate continued sales growth as solid demand for new smartphones persists
- Project increased sales of non-smartphone products in response to evolving market needs

Large

- Aim to drive sales through the full-scale launch of products adopting QD-OLED monitor lineup

2026 Outlook

Small & Medium

- Expand the smartphone technology gap by leveraging differentiated technologies optimized for AI devices and enhanced foldable product excellence
- Accelerate OLED expansion with competitive products through the new 8.6G IT production line

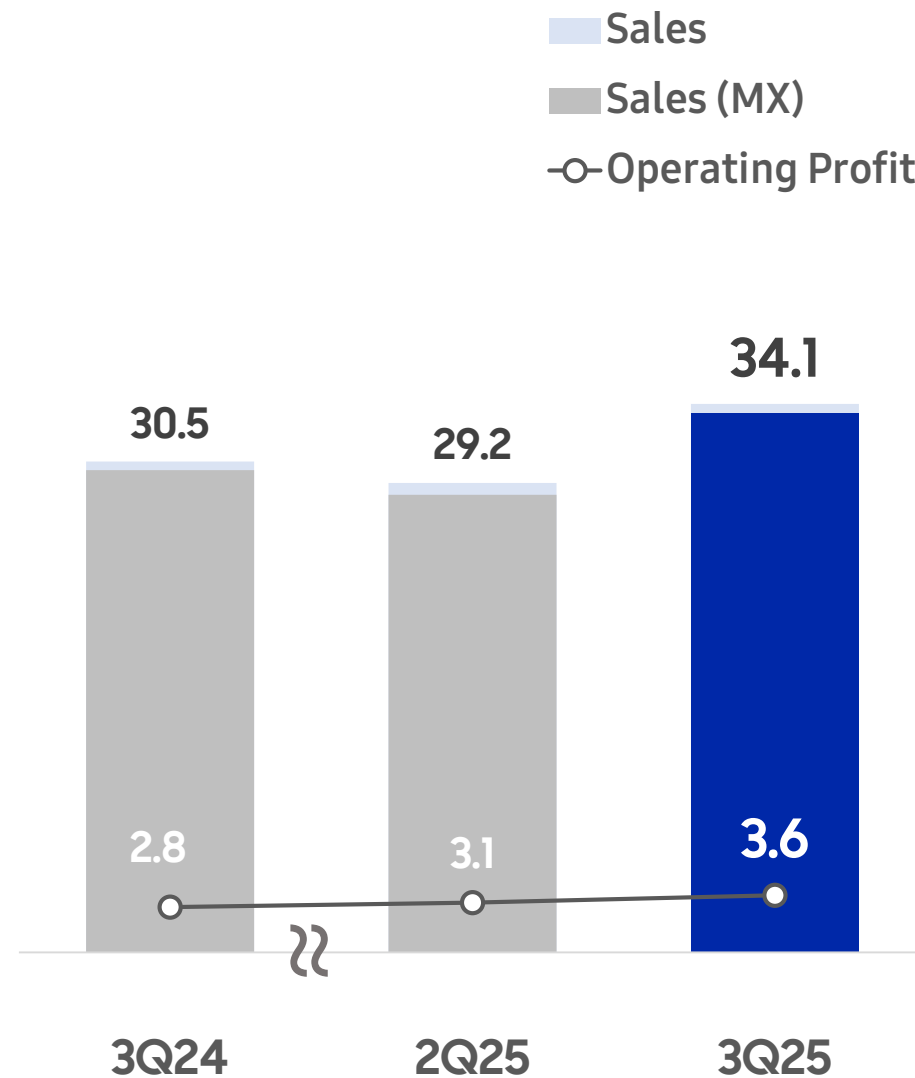
Large

- **TVs:** Sustain premium leadership based on superior performance
- **Monitors:** Reinforce market position of QD-OLED through lineup expansion and customer base diversification

MX / NW

MX / NW results

KRW trillion



3Q 2025 Results

MX

- Achieved sequential and year-over-year growth in sales and operating profit, driven by the successful launch of Fold 7
- Maintained strong flagship smartphone sales momentum while improving the sales of tablets and wearables

NW

- Experienced decline in North America and domestic sales, impacting sequential performance
- Demonstrated year-over-year improvement, supported by the base effect

4Q 2025 Outlook

MX

- Aim for year-over-year growth by leveraging seasonal promotions of AI smartphones, including S25 and foldables
- Strengthen ecosystem device sales, focusing on new premium models

NW

- Anticipate sequential and year-over-year improvements through expanded sales in key markets, such as North America

2026 Outlook

MX

- Reinforce AI leadership through innovative form factor designs and next generation AI experiences
- Expand AI smartphone sales to drive growth across all market segments and solidify volume leadership
- Maintain cost efficiency by optimizing processes amid uncertainties and increasing material costs

NW

- Drive growth through equipment demand boosted by domestic spectrum auction
- Expect stable sales performance in major oversea customers

VD / DA / Harman

3Q 2025 Results

VD

- Experienced decline in earnings due to heightened market competition, despite solid sales of premium products

DA

- Earnings decreased amid seasonally low air conditioner (AC) demand and the impact of U.S. tariffs

Harman

- Achieved revenue growth driven by increased sales in both consumer audio and automotive segments

4Q 2025 Outlook

VD

- Drive revenue recovery by proactively capturing seasonal demand through enhanced sales programs focused on premium and large-screen TVs

DA

- Aim for YoY sales growth by prioritizing premium product expansion amid market uncertainties, including tariffs

Harman

- Target YoY sales growth by boosting audio sales during peak season and diversifying brand portfolio

2026 Outlook

VD

- Reinforce premium market leadership through innovative products like Micro RGB
- Drive revenue growth by expanding sales in low-end to mid-range segments

DA

- Expand sales by enhancing AI features and strengthening competitiveness in high-volume segments
- Optimize business structure by shifting towards high-value-added areas, such as HVAC

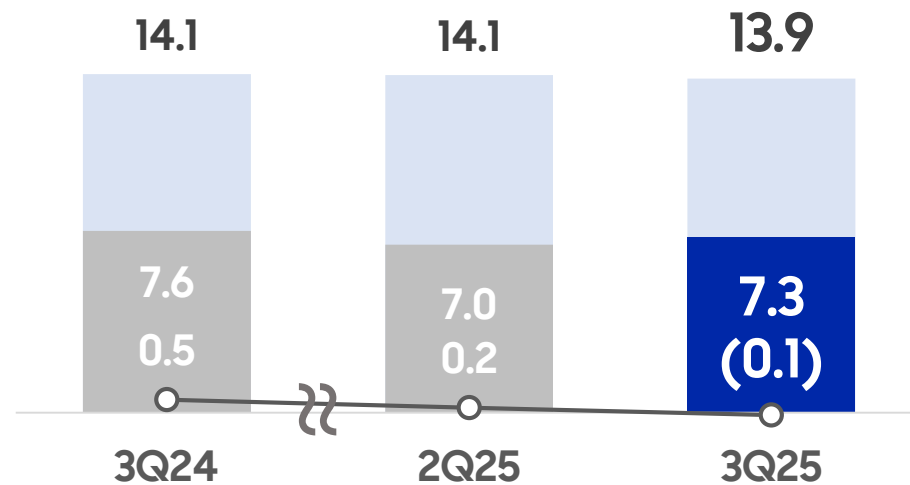
Harman

- Sustain growth in the automotive business by diversifying customer base
- Solidify audio market leadership by leveraging newly acquired brands to enhance market presence

VD/DA results

KRW trillion

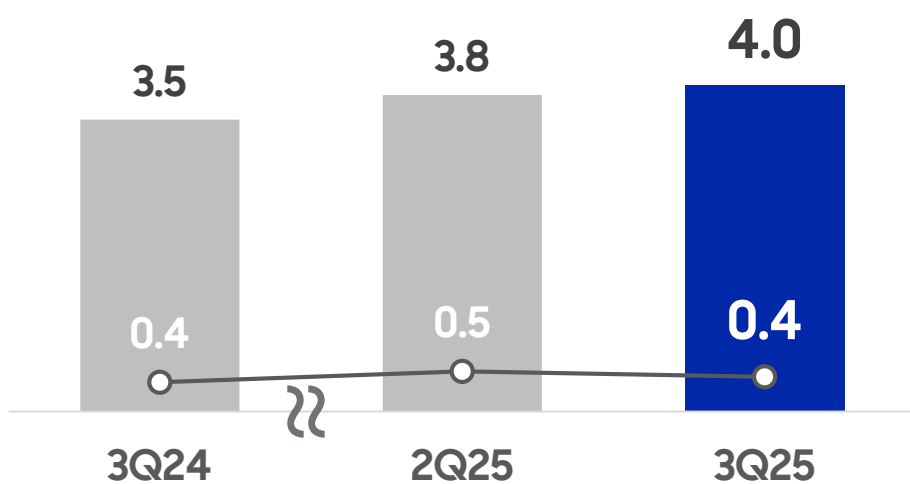
■ Sales ■ Sales (VD) ○ Operating Profit



Harman results

KRW trillion

■ Sales ○ Operating Profit



Appendix 1: Financial Position (Summary)

KRW billion	30.Sep.24	30.Jun.25	30.Sep.25
Assets	491,307.3	504,875.2	523,659.6
Cash ※	103,776.5	100,728.2	108,463.8
A/R	44,692.0	43,550.5	50,538.8
Inventories	53,356.8	51,037.4	50,332.4
Investments	31,914.6	33,240.3	38,345.3
PP&E	195,028.8	205,025.6	204,861.1
Intangible assets	23,077.5	25,997.7	26,469.1
Other assets	39,461.1	45,295.5	44,649.1
Total assets	491,307.3	504,875.2	523,659.6
Liabilities	105,025.9	105,313.2	110,158.1
Debts	16,931.9	14,029.7	16,672.3
Trade accounts and N/P	12,861.8	12,675.8	14,417.4
Other accounts and N/P & accrued expenses	44,485.7	42,922.0	43,313.5
Current income tax liabilities	4,882.4	7,643.1	6,189.6
Unearned revenue & other advances	2,595.4	2,620.2	2,953.8
Other liabilities	23,268.7	25,422.4	26,611.5
Shareholder equity	386,281.4	399,562.0	413,501.5
Capital stock	897.5	897.5	897.5
Total liability & Shareholder equity	491,307.3	504,875.2	523,659.6

※ Cash = Cash and Cash equivalents Short-term financial instruments Short-term financial assets at amortized cost etc.

	30.Sep.24	30.Jun.25	30.Sep.25
Current ratio ※	252%	251%	263%
Liability/equity	27%	26%	27%
Debt/equity	4%	4%	4%
Net debt/equity	(22%)	(22%)	(22%)

※ Current ratio = current assets/current liabilities

Appendix 2: Cash Flow (Summary)

KRW trillion	3Q24	2Q25	3Q25
Cash (beginning of period) ※	100.80	105.13	100.73
Cash flows from operating activities	22.20	17.31	22.62
Net profit	10.10	5.12	12.23
Depreciation	10.31	10.56	10.96
Cash flows from investing activities	(14.30)	(13.35)	(13.04)
Purchase of PP&E	(10.96)	(13.04)	(10.81)
Cash flows from financing activities	(2.18)	(3.41)	(4.19)
Increase in debts	0.28	2.82	2.15
Acquisition of treasury stock	-	(1.32)	(3.87)
Payment of dividends	(2.45)	(4.90)	(2.46)
Increase in cash	2.98	(4.41)	7.74
Cash (end of period) ※	103.78	100.73	108.46

※ Cash = Cash and cash equivalents short-term financial instruments short-term financial assets at amortized cost etc.

Current State of Net Cash (Net Cash = Cash ※ - Debts)

KRW trillion	30.Sep.24	30.Jun.25	30.Sep.25
Net Cash	86.84	86.70	91.79

※ Cash = Cash and cash equivalents short-term financial instruments short-term financial assets at amortized cost etc.



Thank you

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