

Samsung SDS
1Q 2022
Earnings Release

Apr 28, 2022



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 1Q22 financial results are completed. The audit outcomes may cause some parts of this document to change.

This document may contain 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

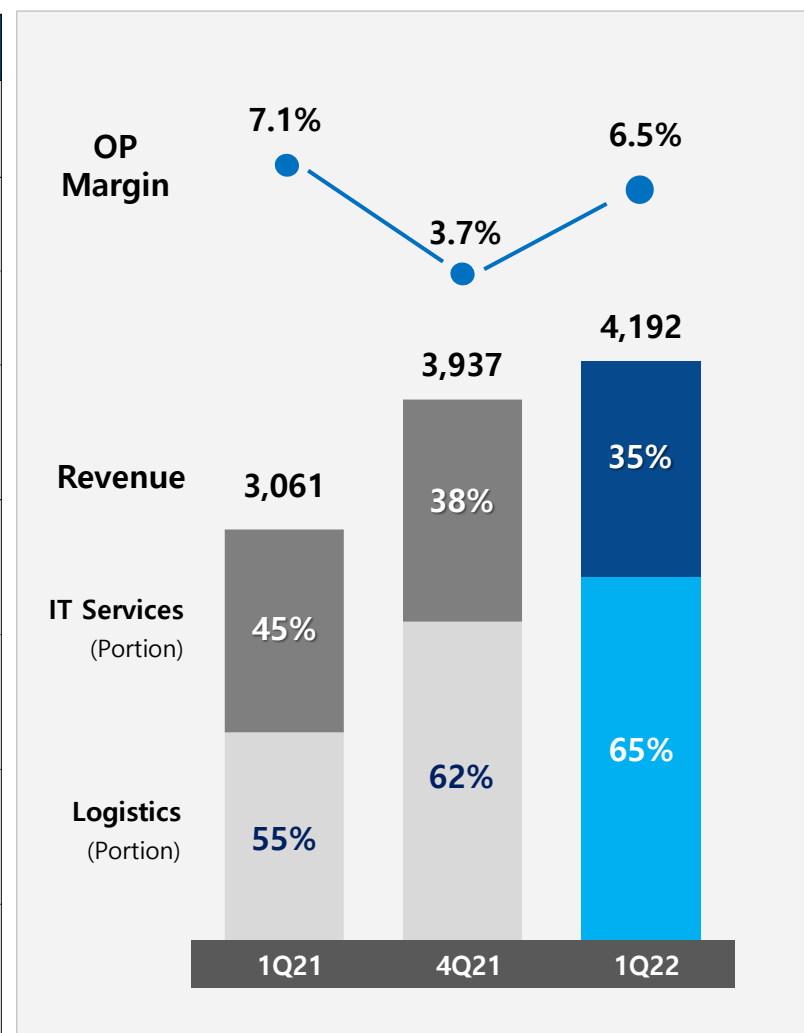
These uncertainties may cause our actual results to be materially different from those expressed in this document.

1 1Q22 Earnings Overview

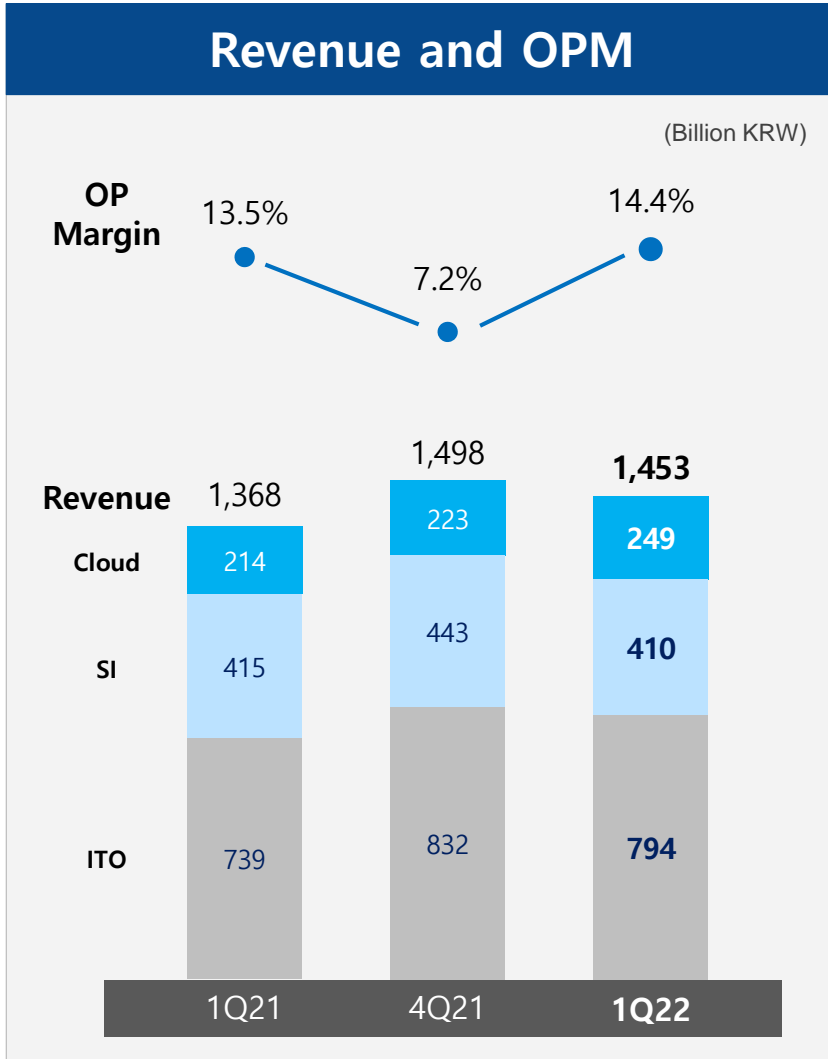
Income Statement

	1Q22	4Q21	QoQ	1Q21	YoY
Revenue	4,192	3,937	+6.5%	3,061	+36.9%
IT Services	1,453	1,498	-3.0%	1,368	+6.1%
Logistics	2,739	2,439	+12.3%	1,693	+61.8%
Operating profit	274	144	+89.6%	217	+26.0%
(%)	(6.5)	(3.7)	(+2.8)	(7.1)	(-0.6)
IT Services	209	108	+93.9%	185	+13.1%
(%)	(14.4)	(7.2)	(+7.2)	(13.5)	(+0.9)
Logistics	65	36	+76.8%	32	+99.1%
(%)	(2.4)	(1.5)	(+0.9)	(1.9)	(+0.4)
Pre-tax profit	294	155	+89.7%	227	+29.6%
(%)	(7.0)	(3.9)	(+3.1)	(7.4)	(-0.4)
Net Income	204	111	+84.6%	159	+29.0%
(%)	(4.9)	(2.8)	(+2.1)	(5.2)	(-0.3)

(Billion KRW)



2 IT Services



▶ Cloud

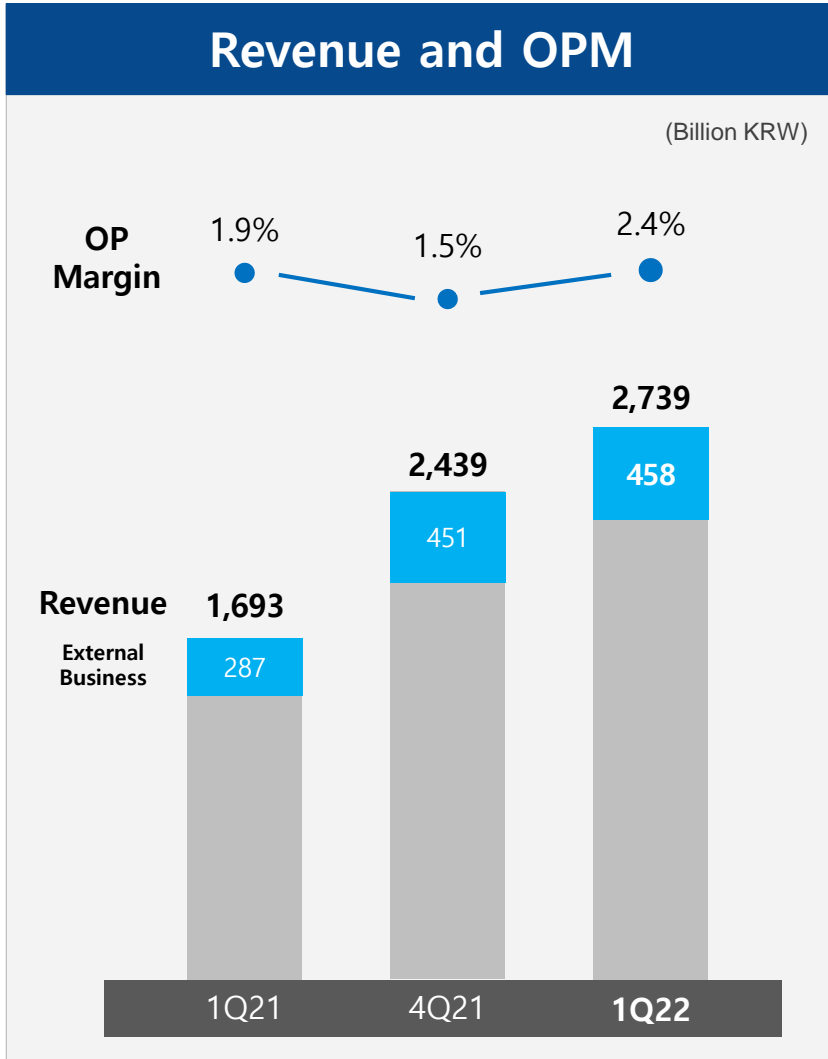
- MSP : Cloud Migration of enterprise system (eg. MIS, ERP)
- Private Cloud : Increased cloud services in semiconductor mfg.
- SaaS : Global SCM, CRM solution implementation in manufacturing and chemical industries

▶ S I / ITO

- MES : Expansion of MES implementation to overseas factory in battery manufacturing
- MIS : Increased web browser conversion business as Internet Explorer support ends
- ITO : Expansion of IT outsourcing service for external customers

* MSP (Managed Service Provider), SaaS (Software-as-a-Service), MIS (Management Information System), SCM (Supply Chain Management), MES (Manufacturing Execution System)

3 Logistics



▶ Freight Charge & Trading Volume

- Strong freight charge
 - COVID-19 impact, higher oil price, Ukraine crisis
- Increased trading volume
 - New release of handsets, solid demand of TV & Home Appliances

▶ External Business

- Global logistics service coverage expanded for major customers in High-Tech & Auto Parts industries

[Appendix 1] Income Statement

(Billion KRW)	2021					1Q22
	1Q	2Q	3Q	4Q		
Revenue	3,061	3,251	3,381	3,937	13,630	4,192
COGS	2,632	2,810	2,950	3,554	11,947	3,700
Gross Profit	429	441	431	382	1,683	491
Margin (%)	14.0%	13.6%	12.8%	9.7%	12.3%	11.7%
SG&A	212	216	209	238	875	219
Operating Profit	217	225	222	144	808	274
Margin (%)	7.1%	6.9%	6.6%	3.7%	5.9%	6.5%
Non-operating gain & loss	10	5	25	10	49	20
Profit before income tax	227	229	247	155	858	294
Income tax expense	68	65	48	44	224	891
Net Income	159	165	199	111	633	204
Margin (%)	5.2%	5.1%	5.9%	2.8%	4.6%	4.9%
Profit attributable to owners of the parent	156	159	193	103	611	198

[Appendix 2] Revenue & Operating Profit by Business Segment

	2021					1Q22
	1Q	2Q	3Q	4Q		
Revenue	3,061	3,251	3,381	3,937	13,630	4,192
IT Services	1,368	1,392	1,379	1,498	5,637	1,453
SI	415	402	382	443	1,641	410
ITO	739	776	777	832	3,125	794
Cloud	214	214	220	223	871	249
Logistics	1,693	1,859	2,002	2,439	7,993	2,739
Operating Profit	217	225	222	144	808	274
IT Services	185	189	183	108	664	209
Logistics	32	36	39	37	144	65
OP Margin	7.1%	6.9%	6.6%	3.7%	5.9%	6.5%
IT Services	13.5%	13.6%	13.3%	7.2%	11.8%	14.4%
Logistics	1.9%	1.9%	1.9%	1.5%	1.8%	2.4%

[Appendix 3] Statement of Financial Position

(Billion KRW)	2017	2018	2019	2020	2021	1Q22
Asset	7,278	8,014	9,021	9,155	10,517	10,835
Current assets	5,118	5,882	6,384	6,581	7,576	7,921
Non-current assets	2,160	2,132	2,637	2,574	2,941	2,914
Liabilities	1,558	1,865	2,296	2,296	3,074	3,334
Current liabilities	1,325	1,575	1,698	1,721	2,371	2,633
Non-current liabilities	233	290	598	575	703	701
Equity	5,720	6,149	6,725	6,859	7,444	7,501
Capital stock	39	39	39	39	39	39
Cash & Cash equivalents	2,925	3,672	3,831	4,194	4,591	4,855
Debts & Borrowings	1	1	1	1	1	1
CAPEX	186	276	379	275	325	86
D & A	333	308	441	451	442	117
EPS(KRW)	6,854	8,134	9,517	5,732	7,899	-
ROE(%)	9.6%	10.6%	11.4%	6.5%	8.5%	-
DPS(KRW)	2,000	2,000	2,400	2,400	2,400	-
Payout ratio	29.2%	24.6%	25.2%	41.9%	30.4%	-

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