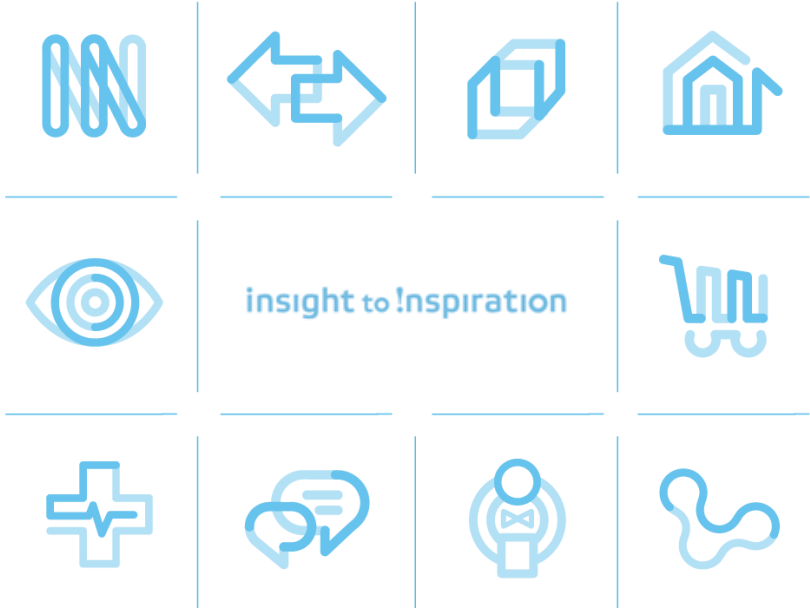


Samsung SDS 4Q15 Earnings Release

January 2016



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 audit on our 4Q15 and 2015 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:

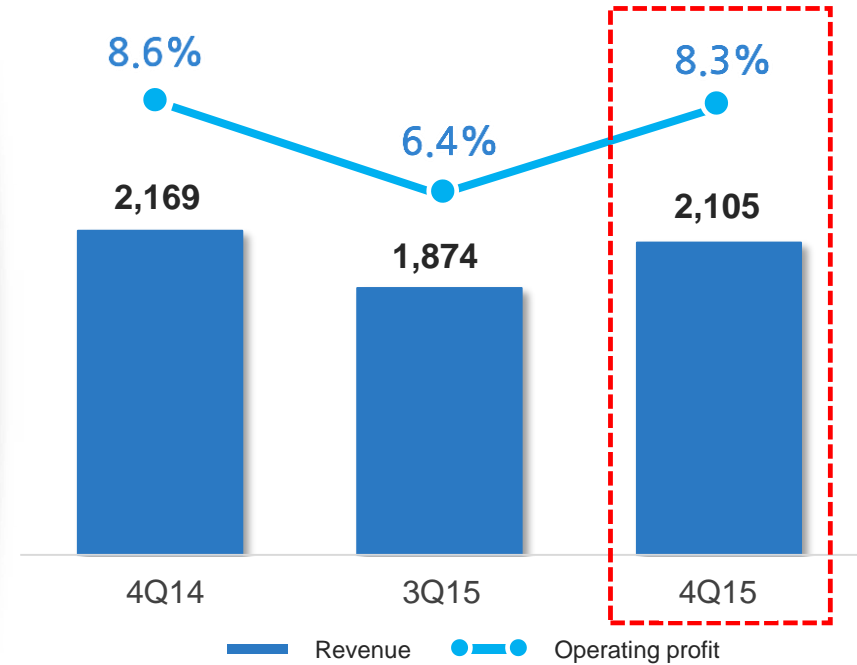
- The behavior of financial markets including fluctuations in exchange rates, interest rates
- Strategic actions including dispositions and acquisitions
- Unanticipated dramatic developments in our major businesses
- Numerous other matters at the national and international levels which could affect our future results

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

4Q15 Results

- ▶ Revenue for the quarter was 2,105 billion KRW (+12.3% QoQ)
- ▶ Operating profit was 174 billion KRW (+44.7% QoQ) with 8.3% margin
- ▶ Net profit was 141 billion KRW (+29.1% QoQ) with 6.7% margin

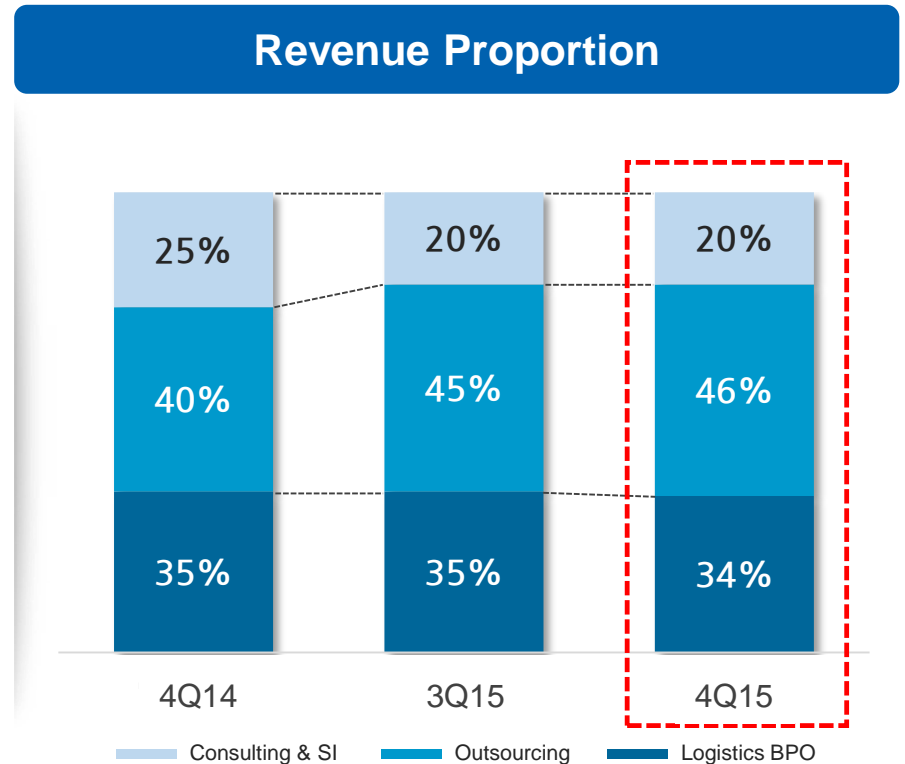
(Billion KRW)	4Q15	3Q15	QoQ	4Q14	YoY
Revenue	2,105	1,874	+12.3%	2,169	-3.0%
Operating profit (%)	174 (8.3%)	120 (6.4%)	+44.7% +1.8%p	187 (8.6%)	-6.9% -0.3%p
Profit before income tax	175	152	+14.6%	184	-5.1%
Net profit (%)	141 (6.7%)	110 (5.8%)	+29.1% +0.9%p	135 (6.2%)	+4.6% +0.5%p



Revenue by Business Segment

- ▶ IT Services revenue was increased by 14.5% QoQ due to Disaster Recovery system implementation and infrastructure business expansion.
- ▶ Logistics BPO revenue was increased by 8.3% QoQ due to seasonally high trading volume and logistics service expansion.

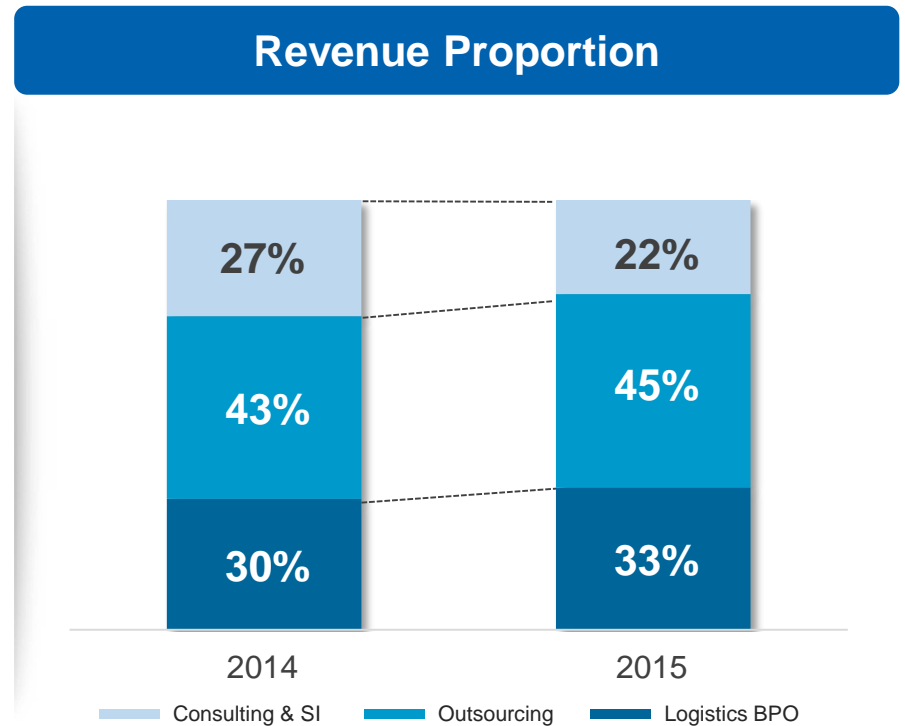
(Billion KRW)	4Q15	3Q15	QoQ	4Q14	YoY
Revenue	2,105	1,874	+12.3%	2,169	-3.0%
IT Services	1,401	1,224	+14.5%	1,400	+0.1%
Consulting & SI	426	385	+10.6%	543	-21.5%
Outsourcing	975	839	+16.2%	857	+13.8%
Logistics BPO	704	650	+8.3%	769	-8.5%
Operating profit	174	120	+44.7%	187	-6.9%
IT Services	162	106	+53.3%	168	-3.5%
Logistics BPO	12	14	-19.2%	19	-37.7%



2015 Results

- ▶ Revenue for the year was 7,854 billion KRW (-0.6% YoY)
- ▶ Operating profit was 588 billion KRW (-0.9% YoY) with 7.5% margin
- ▶ Net profit was 470 billion KRW (+8.2% YoY) with 6.0% margin

(Billion KRW)	2014	2015	YoY
Revenue	7,898	7,854	-0.6%
Operating profit (%)	593 (7.5%)	588 (7.5%)	-0.9% -
Profit before income tax	637	649	+1.9%
Net profit (%)	434 (5.5%)	470 (6.0%)	+8.2% +0.5%p



Income Statement

(Billion KRW)	2014	2015				
		1Q	2Q	3Q	4Q	
Revenue	7,898	1,916	1,960	1,874	2,105	7,854
COGS	6,605	1,620	1,623	1,572	1,746	6,561
Gross profit	1,293	296	336	302	359	1,293
Gross profit margin	16.4%	15.5%	17.1%	16.1%	17.1%	16.5%
SG&A	699	166	172	181	185	704
Operating profit	593	130	164	120	174	588
Operating profit margin	7.5%	6.8%	8.4%	6.4%	8.3%	7.5%
Non-operating gain & loss	44	11	17	32	1	61
Profit before income tax	637	141	181	152	175	649
Income tax expense	203	48	55	43	33	179
Net profit	434	93	126	110	141	470
Net profit margin	5.5%	4.9%	6.4%	5.8%	6.7%	6.0%
Profit attributable to owners of the Company	413	88	119	100	131	439
Margin	5.2%	4.6%	6.1%	5.4%	6.2%	5.6%

Revenue & Operating Profit by Business Segment

(Billion KRW)	2014	2015				
		1Q	2Q	3Q	4Q	
Revenue	7,898	1,916	1,960	1,874	2,105	7,854
IT Services	5,494	1,272	1,351	1,224	1,401	5,248
- Consulting & SI	2,136	455	450	385	426	1,716
- Outsourcing	3,358	817	901	839	975	3,532
Logistics BPO	2,403	644	609	650	704	2,606
Operating profit	593	130	164	120	174	588
IT Services	546	120	157	106	162	545
Logistics BPO	47	10	7	14	12	43
Operating profit margin	7.5%	6.8%	8.4%	6.4%	8.3%	7.5%
IT Services	9.9%	9.5%	11.6%	8.7%	11.6%	10.4%
Logistics BPO	1.9%	1.6%	1.1%	2.2%	1.6%	1.6%

Statement of Financial Position

(Billion KRW)	2012	2013	2014	2015
Assets	4,465	5,300	5,546	6,332
Current Assets	2,283	2,929	3,228	3,845
Non-current Assets	2,182	2,371	2,318	2,487
Liabilities	1,220	1,417	1,332	1,555
Current Liabilities	1,067	1,220	1,118	1,390
Non-current Liabilities	153	197	214	165
Equity	3,245	3,883	4,214	4,777
Common Stock	36	39	39	39
Cash & cash equivalents*	815	1,071	1,651	1,951
Debts & borrowings	41	53	20	11
Depreciation & amortization	308	364	397	390
CAPEX	393	302	407	467

* Including short-term financial instruments

insight to !nspiration



삼성SDS

www.sds.samsung.co.kr

Copyright © 2015 Samsung SDS Co., Ltd. All rights reserved. | Confidential