

**Samsung Electronics Co., Ltd. and its subsidiaries**  
**CONSOLIDATED STATEMENTS OF INCOME**

(In millions of Korean Won, in thousands of U.S dollars (Note 2.1))

	Note	For the three-months ended June 30,				For the six-months ended June 30,			
		2011 KRW	2010 KRW	2011 USD	2010 USD	2011 KRW	2010 KRW	2011 USD	2010 USD
<b>Revenue</b>		39,438,854	37,891,918	36,581,814	35,146,942	76,423,871	72,529,988	70,887,553	67,275,752
<b>Cost of sales</b>		26,827,122	24,525,662	24,883,704	22,748,968	52,881,565	47,534,271	49,050,705	44,090,781
<b>Gross profit</b>		12,611,732	13,366,256	11,698,110	12,397,974	23,542,306	24,995,717	21,836,848	23,184,971
Research and development Expenses		2,464,123	2,305,682	2,285,616	2,138,653	4,808,198	4,358,547	4,459,881	4,042,804
Selling, general and administrative expenses	18	6,373,997	6,355,699	5,912,250	5,895,278	12,165,051	11,897,000	11,283,787	11,035,154
Other operating income	19	256,918	470,428	238,306	436,349	566,673	1,059,441	525,622	982,693
Other operating expenses	19	278,650	161,091	258,465	149,421	435,314	379,787	403,779	352,275
<b>Operating profit</b>		3,751,880	5,014,212	3,480,085	4,650,971	6,700,416	9,419,824	6,215,023	8,737,431
Share of profit or loss of associates and joint ventures	7	410,659	552,879	380,910	512,827	786,267	1,014,573	729,308	941,075
Finance income	20	1,489,392	2,505,205	1,381,497	2,323,722	2,641,812	3,849,222	2,450,433	3,570,376
Finance expense	20	1,487,346	2,758,277	1,379,599	2,558,461	2,576,151	3,996,697	2,389,529	3,707,168
<b>Profit before income tax</b>		4,164,585	5,314,019	3,862,893	4,929,059	7,552,344	10,286,922	7,005,235	9,541,714
Income tax expense	21	658,221	1,037,104	610,538	961,973	1,261,242	2,016,237	1,169,875	1,870,176
<b>Profit for the period</b>		3,506,364	4,276,915	3,252,355	3,967,086	6,291,102	8,270,685	5,835,360	7,671,538
Profit attributable to owners of the parent		3,456,956	4,172,692	3,206,526	3,870,413	6,171,601	8,189,135	5,724,516	7,595,896
Profit attributable to non-controlling interest		49,408	104,223	45,829	96,673	119,501	81,550	110,844	75,642
Earnings per share for profit attributable to the owners of the parent (in Korean Won and US dollars):									
Basic	22	23,018	27,935	21.35	25.91	41,104	55,073	38.13	51.08
Diluted	22	22,972	27,816	21.31	25.80	41,020	54,838	38.05	50.87

The accompanying notes are an integral part of these consolidated financial statements.