

# SAMSUNG SDS

## 4Q 2024 Earnings Release

Jan 23, 2025



# 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 4Q24 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. The uncertainties may cause our actual results to be materially different from those expressed in this document.

# 1 Earnings Overview

## Quarterly

## Annual

(Billion KRW)

	4Q24	3Q24	QoQ	4Q23	YoY	2024	2023	YoY
<b>Revenue</b>	<b>3,642</b>	<b>3,570</b>	<b>+2.0%</b>	<b>3,377</b>	<b>+7.9%</b>	<b>13,828</b>	<b>13,277</b>	<b>+4.2%</b>
COGS	3,136	3,054	+2.7%	2,906	+7.9%	11,816	11,481	+2.9%
<b>Gross Profit</b>	<b>507</b>	<b>516</b>	<b>-1.8%</b>	<b>471</b>	<b>+7.6%</b>	<b>2,012</b>	<b>1,796</b>	<b>+12.0%</b>
Margin(%)	(13.9)	(14.5)	(-0.6%p)	(13.9)	(-0.03%p)	(14.6)	(13.5)	(+1.1%p)
SG&A	295	263	+12.1%	256	+15.2%	1,101	988	+11.5%
<b>Operating Profit</b>	<b>212</b>	<b>253</b>	<b>-16.3%</b>	<b>215</b>	<b>-1.4%</b>	<b>911</b>	<b>808</b>	<b>+12.7%</b>
Margin(%)	(5.8)	(7.1)	(-1.3%p)	(6.4)	(-0.6%p)	(6.6)	(6.1)	(+0.5%p)
Non-operating gain & loss	70	2	+2,977%	5	+1,364%	192	177	+8.1%
<b>Profit before income tax</b>	<b>281</b>	<b>255</b>	<b>+10.3%</b>	<b>219</b>	<b>+28.3%</b>	<b>1,103</b>	<b>986</b>	<b>+11.9%</b>
Income tax expense	85	69	+22.9%	73	+16.1%	313	284	+10.2%
<b>Net Income</b>	<b>196</b>	<b>186</b>	<b>+5.6%</b>	<b>146</b>	<b>+34.4%</b>	<b>790</b>	<b>701</b>	<b>+12.6%</b>
Margin(%)	(5.4)	(5.2)	(+0.2%p)	(4.3)	(+1.1%p)	(5.7)	(5.3)	(+0.4%p)
<b>Profit attributable to owners of the parent</b>	<b>190</b>	<b>180</b>	<b>+5.6%</b>	<b>142</b>	<b>+33.7%</b>	<b>757</b>	<b>693</b>	<b>+9.2%</b>

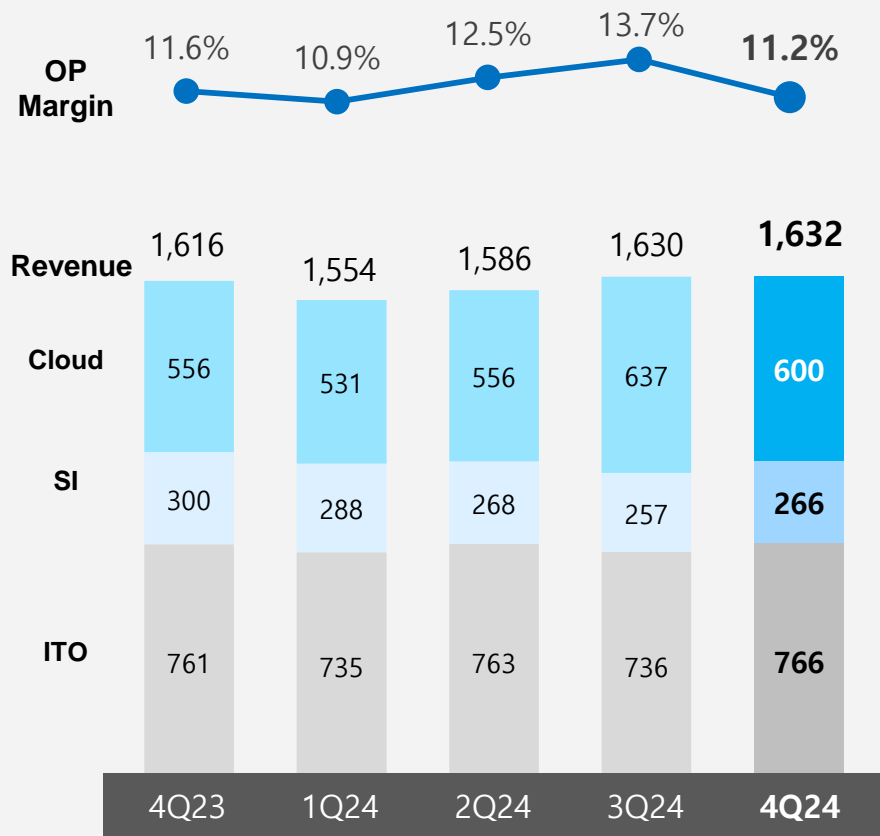
## 2 Earnings by Business Segment

		Quarterly					Annual			
		4Q24	3Q24	QoQ	4Q23	YoY	2024	2023	YoY	
		(Billion KRW)								
<b>Revenue</b>		<b>3,642</b>	<b>3,570</b>	<b>+2.0%</b>	<b>3,377</b>	<b>+7.9%</b>	<b>13,828</b>	<b>13,277</b>	<b>+4.2%</b>	
	IT Services	1,632	1,630	+0.1%	1,616	+1.0%	6,401	6,106	+4.8%	
	Cloud	600	637	-5.9%	556	+7.9%	2,323	1,881	+23.5%	
	SI	266	257	+3.8%	300	-11.2%	1,079	1,151	-6.3%	
	ITO	766	736	+4.1%	761	+0.7%	2,999	3,074	-2.4%	
	Logistics	2,010	1,940	+3.6%	1,761	+14.2%	7,427	7,171	+3.6%	
<b>Operating profit</b>		<b>212</b>	<b>253</b>	<b>-16.3%</b>	<b>215</b>	<b>-1.4%</b>	<b>911</b>	<b>808</b>	<b>+12.7%</b>	
	(%)	(5.8)	(7.1)	(-1.3%p)	(6.4)	(-0.6%p)	(6.6)	(6.1)	(+0.5%p)	
	IT Services	182	223	-18.3%	187	-2.8%	773	670	+15.3%	
	(%)	(11.2)	(13.7)	(-2.5%p)	(11.6)	(-0.4%p)	(12.1)	(11.0)	(+1.1%p)	
	Logistics	29	30	-1.5%	27	+7.9%	139	138	+0.3%	
	(%)	(1.5)	(1.5)	(-0.07%p)	(1.6)	(-0.1%p)	(1.9)	(1.9)	(-0.06%p)	

# 3 IT Services

## Revenue and OPM

(Billion KRW)



## [ IT Services ]

- Revenue 1,632 Bn KRW (YoY +1.0%, QoQ +0.1%)

### ▶ Cloud

- Revenue 600 Bn KRW (YoY +7.9%, QoQ -5.9%)
- CSP : Daegu data center opened (Oct '24), GPUaaS utilization slowed down
- MSP : Finance and Public sectors revenue increased, Manufacturing sector revenue decreased

### ▶ S I

- Revenue 266 Bn KRW (YoY -11%, QoQ +3.8%)

### ▶ ITO

- Revenue 766 Bn KRW (YoY +0.7%, QoQ +4.1%)

SI : System Integration, ITO : IT Outsourcing  
 CSP : Cloud Service Provider, GPUaaS : GPU as a Service  
 MSP : Managed Service Provider

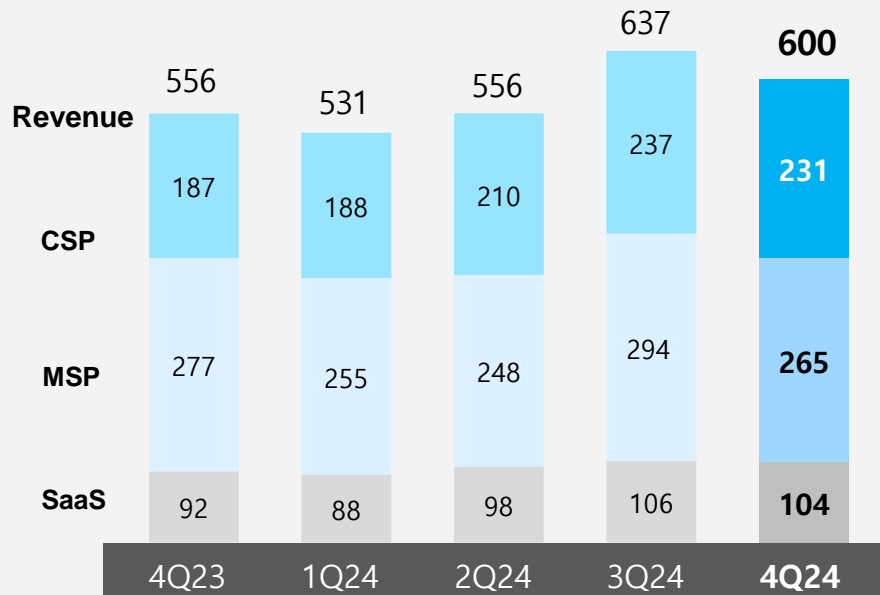
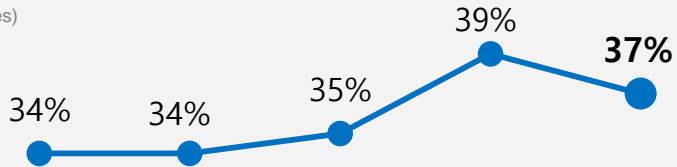
# 4 IT Services - Cloud

## Revenue and Cloud share

(Billion KRW)

### Cloud share

(Cloud / IT Services)



## [ Cloud ]

- Revenue 600 Bn KRW (YoY +7.9%, QoQ -5.9%)

### ▶ CSP

- Revenue 231 Bn KRW (YoY +23%, QoQ -2.5%)
- Cloud service for government in Daegu data center started
- GPUaaS revenue declined due to temporary utilization slow-down

### ▶ MSP

- Revenue 265 Bn KRW (YoY -4.4%, QoQ -10%)
- Finance and Public sectors revenue increased by Next generation system implementation
- Cloud migration/implementation revenue decreased due to large-scale projects closing

### ▶ SaaS

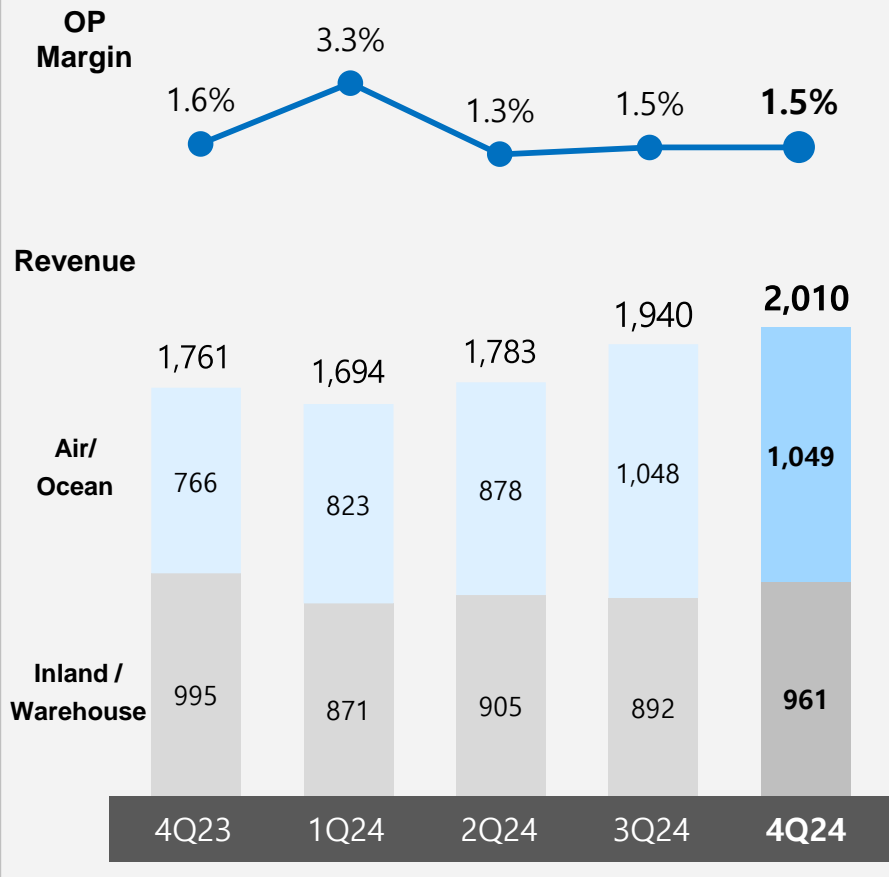
- Revenue 104 Bn KRW (YoY +13%, QoQ -1.7%)

SaaS : Software as a Service, GPU : Graphic Processing Unit

# 5 Logistics

## Revenue and OPM

(Billion KRW)



### [ Logistics ]

- Revenue 2,010 Bn KRW (YoY +14%, QoQ +3.6%)

#### ▶ Air / Ocean transport

- Revenue 1,049 Bn KRW (YoY +37%, QoQ +0.2%)
- Air transport revenue increase by higher freight rate

#### ▶ Inland transport / Warehouse operation

- Revenue 961 Bn KRW (YoY -3.4%, QoQ +7.7%)
- Seasonal volume increase and new business expansion

#### ▶ Cello Square

- Revenue 306 Bn KRW (YoY +27%, QoQ -4%)
- Membership : 19,400 companies (YoY +74%, QoQ +8%)

# [Appendix 1] Income Statement

SAMSUNG SDS

(Billion KRW)

	2023					2024				
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	
<b>Revenue</b>	<b>3,401</b>	<b>3,291</b>	<b>3,208</b>	<b>3,377</b>	<b>13,277</b>	<b>3,247</b>	<b>3,369</b>	<b>3,570</b>	<b>3,642</b>	<b>13,828</b>
COGS	2,961	2,848	2,766	2,906	11,481	2,757	2,869	3,054	3,136	11,816
<b>Gross Profit</b>	<b>440</b>	<b>443</b>	<b>442</b>	<b>471</b>	<b>1,796</b>	<b>490</b>	<b>500</b>	<b>516</b>	<b>507</b>	<b>2,012</b>
Margin (%)	12.9%	13.5%	13.8%	13.9%	13.5%	15.1%	14.8%	14.5%	13.9%	14.6%
SG&A	246	237	249	256	988	264	279	263	295	1,101
<b>Operating Profit</b>	<b>194</b>	<b>206</b>	<b>193</b>	<b>215</b>	<b>808</b>	<b>226</b>	<b>221</b>	<b>253</b>	<b>212</b>	<b>911</b>
Margin (%)	5.7%	6.3%	6.0%	6.4%	6.1%	7.0%	6.6%	7.1%	5.8%	6.6%
Non-operating gain & loss	90	33	50	5	177	76	43	2	70	192
<b>Profit before income tax</b>	<b>284</b>	<b>239</b>	<b>243</b>	<b>219</b>	<b>986</b>	<b>302</b>	<b>264</b>	<b>255</b>	<b>281</b>	<b>1,103</b>
Income tax expense	76	69	66	73	284	85	74	69	85	313
<b>Net Income</b>	<b>208</b>	<b>170</b>	<b>177</b>	<b>146</b>	<b>701</b>	<b>217</b>	<b>191</b>	<b>186</b>	<b>196</b>	<b>790</b>
Margin (%)	6.1%	5.2%	5.5%	4.3%	5.3%	6.7%	5.7%	5.2%	5.4%	5.7%
<b>Profit attributable to owners of the parent</b>	<b>202</b>	<b>173</b>	<b>176</b>	<b>142</b>	<b>693</b>	<b>211</b>	<b>177</b>	<b>180</b>	<b>190</b>	<b>757</b>



# [Appendix 2] Revenue & Operating Profit by Business Segment

SAMSUNG SDS

(Billion KRW)

	2023					2024				
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	
<b>Revenue</b>	<b>3,401</b>	<b>3,291</b>	<b>3,208</b>	<b>3,377</b>	<b>13,277</b>	<b>3,247</b>	<b>3,369</b>	<b>3,570</b>	<b>3,642</b>	<b>13,828</b>
IT Services	1,470	1,511	1,509	1,616	6,106	1,554	1,586	1,630	1,632	6,401
Cloud	410	445	471	556	1,881	531	556	637	600	2,323
SI	287	289	276	300	1,151	288	268	257	266	1,079
ITO	773	777	762	761	3,074	735	763	736	766	2,999
Logistics	1,931	1,780	1,699	1,761	7,171	1,694	1,783	1,940	2,010	7,427
<b>Operating Profit</b>	<b>194</b>	<b>206</b>	<b>193</b>	<b>215</b>	<b>808</b>	<b>226</b>	<b>221</b>	<b>253</b>	<b>212</b>	<b>911</b>
IT Services	147	169	167	187	670	170	198	223	182	773
Logistics	47	37	26	27	138	56	23	30	29	139
<b>OP Margin</b>	<b>5.7%</b>	<b>6.3%</b>	<b>6.0%</b>	<b>6.4%</b>	<b>6.1%</b>	<b>7.0%</b>	<b>6.6%</b>	<b>7.1%</b>	<b>5.8%</b>	<b>6.6%</b>
IT Services	10.0%	11.2%	11.1%	11.6%	11.0%	10.9%	12.5%	13.7%	11.2%	12.1%
Logistics	2.5%	2.1%	1.5%	1.6%	1.9%	3.3%	1.3%	1.5%	1.5%	1.9%

# [Appendix 3] Statement of Financial Position

SAMSUNG SDS

(Billion KRW)

	2021	2022	2023	2024			
				1Q	2Q	3Q	4Q
<b>Asset</b>	<b>10,517</b>	<b>11,952</b>	<b>12,321</b>	<b>12,457</b>	<b>12,682</b>	<b>12,803</b>	<b>13,238</b>
Current assets	7,576	8,006	8,160	8,255	8,437	8,576	9,004
Cash <sup>1)</sup>	4,591	5,030	5,491	5,424	5,414	5,364	6,024
A/R	1,919	1,652	1,482	1,473	1,573	1,784	1,720
Non-current assets	2,941	3,947	4,161	4,202	4,245	4,227	4,235
Tangible assets	1,179	1,520	1,654	1,689	1,744	1,736	1,774
Intangible assets	715	713	819	818	817	821	814
<b>Liabilities</b>	<b>3,074</b>	<b>3,485</b>	<b>3,345</b>	<b>3,414</b>	<b>3,407</b>	<b>3,410</b>	<b>3,533</b>
Current liabilities	2,370	2,493	2,392	2,432	2,411	2,404	2,495
A/P	822	676	693	583	695	618	707
Accrued expenses	815	1,029	805	820	918	941	884
Debts & Borrowings	1	-	-	-	-	-	-
Non-current liabilities	703	992	954	982	996	1,006	1,037
<b>Equity</b>	<b>7,444</b>	<b>8,467</b>	<b>8,976</b>	<b>9,044</b>	<b>9,275</b>	<b>9,393</b>	<b>9,705</b>
Capital stock	39	39	39	39	39	39	39

<sup>1)</sup> Cash and Cash equivalents, Short-term financial instruments, etc.

# [Appendix 4] Investments & Dividends

SAMSUNG SDS

(Billion KRW)

	2023					2024				
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	4Q	
<b>Cash<sup>1)</sup></b>	5,101	4,946	5,141	5,491	5,491	5,424	5,414	5,364	6,024	6,024
<b>CAPEX</b>	109	79	100	216	503	116	142	90	127	474
<b>D &amp; A<sup>2)</sup></b>	95	97	99	105	395	85	87	86	103	361
<b>EBITDA</b>	341	358	347	375	1,421	369	368	400	381	1,518
EBITDA Margin (%)	10.0%	10.9%	10.8%	11.1%	10.7%	11.4%	10.9%	11.2%	10.5%	11.0%
<b>ROE (%)</b>	9.8%	8.3%	8.3%	6.6%	8.2%	9.7%	8.0%	8.0%	8.3%	8.4%
<b>EPS(KRW)</b>	2,618	2,232	2,281	1,835	8,965	2,726	2,283	2,323	2,454	9,787
<b>DPS(KRW)</b>	-	-	-	-	2,700	-	-	-	-	2,900
Payout ratio (%)	-	-	-	-	30.1%	-	-	-	-	29.6%

<sup>1)</sup> Cash and Cash equivalents, Short-term financial instruments, etc.

<sup>2)</sup> Depreciation expense of Lease assets is excluded.

# **SAMSUNG SDS**

[www.samsungsds.com](http://www.samsungsds.com)